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Indian Finance

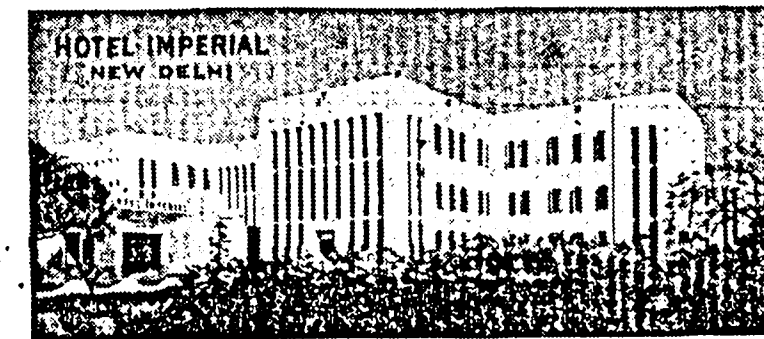
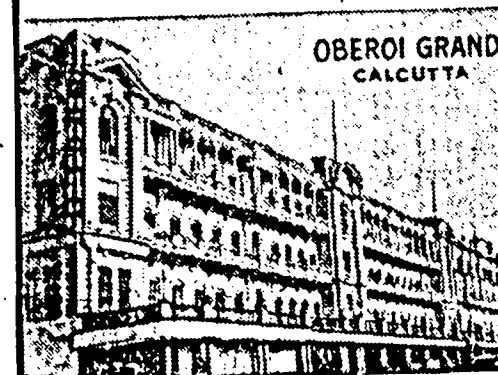
Indian Finance
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HIGHLIGHTS OF THIS ISSUE 28143
The AICC Session — The World Agricultural Fair —
Industrial Financing — Technical Training — Retirement Age —
Scarcity of Coal — Economic Growth :
These are all subjects dealt with in the Leading
Articles Section.

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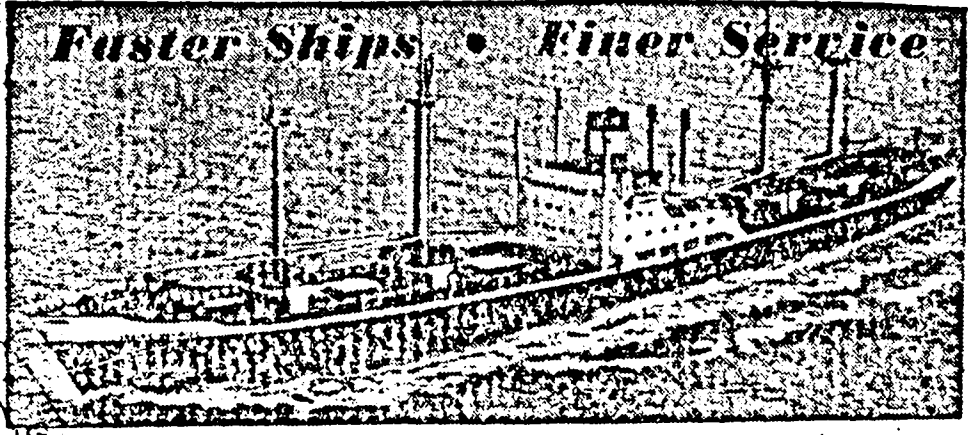
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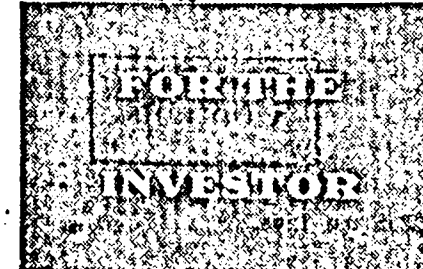
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INVESTOR



Apprehensions

Investment Gossip:

WITH the commencement of the New Year, operators seem to have come to the unanimous conclusion that the time has come for a reappraisal of the investment outlook. If, this year, thoughts about the immediate future have come much sooner than usual, it is because this year's budget is expected to bear the impress of the fact that, perhaps for the first time in the history of independent India, there is a hostile force sitting on our northern borders claiming a large portion of our territory. The Chinese aggression has imparted a new sense of national preparedness and there is hardly any one in the country who does not want our armed forces to be kept in fighting fettle. It is no doubt true that operators have been expecting a heavy defence budget for some months but now that there are only a few weeks left for the presentation of the budget, apprehensions about additional levy have revived.

Investment Special:

A direct result of the rapid industrialisation of the country is the sizable increase in the demand for special kinds of steel and products of non-ferrous metal. Most of these products are now being imported as we have no adequate installed capacity in these items. It is, therefore, in the fitness of things that new engineering units are set up with a view to filling the gap in the indigenous supply of special kinds of steel. Published elsewhere in this issue is an announcement regarding Chase Bright Steel Limited, a public limited company which will manufacture Mild Steel, Bright Bar Shaftings, etc. The plant to be set up by the company can also be used for products of non-ferrous metal.

Sugar Results

Balance-Sheet Reviews:

Phalton Sugar

THE Phalton Sugar Works Limited has reported satisfactory working results for the year ended 30th September 1959. The gross profit is Rs 30.60 lakhs against Rs 30.70 lakhs, sales having risen to Rs 1.78 crores from Rs 1.69 crores. After providing Rs 3.55 lakhs for Depreciation against Rs 3.30 lakhs; Rs 1.45 lakhs for Development Rebate Reserve against nil and Rs 9.25 lakhs for Taxation (Rs 14.50 lakhs), the net profit is higher at Rs 13.64 lakhs as compared with Rs 10.02 lakhs in the previous year. The directors have provided Rs 1 lakh for additional provision for tax in the previous year. The Ordinary dividend is Rs 13.50 per share, subject to tax. The company is understood to have made an application to the Government for increasing the crushing capacity from 850 tons to 1,000/1,200 tons a day and the Government's sanction is awaited. The factory crushed 120,881 tons of sugarcane and the sugar produced was 144,671 bags as against 129,325 tons of cane and 127,151 bags of sugar.

pared with Rs 10.02 lakhs in the previous year. The directors have provided Rs 1 lakh for additional provision for tax in the previous year. The Ordinary dividend is Rs 13.50 per share, subject to tax. The company is understood to have made an application to the Government for increasing the crushing capacity from 850 tons to 1,000/1,200 tons a day and the Government's sanction is awaited. The factory crushed 120,881 tons of sugarcane and the sugar produced was 144,671 bags as against 129,325 tons of cane and 127,151 bags of sugar.

New Swadeshi Sugar

The New Swadeshi Sugar Mills Company Limited has reported encouraging results for the year ended 30th June 1959 with the gross profit showing a substantial increase from Rs 10.32 lakhs to Rs 23.75 lakhs. After providing Rs 2.26 lakhs for managing agents remuneration (Rs 96,221) and Rs 1.15 lakhs for depreciation (Rs 1.80 lakhs), the net profit amounts to Rs 20.32 lakhs against Rs 7.55 lakhs in the preceding year.

Sales have gone up from Rs 1.11 crores to Rs 1.63 crores. The provision for Taxation amounts to Rs 9.84 lakhs against Rs 4.25 lakhs. The General Reserve claims Rs 3 lakhs against nil and the Renovation and Renewals Reserve Rs 2.50 lakhs against nil.

The factory crushed Rs 43.14 lakh maunds of sugarcane against 38.52 lakh maunds in the previous year. The average recovery is slightly lower at 9.88 per cent against 10.08 per cent and this is attributable to longer duration of the season and comparatively low sucrose percentage in cane. A crushing of about 43 lakh maunds of sugarcane is expected during the current season.

Balrampur Sugar

The working of the Balrampur Sugar Company Limited, for the year ended 30th June 1959, has resulted in a profit of Rs 1.08 lakhs as against Rs 1.28 lakhs in the previous year after providing Rs 1.08 lakhs for Depreciation (Rs 1.23 lakhs) and Rs 1.30 lakhs for Taxation (Rs 2.43 lakhs). The company has already paid an interim dividend of 40 p per share, subject to tax, and this will be treated as final for the year. The Rehabilitation Reserve absorbs Rs 70,000 against Rs 1 lakh and the Development Rebate Reserve Rs 42,000 against Rs 30,000. After making necessary adjustments, a sum of Rs 45,327 is carried forward against Rs 59,415 brought in.

Hindustan Sugar

Despite a rise in sales from Rs 3.85 crores to Rs 4.31 crores, the Hindustan Sugar Mills Limited has reported a setback in its gross profit, which has declined by Rs 3.54 lakhs to Rs 43.82 lakhs for the year ended 30th June, 1959. This

is probably due to a reduction in the total quantity of cane crushed during the season, which has fallen from 1,03 crore maunds to 95.36 lakh maunds. The recovery of sugar has also been lower at 9.83 per cent against 10.49 per cent in the previous year.

After providing Rs 2.71 lakhs for managing agents' remuneration (Rs 3.70 lakhs); Rs 11.85 lakhs for Taxation (Rs 6.25 lakhs); and Rs 17.25 lakhs for Depreciation (Rs 10.70 lakhs), the net profit is only Rs 12.01 lakhs as against Rs 26.71 lakhs in the previous year. The Development Rebate Reserve gets Rs 1.05 lakhs against Rs 18.50 lakhs and General Reserve Rs 4.00 lakhs against nil. The directors have recommended a dividend of Rs 15 per share, subject to tax, as against Rs 15 net in the previous year.

Total quantity of cane crushed is 9,538,453 maunds with sugar recovery of 9.83 per cent as against 103,23,849 maunds with sugar recovery of 10.49 per cent. According to the directors' report, the Government's incentive scheme will assist in increasing sugar production in the company's factory as well as in other factories. But, they add that, under the present control, the capacity of the factories vis-a-vis gur and khandasari in the matter of payment of competitive price of cane to the cane-growers, is impaired as the mills are not able to attract maximum cane.

Upper Ganges Sugar

The working of the Upper Ganges Sugar Mills Limited has resulted in a higher profit of Rs 11.45 lakhs for the year ended 30th June 1959 as against only Rs 5.51 lakhs in the previous year, after providing Rs 7.36 lakhs for Depreciation (Rs 8.90 lakhs); Rs 1.95 lakhs for Development Rebate (Rs 2.75 lakhs); Rs 18 lakhs for managing agents' remuneration (Rs 3.40 lakhs) and Rs 8.83 lakhs for Taxation (Rs 19.50 lakhs). The directors have recommended a dividend of Rs 7.25 per share, subject to deduction of tax. The net dividend works out at Rs 5.075 against Rs 5 in the previous year of the company.

Sales have amounted to Rs 3.25 crores against Rs 3.75 crores. A sum of Rs 4.11 lakhs is transferred to General Reserve, against Rs 25,000. The company's mill worked for 106 days against 158 days in the previous years and crushed 60.70 lakh maunds of cane against 94.47 lakh maunds. The recovery is lower at 9.44 per cent against 10.14 per cent. A crushing of about 90 lakh maunds of sugarcane is expected during the current year.

The working results of the Chemical department are not satisfactory as sales are adversely affected on account of keen competition in the market. From April 1, 1959, the distillery has been let out to Alco-Chem Limited, a subsidiary of the Company.

Basti Sugar

During the year ended 30th April 1959, the Basti Sugar Mills Company Limited crushed 6,760,329 maunds of cane as against 5,055,150 maunds in the previous year. After meeting all charges, the accounts reveal a profit, before taxation, of Rs 9.07 lakhs. With Rs 10.49 lakhs brought in from the previous year, there is an available balance of Rs 19.56 lakhs. This is disposed of as follows:—Rs 1.50 lakhs in paying a dividend of 10 per cent; Rs 6.80 lakhs in providing for Taxation; Rs 30,211 in transferring to Charity account; Rs 98,000 in transferring to Investment Depreciation Reserve Fund and Rs 10 lakhs in carrying forward to the next account.

Associated Cement Companies

Although sales by the Associated Cement Companies Limited have increased by Rs 1.21 crores to Rs 25.55 crores for the year ended 31st July 1959, the gross as well as the net profit have turned out to be lower. The gross profit has gone down by Rs 17 lakhs to Rs 5.54 crores, while the net profit, after providing for managing agents' commission, Depreciation, Taxation and Development Rebate, works out at payment of gross dividend of Rs 11 per share, the directors have drawn Rs 79 lakhs from General Reserve, as larger provision for Development Rebate has to be made due to coming into operation of various expansion and rehabilitation projects.

In regard to allocations, a sum of Rs 37.13 lakhs (Rs 41.01 lakhs) is provided for managing agents' commission; Rs 2.12 crores for Depreciation (Rs 1.80 crores); Rs 1.19 crores for Taxation (Rs 1.96 crores); and Rs 74.15 lakhs for Development Rebate Reserve (Rs 21 lakhs).

The directors have pointed out that there is a sharp decline in the rate of increase in the demand for cement in India, while installed capacity continues to expand. The installed capacity of the company's factories in India, as on the 31st July 1959, was 34.42 lakh tons as against 31.27 lakh tons a year ago, while despatches amounted to only 31.47 lakh tons, i.e. 91.43 per cent of the installed capacity, as against 30.69 lakh tons or 98.15 per cent in 1957-58. The directors add that there are indications that the demand in India may pick up again; but it is unlikely that it will, in the near future, exceed or even catch up with the installed capacity, which continues to expand steadily. Costs with regard to packing, coal, railway freight, wages, electricity duty, have increased around. With the result, the price increase of Rs 3.50 per ton is more than neutralised and the company has been compelled, once again, to approach the Government for a suitable enhancement of the retention price of cement.

Gross block has increased by about Rs 4 crores, at Rs 40.30

Indian Finance

Founded by:
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Editorial Adviser:
P. R. SRINIVAS
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C. SWAMINATHA RANGASWAMI JR.

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crores. The net block, with the depreciation of Rs 14.66 crores provided so far, stood at Rs 25.64 crores as against Rs 23.53 crores. With certain equipment in transit and unallocated capital expenditure, the net block comes to Rs 27.20 crores as against Rs 24.35 crores. Current assets are valued at Rs 13.99 crores against Rs 16.60 crores. Loans and advances are lower by Rs 6 lakhs, at Rs 1.21 crores. Cash and bank balances stood at Rs 1.45 crores against Rs 1.33 crores. Out of this, Rs 1.14 crores was accounted in Pakistan against Rs 85 lakhs a year ago.

CRS

New Central Jute

The New Central Jute Mills Company has reported encouraging works results for the year ended 31st March 1959 with the surplus amounting to Rs 53.50 lakhs against Rs 47.88 lakhs in the preceding period of 15 months. The directors have recommended a dividend of Rs 1.50 per share without deduction of tax on the increased capital. The company paid a dividend of 15 per cent for the preceding period of 15 months. The yield works out at 7 per cent.

Sales have amounted to Rs 7.16 crores against Rs 15.96 crores. The managing agents' remuneration absorbs Rs 2.53 lakhs against Rs 1.34 lakhs. The provision for Depreciation amounts to Rs 9.32 lakhs against Rs 13.38 lakhs and that for Taxation Rs 9 lakhs against Rs 4.25 lakhs. The Development Rebate Reserve claims Rs 2.83 lakhs against Rs 1.20 lakhs. A sum of Rs 7 lakhs has been transferred from General Reserve No. 1 against Rs 15.71 lakhs and the allocation to General Reserve No. 2 is nil against Rs 15.51 lakhs.

It may be added that the company issued 4,27,500 Ordinary shares at Rs 10 each and were issued during the second half of the year. These shares rank pari passu with the existing ordinary shares in all respects except the right to the dividend declared at the recent annual meeting.

The installation of Sahu Chemicals plant has been completed. Trials and initial adjustments are going on. Production is picking up and a steady space is expected within a short time. Profits of this unit will be reflected in the next year's working results.

CRS

Steel Products

Steel Products Limited has earned a net profit of Rs 79,904 for the year ended 30th April 1959 as against Rs 75,007 in the previous year, after providing Rs 12,392 for Depreciation against Rs 10,299. Out of this profit, the Development Rebate Reserve absorbs Rs 8,100 against nil. Arrears of dividend on the preference shares for the year 1945-46 and the half-year ended 31st October 1946, amounting to Rs 22,500, have already been paid, leaving a balance of Rs 49,302 against which the directors have recommended payment of a dividend on the preference shares at the rate of 5 per cent, subject to the deduction of tax.

After adjusting the arrears of dividend, payable for the accounting half-year ended 30th April 1947 and accounting year 1947-48 at the rate of 50 p per share per year amounting to Rs 22,500 as mutually settled at the extraordinary meeting of the company held in April 1959, the remaining amount of Rs 11,803 will be adjusted against the debit balance in the Profit and Loss Account.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Previous Dividend (Rs Per Share)	Transfer Books Closed
Chrestian Mica	Jan. 19	0.60 (int.)	0.75	21/12/59 to 30/12/60
Associated Mining	Jan. 19	0.45 (int.)	0.45	21/12/59 to 30/12/60
Indian Wood Products	Jan. 29	1.00 (int.)	2.50	21/1/60 to 29/1/60
Kamarhatti Co.	Jan. 29	1.00 (int.)	5.00	19/1/60 to 29/1/60
New India Sugar	...	3.65	...	29/12/59 to 3/1/60
British Burmah Petroleum	...	Nil	0.04	5/12/59 to 12/12/59
Sarugaon Tea	...	2.00	2.00	...
Upper Ganges Sugar	Jan. 29	(final) 7.25	5.50	21/1/60 to 29/1/60
Alliance Jute	Feb. 2	Nil	Nil	20/1/60 to 2/2/60
Waverley Jute	Feb. 3	0.25	Nil	21/1/60 to 3/2/60
Balrampur Sugar	Feb. 8	0.40	0.25	1/1/60 to 8/2/60

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The Congress Session

ATTEMPTS to invest the Sadhasivnagar session of the Indian National Congress with historic significance have been half hearted and are hardly likely to succeed. This circumstance is a virtue since dramatic shifts in policies would indicate the opposite of political health.

The Avadi session looks in retrospect as a decisive turning point in Congress thinking, though Mr Nehru would like to think that it is implicit in the policies of the Congress before independence. But implicit or not, its clearest articulation came at the Avadi session and in that sense the Avadi session was historic. There have been attempts to provide the Nagpur session of last year with a similar historic uniqueness. These attempts have come as much from Congressmen as from those who, both within and without the Congress, considered certain policy decisions taken there as fundamental. But the Nagpur session was a much less decisive moment in the Congress party's life than in that of the Swatantra Party. The year that has since passed has seen many important events in our history and these have been summarised in a competent though combative report of the General Secretaries of the Congress. The three main events dealt with are: the emergence of the Swatantra Party, the trouble in Kerala and the border incidents. These, especially the first and last, have certainly given a new sharpness to the Congress party and have helped in concretising its purposes, but there have been no basic departures. At the same time, the Swatantra party's criticisms have, for the Congress party, the value of isolating for it the areas of its own failures and dangers. Thus, it cannot be denied that co-operative farming and State Trading are policies on which the Congress is now much less inclined to take success for granted than when the Nagpur session met. On the other hand, the border incidents have given a new raison d'être to its adherence to a policy of basic industrialisation.

Thus, except for the slight changes in the contexts, there is no likelihood of any discontinuity in policies adopted heretofore and therefore nothing very dramatic or startling is likely to emerge from the present session. Moreover, subjects that are likely to come up for discussion during the session have been discussed so continually and at so many contexts during the year that we are hardly likely to be taken by surprise. On the other hand, the repetitiveness has a danger to which we would like to draw attention. The same problems, the same solutions and the same patterns of controversies are aired in Parliament, in speeches by the Prime Minister and others in authority and in the Press. So, as far as the general public is concerned, these things have all been said before and said a hundred times. In a sense, the Congress, the Government and the Planning Commission have a basic identity of not only views but personnel, and there is a good deal of avoidable repetition. Even in the narrowly party contexts, these subjects have been dealt with often. Planning and the economic situation, the subject of a resolution before the session, for example, has already been dealt with comprehensively by the

Dhebar Sub-Committee on planning. Its report was discussed at Chandigarh. At Chandigarh, there was also a discussion of the Sino-Chinese border incident—the subject of another resolution during this session. Moreover, even the processing of the draft resolution for the annual session at the meeting of the Congress Working Committee got wide publicity. Therefore, the general public gets the impression of an almost incessant chatter which takes the edge off the very call to concrete action contained in the resolution.

We agree that a certain amount of repetitiveness is unavoidable in a democracy where consent has to be obtained in various contexts for the same action. The Prime Minister was certainly right in saying it would be wrong to face the public with the fait accompli of a plan fully formulated by the Planning Commission and that the public has to be taken into confidence even before the plan is formulated. But, so far, we are let into only generalities on which there is not much scope, pace Swatantra Party, for discussion. What the public would like to know about the plan would be the Planning Commission's ideas on concrete tasks and their estimates of the available resources for these tasks and their notions of how one should set about both the tasks and the resources for them. On these, we have very little to go on.

The official resolution on planning and the economic situation discussed at the session was for this reason necessarily unrewarding. Possibly, the only new note struck in the resolution is the need for gearing the administrative machinery for the tasks and even this has been said in a general way before. At the back of the minds of the delegates, however, must have been present the related problems of administrative "corruption" about which there has been much talk recently. It seems to us that there is a good deal of hypocrisy and even frivolity in the discussion on the subject. Paradoxically, a heightened public sense of corrupt practices among public servants and men in power need not imply a pretty parlous state of administrative and political health. Conversely, absence of articulate protest need imply neither a pure administration nor cynicism on the subject. There can be no quarrel with the principle that administrative purity is a basic requisite of not only a democratic but any administration and the public has a necessary duty in being vigilant about it. But the question is one of fact and practical ingenuity. It is a question of fact in so far as it is an appraisal of the precise extent of malpractices. It is a question of practical acumen in so far as it involves the devising of a method of dealing with the problem. On the first, we have no doubt in our mind that the extent of financial corruption, in the sense of bribe taking and illegal gratification, is exaggerated. But influence-peddling and "fixing" are probably widely prevalent. Thirdly, there is a certain atmosphere in which the general public has the impression that the possession of certain kinds of power is valuable, that such powers can be propitiated; and, indeed, that, unless they are propitiated, you cannot get things done. Lastly, there is the offshoot of our

traditional ways of life in which family and local obligations have exercised a compulsive (and originally beneficent) power. But for the competitive scramble, the public may not be too exercised by what is called nepotism. While it is possible to deal with financial corruption and even particular instances of misuse of power for the advantage of particular individuals or groups (if there is evidence) the last two are more difficult to combat. From the point of view of practical steps, the important thing to bear in mind is that we should not empty the baby with the bath. If distrust of officials is to be the starting point, then there is every likelihood of their desisting from taking any action that could remotely be a handle to those suspicious of their conduct. And this would be the most unfortunate thing that could happen and wholly detrimental to the new tasks of the nation. As the resolution pointed out, the need is for greater expedition and more continual and efficient execution and diffusion of responsibility. But if the man responsible is inhibited, that every action of his is being watched, and feels even bona fide acts of his are likely to lend themselves to plausible interpretations of favouritism, he would hardly be willing to act. On the other hand, the really guilty cannot be allowed to go unpunished. Sir Chintaman Deshmukh's suggestion of a permanent tribunal to deal with cases of corruption not only among officials but also among holders of political office has no doubt the attraction of a high-minded idea, but has many practical drawbacks.

The other aspect of practical implementation of the Plan would be the necessity for concrete shapes of public cooperation. Reference was made to the more continuous association of the members of the public in the Plan's tasks and in this respect reference was also made to the experiments in what has come to be called "Panchayat Raj". The results of the experiment will no doubt be watched with interest, and such organised local initiative coupled with local power would be the ideal basis for a self-reliant society.

From the narrow party context, the session has postponed one of the more embarrassing tasks: the discussion of the Hanumanthayya Sub-Committee's report on organisational problems. In a sense, there has been a continual discussion of organisational problems in the Congress ever since it has come to power. Like the problem of administrative purity, the extent of dissatisfaction can also be indicative of an articulate idealism. Factionalism and other evils that are the fruits of a situation in which there are few high offices and far too many contestants, have been discussed time and again by the Congress. The Sub-Committee's report is pretty scathing about some aspects of the behaviour of Congressmen. But some of the solutions it suggests, like compulsory retirement after a bout of high office, may send most of the present leaders of the Congress into a political Vanaprastha. This is hardly a practical proposition and indeed is the essence of the dilemma. The training of a second line of leadership is no doubt essential, but that will have to be devised by less desperate methods.

Indian Finance

Established 1929

January 16, 1960

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

The State of Industrial Financing

BY all accounts, the multi-sided structure of industrial financing appears to be in better shape today than ever before. In the first place, the scheduled banks' advances to industry at the peak of the last busy season ending April 1959 approximated Rs 470 crores. In the last six months of that period, the seasonal increase in advances to industry was about Rs 25 crores more than the seasonal increase in the corresponding six months of the previous year. The increased advances were granted mainly to the iron and steel, engineering, vegetable oil crushing and refining, cement and jute textile industries, in view of the completion of expansion programmes (in the case of the iron and steel industry) and in view of increased production or an increase in stocks.

The fact that an appreciable increase has taken place in spite of a certain slow-down in the rate of increase of industrial production due to the fall in production and stocks of the cotton textile and sugar industries, justifies the inference that, by and large, the assistance rendered by banks to industry has been satisfactory. The ceilings on overall bank credit, which the Reserve Bank has been trying to enforce for the purpose of curbing inflationary tendencies and speculative activity, do not seem to have resulted in the denial of credit facilities for legitimate needs. It has also been estimated, on the basis of a sample survey, that bank advances to small-scale industrial units (with a capital of Rs 5 lakhs and less) and to medium-sized undertakings (with a capital investment of between Rs 5 and Rs 20 lakhs) together amounted, as at the end of September 1957, to approximately Rs 46 crores. The corresponding figure at the end of June, 1959 is estimated at a little less than Rs 50 crores. While this is not, perhaps, very impressive in comparison with the loans granted to the bigger-sized industrial undertakings, the figures nevertheless indicate that the role played by commercial banks in financing small and medium-sized industrial units is not negligible.

Bank loans to industry are generally repayable on demand or at the end of short periods. The Industrial Finance Corporation, the State Financial Corporations, the Industrial Credit and Investment Corporation and the National Industrial Development Corporation are intended to meet the specialised needs for long-term finance by new industries or existing units which have undertaken substantial expansion or modernisation. As for the IFC, total loans sanctioned and outstanding on 31st October 1959 were respectively Rs 66.9 and Rs 43.6 crores, as against Rs 62.9 and Rs 34.8 crores respectively at the end of June, 1958. The corporation has, besides, participated, along with other organisations or individuals, in underwriting debenture and preference share issues amounting to Rs 2.1 crores and in guaranteeing deferred payments for imports to the extent of Rs 4.3 crores (as at the end of June, 1959). The loans granted by the State Financial Corporations and outstanding towards the end of September, 1959, amounted to Rs 12.7 crores as compared to Rs 9.4 crores at the end of March, 1958. The total financial assistance which the ICICI had agreed to make available at the end of June 1959 amounted to Rs 16.1 crores as compared to Rs 13.4 crores at the end of 1958. Advances, subscriptions and underwriting commitments utilised by 30th June 1959 amounted to Rs 7.7 crores and in addition Rs 41.8 lakhs were guaranteed under letters of credit. Upto March, 1959, a sum of Rs 3.3 crores was drawn

and disbursed by the NIDC to the jute and cotton textile industries towards modernisation of their machinery and mills.

Some noteworthy attempts made recently to increase and extend the scale and nature of the assistance rendered by these Corporations are: (i) Provision has been made for lending to the Industrial Finance Corporation, as and when needed, a sum of Rs 10 crores from out of P.L. 480 funds; (ii) in view of the difficulty which has been experienced by some industrial undertakings on the score of the fact that they are called upon to pay in full the cost of equipment obtained on credit by the Government of India from abroad (foregoing credit or deferred payments terms which these industrial undertakings might normally have enjoyed) the IFC has recently announced a change in its margins for lending to concerns getting their equipment from abroad from 50 per cent to 40 per cent (or with the permission of the Central Government, slightly less) of the value of assets pledged to it; (iii) arrangements are being made to enable the State Financial Corporations to function as agents of the State Governments, so that loans under the state-aid-to-industries schemes may be more fully utilised; and as far as the State Financial Corporations themselves are concerned, the State Bank of India is being appointed as the agent of the Corporations at an increasing number of places, so as to enable the Corporations to function more effectively at all the centres where the State Bank has branches; (iv) the Industrial Credit and Investment Corporation has recently been granted a loan of Rs 10 crores by the Government of India from out of P.L. 480 funds, and has also obtained a fresh line of credit of \$10 million from the IBRD on the guarantee of the Government of India; (v) in response to demands from the cotton textile and other industries, the NIDC has introduced a scheme for making indigenous machinery available on credit to industrial undertakings against the deposit of 25 per cent of the cost and repayment of the balance in five instalments; (vi) the State Bank of India's pilot scheme for assistance to small-scale industries has been extended to all its branches with effect from January 1, 1959, and it is proposed that the subsidiaries of the State Bank, which are in the process of being constituted, should also offer similar assistance to such industries.

Notable among the further steps, under Government's consideration, to liberalise the assistance available to industries are: (i) a scheme for the Central Government guaranteeing a portion of the loans by commercial banks to small-scale industrial units, with a capital of Rs 5 lakhs or less, the risk in respect of the balance of the loans being by the banks themselves, has been announced in outline by the Reserve Bank in a press communique, and is now being finalised by the Central Government; (ii) the question of making some P.L. 480 funds available to the State Financial Corporations and of amending the Reserve Bank of India Act, so as to enable the Bank to grant medium-term loans to the S.F.Cs. pending a permanent increase in their resources is being examined; (iii) as a result of the recent discussions at Puri of the Small Scale Industries Board, the possibilities of establishing small industries corporations in the various States, liberalising the terms for the sale of machinery on hire purchase, and the extension of this hire purchase scheme to cover indigenous machinery are also being considered.

It is authoritatively stated that the facilities available to industrial undertakings, at all levels, whether by way of bank accommodation or term loans by specialised institutions, are not inadequate and that these facilities are also being improved in several directions. The demands which are still being made on behalf of industry seem to relate to such matters as a further reduction of margins or relaxation of standards for lending, the need for making loans available in foreign currencies, a reduction in the rates of interest, the extension of underwriting arrangements and the adoption of schemes for repayment from out of profits. It is further stated that these suggestions involve some risk to the lending institutions and have to be examined carefully by the authorities concerned to see how far they can be met.

Besides the Corporations mentioned above, the Refinance Corporation also has now come into the picture. Between September 1958 when it started receiving applications and the end of October, 1959, 18 applications have been received, out of which 17 have been sanctioned by the Corporation for a total of Rs 3.7 crores. The industries assisted by the Corporation and the loan amounts sanctioned are indicated below:

Industry	Applications sanctioned	Amount sanctioned
	Rs lakhs	Rs lakhs
Ferro-Manganese	.. 2	70
Cotton Textiles	.. 2	47
Cement ..	.. 1	50
Pharmaceuticals and Pharmaceutical Chemicals	.. 1	11
Electrical manufacturing	.. 3	34
Engineering ..	.. 1	50
Ceramics ..	.. 1	15
Automobile ancillaries	.. 1	10
Acids and fertilisers	.. 1	17
Wires and cables	.. 1	6
Sugar manufacturing	.. 2	24
Staple fibre & yarn spinning	1	35
Total	.. 17	3.69

A sum of Rs 50 lakhs out of these loans has been disbursed so far to two concerns engaged in the ferro-manganese industry. The question of taking steps to enable the Corporation to expand its activities has also been under Government's consideration for some time now.

As for the finance provided by the Life Insurance Corporation to industry, the latest figures available show that in the period from September 1956 to August 1959, its net investments, i.e., purchases less sales and redemptions, in the private sector have averaged Rs 6.5 crores as against Rs 27.2 crores in the public sector. The figures collected on investments made in the private sector during the two-year period prior to nationalisation show that, on an average, Rs 6.8 crores per annum was being invested in that sector. This small shrinkage (to the tune of Rs 0.3 crore per annum) of investments in the private sector may well be partly offset when the Corporation begins to grant loans on the mortgage of properties.

Complications about the age of Retirement

M. SUR

RELYING on Standing Orders which fix the age of retirement can put an employer in difficulty. This has been the experience of Guest, Keen, Williams (Private) Ltd, who recently appealed to the Supreme Court and lost their case. Before discussing the details of the case, it is pertinent to remember that under the definition of "retrenchment" in the Industrial Disputes Act retirement might be treated as retrenchment unless it is voluntary or according to the contract of employment, or on medical grounds. The contract of employment can refer either to a letter of appointment which states retirement terms, or company standing orders which lay down the age of retirement. Retirement terms, however, are not scheduled as one of the items to be covered by standing orders under the relevant Act, although the Governments of Bombay and West Bengal have added this item to their requirements. But it is quite common for employers to include retirement terms in standing orders—and indeed necessary if employers are to avoid the retrenchment clause.

The firm of Guest, Keen, Williams (Private) Ltd drew up standing orders and had them duly certified on 19th December, 1953, and among the provisions was one that required workmen to retire on reaching the age of 55 years. Copies of draft standing orders are always submitted to the union concerned by the Certifying Officer before certification, and in this case no objection was raised by the union against the retirement clause. The next year in accordance with the standing orders 47 workmen were retired as having passed the age of superannuation. They received their retiring benefits and also presents in appreciation of their long services, and in most cases the company appointed their relatives in their place. Subsequently a dispute was raised by the union concerning the alleged forced retirement of these men. The industrial tribunal held that their retirement was perfectly justified, and that the workmen, having failed to raise any objection at the time of certification of standing orders, could not later challenge their fairness. On appeal, however, the Labour Appellate Tribunal reversed the award and directed the reinstatement of the 47 men, holding that the retirement provision in the standing orders should not apply to workmen employed by the company before the framing of standing orders, as there was no age of superannuation fixed when they joined their services.

The Supreme Court has now confirmed the finding of the appeal court, holding that the fixing of the age of superannuation at 55 could not be said to be reasonable and fair for those who had entered service when there was no such limitation. The Supreme Court pointed out that before the amendment of the Industrial Employment (Standing Orders) Act in 1956 the Certifying Officer was not required to consider the reasonableness of the standing orders before certifying them, and the only course open to the employees if they wanted to challenge the reasonableness of the standing orders was to raise an industrial dispute. Subsequent to the amendment workmen had the right to raise a dispute with the certifying officer before certification, so the position was different.

In the case of the 47 workmen and all, others employed before the operation of standing orders the Supreme Court decided that it would be fair to fix the age of retirement at

60 years (although they added that this conclusion should not be taken as a decision on the general question of fixing the age of superannuation for all industrial employees). We therefore have the anomalous position in this particular company that a man who joined on 18th December, 1953, will be able to work up to the age of 60, whereas the man who joined on 19th December, 1953, will only be allowed to work up to the age of 55. Where is the reasonableness and fairness in such a decision, and will it not lead to a great deal of bad feeling?

Government has just turned down the Pay Commission's suggestion that the age of retirement in Central Government service should be increased from 55 to 58, on the ground that it would block the advance of younger men and reduce the opportunities for employment. The same argument has been

Technical Training

IT is a good sign that much closer attention is now being given to the development of technical diploma courses. Our universities are already over full, and too many undergraduates have not the mental equipment for higher studies. They will not benefit from the academic approach of the universities, whereas they might do well at the more practical courses for technicians which technical colleges can supply. In other countries the school leavers divide naturally into three streams: those who go straight into unskilled and semi-skilled jobs from school; those who take technical courses to equip themselves for skilled work; and those of an academic bent who go on to the university. India has been slow to develop the middle stream because of the attraction of the university, but the middle stream is essential to an industrial economy. We have too many graduates who cannot find employment because they are not suitable for technical jobs. Now at last the balance is being redressed by the provision of more courses for practical technicians.

At the opening of the Ramkrishna Mission Shilpapiitha in Belghoria, Calcutta, recently Professor Humayun Kabir announced that it was the intention of the Government of India to set up a polytechnic institute in each district of the country. Out of 338 districts, he said, 200 already had their polytechnics, so good progress has been made. The Union Ministry of Scientific Research and Cultural Affairs has also formulated a scheme for over a thousand "merit-cum-means" scholarships for technical study in the current financial year, and of these 347 will be awarded to students at polytechnics.

Scarcity of Coal Causing Concern

COAL must claim first attention", declared the Planning Commission in 1955 while formulating the Second Five Year Plan. The Commission, of course, was right in giving high priority for the development of this industry which is of strategic importance to the country. But unfortunately, in actual practice, not enough attention appears to have been paid to this industry in recent years. As a result, on the eve of the Third Five Year

Plan, we are confronted with an acute shortage of coal. The Second Plan has laid down a target of 60 million tons per year for the coal industry to be achieved by 1960-61. This target was based on the assumption that the various industries would require a steadily increasing quantity of coal. But it now seems that the output in 1960 is not likely to be more than 49 million tons. The trend of production is

repeatedly used by industrial tribunals when fixing the retirement age at 55, as they have done in a large number of companies. When a tribunal fixes the retirement age at 55, there is apparently no injustice done to employees who joined their service years before. It is difficult to see where the line of distinction lies, except that Supreme Court took into account the fact that the employees as represented by their union wanted the age fixed at 60. Unions seem to be strangely inconsistent about this question of age of retirement. In the past it has been the unions who demanded and obtained from tribunals rulings that the retirement age should be 55. Now some are arguing for a higher age, and in Bombay they have persuaded the government to put the age at 58 in the Model Standing Orders.

As a result of this decision employers, whose standing orders were certified before the amendment in 1956, will have to be very careful about retirement before the age of 60 of men engaged before the standing orders came into operation. Those with recognised unions will do well to make and register an agreement on the point, rather than rely upon their standing orders.

A new Technological Institute for training a large number of technicians in the designing of light, medium and heavy machine tools is to be set up with the help of Czechoslovakia, according to a recent statement by the Minister of Industry.

With all this increase in opportunities for technical study it is now more than ever important to see that those who complete their training courses find openings for suitable employment. This calls for special liaison work between the technical colleges, the Government employment service and the employers. Nothing could be worse than to turn out trained men to languish in unemployment. The solution may be to have in each district special branches of the employment exchanges for technicians and highly skilled workers. The diploma holder will not like to jostle in with the crowd of ordinary job seekers at the employment exchanges; nor will employers normally consult the exchanges before filling technical posts. Obviously some special provision has to be made, and made quite quickly, if valuable skilled men are to be properly used. A step in the right direction has been made by the Union Government in Calcutta where it is proposed to have an employment exchange attached to the University, in which the present Appointments and Information Board of the University will be merged. The new University Employment Bureau will help graduates expecting an initial salary of not less than Rs 150 a month, and apprentices, trainees and probationers for executive positions. Similar arrangements now need to be made for the students in the polytechnics and other technical colleges in the districts.

coal since the commencement of the Second Plan is shown below:—

Year	(000 tons)
1955	38,208
1956	39,432
1957	43,500
1958	45,324
1959 (estimated)	47,000

Considering the rate of increase in production, it will appear that in 1960 as compared to the Second Plan target of 60 million tons, there will be a shortage of as much as 11 million tons.

This is, indeed, a serious matter. Already the steel industry is facing a critical situation because of inadequate supply of coking coal. Sir Biren Mookerjee pointed out in last November that steel production was being threatened by "the alarming position that has been allowed to develop in the country in regard to the supply of suitable coking coal". As a result, the steel industry is obliged to consume coal of inferior quality which is likely to have an adverse impact on output. He said, "Every increase in the ash content of the coke means a reduction of blast furnace output, an increase in production cost and increased operational difficulties which become more and more pronounced as the content of the coke rises until a point is reached where for technical reasons the operation of the blast furnace becomes impossible". Sir Jehangir Ghandy in his speech at the Engineering Association of India last week also referred to this problem and pointed out that the demand for steel plants had already outstripped the supply of good coking coal. "Something seems to have gone seriously wrong", Sir Jehangir is reported to have said, "for, three out of the five projected washeries will not materialise for sometime, particularly the two at Bhojudih and Patherdih, earmarked for supplying washed coal to Burnpur and Jamshedpur".

The five steel plants are estimated to require 8 million tons of coking coal but only 7.25 million tons of Selected Grade coal are available and the shortfall is being met by using Grade I coal with 17 to 20 per cent ash. This is not a satisfactory state of affairs for, as Sir Jehangir said, given this coal supply, the result, inescapably, will be both the curtailment of production and an increase in costs. The steel industry is expanding in a big way and we are likely to have a target of about 10 million tons of ingots in the Third Plan. It is necessary therefore that measures should be taken to step up the output of metallurgical coal as rapidly as possible. At the same time the railways and other consumers of coking coal will have to confine themselves to the use of non-coking coal so that the former can be diverted for the steel plants.

Coal is also required in large quantities by various other industries such as fertilizers, chemicals and textiles as well as for domestic purposes and the demand in the coming years is bound to increase substantially. Efforts should therefore be made to increase the production to a considerable extent. The Planning Commission is reported to be contemplating a target of 110 million tons for coal in the Third Plan. But it is impossible to achieve this target if production increases at the present rate.

So far as the Second Plan is concerned, there is no doubt that if only the Government had allotted a larger share to the private sector the production of coal today would have been much higher. Actually the private sector had represented to the authorities that in spite of many obstacles it was willing to produce much more coal than was allotted to it under the Plan. But the Government did not agree. On the other hand, purely from

the ideological point of view, the Government decided, to quote the Planning Commission, "that in future the policy of retaining all new undertakings of coal in the public sector should be more strictly followed and that the additional coal production required to meet the increased demand during the Second Plan should be raised to the maximum extent possible from the public sector".

In the light of this policy the private sector was called upon to increase its production from 33.8 million tons in 1955 to 45 million tons in 1960 while that of the public sector was to be increased from 4.4 million tons to 15 million tons. But it now appears that while the private sector will be able to produce about 42 million tons in 1960 the production of the public sector will not be more than 7 million tons resulting in a shortfall of 3 million tons for the former and 8 million tons for the latter.

Here is a glaring example of a major industry whose growth is being stifled because of excessive adherence to ideological pursuits. But the country cannot afford to have a policy which is far from being based on realism. It is necessary that the difficulties of the coal industry should be sympathetically considered and the necessary measures should be taken promptly so that output can be stepped up as quickly as possible.

One of the measures is to enable the coal industry to work on an economic basis. For a long time the industry had been representing to the Government that on account of the steady rise in labour charges, cost of stores and equipment and other factors, the mines were not in a position to conduct their operations efficiently and to attract capital for expansion purposes. The special studies carried out by the Reserve Bank of India from time to time on company finances have also brought out clearly that the coal industry is finding it difficult to obtain adequate funds. But unfortunately the industry's plea did not receive a sympathetic hearing. The Government's decision on the recommendations of the Coal Prices Revision Committee came as a great disappointment to the industry; for while it had asked for an increase of Rs 3.50 per ton

to make up for higher costs and to facilitate expansion, Government granted an increase of only 50 p per ton. Moreover, the then existing prices of Grade IIIA and IIIB were notified as "ceiling prices". The industry has appealed to the Government to reconsider its decision in this important matter but so far there has been no response.

It should, however, be emphasized that the official attitude to the coal industry should change if we are not to be confronted with a critical situation. The Third Plan target cannot be achieved unless we realise the need for giving the maximum incentive to the mines to expand output. Investment in the coal industry during the Third Plan is estimated at between Rs 175 to Rs 200 crores and sums of this order will not be forthcoming unless the industry is enabled to operate on a profitable basis. Government should recognise that coal does not lose its strategic importance merely because more of it is produced in the private than in the public sector. The Government today has vast powers of control and one cannot understand how the country's interests will be affected by encouraging the private mines to increase their production and expand their capacity. The Industrial Policy Resolution should be suitably amended to give greater scope for the private sector. The latter should be permitted and encouraged to develop even those areas which are not immediately contiguous to the existing mines.

Further, the question of transport should receive greater attention. The availability of railway wagons for coal despatches has shown some improvement in recent months; but there is no room for complacency. Adequate provision should be made for the transport not only of the existing volume of traffic but also for the increasing output in the coming years.

With the inauguration of the Third Five Year Plan India will enter a phase of intensive industrialisation. Coal is of basic importance to our economy and unless the problems of this industry are considered from a practical angle, our efforts to plan in a big way will not be successful.

Glimpses of Foreign Agriculture—I

BY any standard, the World Agriculture Fair in New Delhi is a mammoth show which is as spectacular as it is fascinating. It could easily have been "the greatest show on earth" if its sponsors, the Bharat Krishak Samaj, had succeeded in making it more fully representative of world agriculture. As it is, the Fair covers only a dozen foreign countries—the United States of America, Soviet Russia, Communist China, East Germany, Poland, Mongolia, South Viet Nam, Burma, Ceylon, Afghanistan, Iran and Iraq. It has thus happened that the Central Ministries, the State Governments and the quasi-governmental organisations in India are over-represented in the Fair. Even in the foreign sector, American agriculture and Communist agriculture, with some unmistakable 'cold war' undertones, virtually monopolise the show, thereby detracting somewhat from its educative value to the Indian farmer. But, at the same time, it is not difficult to see that, shorn of their ideological slants, the Amriki Mela and the two leading Communist pavilions alike bring some valuable lessons—both positive and negative—which have a deal of significance in the context of Indian agricultural practices and agrarian conditions. It may be that, here, the typical Hindu mind may also look out for the substance more than the form, for the synthesis more than the antithesis. This article is, however, concerned only with such lessons from both American and

Communist agriculture as are relevant from the point of view of production and productivity.

It would be appropriate to deal with the Amriki Mela first not only because it is by far the biggest and, from the architectural point of view, the most beautiful pavilion, with its 32 enchanting golden domes, in the entire Fair but because it is "the most complete agricultural exhibit ever attempted" by the United States whose agricultural performance is no less remarkable than her industrial. What it brings vividly to one's eyes is individualist agriculture, par excellence, of the most scientific, mechanised and commercialised type involving a whole range of heavy physical inputs which are rendered possible as much by that country's massive industrialisation as by the comparatively large size and creditworthiness of its farms. That 65 per cent of America's farms are of the size of 50 acres and more and that an average farm in that country has, besides the value of land, assets worth Rs 80,000 are the two most significant facts which highlight the prosperity of American individual farming.

These facts, incidentally, also mark out American individual farming as infinitely superior to the kind of individual farming in India where only one per cent of all farms are of the size of 50 acres and more and where an average farm has, besides the value

of land, very little assets worth the name. This basic structural difference between American agriculture and Indian agriculture will soon become all the more glaring when large-sized farms in this country are broken up by land ceilings legislation of the kind which, ironically, the Americans themselves have all along advocated—and implemented wherever they had the chance—for the purpose of stemming the tide of Communism in backward agrarian economies. That many non-political agricultural specialists in the United States have come to recognise that contradiction in their country's approach to the problems of agricultural production in densely-populated under-developed countries receiving its aid and thus to advocate a whole range of cooperative methods having, for all practical purposes, the effect of treating an entire group of small farms as a single large-sized unit for most, if not all, agricultural operations, are also facts of no mean significance. These facts would appear to suggest that American methods of scientific, mechanised and commercialised farming may not lend themselves to easy large-scale application on the small individual farms of this country unless some kind of 'scale' organisation is brought into play.

Even if it is assumed that a 'scale' organisation on co-operative lines which may not ultimately involve pooling of individually-owned land or collective ownership or nationalisation of land is possible, there is still the problem of practical application of American agricultural practices in the Indian context. For example, the use of heavy-yielding strains of seeds has necessarily involved the increased use of chemical fertilisers in the United States. Such heavy fertilisation has thus got the best out of improved seeds evolved by plant breeding research with the result that the unit-area yields of corn, wheat, barley, rice, potatoes, cotton, groundnut, sorghum (jowar) and tobacco, for example, have increased by varying percentages ranging from 50 to 200 since 1930 in that country. This American agricultural experience would no doubt lend itself to emulation on irrigated lands and on lands watered well by rain in this country.

But that would involve the establishment of an infinitely bigger fertiliser industry than what exists now—a proposition which raises questions of priorities in the Third Plan. Even if that is taken for granted, there is still the open question whether, any intensive use of inorganic fertilisers on Indian lands with their thin soil cover otherwise than in accordance with the requirements as revealed by tests and analyses of the innumerable soil types may not lead to erosion of soils. It is here that the T.C.M. project, under way in 20 soil regions of India, for determination of soil fertility and fertiliser use may be expected to pave the way for the most judicious and beneficial use of chemical fertilisers in the light of soil characteristics which are anything but uniform in Nature. Till such time as more soil testing laboratories (besides the 22 already set up) begin to function effectively and on a large scale, the use of fertilisers may have to be limited to mild (and safe) doses by way of top-dressing and the use of improved seeds limited mostly to strains which are drought-resistant, or disease-resistant, or flood resistant, rather than heavy-yielding. After all, a heavy-yield can yield heavily largely by drawing on the nutrients in the soil; where the nutrients are not artificially replenished by external sources, a heavy-yielder will have depleted soil fertility as quickly as any injudicious use of chemical fertilisers will destroy the delicate organic composition of soils.

That is not to suggest that plant breeding research with its emphasis on heavy-yielding

characteristics should go slow on its evolution of improved seeds in this country. If anything, there is a case for speeding up that research by learning from American experience in radiation genetics. This experience today, which is so well presented in that unique section (of the Amriki-Mela) devoted to the uses of atomic energy in agriculture, is that successful methods have been evolved to induce plant mutations with nuclear radiations, the more successful mutants being a better variety of peanut, stiff-stalked rice, rust-resistant wheat, some early and late-breeding fruits and some flower mutants. If plant breeding research in this country which has already some outstanding achievements to its credit in that field comes to be stimulated by American research in radiation genetics, it will be all to the good, for the evolution of better seeds and plants is a continuous process which must always be well ahead of the institutional and material preparations for making use of its results.

Another American experience in agricultural techniques is to be found in the use of insecticides and pesticides which, like fertilisers, can be provided on a large scale only by a highly developed chemical industry. "A penny saved is penny got"; even so, a ton of crop saved from loss is as good as an additional ton of crop produced. But crop protection on such scientific lines as those prac-

tised by American farmers would be beyond the capacity of the majority of farmers in this country unless, of course, this particular service is provided by the State or, if possible, by a cooperative organisation. The difficulties in the way of organising a plant protection service would, incidentally, appear to suggest the need for energetic research, based on American experience, in the field of insects and pests with a view to eradicating them, by stages, through sterilisation of whole swarms of them, by the technique of controlled gamma radiation. It is here, again, that the section (of the Amriki Mela) devoted to the use of atomic energy in agriculture is of absorbing interest.

To sum up, the most relevant lesson this country can draw from American agricultural experience is that absolute production can be increased greatly by an increase in per-acre productivity through the use of heavy-yielding strains, fertilisers and plant protection techniques. The basic requirement, of course, is more water which would have to be provided by both major and minor irrigation schemes. India's vast resources of manpower and bullock power will do the rest on the millions of small farms if improved ploughs, improved seeds, fertilisers, insecticides and irrigation water are more abundantly and easily made available to them.

Economic Growth: Its Meaning, Its Measurement and Its Cultivation

By Professor W. ALLEN WALLIS

The Meaning of Economic Growth:

THE American standard of living is characterized as much by its rapid rate of improvement as by its high level. For at least three of four generations—as far back as the records go—the material level of living of the average American has nearly doubled each generation.

This unparalleled improvement in the material level of living is only part of the story of American economic growth. There have also been great increases in leisure and betterment of the conditions of work, improvements in the quality of life, and such broad sharing of the gains of progress among all Americans—urban and rural, young and old, workers and managers, white and coloured, eastern and western—that we have become the nearest approach to a classless society.

The American people take great pride in, and strive hard for, the assurance that their children will have richer, fuller lives than they themselves enjoy. To continue to fulfill these expectations of increased welfare, while also fulfilling the overriding requirements of national security, will require sustained and substantial expansion of our economy. Economic growth, therefore, is one of the highest and most widely recognized goals of American economic policy.

But growth is not our only goal. We do not live to grow; we grow to live better.

True growth in economic welfare involves both material and non-material benefits to the people. If growth in material production were our only economic aim, we could reduce our current consumption to a minimum and use all the rest of our output for producing "growth," erecting more and more massive industrial plants and public works as monuments to our determination.

This is what people under communist domination are compelled to do, with terrible sacrifices of life, liberty, and welfare; yet it is doubtful whether the growth rates thus obtained have exceeded, except perhaps briefly,

the rates achieved in free countries at comparable stages of development.

Our economic growth in the United States is largely the result of the free choices and the relative priorities set by millions of individual citizens. The chief role of government in our country is to create an environment in which decisions about growth can be made by individuals on the basis of their own preferences and priorities and the technological possibilities of the time.

The government does not produce "growth" directly; it cultivates growth by promoting efficiency and productivity and by providing special services that people cannot well provide for themselves. As our record shows, these indirect policies of relying on the free choice of individuals have had a degree of success in bringing about genuine growth in social welfare that has not been matched by policies of governmental direction and control.

The Measurement of Economic Growth:

Growth may be measured in many different ways. Different methods are useful for different purposes, but the wide differences in the figures cause much confusion and misunderstanding. None of the figures is more than a rough approximation.

The simplest and most familiar measure of over-all economic growth is the average annual percentage increase in total national output, eliminating the effects of price changes. In the United States this measure of growth has averaged over 3½ per cent a year (that is, doubled about every 20 years) for the last 30 years or so. Broadly speaking, this represents the rate of change in our aggregate output, and it is perhaps the best existing measure of growth of the total size of our economy, and therefore of the underlying support for our national security.

Part of the growth of total output is due merely to population growth. This can be allowed for by measuring growth by the percentage rate of increase in output per capita.

For the past 80 years or so, this figure has averaged about 2 per cent per year (that is, doubled about every 35 years).

On the other hand, output has grown less than it otherwise would have because in America we work shorter hours, take longer vacations, start work at later ages, and retire earlier. These increases in leisure represent important increases in our real welfare, yet they tend to decrease the numbers which measure economic growth by increases in total output or per capita output.

Accordingly, a better measure of the improvement in welfare and levels of living is the growth of output per man-hour of work. Output per man-hour has grown in the United States at a rate averaging just below 3 per cent per year (that is, doubled about every 26 years) for the last 80 to 90 years.

To measure improvements in efficiency we need to take account not only of labour but of other inputs required to produce the output. This is done by calculating output per unit of combined inputs—capital as well as labour. Growth in overall productivity in the United States, measured in this way, has been proceeding at a rate of over $\frac{1}{2}$ per cent per year (that is, doubling about every 41 years) for the last 60 or 70 years.

Even when the measure used is the right one for the purpose in hand, the figures must be used with caution, because the data are at best rough approximations. Some growth fails to be included and some is exaggerated. In the United States, the understatements are almost certainly much more important than the overstatements, so the figures understate our growth to a significant degree.

In discussing growth, it is important not to get caught in a futile "numbers game," talking about rates of growth whose meaning is not clear or which are not strictly comparable between countries or between times. It would be unwise to attach great importance to attaining any particular figure for the rate of growth, not only because the figures are too inexact, but also because growth is too complex and too poorly understood a process for precise planning or projection. The numbers purporting to measure growth may be raised by activities that in reality do not contribute to growth, or even by activities that retard it.

For example, the contribution of governments to national output can be measured, as a practical matter, only by the inputs—the labour, capital, and materials used up. Unfortunately, using up inputs sometimes fails to produce useful outputs. This is the case with government programmes that encourage the production and storage of some commodities in wastefully large quantities, and with the enforcement by local governments of obsolete building construction codes that needlessly raise housing costs. In such instances, increases in the inputs, though they result in higher numbers purporting to measure output, really reduce output.

Over our history, the US rate of growth of total output has fluctuated widely, even after full allowance is made for booms and depressions. For some periods of five years or more, the rate has averaged scarcely more than 2 per cent per year (a rate at which output would double every 35 years); whereas for some periods of 10 years or more the rate has averaged 4 per cent (a rate at which output would double every 18 years) and even higher.

The causes of these variations are still not fully understood. Periods of rapid economic growth have occurred both when prices were rising and when they were falling; and the same is true of periods of less rapid growth.

The US economy has never failed to grow. In 1959 our rate of output surpassed the previous peak rate, reached in 1957; the peak of 1957 surpassed the peak of 1953; that surpassed the peak of 1949; and so on, almost without exception, as far back as the records go. (Growth must be distinguished from economic cycles, just as on the ocean, tides are distinguished from waves. Even when a tide is rising, the troughs between waves may cause temporary falls in the level, but these falls are less than they would be if the tide were not rising.)

But the rate of growth is uncertain and variable, and its causes are difficult to determine. We must assume that variations are likely to continue, in a largely unpredictable way, at least until the process of growth is better understood. Accordingly, we cannot glorify any particular magic number as the rate of growth that we can or should achieve. Rather, we must strive to create conditions which will be favourable for the highest rate of growth consistent with our other objectives.

The Cultivation of Economic Growth

Although the factors determining percentage rates of growth over spans of a few years are not fully understood, certain things can definitely be identified as affecting, and others as not affecting, growth and growth potential over the long run.

In the United States there is no basis in our history for believing that growth is facilitated by inflationary policies or by rising price levels. From 1865 to 1900 the level of US consumer prices fell by nearly half, while US industrial production rose by a multiple of seven and total output tripled. In the present century we have also witnessed periods of substantial growth combined with virtual price stability, particularly in the 1920's.

On the whole, experience suggests that growth is healthiest when it is accompanied by stable prices, rather than by marked changes in the price level. Price stability thus powerfully promotes the welfare of all.

Growth has undoubtedly been due in large part to the flexibility and adaptability of our economy. New industries have sprung up to replace declining ones, and new methods have been accepted to replace old ones, with a degree of ease and cooperation by all concerned that is unexcelled. The combination of an abundant flow of new ideas for progress with willingness to take the risks of trying new methods and to adopt speedily those that are successful is the key to our high rate of growth.

The translation of new ideas into practical processes is speeded by a high rate of saving, through which new equipment can be financed and put into use. Saving also contributes to growth even where new methods are not involved, since it makes possible a larger stock of plant and equipment, housing, and other physical capital, which add to our potential supply of goods and services.

The underlying forces that promote national economic growth are basically the same as those that account for the economic progress of individuals. An individual's desire for a higher and more secure standard of living for himself and for his family is the basic stimulus. To this end he studies, plans, works, saves, and invests. He searches out new ways of doing things, and develops new techniques and processes.

Hence, one of the most effective means of stimulating economic growth—and at the same time one of our fundamental objectives in seeking economic growth—is to provide expanding opportunities for every individual

to realize his own potentialities to the utmost and to open wider vistas for his children; to encourage initiative, independence, and integrity; to preserve and enlarge the moral worth of the individual; and to approach more closely to our ideals of personal freedom, justice and fair play, broad and equal opportunity, the rule of law, and mutual respect and charity.

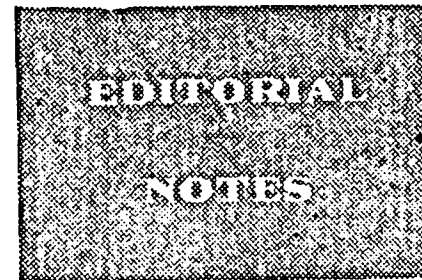
Economic growth, it must be recognised, entails certain costs. New machines may reduce prematurely not only the value of old machines but also the value of human skills acquired through long training and experience. New products may reduce the incomes of those producing old products. New industries in new locations may uproot homes and communities near old industries.

Unless the costs of economic growth are equitably distributed, it is only reasonable to expect strong resistance to growth and its accompanying changes. Here again breadth of opportunity facilitates economic growth, for there is less resistance to changing old ways when new opportunities are widely available.

All of this requires an economic environment and atmosphere that can be brought about only by positive and progressive governmental actions. The government must manage its monetary, budget, and debt policies so as to assure reasonable price stability; it must arrange its taxes and spending so as to promote rather than to stifle growth; it must deal effectively with problems of recession, so as to assure a continuity of maximum employment opportunities; it must alleviate the consequences of such unemployment as occurs, some of which may result from the very processes of economic growth; it must promote science, technology, and education; it must provide the public works needed by a growing economy; it must act to maintain competition and restrain excesses and abuses in the private economy; and it must provide various services which, while valuable to the nation as a whole, do not offer sufficient rewards to induce private groups to provide them for sale or do not offer sufficiently direct benefits to induce private groups to buy them.

Anti-Semitism

A strange and inexplicable wave of anti-Semitism seems to be sweeping through not only Germany but other parts of the world as well. Swastikas have made their appearance; demonstrations have been seen. It must be said to West Germany's credit that its Government is trying its very best to stamp out such evidences of anti-Jewish behaviour before the movement, if it can be called such, can take root. A clerk, just out of his teens, had the dubious distinction of being the first German to draw a deterrent prison sentence for painting anti-Jewish slogans. There have been vague attempts to put down such incipient neo-Nazism, but the mechanisations of East Germans. This, clearly, is a theory which will not hold water—unless it is a plausible hypothesis that the world-wide incidents are themselves symptomatic of international communism doing its bit to queer the pitch of the summit meeting. In any case, the reason is unimportant. That the world should again be the scene of an intolerance which, less than thirty years ago, set the stage for World War II to break out, is most deplorable and disquieting. It is to be hoped that authority in each country will deal firmly and resolutely with what surely is a threatening situation. For if steps are not taken expeditiously, it would not be Cassandra-like to foretell the probable advent of a second Hitler.



Durgapur

THE year 1959 was rightly described as one of substantial achievement for the public sector in the iron and steel, by Sardar Swaran Singh, while inviting the President to open the first furnace at Durgapur. The year began with the blowing in of the blast furnaces at Rourkela and at Bhilai, and has ended with the inauguration of the blast furnace at Durgapur, the last of the three steel projects included in the Second Plan. The greatest satisfaction will be felt over the achievement at Durgapur, particularly because of the various difficulties which threatened to upset the time schedule.

The first blast furnace was to have been ready by October 31 according to the original time table. But work was almost brought to a standstill by the floods which occurred in the early part of the month and submerged the entire area of the works. All concerned with the project can take legitimate pride in the fact that the greatest floods in living memory, which ravaged nine districts of West Bengal, did not delay the formal inauguration by the President for more than eight weeks.

The satisfaction that is felt in this country over the successful completion of the first phase of the project is also shared by British Steel Industry and by the British Government.

Durgapur has been described as the biggest single overseas operation that British Industry has ever undertaken, and to make it possible thirteen British firms teamed up to form a consortium. From the beginning the British Government has taken keen interest in the progress of this venture in Commonwealth cooperation, to which they have extended financial assistance. Evidence of that interest was the presence of Mr C. J. M. Alport, the British Minister of State for Commonwealth Relations, at the function held at Durgapur on December 29.

Two points made by Mr Alport in his speech on the occasion deserve special mention. The training programme arranged under the Technical Cooperation Scheme of the Colombo Plan to which he referred is a reminder that the vast structures of steel and concrete which make a modern integrated steelworks, are the product of human creative skills built up by years of tradition. Mr Alport's assurance, that their aim is "to transmit to India, not only the machines and furnaces, but those very skills and knowledge which make their building and operation possible" will be received with redoubled satisfaction, as there has been a tendency in some quarters to take a dubious view of the value of the training.

In an undertaking of such magnitude accidents are unavoidable. Considerable relief was felt at the official announcement that the accident which resulted in the furnace going off blast within a week of its formal commissioning, was not such a serious affair as first reports led one to think. As Mr Alport observed, "a great work, like a newly commissioned ship, takes time to shake down into the new rhythm of the work for which it is created; in the next few months this process will be in train."

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With the steel plants at Bhilai and Rourkela entering the last stages of construction, which there is every likelihood will be completed ahead of schedule, discussion has already started for their expansion during the next Plan. A Soviet team now in India to review working of projects built with Soviet assistance has already held discussions on the doubling of the capacity of the Bhilai plant. As for Rourkela, it may be taken that the foreign exchange requirements of the expansion that is envisaged, have been virtually underwritten by the firms which have put up the plant. Both Mr Alfred Krupp and Mr Hitzinger, told a press conference which they addressed on the day the L.D. converted started producing steel, that they would be prepared to give liberal, and flexible credit arrangements for the expansion of the project.

The successful conclusion of Indo-Pakistan talks over the Punjab-W. Pakistan border disputes, is a pleasant sequel to the earlier satisfactory outcome of the financial talks. The agreement signed on January 11 covers all the outstanding disputes except one, relating to the West Pakistan border with the Bombay State, which has been held over pending receipt of further information. The agreement over the Western border has been preceded by a satisfactory settlement of India's border with East Pakistan. With the canal waters dispute on the way to a satisfactory settlement, thanks to the good offices of the World Bank, the only major item in dispute is Kashmir. The facility with which the border dispute, a chronic source of annoyance, has been settled inspires the hope of a fresh effort to reach agreement on Kashmir, in the favourable atmosphere for negotiation created by President Eisenhower's visit. Foreign commentators have linked the settlement of the Indo-Pak dispute with Chinese aggression which they regard as a contributing factor. As far as this country is concerned, the general feeling is that the manner in which the dispute with Pakistan was settled should serve a precedent for a similar happy outcome of the current border disputes with our neighbour across the Himalayas.

Border Settlement

The fact that the proposal for a bridge at Pandu, which was given up during the war as too difficult, is now being taken up seriously, is convincing evidence of the priority given to the development of Assam by the Government and the Planning Commission. The future of the State should be bright indeed, if those who are in a position to mould its destinies heed the Prime Minister's warning against parochialism, which is as relevant to economic development as to national defence.

Since the attainment of independence the people of Assam have been nursing a grievance that their State has been neglected in the programmes of national industrial development. This has led in the past to an agitational approach to the problems of economic development. Assam is richly endowed with natural resources which can support a variegated industrial complex on a prosperous agricultural base. Alone among Indian States it has extensive areas under forests. So far Assam remains India's only source of indigenous oil.

Rourkela

If 1959 was an year of achievement for the iron and steel, the omens are even better for 1960. Rourkela has rung the bells for the New Year with the commissioning of a bunch of new installations of which the most important is the commencement of the L.D. process of steel making, which was formally inaugurated by the Union Minister for Steel, Mines and Fuel. Those who are not steel technicians or metallurgists, may not be interested in the technical details which establish the superiority of the new process over conventional methods, but no one will miss the significance of the occasion. Those responsible for planning the Rourkela project can take legitimate pride that they were alert enough to seize the advantages of this new process as soon as it was put into commercial operation in Austria and took a bold decision to produce 75 per cent of the total steel output of Rourkela by the L.D. Process.

Two functions, whose importance from the national point of view was highlighted by the Prime Minister's participation, promise a new deal for Assam. The first was the inauguration of work on the Rs 705 lakh hydel project on the River Umiam which is expected to be completed by 1963. The other was the ceremony, at which Mr Nehru officiated, of the laying of foundation stone of the Rs 10-crore rail-cum road bridge across the Brahmaputra.

With the steel plants at Bhilai and Rourkela entering the last stages of construction, which there is every likelihood will be completed ahead of schedule, discussion has already started for their expansion during the next Plan. A Soviet team now in India to review working of projects built with Soviet assistance has already held discussions on the doubling of the capacity of the Bhilai plant. As for Rourkela, it may be taken that the foreign exchange requirements of the expansion that is envisaged, have been virtually underwritten by the firms which have put up the plant. Both Mr Alfred Krupp and Mr Hitzinger, told a press conference which they addressed on the day the L.D. converted started producing steel, that they would be prepared to give liberal, and flexible credit arrangements for the expansion of the project.

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New Deal for Assam

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In spite of all these advantages, the economic development of the State has been slowed down by lack of communications. The Partition left Assam practically cut off from the rest of India. The metre-gauge line skirting the Himalayan foothills is undependable and inadequate, while the northern and southern halves of the State are separated by the turbulent Brahmaputra. While the hydel project will augment power resources and speed up the development of the oil industry, construction of the bridge will eliminate the principal impediment to rapid economic development.

The fact that the proposal for a bridge at Pandu, which was given up during the war as too difficult, is now being taken up seriously, is convincing evidence of the priority given to the development of Assam by the Government and the Planning Commission. The future of the State should be bright indeed, if those who are in a position to mould its destinies heed the Prime Minister's warning against parochialism, which is as relevant to economic development as to national defence.

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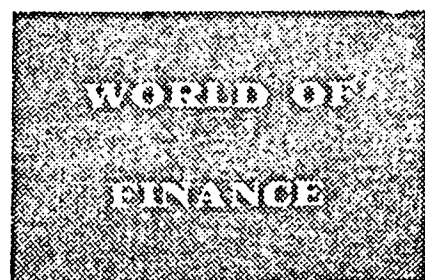
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World of Finance in 1959

THE few banking results for 1959 so far published have failed to bear out our apprehension that profits in 1959 would show a calamitous drop. Our conviction in this behalf was based on the fact that, during 1959, the weekly average of Time Liabilities, or higher costing Deposits, exceeded the weekly average of Advances, or the higher earning assets. The detailed figures, in respect of 1959, which we shall now be analysing, suggest reasons why, in some cases at least, banking profits would not have unduly suffered. The assessment now being made is of the World of Finance generally during the year just ended.

The expansion in active note circulation was, during 1959, of a size that had, since planning endeavours began, been exceeded only in 1955. The increase during the last year has amounted to Rs 141 crores as against Rs 83 crores in 1958. The figure for 1958 itself was more than double

the expansion in active notes in 1957; and the reason was that, during 1958, the decline in the foreign exchange holdings of the Reserve Bank was much smaller. Thus, the contractionist impact of a fall in foreign exchange reserves was less during 1958 than had been the case in 1957. In 1959, the foreign exchange holdings of the Reserve Bank rose by Rs 24 crores, even after Rs 25 crores had been spent on gold purchased for making over to the International Monetary Fund. It is thus that, with foreign exchange reserves rising instead of declining, there was an expansionist, and not contractionist, impact upon note circulation. Indeed, it is noteworthy that the rise in active note circulation has occurred despite what is presumably a lower quantum of deficit financing. For, Rupee Securities held by the Reserve Bank in both departments are higher only by Rs 102 crores as against a rise in 1958 of Rs 219 crores. (The magnitude of deficit financing during 1959 is, however, rather higher than as suggested by the size of the rise in the holdings of the Reserve Bank; this is, firstly, because entities other than the Reserve Bank are also investors in the ad hoc Treasury Bills, and, secondly, because the Reserve Bank has figured as a considerable seller of marketable securities through its tap). The expansionary trend in money supply is also indicated by the outflow of Rupee Coin during 1959 for Rs 3.66 crores, as against Rs 3.53 crores

in 1958. (The extent of outflow of Rupee Coin is measured by the actual decline under this head plus Rs 5 crores representing tender of Rupee Coin by the Central Government in exercise of their right in this behalf in the second week of April 1959).

The changes relating to Deposits of Central and State Governments do not need to be commented upon. On the other hand, it is intriguing to find that the Reserve Balances of member banks, for the first time since the Second Plan began, are shown to have declined over the year. That, despite an increase in Deposits that was bettered only in 1957, Scheduled Banks have kept the level of their balances with the Reserve Bank rather low is a significant indication of the banking system's anxiety to utilise all possible resources in gilt-edged or in advances. (During the week ended January 1, 1960, a sharp increase was recorded in the Reserve Balances of member banks; and that this was clearly due to year-end window-dressing was confirmed by a sharp decline being registered during the week ended January 8). The Other Loans and Advances of the Reserve Bank are sharply higher by Rs 27 crores; but the Scheduled Banks were responsible but to a negligible extent in this respect. It is the increased borrowings of cooperative banks and other entities, which are eligible to borrow from the Reserve Bank under this head, that raised the level of the Reserve Bank's Other Loans and Advances. Indeed, as at the end of November, borrowings of State Cooperative Banks from the Reserve Bank had risen over the year by Rs 24 crores. It is noteworthy that the Reserve Bank's advances against usance bills were at the nominal figure of Rs 0.11 crores on the last Friday in 1959. Neither against usance bills nor against Government securities have the Scheduled Banks been a great borrower from the Reserve Bank. (Again, however, for purposes of year-end window dressing, Scheduled Banks borrowed heavily, during the week ended January 1, 1960; but they liquidated almost the whole of such borrowings in the week thereafter). Other liabilities are practically unchanged, suggesting the Reserve Bank's profit is also more or less unchanged.

The main points, thus, to be noted in the Reserve Bank returns are as follows:

- (1) The expansion in Active Note circulation has been of very large dimensions, because there was no decline in the foreign exchange holdings of the Reserve Bank to cause a contractionist impact upon currency circulation.
- (2) The quantum of deficit financing during 1959 has been much smaller.
- (3) There has been a fair sized increase in the foreign

exchange holdings of the Reserve Bank.

- (4) Despite a new accretion of considerable dimensions to Deposits, Scheduled Banks have kept their balances with the Reserve Bank at a figure which is lower than the one obtaining at the end of the previous year.

The State Bank figures for 1959 suggest that the rise in Deposit Resources was more or less maintained during 1959. But, for the first time since the Second Plan began, Advances of the State Bank declined over the year by Rs 8 crores. Thus, the State Bank has contra-invested not merely the whole of its rise in Deposits but also that element relating to its decline in Advances. We may take it that, according to its practice, the State Bank would have contra-invested against the special deposits accruing under Public Law 480; but the fact that, over and above this figure, there has been further investment in gilt-edged would indicate that the State Bank, with excessive resources that it could not profitably use, was compelled to increase its gilt-edged portfolio in order to offset the decline in earnings consequent on the lower volume of Advances.

It is in the figures relating to Scheduled Banks for 1959, read in conjunction with the relative figures for the State Bank, that we can plumb the reason for the quite respectable banking profits so far announced. Firstly, gross deposits have risen by Rs 249 crores, of which Rs 107 crores are traceable to the State Bank. This means that the increase in Deposits of other Scheduled Banks works out to Rs 142 crores. This represents an improvement on the performance in 1958 of other Scheduled Banks by something like Rs 27 crores. It would appear, however, that the other Scheduled Banks had better use for their accruing deposits than did the State Bank. In 1958, it may be recalled, advances of Scheduled Banks other than the State Bank rose only by Rs 4 crores, against an increase in Deposits of Rs 115 crores; the experience of the other Scheduled Banks during 1959 has been an expansion of Rs 107 crores in Advances against a rise of Rs 142 crores in Deposits. That is to say, Scheduled Banks other than the State Bank did have a more remunerative utilisation of their deposit resources than was the case in 1958. Furthermore, while, in 1958, other Scheduled Banks added to their gilt-edged portfolio by Rs 104 crores, the relative figure for 1959 is rather lower at Rs 34 crores.

However, the rise in deposits of Scheduled Banks other than the State Bank has again been almost entirely under the head of Time Liabilities. This works out to something more than the rise in the total of advances. Consequently, we may conclude that performance of banks during 1959 will be a mixed one.

Indian Finance

January 16, 1960

Mounting Busy Season Pressure

MOUNTING busy season pressure is clearly indicated in the returns of the Reserve Bank for January 8. There has been a steep rise of Rs 32.41 crores to Rs 1775.08 crores in active note circulation. Moreover, outflow of Rupee Coin during the week has been in the considerable amount of Rs 2.62 crores. Currency has been expanded for Rs 40 crores against Rupee Securities by transfer from the Banking Department. In the result, the Reserve Bank's cash in the till has improved from Rs 8.01 crores to Rs 12.93 crores.

The transfer to the Issue Department is reflected in a decline of Rs 42 crores in Investments in the Banking Department. However, with the State Bank figuring as a purchaser of gilt-edged during the week for Rs 15 crores, it would appear that deficit financing of this order was instituted by the Central Government and has been concealed by the fact of State Bank purchases through the tap. The proceeds of such created money have helped to increase the Central Government's balances by Rs 8.81 crores to Rs 64.37 crores. Meantime, some element of inter-governmental transactions is also suggested by the decline of Rs 8.22 crores to Rs 12.50 crores in the balances of State Governments, who have, besides, increased their borrowings from the Reserve Bank by Rs 4.61 crores to Rs 24.55 crores.

Scheduled Banks, which had apparently, during the week ended January 1, borrowed substantially from the Reserve Bank in order to add to their cash balances and to deposits with the Reserve Bank, for purposes of year-end window dressing, have restored normalcy in their figures vis-a-vis the Reserve Bank. The Reserve Balances of member banks are sharply down by Rs 38.33 crores at Rs 68.25 crores, of which only Rs 29 crores is traceable to the State Bank, part of this last being, we may assume, for purchase of securities by that institution through the Reserve Bank tap. At the same time, it is to be noted that Scheduled Banks have reduced their indebtedness to the central banking institution, as shown by the decline of nearly Rs 10 crores to Rs 102.89 crores in the latter's Other Loans and Advances.

The Reserve Bank's portfolio of Government Treasury Bills purchased and discounted marks a further rise of Rs 6.78 crores to Rs 48.12 crores, allowing the presumption that State Governments have in this wise sought to replenish their balances.

It is intriguing to find a rise of Rs 6.67 crores to Rs 122.43 crores in Other Deposits. This may conceivably relate to transfer of the Reserve Banks accrued profit for the half-year, though Other Liabilities are, it may be noted, practically unchanged.

RESERVE BANK

				(In Crores of Rs)					
				Change	27-12-59	Change	26-12-58	Change	25-12-59
Notes held in Banking Department	12.04	9.14	— 2.90	16.52	+ 7.38	14.39	— 2.13	11.01	— 3.38
Notes in Circulation	1361.98	1466.07	+104.09	1506.79	+ 40.72	1589.42	+ 82.63	1730.11	+140.69
Rupee Coin	108.44	124.80	+16.36	133.06	+ 8.26	136.59	+ 3.53	132.93	— 3.66
Foreign Securities	686.88	447.30	—239.58	275.23	—172.07	164.68	—110.55	163.01	— 1.67
Balances held Abroad	48.30	82.61	+ 34.31	22.42	— 60.19	24.17	+ 1.75	50.13	+ 25.96
Sub-Total	735.18	529.91	—205.27	997.26	+211.91	1184.79	+108.80	213.14	+ 24.29
Rupee Securities	538.67	785.35	+124.68	245.12	+183.30	277.03	+187.53	1327.43	+142.64
Investments	50.54	61.82	+205.27	297.65	+232.26	188.85	+ 31.91	236.83	— 40.20
Sub-Total	589.21	841.17	+251.96	1242.38	+395.21	1461.82	+219.44	1564.26	+102.44
Central Government Deposits	54.01	57.24	+ 3.23	53.54	— 3.70	55.88	+ 2.34	58.87	+ 2.99
Other Governments' Deposits	10.62	8.00	— 2.62	13.01	+ 5.01	17.22	+ 4.21	24.65	+ 7.43
Other Deposits	15.81	13.87	— 1.94	113.70	+ 99.83	116.69	+ 2.99	116.35	— 0.34
Bank Deposits	57.87	58.09	+ 0.22	70.69	+ 12.60	80.92	+ 10.23	73.02	— 7.90
Other Loans and Advances	44.63	106.04	+ 61.41	60.05	— 45.99	65.37	+ 5.32	92.36	+ 26.99
Of which against usance bills	18.86	57.20	+ 38.34	21.07	— 36.13	1.84	— 19.23	0.11	— 1.73
Loans to Governments	3.66	7.27	+ 3.61	35.03	+ 27.76	23.97	— 11.06	19.24	— 4.73
Other Liabilities	26.75	107.11	+ 80.36	25.18	— 81.93	28.80	+ 3.62	28.45	— 0.35

STATE BANK

Deposits	222.30	242.02	+ 19.72	364.98	+122.96	472.39	+107.41	579.23	+106.84
Borrowings	5.00	9.52	+ 4.52	1.49	— 8.03	0.64	— 0.85	2.15	+ 1.51
Cash Balances*	22.62	21.07	— 1.55	30.72	+ 9.65	40.29	+ 9.57	29.81	— 10.48
Investments in Gilt-edged	109.11	95.51	— 13.60	173.64	+ 78.13	273.25	+ 99.61	389.63	+116.38
Loans, Cash Credits, Overdrafts	89.10	105.97	+ 16.87	152.01	+ 46.04	156.10	+ 4.09	147.28	— 8.82
Bills Purchased and Discounted	14.21	34.15	+ 19.94	18.91	— 15.24	14.22	— 4.69	14.87	+ 0.65
Sub-Total of Advances	103.31	140.12	+ 36.81	170.92	+ 30.80	170.32	— 0.60	162.15	— 8.17

SCHEDULED BANKS

Demand Liabilities	614.48	654.19	+ 39.71	719.49	+ 65.30	718.32	— 1.17	739.58	+ 21.26
Time Liabilities	418.40	459.50	+ 41.10	686.47	+226.97	909.68	+223.21	1136.52	+226.84
Sub-Total of Deposits	1032.88	1113.69	+ 80.81	1405.96	+292.27	1628.00	+222.04	1876.10	+248.84
Borrowings from State Bank	7.23	8.11	+ 0.88	6.77	— 1.34	7.35	+ 0.58	8.66	+ 1.31
Borrowings from Reserve Bank	30.02	79.06	+ 49.04	23.63	— 55.43	10.95	— 12.68	11.83	+ 0.88
Cash Balances*	123.07	114.60	— 8.47	172.45	+ 57.85	175.54	+ 3.09	158.47	— 17.07
Investments in Gilt-edged	385.05	364.75	— 20.30	433.42	+ 68.67	637.57	+204.15	787.82	+150.25
Advances	516.73	622.91	+106.18	712.24	+ 89.33	741.82	+ 29.58	812.18	+ 70.36
Inland Bills	66.25	111.74	+ 45.49	98.42	— 13.32	83.30	— 15.12	106.16	+ 22.86
Foreign Bills	48.47	53.81	+ 5.34	46.44	— 7.37	40.66	— 5.78	46.17	+ 5.51
Sub-Total of Advances	631.45	788.46	+157.01	857.10	+ 68.64	865.78	+ 8.68	964.51	+ 98.73

*Includes Cash, balances with Reserve Bank, balances with other banks and money at call.
†Includes Cash, balances with other banks and money at call

BANK PROFITS

The first banking results for 1959 have been published, but space permits only the reference to what is an incredible performance of United Commercial Bank. The net profit, after tax, has risen by more than Rs 24 lakhs to Rs 60.42 lakhs. The appropriations are equally spectacular. The Reserve Fund receives a massive Rs 27 lakhs, raising the Fund to Rs 1.75 crores, or just Rs 25 lakhs short of the capital. The dividend is raised from 7½ per cent free of tax to 11 per cent subject to tax. Bonus to staff absorbs more than 50 per cent more at Rs 11 lakhs against Rs 7.25 lakhs. UCO's results may be described as Gargantuan figures in what, for banking generally, may have been a Lilliputian year.

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Assistance to Backward Countries

By Paul Einzig

TWO conflicting and mutually exclusive currents of thought have been gaining publicity in Britain and other industrialised countries in recent months. On the one hand, there is unquestionably a growing realisation of the urgency to increase economic assistance to underdeveloped countries; on the other hand there is a revival of

the drive on the part of organised labour in Britain, as in other industrial countries, to secure for themselves an improvement of their standard of living by means of higher wages and/or shorter working hours.

Even if those concerned are utterly ignorant, or pretend to be ignorant, of the economic problems involved, surely they have no right to try to ignore out of existence the arithmetical aspects of the problem. The basic fact of the situation is that there are some 1,800 million underdeveloped peoples, so that any assistance on a worthwhile scale would involve considerable efforts and sacrifices on the part of the advanced nations whose total population only represents a fraction of that number. Yet those who are the loudest in agitating for increased assistance to backward peoples appear to imagine that the resources for that purpose could be forthcoming out of the resources of a mere fraction of the peoples of advanced countries. Being very generous with other peoples' money Socialists in advanced countries imagine, or pretend to imagine, that all that is needed is another turn of the taxation screw on upper incomes to provide the necessary funds for the capital requirements and current consumption of the 1,800 million underdeveloped peoples.

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(Corresponding profit for 1958: Rs. 4,18,925)

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S. N. K. SUNDARAM,
Managing Director.

The only suggestion by Socialists I have ever come across to the effect that industrial labour too ought to contribute toward the assistance of underdeveloped peoples, came from the late Maurice Webb who suggested some years before his death that for some time to come the working classes in Britain should renounce a further improvement in their standard of living, so as to give the entire benefit of technological progress and expanding production to those who were in greater need of it than themselves. His propo-

sal met with no response in the quarters to which it was addressed.

One way in which Socialists in advanced countries seek to defer the day when the implications of the problem would have to be faced squarely is by conveying that disarmament resulting from a relaxation of tension with Soviet Russia would provide the necessary means for assisting backward peoples. Yet a little simple arithmetic is sufficient to expose the falsity of this argument. Britain's total expenditure on national defence has been running at the

annual rate of £1,500 million in recent years. Even if Britain were to disarm stark naked (which is of course, inconceivable), the complete abolition of defence expenditure would only contribute 43. a week per head of population of the underdeveloped countries towards raising their standard of living. At the cost of exposing herself to enemy domination Britain could secure for backward peoples an extra cup of tea every week, and nothing more.

One should have thought that since the spokesmen of the British

Labour Movement professed to be so keen on assisting underdeveloped peoples they would be in favour of embarking on a production drive for the benefit of those peoples. Instead, the Trade Union Council inaugurated the New Year by pronouncing itself in favour of a drastic reduction of the working week.

In answer to my denunciation of the inconsistency between the two objectives the argument was put forward that a cut in the standard working week would not really mean that less work would be done, but merely that more overtime would be paid at increased rates for the same amount of work. This argument, even to the extent to which it is correct, does not answer my charge. To the extent to which the reduction of the working week would be merely a concealed form of wage increase, it would increase consumer demand and would reduce any surplus available for assisting underdeveloped countries. Moreover, many industries would not be able to afford to pay increased overtime rates and would prefer to work shorter hours and allow their output to decline. Whether by increasing consumer demand against an unchanged output, or by maintaining consumer demand unchanged against a reduced output, a cut in the standard working week would reduce our capacity to assist backward peoples.

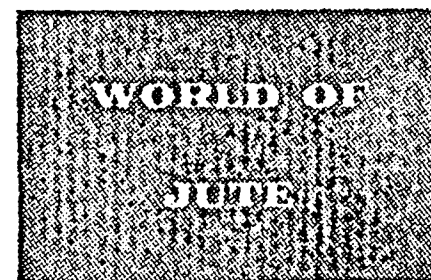
It is for the Labour movements in underdeveloped countries to bring these facts home to the more fortunately placed workers in Western countries and, for that matter, to the Soviet Government. The latter by declaring recently its policy of drastically reducing the working week, gave a powerful stimulus for similar demands by trade unions in Western countries. Even the more statesman-like among the Western trade union leaders are now liable to feel impelled to yield to pressure by their rank and file in favour of cuts in working hours, for fear that, should they try to resist it, the Communist influence in their unions would increase.

Strangely enough it does not occur to anyone to inquire whether the standard of living of Russian workers is really as high as to justify at this stage, or even in the foreseeable future, a relaxation of productive effort by means of more leisure and less work at this stage. And even if the answer to that question were in the affirmative there is still the question whether the Soviet Government has no intention of helping to raise the deplorably low standard of living of 700 million Chinese—apart from hundreds of millions of other underdeveloped peoples whose interests it pretends to have at heart—before decreeing a drastic relaxation of productive effort. It is for the underdeveloped peoples themselves to press for an answer to these questions.

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Indian Finance

January 16, 1960



Firm Undertone in Jute Markets

THE jute goods market continues to show a firm undertone although prices during the past few days have been moving within wide limits. The main governing factor still seems to be speculation about raw jute supply during the current jute season. This is not understandable because it has been clearly stated by authoritative sources that supplies of raw jute will be plentiful. Even a conservative estimate of the new crop together with the carryover from last season gives a total availability of over 80 lakh bales. Government have quickly followed up their assurance that the industry will be enabled to maintain a high level of production by issuing licences for the import of 2 lakh bales of cuttings from Pakistan. The improvement in raw jute arrivals in uncountry centres noticeable in recent weeks should also help discourage ideas about shortage. But it would appear that in common with many other commodities raw jute also has come into the grip of speculators. With a view to check unbridled speculation margins have been revised upward three times within the space of a fortnight in the futures market.

It is, however, to be admitted that the outlook for jute goods is good. The jute industry has commenced the New Year with a very satisfactory statistical position. Total stocks at the end of December 1959 were at 58,700 tons comprising 22,100 tons of hessian, 25,700 tons sacking and 10,900 tons other varieties. At the end of November 1959, total stocks were 65,200 tons. The low level of sacking stocks has imparted fresh strength to the bullish fervour even though there is no likelihood of a squeeze in this category of goods as mills continue to work with 90 per cent of their looms with the 24 per cent looms unsealed since last August entirely devoted to sacking production. Moreover, it is not as though foreign demand for sacking goods is strong now or that the next few months will witness heavy enquiries.

A firm undertone is noticeable in hessian too because of expectations of improved US offtake in coming months. The large burlap consumption during November coupled with the anticipation that consumption may record a further rise in view of the end of the steel strike are keeping up the

price level in this section. But even here it will be prudent to avoid overenthusiasm. For, burlap stocks in US at the end of November show a sizable increase over the previous month's level.

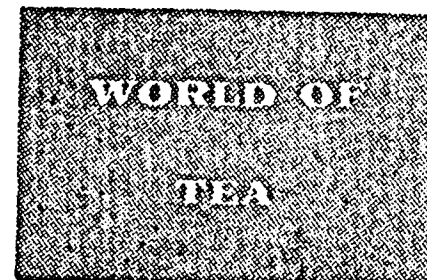
The sizable increase in production of jute goods during December is another factor that should discourage a rise in price levels. Output in December has totalled 93,600 tons showing a rise of 5600 tons over production in the previous month. The higher production is the result of an increase of 17 hours in mills' working during the month as compared with the previous month. Output of hessian has increased to 38,800 tons from 36,600 tons, that of sacking to 47,900 tons, from 45,700 tons and that of other varieties to 6,900 tons from 5,700 tons.

It is clear that despatches of goods during December have been quite good—they must have been over 100,000 tons. It is no doubt an encouraging factor that offtake has been high despite an increase in production. But that is no reason why prices should be pushed up to uneconomic levels. The fact that the rise in price levels in the domestic market has not been followed by sustained foreign enquiries should serve as a warning to the trade. With the growing competition from Pakistan and the trend toward self-sufficiency in jute goods in most of the Asian countries, uneconomic price levels will only make our jute goods unpopular with overseas consumers.

The jute goods market opened firm but in later dealings sentiment was rather depressed due to selling pressure. B Twills January opened at the high level of Rs 115.50 but was soon pushed down to Rs 114.62. Monday, however, witnessed revival of support and once again B Twills January was done up to Rs 116. The recovery proved shortlived as on Tuesday prices lost ground under speculative selling pressure. B Twills came back to Rs 114.10. A quiet tendency continued to persist on Wednesday with further losses in rates but at the lower levels there was some support and the market closed slightly better with B Twills at Rs 113.75. Hessian was comparatively steadier to be finally placed at Rs 42.60.

In the futures market Hessian 40" x 10 oz February closed on Wednesday at Rs 42.56 as against Monday's opening rate of Rs 42.90. B Twills February closed at Rs 113.80 as against Monday's opening rate of Rs 115.00.

The raw jute market ruled firm in early dealings but turned quiet later on due to lack of mill interest. It would appear that sellers were beginning to realise that high prices would become untenable in the face of improved arrivals. Assam Bottoms Jan-Feb delivery receded to Rs 31 from Rs 32.75 earlier in the week. In the futures market Assam Bottoms March was finally placed at Rs 30.60 on Wednesday.



Shortfall in Production

ACCORDING to latest indications, production of Tea, in the major producing countries, after successive increases, is expected to show a decline for last year. The net shortfall is now estimated at 11 million pounds, while total world absorption has probably increased by about 30 million pounds, assuming that the British consumption is running at last year's level.

Although tea production in North-East India and Pakistan during the first eleven months of last year, at 545 million pounds and 53.5 million pounds, showed increases of 1.9 million pounds and 1.0 million pounds respectively, total production is not expected to exceed 1958 level in view of the early onset of the cold weather.

The Tea crop in South India and Ceylon has been affected by unfavourable weather conditions. In the South, some parts of Annamalais have just caught up with last year's levels and so have some estates in Nilgiris. But, all other districts are behind and some very far behind. Production totalled only 121.6 million pounds in the first ten months of last year as against 135.4 million pounds in the corresponding period of 1958. Production in Ceylon amounted to 338.5 million pounds, showing a decline of 13.9 million pounds over the ten-month period of 1958.

While the Indonesian crop is running nearly 4.0 million pounds behind last year, production in British East Africa at 56.6 million pounds, during the first ten months of 1959, showed an increase of 5.4 million pounds over the same period of 1958.

Georgia, which accounts for most of the tea production in the Soviet Union, has substantially expanded its output. Over 140,000 tons (about 300 million pounds) of top quality tea leaf were reported to have been sold to the Government last year. Georgia's tea-growers have resolved to attain the harvest level to 200,000 tons by 1965.

In general, optimism is entertained with regard to the outlook for the industry during the current year. In view of the development plans like the Second and Third Plans, a substantial increase in the purchasing power of the community and simultaneously a marked rise in internal tea consumption are expected.

Tea shipments from Cochin, in the first eleven months of 1959, were lower at 78.3 million pounds as compared with 89.6 million

pounds in the corresponding period of 1958. Exports from Ceylon, in the first ten months of 1959, have also fallen to 311.53 million pounds from 346.01 million pounds in the corresponding period of the previous year.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 76,316 packages. There was a good general demand and "teas for price", plain, medium BPs and PFs were fully firm to dearer. Medium Orange Fannings weakened during the sale and BOPs were the weakest feature of the sale.

CTC Assams were little irregular and often 5 nP to 10 nP per pound easier, while Legg-cut teas were sold readily. The poorer and medium Whole Leaf grades were sold well; but the better sorts were at times neglected. Darjeelings and Tippy sorts met with only a limited demand. Following rates were quoted:—Clean Black Pekoe Rs 2.20 to Rs 2.26; Plain BP Rs 2.10 to Rs 2.16; Plain Fannings Rs 2.16 to Rs 2.24; Medium BP Rs 2.04 to Rs 2.12; Medium Fannings Rs 2.20 to Rs 2.28; Best Assam CTC BP Rs 2.40 to Rs 2.60 and Best CTC Assam Fannings Rs 2.45 to Rs 2.60.

In the Internal Sale, offerings consisted of 23,277 packages of Dusts and 871 packages of Leaf grades. There was a strong general demand for Dusts. Orthodox types met with keen enquiry and were sold at dear rates, the black exportable types advancing by up to 8 nP per pound. Legg-cut teas were fully firm and sometimes dearer. Darjeeling teas were firm and often dearer with the exception of the grainy sorts which declined in price. Following rates were quoted:—Medium Doars Dust Rs 2.22 to Rs 2.34; Medium Assam Dust Rs 2.16 to Rs 2.28; Medium Assam CTC Dust Rs 2.20 to Rs 2.23 and Best CTC Assam Dust Rs 2.50 to Rs 2.90. There was a good demand for Leaf grades, but at irregular rates.

In the Cochin market, about 1,050,000 pounds of Leaf grades were offered. Against good general demand, Low Medium and Medium sorts were fully firm. Good Medium teas were steady; but the high-grown sorts attracted very little demand. Whole Leaf grades were strong and dearer.

The auction on the London Tea market opened the New Year on much the same pattern as the weeks preceding Christmas, with demand being centred on the plainer descriptions. The overall price, however, did not show much change. With the catalogue next week and the week after containing around 75,000 packages, it remains to be seen whether prices can be maintained.

Tea stocks in London, as on the 1st January 1960, totalled 123.46 million pounds as against 120.65 million pounds in the previous week. Total amount to be landed on the same date was 34.36 million pounds.

MARTIN BURN LIMITED

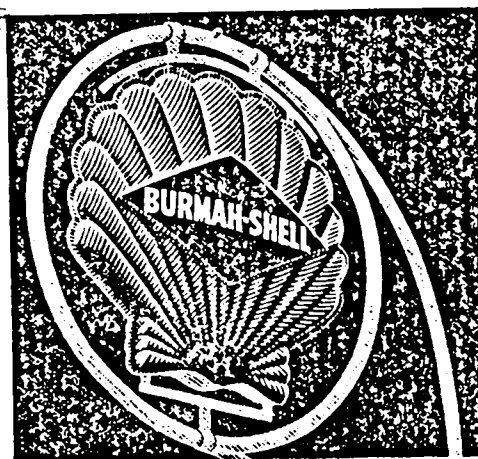
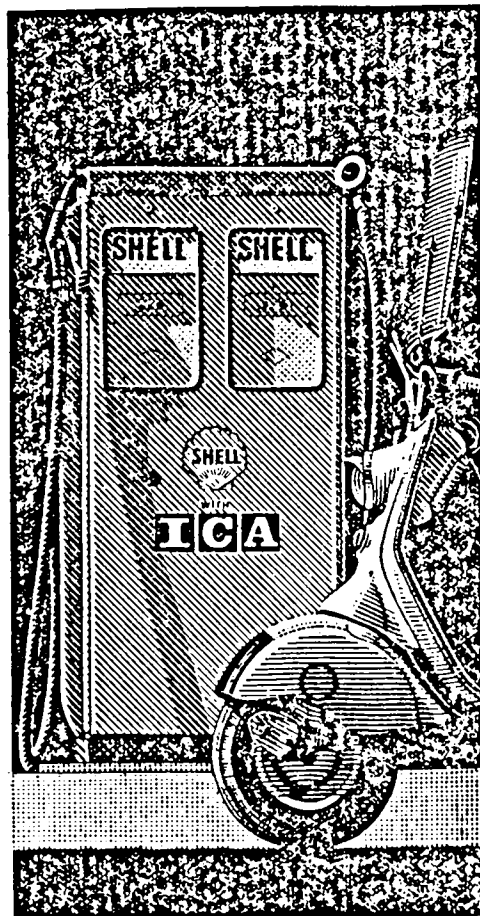
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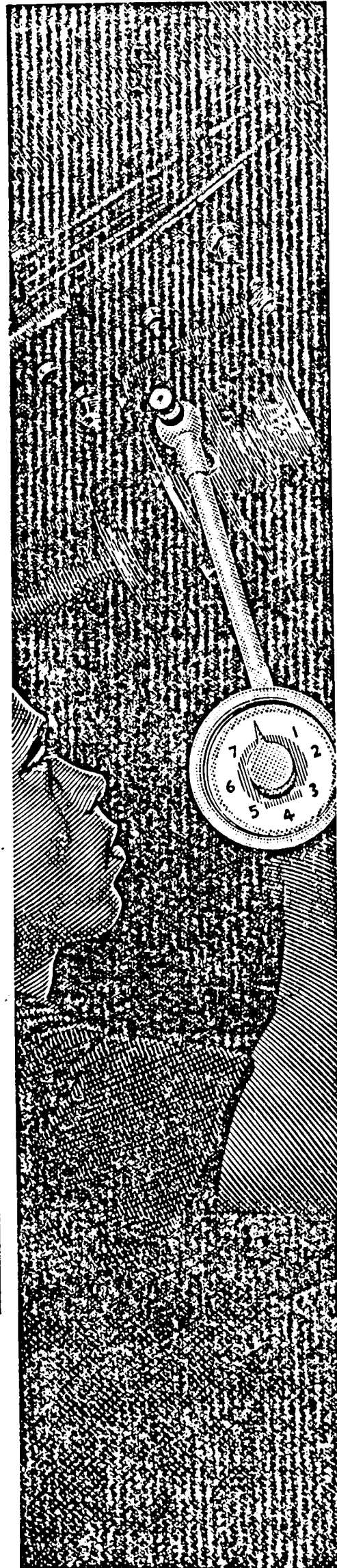
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Clive Street Gossip

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

THE New Year has ushered in a rather clearer picture of the American political scene than we might have hoped would obtain, say, 3 months ago. What promised to be an exciting tussle, later this year, for the Republican nomination for the Presidential elections, has now totally fizzled out; Mr Rockefeller, whose political fortunes were so triumphantly on the ascendant in the last election, has stated categorically that he does not intend to seek office as President in behalf of the Republican party—at least, not in 1960. This leaves the field clear for Vice President Nixon, who, in any case, was supposed to have the best chance of being the Republican candidate. There don't appear to be any other Republican aspirants; and, almost as if by default, the "mantle" falls upon the young Mr Nixon. The implications of Mr Rockefeller's decision to keep aloof from the 1960 presidential elections are manifold, not only for Mr Nixon but also for the Democratic party.

What, we may ask ourselves, caused Mr Rockefeller, who, by all accounts, was known to have been vigorously campaigning for the nomination all of last year, suddenly to make up his mind that he should stay on in New York as Governor? It is not, I am sure, that Mr Rockefeller thinks he is too young to seek so high a post; it is not, either, that he felt that he would be bested by Mr Nixon when the time came for the Republicans at their convention to nominate the man of their choice. My own feeling is that the conviction grew on him that 1960 would prove to be a Democratic year. And Mr Rockefeller had no desire to earn for himself the reputation of a "defeated" candidate. Whatever your qualifications, and whatever the quirk of fate that might have conspired against you, if you have been defeated at a Presidential election, you have, in America, received the kiss of death. So found Mr Dewey some years ago. So, it appears, is the case with the Democratic nominee of the last two elections, Mr Adlai Stevenson. When the stakes are the White House, caution and circumspection are necessary. In exercise of that caution, Mr Rockefeller has sized up the situation, and come to the conclusion that it will profit him little, and may lose him a lot, if he should be the Republican nominee for 1960. So, gracefully, and well in time, for "adequate" reasons, Mr Rockefeller bows out; and, in so doing, has presented Mr Nixon with a Grecian gift.

The trouble is, as Mr Nixon will be finding, that a one-horse race arouses no interest; and, since he is the only runner from the Republican stable, tipsters and punters both are critically examining the

many starters (though some may be scratched before the Democratic convention meets) in their study of form. (I hope, incidentally, that a friend who shall remain anonymous, very fond of the sport of Kings he is, will be pleased with such description of the presidential election). Competition is the spur that makes a race-horse great; a pacer from the same stable will inestimably improve both its chances and its speed. Mr Nixon, unfortunately, will suffer from such lack of competition. More than his relief that the "outsider" Rockefeller will now not be able to nose past him in a photo-finish, will be his anxiety that there will be no cheers from the crowd to put that little extra into his stride.

All that is certain about the Democratic party is that, at its convention, it will choose its nominee. Nobody knows who it will be; nor am I familiar with all the thoroughbreds that the stable contains. There are only two with which I intend to concern myself, partly because it is they that I personally favour, and much more because I am relatively ignorant about the pedigree and staying power of the others.

The first, of course, is Senator Kennedy. If I may be permitted racing parlance for the last time, the only thing almost that makes him suspect is the presence of Roman (Catholic) blood. This is not supposed to be a good thing, in an American Presidential race. His other so-called handicaps do not amount to much. He is rich; he is young. Mr Kennedy has been strenuously trying to build up a picture of himself as a modest crusader in internal affairs, and a man of the world in international affairs. For India's part, the initiative he has taken in the Senate endears us to him; he thought, it may be recalled, of a Marshall Plan for India. Nothing, of course, has so far come of it, but it is the implicit sympathy with Indian aspirations that forges a link between Senator Kennedy and this country. Unfortunately, the party machine may well think, though it may not give expression to it, that a Catholic cannot win; and, if so, whatever may be Mr Kennedy's intrinsic merits, the prospect is that he will quite heartlessly be "refused" nomination.

The other Democrat whom I would like to see as President is

Mr Adlai Stevenson. But he is a two-time loser, and the party machine anyway does not take kindly to such evidence of inability to win. It does not matter, in its calculations, that, in losing, Mr Stevenson had won more votes (if I remember right) than any elected President—other than, of course, Mr Eisenhower. Nor does it matter that three out of the four Congresses to serve Mr Eisenhower were controlled by the Democrats. It does not matter at all that Ike was unbeatable. Mr Stevenson lost twice; and he may not be given a third chance. There is, however, a very big "unless". Mr Stevenson, it is true, has been saying all along that he will not seek nomination this year. But all this means is that he will not enter into the fray himself. So, it would appear that he would be willing to be "drafted". That is to say, he would not be averse to the nomination being thrust on him. The "unless" that I mentioned a few sentences ago relates to the prospect that, with a strong body of opinion against Mr Kennedy, the Senator may be unable to get the nomination. And none of the other candidates may be strong enough to command the number of votes necessary to "nominate". So, unless the convention is deadlocked, and unless at that stage Mr Stevenson is "drafted", the chances are that Mr Stevenson can hope at best to be Secretary of State—provided, of course, there is a de-

mocrat living for the next four years at the White House.

My own preference is for Mr Stevenson to be the presidential candidate, with Mr Kennedy as his running partner for the Vice-Presidency. It would be a sad thing if both are side-tracked, with the statements that the one has proved, in the last two elections, he can't win and that the other, being a Catholic, can't win, either. But this is only a personal viewpoint; I am sure that the other Democratic prospects have virtues of their own.

At this juncture, it seems to me that the Democratic candidate, whoever he may be, will be elected President. This is because the Republicans do not have a personality to take the place of Mr Eisenhower; Mr Rockefeller would have been a poor substitute, and Mr Nixon is no substitute at all. Surely, the fact that three Congresses under Mr Eisenhower were Democratic is significant; it means that Ike the man, not Mr Eisenhower the Republican candidate, came out successfully at the polls. And hence Mr Rockefeller's wise decision to bide his time.

And yet, in all this, we should not under-estimate the impact that Mr Eisenhower may have upon the voting public, in his role as elder statesman of the Republican party. As it is, Mr Nixon is known to have been groomed assiduously by Ike. Again, Gallup polls show that Mr Nixon does command a fair nation-wide popularity. So, it would not do to under-estimate Mr Nixon's vote-getting ability. Indeed, the situation in 1960 is

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somewhat parallel to the one in 1948, when the complacency of the Republican party won the presidential election for Mr Truman. It is barely possible that the same kind of inaction in the Democratic party could hand over the White House on a silver platter to Mr Nixon.

I was just in the mood for a week-end vacation, when along came an invitation, at Oil India's behest, to visit Assam, and I gladly accepted it, with the feeling that it would anyway be a pleasant interlude. Little did I realise what I was letting myself in for. In rather less than two days, and that includes sleeping time, the attempt was made to explain upon a lay audience the whole gamut of oil from prospecting for it to the pro-

cess of taking it cross-country by pipe-line. I don't pretend to have learnt an awful lot; and, in any case, I am leaving the technical aspects of the trip to be dealt with on a suitable occasion and by an appropriate pen. I am concerned, shall I say, with the politics of oil. The whole thing started more than a hundred years ago, when, in 1828 (exactly a hundred years before Indian Finance was to make its appearance), a young officer recorded evidence of having found oil. But nothing much happened for a good while thereafter. It was only with the turn of the century that methodical drilling of oil had commenced. And it was only in the 'twenties that the Burmah Oil Company took over the Assam Oil Company; that up-to-date equipment was purchased; and

that the refinery was built at Digboi. We shall now skip a few decades, say, to the time when oil was struck at Nahorkatiya; for, it was only then that India began to figure on the world oil-map. The next step was the formation of Oil India, a venture in which The Burmah Oil Company and the Indian Government are partners. Oil India was simply to produce the oil and make it available through pipe-line to the two public sector refineries at Gauhati and Barauni. Foreign exchange assistance for the pipe-line project was forthcoming both from the Burmah Oil Company and the UK Government, amounting in all to £23 million. And what I saw in the Digboi region and thereabouts was evidence of the work speeding apace. In due course, 2.75 million tons of

crude oil will be made available to the two refineries. (Rana Singh, a Government-appointed Director to Oil India, has hopes of raising the capacity of Gauhati in the not too distant future). On the basis that the prudent oil company seeks to take out not more than 1/15th of the oil present in any particular well, the already proved reserves must be of the order of 37.5 million tons, although the conservative estimate vouchsafed to the press in Digboi was in the environs of 30 million tons. But the most important thing is that the oil industry is based on hope, and every one that I talked with in Digboi was bubbling over with enthusiasm and optimism. Such, then, a new era for oil in India. Yes, and they were very hospitable hosts.

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GATEWAY GOSSIP

WITH the sizable improvement in offtake of cloth noticeable during the past few months, the cotton textile industry has slowly regained its lost position among investors. The change for the better has stemmed both from the increase in internal offtake and an uptrend in exports. For the industry the year 1958 may be termed the "crisis" year. During this year there had been an allround decline in offtake and mounting unsold stocks with mills were a source of constant worry both to the industry and Government. Exports of mill made cloth declined to a low of 582 million yards in 1958 as compared with 840 million yards in the previous year. The position underwent a dramatic change in 1959 as exports are estimated to be of the order of 750 million yards. Stocks of both sold and unsold cloth have also recorded a substantial decline as they are placed at around 3 lakh bales as against 5.8 lakh bales at the end of 1958 and 6.6 lakh bales at the end of 1957. It is, however, to be noted that upto the end of the first half of the past year the industry's performance in the export field continued to cause a great deal of worry as total exports of cotton piece goods from India during the first six months of the year were running below those for the corresponding period of 1957. Exports in the second half of the year looked up to give a satisfactory overall picture for the year. This fine performance of the industry in the second half of the year has

Cotton Textile Industry

revived the hope that it will be possible for our country to reach the target of 1000 million yards of cloth export envisaged in the Second Five Year Plan.

But the picture of cotton textile industry as it obtains at the present moment is not all bright. Apprehensions have come to be expressed about the ability of the industry to meet the improved demand in full without a radical change in Government's textile policy. In the first place after the crisis of 1957 and 1958 output of the industry has begun to show a declining trend. It is claimed that this reactionary tendency has been brought about largely by the serious blow dealt to the industry in 1956 in the shape of heavy excise duties. Be that as it may, it cannot be gainsaid that there has been a coincidence of the excise levy and the accumulation of stocks with mills. There had been mill closures with consequent unemployment in the organised sector. All that resulted in a reduction of entrepreneur interest in the industry as a whole. And at a time when the industry was emerging into the light of improved offtake it has come to be plagued with ideas of scarcity of raw cotton. The sizable fall in domestic cotton production during the current year has aroused genuine apprehensions about a shortage of the raw material for the industry. The plea by the spokesmen of the industry quite early in the season about the need for larger cotton imports was

not taken seriously at first but soon enough Government woke up to the realities of the cotton supply situation by agreeing to increase imports. A categorical assurance has been given to the industry as regards supplies of raw cotton as also for maintaining cloth production at the required level. Speaking at the All India Textile Conference in Bombay early this month, Mr Manubhai Shah, Union Minister of Industry, has made it clear that there is no need for concern as the situation is well in hand. "One disturbing factor which has of late caused some concern has been the apprehension over inadequate availability of cotton owing to fears of comparative reduction in the out-turn of the crop this year, with the result that prices of Indian cotton have registered a sharp upward trend. Several steps have been taken and are being taken to halt this trend. Government on its part has given a categorical assurance that production to meet the full needs of the Indian economy, both for internal consumption and external demands (exports) will not be allowed to suffer for lack of cotton supplies. It is to be hoped that with this assurance, the industry should be in a position to adjust matters in such a manner that neither cloth production nor the improved trend in exports of textiles receives any setback."

Mr Shah has also countered the argument that there will still be a need for substantially increasing

the output of the organised sector to meet the growing domestic demand by pointing out firstly that "consumer demand is not altogether too elastic to warrant wide fluctuations" and secondly that the Indian cotton textile industry even as it stands today can produce over 6000 million yards and more if necessary.

But the ordinary consumer in the country is still made to pay high prices for the cloth he buys in the retail market. It is undeniable that talks about a growing shortage of cloth in the press and platforms have accelerated the pace of consumer buying with the trade taking advantage of the situation to put up prices. But it would appear that unsocial elements are also exploiting the situation to their nefarious ends by holding up the normal flow of supplies to the retail markets. This is a matter for immediate Government action as otherwise the assurances of adequate supplies of cloth in the country will have no practical significance to the ordinary consumer.

It cannot, however, be denied that the cotton textile situation is far from satisfactory. It is true that the industry will be able to produce over 6000 million yards but the fact remains that output in the past two years has declined sizably from the high level attained in 1957. It may not be practicable for the industry to increase its output sizably, overnight as it were, as many mills have passed through various vicissitudes since 1956.

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GATEWAY NOTES

Economic Development of Gujerat

The business community of the Gujerat region has started deliberations well in advance on the economic problems they have to tackle with the formation of the new State. Inaugurating the Convention held at Ahmedabad, Mr G. L. Mehta emphasised the need for rationalising the administration of industrialists and businessmen of the proposed State. He dwelt at length on the changes that have manifested in the concept of business practices and objectives which arose out of the changing pattern of economy and outlook in the country and exhorted the delegates to adjust their own thinking in such a way as to assist the nation in achieving a speedy growth of economy. Mr Mehta also deprecated the general practice of the businessmen to find fault with the authorities and pleaded for paying more attention to eliminate the drawbacks found in the industrial and business systems.

At the concluding session, the delegates assured the Government of their whole-hearted support and fullest co-operation in all programmes that are to be adopted for the general development of the State. The Convention also appointed an Expert Committee consisting of leading industrialists and educationalists to render adequate help to the Planning Commission and the Central Government on the proper utilisation of the resources of the new State and the implementation of the various plan schemes. They, however, expressed great distress at the slow progress in exploiting the vast resources of the region and hoped that the formation of the new State will create the necessary conditions for the general development of the region.

It is appropriate, in this connection, to recall that the new State will have several economic assets. The textile industry of that region is of vast size. Oil has been discovered at Cambay and other areas of Gujerat and if the deposit is found in abundant quantity it can be fully exploited to the benefit of the State. The Convention urged the Union Government to speed up the oil exploration programme and establish a refinery in that region. The State also possesses a major port at Kandla and there are natural facilities for developing more ports along the coastline. The delegates called upon the authorities to take appropriate steps in this direction. They also laid great emphasis on the development of rail and road transport in the proposed State.

The two serious handicaps which the new State will have to overcome are the deficit budgetary position and the power shortage. Regarding the first it can be expected that adequate financial assistance will be rendered by the Bombay State. The latter can only be solved by developing hydro-electric resources of the region. It is indeed heartening to note that the Convention has decided to set up a development and research council for Gujerat for carrying out statistical and techno-economic surveys. The setting up of a fertiliser plant in that region will be of immense help in improving the agricultural yield. A proper dispersal of industries in the new State can go a long way toward expediting the all-round development of Gujerat at large.

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LIC Loans

Mr P. A. Gopalakrishnan, the Chairman of the Life Insurance Corporation of India, has at a recent press conference held at Bombay, disclosed the new proposal of the Corporation to grant loans for the construction of houses. The scheme formulated by the Corporation can be conveniently grouped under three heads: loans to co-operative housing societies, loans to public limited companies, and loans to individual policy holders. The new proposal of the LIC to finance housing schemes marks a significant departure in emphasis from the investment policy hitherto pursued by the Corporation.

The grave housing shortage in the country for all classes has been causing a severe head-ache both to the public and to the authorities and the attempt of the LIC to relieve the present situation will be appreciated. Though the conditions and terms prescribed by the Corporation for granting the loans do not appear quite unreasonable, it will be appreciated if the LIC endeavours to make the scheme more attractive by lowering the minimum amount of Rs 20,000 and by extending the scheme to medium sized cities and big towns so that the lower middle class will also be benefited.

The offer to the public limited companies for housing their employees appears to be more useful and practicable. The new arrangement can be of immense relief and attraction for those companies to start new industries in new areas where the housing situation is none too happy.

This is not the first time the Corporation has come out with a scheme to help tackle the housing problem of the country. Last year, the Corporation offered to the State Governments loans to the tune of Rs 3 crores for financing the middle income groups. But it is distressing to point out that not a single building has been constructed under that scheme mainly due to the inefficiency of the State Governments to farm out the loans to prospective borrowers.

GATEWAY MARKETS

Bullion Prices React after Touching a New High

THE upward trend in prices, noticed on the Bombay Bullion Exchange in the previous week, gathered fresh momentum this week with Gold futures rising to a new high level. The spurt in both the metals was attributed mainly to a further tightening of the bull grip over the market. While the "shorts" were obliged to cover their sales at rising prices, the bull operators from North India and Rajasthan became more aggressive. But the rise in both the metals was steep enough to attract profit-taking, being influenced by the subdued sentiment prevailing in the spot section.

In the Gold section, arrivals were higher at 4,000 tolas as against an offtake of only 2,000 tolas. Unrefined metal receipts amounted to 3,900 tolas. Spot gold changed hands at Rs 128.22 to Rs 128.65, to finish at the former level.

Sentiment in the Silver section was influenced by the reported increase in arrivals in Bombay as well as in Delhi, while offtake remained normal. Arrivals amounted to 20 bars as against an offtake of only 8 bars. Spot rates moved between Rs 213.56 and Rs 213.31 to close at the latter level.

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Yarn

Conditions in the Bombay Yarn market remained generally firm. There was a further rise in the prices of all yarns on account of good upcountry demand. Excellent reports from the rayon cloth market also aided the bullish sentiment. Acetate yarn was the only exemption to the general trend. A section of the trade feared that the supplies of rayon yarn would fall short of demand. Fears of a shortage, therefore, led to a sudden rise in prices.

During the January-June 1960 period, staple-fibre yarn will be allowed for export on a "first-come-first-served" basis within a ceiling of 1½ million pounds to all permissible destinations excluding Tibet and the Portuguese possessions in India. The licensing will be done on shipping bills, which will be made valid for a period of three months from the date of posting or till the 30th June 1960 whichever is earlier. Licensing will be stopped as soon as the ceiling is reached.

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Oils & Oilseeds

A sharp rise in Groundnut prices provided the main feature

of trading on the Bombay Oilseeds Exchange. The recent upward trend gathered fresh momentum with spot as well as forward prices rising to new high levels in the current season. Buyers were inclined to be aggressive following reports of insufficient arrivals of the crop in major growing areas. The supply position also continued to be tight with crushers and vanaspathi manufacturers eagerly lifting the available stocks. Consequently, the February contract was pushed up to Rs 204.25, showing a rise of nearly Rs 5 over the week-end level. In the Spot section, bold quality was quoted at Rs 41.12 and Groundnut Oil at Rs 21.19.

Trading in the Castorseed section was featured by a marked revival in the operators' confidence in the export outlook for castor oil. It was felt that India would not be hit substantially in view of the fact that Brazil had already disposed of the bulk of its castor oil surplus and that it would not be a free seller till it received the fresh harvest some time in October. Ready was quoted at Rs 32.37 and Castor Oil, commercial quality, at Rs 17.62.

The behaviour of the Linseed and Cottonseed sections was generally bullish. Linseed ready was quoted at Rs 34.25 and Linseed Oil at Rs 16.37.

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Non-Ferrous Metals

Conditions in the Bombay Non-Ferrous Metal market remained generally dull with prices displaying a slightly easier tendency. It appeared that outside interests, who had stored ready goods in the rising market, came in as sellers against their stocks. This affected market sentiment.

Major manufacturers of copper and brass sheets have announced a moderate reduction in their prices for January. Prices of copper sheets have been reduced from Rs 502 to Rs 490 per 100 kg and those of brass sheets from Rs 384 to Rs 376. Copper scrap is quoted at Rs 206 per cwt.

Zinc is quoted firm at Rs 173 on reports of shortage of the metal. It appears that the State Trading Corporation, which was to provide a substantial portion of the requirements of the scheduled industries, has failed to release the metal for nearly three months now. This is probably due to the delay in the receipt of Russian zinc under rupee payment. Again, the supplies imported by the manufacturers directly have also dwindled sharply. With the result, their dependence on the STC has increased.

Lead was devoid of any interest, being quoted at Rs 75 per cwt.

Due to rumours that unutilised tin licences would be allowed to be utilised against imports of the metal, Tin price advanced to Rs 144 from Rs 134.50 per quarter quoted in the previous week.

WORLD OF COTTON

AFTER a spell of hesitancy observed last week, prices in the Bombay cotton futures market have resumed its upward march with Jharilla March contract shooting up from the week-end level of Rs 764.50 to Rs 774.25. The series of measures taken by the authorities to check the rising trend in prices and to ensure adequate supply of cotton to the mill industry at the ceiling level seem to have failed.

The latest advance of the market is attributed to hectic short-covering and aggressive buying, induced by the strengthening belief that, even after resort to quality control, the cotton situation will continue to be bullish. A section of the trade has been obliged to get out of the market in view of the persisting reports of mill purchases of spot cotton at sizable premia. The latest adverse turn in weather in Gujerat and Saurashtra has also contributed to the firmer trend in prices.

It appears that, for the time being, the Textile Commissioner has asked the mill to put up with the present supply position as best they can. In case, however, they find difficulty to obtain cotton at ceiling prices, they are advised to report to the Textile Commissioner who will requisition from merchants such stocks as are held by them.

Informed quarters believe that, in view of the genuine shortage of supplies, there is no possibility of any easing in prices in the near future. The Government decision to allow substantially larger quantities of cotton for import during the present season has also failed to arrest the soaring prices. This is largely because of the fact that, in the first place, foreign prices are rapidly advancing and, in the second, non-exporting mills are finding it difficult to buy cotton at a premium of 20 per cent over the ruling prices abroad.

Meanwhile, quality survey of Indian cotton had been introduced from 1st January. Initial quotas have been fixed for mills at 50 per cent of the consumption during the cotton year 1958-59. For certain upcountry mills, the quotas will be allocated at 60 per cent. The earlier notification, prescribing the maximum limit for stocks of Indian cotton to be held by the mills, has been cancelled.

Individual quota letters for Indian cotton for the 1959-60 season will be issued separately to the mills in due course. The issue of further quotas will be related to the actual production in the units and will be related also to the consumption of foreign cotton in a manner which will be decided hereafter. But, opposition to the Government measures, such as quality control on cotton and res-

trictions on mill buying is growing especially among farmers.

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SPOT MARKET:

Trading in the Spot market has tended to be very dull. Although mills are eager to buy, sellers are hesitant to offer owing to the hardening trend in upcountry centres. In view of the marked resistance from farmers and the genuine scarcity of supplies, it is difficult to imagine how mill buyers are going to be provided with adequate supplies of suitable quantities of indigenous cotton. The Government have held out assurances of making proper arrangements to get supplies from abroad. Apart from this, Government decisions are generally so much delayed that hardly any purpose is served when they are actually made.

On the export front, they were no fresh developments. Shippers were not in a hurry to cover their requirements, as a large part of the export business was reported to have been put through for distant deliveries. In view of the very tight domestic supply position of cotton, there was little hope of any further export quotas of Bengal Deshi for the current season.

As a matter of fact, the Cotton Advisory Board has recommended

to the Government of India that no further export of cotton should be allowed in view of the continued shortage of Indian cotton in the country. The Board has decided to meet again in March to reassess the cotton supply position.

On the import front, mills showed good interest in East African cotton. A small turnover also took place in Egyptian Menoufi and Karnak and also in new crop Gezira Sudans. In this connection, it may be added that an agreement under PL-480 for the import of 3 lakh bales of cotton has been signed with the USA. This quantity will be in addition to 1.20 lakh bales covered by the agreement signed in November last and which has already been released for import. Out of the 3 lakh bales covered by the new agreement, 1.80 lakh bales will be of staple length below 1 1/16". This quantity is being released for licensing with immediate effect.

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WORLD COTTON OUTLOOK:

Earlier apprehension over the short-term outlook for cotton has now given way to greater confidence. The supply, this season, is expected to be much larger. There has been a reduction in the carry-over stocks by over a million

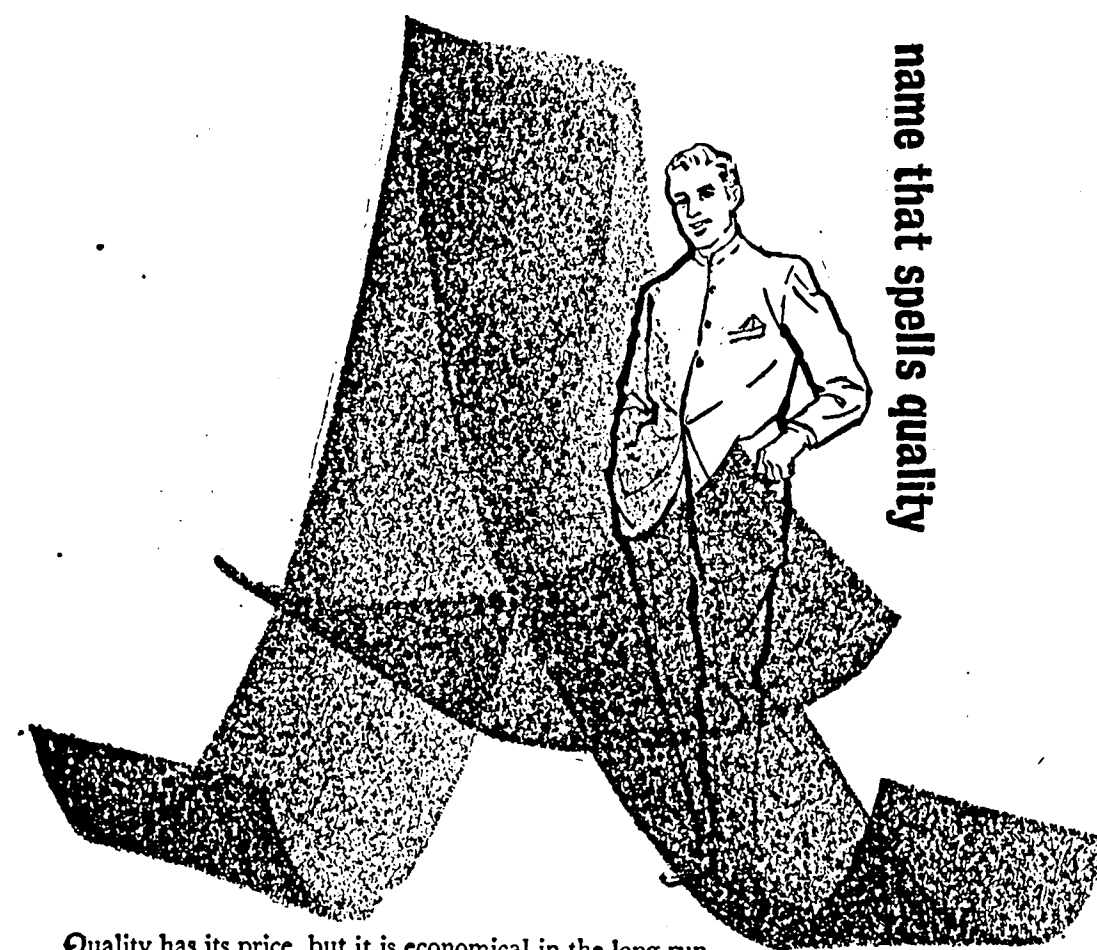
BOMBAY REVIEW

bales as on the 31st August, 1959. Production is likely to go up by at least 3 million bales. Thus, the supply will be the largest in several years. The increase is mainly in the United States where, as a result of a much larger crop, supply is estimated at 23.6 million bales as against 20.2 million bales last season.

The US cotton consumption is on the increase; and there is also an assurance of larger export market this season. Disappearance, presently estimated at about 14.5 million bales, therefore, should be about equal to current production and any variation in the end-season stocks in the USA is likely to be relatively minor.

Production outside the USA is expected to decline to around 17 million bales against 17.4 million bales in 1958-59. Production is lower in Mexico, Central America, Uganda, Syria, Greece and India, which will only be partly offset by increases in Brazil, Sudan and Pakistan.

As for consumption, there are chances of consumption outside the USA exceeding the record of 21 million bales, reached in 1956-57. The consumption, last season, was 20.3 million bales. The overall trade outlook, however, remains favourable.



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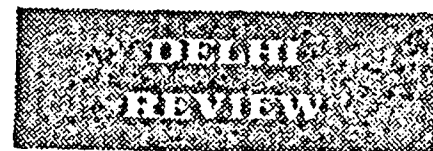
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IT is one of the tragedies of our times that food as a problem of shortage has to be discussed almost daily even as it has to be eaten daily. While the discussion continues, producing at times some food for thought, as many as 25 million people continue to be condemned to a ship-to-mouth existence. Most certainly this situation is galling to national self-respect although the food shortage, euphemistically called 'marginal', is only of the order of 3-4 million tons a year. That reminds one of Micawber who said: "Income £20, expenditure £19-19-6, result happiness; expenditure £20-0-6, result misery". He could not have possibly thought that kind of misery was only 'marginal' and so not unbearable. Even so, there is nothing marginal about the misery caused to the nation by the food shortage which has already loaded it with a fantastic debt.

This national debt on account of food alone, which does not include the loan part of the counterpart funds under the latest (November 1959) P.L. 480 Agreement with the United States, has by now reached a total of about Rs 260 crores, of which two-thirds have been incurred since 1956. While it is a redeeming factor that the rupee proceeds of this food, sold largely to urban consumers,

More Domestic Food Through P.L. 480 Food

have financed development in general, they cannot be said to have financed agricultural development in particular. To say that if these funds had not been available the Second Plan provisions for agriculture (including community development) and irrigation would have been cut down would be to ignore the fact that the five-year provision for agriculture was actually reduced from the original figure of Rs 625 crores at 1957-58 prices to Rs 510 crores at the same prices and that for irrigation by more than Rs 100 crores. But to say, on the other hand, that if these funds had not been available the allocations for agriculture and irrigation might well have been cut down further would also be wrong for the reason that the Government could not, in any case, have found it physically possible to reduce further the provisions which, together, were already at the barest minimum level.

It would appear that the loaned counterpart funds under the P.L. 480 deals since the first year of the Second Plan have not benefited, even in a remote sense, the related sectors of agriculture and irrigation. If, however, a policy decision to the effect that the larger part of these funds would be earmarked for agricultural development had been taken and implemented, the original Plan allocations could have been mostly retained with a view to reaching the revised (but later forgotten) target of about 80 million tons of foodgrains production by the end of the Plan. But that unfortunately was not to be, with the result that development could not be stepped up to the point of enabling the country to achieve complete food self-sufficiency by 1961 and the Government threw up their hands in despair and proclaimed from the house-tops that self-sufficiency was an 'ever-receding deal'. The sequel of it all was that the Government had to go in for a fourth P.L. 480 deal, this time as recently as November 1959.

It is too late in the day to plead for an appropriate policy which could turn this latest P.L. 480 deal to the direct benefit of Indian agriculture, because the counterpart funds thereof, accruing by stages till March 1961, are probably intended for general development purposes. But it is still early enough to plead for a new policy which could provide for the utilisation of P.L. 480 food that is most likely to be imported under a future deal, in the financing of a whole range of labour-intensive projects in the related sectors of agriculture and irrigation. This journal, it may be recalled here, has already canvassed, in brief outline, an appropriate programme for the purpose of producing more domestic food with the help

of P.L. 480 food. (Vide: Leading Article entitled 'The Achilles Heel of Developing Economics' in the 'Indian Finance' issue of October 17, 1959). The main element of this programme which has been described as "a practical crash programme for Indian agriculture covering a short period of, say, three years" are reproduced below in their entirety:

(1) Mobilisation of surplus rural labour, at wages which would be a third more than the prevailing agricultural wage rates in the respective localities, (i) for completing the construction of canals, distributaries and field channels in the commanded areas of all major and medium irrigation projects, (ii) for renovation of all older irrigation tanks which have silted up and for transfer of as much of the silt as possible to the fields in the surrounding villages, (iii) for construction of new tanks, wherever possible, without detriment to the flow of rain water into existing tanks, (iv) for construction of tens of thousands of small masonry wells and big or small kutchas wherever sub-soil springs are copious at depths ranging up to 50 feet, (v) for planting widely certain varieties of quick-growing trees (taking no more than three years) which can supply green manure as well as firewood and for planting on the fences certain varieties of green manure plants which can grow luxuriantly within a year or two and (vi) for work on the making and burning of bricks required for masonry wells.

(2) A scheme to bring about the cultivation of green manure crops on all irrigated lands and lands well watered by rain, either on the bunds of fields during the crop season itself or as catch crops in the off-season.

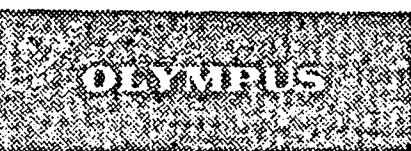
(3) Concentration of resources in chemical fertilisers and heavy-yielding strains of seeds in irrigated areas in judicious combination with organic manures in the form of cowdung, green manure and compost.

(4) A scheme for the supply of improved implements, locally made plunger pumps, persian wheels, etc., on the basis of instalment credit.

(5) A scheme for expeditious distribution of credit for short-term and medium-term cultivation expenses directly through the agency of extension Services wherever supervised credit through cooperatives is not possible.

(6) A Scheme for renovating old weirs or constructing new ones along with the take-off channels, wherever possible in the river systems.

(7) For the exclusive purpose



of supporting this short-term programme, a fresh deal to be negotiated with the United States (which, this year, has all-time record stocks of 35 million tons of wheat and 63 million tons of coarser grains) for securing, over the three-year period, six million tons of foodgrains for distribution to selected retail shops, cooperative stores and fair price or informal ration shops.

(8) Payment of wages to the labour force working on this programme in the form of grain coupons to the extent of 60 per cent, handloom, khadi or mill cloth coupons to the extent of 30 per cent.

(9) A policy declaration to the effect that there will be no increase, during the three-year period, in the combined incidence of land revenue, agricultural income-tax and cesses, water rates, commodity taxes and betterment levies.

(10) A scheme for the indigenous production of chemical fertilisers on the required scale.

The implications and potentialities of the suggested programme bearing on construction would need to be presented here. In the first place it has to be noted that this is, by and large, a labour-intensive programme which is both employment-oriented and production oriented. The annual employment potential of this programme can be as much as 3 million workers who now constitute a sizable part of the virtually unemployed segment of the rural labour force and are thus a drag on the agricultural employment market in the sense of depressing wages all round. If the daily foodgrains requirement for 4 adult consumption units of an average worker's family is fixed as 5 lbs representing the kind part of his daily wage, it will mean that, on the basis of 300 day's work in a year, 2 million tons foodgrains would be sufficient to employ about 3 million workers.

On the wages side, the implication is that if the kind part of the daily wage is fixed as 5 lbs and this is taken to represent 60 per cent of that wage, it will be the equivalent of 14-15 annas on the basis that 5 lbs. of imported P.L. 480 food would cost that much.

In which case, the daily wage will amount to Rs 1/8 which, broadly speaking, will represent a third more than the present average level of agricultural wages for the more exacting operations. A general minimum wage of Rs 1-8 per day, fixed under this programme, may also have the effect of raising the agricultural wages all around. The total annual wages bill under this programme would amount to Rs 135 crores, of which Rs 100 crores would be the money equivalent of 2 million tons of P.L. 480 food-

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grains. Payment of an adequate part of the wage in kind has the advantage that it will obviate the need for an initial outlay of money which will have to be later recovered by the sale of foodgrains to workers if they are paid wholly cash wages. Payment of 10 per cent of the wage in the form of cloth coupons has the advantage that the worker-family's minimum requirement of cloth (roughly 50 yards) will be met at fair prices; this, in turn, will provide a substantial market, of the value of Rs 13.5 crores, for the handloom or the cotton mill industry. And the inflationary impact of the balance of the annual wages bill will also be negligible over the country as a whole.

On the major irrigation side, the programme visualises the completion of canals, distributaries and field channels in the commanded areas of all major and medium projects. It may be recalled here that the new irrigation potential of about 7 million acres at the headworks at the end of the first Plan was reflected as irrigation potential at the outlets only to the extent of about 3 million acres; this disparity was mostly due to the fact that distributaries and field channels were not fully completed. Although this backlog of construction of distributaries and field channels may have been cleared by now, the problem will continue because it may be expected that the likely creation of a new irrigation potential of about 10 million acres at the headworks at the end of the Second Plan will be reflected as irrigation potential at the outlets only to the extent of 4 million acres. That will mean that distributaries and field channels to an aggregate length of 75,000 miles for the remaining 6 million acres will have to be expeditiously constructed. At the rate of 37,500 miles of distributary and field channel construction every year by an appropriate number of labourers under this programme, this work can be completed in two years. Assuming that actual utilisation of the irrigation facilities will cover at least 5 million acres, the additional annual food production potential on this account alone will be a million tons, at a conservative estimate from the third year onwards.

On the minor irrigation side, the work on renovation of tanks can be aimed at creating an additional irrigation potential of at least 5 million acres which may be expected to be fully utilised from the third year onwards, adding an annual food production potential of another million tons at a conservative estimate. The well construction programme can be aimed at creating an additional irrigation potential of at least 2.5 million acres with an additional food production potential of 0.5 million tons, at a conservative estimate, from the third year onwards. This will involve the

construction of 500,000 masonry and kutchas wells of different capacities, each well having, on the average, an irrigation potential of 5 acres and costing, again on the average, Rs 1,000.

As for the green manure part of the programme, its food production potential can be substantial. If the target of irrigated area to be covered by green manuring is limited to a modest figure of 37.5 million acres in two years, even that will mean an additional food production potential of 1.5 million tons.

Altogether, the construction part

of this programme covering distributary and channel construction, tank renovation, well construction and green manure planting can be expected to create a total additional food production potential of upwards of 4 million tons from the third year onwards. At a rough estimate, the value of that much output will be Rs 300-320 crores. If the non-wage cost of the construction programme is broadly assumed as Rs 50 crores for the first two years together, the total two-year outlay would come to about Rs 320 crores. An outlay valued at Rs 300-320 crores for

an outlay of Rs 320 crores should be pretty good performance in the sector of agriculture. If this programme is entrusted to the Community Development agency which is now covering just under two-thirds of all villages in the country and to the Public Works and Revenue Departments in the rest of the countryside, it can be easily and cheaply carried out. There will, therefore, be no need for a new machinery or organisation for executing this programme covering the kind of construction activities with which the Departments concerned are all too familiar.

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NORTH INDIAN NOTES

Bihar's Development

Though noted for her mineral wealth, Bihar has been trailing behind other States in industrial development. Progress under the first and second plans was modest because of the limited outlay incurred for industrial development. One significant thing that had been done by the State Government in the course of the Second Plan was to order a techno-economic survey of the State by the National Council for Applied Economic research. The survey since completed has revealed vast potentialities for industrial development of the State.

The survey has aroused interest among the business circles in the State for a realistic plan, based on the recommendations of the report, for the industrial development of the State. At a recent meeting held by the Bihar Industries Association, it has been urged upon the State Government to take early decisions on the findings of the survey so that the advantage of being first in the field with a detailed survey of industrial potential shall not be lost. The Association urged the Union Government and the Planning Commission to accept the view of the techno-economic survey and to grant additional outlay for the development of the State as envisaged by the survey team.

In pointing the scope for development, the Association has laid special emphasis on the development of small-scale industries, and toward this, preferential treatment has been urged. In this connection it is pointed out that in giving incentive for the setting up of small-scale industries provision should be made that for a fixed period after their establishment these industries would be exempted from certain provisions of Labour laws in order to help develop their industrial programmes.

High rates for electricity at present charged by the State Electricity Board is a factor that hinders industrial development. The association has pleaded for necessary revision of rates with a view to equalising advantages in respect of electricity rates.

Another matter in respect of which action has been sought by the Association relates to the impact of the multiplicity of sales taxes now in force in the State. Sales tax on basic raw materials used in industries constitutes a major disincentive to prospective industrialists to take up new schemes for industrial production. The Association has strongly urged the State Government that the raw materials consumed by the industries should be exempted from the levy of sales tax.

Industries in U. P.

The Progress Review of the Directorate of Industries Uttar Pradesh for 1958-59 highlights the industrial achievements the State has made under the First and Second Five Year Plans. One of the developing States in the country, UP has made progress only in the direction of light industries of which the State has a fair proportion. It is the leading producer of sugar and during 1957-58, 68 sugar factories (excluding the experimental sugar factory attached to the National Sugar Institute) were functioning in the State. The power alcohol industry operating on the basis of sugar industry's by-product molasses is also concentrated in the UP. During 1957-58, 12 distilleries were engaged in the production of power alcohol. Four new distilleries are also likely to be set up in the State in the near future.

UP contribute about 50 per cent of the total production of glass and glasswares in the country. In the large-scale sector there are 30 glass factories which manufacture variety of glass articles including lantern chimneys, globes and shades for electric lights, glass tumblers, bottles and phials, glass sheets, window panes etc. During 1958, 25 glass factories having an installed capacity of 6,640 tons per month produced approximately 40,000 tons of goods valued at Rs 5 crores.

Other major industries of the State are cotton textiles, jute, woollen textiles, paper and straw board, etc. The cotton textile industry is one of the most important industries in the State. The total number of mills in the State is 31 consisting of 18 composite mills, 10 spinning mills and 3 weaving mills with 8,25,000 spindles and 13,000 looms. Heavy accumulation of stocks and uneconomic working of old machinery caused a setback to the textile industry in the State during 1958.

While these are established industries, the state has also been making progress in the production of heavy chemicals such as sulphuric acid, hydro-chloric acid, nitric acid, sodium sulphate, sodium and potassium dichromates, sodium thiosulphate, sodium silicate and potassium nitrate. There are three sulphuric acid plants and four plants for the production of nitric acid.

An important factory to be set up in the private sector in the second Five Year Plan was the one for manufacturing eveready brand torches. The factory employs nearly 224 workers and produced 17,16,400 pieces of torches worth about Rs 40 lakhs.

The State Government are planning for more rapid industrial development under the Third Plan. The aluminium plant to be set up by the Birlas would be the first major factory in the heavy industry. The Rihand Project when it is completed would provide further scope for the development of industries in the State.

NORTH INDIAN MARKETS

FMC Warning to Gur Traders

It would be recalled that Gur futures in Delhi and Uttar Pradesh centres had been persistently rising during the past few days. An idea of the extent of the rise can be had from the fact that gur Phagun in Delhi touched a new high level of Rs 17.95 last week and Rs 16.90 in the Hapur market; but have since reacted to Rs 17.74 and Rs 16.55 respectively. The Forward Markets Commission has taken a serious note of this spurt in gur futures. Taking into account the sugarcane crop, arrivals in the market and the supply and demand position, the Commission considers that there is no justification for such a rise in gur prices.

Heavy arrivals of new production usually keep the market down during the October-March period. Reports about gur production are generally satisfactory, although a section of the trade fears that more cane will be diverted to sugar and khandasari units on account of higher returns.

The FMC has now warned the trade that it will not hesitate to take further stringent action, such as effecting modifications in the scheme of special margins of current contracts, fixing ceilings, suspending trading and even closing out outstanding contracts at any rates which it might consider appropriate in order to curb speculative excesses.

In the ready section, gur pan-sera quality is quoted at Rs 16.75 to Rs 17 per maund. At Hapur, daily arrivals averaged 5,000 maunds. Most of the arrivals were of Balti quality, which was very much in request from Gujarat and Saurashtra. *

Sugar

Sugar markets are ruling quiet. In Delhi, prices have shown a welcome drop of 50 nP to 62 nP a maund in the last few days. For instance, Simbhauli sugar, which was quoted at Rs 41 before the Government announced the release of 1.75 lakh tons, is now quoted around Rs 40.37 per bag.

Following the reports of decontrol of sugar, prices had been showing an upward trend in the past few weeks. On the basis of the ex-factory controlled price of sugar, produced by the vacuum-pan factories in Uttar Pradesh and North Bihar (Rs 37.85 for D-29), the standard variety of sugar should be available to the consumer in Delhi at Rs 40 a maund, which includes an octroi duty of Rs 1.75 and freight and cartage of about 37 nP. As the reports of decontrol, which induced the traders to withhold stocks in anticipation of a higher price, have not materialised so far. Instead, the status quo is maintained; and the

market has naturally reacted as it should.

Despite good demand, the Khandasari market is ruling quiet due to loading restrictions.

Foodgrains

Quiet conditions have been witnessed in the Hapur Foodgrains market during the week, thanks to slack demand and comfortable stock position accompanied with bright prospects of "rabi" crops. The market for Pulses has continued to be dull and featureless.

Wheat prices have remained almost unchanged, to be quoted at Rs 18 for the average quality and Rs 19.25 for the farm variety. The Rice section rules quietly steady. Gram prices have declined modestly due to good stock position and quieter advices from the Punjab. Barley and Dejher have sought lower levels in the absence of any demand. Maize and Bajra have, however, continued to attract good consumers' support, while the supply position is reported to be satisfactory. The Peas and Arhar markets remain depressed on lack of demand coupled with fair standing crops.

Meanwhile, India is reported to have bought one lakh tons of wheat from Australia. This wheat purchase is against sterling payment and totals about £2 million. It is understood that 60,000 tons of the one lakh tons bought from Australia are under the new PL-480 agreement with the USA, which requires the Government of India to purchase 400,000 tons of wheat through normal commercial channels from the wheat-producing countries.

According to the present indications, the remaining 340,000 tons of the stipulated quantity of wheat will be bought in quantities throughout the new year to fulfil the requirement of the food agreement with the USA. India had also proposed to Australia, some time ago, to import wheat against purchase by Australia of Indian goods; but the informal soundings in this context did not produce satisfactory results. *

Shellac

In the Calcutta market, prices of Shellac have developed a hardening tendency with Pure TN. quoted at Rs 1400 per maund with buyers at this level. Although it is known from where the demand is, it is generally thought that Britain should be in the market for substantial quantities, as stocks in London are reported to be considerably low.

Stocks in London, as at the end of December, showed a further decline and, with deliveries exceeding landings by 1,582 packages, the overall stock is down to 6,491 packages. Only once in the past seven years have the stocks dropped below this level. This was in November 1956 when, due to exceptional demand at that time from the gramophone records industry, stocks dropped to 6,263 packages. Normal stocks in London are reckoned at 20,000 packages.

THE PENINSULA

THE third All-India Labour Economics Conference which was held in Madras in the first week of this month, has served to spotlight the growing concern at the peculiar problem presented by industrial relations in the country. Though inherent in an industrial society, labour-management estrangement often resulting in the disruption of industrial production has particularly severe repercussions on a developing economy. Past experience has not been particularly pleasing and recurring labour strikes and lock-outs has often kept the problem at boiling points.

For the country, which is poised for big strides in economic development, industrial peace is of extreme importance. This necessarily calls for a definite and co-ordinated labour policy which would subserve industrial peace by minimising possible occurrences of trouble in the industrial front. The policy has necessarily to be comprehensive to take into account the complaints relating to inadequacy of wages, lack of incentives, excessive appropriation of profits by management, unsatisfactory working conditions etc, voiced by labour on the one hand, and those relating to low productivity, growing indiscipline, soaring labour costs, unchecked absenteeism, etc voiced by capital on the other.

In the context of the low standard of living of workers, the problem of industrial relations boils down to a question of promoting labour welfare. The Government of India's policy has also been oriented along this line. A lot of legislation aimed at protecting workers' rights to decent salary and working conditions has been passed. However, as Mr Jagjivan Ram, Union Minister for Railways, observed in his address which was read out at the conference, it is a moot point whether the totality of its impact has led to greater consciousness and made labour realise its own responsibility and creative role in the building of a new social order.

It is of course true that, as pointed out by Dr Lakshmanaswami Mudaliar, there is still vast scope for improvement of labour conditions in the country. Measured by what are generally recognised to be the elements of good living, labour has to go a long way to achieve better living condition. Against this, it has to be pointed out that the progress of labour to higher standards of living has to be related, particularly in an under-developed economy, to efficiency and adoption of better techniques in production. It is of the character of democratic planning in a country in the initial stages of industrialisation, that progress has to be slow and gradual. The scope for improvement of workers' lot is, therefore, limited by

the sacrifices which all the sections of the population could make. It is this truth that is highlighted by recurring industrial disputes.

Recurrence of labour troubles in spite of the legislative measures reflects much that is rotten in the trade union movement in the country. The multiplicity of trade unions coupled by their ideological basis is a factor that contributes to inter-union rivalry and industrial unrest. The pro-labour proclivities assumed by the Congress during the freedom fight were in no small measure responsible for the existing ideological cleavage between capital and labour. In the circumstances, a proper solution could be sought only by reconciling their conflicting interests on the basis of mutual understanding, goodwill and co-operation.

It was this aspect of the problem that was stressed by Mr Giri, in the course of his inaugural address to the conference. As Mr Giri pointed out, the real test of industrial peace was not just the absence of industrial unrest but the presence of harmonious and good industrial relations generating amity and goodwill between the partners in an industry. The granting of full recognition to trade unions by employers is of course essential in as much as it would create a machinery for collective bargaining. When the working of trade unions tends to fall into political lines ways have to be explored to arrest the tendency. The infiltration of political influence in the working of the trade unions in the country presents a ticklish problem for which no rough and ready remedy is available.

Recurring disputes that take a violent turn points to the need for a more rigorous enforcement of the existing measures against violation of industrial peace, as also to the creation of more effective machinery which could settle disputes in a peaceful atmosphere, without involving interruptions to industrial production. The code of conduct for industrial discipline that was drawn at the Naini Tal labour Conference held two years ago aroused great expectations about an improvement in industrial relations. However, without proper sanctions the code had proved ineffective in preventing industrial disputes from breaking out into violence. It is however heartening that Mr G. L. Nanda has held out hopes at the recent conference of State Labour Ministers at New Delhi of a more rigorous enforcement of the code.

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MADRAS REVIEW

MADRAS REVIEW

Indian economy in the long run would be hit by the problem of the balance of payment in which case it would be difficult to expand her sales abroad. Therefore she would have to work hard to increase her exports and find efficient substitutes for her imports.

This was the advice given here during a talk in the Madras Secretariat by Mr W. R. Reddaway, Director, Department of Applied Economics, Cambridge University, Tuesday evening. The talk was given under the auspices of the Indian Institute of Public Administration.

The Madras State Finance Minister seems to hold the opinion that it would be good to hear views of eminent economists from abroad on India's planning, and this Cambridge economist gave his views, however blunt they were to the planners of this country.

The theme of the talk was "What limits the pace of Expansion in an under-developed Country." Mr Reddaway interpreted expansion as increase in output of goods and services measured in physical terms. This in turn, he stated, would increase the total income of the country.

But the extra income of people employed in the developing industries did not always go to stimulate

any industry, but largely to buy more food and those articles in short supply. Ultimately, Mr Reddaway stated that demands were not generated for things which were in adequate supply but always for things in short supply and which were being imported. He felt that compulsion on retention of surplus labour by industry would not be conducive for stimulating industrial expansion.

Mr Reddaway told one questioner that he was staggered to find that India was in short supply of fertilizers. He thought that Indian plans should have gone wrong. Increase in knowledge was equally important as capital particularly in agriculture. In India, it seemed to him that the position was difficult with backwardness in agriculture because her traditional exports had been from the agricultural side.

Mr Reddaway suggested that India could advantageously embark upon the supply of metal goods to her neighbouring countries. India was a big country and she could very well develop machine goods manufacture.

A few of the questioners obviously wanted Mr Reddaway to say something about cooperative farming. He readily obliged them though it should be to the dissatisfaction of the official spokesmen

Economic Development

for cooperative farming. Mr Reddaway stated that cooperation could do a great deal if people wanted to cooperate. It would be excellent, for example he said, to have one well for a small holding; but cooperative farming, if forced on people who did not want to cooperate would definitely "prove disastrous."

Regarding the feasibility of borrowing gold from people as was suggested recently by New Delhi and as is the French practice, the Cambridge Economist observed that India was now facing serious foreign exchange problem. Her gold was doing nothing and she had more of it. If people were prepared to part with gold bars for a piece of paper, that precious metal could be used to import machinery. France was an advanced country where even electricity loans were raised with future promise of power supply.

★

Full Employment

There was a seminar on "Full employment in a developing Economy" under the auspices of the Labour-Economic Conference inaugurated last week by Mr P. C. Mahalanobis. Dr P. S. Lokanathan's inaugural address suggested that it would be wise to migrate some people from what he believed very congested regions to regions with prospects of employment.

At the commencement of the Third Plan of India, Dr Lokanathan calculated, there would be a backlog of 7,000,000 unemployed and during the plan itself they would have no less than 14,000,000 added to the big labour force in the country. To achieve full employment by the Third Plan period end, there should be employment opportunities for 23 to 25 million people during the plan period, itself.

Dr Lokanathan observed that the unemployment problem was caused by structural and social factors. He was hopeful that a solution of this question could be found by a series of plans spread over a period of years. He regretted that even the modest estimates of the Second Plan had not arrested the deterioration of the under-employed. The total number of job opportunities, he stated, was failing to keep pace with labour force, and there was also shortage of skilled craftsmen. At the "take off" stage, both of these factors would also grow. Thus the problem of full employment is a question pertaining to social change and adjustment of the development skills.

Fast growing population has also added to this problem, and in the context of modern technological development a vast number of the 55 million registered with the unemployment exchanges would be

SOUTH INDIAN NOTES

unemployable. Dr Lokanathan stated that only a dynamic growth of the nation's economy could provide employment to them. In other words, this vast number could be employed only through learning-by-doing. It was Dr Lokanathan's view that though the Planning Commission was not unaware of the problem, it had failed to face up its dimensions.

Intensive agricultural improvement no doubt would create a large volume of employment in the rural areas. Unfortunately, however, the extent to which such intensified agricultural operations through diversified production could create demand for more labour and provide employment opportunities in the rural sector had not been correctly estimated. He thought that improvement of village industries through proper use of tools should increase employment opportunities.

He suggested increase in productive capital by small factories in rural parts to increase employment opportunity. The question of financing need not be staggering since bulk of it could come through voluntary labour, compulsory levy of labour hours and some taxes.

He warned against excessive mechanisation in the context of scarce capital resources and a surplus labour, and pointed out that the economic system should be run in the interests of all citizens, and if part of them were excluded from the production process, serious strains might occur in the long run in the political and economic structure of the country.

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Applications for transfers received in this Office before 12 O'Clock noon on Saturday, the 30th January, 1960, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,

D. H. P. HENDERSON,
Agent.

Victoria House,
Calcutta,
15th January, 1960.

January 16, 1960

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THIS IS ONLY AN ANNOUNCEMENT FOR INFORMATION AND NOT A PROSPECTUS AND APPLICATIONS ARE INVITED ON THE BASIS OF THE PROSPECTUS COPIES WHEREOF ARE AVAILABLE FROM THE COMPANY'S REGD. OFFICE AND THE MANAGING BROKERS, BROKERS, MENTIONED HEREIN.

A copy of the Prospectus having attached thereto the documents mentioned below has been duly delivered for registration to the Registrar of Companies, Bombay, as required by Section 60(2) of the Companies Act, 1956. Consent of the Central Government to the issue and a Licence for the establishment of a new industrial undertaking have been obtained, copies of which are open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting the consent and Licence, the Government of India do not take any responsibility for, the financial soundness of this undertaking or for the correctness of any of the statements made or opinion expressed in regard to them.

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(Subscribed by the Signatories to the Memorandum of Association and fully paid).

45,000 Equity (ordinary) shares of Rs. 10/- each Rs. 4,50,000/-

(allotted to the Promoters, Directors, and their friends and associates) on which Rs. 5/- per share payable on application has been paid and the balance of Rs. 5/- is payable on 1st August, 1960.

CAPITAL AGREED TO BE TAKEN UP:

1,03,400 Equity (ordinary) shares of Rs. 10/- each Rs. 10,34,000/-

on which Rs. 5/- per share is payable on application and the balance of Rs. 5/- is payable on 1st August, 1960, reserved for allotment and agreed to be taken up by Promoters, Directors and their friends and associates.

1,50,000 Rs. 15,00,000/-

NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION:

1,50,000 Equity (ordinary) shares of Rs. 10/- each Rs. 15,00,000/-

AMOUNT PAYABLE IN RESPECT OF SHARES:

The amount payable in respect of the said Equity (ordinary) shares, viz., 1,50,000 is as follows:—

Rs. 5/- per share on Application and the balance of Rs. 5/- per share on 1st August, 1960.

Each application must be made for a minimum of 50 shares or in multiples thereof.

Application for shares should be made on the Application Form attached to the Prospectus by Cheques, Bank Drafts or Cash and delivered before the close of the Subscription List at the Allahabad Bank Limited, 37, Apollo Street, Fort, Bombay or at its Branch Offices at 14, India Exchange Place, Calcutta, Chandni Chowk, Delhi; Scindia House, Connaught Place, New Delhi or Dhanlaxmi Market, Reid Road, Ahmedabad, or at the Bank of India Limited, Mahatma Gandhi Road, Fort, Bombay; or at its Branch Offices at Bhadra, Ahmedabad (Main Office); 23-B, Netaji Subhas Road, Calcutta; Mahabir Jain Trust Building, Chandni Chowk, Delhi; Central Ring, Connaught Place, Sardarganj, New Delhi; or at 10, Armanian Street, Madras accompanied by the full amount payable on Application.

Applicants from outside Bombay will have to pay necessary commission and Bank charges on allotment.

Where no allotment is made, the deposit will be returned by cancellation of the cheque of the Applicant or if paid in cash or draft by the Applicant then by a cheque on the Company's Bankers at Bombay and where a partial allotment is made the unutilised balance will be returned by cheque on the Company's Bankers at Bombay within ninety days from 25th January, 1960.

The Directors reserve the right to refuse any Application wholly or in part without assigning any reason thereof.

The shares when issued will be subject to the Memorandum and Articles of Association of the Company.

Copies of Prospectus and Application Forms will be available from the Managing Brokers, Brokers, named below and the Company's Registered Office.

The Share Certificate will be issued within six months from the date of allotment in units of not less than 50 shares.

BOARD OF DIRECTORS:

1. Shri RAMNIWAS RAMNARAIN RUIA, (CHAIRMAN), Merchant and Industrialist, Riwa House, Mount Pleasant Road, Bombay—6.
2. H. H. THE MAHARAJA SIR JIWAJIRAO SCINDIA, Maharaja of Gwalior, Samudra Mahal Palace, Bombay—18.
3. Shri BODHI RAJ TANNAN, Chartered Accountant "Normandie", Carmichael Road, Bombay—26.
4. Shri CORDHANDAS JADAVJI RUPAREL, Merchant and Industrialist, 38, Ridge Road, Bombay—6.
5. Shri B. N. CHATURVEDI, Merchant, 7, Lyons Range, Calcutta.
6. Shri S. L. JAJODIA, Merchant, 7, Lyons Range, Calcutta.
7. Shri S. K. JAJODIA, Merchant, 67-C, Warden Road, Bombay—26.

BANKERS.

1. The Allahabad Bank Ltd., 37, Apollo Street, Fort, Bombay.
2. The Bank of India Limited, Mahatma Gandhi Road, Fort, Bombay.

MANAGING BROKERS.

1. Messrs. Place Siddons & Gough (Private), Ltd., 6, Lyons Range, Calcutta.
2. Messrs. Lewis & Jones, Bank of Baroda Building, Apollo Street, Bombay.
3. Messrs. D. S. Purbhoo Das & Co., Stock Exchange New Building, Bombay.

BROKERS.

1. Messrs. Harbans Singh Mehta & Co., 33, Regal Buildings, Parliament Street, P.O. Box No. 300, New Delhi.
2. Messrs. Paterson & Co., 22, Errabalu Chetty Street, P.O. Box 48, Madras—1.

LEGAL ADVISERS.

1. Messrs. Motichand & Devidas, Solicitors, Notary Public, 31, Nanabhoj Lane, Bombay—1.

AUDITORS

1. Messrs. Nanubhai & Co., Chartered Accountants, 51, Mahatma Gandhi Road, Bombay—1.
2. Messrs. C. L. Saraf & Co., Chartered Accountants, 33, Stephen House, 4, Dalhousie Square, East Calcutta—1.

REGISTERED OFFICE.

Readymoney Mansion, 3rd Floor, 43, Veer Nariman Road, Bombay—1.

OBJECTS OF THE COMPANY.

The Company was incorporated on the 16th October, 1959, generally with the aims, objects and purposes, set forth in its Memorandum of Association and in particular

"To carry out in India or elsewhere the industry, trade or business of manufacturers, fabricators, founders, smelters, engineers, converters, repairers, producers, importers, exporters, dealers, agents and suppliers of special steels, mild steel, B.S.S. En. steel, bright bars, shaftings and bright steel or its products or by-products, of every description, nature or form in all its branches".

COMMENCEMENT OF BUSINESS.

The Company has already obtained a Certificate dated 30th October, 1959, for commencement of Business from the Registrar of Companies, Bombay.

SCOPE AND PROSPECTS.

Most of the bright bars are at present imported in India and there is hardly any up-to-date factory producing such type of Bright bars to meet the requirements of the country.

The plant that will be set up will produce cold drawn and turned Bright Bars of mild steel, B.S.S. En. steel, including high carbon, free cutting, Alloy and special steels. The bright bars will be produced in rounds, hexagons, square and flats of minute tolerances in different sizes, which are mainly used by Loco Builders, Railway Workshops, Ball Bearing, Electric Motors, General Engineering, Automobile, Cycle and Ancillary Industries, Ship Building Yards and Ship repair workshops, Jute Textile and Agricultural Machinery Manufacturers, Shaftings for Textile Mills, Machine Tools, Nuts and Bolts Manufacturers, etc.

The plant can also be used for product of non-ferrous metal.

The installed capacity of the plant will be 1,000 tons of Bright Steel bars in different sizes per month on single shift basis. At present, the production is taken at about 300 tons per month on the basis of licence. But the Company is confident that the balance productive capacity will be made use of by utilising the raw materials which will be available from local sources and a number of industries on conversion charges also.

When the steel plants in the third 5-year plan come into production several of the steels such as E.N., free cutting, high carbon and silver steels also will be made available in the country.

The demand for bright drawn and centreless turned steel bar has increased tremendously throughout the world today, and in view of the ever-



National and Grindlays Bank Ltd.

(Amalgamating National Bank of India Ltd., & Grindlays Bank Ltd.)
Registered in London under the Companies Act of 1862 on the 23rd March, 1866. The liability of members is limited.

Bankers to the Government in Aden, Kenya Colony, Zanzibar, Uganda and Somaliland Protectorate

Authorised Capital £4,562,400
Subscribed and Paid-Up Capital . . . £3,421,873
Reserve Funds £3,000,000

Head Office: 26 BISHOPSGATE, LONDON, E.C.2.

London Branches:

54 Parliament Street, S. W. 1: 13 St. James's Square, S. W. 1.

BRANCHES throughout India, Pakistan, Ceylon, Burma, Aden, Somaliland Protectorate, Zanzibar Island, Kenya, Uganda, Tanganyika Territory and Northern and Southern Rhodesia.

The Bank conducts all classes of Banking and Exchange Business throughout the world. Trusteeships and Executorships are undertaken.

The Bank undertakes the recovery of Income Tax and the preparation of Income Tax returns on behalf of constituents.

Calcutta Branches:

19 Netaji Subhas Road, 31 Chowringhee Road
6 Church Lane, 17 Brabourne Road

CHASE BRIGHT STEEL LIMITED—(Contd.)

increasing demand in India a Bright Bar Plant is essential to India's industrial progress and not only foreign exchange will be saved but it may also earn foreign exchange for India.

ESTIMATE OF PROFITS

After a thorough investigation into the manufacturing ranges of different sizes, the Company is confident that within a short period of working of the factory, the profits will be sufficient to provide an attractive return to the Equity Shareholders.

MACHINERY & TECHNICAL SERVICES

The plant will be supplied by a U.K. firm, manufactured by one of the leading fabricators of this type of Machinery, Messrs. Sir James Farmer Norton & Co., Ltd., Manchester, U.K. They will render the necessary technical assistance in making the plants and supervising the erection and the installation as well as commissioning of the plant.

The Company is also negotiating for the services of a qualified, experienced technician who is an expert in this Line, from abroad and hope to finalise the same soon.

The first shipment of the complete one unit is expected by early 1960 and the shipment of the second complete unit is expected by the end of May, 1960.

LAND

After a careful investigation a favourable site near Thana has been selected for the factory.

WATER & ELECTRICITY

Water supply at a reasonable rate will be available from the Municipal Authorities. Arrangements have also been made to obtain electric power from Tata Power Supply Company, Limited.

SPECIAL BENEFITS

The Company will be entitled to the Special Benefits under the Indian Income-tax Act with respect to Development Rebate. It will also enjoy the benefits of Section 15C of the Indian Income-tax Act, whereby profits upto 6 per cent on the employed capital will be exempted from tax for the first five years of operation.

PRELIMINARY EXPENSES

The total preliminary expenses including commission and brokerage are estimated to be Rs. 1,00,000/-.

ESTIMATED FINANCIAL REQUIREMENTS

The financial requirements of the Company will be about Rs. 40,00,000/- made up as under:—

1. Purchase price of land, plant, machinery and equipment including cost of erection of machinery, construction of factory, building, power house, etc.	Rs. 29,00,000.00
2. Preliminary expenses including Commission, Brokerage and expenses of this issue	Rs. 1,00,000.00
3. Working Capital	Rs. 10,00,000.00
	Rs. 40,00,000.00

MINIMUM SUBSCRIPTION

The minimum amount which, in the opinion of the Directors must be raised by this issue in order to provide the sums required to be provided as per paragraph 5 of Schedule II of Companies Act, 1956, upon which Directors can proceed to allot shares offered by this Prospectus has been fixed at 75,000 Equity shares of the nominal value of Rs. 750,000/-, being only a part amount of this issue, out of which Rs. 6,50,000/- will be utilised

towards part payment of the purchase price of the land, buildings, plant and machinery, motor vehicles, etc. and Rs. 1,00,000/- will be for preliminary expenses including commission, brokerage and expenses of this issue. The balance amount upto Rs. 17,50,000/- including working capital of Rs. 10/- lacs will be arranged by borrowings from Banks, and/or other sources against the fixed and other assets of the Company in the ordinary course of business.

BROKERAGE

Brokerage at the rate of 18 nP. on the nominal value of each Equity Share will be paid to recognised Brokers and Bankers on allotment being made in respect of applications bearing the stamp of such recognised brokers and bankers on 1,50,000 shares issued to the public for subscription.

Messrs. Place Siddons & Gough (Private), Ltd.,
Lewis & Jones, and D. S. Purbhoo Das

are the Managing Brokers to this issue and will be paid a commission of 12 nP. per Equity share, on the said 1,50,000 Equity shares.

MANAGING DIRECTOR

The Board of Directors have, subject to the approval of the Central Government entered into an agreement dated 10th December, 1959, with Shri Sajjan Kumar Jajodia for the appointment of the said Shri S. K. Jajodia as Managing Director of the Company. An application in this behalf is being made to the Central Government for sanction for such appointment under the provisions of the Act.

The agreement between the Company and Shri Sajjan Kumar Jajodia provides inter alia that Shri Sajjan Kumar Jajodia be paid an annual remuneration of 5 per cent commission on net profits of the Company as computed in the manner laid down in Section 198(1) of the Act and that in the event of the Company having no profits, or its profits being inadequate, in any financial year, he is to be paid a minimum remuneration of Rs. 24,000/- per annum, provided nevertheless the said Shri Sajjan Kumar Jajodia shall be entitled to draw a sum of Rs. 2,000/- per month towards his remuneration as Managing Director.

PAYMENT TO PROMOTERS

Messrs. Chase Brothers (Private), Limited, the Promoters of the Company, have to be reimbursed in respect of a payment of 10 per cent deposit for the order of plant and machinery made to the suppliers, amounting to Rs. 1,39,976.35 nP. plus Rs. 4,411.42 nP. paid for Letter of Credit, Insurance Charges, etc., total amounting to Rs. 1,44,387.77 nP. They have also to be reimbursed for other actual expenses incurred towards foreign travelling, registration of the Company, and other incidental charges amounting to Rs. 18,496.34 nP. to the date of Commencement of Business i.e. 30th October, 1959.

DIRECTORS' INTEREST

The Directors are interested in the remuneration payable as fees of Meetings attended and travelling expenses. Shri Sajjan Kumar Jajodia who is the Managing Director of the Company and Shri S. L. Jajodia, the Director are interested in Messrs. Chase Brothers (Private), Limited, the promoters of the Company, as Shareholders and Directors and as such they are interested in the reimbursement of expenses hereinbefore referred to the promoters. The said Shri S. K. Jajodia is also interested in the remuneration payable to him as Managing Director.

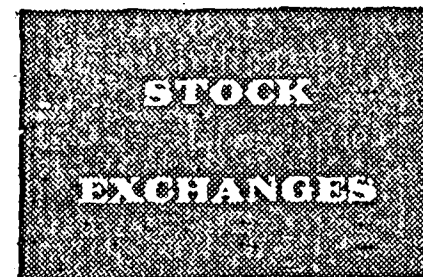
AUDITORS REPORT

The following is a copy of the report of the Company's Joint Auditors, Messrs. Nanubhai & Co., and Messrs. C. L. Saraf & Co., Chartered Accountants:—

"In accordance with the provisions of Clause 24 of Part II of Schedule II of the Companies Act, 1956, we report that no accounts of 'Chase Bright Steel Ltd.' have been made up in respect of any period since the incorporation of the Company".

Dated 2nd January, 1960.

January 16, 1960

Recovery After
A Sharp Setback

Watch-Dog Writes:

STOCK markets are now in an uncertain mood with values fluctuating in an irregular fashion. Since the beginning of the year, the undertone is subdued in distinct contrast to the bullish sentiment which prevailed in the last week of 1959.

With prospective buyers loath to commit themselves, persistent long liquidation on fears of heavier taxation in the forthcoming budget caused prices to fall sharply all among the list. There was also an anxiety to await the deliberations at the Bangalore session of the Congress. Thanks to some replacement buying at lower levels, the closing tone was better.

Equities on the Calcutta Stock Exchange, after suffering a sharp setback early in the week under the lead of speculative issues, recorded a modest recovery at the close.

On the Bombay Stock Exchange, the recent decline in equities seemed to have temporarily halted and steadiness returned to the market.

Although the Madras Stock Exchange remained fairly active, profit-taking was noticed in most of the scrips on lack of sustained support.

The London Stock Exchange managed to make a steady progress.

Prices on Wall Street showed an irregular lower tendency.

Calcutta

Calcutta, Thursday Evening.

THE New Year does not seem to have brought any fresh cheer to the local Stock Exchange. Although trading was rather brisk during the first three days of the year, there was a sudden turn in market sentiment thereafter with prices displaying a steady decline due to sustained selling pressure, being induced by various rumours with regard to the forthcoming Budget. Fears were entertained that there would be heavier taxation, both direct and indirect, and there might be a possibility of dividend limitation. It was also felt that the decisions taken at the Bangalore session of the Congress would have considerable bearing on the budget, particularly in view of the defence needs of the country.

Bank shares showed a mixed trend on the announcement of the working results for last year. Dealings in United Commercial were very prominent following the increase in dividend from Rs. 3.75 to Rs. 3.85 (net) and the scrip was taken up to Rs. 71.50 from Rs. 68. Punjab National were however, quiet at Rs. 21.25 against Rs. 21.37.

Although there was not much improvement in values, Jute shares ruled generally steady due to firmer advices from the gunny market on reports of a fall in stocks with the mills for the tenth month in succession. It was also felt that the recent propaganda with regard to the shortage of raw jute was exaggerated.

Of all the sections, Tea fared better and selected scrips met with good demand at improved levels following the optimistic outlook for the industry during the current season. The latest crop figures for Northern India for December also induced a feeling that the entire output of 1959 was likely to be sold at remunerative

prices and the world supplies during the 1959-60 seasons would be well in balance with requirements.

Thanks to the reports of an increase in cloth prices, Textile scrips presented a firm front; but higher levels attracted some profit-taking at the close.

Price movements in the Engineering section were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to settlement considerations till Wednesday this week. Moreover, the lead to the reactionary tendency in equity prices from the beginning of the year was mainly given by this scrip. Despite the fact that this company was able to report a record output in December, the shares met with sustained selling pressure. This was mainly due to the pessimistic view taken by the company's chairman with regard to the future outlook and the fear of even a temporary glut in steel supplies in view of the coming into operation of the steel plants in the private sector. From the opening level for the year of Rs. 23.40, Indian Irons were gradually pushed down to Rs. 22.02 at which level some replacement buying caused the scrip to close better at Rs. 22.58. In sympathy, TEXMACO was marked down at one time to Rs. 25.40 from Rs. 26.10; Jessop to Rs. 23.69 from Rs. 25 and Kumardhubi to Rs. 6.62 from Rs. 6.94, to finish at Rs. 26.40; Rs. 24.12 and Rs. 6.75 respectively. G. K. Williams turned at Rs. 44 against Rs. 48.25 touched in the first week of the year, mainly due to the absence of any news with regard to the bonus issue was originally rumoured.

Upper Ganges Sugar has raised the dividend from Rs. 5 to Rs. 7.50 per share for the year ended 30th June, 1959.

Alliance Jute has passed over the dividend again for the year ended 31st May, 1959.

In Briefs

Upper Ganges Sugar has raised the dividend from Rs. 5 to Rs. 7.50 per share for the year ended 30th June, 1959.

Alliance Jute has passed over the dividend again for the year ended 31st May, 1959.

Waverley Jute has announced a dividend of 25 nP for the same year as against nil in the previous year.

The Kalapahari Coal Company has declared an interim dividend of 75 nP per share, subject to tax deduction, for the year ended 29th February, 1959.

Bank of India has proposed to pay a final dividend of 10 per cent, making a total of 16 per cent, subject to deduction of tax, for 1959. This works out to a net dividend of 11.2 per cent against 16 per cent paid in the preceding year.

The Devkaran Nanjee Banking Company Limited has recommended a final dividend of Rs. 2.52, making a total of Rs. 4.38 per share of Rs. 50 each for 1959. This works out at a net dividend of Rs. 3.07 against Rs. 3.00 paid in the preceding year. The shares are quoting steady at Rs. 53.

THE AMALGAMATED
ELECTRICITY COMPANY
LIMITED

Issue of 90,625 Ordinary Shares of Rs. 10/- each at par.

Transfer Books of the Company will be closed from 22nd to 30th January, 1960, both days inclusive, in connection with issue of new shares as mentioned above.

By Order of the Board,
For N. C. Javeri & Co.
N. C. JAVERI,
Partner.
Mg. Agents.

Bombay,
7th January, 1960.

SOUTH EASTERN RAILWAY

TENDER NOTICE

Sl. No.	Tender No.	Brief Description.	Specification.	Quantity.	Due date of Opening.	Earnest Money.	Cost of Tender Form.
1.	CON/COS/2/F1/60	Wire. I. G. Fencing 7x14 SWG	G/Wate-36/C	15 Tons	10-2-60 at 12 Noon	Rs. 400.00	Rs. 2.00
2.	CON/COS/3/P&M/B/60	Internal Concrete Vibrator as per specification shown on the schedule.	...	7 Sets	11-2-60 at 12 Noon	Rs. 500.00	Rs. 2.00
3.	CON/COS/4/D/60	Steel Fish Plate BN. 85 lb. Rail.	CE's Drg. No. 119 10/1 and to IRSS : T/1 (Current)	3200 Nos.	12-2-60 at 12 Noon	Rs. 600.00	Rs. 2.00
4.	CON/COS/5/P&M/B/60	Pump capacity 20,000 GPH as per specification shown on the schedule.	...	2 Nos.	15-2-60 at 12 Noon	Rs. 500.00	Rs. 2.00
5.	CON/COS/6/F2/60	Pulley Supporting Bracket 12 way (Double tier)	IRS Drg. No. SA7378A (Adv) Material—Class II Steel Galvanized IRS (S) 10 Current	600 Nos.	16-2-60 at 12 Noon	Rs. 350.00	Rs. 2.00
6.	CON/GM/2/P&M/EC1/60	Dip Lorries 15 Ton capacity consisting of 2 Unit suitable for 5-6" gauge, as per Specn. shown on the schedule.	...	25 Sets	17-2-60 at 3 P.M.	Rs. 1000.00	Rs. 5.00

Tender forms are obtainable from Controller of Stores, South Eastern Railway, Garden Reach, Calcutta-23 on remittance of cost

of tender form (not refundable) Chief Cashier, S.E.Ry., Garden Reach, Calcutta-23 by local firms. Firms not on the Railways list of approved contractors must enclose

a valid Income Tax Clearance Certificate, along with the Earnest Money receipt with the tender.

CONTROLLER OF STORES

Investment Notes:

The Ordinary shares of the National Carbon Company, which is now to be known as Union Carbide India Limited, have firmed up to Rs. 43 from Rs. 41 during the past few days on an optimistic appraisal of the company's outlook. The company has, under construction, a plant at Trombay for the manufacture of organic chemicals and polyethylene resin, which is nearing completion. This unit involving a capital investment of Rs. 4.5 crores will have a combined annual output of about 15 million pounds of chemicals and polyethylene. The directors of the company have announced that the name has been changed to Union Carbide India Limited in order to more closely identify its expanding activities in India with those of Union Carbide Corporation, New York, USA.

Wakchandnagar Industries Limited has proposed to issue Debentures amounting to Rs. 75 lakhs. The terms of the issue have not yet been finalised; but these are expected to be announced in the course of the next few weeks. The Debentures will be offered, in the first instance, to the shareholders of the company. Such part of the issue, as is not taken by the shareholders, will be offered to the public for subscription. The fund will be utilised for financing the company's expansion programme, covering the manufacture of sugar machinery and boilers and repaying the loans already borrowed in this connection.

The Hindustan Construction Company Limited and Acrow Engineers Limited of the UK have jointly sponsored a new company called Acrow India (Pri-

vate) Limited. The new company will undertake the manufacture of the full range of acrow steel formwork, scaffolding and other construction equipment. Both the companies will participate in the share capital of Acrow India (Private) Limited on an equal basis. The factory of the new company will be situated near Bombay.

It is understood that the Premier Construction Company Limited, which is holding the bulk of the shares of its subsidiary company (Indian Hume Pipe Company), has released about 10,000 old Ordinary shares of the Hume Pipe company on the market at Rs. 150, at a premium of Rs. 50. The shares are meeting with very good demand and they have been absorbed fully.

The Associated Battery Makers (Eastern) Private Limited, manu-

facturers of silver oxide, oxide-ironclad, chloride and batteries, will shortly make a public issue, subject to the sanction of the Government, of 680,000 Ordinary shares of Rs. 10 each at Rs. 15 per share. Out of this, the present shareholders in the UK have been allotted 200,000 shares.

The Government of India have fixed the 27th January as the last date for receiving requests from the shareholders of the Travancore Bank Limited to have their amount of compensation, if any, referred to a Tribunal.

Calico Mills have announced an interim dividend of Rs. 14 per share, subject to deduction of tax, for the half-year ended 30th September, 1959. This works out at a net interim dividend of Rs. 9.8 per share against Rs. 10 in the preceding year.

CHERRA-CHHATKAR ROPEWAYS CO., LTD.

Synopsis of balance sheet as on the last day of May

Liabilities	1957	1958	1959
Capital Paid-up	750,000	750,000	750,000
5% C. Pref.	250,000	250,000	250,000
Ordinary	1,000,000	1,000,000	1,000,000
Reserve Fund	1,000,000	1,000,000	1,000,000
Other Funds	335,000	335,000	335,000
Loans Secured	1,000,000	1,000,000	1,000,000
Loans Unsecured	21,000	21,000	21,000
Taxation Provision	371,524	100,378	3,075,073
Debits	100,603	11,735	100,603
Carry Forward	100,603	11,735	100,603
Total	3,015,525	2,653,113	5,634,572
Assets			
G. Block	5,514,745	5,537,710	5,613,196
Depreciation	4,418,712	4,335,621	4,210,991
Block (net)	1,096,034	1,202,089	1,402,205
Stores	408,603	421,459	644,112
Stocks in Progress	137,165	137,165	137,165
Raw Materials	991,808	991,808	991,808
Stocks	1,210,430	1,210,430	1,210,430
Outstandings	277,149	384,128	488,344
Do More than 3 months	48,460	150,716	51,453
Mis. Deposits and Advances	67,566	75,058	145,713
Investments	60,000	60,000	60,000
Deposits in Banks	1,036,500	288,500	46,500
Cash	51,507	78,172	69,467
Debit Balance	415,285	415,285	415,285
Total	3,015,525	2,653,113	5,634,572

Note: This Mills having been closed down from 17-9-1957, the working hours have been sold to other Mills with McLeod Group.

UPPER GANGES SUGAR MILLS LIMITED

Mg. Agents: The Cotton Agents (Private), Ltd.

Year ended June 1959

Liabilities	1957	1958	1959
Capital Paid-up	6,070,415	9,547,209	10,912,728
5% C. Pref.	3,529,149	37,516,710	35,008,938
Ordinary	5,100,810	11,142,868	13,078,935
Reserve Fund	144,548	163,615	113,410
Other Funds	2,658,883	3,666,330	4,142,206
Loans Secured	893,000	1,850,000	1,850,000
Loans Unsecured	736,000	890,000	1,254,000
Taxation Provision	400,000	300,000	300,000
Debits	195,000	275,000	195,000
Carry Forward	11,021	25,000	25,000
Div. Amount Ord.	580,000	500,000	400,000
Div. Amount Pref.	138,000	111,375	111,375
Carry Forward	44,480	24,618	9,663
Total	18,822,254	24,392,787	24,329,849
Assets			
G. Block	18,327,979	16,508,682	13,745,747
Depreciation	9,743,200	8,087,181	8,087,754
Block (net)	8,584,779	7,521,501	4,697,603
Stores	1,511,692	1,576,965	1,200,954
Standing Crop	280,032	258,235	247,117
Raw Materials	170,643	201,340	101,065
Stocks	5,278,295	11,306,481	13,190,411
Outstandings	296,778	14,421	703,319
Do More than 3 months	60,888	127,013	263,350
Mis. Deposits and Advances	1,764,516	1,813,468	2,001,351
Investments	852,031	1,322,500	707,531
Cash	110,468	1,227,765	228,258
Total	18,822,254	24,392,787	24,329,849

(Annual General Meeting on 29-1-59 at 4-15 p.m.)

After transferring Rs 115,000 from General Reserve

and Rs 20,000 from Dividend Equalisation Reserve

Synopsis of balance sheet as on the last day of June

Liabilities	1957	1958	1959
Capital Paid-up	1,200,000	1,200,000	1,200,000
5% C. Pref.	1,500,000	1,500,000	1,500,000
Ordinary	800,000	800,000	800,000
Reserve Fund	2,200,000	1,900,000	1,800,000
Other Funds	2,156,902	1,971,616	1,674,348
Loans Secured	5,040,545	10,873,219	11,914,483
Loans Unsecured	913,166	677,105	267,645
Taxation Provision	3,061,108	3,341,236	2,652,420
Debits	1,895,085	2,204,943	2,511,215
Carry Forward	44,480	24,618	9,663
Total	18,822,254	24,392,787	24,329,849
Assets			
G. Block	18,327,979	16,508,682	13,745,747
Depreciation	9,743,200	8,087,181	8,087,754
Block (net)	8,584,779	7,521,501	4,697,603
Stores	1,511,692	1,576,965	1,200,954
Standing Crop	280,032	258,235	247,117
Raw Materials	170,643	201,340	101,065
Stocks	5,278,295	11,306,481	13,190,411
Outstandings	296,778	14,421	703,319
Do More than 3 months	60,888	127,013	263,350
Mis. Deposits and Advances	1,764,516	1,813,468	2,001,351
Investments	852,031	1,322,500	707,531
Cash	110,468	1,227,765	228,258
Total	18,822,254	24,392,787	24,329,849

(Annual General Meeting on 3-2-59 at 4-15 p.m.)

After transferring Rs 115,000 from General Reserve

and Rs 20,000 from Dividend Equalisation Reserve

Synopsis of balance sheet as on the last day of June

After transferring Rs 50,000 from General Reserve

and Rs 20,000 from Dividend Equalisation Reserve

Synopsis of balance sheet as on the last day of June

After transferring Rs 50,000 from General Reserve

and Rs 20,000 from Dividend Equalisation Reserve

CHANDRAMALAI ESTATES LIMITED.

Mg. Director: Sri K. Anantharaman

Year ended June 1959

Liabilities	1957	1958	1959
Capital Paid-up	332,300	332,300	332,300
5% C. Pref.	950	950	950
Ordinary	3,101	2,838	2,501
Reserve Fund	721,742	842,542	811,835
Other Funds	192,632	182,134	172,850
Loans Secured	111,050	224,574	214,194
Loans Unsecured	21,500	57,000	81,000
Taxation Provision	2,208	3,714	3,405
Debits	49,030	37,174	34,605
Carry Forward	4,230	16,095	82,500
Div. Amount Ord.	60,000	62,500	62,500
Div. Amount Pref.	102,340	3,231	238
Carry Forward	109	38,210	238
Total	1,547,668	1,703,234	1,540,082
Assets			
G. Block	1,515,332	1,454,466	1,334,537
Depreciation	303,764	254,734	218,400
Block (net)	1,211,568	1,199,732	1,116,137
Stores	26,022	31,666	48,854
Stocks	150,895	135,570	124,638
Outstandings	14,058	26,295	10,973
Do More than 3 months	708	708	708
Mis. Deposits and Advances	91,822	99,385	112,679
Investments	21,695	210,568	127,297
Cash	21,695	210,568	127,297
Total	1,547,668	1,703,234	1,540,082

WAVERLEY JUTE MILLS COMPANY, LIMITED.

Mg. Agents: McLeod & Co., Ltd.

Year ended May 1959

Liabilities	1957	1958	1959
Capital Paid-up	1,200,000	1,200,000	1,200,000
5% C. Pref.	1,500,000	1,500,000	1,500,000
Ordinary	800,000	800,000	800,000
Reserve Fund	2,200,000	1,900,000	1,800,000
Other Funds	2,156,902	1,971,616	1,674,348
Loans Secured	5,040,545	10,873,219	11,914,483
Loans Unsecured	913,166	677,105	267,645
Taxation Provision	3,061,108	3,341,236	2,652,420
Debits	1,895,085	2,204,943	2,511,215
Carry Forward	44,480	24,618	9,663
Total	18,822,254	24,392,787	24,329,849
Assets			
G. Block	18,327,979	16,508,682	13,745,747
Depreciation	9,743,200	8,087,181	8,087,754
Block (net)	8,584,779	7,521,501	4,697,603
Stores	1,511,692	1,576,965	1,200,954
Standing Crop	280,032	258,235	247,117
Raw Materials	170,643	201,340	101,065
Stocks	5,278,295	11,306,481	13,190,411
Outstandings	296,778	14,421	703,319
Do More than 3 months	60,888	127,013	263,350
Mis. Deposits and Advances	1,764,516	1,813,468	2,001,351
Investments	852,031	1,322,500	707,531
Cash	110,468	1,227,765	228,258
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(Annual General Meeting on 3-2-59 at 4-15 p.m.)

After transferring Rs 115,000 from General Reserve

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Synopsis of balance sheet as on the last day of June

After transferring Rs 50,000 from General Reserve

and Rs 20,000 from Dividend Equalisation Reserve

Synopsis of balance sheet as on the last day of June

After transferring Rs 50,000 from General Reserve

and Rs 20,000 from Dividend Equalisation Reserve

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)

LIABILITIES	8-1-60	1-1-59	9-1-59
Notes in Banking Dept.	12,93.21	8,00.66	8,94.89
Notes in Circulation	1775,08.82	1742,62.97	1627,36.06
Total	1788,01.23	1750,63.63	1636,32.95
ASSETS			
A Gold Coin & Bullion			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India			
Starling Securities	143,80.89	143,80.89	143,80.89
Total A	261,56.92	261,56.92	261,56.92
(B) Rupee Coin	129,61.24	132,43.64	134,10.47
Rupee Securities	1377,43.07	1337,43.07	1219,78.89
Total	1788,01.23	1750,63.63	1636,32.95

BANKING DEPARTMENT:

LIABILITIES	8-1-60	1-1-59	9-1-59
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	30,00.00	30,00.00	30,00.00
National Agricultural Credit (Stabilisation) Fund	4,00.00	4,00.00	4,00.00
Deposits			
(a) Central Govt.	64,36.51	55,55.92	66,14.99
(b) Other Govt.	12,53.82	29,75.51	10,87.99
(c) Banks	68,24.78	104,57.64	69,34.05
(d) Others	122,43.16	115,75.93	116,11.65
Bills Payable	15,07.69	14,45.03	18,21.72
Other Liabilities	31,58.75	32,75.22	29,55.25
Total	433,24.71	469,35.25	423,30.65
ASSETS			
Notes	12,93.21	8,00.66	8,94.89
Rupee Coin	2,99	3,15	3,31
Subsidiary Coin	3,69	3,72	4,51
Bills Discounted			
Internal			
External			
Govt. Treasury Bills	48,12.16	41,34.12	14,62.55
Balances held abroad	48,35.36	49,62.49	27,03.77
Loans & adv. to Govt.	24,54.85	19,93.56	31,93.72
Other Loans & Adv.	102,89.13	112,55.24	89,99.07
Investments	183,45.62	225,76.91	239,56.45
Other Assets	12,87.70	12,56.40	11,10.18
Total	433,24.71	469,35.25	423,30.65

(1) The item 'Other Loans and Advances' included Rs 1,44,90,000 advanced to scheduled banks against bills under Section 17(4) (c) of the Reserve Bank of India Act.

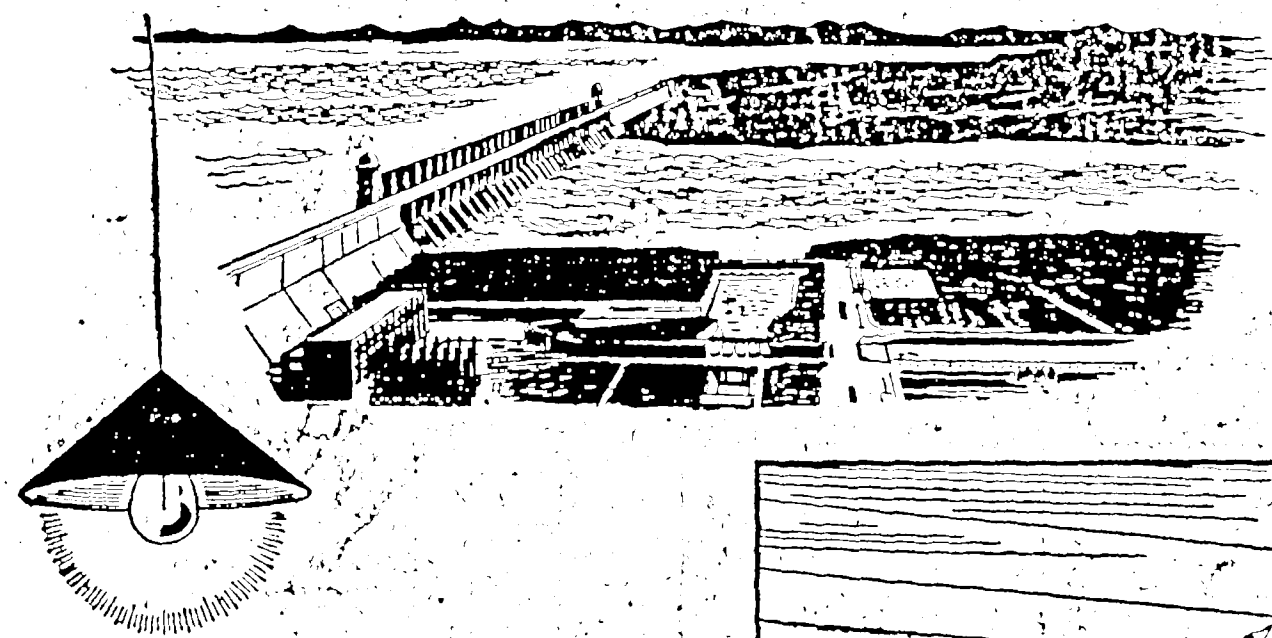
SCHEDULED BANKS IN INDIA

(In 000's of Rupees)

Week Ended	2-1-59	25-12-59	1-1-60
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	19,53.11	22,32.41	15,63.07
(ii) Other demand liabilities	708,38.76	717,35.32	738,88.29
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	27,44.37	25,69.00	25,37.57
(ii) Other time liabilities	874,38.27	1110,83.15	1106,69.63
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	7,53.75	6,58.92	7,04.88
(ii) Time Liabilities	45,13.94	44,04.25	1,92.00
Borrowings in India from the R. B. I.	22,81.61	11,82.55	32,21.50
Cash in India	45,13.94	44,04.25	51,60.25
Balances with the Reserve Bank of India	71,37.89	69,46.50	101,64.09
Balances with other banks in current account in India	14,29.64	15,34.63	20,03.62
Money at call and short notice in India	36,87.74	29,01.43	26,52.58
Investments in India (at book value)			
(i) In Central and State Government securities including Treasury Bills and Treasury Deposits	633,08.66	787,81.64	763,79.00
(ii) In India	757,06.56	812,17.65	829,91.24
Advances in India	88,42.76	106,16.45	107,83.02
Foreign Bills Purchased and Discounted in India	59,81.28	46,16.66	45,91.75

*Figures are provisional since complete returns have not been received from Banks.

A—Excluding borrowings from R.B.I. also.



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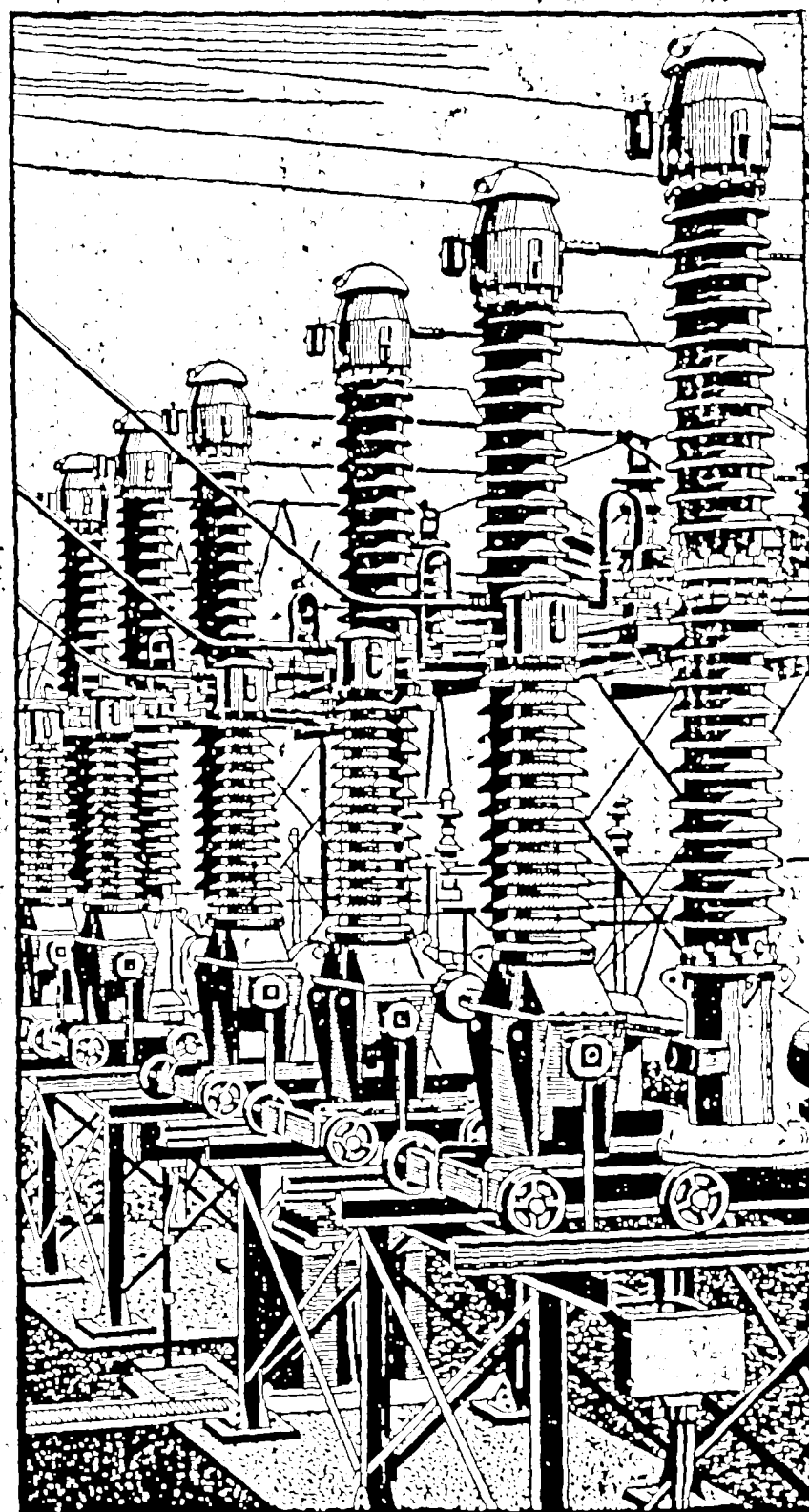
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Gigantic thermal and hydro-electric projects—the Tungabhadra Scheme, the Damodar Valley Corporation, the Bhakra Nangal Project to name a few—while bringing the convenience of electric lighting to more and more people, are producing much needed power to run our new, wealth-producing industries.

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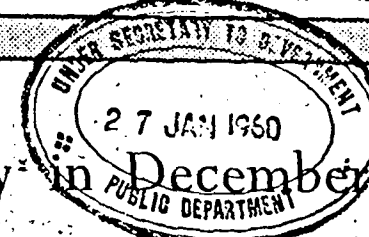
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EST. 1942

Indian Finance

INVESTOR'S SUPPLEMENT



Markets Steady in December

EQUITY values maintained a steady undertone during December although activity was rather restricted most of the time. In earlier dealings sentiment was rather quiet as the more speculative counters were under selling pressure. With operators reluctant to extend commitments in pivotal shares following the announcement that the Government had decided to charge interest at the rate of 5 per cent on the special advances granted to the steel companies, activity on the stock markets was at a low ebb. Other factors which contributed to the slackened interest were the continued uncertainty regarding the Sino-Indian relations, the possibility of increased taxation as a result of heavy outlay on defence, Government's decision on the Pay Commission's recommendations, and the reduction of the selling prices of paper. The proximity of the Assocham meeting was another important restraining influence during the first week of the month.

The second week of the month witnessed a revival of buying support and the return of confidence was aided by the absence of any shock in the Finance Minister's Assocham speech. It would appear that the very fact that Mr Desai had been mainly concerned with outlining the tasks completed and still ahead seemed to have contributed toward around satisfaction. The improvement in sentiment would appear to have stemmed from the visit of the American President to India and the unambiguous declaration by Pandit Nehru about the future of private enterprise at his monthly press conference. The clarification that the Government's decision to charge interest on the loans to the steel companies would not affect their normal profits reduced the bear pressure on the more speculative counters while bulls derived some encouragement from the report that the Indian Iron and Steel Company had a proposal to diversify its activities.

Round about the second half of the month buying fervour received a setback following rumours about fresh Chinese incursions but with the lower levels attracting considerable short-covering coupled with the sustained support for investment counters the undertone steadied up. Thereafter the market was in a confident mood for a few days as both operators and investors were encouraged by the expectations of further large-scale financial assistance from the US and the general belief that the next Central budget would not impose any fresh tax burden on the corporate sector. Although the market closed the month on a confident note it was evident that investors were rather worried about the rise in the cost of production

of some of the major industries partly on account of the spiralling wage levels and partly because of the rising trend of raw material costs. Sectionwise cotton textile shares fared well and toward the close of the month prices of a number of shares recorded sizable gains thanks to the fresh measures taken by Government to check the rising

age of cloth if urgent steps were not taken to increase cloth production in the organised sector, apprehensions about shortage of cotton persisted.

The jute goods industry was plagued throughout the month by a steep rise in the prices of both the raw material and finished goods. Despite authoritative indi-

PRICE TRENDS DURING DECEMBER, 1959

	Opening Rs nP	Highest Rs nP	Lowest Rs nP	Closing Rs nP
GILT-EDGED:				
3% 1986 Conversion	74.15	74.25	73.00	73.60
BANKS:				
Punjab National	21.00	21.00	20.25	20.75
UCO	62.00	65.50	62.00	65.50
TEXTILES:				
Kesoram	18.56	23.50	18.56	23.12
Elgin	15.06	18.25	15.06	18.25
COAL:				
Bengal	297.00	300.00	294.00	296.00
Burrakur	17.19	18.00	17.00	18.00
JUTE:				
Anglo-India	223.00	223.00	210.00	212.00
Howrah	23.75	25.37	23.19	24.62
National	24.62	27.00	24.62	27.00
TEA:				
Brooke Bond	18.50	18.62	17.00	18.25
Hasimara	23.19	23.37	22.62	23.25
Methoni	23.50	23.75	23.12	23.56
Tezpor	19.00	19.00	18.00	18.00
SUGAR:				
Carew	11.44	11.87	11.19	11.75
Cawnpore	14.50	14.50	14.37	14.37
Champaran	20.12	20.12	19.62	19.75
ENGINEERING:				
Indian Iron	23.16	23.62	22.96	23.22
Jessop	33.62	28.00XR	22.50XR	24.44XR
TEXMACO	24.35	26.80	23.97	26.65
Guest, Keen, Williams	39.94	48.00	39.94	48.00
MISCELLANEOUS:				
Orient Paper	35.90	38.75	35.45	38.50
Titagur	40.87	41.62	40.50	41.62
Shree Gopal	22.31	22.75	22.00	22.25
H. Motor	14.56	17.62	14.56	15.62
Rohas	24.87	25.87	23.94	25.25
Indian Cable	30.31	31.00	29.75	30.62
Indian Aluminium	23.44	23.81	23.12	23.75
India Copper	3.90	4.06	3.80	4.00
India Steamship	12.19	12.25	11.75	12.00
National Carbon	38.37	41.25	38.37	41.25
NICCO	27.50	27.75	27.12	27.31

trend in cotton prices. Despite the stern measures price of cotton however continued to shoot up to uneconomic levels. Even though the high raw material cost seemed to have been somewhat compensated by the continued good offtake of piecegoods so much that it was feared that there would be a short-

cation that there would be adequate raw jute in the current season to meet the requirements of mills, speculators continued to push up the price of raw jute. Margins were revised three times during the month in the futures market but the speculative influence on prices continued unabated.

Apart from ideas about a shortage of raw material, sentiment in the jute markets was encouraged by the excellent statistical position of jute goods as at the end of the month. With the steady decline in sacking stocks from month to month in the second half of the year, the IJMA decided that the consideration of the resealing of the 2½ per cent looms unsealed in August should be deferred to 1st February 1960 instead of 2nd January 1960 as originally indicated. Demand for heavy goods was at a satisfactory level and it was generally believed that with the end of the steel strike, burlap consumption in US would increase in coming months. Hessian has another important buyer in Argentina which is yet to lift a large portion of its normal requirements. Already there were indications that the pent up demand was reflected in higher offtake. For, burlap consumption in US during November rose to 80 million yards compared to 65 million yards in the corresponding month of the previous year and 69 million yards in the previous month. Despite such encouraging indications it was apprehended that steep rise in prices of jute goods noticeable during the second half of the month would result in a reduced offtake in the immediate future and the loss of further overseas markets in the long run.

Steel shares were generally subdued during the month following the statement of the IISCO chairman as regards the difficulty of disposing of the larger quantities of steel that would be available with the bringing into commission of the three steel plants in the public sector and the completion of the expansion programme of the two plants in the private sector. Sir Jehangir Ghandy, Managing Director of Tata Iron and Steel Company Limited also disclosed in the course of his speech toward the close of the month at the Engineering Association of India that the state of the order book for some categories of steel was alarming. He had further pointed out that if there was no immediate improvement the operation of the structural mills would have to be restricted both at Burnpur and Jamshedpur.

Tea shares reported fair activity but the undertone was subdued. Although both the trend of auction prices and production of North Indian tea were favourable, interest in tea shares slackened toward the close of the month on indications of dividend distributions for 1959 would not be encouraging. Coal shares were listless as it was believed that with the prevailing uneconomic prices for coal most of the companies would not be able to record any appreciable change in their financial position.

NAME	Managing Agents, Agents/Secretaries	LOANS		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents Commission and allowances Rs. 000	Year ended Rs. 000	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second prev.
Azarpura ...	B. N. Elias & Co. 7% C. P. ... 5 1/2% Deb. ...	554	325	6,458	17,268	2,367	124	3-59	(a) 3,653	755	5	2 1/2	2 1/2
Alexandra ...	McLeod & Co. Ltd. 7% C. P. ... 5 1/2% Deb. ...	296	150	10,498	17,310	4,185	42	12-58	(s) 627	(a) 1,561	10	1	10
Alliance ...	McLeod & Co. Ltd. 6% C. P. ... Duncan Bros. & Co.	797	467	11,199	25,174	1,363	50	5-58	-63	-471	nil	nil	nil
Anglo India ...	7% C. P. ... Bird & Co. Private Ltd.	1,589	972	25,173	62,869	13,412	333	3-59	(a) 23,436	2,752	12 1/2	10	7
Auckland ...	7% C. P. ... 5 1/2% C.P. ... 4 1/2% R.C.P. ... 4% Deb. ...	450	360	14,401	22,772	6,064	204	3-59	2,232	(a) 1,658	20	5 1/2	5 1/2
Bally ...	Birla Bros. Private Ltd. 7% C. P. ...	659	300	12,191	19,672	4,243	180	3-59	1,706	1,257	10	6	2
Barnagore & ...	Jardine Henderson 5% C. P. ...	1,200	690	...	...	...	...	3-59	341	42	10	7	nil
Belvedere ...	Andrew Yule & Co. Ltd. 7% C. P. ...	601	219	8,335	12,671	679	57	12-58	(j) 835	(a) 18,323	7 1/2	2 1/2	7
Bengal Jute ...	Soorajmull Nagarmull 5 1/2% R.C.P. ... 5 1/2% Debentures ...	350	250	14,694	26,139	2,404	50	6-58	(w) 816	(b) 24	5	5 1/2	5 1/2
Birla ...	Birla Brothers Private 7 1/2% C.P.T. ... 5 1/2% R.C.P. ...	7982	391	29,251	48,138	6,045	608	3-59	7,436	4,152	10	10	10
Budge Budge ...	Andrew Yule & Co. Ltd. 7% C. P. ...	552	439	10,127	15,958	720	50	10-58	565	(a) 19,335	5	5 1/2	5 1/2
Caledonian ...	Andrew Yule & Co. Ltd. 7% C. P. ...	371	245	6,830	10,741	592	54	11-58	841	(a) 26,357	15	7 1/2	7 1/2
Champdany ...	James Finlay & Co. Ltd. Andrew Yule & Co. Ltd.	761	639	18,823	30,510	4,797	50	3-59	1,813	1,045	7	7 1/2	7 1/2
Cheriot ...	7% C. P. ... McLeod & Co. Ltd.	480	50	5,631	8,599	435	50	11-58	312	(m) 198	7	7 1/2	7 1/2
Chitavalash ...	7% C. P. ... 5% Deb. ... S. K. Inv. Co., Ltd.	124	376	7,433	15,706	3,178	156	7-58	1,669	1,306	12 1/2	11	2 1/2
Clive ...	7% C. P. ... 6% C. P. ... 7% C. P. ...	546	423	5,791	10,912	2,675	50	3-58	-38	-300	nil	nil	6
Dalhousie ...	Bird & Co. Private Ltd. 7% C. P. ... 5 1/2% Debentures ...	496	270	11,533	18,230	3,762	43	3-59	1,281	259	nil	nil	nil
Delta ...	Andrew Yule & Co. Ltd. 5% C. P. ...	458	321	7,954	12,428	836	50	11-58	(e) 731	(x) 184	6	5	5
Empire ...	McLeod & Co. Ltd. 7% C. P. ... 5% Deb. ...	295	205	6,928	13,380	2,211	76	7-58	931	600	10	7 1/2	10
Fort Gloster ...	Kettlewell Bullen & Co. 7% C. P. ... 5% 2nd C. P. ... 5 1/2% Debentures ...	1,098	786	22,664	38,663	8,948	330	3-59	3,328	2,313	20	20	10
Fort William ...	Bangur Brothers Ltd. 7% C. P. ...	633	381	11,527	20,355	4,117	113	3-59	1,448	1,382	15	15	15
Ganges ...	Directors ... 8% C. P. ...	1,001	708	2,805	29,866	1,681	...	3-59	894	731	nil	nil	nil
General Indus Society ...	Directors ... Deb. ...	409	198	16,349	23,436	3,507	...	12-58	1,263	(a) 960	20	20	16 1/2
Gourepore ...	Macneill & Barry 6% C. P. ...	962	432	23,738	35,047	1,832	245	3-59	2,667	1,874	25	20	2 1/2
Hastings ...	Bangur Bros. Ltd. 6% C. P. ...	661	417	14,798	24,151	6,118	208	3-59	2,487	1,957	6	5	5
Hooghly ...	Directors ... 10% Pref. (i) ...	466	254	9,130	12,907	2,891	...	3-58	650	(a) 7,557	6	6	6
Howrah ...	Jardine Henderson Ltd. 7% C. P. ... 7% A.C.P. ... 5 1/2% Debenture ...	1,234	706	21,059	37,675	9,002	171	3-59	(c) 3,397	(i) 5,761	10	7 1/2	5
Hukumchand ...	Ramdudd Ramkissoon 7% C. P. ...	1,519	753	32,620	50,205	9,443	356	3-59	3,978	2,819	20	20	20
India ...	Directors ...	522	554	13,566	23,038	4,747	...	3-59	(x) 2,681	2,370	9.92	12 1/2	7 1/2
Kamarhaty ...	Jardine Henderson Ltd. B. Ord. ... 6% C. P. ... 5 1/2% Debentures ...	1,250	947	22,638	39,918	7,967	201	12-58	9,393	-498	5	5	6

January 23, 1960

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Deprecia- tion Rs. 000	LIQUID ASSETS				
	December 1959 Rs. np.	December 1958 Rs. np.			General	Others	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balances Rs. 000	Others Rs. 000
	Rs. np.	Rs. np.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Agarpara ...	12 75	10 44	10	6,000	4,922	930	25	2,478	11,727	4,527	405	5,819	2,534	592	35
7% Cum. preference ...	100 00	104 50	100	1,000											
5 1/2% Debentures ...	920 00	905 00	1000	1,200											
Alexandra ...	172 00	182 00	100	600	400	772	193	5,595	6,839	4,034	70	5,082	1,247	127	...
7% Cum. preference ...	97 50	96 00	100	900											
5 1/2% Debentures ...	455 00	455 00	500	600											
Alliance ...	114 00	117 00	100	3,000	275	250	-846	4,393	12,516	9,761	210	4,527	922	158	...
6% Cum. preference ...	82 00	78 00	100	1,500											
Anglo India ...	211 00	202 00	100	4,921	5,000	2,261	216	14,252	30,977	22,693	4,133	14,136	3,794	294	9
7% Cum. preference ...	95 50	102 00	100	4,000											
Auckland ...	177 00	154 00	100	4,000	1,138	2,596	43	5,568	15,140	7,019	334	6,901	1,969	17	5
5 1/2% Cum. preference ...	77 25	77 50	100	1,000											
4 1/2% R. Cum. preference ...	68 00	61 00	100	1,500											
4% Debentures ...	780 00	770 00	1000	1,500											
Bally ...	230 00	201 00	100	2,000	2,000	702	4	4,950	10,752	7,106	644	4,867	1,506	993	...
7% Cum. preference ...	98 00	100 00	100	2,000											
Barnagore & ...	151 00	138 00	25	275	215	412	68	449	1,578	990	17	765	228	21	...
5% Cum. preference ...	39 00	40 50	25	200											
Belvedere ...	170 00nd	152 50nd	100	2,800	1,249	1,649	16	2,563	9,777	5,482	73	3,894	687	28	...
7% Cum. preference ...	102 00nd	101 50	100	700											
Bengal ...	11 37	11 62	10	4,500	1,424	1,185	205	11,846	6,087	3,697	5	5,886	3,541	10,336	4
5 1/2% R. C. P. ...	69 00	77 00	100	1,000											
5 1/2% Debentures ...	900 00	900 00	1000	1,000											
4 1/2% Debentures ...	900 00	900 00	1000	1,000											
Birla ...	26 25	18 75	10	9,126	4,750	21,445	29	19,781	64,330	18,413	7,690	9,887	3,391	611	...
7 1/2% C. P. T. ...	91 00	90 00	100	2,364											
5 1/2% R. C. P. ...	92 00	...	100	10,000											
Budge Budge ...	130 00	125 00	100	3,600	1,196	740	33	2,439	11,796	7,059	93	3,637	439	2	...
7% Cum. Preference ...	103 50	102 00	100	900											
Caledonian ...	176 50	176 00nd	100	1,800	2,369	277	36	1,550	8,440	4,652	63	2,834	347	...	...
7% Cum. preference ...	67 50	77 50	100	1,000											
Champdany ...	119 50	111 80	100	5,916	...	7,658	92	3,700	11,145	2,071	205	5,868	1,817	53	28
Cheriot ...	168 00	196 00	100	1,595	1,301	831	18	830	8,351	5,861	84	2,540	459	5	...
7% Cum. preference ...	101 00	99 00	100	1,000											
Chitavalash ...	14 50	14 87	10	3,015	1,900	1,750	72	3,471	8,914	5,494	1,231	3,946	2,251	775	154
7% Cum. preference ...	105 50	100 00	100	500											
5% Debenture ...	442 50	442 50	500	1,069											
Clive ...	12 37	14 00	10	2,400	...	900	-312	2,005	8,169	6,173	8	3,299	1,787	22	...
6% Cum. preference ...	74 50	60 50	100	800											
7% Cum. preference ...	78 00	73 50	100	800											
Dalhousie ...	144 00	130 00	100	3,149	836	3,778	-642	3,896	13,988	6,131	464	4,744	1,319	...	7
7% Cum. preference ...	101 00	73 37	100	1,500											
5 1/2% Debentures ...	900 00	900 00	1,000	1,873	...	2,370	7	1,931	10,358	5,084	49	3,417	334	21	...
Delta ...	163 00	153 00	100	2,800	1,488	2,370	...	...	...	...	...	...	...	...	...
5% Cum. preference ...	68 25	72 00	100	500											
Empire ...	17 00	18 50	10	1,300	2,450	1,244	26	2,876	10,188	6,399	937	2,960	2,316	181	...
7% Cum. preference ...	98 50	100 00	100	1,000											
5% Debentures ...	450 00	450 00	500	886											
Fort Gloster ...	381 00	220 00nd	100	4,200	6,127	1,305	194	13,985	26,127	15,943	209	10,591	4,418	402	3,669
7% Cum. preference ...	116 50	109 00	100	1,400											
5% Cum. preference ...	74 50	71 00	100	700											
5 1/2% Debenture ...	98 00	96 00	100	1,561											
Fort William ...	21 50	22 62	10	2,100	1,900	23	167	7,572	12,775	6,881	132	4,784	1,769	172	10
7% Cum. preference ...	111 50	88 00	100	1,000											
Ganges ...	9 00	...	10	8,432	...	...	-877	13,268	22,372	14,452	198	10,594	2,464	226	...
8% Cum. preference ...	125 00	100 00	100	600											
General Indul Society ...	28 00	...	10	1,080	2,550	400	151	5,231	6,922	4,380	78	40,88	1,145	539	1,021
Debentures ...	...	...	300	2											
Gouropore ...	436 00	361 00	100	2,400	3,300	1,113	86	15,423	24,102	16,619	4,412	10,717	2,021	195	142
6% Cum. preference ...	89 00	87 00	100	2,650											
Hastings ...	99 00	105 00	100	4,000	2,950	3,833	298	6,574	13,815	7,598	3,390	7,106	3,073	158	...
6% Cum. preference ...	91 00	86 00	100	2,500											
Hooghly ...	11 77nd	13 00	10	1,650	160	1,723	14	2,118	7,237	5,150	83	5,775	920	8	...
10% Preference [1] ...	10 62nd	11 31	10	1,176											
7% Cum. preference ...	24 62	18 44	10	6,562	3,500	108	58	9,674	23,331	13,648	450	11,169	2,358	241	1,227
7% 'A' C. P. ...	103 00	101 00	100	875											
5 1/2% Debentures ...	103 00	102 00	100	1,750											
Hatmunchand ...	95 00	94 00	...	3,000											
7% Cum. preference ...	22 37nd	20 62nd	74	5,250	2,500	620	108	17,139	30,267	16,742	1,460	10,164	4,049	419	...
7% Cum. preference ...	98 00nd	98 00nd	100	4,000											
India ...	15 87	14 87	124	8,730	...	2,035	62	6,960	15,285	9,326	3,338	5,336	2,903	251	...
Kamarhaty ...	189 00	163 00	100	2,400	1,200	645	2,520	12,058	19,772	12,402	200	9,974	2,059	227	1,300
8% Ordinary ...	186 00	167 00	100	1,920											
6% Cum. preference ...	9 00	...	100	1,600											
14% Debentures ...	89 00	90 00	...	1,304											

NAME	Managing Agents. Agents/Secretaries	LOOMS		Purchases Ra. 000	Sales Ra. 000	Stock Ra. 000	Managing Agents' Commission Ra. 000	Year ended	Net Profit Ra. 000	Net Profit for the previous period Ra. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Kankmarrah...	Jardine Henderson Ltd. ... B. Ord. ... 6% C. P. ... 4% R. C. P. ... 5 1/2% Debentures	1,239	288	21,907	34,940	8,217	50	12-58	1,891	-1,021	Nil Nil nil	nil nil nil	nil nil nil
Kalvin ...	McLeod & Co. Ltd. ... 7% C. P. ...	394	309	8,926	15,248	4,738	144	8-59	1,683	1,742	14 7	12 1/2 7	9 7
Khardah ...	Anderson Wright Ltd. ... 6% C. P. ...	914	616	19,464	32,092	8,424	73	3-58	1,048	843	8 6	8 6	10 6
Kinnison ...	F. W. Heiglers & Co. Pri. ... 7% C. P. ... 5% Debentures	672	578	21,880	35,162	8,530	109	3-59	1,978	(a11)1,400	10 7	5 7	nil 7
Lansdowne ...	Bird & Co. Private ... 7% C. P. ...	579	352	14,246	20,758	4,808	45	3-59	749	(a12)569	nil nil	nil nil	nil 3 1/2
Lawrence ...	Bird & Co. Private ... 7% C. P. ... 5 1/2% B. C. P.	484	356	2,114	5,280	90	40	3-59	1,793	(a13)619	2 7 5 1/2	2 7 5 1/2	nil 7 5 1/2
Mahabir Mega ...	Agrawal Brothers & Co. ... Directors	28 612	123 396	3,286 24,363	5,494 39,823	997 12,265	30 ...	9-57 3-59	(b)267 2,942	434 3,368	nil 10	nil 17 1/2	nil 5
Nabati ...	Directors ... 7% C. P. ... 4 1/2% R. C. P. ... 5 1/2% Debentures	493	322	9,236	15,847	2,226	19	3-58	(i) 442	(a)-4,37	Nil Nil Nil	nil nil nil	nil nil nil
Naskarpore ...	Howrah Trading Co. Private ... 5 1/2% Debentures	333	92	6,733	10,668	443	40	10-58	272	233	2 1/2	2 1/2	nil
National ...	Andrew Yule & Co. ... 7% C. P. ...	573	279	7,921	12,945	7	50	10-57	(a20) 658	(b) 474	7-50 7	7-45 7	17 1/2 2
Nellimarla ...	McLeod & Co. Ltd. ... 6% C. P. ... 4 1/2% Deb. ... Sahu Jain Ltd. ... 7% C. P. ...	100	216	6,458	13,256	2,704	113	7-58	1,149	689	10 6	9 6	10 6
New Central ...	Bird & Co. Private Ltd. ... 5 1/2% C. P. ... 4% Deb. ...	10,39	7,26	98,873	159,633	6,067	135	3-58	(i) 4,674	3,828	15 7	15 7	15 7
Northbrook ...	...	214	353	11,327	18,141	4,537	106	3-59	1,504	(a32)385	12 1/2 5 1/2	nil 5 1/2	5 1/2 3 1/2
Nuddea ...	Macneill & Barry ...	644	448	16,399	25,914	715	109	3-59	1,707	1,412	6	5	nil
Orient ...	Andrew Yule & Co ...	551	50	5,521	8,611	807	50	11-58	209	(a21)117	2 1/2	nil	3
Frenchand Presidency ...	R. J. Roy Broe, Private Ltd. ... McLeod & Co. Ltd. ... 4% Deb. ...	364 238	240 162	... 6,638	8,850 14,297	1,122 2,204	... 62	4-56 7-58	(a30)358 778	205 594	Nil 7 1/2	Nil 6	Nil 6 1/2
Rameshwara ...	Birla Bros Private Ltd ... 6% C. P. ...	...	305	5,290	9,651	2,219	80	3-59	795	260	Nil Nil	Nil Nil	Nil Nil
Reliance ...	Jardine Henderson ... 7% C. P. ... 5% Deb. ...	924	352	...	1,433	...	50	3-59	758	-528	Nil Nil Nil	nil nil nil	Nil Nil nil
Shree Ambica ...	Bagaria More ... 7 1/2% C.P. ...	703	208	15,802	24,973	3,901	77	3-58	1,024	957	5 7 1/2	5 7 1/2	2 1/2 7 1/2
Soorah ...	Hind Inv. Corp. ... 7% C. P. ...	201	200	7,899	10,503	2,888	66	12-58	1,039	1,005	15 5	15 7	15 7
Standard ...	Bird & Co. Private Ltd. ... 6% C. P. ...	367	283	117	3,275	...	40	3-58	(a33)1,531	(a29)1,82	5 6	nil 6	nil 6
Union ...	Bird & Co. Private Ltd. ... 7% C. P. ... 4 1/2% Deb. ...	758	568	11,650	18,849	4,010	192	3-59	2,412	(a16)3,258	20 7	15 7	nil 7
Waverley ...	McLeod & Co. Ltd. ... 5% C. P. P. ... 3 1/2% Debenture	306	159	...	3,049	...	35	5-58	(y)607	-290	nil nil ...	nil 5 ...	6 1/2 10

(b) After writing back Rs 107,889 being excess provision for taxation and including Rs 26,580 being refund of taxes.

(c) After transferring Rs 420,000 from General Reserve.

(e) After transferring Rs 112,500 from Dividend Equalisation Reserve and Rs 34,643 from Investment Realisation Surplus.

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

(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.

(h) After transferring Rs 573,256 from General Reserve.

(i) After writing back Rs 223,804 from Depreciation written off in respect of Machinery sold.

(j) After transferring Rs 31,000 from General Reserve.

(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contracted for; Rs 14,000 being excess provision for taxation and Rs 1,96,000 from Dividend Equalisation Fund.

(l) After transferring Rs 1,871,280 from General Reserve No. 1.

(m) After transferring Rs 103,000 from General Reserve and Rs 70,000 from Dividend Equalisation Reserve.

(n) After transferring Rs 120,000 from General Reserve.

(o) After writing back Rs 59,017 from Taxation Reserve.

(q) Includes Rs 971,500 being Refund of Contribution to Pension Fund and interest and Rs 93,317 being refund of I.T. and B.P.T.

(r) After writing back Rs 66,600 being Development Rebate.

(t) Preference shares carry a dividend of 10 per cent of which only 5 per cent is cumulative.

(u) After transferring Rs 36,026 from Jute Stock Reserve.

(w) After writing back Rs 63,282 being excess provision and adjustments, and Rs 11,888 being sundry balances.

(x) After transferring Rs 180,000 from Contingency Reserve.

(y) After transferring Rs 115,000 from General Reserve.

(z) After transferring Rs 2,70,000 from General Reserve; Rs 24,000 from Dividend Equalisation Reserve and Rs 24,500 from Investment Realisation Surplus.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capit. paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Deprecia- tion Rs. 000	LIQUID ASSETS				
	December 1959 Rs. np.	December 1958 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balance Rs. 000	Others Rs. 000
Kanknarrah ...	103 00	93 00	100	3,000	600	285	-3,178	13,639	17,562	10,504	1,86	9,664	2,152	212	1,165
B. Ordinary ...	98 50	81 50	100	2,400											
6 1/2% Cum. preference ...	92 00	71 00	100	1,000											
6% R. C. P. ...	...	...	100	423											
5 1/2% Debentures ...	90 00	90 00	100	1,269											
Kelvin ...	170 00	253 00	100	2,800	4,550	360	164	3,500	14,371	9,871	866	5,718	1,091	159	
7% Cum. preference ...	108 00	103 00	100	1,000											
Khardah ...	169 00	167 00	100	5,400	2,333	6	46	12,256	20,053	12,698	153	10,072	2,651	711	
6% C. P. ...	90 00	72 25	100	900											
Kinnison ...	185 00	178 00	100	5,759	2,502	5,584	51	9,923	24,109	11,728	2,101	10,239	3,077	22	
7% Cum. preference ...	101 00	102 50	100	1,500											
5% Debentures ...	900 00	900 00	1000	2,500											
Lansdowne ...	137 00	136 00	100	2,448	1,085	2,601	-758	7,840	13,028	6,362	330	5,917	1,664	68	8
7% C. Preference ...	104 50	94 50	100	1,500											
Lawrence ...	131 00	112 00	100	2,800	104	2,265	60	988	8,969	3,914	411	1,472	513	215	
7% Cum. preference ...	91 50	94 00	100	500											
5 1/2% B. cum. preferen	70 00	74 00	100	1,000											
Mahabir ...	85 00	85 00	100	1,078			-108	1,944	2,086	1,501	40	2,024	186	79	
Megna ...	12 81	14 37	19	8,165		2,813	282	15,021	23,462	14,589	26	11,664	5,059	659	
Nabati ...	82 00	77 00	100	2,999	1,200	2,237	-1,435	3,554	16,397	8,979	154	3,316	1,844	27	45
7% cum. preference ...	101 00	78 25	100	750											
4 1/2% R. C. P. ...	66 00	64 50	100	1,000											
5 1/2% Debentures ...	900 00	900 00	1000	2,500											
Naskarpore ...	12 50	14 25	10	2,000	1,299	15	5	4,177	3,684	2,427	5	1,749	1,114	3,871	
5 1/2% Debentures ...			1000	500											
National ...	27 00	25 25	10	3,500	2,170	1,781	20	1,577	4,849	1,231	203	3,053	920	1,754	
7% C. P. ...	100 00	102 00	100	500											
Nellimarla ...	12 03	12 06	10	2,625	1,775	1,144	91	4,762	3,774	2,334	703	3,439	4,561	481	772
2% Cum. preference ...	92 00	86 00	100	500											
4 1/2% Debentures ...	460 00	460 00	500	500											
New Central ...	22 69	13 00	10	8,550	11,480	9,680	3	48,096	40,877	11,961	1,853	18,174	8,742	977	22,448
7% Cum. preference ...	103 60	101 00	100	3,300											
Northbrook ...	21 56	18 12	10	1,680	1,575	3,320	35	4,988	13,611	6,954	440	5,623	2,049	4	25
5 1/2% Cum. pref. ...	85 50	74 00	100	1,500											
4% Debentures ...	850 00	800 00	1000	2,000											
Nuddea ...	60 00	45 50	50	6,680	2,300	144	16	10,504	22,221	11,701	440	6,695	1,744	244	
Orient ...	160 00	161 00	100	2,491	1,797	505	20	735	7,667	5,440	71	2,829	268	36	
Premchand ...			100	3,996			-2,623	2,568	5,872	4,426	76	1,933	453	34	
Presidency ...	6 12	6 00	5	2,500	500	419	12	3,044	9,303	7,004	112	2,562	1,194	292	78
1% Debenture ...			1000	61											
Rameshwara ...	8 62	6 31	10	2,000		20	3	2,436	3,175	997	72	2,721	78	106	
6% Cum. preference ...	12 44	9 44	10	700											
Reliance ...	8 25	7 25	10	4,950		20	-3,896	1,904	12,461	6,673	191	1,071	554	54	
7% C. P. ...	89 50	70 00	100	2,000											
5% Debenture ...	820 00	850 00	1000	2,500											
Shree Ambica ...	13 50	11 37	10	3,000	665	189	18	9,817	12,327	8,855	1,056	4,753	5,522	57	
7 1/2% Cum. preference ...	95 00	88 00	100	1,170											
Soorah ...	20 06	19 75	10	1,400	1,080	64	69	3,548	7,131	5,003	1,360	3,238	403	31	
7% Cum. pref. ...	88 00	93 00	100	1,000											
Standard ...	112 50	118 00	100	2,520	4	3,000	62	407	929	323	292	621	1,236	1,436	
6% C. P. ...	97 00	89 00	100	900											
Union ...	210 00	210 00	100	3,599	2,255	3,335	76	3,433	10,668	4,670	672	4,849	2,903	74	2
7% C. P. ...	100 50	103 50	100	600											
4 1/2% Debenture ...	950 00	900 00	1000	1,200											
Waverley ...	3 94	4 50	1	250	185	335	12	121	5,538	4,336	60	421	510	360	
5% Cum. preference ...	41 50	44 00	50	750											
5 1/2% Debenture ...	400 00	400 00	500	1,000											

MISCELLANEOUS

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
WESTERN AND CENTRAL INDIA												
Alembic Chemical	Bhailal Amin & Sons private Ltd. 64% 1st Cum. Prof. 5% 2nd. R. C. P. 6% 3rd. Cum. Prof. 6% R. C. P.	2,417	12,865	19,278	3,613	234	12-57	2,670	1,440	12	10	8
Amar Dye-Chem	Amritlal & Co. Private 6% R. C. P.	649	6,736	10,628	5,074		12-58	1,602	97	nil	nil	nil
Anil Starch products	Kasturbhai Lalbhai & Co. 5% C. P.	907	13,989	19,117	1,697	93	12-57	(c)2,314	(v)1,104	20	10	10
Associated Cement Cos.	Cement Agencies private Ltd. Rajputana Mining Agn. Pri. Ltd. 6% C. P. Deferred	45,155	12,873	257,706	12,969	3,714	7-59	(a)21,59,602	53,001	11	8	10
Associated Stone Industries.				3,513	1,453	66	9-57	635	709	15	30	10
Atul Products	Lalbahai Sons & Co. Directors 5% R. C. P. 6% R. C. P.	1,007	19,590	27,186	9,942	318	12-57	5,065	3,096	36	62	28
Automobile Products		2,111	12,392	16,914	6,481		7-58	145	342	8	6	5
Bagalkot Cement	Tendulkar Indus. Private Ltd. Directors 5% R. C. P.	770	4,574	7,356	218	61	12-57	1,444	14,79	6	6	5
Bharat Line	Dinshaw private Wallace & Co., Old Shares New shares	2,956		25,312		397	12-57	6,455	3,816	12	6	5
Bombay Burma Trading		1,414		42,800		322	5-58	7,506	15,140	18	32	30
Bombay Gas	Directors Directors 61% C. P. 41% C. P.	616	5,436	9,405			12-57	1,261	(a)14,006	4	12	6
Bombay Potteries & Tiles		569	500	2,242	137		9-58	765	628	10	9	6
Bombay Safe Deposit	F. F. Campbell & Co. Ltd. Directors 5% R. C. P.			134		6	9-58	63	76	13	13	15
Bombay Uganda Co.				4,272	1,017		12-57	211	(m)141	nil	1	1
W. H. Brady & Co.	Directors Directors 51% Debenture	2,332	15,763	20,898	6,219		12-58	2,074	2,730	18	18	15
Burmah Shell		11,772	32,376	133,271			12-58	73,481	75,476	15	15	
Caltex Oil	Directors 51% Debentures W. H. Brady & Co. Ltd.	5,598	5,167	39,727	1,276		12-58	25,910	12,925	nil	nil	
G. Claridge & Co.		1,066	1,983	3,378	147	30	12-58	318	184	15	15	15
G. G. Dandekar Machine Works	Eandekar Engineers Partly Paid Ordinary 5% R. C. P.	321	615	1,327	11	20	6-58	211	176	10	9	8
Delhi Safe Deposit	Directors Ordry. P. P. 6% C. P.			162	28		12-58	86	69	7	7	7
Dena Investment	Directors D. Morarji & Co. Shree Laxmi Agents Ltd. 5% R. C. P.	8		184			3-59	134	121	3	3	3
Dharamsi M. Chemical		1,195	5,981	8,601	5,967	53	12-57	1,023	494	10	10	10
Digvijay Cement		1,798	16,373	24,647	972	241	12-57	4,755	3,795	9	8	8
Eastern Shipping Corp.	Scindia Steam Navigation Chunilal Manilal Ltd. 5% R. C. P.	2,431	17,467	25,537	18,84	33	3-58	4,138	6,561	nil	nil	5
Estrela Batteries		14,19	23,27	57,54			3-56	4,79	2,70	6	4	6
Great Eastern Shipping	A. H. Bhiwandiwala & Co. privt 51% R. C. P.	720		31,282		359	6-59	(d)9,817	(l)12,073	15	18	15
Greaves Cotton & Co.	Directors 5% C. P. 6% R. C. P.	2,902	33,374	45,336	9,869		3-58	3,309	2,237	10	7	...
Gwalior Rayon	Directors 6% R. C. P. Bir & Gwalior Private 6% R. C. P. "A" 6% R. C. P. "B"	4,900	44,878	71,776	4,140	1,195	3-59	22,960	6,731	10	nil	nil
Hindustan Electric Co.	Dharamsinh & Co. 6% C. P.	2,524	16,934	18,926	8,276	91	4-59	1,269	1,286	7	7	6
Hindustan Lever	Directors Directors Directors	24,155	307,092	367,299	68,410		12-58	35,007	28,985	15	14	12
Indian Cement				7,121	1,766		3-58	94	61	25	25	30
Indian Plastics	Directors 51% Cum. preference F. F. Campbell & Co. pri.	1,436	4,705				3-59	287	287	nil	nil	3
Indian Vegetable Products		649	21,834	26,051	1,736	52	9-58	514	670	10	10	10
Indus. Cr. & Invst. Corp.	Directors Premchand Roychand & Sons Jyoti	350	5,362	5,362		52	12-57	4,551	3,448	4	3	5
Industrial Investment		24	739				12-58	640	617	6	5	...
Korop & Co.	Adgem Services Directors Managing Director Mahindra & Mahindra 4% Cum. preference 41% C. P.	1,834	6,934	9,168	2,798	83	12-57	1,200	529	12	10	...
Killick Industries		701	5,005	6,904	1,014		3-59	259	245	7	7	7
Machinery Manfrs. Corp.				7,238	648		11-58	3,564	2,995	13	11	11
Malwa Vanaspathi & Chem.		2,457	2,281	6,287	3,578		3-59	499	1,000	nil	nil	nil
National Elect. Industries	6% Cum. preference 6% Debentures Navin Kumar Hansraj pri. Ltd. 41% C. P.	274	10,134	13,715	935	30	12-57	450	324	nil	nil	nil
National Machinery Manfrs.		1,321	4,853	7,495	4,084	62	3-58	605	564	9	9	9
National Newsprints & Paper	Directors Chinai & Co. private Ltd. Ordry. Partly Paid 5% Cum. preference 51% Debentures	7,014	17,881	23,992	6,775		12-57	4,041	3,384	41	41	41
National Rayon Corp.		7,704	33,247	63,936	4,971	1,601	3-58	286	7,679	nil	nil	nil
Palampur Veg. Products							12-58	19,064	13,674	14	14	14
Pioneer Magnesite Works	Investa Industrial Corp. 51% C. P. N. Pestonjee & Co. Ordry. Partly Paid						12-57	104	123	5	5	5
Poison Ltd.		141		1,030	186	20	12-57	102	80	3	2	4
Polychem	Poison Agenciespriv Co Ltd. 6% C. P. T. Directors 71% T. R. C. P	960	6,781	10,782	1,751	101	12-58	1,138	1,281	10	10	12
Radio Lamp Works		41	6,666	10,781	3,722		3-59	2,197	718	6	6	6
Sanitex Chem. Industries	Jannalal Sons Private 5% C. P. Deferred M. R. Amin & Co. 5% C. P.	1,590	10,079	11,269	4,935	71	3-58	688		9	5	5
Sathe Biscuits		484	1,500	2,501	595	20	12-57	81	62	20	46	...
	Sathe Food Industries pri. Ltd. Partly Paid 7% R. C. P.	145	2,375	4,043	651	41	3-58	408	352	nil	nil	nil

(a) Traffic Revenue. (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income. *Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up p per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS					
	December 1959	December 1958			General	Others	Carry Forward				Investment	Stocks & Stores	Outstanding	Cash	Others	
																Ra. np.
WESTERN AND CENTRAL INDIA																
Alembic Chemicals	213 00	152 00	100	4,200	2,575	1,430	31	7,570	11,025	4,961	2,420	6,091	2,699	37	...	...
54% 1st C. P.	86 00	83 00	100	500	...	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P.	79 00	85 00	100	500	...	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P.	73 00	72 00	100	500	...	...	...	...	...	...	...	...	...	...	...	...
Amar Dyechem	269 00	108 00	100	5,498	...	110	30	6,047	7,467	1,127	421	5,890	1,684	233	38	...
6% R.C.P.	102 00	98 30	100	2,000	...	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products	...	...	100	2,960	697	1,528	1	9,347	9,974	3,204	6	5,442	2,659	157	...	...
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...	...
Associated Cement	151 50	150 25	100	190,536	21,250	89,691	92	144,736	403,085	146,678	7,672	116,331	19,869	14,589	15,660	...
Associated Stone Indust	22 56	16 00N	10	850	3,15	...	1,283	966	1,099	615	20	1,679	1,435	496	...	...
6% C. P.	100 00N	100 00N	100	200	...	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	500	...	...	...	...	...	...	...	...	...	...	...	...
Atul Products	...	...	100	19,928	...	1,100	59	26,871	29,661	6,785	6,242	12,409	4,938	492	...	...
Automobile Products	...	...	10	1,200	...	113	-571	14,666	10,742	1,968	...	8,136	1,340	10	336	...
5% R. C. P.	...	...	100	28,000	...	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	100	288	...	...	...	...	...	...	...	...	...	...	...	...
Bagalkot Cement	9 20	8 52	10	8,366	...	...	1	6,074	12,358	1,678	8	1,914	1,177	59	562	...
Bharat Line	10 44	13 03	10	10,000	6,390	6,338	406	16,627	41,097	16,245	878	2,203	6,844	2,844	2,138	...
Bombay Burma Trading...	...	...	2500	250	6,392	27,983	50	23,720	52,819	22,041	8,365	10,412	14,472	9,92	1,873	...
Old Shares	576 50	500 00	...	4,200	...	...	...	...	...	...	...	...	...	...	...	...
New Shares	191 25	175 00	...	4,000	665	2,375	1	3,329	8,320	3,930	2,945	1,358	1,439	238	...	...
Bombay Gas	...	...	100	1,418	40	389	5	918	2,744	1,329	10	566	215	1,599	...	...
Bombay Potteries & Tiles	139 00	116 25	100	113	...	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	76 00	60 50	100	863	...	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	58 00	60 50	200	240	64	...	1	168	584	427	261	207	17	37	...	...
Bombay Safe Deposit	405 00	500 00N	80	1,596	...	20	104	249	263	137	363	6,572	4,848	58	619	...
Bombay Uganda Co.	49 00	47 00	150	4,500	2,150	3,942	84	6,479	1,133	539	3,499	6,572	4,848	1,630	...	...
W. H. Erady & Co.	360 00	297 50	100	138 200	80,000	26,560	5,397	68,179	258,284	61,024	...	28,553	164,249	2,429	5,844	...
Burma Shell	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	100	45,000	10,254	15,223	57,600	141,377	13,367	...	17,597	812	1,598	...	...	...
Calico Oil	...	...	...	20,000	...	...	...	...	...	...	...	...	...	...	...	...
54% Debenture	...	...	100	900	600	721	3	904	2,332	1,584	1	1,446	780	54	...	...
G. Claridge & Co.	200 00	170 00	100	399	105	118	1	543	1,088	599	278	169	311	270	...	...
G.G. Dandekar Mca. Works	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...	...
Partly Paid Ord	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	10	194	82	29	5	388	446	102	424	2	119	46	...	...
Delhi Safe Deposit	10 00	10 00	7	37	...	...	...	...	...	...	...	...	...	...	...	...
Ordry P.P.	7 00	...	100	200	...	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	100 00	...	25	2,500	85	...	1	504	5	...	4	2,908	76	...	105	...
Dena Invst.	157 50	80 00	50	1,369	320	248	5	2,317	4,703	3,057	15	1,546	8'0	8	194	...
Dharamai M. Chemical	145 00	128 00	100	13,410	4,300	1,382	224	17,212	31,578	12,917	5,234	8,538	4,934	161	2,883	...
Digvijay Cement	90 50	84 50	100	7,592	...	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	50	55,000	1,450	6,015	...	20,699	68,251	14,026	6,017	57	10,345	8,045	4,505	...
Eastern Shipping Corp.	...	...	50	1,497	3.15	7	22	15,50	28,61	1,941	3	17.66	12.81	70	3.50	...
Estrela Batteries	44 50	36 50	50	997	...	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	36 50	33 50	10	9,000	7,500	12,975	334	57,968	87,620	17,430	274	116	4,187	15,510	...	...
Great Eastern Shipping	20 24	23 25	100	2,500	...	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	93 10	95 50ad	100	8,640	2,100	1,597	22	19,462	1,515	514	13,857	9,872	11,040	1,252	...	...
Greaves Cotton & Co.	140 00	110 00N	100	2,500	...	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	10	25,000	6,335	1,263	14,522	62,030	36,854	45	17,293	8,533	11,149	...	...	...
Gw lor Rayon	28 10	...	100	15,000	...	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. 'A'	102 00	...	100	76	...	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. 'B'	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co.	111 50	96 50	100	4,030	300	114	57	12,342	6,224	2,198	236	8,743	5,518	290	...	...
6% C. P.	82 00	81 00	10	1,998	...	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever	36 75	26 50	10	55,700	4,132	7,917	13,502	49,105	52,761	16,648	4	75,830	15,217	2,291	...	...
Indian Cement	25 00	26 00	10	152	100	50	2	124	142	178	178	52	57	...	...	...
Indian Plastics	...	...	100	2,988	10	19	2	4,512	4,920	1,593	...	4,364	1,955	91	...	...
54% Cum. preference	...	...	100	2,250	...	...	...	...	...	...	...	...	...	...	...	...
Indian Vegetable Products	161 00	114 00	100	2,117	276	465	5	1,796	2,714	2,030	79	2,300	1,530	67	...	...
Indus. Cr. & Invest. Corp.	88 00	7 00	100	50,000	1,500	96	155	80,400	107	54	35,703	...	22,111	74,284	...	...
Industrial Investment	77 50	82 00	100	9,999	...	2,022	192	805	20	16	12,686	...	235	94	...	...
Jyoti	174 00	131 00	100	2,000	100	1,131	31	3,536	3,715	1,280	120	2,851	1,386	7	...	...
Kemp & Co.	288 75	210 00	200	1,200	350	274	26	1,782	2,597	1,303	12	1,113	1,156	57	...	...
Killick Industries	124 00	146 50	100	10,424	500	2,934	9	9,518	4,550	1,445	16,523	1,126	2,334	38	459	...
Machinery Manfrs. Corp.	...	...	100	3,926	...	488	-2,438	9,459	13,648	4,130	21	5,082	750	398	63	...
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspathi Chem.	...	...	...	1,104	...	...	-1,680	2,548	5,100	1,401	...	1,414	244	144	...	...
6% Debentures	...	...	...	3,536	...	...	...	...	...	...	...	...	...	...	...	...
National Elec. Industries	75 60	75 00	50	728	125	647	22	3,622	2,449	1,036	299	2,377	1,633	24	...	...
44% C. P.	80 00N	80 00N	100	542	...	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfrs.	...	...	10	25,240	...	...	...	18,743	27,078	7,081	234	19,640	3,850	292	...	...
National Newspaper & Paper	...	...	10	12,718	...	74	-17,321	64,225	49,495	7,871	3	4,936	4,687	6,177	2,300	...
National Rayon Corp.	378 00	233 25	100	16,062	4,600	11,022	97	20,382	109,432	43,200	110	19,693	2,946	1,981	...	...
Ordry Partly Pai	...	...	80	6,331	...	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	73 00	72 50	100	17,425	...	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	101 50	106 75	...	150,00	...	...	...	...	...	...	...	...	...	...	...	...
Palanpur Veg. Products...	...	...	10	1,500	...	...	-2,617	3,051	2,727	...	10	165	3	...	28	...
54% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesia Works...	...	...	100	1,189	11	66	2	749	1,455	708	480	466	305	17	2	...
Ordry Partly Paid	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd.	141 00	155 00	100	2,695	966	1,440	48	1,377	6,553	1,635	3	2,356	628	620	...	...
6% C. P. T.	80 00	80 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...	...
Polychem	198 00	66 80	50	4,000	...	733	18	3,289	5,913	840	5	4,034	1,712	1,214	...	...
71% T.R.C.P.	50 00	50 00N	50	3,997	...	...	...	...	...	...	...	...	...	...	...	...
Radio Lamp Works	120 00	121 75	100	2,500	94	144	12	9,108	1,262	346	2,934	5,360	3,566	186	7	...
5% C.P.	74 00	66 00N	100	738	...	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	173	...	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus.	...	...	50	1,362	...	4	4	1,286	1,626	200	...	1,257	429	41	15	...
5% C. P.	...	...	50	511	...	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	100 00N	100 00N	100	473	...	181	40	1,598	3,083	864	1	657	351	74	...	...
Partly Paid	50 00N	50 00N	50	511	...	...	...	...	...							

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
Scindia Steam	Directors	16,666	84,270	144,720	...	...	6-58	39,539	35,681	61	61	5
Shangrilla Food Products	41% Debentures	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate	Directors	323	788	2,038	123	...	3-58	287	432	...	...	...
Sirpur Paper	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Supreme Industries	Killick Industries Ltd.	4,491	11,805	13,409	2,319	292	11-58	3,117	3,297	80	80	80
Tata Chemicals	Birla Bros. Private	4,614	...	27,921	671	433	6-58	5,854	3,151	61	5	5
Tata Oil Mills	6% R.C.P.	...	...	...	...	...	...	...	...	...	...	...
United Salt Works & Indus.	Mody & Co.	168	2,159	1,743	1,025	8	3-59	220	141	9	7	6
Voltae Ltd.	64% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...
Western India Match	Tata Industries Private	5,538	10,178	35,227	...	445	6-59	6,438	(a)24,557	71	61	91
Zandu Pharmaceutical Works	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Directors	9,777	39,651	65,108	1,276	455	3-59	4,865	3,137	13	10	10
	Salt & Industry Agency Pr. Lt.	521	...	3,528	247	30	9-57	124	26	...	...	...
	Directors	16,492	164,838	196,649	...	...	8-58	7,821	7,941	9	9	9
	Swedish Match Co.	16,837	90,659	128,496	2,288	744	12-57	8,605	7,322	11	11	11
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Jugram & Co.	1,305	4,514	6,869	1,741	54	3-58	586	428	7	7	7
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA												
Alkali & Chemical	Imp. Ch. Industries Private	2,872	12,517	26,310	6,630	...	9-58	6,132	5,111	8	8	8
All India Finance & Commerce	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Kavell Sival & Co.	30	...	1,69	...	20	5-56	96	88	71	8	8
	Ordinary	...	...	...	...	...	...	...	...	...	...	...
	71% C. P.	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corp.	J. K. Industries Private Ltd.	3,650	3,157	12,578	3,555	295	3-59	3,590	2,720	10	9	7
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	Amrit Agency Ltd.	2,06	354.43	367.26	66.68	18	3-55	22.07	19.54	...	...	...
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% R.C.P.	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	Directors	94	...	10,162	39	...	12-57	279	(a)32	31	41	41
	41% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Angelo Brothers	Turner Morrison & Co. Pri.	666	15,725	17,791	...	121	8-58	1,126	1,689	18	20	20
Ashoka Cement	Directors	865	3,004	10,756	1,820	...	3-59	1,204	52	41	...	...
	61% Debentures	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	Eastern Corporation Private	672	3,221	6,246	624	1	3-57	953	1,444	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	Directors	1,663	13,133	17,744	692	...	12-58	1,179	1,225	121	121	121
Assam Saw Mills	Bird & Co. Private	521	...	3,125	791	...	9-57	172	174	...	...	...
Assam Sillimanite	U. P. Comm. Corp.	322	276	2,002	294	36	3-58	411	311	...	...	...
Associated Hotels	Hotel Hotels (India) Private Ltd.	1,463	1,627	6,397	227	93	3-58	956	1,067	6	6	12
	7% Cum. preference Tax	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
	61% Debentures	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	Directors	25,612	100	114	9	...	12-57	123	324	41	11	11
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Ballarup Paper	K. C. Thapar & Bros. Ltd.	1,475	5,895	15,199	374	33	6-57	4,500	4,579	...	...	...
	5% R.C.P.	...	...	...	...	...	...	...	...	...	...	...
Barmer Lawrie & Co.	Directors	8,811	107,975	128,705	6,138	...	12-59	4,908	3,054	20	15	15
Barmer coke	Jardine Henderson	802	1,973	3,459	507	30	3-58	206	327	5	81	13
Lathgate & Co.	Directors	319	795	1,619	545	...	12-57	31	17	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Bhar Rice Mills	H. V. Low & Co.	...	...	...	...	...	6-54	36	33	...	...	...
Bengal Assam Steamship	Andrew Yule & Co. Ltd.	932	1,814	3,629	...	53	10-58	601	(a)240	6	5	71
	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	Directors	28,02	82,42	145,99	38,70	...	4-54	15,12	14,44	6	6	6
	71% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	41% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	Balmer Lawrie & Co. Ltd.	627	18,305	21,623	651	157	12-58	1,464	2,178	25	25	25
Bengal Paper	Balmer Lawrie & Co. Ltd.	4,341	8,572	26,331	481	276	12-58	3,813	2,156	22	121	10
	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	7% 'A' Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	6% 'B' R.C.P.T.	...	...	...	...	...	...	...	...	...	...	...
	44% Debentures	...	...	...	...	...	...	...	...	...	...	...
Bengal Potatoes	B. R. Bhagat & Co.	3,299	1,957	12,066	1,221	130	12-58	1,554	1,391	10	10	10
	Ordinary P. Paid	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	Jardine Henderson	10	...	13	5	...	6-58	15	142	...	...	...
	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	Ramdukt Ramkineodas	8	...	1,57	7	...	12-57	114	172	7	5	5
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Bharat Carbon & Ribbon	Murari Lal Batra & Co.	481	4,910	4,531	1,985	26	12-58	285	210	9	9	7
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...
	71% 'B' C. P.	...	...	...	...	...	...	...	...	...	...	...
Bharat Commerce	Directors	584	3,298	3,113	479	...	12-57	(a)1138	130	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Bharat Nedhi	Directors	...	...	2,903	577	...	12-58	2,741	1,863	6	5	5
	6% C.P.T.	...	...	...	...	...	...	...	...	...	...	...
Bharat Starch & Chemical	K. C. Thapar & Bros.	403	4,847	6,009	1,402	28	1-58	569	56	6	6	6
	Directors	...	...	...	...	...	...	...	...	...	...	...
	Lovelock & Lewes	...	...	713	...	12	3-54	2,68	3,24	...	...	...
Bharat Company	51% Cum. preference	...	...	...	...	...	9-58	433	(a)365	7	5	10
Birds Investments	Bird & Co. Private Ltd.	5,536	...	11,256	637	155	3-59	1,629	1,130	181	171	171
	Directors	...	...	20,435	4,800	...	3-59	3,580	2,904	14	12	10
	8% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...

January 23, 1960

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1959	December 1958			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
Scindia Steam	17 32	21 04	20	112,799	8,000	102,945	6,65	192,576	294,038	69,474	71,567	3,126	52,730	88,962	13,859
41% Debentures	91 40	96 25	100	38,823	...	...	...	...	...	...	...	...	...	...	...
Shangrilla Food Products	...	...	100	1,700	...	...	...	3,672	4,047	616	32	544	323	30	13
5% C. P.	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Shivrajpur Syndicate	88 50	85 50	10	700	2,000	5,922	58	5,544	9,216	3,375	302	4,282	2,335	1,357	107
Sripur Paper	14 00	12 36	100	21,855	4,815	309	19	30,230	39,385	11,156	75	8,947	3,928	170	19,826
6% R.C.P.	100 00	100 00 N	100	4,648	...	...	...	...	...	...	...	...	...	...	...
Supreme Industries	135 00	120 00	100	462	...	272	2	1,327	1,457	379	130	1,062	395	20	...
61% C. P.	71 80	72 40	100	25,172	526	2,508	7	28,857	49,541	18,653	1,878	19,797	6,431	886	5,690
Tata Chemical	16 80	14 40	100	5,997	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	98 25	99 00	...	2,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	65 00	43 00	25	7,007	1,842	2,295	12	35,371	23,911	14,584	1,125	25,394	10,832	2,215	574
Tata Oil Mills	59 00	58 70	100	2,989	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	...	...	250	1,335	2,125	1,231	18	954	7,384	4,014	255	725	234	1,061	...
United Salt Works Ind.	197 00	132 00	100	25,500	1,300	267	109	93,591	7,650	1,644	260	53,837	57,937	2,486	241
Volta	258 00	186 50	100	27,500	9,500	4,913	90	19,447	34,556	16,858	71	18,740	10,595	8,917	5,429
Western India Match	163 50	111 50	100	9,993	...	...	...	26,603	34,469	...	...	1,966	2,145	849	3,930
West coast Paper	115 00	95 00	100	5,999	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	112 00	114 00	100	1,500	504	397	4	1,980	2,527	1,083	412	1,741	1,221	69	...
Zandu Pharmaceutical W.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Alkali & Chemical	25 44	17 62	10	30,997	2,800	5,770	109	21,124	44,567	7,302	...	12,077	4,392	5,036	5,130
5% Cum. Preference	102 50	101 00	100	3,100	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	300	53	...	...	13,21	36	8	73	10,66	7,76	68	...
Ord.	...	...	10	190	...	...	...	...	...	...	...	...	...	...	...
71% C. P.	...	...	110	128	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corp.	14 87	10 19	100	5,750	2,500	17,596	52	5,647	38,999	11,044	798	5,121	1,914	3,399	...
6% Cum. preference	94 00	81 75	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	75 00	63 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	6 69	5 25	24	250	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	920 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	...	...	1000	3,500	...	...	...	...	...	...	...	...	...	...	...
Amrit Benaspati	...	...	10	5,325	19,25	3.83	-14.14	152.86	160.85	33.32	36.36	85.91	25.33	1.40	...
6% C. P.	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	1	2,450	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	100	2,000	350	1,100	8	7,074	84	49	5,336	39	3,910	16	4,194
41% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Angelo Brothers	19 50	19 25	10	3,000	2,523	1,408	239	2,680	3,575	2,459	483	3,342	3,995	903	12
Ashoka Cement	9 31	6 78	10	5,990	322	3	3	11,233	17,294	673	2	4,225	1,326	28	96
61% Debentures	...	...	24	4,750	...	...	...	...	...	...	...	...	...	...	...
Assam Bengal Cement	4 81	3 22	10	4,314	1,054	239	844	7,450	14,159	6,785	534	1,945	3,451	3,588	...
Deferred	0 94	0 50	1	471	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	2,498	...	...	...	...	...	...	...	...	...	...	...
Assam Match Co.	17 75	17 00	10	3,000	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	125
Assam Saw Mills	3 00	3 47	3	1,400	720	2,059	-4.90	1,430	3,279	1,361	...	2,107	1,010	60	24
Assam Sillimanite	10 94	10 31	10	3,000	...	...	12	1,489	2,863	1,113	...	821	220	201	...
Associated Hotels	7 00	9 25	10	2,000	1,000	2,685	155	3,030	10,572	4,222	4,279	794	1,545	788	...
7% C. P. T.	52 00	53 50	100	2,167	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	850 00	850 00	1000	2,400	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	920 00	920 00	1000	500	...	...	3	...	...	...	...	...	...	...	...
Associated Mining	8 30	8 75	10	892	...	...	...	924	742	191	1,293	216	796	16	44
5% C. P.	36 00	29 75	5	500	...	...	...	...	...	...	...	...	...	...	...
Deferred	5 00	5 22	5	410	...	...	...	...	...	...	...	...	...	...	...
dallarpur Paper	44 12xd	25 50	25	5,708	...	428	-2,602	12,247	24,208	16,269	1,000	4,169	2,374	1,276	834
5% R.C.P.P.	117 00xd	...	100	1,809	...	...	...	...	...	...	...	...	...	...	...
Balmer Lawrie & Co.	195 00	138 00xd	100	8,001	6,664	1,077	503	19,342	7,447	3,877	11,377	7,088	12,049	1,725	...
Barroes coke	16 06	11 81	10	1,200	8,00	50	57	800	3,514	3,347	6	1,163	1,071	501	...
Bathurst & Co.	1 65	0 69	10	2,000	...	17	-48	820	2,313	169	2	1,047	567	27	...
6% C. P.	30 25	21 00	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 00	1 50	10	1,692	...	...	-4.34	3	7.69	4.95	9.60	1	13	2	...
Bengal Assam Steamship.	88 50	100 00	100	2,000	825	9,106	89	1,820	12,259	2,072	256	26	841	2,831	...
7% C. P.	60 00	58 00	60	300	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	168 00	96 00	100	4,533	19.50	21.53	11.46	54.56	104.59	47.91	16.62	46.92	63.31	4.79	...
71% C. P.	12 31	11 75	10	900	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	72 00	76 50	100	1,191	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	30 45xd	10	1,500	...	...	...	...	...	...	...	...	...	...	...
Benzal Flour	36 00	31 00xd	25	1,200	1,700	260	219	1,022	3,487	2,867	35	846	1,954	946	...
Bengal Paper	95 50	46 75xd	50	4,500	3,880	325	93	7,039	22,092	16,334	129	6,863	3,883	489	1,319
7% C. P.	45 00	40 00	200	200	...	...	...	...	...	...	...	...	...	...	...
7% A. C. P.	100 00	103 50xd	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 'B' R. C. P. T.	69 00	62 00xd	100	2,000	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	5 62	3 87	24	84	293	716	...	11,669	14,747	4,132	...	3,594	3,870	212	...
Bengal Potteries	...	...	1	5,523	...	...	...	...	...	...	...	...	...	...	...
Ord. T. Paid	15 25	10 00	100	600	...	...	-961	395	567	567	64	5	256	9	...
Bengal Timber	30 00	30 00	100	300	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	4 10	4 80	10	400	162	...	1	227	1,018	253	75	...	165	84	...
Bhagwati Pressing	31 00	40 00	100	300	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	10	250	200	102	3	3,312	1,267	445	83	2,079	1,791	16	...
Bharat Carbon & Ribbon	...	...	100	340	...	...	...	...	...	...	...	...	...	...	...
B. Ord.	...	...	100	380	...	...	...	...	...	...	...	...	...	...	...
61% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
71% 'B' C. P.	...	...	10	5,000	...	...	-4,119	1,774	4,171	86	...	769	739	62	...
Bharat Commerce	12 94	4 75	100	3,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	10	14,777	...	1,673	36	11,211	70	45	16,692	577	13,641	872	...
Bharat Nidhi	8 12	5 19	100	5,357	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	8 06	8 06	10	1,000	378	169	-1,601	6,008	3,581	2,052	38	3,635	687	26	33
Bharat Starch & Chemical	34 75xd	44 75	100	2,100	30	...	-9	79	...	...	...	12,92	8,59	69	...
Bhartia Company	15 75	14 25	100	2,800	227	622	15	1,435	...	...	6,518	...	138	43	...
Birds Investment	59 00	53 00	100	2,400	...	...	36	5,085	8 122	3,830	6	2,014	3,248	11	293
51% C. P.	30 75xd	27 00xd	10	1,000	300	3,568	216	4,003	11,785	4,856	200	2,864	2,253	2,578	31
Bura Stone Lane	26 00	17 25	10	4,597	2,600	2,005	...	...	...	...	...	...	...	...	...
Buriana Biscuits	9 70	10 10	10	15	...	...	...	...	...	...	...	...	...	...	...
8% Cum. preference	99 0%	96 00	10	1,400	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	REVENUE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	December 1959	December 1958			General	Others	Carry Forward				Invest- ments	Stocks & Stores	Outstan- ding	Cash	Others
	Ra. nP.	Ra. nP.													
NORTHERN INDIA (Continued)															
Hindustan Pilkinton ...	17 69	9 56	10	8,600	100	5	22	2,199	9,506	2,160	4	1,268	761	946	...
Hindustan Woolen ...	...	...	10	3,497	...	51	8	233	43	...	581	...	3,129	29	...
Hoare Miller ...	9 50	6 12	10	3,520	2,000	...	73	8,972	1,550	843	2,237	1,551	8,285	19	1,766
Hooghly Flour ...	21 91ad	36 87ad	10	600	590	103	22	1,162	1,642	1,322	...	846	1,123	188	...
Hooghly & Ganges Hyd. ...	5 62	5 87	10	800	...	54	86	7	1,62	15,50	4,70	5,92	10	1,21	6
41% R. C. P. ...	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco ...	11 00	11 75	10	151,600	46,500	43,373	2,464	27,079	109,389	24,739	3,778	108,151	44,008	20,432	...
India Genl. Navigation ...	66 00	52 00	£ 10	656	170	959	—193	2,213	5,811	3,539	28	697	991	59	2
6% C. P. ...	70 50	58 25	£ 10	244	...	...	...	...	...	...	...	...	...	...	...
India Linoleum ...	21 31	19 25	100	2,500	...	...	—94	19,38	31,15	3,31	...	10,15	5,15	29	...
India Paper Pulp ...	12 00	13 62ad	10	6,300	1,055	5,492	55	9,436	23,207	10,314	112	5,120	3,732	21	278
India Steamship ...	97 50	85 50ad	100	22,500	14,000	18,453	209	133,350	187,741	40,093	780	366	17,970	26,497	...
5% R. C. P. ...	23 75	15 87	10	38,806	1,500	11,402	1,526	52,682	92,460	24,887	13	29,391	10,955	1,171	614
Indian Aluminium ...	72 00	71 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T. ...	30 62	27 37ad	10	21,578	8,095	10,385	4,000	22,942	27,617	12,013	76	32,593	26,319	5,475	...
Indian Cable ...	28 50	29 00	10	1,288	...	...	...	...	...	...	...	...	...	...	...
6% C. P. P. ...	...	...	10	10,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures ...	...	...	2ah	1,371	1,473	494	71	1,503	2,935	1,742	643	1,354	1,476	258	...
Indian Copper & ...	31 87	23 37	10	20,000	6,537	1,939	618	31,252	46,157	18,575	446	14,228	12,123	2,194	3,773
Indian Oxygen ...	15 62	17 50	10	828	5,00	53	63	4,1	16,75	9,50	4	6,15	7,94	5,85	...
Indian Rubber Manfrs. ...	78 00	75 00	100	828	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	31 62	44 37	10	2,000	1,600	450	106	1,725	2,145	1,670	2	4,313	450	641	...
Indian Wood Products ...	25 75	25 50	10	10,000	3,244	11,774	329	14,472	9,960	5,131	24,185	2,764	7,587	5,454	...
Ando Burma Petrol ...	...	...	100	5,000	...	...	...	...	...	...	...	...	...	...	...
7% C. P. T. ...	90 00	87 00	100	500	149	117	33	127	...	...	1,314	...	7	5	...
Investment & Finance ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	...	...	10	2,080	822	3	...	...	...	...	17	41,67	35,46	4	...
J. K. Comm'l. Corp. Ltd.	...	...	700	7,008	25,50	46	7	48,15	29	2	1	115,02	...	15,78	8,03
I. K. Investment Trust ...	...	...	25	250	...	...	...	40,23	...	...	...	...	...	...	...
B. Ordry ...	...	...	10	15,000	145	40	93	41,310	67,292	12,470	58	11,406	7,298	230	...
Jaipur Udyog ...	10 31	10 00	10	7,500	...	...	...	...	...	...	...	...	...	...	...
3% C. P. T. ...	37 00	40 00	100	9,726	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	5	588	38	53	...	877	300	73	581	458	530	7	...
James Wright ...	25 25	23 00	50	130	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	0 69	0 62	100	117	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	71 00	77 00	100	20,000	6,700	502	540	54,361	4,109	1,460	46,229	3,915	31,693	113	2,505
Jardine Henderson ...	60 00	56 00	10	5,000	...	...	...	...	...	...	...	...	...	...	...
51% C. P. T. ...	7 50	6 00	10	7,200	800	...	—170	6,687	3,887	2,631	6	7,899	4,756	598	12
Jeewanlal (1929) Ltd.	...	...	10	3,250	1,750	687	714	10,532	5,464	2,992	88	6,545	10,211	74	...
Jenson & Nicholson ...	...	...	100	2,458	...	...	...	...	...	...	...	...	...	...	...
71% R. C. P. ...	...	...	10	529	...	17	36	345	512	98	13	98	458	4	...
John Paterson ...	4 50ad	2 00	10	...	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway ...	2 37	3 12	10	450	65	...	—1,28	1,38	5,97	2,63	9	1,34	33	13	...
Kalyanpur Lime & Cement	103 00	105 00	100	2,425	2,929	...	514	9,806	15,469	11,775	52	2,885	2,338	149	502
7% P. T. ...	80 00	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref. ...	100 50	100 50	100	5,425	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate ...	95 00	95 00	10	1,500	183	1,57	25	1,72	1,95	68	63	10	27	4,59	8
Karanpura Development	12 69	10 50	10	1,900	598	314	...	3,761	4,479	1,308	1,904	128	798	2,582	...
Founders ...	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Kettlwell Bullen & Co. ...	137 08	143 00	100	4,000	951	1,840	205	3,492	224	126	8,010	...	5,371	10	...
51% C. P. T. ...	58 25	57 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P. ...	59 00	50 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co. ...	75 00	75 00	100	2,000	175	24,15	53	4,03	1	...	46,77	...	1,45	1,24	...
Kumardhobi Fireclay ...	22 75	22 75	10	3,000	502	8,020	30	5,747	16,187	5,448	131	4,007	4,676	87	59
51% R. C. P. T. ...	54 50	54 50	100	400	...	...	...	...	...	...	...	...	...	...	...
51% Debentures ...	101 00	101 00	10	2,400	...	...	...	...	...	...	...	...	...	...	...
Kusum Products ...	7 50	5 75	10	800	...	41	88	3,570	4,211	2,690	13	3,471	1,165	127	...
51% R. C. P. T. ...	69 50	69 50	100	800	...	...	...	...	...	...	...	...	...	...	...
41% Debentures ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co. ...	3 00	3 00	5	634	...	13	91	866	734	556	151	892	743	17	...
7% C. P. ...	0 87	0 53	100	309	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	98 50	...	100	15,100	3,700	4,982	304	8,521	5,408	1,575	25,562	1,306	13,175	132	6,000
Macneill & Barry ...	58 00	...	100	10,000	...	...	...	...	...	...	...	...	...	...	...
51% C. P. T. ...	855 00N	840 00N	1000	7,500	7,000	3,492	245	47,102	2,917	1,577	19,619	14,096	40,940	771	2,318
51% Debentures ...	26 06	29 00	10	14,553	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited ...	100 00	98 50	100	6,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	650 00	550 00	500	890	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes ...	200 00	200 00	100	2,400	51	5	325	...	...	...	1,874	...	684	223	...
Marwar Trading Asson. ...	225 00	200 00	100	4,000	5,200	3,387	250	21,969	2,970	1,195	26,409	4,478	10,29	346	1,508
McLeod & Co. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% 1st C. P. T. ...	73 00	71 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P. ...	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	410 00	465 00	10	4,500	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes ...	33 62	32 12	10	11,500	8,500	6,100	1,934	18,760	30,915	11,273	369	19,865	8,265	1,704	...
Metal Box Co. ...	86 50	79 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. T. ...	12 06	7 37	10	4,000	...	935	—1,597	5,986	11,395	5,123	15	5,239	569	27	...
Metal Corporation ...	79 00	50 00	100	700	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T. ...	2 00	2 00	1000	1,800	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	100	9,400	...	4,247	—1,862	2,314	154	61	51	...	9,206	4,048	...
Midnapore Zamindary ...	5 50	4 50	10	446	...	5	1	123	733	286	1	36	55	29	9
Mondulal Water Supply	...	...	10	885	822	214	2	1,340	2,520	1,412	70	1,389	609	86	...
C & E. Morton (India) Ltd	...	...	10	400	11,00	4,00	10	70,63	63	24	11,42	26	82,39	1,60	...
Motor & General Finance	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
10% C. P. ...	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P. ...	...	...	10	275	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P. ...	...	...	10	...	...	...	...	...	...	...	...	...	...	...	...
National Carbon Co. ...	40 87	28 69	10	20,000	2,500	5,855	2,842	12,982	21,482	6,134	303	19,319	3,112	1,698	3,000
National Insulated Cable ...	27 31	32 12	10	5,997	7,000	4,526	61	15,753	9,633	4,483	8	11,283	16,916	880	...
51% Debentures ...	...	...	2,000	1,000	...	...	...	...	...	...	...	...	...	...	...
National Pines & Tubes ...	17 87	...	10	3,000	1,500	6	116	2,692	4,519	2,156	2	3,427	2,245	277	...
51% R. C. P. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...

Indian Finance MISCELLANEOUS

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
NORTHERN INDIA (Continued)												
National Rubber	Directors	2,851	13,222	16,486	4,426	...	12-58	885	719	6	10	20
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
National Tobacco	B. N. Elias & Co. Private	22,378	64,111	86,050	5,983	751	12-58	5,752	6,383	11	9	7
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
New Bharat Vanija	Directors	6	3,256	3,282	3,509	...	5-58	218	278	nil	nil	nil
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
New India Investment	Ramduitt Ramkisendras	4	842	888	3,577	21	12-58	258	61	5	5	5
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
Oceanus Steel & Co.	Directors	1,368	...	4,610	...	...	12-57	2,476	2,255	84	77	10
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Orient Paper	Birla Brothers Private Ltd.	8,195	33,012	61,065	8,089	1,070	3-59	14,742	12,680	15	15	15
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement	Dalmin Agencies Private	...	...	27,212	3,300	578	12-58	7,926	6,882	15	15	121
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
Orissa Minerals	Bird & Co. Private Ltd.	3,669	...	12,814	880	407	6-58	3,817	1,720	25	20	29
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
Philips India	Directors	6,140	...	45,304	...	...	12-58	(a5)6,458	5,504	84	20	...
	Andrew Yule & Co.	1,907	1,129	2,943	...	20	12-58	(a2)394	210	50	374	50
	2% C. P.	262	233	1,005	...	...	3-58	330	210	50	374	50
	2% C. P. T.	4	33	48	...	...	3-59	182	199	6	6	5
	Director	117	1,041	2,047	681	...	...	...	...	...	...	...
	5% R. P.	...	...	...	...	...	...	...	...	...	...	...
Kallis India	Directors	5,491	162,078	173,777	21,136	...	8-58	1,820	(b)2,120	nil	nil	nil
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	Directors	1,872	1,846	5,338	...	...	2-57	1,080	743	40	20	10
	Sahu Jain Ltd.	13,573	114,194	151,074	37,159	1,550	3-59	24,725	(a15)24,329	15	20	15
	7 to 9% C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Sahu Properties	Directors	3	...	170	...	...	12-57	123	92	5	5	34
	Scientific Instrument Co.	...	...	38,20	5,77	...	3-55	1,91	...	8	8	...
	Shaw Wallace & Co.	6,545	43,153	60,705	11,469	...	12-58	4,971	3,774	10	18	10
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Shiva Jute Press	K. Ch. Thapar & Bros. pri.	50	...	...	...	6	6-55	Ra. 3,07	40	12	12	12
	Shree Gopal Paper	3,663	15,860	31,039	1,410	528	12-57	5,494	4,933	12	12	12
	6% C. P. P.	...	...	...	...	...	...	...	...	...	...	...
	7% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet	Directors	1,566	10,162	14,269	4,129	...	6-58	1,011	784	16	20	20
	10% Pref. Cum. as to 7%	...	...	...	...	...	...	...	...	...	...	...
Sonakunda Baling	Bird & Co. (Pak) Ltd.	3,44	186,39	200,88	52,00	6	2-55	2,50	2,32	nil	nil	74
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sone Valley Port Cement	Directors	7	...	19,372	557	...	12-58	1,106	1,038	6	6	5
	Star Co.	...	...	1,12	...	...	3-54	3,54	44	6	6	5
	Star Paper Mills	3,35	19,83	33,24	11,10	52	9-55 H	3,59	3,47	74	5	2
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Star Trading & Inv.	Bajoria & Co.	7	...	26	...	3	6-53	32	14	nil	nil	...
	Straw Products	1,026	3,498	6,333	2,015	93	12-58	(a10)1,216	1,161	124	124	124
	Sutra Stone & Lime	687	985	2,265	...	...	12-58	438	334	174	174	132
Tide Water Oil	Andrew Yule & Co. Ltd.	791	5,105	6,215	3,064	25	10-58	239	281	15	124	124
	F. W. Heiglers & Co. Private	14,624	38,289	94,583	1,176	1,214	3-59	13,763	11,664	25	234	234
	Prefd. Ordinary	...	...	...	...	...	...	...	...	...	...	...
	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Tungabhadra Industries	Cotton Agents Private	733	24,421	32,221	3,637	66	9-58	676	520	nil	nil	nil
	Debentures	...	...	...	...	...	...	...	...	...	...	...
Union Co.	Directors	6	...	1,55	...	...	3-54	12	1,31	nil	nil	5
	United Flour	446	8,121	9,577	589	56	11-58	525	664	374	45	45
Walford Transport	Directors	1,161	12,959	14,292	2,279	...	12-58	505	844	14	14	14
	Prefd. Ordinary	...	...	...	...	...	...	...	...	...	...	...
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	1,814	35,776	37,585	3,403	274	3-58	3,239	2,285	124	124	124
	Amrutajan	94	1,473	2,543	23	38	3-58	350	532	35	60	50
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
Andhra Cement	Andhra Engineering Co. Pri.	1,202	4,591	9,083	188	65	12-58	(a17)1,670	(a13)1,698	74	74	74
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Andhra Scientific Co.	Srinanth Industrials Pri. Ltd.	530	693	1,752	769	29	6-57	293	179	6	6	6
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Aspinwall & Co. (Trav.)	Directors	793	3,027	6,660	977	...	12-57	10	148	nil	nil	nil
	Aspinwall & Co.	1,572	6,501	10,717	1,691	...	12-58	(a8)486	684	6	6	13
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Asso. Industrial Engg.	...	3,055	3,801	1,366	43	3-58	412	500	5	9	12
	Cannon Dankerley	...	...	...	...	...	...	...	...	...	...	...
Bangalore Printing	Directors	194	151	496	223	...	12-58	84	79	10	10	10
	Second Ordinary	...	...	...	...	...	...	...	...	...	...	...
Binny & Co.	Directors	...	...	11,398	940	...	12-57	2,840	3,065	10	10	10
Central Scientifics	Guru Agencies Private	81	607	1,026	202	9	3-58	100	88	10	10	10
	6% C. P. P.	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Chem. & Fert.	Venus & Co.	...	...	6,92	...	5	3-55	11	15	5	74	nd

January 23, 1960

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			PUBLIC DEPARTMENT			LIQUID ASSETS				
	December 1959	December 1958			General	Others	Carry Forward	Sundry Liabilities	Block	Depreciation	Investments	Stocks & Stores	Out Standings	Cash	Others
NORTHERN INDIA (Continued)															
National Rubber	13 50	14 00	10	4,990	400	322	97	8,517	7,258	3,103	10	8,167	2,611	219	105
6% C. P.	77 00		100	945											
National Tobacco Co.	18 19	11 69	10	7,997	213	2,837	960	14,897	13,038	7,143	79	24,055	5,339	2,234	
5% R. C. P.	74 00	67 00	100	2,500											
4% R. C. P.	67 00	71 00	100	1,998											
4% Debentures	810 00	810 00	1000	1,200											
New Bharat Variasija	4 00		5	1,500			-172	1,396	4	2		3,509	149	3	61
4% C. P.	66 00		50	1600											
New India Investment	46 00	35 50	75	2,332	725	102	21	543	5	4	3,577		122	24	
Oceanus Steel & Co.			100	5,000	3,300	2,321	299	5,357	766	262	8,359		8,186	228	
6% C. P. T.			100	1,000											
Orient Paper	38 50	29 20ad	10	14,682	1,700	27,439	169	41,139	96,523	23,615	2,357	17,356	15,184	769	
5% C. P.	91 50	95 25	100	7,445											
5% C. P. T.	67 00	58 00	100	6,000											
5% Debentures	920 00	915 00	1000	10,000											
Orissa Cement	13 00	11 75	10	15,000		3,374	1,870	30,386	47,301	14,989	3,022	11,399	4,623	195	5,175
4% C. P.	35 06	35 06	100	4,000											
Orissa Minerals	35 75	26 25	10	2,000	854	4,069	142	6,601	5,652	2,918	1,852	1,883	4,272	2,704	211
Phaiaps India	24 75	16 12	10	22,000	346	4,297	36	22,777	11,735	3,812	229	18,266	21,358	925	755
Port Shipping	11 00	13 25	10	1,408	625	1,865	-368	1,258	5,023	1,103	101	122	738	9	
Publicity Society	13 50	9 19	4	191	150	217	43	1,673	194	180	56		2,120	84	
Punjab Minerals			10	300			-130	25	164	2		1	22	1	9
R. B. Rodda	5 00	5 28	100	650	100	92	5	312	137	61	43	701	600	89	
54% R.C.P.			100	350											
Rallis India	84 00	40 00	100	22,500		1,094	-3,248	18,198	8,513	4,627	1,106	22,528	13,148	5,352	25
6% C. P. T.	94 00	67 00	100	7,500											
Reliance Firebrick	20 00	24 62	10	600	319	2,922	51	2,801	3,453	2,460	383	921	1,220	986	
Rohitas Industries	25 25	20 37	10	22,800	18,200	3,945	4	81,995	145,458	55,272	6,270	50,163	14,209	304	668
7 to 9 C. P.	117 00	119 00	100	2,000											
4% C. P.	59 50	63 00	100	6,476											
4% Debentures	990 00	910 00	1000	10,000											
5% Debentures			1000	2,200											
Sahu Properties	2 62	3 03	5	750	10	355	2	173	15	10	1,660	61	32	32	
Scientific Instrument Co.			100	999	1,45	1,29	4	14,91	1,71		72	5,80	18,27	1,16	
Shaw Wallace & Co.	19 69	15 00	10	7,500	1,250	1,762	487	35,121	8,330	1,826	16,349	12,461	17,724	342	239
6% C. P. T.	72 00	67 00	100	7,500											
Shiva Jute Press	53 00	65 00	100	450	1,10	10	42	50	9,69	4,96	32		1,5 3	3	
Shree Gopal Paper	22 25	15 25ad	10	12,549	3,775	3,648	20	12,503	18,524	11,142	5,032	10,360	7,044	2,109	16,802
8% C. P. P.	103 00	91 00ad	100	750											
7% R. C. P.	104 00		100	5,214											
54% Debentures	950 00	950 00	1000	1,000											
6% Debentures	960 00	950 00	1000	3,000											
Smith Stanistreet	12 75ad	12 31	5	1,000	500	806	87	3,755	2,005	1,448	1	4,366	1,312	414	
10% Pref. cum. s. to 7	64 00ad	62 00	50	500											
Sonakunda Baling			100	200	5,02	16,73	-5,67	60,25	38,53	13,27		54,01	7,79	77	
8% C. P.			100	350											
5% C. P.	5 34	4 78	5	7,500	1,415	435	28	6,440	22,478	15,997	521	5,430	2,515	657	214
Sone Valley Port Cement	79 00	81 00	100	1,040	7,25	2,38	-85	7,26	14 5	5	16,74	6,21	25,47	89	3,41
Star Co.	12 12	12 69	10	3,000	3,00	3,50	14	37,07	65,85	31,03	28	32,25	25,47		
Star Paper Mill	78 50	73 00	100	1,000											
5% C. P.			1000	1,000											
5% Debentures			25	500	40		-57	6,14	2	1	9,39		1,54	2	
Star Trading & Invst	8 00	8 00	10	1,500	2,700	6,766	5	3,781	11,570	2,422	954	2,633	1,414	230	
Straw Products	12 31	15 25	10	484	65	371	31	539	1,518	605	17	154	240	166	
Sutra Stone & Lime	17 50	19 25	10												
Tide Water Oil	17 31	13 69	10	600	450	486	71	4,084	238	175	2	3,098	1,986	341	200
Titagarh Paper Mills	41 62	40 25ad	10	11,205	4,805	35,431	101	45,753	72,692	40,288	1,007	26,985	27,204	795	19,986
Prefd. Ordinary	4 00	3 87ad	24	437											
8% C. P.	129 00	134 00ad	100	1,150											
4% Cum. preference	87 75	75 00ad	100	1,500											
54% Debentures				8,000											
Tungabhadra Industries			10	3,059		30	-390	7,816	6,869	1,209	25	4,396	1,596	201	
54% Debentures				1,503											
Union Co.	73 20	75 00	100	1,250	7,50	4,62	-93	25,16	14	10	23,15		25,64		
United Flour Mills	45 00	29 87ad	10	500	220	355	19	957	807	523	18	628	947	144	
Walford Transport	3 75	1 94	1	841	1,000	1,002	141	1,785	1,238	875	127	2,536	1,560	348	
Prefd. Ordinary	3 12	1 44	1	210											
SOUTH INDIA															
Aluminium Industries	22 30	17 50	10	7,996	2,000	1,425	50	16,873	7,487	3,438		10,124	10,709	409	3,133
Amrutaman			100	250	125	156	20	883	794	82	189	147	432	252	
74% C. P.	128 00	131 00	100	309											
Andhra Cement	9 00	10 20	10	2,102	235	397	6	9,371	15,825	6,115	576	5,010	2,282	20	
6% Cum. preference	107 00	100 00	100	249											
Andhra Scientific Co.	9 00	4 85	10	800			-487	1,588	926	534		838	842	28	
5% C. P.	11 00ad	6 00	10	200											
Aspinwall & Co. (Trav.),	5 25	6 50	10	1,000		365	-9	705	625	337	95	1,128	519	30	
Aspinwall & Co.	7 00	7 70	10	3,588	44	934	1	4,653	3,336	1,810	596	1,997	5,025	289	
6% C. P.	7 83	8 80	10	214											
Aso. Indusl. & Engg.	90 00ad	100 00	100	2,384	35	2	6	423	271	143	410	1,682	952	177	
Bangalore Printing	15 00	9 80	10	316	195	107	6	165	758	443	70	224	188	23	
Second Ordinary			10	31											
Binny & Co.	160 00	170 00	100	10,000	3,600	753	420	6,221	3,947	1,964	12,755	1,070	4,724	363	
Central Scientifics	6 60	6 00	5		150	60	5	270	219	53		205	264	151	
6% C. P. P.	5 65	5 15	5												
Coimbatore Chem & Fert			25	139				3,39	1,45	29	1	3,11	21	30	

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second previ-
SOUTHERN INDIA (Continued)												
Enfield India	Directors 6% C. P.	294	3,745	4,126	1,527	...	12-57	55	1	nil	nil	...
Fertilisers & Chemicals	Seshasayee Bros. Private	4,013	9,259	24,727	927	355	12-53	5,933	(a) 6,334	4	nil	...
Forest Industries	Seshasayee Bros.	107	1,175	2,489	153	...	3-58	871	1,159	nil	nil	...
General Papers Ltd.	Gany & Co.	45	2,627	2,973	922	33	3-58	303	102	12 1/2	9	6 1/2
Hyderabad Invt. Synd.	M. Amolkchand Bros. Ltd.	...	...	1,58	...	17	9-55	54	67	2 1/2	2 1/2	ni
India Cements	Essen Pri. Ltd. 7 1/2% C. P.	1,828	6,033	17,690	1,611	378	3-59	3,669	3,591	18	9	8 1/2
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.	...	...	70	...	6	9-59	54	60	5	5	5
Jeypore Mining	R. S. Indus'l Corps.	64	1,14	5,76	7,17	9	6-55	1,08	1,00	10	6	5 1/2
Madras Indusl Invt. Corps	Directors	...	...	6,37	...	...	6-54	5,43	5,29	3	3	3
Madras Safe Deposit	Kothari & Sons	12	...	36	...	1	6-59	21	31	5	5	5
Madras Vanaspathi	Kubera Vanaspathi Ordinary	...	...	...	4	...	4-58	-141	-153	nil	nil	...
Marikar (Motors)	5 1/2% C. P. H. O. L. Marikar & Sons Pri.	194	5,942	6,813	712	12	3-58	130	113	9	9	9
McDowell & Co.	6% C. P. Directors	173	3,588	3,871	825	...	12-57	337	235	24	nil	...
Mettur Chem. & Indus. Corp.	6% C. P. Seshasayee Bros. private Ltd.	1,228	6,865	12,137	623	2:0	3-59	2,099	2,068	8 1/2	8 1/2	7 1/2
Modern Housing	6% C. P. Directors	...	...	...	...	...	6-58	2	2	nil	nil	...
Mysore Chem. & Fert.	6% C. P. Directors	461	1,697	3,173	573	...	3-59	867	451	5	5	5
Mysore Chem. Manfr.	6% C. P. Directors	...	13,300	2,335	666	...	3-58	303	457	20	20	20
Mysore Chrome	Directors	...	...	464	165	...	6-58	-25	-37	6	nil	...
Mysore Coffee Curing	Directors	65	221	76	18	...	12-57	144	137	10	10	10
Mysore Elec. Industries	Directors	677	2,949	5,155	276	...	3-59	659	556	15	11	8
Mysore Indus. & Test Ltd.	Directors	304	523	1,536	185	...	3-58	325	244	12	11	8 1/2
Mysore Lamm	Directors	225	860	1,424	345	...	3-58	297	258	15	12 1/2	9
Mysore Match	4% C. P. Directors	...	...	1,20	8	...	6-56	3	10	4	4	4
Mysore Paper	Directors	2,068	7,673	12,555	402	...	3-59	1,648	1,901	12 1/2	10	10
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.	...	...	1,188	96	38	3-59	368	356	10	10	10
Mysore Tobacco	Directors	592	1,340	2,125	73	...	3-58	190	761	12 1/2	15	15
Mysore Veg. Oil	Directors	38	2,200	332	...	...	6-57	34	119	nil	nil	...
National Chemicals	Murthy & Co. 5% C.P.	...	...	...	...	...	6-54	-89	-95	nil	nil	...
Ogale Glass Works	S. P. Ogale & Co. Directors	1,387	2,761	6,302	296	21	12-58	323	512	4	nil	...
Perry & Co.	5% C. P. Directors	7,919	56,231	72,784	14,726	...	9-58	1,868	2,413	nil	15	...
Perry's Confectionary	4 1/2% Debentures Perry & Co.	1,030	4,265	7,824	1,813	92	3-58	897	744	20	20	15
Punalar Paper	A. & F. Harvey	1,593	5,148	9,372	383	167	6-58	1,922	1,020	10	7 1/2	5
Radio & Electricals	Directors	47	1,421	1,950	2,189	...	12-58	259	306	7 1/2	9	9
Radio & Electricals Manfr.	Directors	768	3,807	5,807	190	...	3-58	1,641	1,261	16	13	6
Rene (Madras)	Iyer & Co. Ltd. 7% 'A' C. P.	149	5,852	5,686	2,871	25	3-58	238	291	7	10	24
Ruby Rubbers	6% C. P. Debentures Ruby Industries Private	...	...	...	...	...	...	...	...	6	7	6
Simpson & Co.	8 1/2% 'B' C.P.	88	1,375	1,743	833	18	6-58	226	192	9	9	...
Spencer & Co.	6 1/2% C. P. Directors	1,731	48,485	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Stanes & Co. T	7 1/2% 'A' C. P. 8 1/2% 'B' C.P.	4,616	19,190	30,407	7,655	...	6-58	2,412	2,876	15	15	15
Stanes Motors	6 1/2% 'A' C. P. Directors	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
Thomas & Co. A. V.	8 1/2% 'B' C.P. Directors	456	4,695	6,474	779	...	9-58	542	671	20	20	...
A. V. Thomas & Co. (India) Ltd	7 1/2% C. P. Directors	882	5,765	8,714	1,265	...	3-58	567	591	20	15	12 1/2
Travancore Cements	292 "B" Ordinary 6% Cum. Preference	292	446	1,345	95	...	12-53	233	236	25	15	15
Trav. Chem. & Manfr. Co.	5% Cum. Preference Esael Ltd.	29	262	525	210	...	6-58	20	66	6	6	6
Travancore Ogale Glass	5% Cum. Pref. Directors	1,111	2,134	4,802	452	56	12-58	996	963	6	6	6
United Coffee Supply	6 1/2% R. C. P. Ogale Bros. Private Ltd.	106	1,734	2,115	425	...	3-59	315	213	10	7	6
United Elec. Industries	6 1/2% R. C. P. Directors	359	425	1,066	10	10	12-58	177	108	14	6 1/2	6 1/2
Vannid Matches	Asso. Engg. Corp. Private Lth. 5% Cum. Pref.	452	3,883	5,364	802	...	6-58	205	193	11	10	15
Vasant Soap Works	Directors	150	2,030	3,068	197	6	12-57	-49	29	nil	5	10
W. I. Plywood	5 1/2% C. P. Directors	85	4,24	5,43	1,36	...	12-54	19	31	5	5	5
	6 1/2% C. P. Ramkrishna & Sons	70	197	240	9	6	12-57	-11	-20	nil	nil	...
	5 1/2% C.P. Directors	585	2,429	5,922	705	...	3-59	1,524	1,569	10	10	10

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.
(b) After transferring Rs 1,404,391 from Property Reserve Fund Rs 525,000 from provision for taxation and taxation contingencies.
(c) After transferring Rs 605,246 from General Reserve.
(d) After transferring Rs 1,500,000 from General Reserve.
(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.
(f) After writing back Rs 50,00,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax, and Rs 10,850 being expenses and Rs 5,85,025 profit on realisation of Investments, Rs 8,45,930 surplus on revaluation of stores, and Rs 34,300 surplus on sale of machinery.
(g) After transferring Rs 1,300,000 from provision

(h) After transferring Rs 62,000 from General Reserve.
(i) After writing back Rs 78,904 being over provision to previous years.
(j) After writing back Rs 150,000 from provision for taxation.
(k) After writing back Rs 1,315,749 from provision for taxation and Rs 1,000,000 from provision for contingencies.
(l) After writing back Rs 8,59,726 from provision for taxation.
(m) After transferring Rs 200,000 from General Reserve.
(n) After writing back Rs 931,978 from provision for taxation and Rs 26,867 from excess provision

(D) After transferring Rs 300,000 from General Reserve.
(a) Bonus shares in the ratio of one fully paid ordy. share for every five ordy. share will be issued in lieu of Dividend.
(b) Includes Rs 17,99,170 being indemnity received from the Government of India.
(c) After transferring Rs 700,000 from Repair and Replacement Reserve and Rs 64,000 from Taxation Reserve.
(d) Includes Rs 1,773,324 being profit on realisation of Investments; Rs 16,970 being surplus on sale of Machinery; Rs 56,826 being provisions no longer required; and Rs 125,779 being items relating to previous years.
(e) After transferring Rs 175,000 from Dividend Equalisation Reserve and Rs 64,000 from Taxation

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1959	December 1958			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standings	Cash	Others
	Rs. np.	Rs. np.													
SOUTHERN INDIA (Continued)															
Enfield Industries	14 00	10 00	10	797	...	...	5	3,276	2,265	92	...	1,848	110	107	37
6% C. P.	100 00	100 00	100	198	...	...	...	...	49,337	25,836	2,575	9,181	7,826	2,401	13,748
Fertilisers & Chemicals	10 20	7 20	10	34,568	...	1 126	438	23,065	613	438	...	324	1,163	1,747	...
Forest Industries	3 05	2 50	2 1/2	1,992	...	...	...	1,627	...	...	...	...	...	...	...
General Papers Limited	13 25	12 33 1/2	10	500	250	106	1	534	65	41	41	922	347	54	3
Hyderabad Invt. Synd.	...	...	50	2,142	1,00	...	1	2,65	...	...	11,52	...	9,65	3,91	...
India Cements	6 25 cd	5 10 cd	5	14,582	...	3,041	70	21,221	22,308	8,480	865	7,417	7,811	490	11,488
7 1/2 Cum. preference	96 00	95 00	100	2,985	...	...	...	...	...	...	...	...	...	...	...
Invt. Trust of India	70 50	65 00	100	1,009	40	196	8	99	...	...	1,209	...	12	1 1/2	...
Jeypore Mining	...	...	100	400	2,40	31	46	10,94	6,35	1,63	36	8,83	4,10	4	...
Madras Indusl Invt. Corp.	...	...	1000	12,756	...	2,75	7	5,98	...	...	36,48	9	93,58	6,22	...
Madras Safe Deposit	47 50	50 00	80	158	10	...	1	95	...	139	...	97	...	47	...
Madras Vanaspathi (a.s.)	15 00	15 00	100	1,500	...	...	...	2,817	3,943	...	...	58	...	9	61
Ordinary	...	...	10	193	...	...	...	...	...	...	...	...	...	...	...
5 1/2 C. P.	33 00	33 00	100	794	...	...	...	...	...	...	...	...	...	...	...
Marikar (Motor)	47 50 (a.s.)	40 50	50	424	400	...	1	1,332	254	...	89	723	981	319	...
6% C. P.	49 50 (a.s.)	42 50	50	209	...	...	...	...	...	...	...	...	...	...	...
McDowell & Co.	...	...	100	324	324	...	21	945	1,262	862	81	901	504	58	...
6% C. P.	...	...	100	330	...	...	...	...	...	...	...	...	...	...	...
Mettur Chem. & Indl Corp.	12 70	11 20	10	4,050	2,42	1,644	19	3,910	12,192	6,682	1,430	3,435	2,434	1,31	...
6% C. P.	101 00	93 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	83 00	83 00	100	1,400	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	...	...	100	1,792	...	...	-1,259	307	577	227	249	696	740	130	5
6% C. P.	...	...	100	1,272	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem & Fert	10 55 cd	8 30	10	2,481	623	343	11	1,959	5,535	3,742	336	1,850	960	476	...
Mysore Chem. Manfr.	24 50	21 60	10	600	400	152	25	485	802	499	24	925	577	32	...
6% C. P.	8 40	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
Mysore Chrome	...	...	10	494	90	...	-206	405	634	169	1	265	42	9	...
Mysore Coffee curing	16 30	11 01	10	400	52	...	...	1,491	644	412	54	393	1,238	114	...
Mysore Ele tric Indus.	140 00	109 00	...	905	130	239	5	2,023	1,215	517	...	1,074	1,547	3	...
Mysore Indus. & Test. Lab	7 50	6 90 ad	5	936	60	257	4	800	613	437	436	576	819	188	...
Mysore Lamp	20 52	16 85	10	656	535	384	12	4:9	1,164	640	...	1,252	530	19	...
4% C. P.	6 30	6 50	10	250	...	...	...	...	...	...	...	...	...	...	...
Mysore Match Co.	...	...	10	499	...	...	-1,30	77	3:65	...	84	16	97	20	...
Mysore Paper	23 70	17 30	10	2,500	900	2,029	44	5,742	15,202	9,637	57	3,457	1,537	595	...
Mysore Stone ware Pipes	15 09	13 00	10	600	300	223	4	676	1,081	720	159	317	451	528	...
Mysore Tobacco	...	...	10	1,000	180	205	4	511	1,804	1,071	121	338	405	301	...
Mysore Veg. Oil	13 45	12 60 ad	8	1,080	213	74	-51	355	129	...	312	655	465	110	...
National Chemicals	...	...	10	670	...	...	-4,68	6,44	7,97	54	10	1,91	67	2	40
5% C. P.	...	...	10	208	...	...	...	...	...	...	...	...	...	...	...
Cigala Glass Works	...	...	5	1,487	...	275	5	3,945	5,100	2,081	8	1,943	620	122	...
Farry & Co.	...	...	2	4,000	4,360	1,879	219	29,765	4,936	2,597	2,546	4,954	20,605	1,987	...
5% C. P.	9 20	8 32	10	3,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2 Debentures	...	...	...	268	...	...	...	...	...	...	...	...	...	...	...
Farry's Confectney	4 57	3 70	1	500	350	22	75	3,039	1,045	384	12	2,107	1,014	91	...
Punalur Paper	...	...	23	1,505	750	2,679	156	3,951	9,640	4,375	1	2,200	1,449	126	...
Radio & Electricals	4 35	5 10	5	1,500	100	9	3	1,900	840	290	11	2,203	741	7	...
Radio & Electricals Manfr.	21 00 cd	18 00	10	2,447	150	35	24	4,501	2,927	1,317	...	1,726	2,948	907	28
Rane (Madras)	6 50 cd	6 00	5	919	176	152	6	1,729	755	393	168	2,072	702	92	...
7 1/2 A.C. P.	5 00 cd	4 90	5	175	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	5 00 cd	4 70	5	190	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	49	...	...	...	...	...	...	...	...	...	...	...
Ruby Rubbers	10 12	9 60	10	854	...	...	1	1,504	1,110	166	...	854	250	19	30
6 1/2 C. P.	9 10	9 75	10	239	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	...	...	10	2,500	2,500	10	1,887	20,422	14,009	7,263	16,355	7,778	1,175	265	...
Spencer & Co.	19 75	19 50	10	4,000	5,609	4,295	913	5,188	12,883	7,351	2,545	8,025	5,350	4,490	82
6 1/2 A' C. P.	9 35-d	8 00 cd	10	2,320	...	...	...	...	...	...	...	...	...	...	...
8 1/2 B' C. P.	12 03 cd	11 00 cd	10	3,680	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T.	24 10	24 30	10	1,156	136	920	46	1,913	1,152	647	1,352	885	1,159	350	...
7% C. P.	68 00	95 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	...	...	10	691	400	1,438	7	944	931	477	208	1,338	832	649	...
Stanes & Co. A. V (Allep.)	20 25	15 50	10	200	300	305	6	750	686	356	152	118	1,012	192	...
B. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
6% Cum Preference	69 00	75 00	100	121	...	...	...	...	...	...	...	...	...	...	...
A. V. Thomas & Co India	4 00	3 62	10	300	...	...	9	116	41	31	6	253	285	72	...
5% Cum Pref.	6 50	6 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	10 48	9 00	10	5,000	...	941	268	5,331	10,504	5,238	25	2,634	450	256	...
Trav. Chem. & Manfr. Co.	15 81	12 00	10	700	...	69	22	1,559	1,541	505	25	1,274	313	2	...
6 1/2 R. C. P.	8 57	9 00	10	300	...	...	...	...	...	...	...	...	...	...	...
Travancore Cigala Glass	7 80	4 10	10	998	...	...	10	465	1,556	595	...	273	96	144	...
United Coffee Supply	...	...	15	600	314	419	8	1,086	1,050	590	356	857	545	215	...
United Elec. Industries	9 50	9 50	10	916	20	...	-95	1,624	623	115	...	1,504	341	146	...
5% C. P.	10 00	10 00	10	15	...	...	-14	2,43	7,72	3,94	9	3,66	1,63	23	9
Vanished Matches	...	...	10	450	...	...	...	...	...	...	...	...	...	...	...
51% Cum preference	...	...	10	275	...	...	49	-393	413	454	168	...	92	25	8
Vasant Soap Works	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
5 1/2 C. P.	...	...	100	2,700	250	1,243	17	4,417	3,563	2,358	1	835	2,090	805	60
W. L. Plywood	235 00	...	100	618	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	100 00	89 00	100	...	...	...	...	...	...	...	...	...	...	...	...

COAL

NAME	Managing Agents Agents, Secretaries	Colliery expenses	COAL		Sales	Stock	Managing Agents' Commission and allowances	Year ended	Net Profit		Dividend %		
			Raisings (000) Tons	Despatches (000) Tons					Latest	Previous period	Latest	Pre- vious	Second pre- vious
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd. ... K. L. Dutt & Co. Private ...	15,845 290	946 42	939 38	19,182 742	215 5	173 13	3-59 3-58	(d) 2,464 146	1,659 79	15 11	124 Nil	124 Nil
Associated Laikidih	44% R. C. Preference ... K. L. Dutt & Company Pri. ...	137	24	21	411	25	3	3-58	60	46	Nil	Nil	Nil
Bagdigi Kujana Bengal	5% Debenture ... Purshotam Co. ...	2,94 15,723	58 2,862	60 3,071	1,014 62,655	39 1,583	10 643	9-53 10-58	2,31 (b) 9,416	2,03 (m) 9,705	5 174	4 174	5 174
Bengal Bhatdee Bengal Nagpur	44% C. P. T. ... Kalyani Mavji & Co. ...	1,247 160	89 6	86 5	1,665 114	153 10	6 10	12-58 12-58	120 41	236 -15	44 Nil	44 Nil	44 Nil
Bhailora	Andrew Yule & Co. Ltd. ... H. V. Low & Co. Privt. ...	1,883 7,140	132 455	95 442	2,412 9,108	243 457	29 ...	9-57 6-58	358 (i) 1,162	271 (a) 757	5 54	5 54	5 54
Bharat	54% C. P. T. ... 6% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Bhulanbaraoe Bhuranaga	Directors ... Ram Saran Das & Rathor Pri	508	149 30	142 27	2,733 544	174 6	...	12-58 3-59	-79 -135	-259 95	Nil Nil	Nil Nil	Nil Nil
Borra	F. W. Heilgers Private ... 64% C. P. ...	...	171	174	3,702	19	37	12-58	362	220	71	71	15
Burrakur	Bird & Co. Privt ... 7% C. P. ... 6% 2nd C. P. T. ... 44% Debentures ...	...	1,037	1,019	30,677	1,196	413	6-58	4,030	(i) 3,992	64	64	64
Central India Central Kurkend Churulia	Hindustan Inv. Corporation ... Directors ... F. W. Heilgers Pri. ...	4,195 1,618	310 89	297 86	5,728 1,749	190 84	75	3-58 12-58	953 102	771 167	5 5	5 5	5 5
Dhemo Main East Indian (E) Equitable	Macneill & Barry ... Jardine Henderson Ltd. ... Macneill & Barry ... 6% C. P. ...	...	2,74 525 1,763	2,71 469 1,758	5,351 ...	1,57 ...	31 158	12-58 12-58	81 3,65 (p) 2,512	46 -40 2,334	15 74	15 112	15 188
Ghusick and Muslia	6% C. P. ... Bhatia's Agency ... 5% C. P. ...	2,332	143	137	2,594	225	...	3-58	-131	65	Nil	Nil	24
Gourangdi	Bhatia's Agency ... 5% R. C. P. ... Debentures ...	134	19	16	284	...	...	3-58	31	34	Nil	Nil	Nil
Gurdar Kajora Hurriladih Jainty Central Jogta	Osha Brothers ... Macneill & Barry ... Villiers ... Bajpai Trust Private ...	...	39 112 3 176	35 100 2 149	553 1,865 24 ...	26 299 15 ...	12 30	12-56 12-57 12-54 12-58	17 (c) 41 56 153	59 226 -23 63	Nil Nil Nil Nil	Nil 25 Nil Nil	Nil 25 Nil Nil
Kalapehari Karanpura Collieries	Andrew Yule & Co. Ltd. ... Bird & Co. Private ... 54% C. P. T. ...	497	93 171	85 173	1,634 3,475	285 83	17 55	2-59 2-59	184 617	163 569	Nil 5	Nil 5	Nil 5
Katras Jheriah Khas Kajora	Andrew Yule & Co., Ltd. ... Directors ... 8% Preference (a) ...	1,765 3,53	345 35	354 36	7,368 5,54	119 76	109	1-59 12-55 H	1,127 1,25	1,373	65	65	54
Khas Shamprora Kuardi	Ramsaran Das & Rathor P. Ltd H. V. Low & Co. ...	...	33 24	27 23	574 422	22 11	...	10-58 6-57	-78 -179	-65 65	Nil Nil	Nil 14	Nil 14
Lakurka Mahabir	H. V. Low & Co. ... Daulat Rawatmull ... 44% R. C. P. ...	1,255 3,57	99	86	4,703 6,21	51 40	25 13	4-58 12-55	273 1,65	(j) 37 1,36	10 74	14 10	14 10
Mandupoor Nazira New Boorboona	Directors ... Tentia Brothers Private ... Andrew Yule & Co. Ltd. ... 7% C. P. ...	464 434 3,379	14 622	15 626	5,05 12,932	1,41 108	...	6-54 H 12-58 10-58	-79 62 (o) 1,053	...	Nil 166 (i) 956	Nil 74 (i) 956	Nil 74 74
New Churulia	Business Development ... 5% C. P. ... 44% Debentures ...	...	15	15	249	290	...	9-57	-51	37	Nil	Nil	Nil
New Huntodih	Daulatram Rawat Mull ... 5% Cumulative Preference ...	3,42	...	...	4,95	1,30	12	3-55	25	11	Nil	Nil	Nil
New Joyrampora New Manbhoom North Damuda North West	R. S. Das & Rathor Private Octavius Steel ... Directors ... Andrew Yule & Co. Ltd. ... 7% C. P. ...	1,723 861 2,461	130 69 157	122 69 137	2,439 961 2,659	85 46	49	6-58 3-59 1-56 3-59	-10 126 -172 103	-17 100 -172 119	Nil 5 Nil 15	Nil 5 Nil 15	Nil 5 Nil 15
Odal	Partly Paid Ord. ... F. W. Heilgers Private ... 64% C. P. ...	...	...	...	...	...	23	12-58	167	87	5	5	74
Oriental	K. C. Thapar & Bros. Private ... 5% Debentures ...	3,725	211	203	4,454	88	...	12-58	389	453	24	34	34
Parasas	Deepchand Kishanall ... 54% R. C. P. ... 6% Debentures ...	2,089	146	138	2,574	84	30	12-57	385	133	5	5	10
Pench Valley Pure Sitalpur	Shaw Wallace & Co. Ltd. ... Amritlal Oja ... Debentures ...	...	503 1,69	503 22	10,255 2,50	70 37	77 5	3-59 6-55 H	1,151 36	(a) 1,208 36	10 24	20 24	20 24
Raneegunge	B. N. Elias & Co. Privt. Ltd. Shaw Wallace & Co. Ltd. ...	6,342	414 409	411 410	8,323 7,611	1,387 124	165 47	3-58 12-58	1,559 (m) 949	1,355 (e) 579	10 10	74 10	74 15
Sania	Directors ... 5% C. P. ...	5,704	348	340	6,613	142	...	12-58	379	379	5	9	124
Searole	Directors ... 5% C. P. ...	365	36	32	597	28	...	1-58	795	795	5	9	124
Seubore	Andrew Yule & Co. Ltd. ... 5% Cum. Preference ...	360	78	81	1,614	27	36	12-58	393	383	25	25	32,21
Sendra	Directors ... Amritlal Oja & Co. Pri. ... Debentures ...	479	38	36	716	3	...	12-58 12-57	20 20	(b) 53 37	Nil Nil	74 Nil	24 Nil
Singerani South Karanpura Standard	Indus. Dept. Govt. of Andhra Bird & Co. Private Ltd. ... F. W. Heilgers Private ...	2,043	2,116 193	2,023 182	53,590 3,443	915 148	313 47	12-58 8-58	6,746 507	5,912 (f) 386	74 74	15 74	104 34
Talcher	Villiers ... Debentures ...	4,92	55	56	8,44	5	...	9-55	15	(g) 107	124	74	34
Union United Collieries	Directors ... K. C. Thapar & Bros. ... 5% C. B. P. ...	1,245 10,7	84 2,15	82 2,13	1,514 31,60	58 62	16 1,45	12-57 12-54	163 10,38	110 9,98	34 Nil	Nil Nil	Nil Nil
West Ghusick West Jamuria West Laikidih Western Bengal	Bhatia's Agency ... Macneill & Barry & Co. Ltd. K. L. Dutt & Co. Private ... Hindustan Inv. Corporation	1,11 277 32 2,532	19 277 25	13 278 29	1,83 5,504 560 4,504	1,76 161 26	...	3-54 12-58 12-58 3-59	-21 23 81 828	-5 150 69 673	Nil Nil Nil Nil	5 Nil Nil Nil	5 Nil Nil Nil

(a) After writing back Rs 162,341 from provision for liabilities, Rs 57,838 being items relating to previous years, Rs 15,068 from provision for taxation and after providing Rs 134,130 for Labour Award.
(b) After writing back Rs 2,00,000 from Taxation Reserve.
(c) After transferring Rs 4,00,000 from General Reserve; and Rs 75,000 from Reserve for Reduction in valuation of Stores.
(d) After writing back Rs 800,961 being provision for liabilities.
(e) After transferring Rs 1,00,000 from General Reserve.
(f) Includes Rs 60,180 being Refund of Income-tax.

January 23, 1960
COMPANIES—(All India)

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	Liquid Assets				
	December 1959	December 1958			Reserve	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
Amalgamated	21 69	21 00	10	2,550	2,400	836	39	5,739	10,935	7,739	...	3,464	3,835	358	665
Asso. Karanpura	4 75	3 75	100	900	...	14	-64	342	1,177	115	...	31	224	1	24
44% R. C. preference	50 50	55 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Asso. Laikidih	3 75	2 75	10	800	...	2	-28	208	1,194	241	...	48	161	5	15
5% Debenture	...	...	500	201	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujana	9 00	3 51	10	2,000	...	90	1	3,21	21,72	4,51	...	68	3,94	2,29	...
Bengal	296 00	261 00	100	10,000	11,200	5,816	1,049	26,997	66,804	45,571	1,310	14,727	3,321	1,071	...
41% C. P. T.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Bengal Bhatdee	3 48	4 08	10	449	30	100	4	807	1,084	616	15	403	458	77	...
Bengal Nagpur	12 75	12 75	10	225	383	132	-106	1,25	2,441	2,216	354	...	71	100	...
Bhailora	6 63	7 37	10	1,597	114	373	-21	1,581	4,845	2,518	...	381	914	64	...
Bharat	6 94	6 31	100	3,000	...	61	391	3,984	14,887	8,027	2,065	1,598	4,026	88	...
54% C. P. T.	48 00	47 25	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	900 00	900 00	10	715	662	771	-645	1,773	5,524	3,844	64	463	1015	53	...
Bhulanbarree	5 87	7 55	10	1,000	...	3	-1,327	1,716	1,882	855	31	59	245	10	18
Bhuranaga	1 81	2 00	10	...	...	...	...	...	...	...	...	...	...	...	...
Borra	19 05	15 56ad	10	750	643	1,845	20	888	4,961	2,835	791	177	1,041	304	106
64% C. P.	90 50	83 50ad	100	400	...	...	...	...	...	...	...	...	...	...	...
Burrakur	18 00	16 25	100	9,092	1,827	15,610	99	11,205	44,178	20,854	3,016	4,597	11,105	99	342
7% C. P.	91 75	98 50	100	2,300	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	6 50	6 88	10	450	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	870 00	870 00	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Central India	7 87	6 91ad	10	4,997	...	82	11	1,421	5,520	1,760	170	766	1,566	249	...
Central Kurkend	11 25	11 30	10	800	6	1,292	...	720	5,304	3,435	...	302	548	98	...
Churulia	3 75	2 44	4	600	154	...	1	229	...	...	675	...	178	131	...
Dhemo Main	8 87	8 87	10	1,600	...	...	-68	3,013	5,447	3,185	...	5,22	1,696	66	...
East Indian (E)	21 06ad	23 37	10	240	100	263	19	244	1,071	727	238	155	167	13	...
Equitable	30 56	28 87	100	2,964	3,400	6,833	33	20,603	45,953	32,276	1,586	8,871	13,902	6,61	...
6% C. P.	94 00	100 00	100	400	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	1000 00	1000 00	10	1,000	...	40	-199	2,149	1,806	621	300	908	976	66	...
Ghushick & Muslie	13 00	17 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	100 00	100 00	100	375	...	...	...	...	...	...	...	...	...	...	...
Gourangdi	6 50	7 00	100	125	...	...	-154	239	664	115	...	220	89	1	...
5% R. C. P.	40 00	40 00	100	300	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gurudar Kajora	6 00	8 25	10	650	...	...	-25	170	811	368	2	43	287	9	...
Hurdidih	14 37	14 87	10	800	2,50	...	...	6,44	2,458	1,967	49	3,94	3,88	3,72	...
Jainity Central	0 43	2 00	24	242	...	...	-2,60	5,03	16,24	12,08	...	1	19	...	...
ogta	2 00	1 56	10	2,200	...	500	-483	412	3,054	1,175	19	611	110	10	...
Kalephari	28 50	22 00	10	350	431	140	-30	403	1,525	-779	...	358	172	26	...
Karanpura	132 50	115 00	100	2,000	...	347	20	1,105	3,793	894	4	349	836	164	209
54% C. P. T.	56 25	55 00	100	990	...	...	...	...	...	...	...	...	...	...	...
Katras Jherriah	66 00	71 00	10	500	1,860	114	127	2,258	5,222	3,991	329	662	1,933	704	1
Khar Kajora	12 00	9 87	10	138	...	...	-1,83	11,03	13,53	6,93	...	2,35	3,55	...	...
6% Preference (a)	9 00	8 44	10	193	...	...	...	...	...	...	...	...	...	...	...
Khar Shampore	1 05	1 06	10	900	...	...	-513	587	1,139	424	4	76	178	1	...
Koendi	3 81	2 75	10	1,100	68	...	-206	182	1,696	1,118	295	65	203	3	...
Lakurka	14 87	15 50	100	900	573	450	7	2,980	2,304	2,341	570	1,597	90	...	...
Mahabir	12 25	12 25	10	400	1,80	...	9	4,30	6,18	3,88	...	51	6,81	21	...
41% R. C. P.	...	...	10	109	...	...	...	...	...	...	...	...	...	...	...
Mundulpore	0 50	1 05	10	566	85	...	-11,29	23,13	18,81	7,96	...	2,67	4,73	10	...
Nazira	8 62	7 56	10	748	230	...	...	537	1,373	1,021	701	63	406	17	...
New Beerbhoom	21 69	18 81	10	1,776	...	1,990	87	5,234	14,015	9,789	...	1,242	3,631	183	...
7% C. P.	11 15	10 00	10	200	...	...	...	...	...	...	...	...	...	...	...
New Churulia	2 28	2 00	10	710	...	5	-698	869	1,218	541	...	398	193	17	...
5% C. P.	2 56	2 50	100	200	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...
New Hurdidih	4 00	4 01	10	400	...	...	-2,09	6,02	7,54	1,96	...	1,39	2,57	25	13
5% Cum Preference	45 00	60 00	100	200	...	...	...	...	...	...	...	...	...	...	...
New Joyrampore	3 50	3 50	10	455	...	...	-279	14	448	275	...	2	14	1	...
New Membhoom	12 31	11 12ad	10	600	125	12	97	1,129	3,286	2,315	2	360	594	36	...
North Damuda	10 10	1 30	24	250	...	76	-274	2,043	2,080	812	...	372	420	33	...
North West	23 12	24 62	10	115	310	75	47	459	1,300	941	...	116	518	169	...
Partly Paid Ord	20 75	19 12	74	158	...	...	...	...	...	...	...	...	...	...	...
Onal	11 50	12 00	100	750	624	957	42	171	398	278	2,152	...	252	311	...
64% C. P.	86 50	90 00	10	200	...	...	...	...	...	...	...	...	...	...	...
Oriental	8 12	8 00	1000	1,000	110	112	51	3,553	5,886	2,591	23	700	1,425	29	354
5% Debentures	...	...	10	834	30	61	8	1,525	2,469	1,057	634	212	1,011	28	160
Parasa	16 25	15 00	100	800	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P.	50 00	42 50	...	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	1,575	1,506	1,533	33	3,466	6,860	4,484	245	2,003	2,129	168	139
Pench Valley	20 06	24 37	10	250	10	10	2	2,00	7,80	2,80	60	64	1,51	7	...
Pure Sitalpur	5 75	6 25	10	250	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	100	250	...	...	...	...	...	...	...	...	...	...	...
Raneegunge	15 50ad	14 31	10	2,400	731	2,148	4	4,589	14,352	9,670	17	2,084	2,992	97	...
Rewa	19 12	16 25	10	1,350	870	158	32	3,707	4,816	3,425	319	1,519	2,453	350	...
Samsa	12 00	12 94	10	3,750	350	3,462	66	4,246	10,533	2,638	169	882	3,813	23	...
Seasola	2 69	6 00	24	250	...	62	-26	531	1,563	1,283	340	73	112	12	...
Seebore	26 25	26 25	7	280	800	163	44	997	2,963	2,019	327	121	1,087	206	...
5% Cum. preference	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
Sera	12 75	9 44	10	800	468	18	...	55	52	29	175	...	187	956	...
Sree Mahakali	3 50	4 15	10	550	...	1	-327	238	890	431	...	111	152	38	...
Debentures	...	...	100	303	...	...	...	...	...	...	...	...	...	...	...
Singareti	16 25	13 44	10	6,321	5,154	5,471	55	40,681	61,030	29,093	842	15,074	8,925	1,805	...
South Karanpura	11 75	11 31	10	1,750	332	743	14	1,057	4,352	1,816	32	350	1,045	3	31
Standard	18 00	13 31	100	800	847	715	15	169	...	...	2,501	160	38	107	...
Talcher	0 90	1 62	24	1,000	...	13	-3,70	3,130	15,44	...	1	1,60	2,75	4	...
Debentures	...	...	...	500	...	...	...	...	...	...	...	...	...	...	...
Union	14 25	14 87	10	350	230	50	178	338	1,915	1,479	...	80	393	37	...
United Collieries	12 25	9 00	100	2,758	...	75	39	11,63	55,42	22,01	...	4,32	4,50	9,73	95
5% C. P.	78 00	13 59	10	1,256	...	...	...	...	...	...	...	...	...	...	...
West Ghushick	14 25	13 59	10	800	...	...	...	...	...	...	...	...	...	...	...
West Jamuria	6 25	7 75	10	700	...	...	...	...	...	...	...	...	...	...	...
West Laikidih	3 25	2 25	10	600	...	6	19	4,357	5,974	2,916	...	2,17	1,444	51	2
West Ranol	6 44	5 79ad	10	4,998	...	166	8	2,671	7,861	2,999	150	739	2,034	60	...

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre- vious	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Assed Advance	Tata Industries Private ... 5% Cum. preference ... 5% Debentures	49,144	1,016	11,474	18,864	5,611	50	6-59	(a3)1,436	(a10)529	7	5	5
Ahmed Mfg. & Calico	Karamchand Premchand Pri. 44% 1st Cum. preference ... 44% 2nd Cum. preference ... 44% 3rd Cum. preference ...	139,120	2,372	21,645	91,465	22,020	1,088	3-59	12,810	12,787	17 1/2	17 1/2	24 1/2
Air Mill.	Chinubhai Naranbhai ... 44% 'B' R. C. preference ... 5% 'C' R. C. preference ... 44% 'D' R. C. preference ...	25,376	513	5,035	11,855	2,300	50	12-56	(a33)706	(a13)736	12 1/2	14 1/2	16 1/2
Apollo Mills ...	Rajputana Textiles Print & Co.	56,468	898	10,138	16,805	5,344	14	12-57	-1,739	1,035	28	9 1/2	9 1/2
Arvind Mills	Narottam Lalabhai ... 5% Cum. preference T. ... 44% Cum. preference T. ... 44% R. C. preference T. ...	66,412	1,216	7,846	35,863	4,498	780	12-58	8,323	6,710	nil	35	35
Arora Mills ...	Lalabhai Dalpatbhai ... 5% C. P. T. ... 44% R. C. P. T. ...	37,368	914	9,653	20,303	2,010	103	12-57	1,594	3,601	30 1/2	30 1/2	30 1/2
Azam Jahi Mills	Government of Andhra	36,136	716	10,017	12,474	5,125	...	9-53	30	807	nil	3 1/2	5 1/2
B. R. Cottons ...	Directors ... 6% Cum. preference ... 44% Debentures	50,596	1,021	8,986	14,647	2,996	...	3-59	-693	-624	nil	nil	nil
Biod Mills	B. Ram. Balchand	60,640	1,338	141,15	203,38	28,33	6,69	12-55	24,54	6,30	10 1/2	6	6
Bombay Dyeing	Nowrojee Wadia & Sons Private	223,552	3,984	47,644	90,563	29,160	503	12-58	(a25)10,267	(a9)13,178	10	10	10
Central India	Tata Industries Private ... 5% Cumulative preference ...	115,188	2,062	11,206	24,613	6,592	...	6-58	-4,261	-2,079	nil	nil	nil
Century Spg. & Mfg.	Eirala Brothers Ltd. ... 6% R. C. P. ...	126,752	2,752	41,100	82,868	23,706	891	12-58	(a)14,648	(a)8,893	22	22	22
Coorla Spg. & Wvg.	Cowasjee Jehangir & Co. ...	24,843	680	10,169	16,432	265	76	3-58	(a)4,145	1,965	12 1/2	12 1/2	12 1/2
Dewan Mills	Ramnarain Sons Ltd.	40,962	...	90,98	134,77	10,42	1,65	12-55	14,70	6,01	30	12	12
Edward Textiles	P. Bubs Sons	48,718	928	...	22,525	3,000	36	12-58	-54	(a7)-201	7 1/2	7 1/2	8
Elphinstone Spg.	Director ... 7% C. P. ...	41,300	886	9,297	17,313	7,672	...	12-57	150	1,278	nil	10	10
Empire Dyeing & Mfg.	W. H. Brady & Co. Ltd.	...	1,074	3,734	87	37	12-58	(a26)495	317	20	20	20	20
Finlay	James Finlay & Co. Ltd.	49,528	784	9,641	23,756	4,567	134	12-57	(a15)1,901	2,126	20	20	20
Gokak Mills	F. F. Campbell & Co. pri... 6% Debentures	74,286	...	17,360	25,466	6,920	151	12-57	(a16)1,631	1,884	3	13	15
Gold Mohur	James Finlay & Co.	45,268	1,108	8,565	19,163	6,479	133	12-57	1,452	2,109	15	15	15
Hind Mills	Hind Agencies Private	71,596	1,387	185,72	324,27	115,33	2,80	6-56	22,77	15,63	6	4	4
Hindustan Spg.	5% C. P. ... 44% R. C. P. T. ...	49,448	1,122	11,70	16,327	5,205	...	3-58	(a17)1,536	3,142	35	35	32 1/2
India United	Agarwal & Company	244,300	6,278	44,666	77,097	48,523	34	12-57	-3,852	6,399	nil	9 1/2	9 1/2
Indore Malwa	Deferred ... Directors	51,180	1,420	...	24,665	7,524	...	12-58	284	-289	5	18 1/2	18 1/2
Khatav Mankaji	Khatav Mankaji & Co. Private	92,852	1,489	16,105	49,000	7,503	482	6-59	5,814	2,758	16	10	10
Kohinoor Mills	4% Cum. Preference ... Killick Industries Limited	120,504	1,846	24,991	49,019	13,423	44	12-58	(a27)1,914	(c)3,253	4	4	4
Lakshmi Cottons	Directors ... 5% Cum. preference T. ...	48,996	1,219	7,746	19,457	5,149	...	12-58	(a32)2,504	(b)185	6	6	17
Mafatlal Fine Spg.	N. C. Purashotamdas & Co... 44% 1st R. C. P. ... 44% 2nd R. C. P. ...	51,996	896	5,922	22,561	2,505	374	12-58	4,287	(a18)3,2,5	18	15	18
Marsden Spg. & Mfg.	Marsden Agents Co. Pri. ... 39,896	482	6,660	14,445	4,239	...	40	12-57	(a19)851	1,365	4 1/2	4 1/2	7
Minerva Mills	N. Sirur & Company Private	39,896	704	7,69	14,280	3,214	...	12-58	-765	(w)4	nil	7	7
Modern Mills	B. A. Dadabhai & Co. ... N. Sirur & Company Private	52,408	952	89,83	141,66	36,34	54	6-55	4,85	-7,72	nil	nil	3
Modern Mills	5% Debentures	49,200	644	9,575	17,517	6,005	44	10-58	(a4)866	801	6	10	16
Monogram Mills	M. Bakubhai & Sons. Private	27,469	528	6,751	15,126	6,703	...	12-57	618	1,346	6	7	7
Morarjee Goudidas	Piramal Sons Private Ltd. ... 44% Cum. preference ...	70,416	1,652	14,508	37,457	10,782	271	6-59	3,300	(G)3,466	21 1/2	15	14
Mysore Spinning	N. Sirur & Company Private 44% Cum. preference T. ...	50,480	500	9,630	19,764	3,835	48	2-59	387	(a8)724	10	10	10
New City of Bombay	W. H. Brady & Co. Ltd. ...	45,944	432	6,988	13,159	2,150	...	12-58	(m)15	(e)136	nil	5	10
New Commercial	Tricremul Bhogpal ... 4% 2nd R. C. ...	45,836	866	10,937	21,686	4,085	105	12-57	(a20)2,354	2,835	10	10	8
New Great Eastern	W. H. Brady & Co. Ltd. ... 2 1/2% Cum. preference T. ...	49,012	1,018	8,326	19,842	3,900	...	12-58	(p)101	(f)74	4	4	4
New Kaiser-I-Hind	Directors ... 5% C. P. ...	54,052	1,267	13,135	24,405	12,874	...	3-58	-2,181	702	5 1/2	5 1/2	10
New Shorrock Spg	Mafatlal Chandulal & Co. ...	51,100	907	12,359	25,651	2,695	462	12-57	(a21)5,549	5,230	nil	5	5
Osmansahi Mills	Bannalal Biswasdas Private ... Pedar Sons Private	37,788	902	8,567	12,145	5,601	20	9-58	(a34)45	-(G)13	nil	nil	3
Pedar Mills	4% Cum. preference ... 1. K. (Bom.) private	32,600	930	93,70	143,31	18,75	1,12	12-56	11,25	10,99	12	12	10
Raymond Woollen	5% C P ... Directors	15,080	...	9,540	20,147	9,403	148	12-58	3,001	1,031	8	8	8
Rohit Mills	44% Cum. preference T. ... 4% R. C. P. (2nd) 4% R. C. P. (5th)	33,156	648	9,050	22,117	7,028	...	12-57	1,235	3,108	5 1/2	5 1/2	5 1/2
Sassoon & Alliance	David Sassoon.	9,520	277	11,06	17,51	1	10	12-54	(s)-1,49	(t)40	5	7 1/2	17 1/2
Sassoon Spinning	M. G. Inv. Corporation Pri.	94,884	2,127	24,510	49,669	4,326	50	12-58	(a28)2,469	(a29)3,897	20	20	23

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities Rs. 000	Gross Block Rs. 000	Depreci- ation Rs. 000	Liquid Assets				
	December 1959 Rs. no.	December 1958 Rs. no.			General	Others	Carry Forward				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Ahmed Advance ...	168 75	145 00	100	4,000	1,362	1,200	11	17,365	19,497	7,903	889	12,224	2,552	501	178
5% Cum. Preference ...	85 00	83 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
51% Debenture ...	955 00	955 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Ahmed Mfg. & Calico ...	...	...	125	20,625	2,589	25,840	314	51,348	68,844	30,448	303	50,198	33,025	1,770	...
41% 1st. cum. preference ...	...	...	125	200	...	...	...	...	...	...	...	...	...	...	...
41% 2nd. cum. preference ...	...	...	50	800	...	...	...	...	...	...	...	...	...	...	...
41% 3rd. cum. preference ...	...	...	50	1,933	...	...	...	...	...	...	...	...	...	...	...
Aje Mills ...	...	...	200	1,100	1,763	1,063	8	5,476	6,388	3,866	125	4,476	2,375	437	...
41% 'B' R. C. P. ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% 'C' R. cum. pref. ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
41% 'D' R. cum. pref. ...	...	...	25	125	...	...	...	...	...	...	...	...	...	...	...
Apollo Mills ...	1 54	1 24	2	5,000	38	515	-1,280	10,469	10,691	4,403	932	5,987	1,231	30	...
Arvind Mills ...	...	...	100	6,000	18,050	10,641	128	9,257	23,446	12,421	11,687	8,097	7,437	8,454	...
5% cum. preference T. ...	...	...	100	525	...	...	...	...	...	...	...	...	...	...	...
41% cum. preference T. ...	...	...	100	1,050	...	...	...	...	...	...	...	...	...	...	...
41% R. cum. pref. T. ...	...	...	100	1,050	...	...	...	...	...	...	...	...	...	...	...
Azoka Mills ...	...	...	100	1,200	10,000	4,047	1	6,182	9,992	6,729	3,224	6,129	7,690	2,331	...
5% R. C. P. T. ...	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
41% R. C. P. T. ...	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
Azam Jahi Mills ...	63 00	60 00	100	7,200	1,212	607	61	15,605	18,974	6,827	2,379	9,102	889	113	...
B. R. Cotton ...	32 00	25 00	100	4,000	1,606	800	-1,301	4,231	11,821	7,724	456	4,223	2,338	18	...
5% C. P. ...	44 00	37 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
41% Debenture ...	...	...	100	800	...	...	...	...	...	...	...	...	...	...	...
Binod Mills ...	...	...	100	60,000	12,600	22,34	1,81	103,17	150,46	61,57	8,25	69,20	28,38	5,16	...
Bombay Dyeing ...	71 30	55 40	25	25,998	19,563	13,025	50	39,188	90,144	44,294	3,840	31,484	7,331	1,419	...
Central India ...	117 00	88 00	100	4,687	1,407	1,089	...	37,990	35,544	15,186	3,290	14,022	1,307	441	6,493
5% cum. preference ...	380 00	340 00	500	5,000	...	...	...	...	...	...	...	...	...	...	...
Century Spg. & Mfg. ...	456 00	416 50	100	12,276	17,527	15,134	953	35,211	81,108	31,275	1,127	36,573	5,616	1,453	...
6% R. C. P. ...	110 25	102 00	...	12,000	...	...	...	...	...	...	...	...	...	...	...
Coorla Spg. & Wvg. ...	143 75	137 50	100	2,600	1,173	1,658	98	5,802	11,337	6,780	84	5,919	664	68	...
Dawa Mills ...	114 50	81 00	50	1,600	12,63	13,31	2,17	37,92	69,11	52,46*	90	28,73	19,18	16,57	...
Edward Textiles ...	275 00	220 00	200	3,400	3,496	...	-1,635	3,696	8,542	6,450	1,374	4,383	993	116	...
Elphinstone Spg. ...	42 00	32 00	50	3,000	1,000	671	-99	7,331	13,315	8,121	50	9,791	1,339	72	...
7% C. P. ...	63 00	65 10	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Empire Dyeing & Mfg. ...	...	...	15	900	400	462	8	904	2,135	1,378	219	223	544	1,130	...
Finlay ...	311 00	255 00	100	5,000	3,704	2,850	37	9,042	16,734	8,906	1,019	9,787	1,984	16	...
Gokak Mills ...	166 00	127 00	100	4,881	3,313	727	4	7,679	13,600	7,714	209	8,149	2,563	40	3,750
6% Debentures ...	100 50	100 25	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Gald Mohur ...	242 50	178 50	40	5,000	2,374	2,524	10	5,861	9,492	6,137	81	10,708	1,624	2	...
Hind Mills ...	...	...	100	2,000	4,27	5,46	25	127,39	144,07	82,06*	10	124,26	20,36	65	...
5% C. P. ...	...	...	1000	1,200	4,994	8,016	-687	5,314	18,927	12,907	878	9,713	3,109	315	...
Hindustan Spg. ...	4700 00	4800 00	1250	250	...	...	...	...	...	...	...	...	...	...	...
41% R.C.P.T. ...	650 00	8 52	10	200,00	7,019	867	-3,883	46,796	50,512	36,818	2,84	57,228	1,500	354	...
India United ...	13 32	1 10	1	5,000	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	1 70	98 30	100	5,000	1,622	110	-1,253	13,025	16,445	12,108	2,606	9,232	1,599	331	...
Indore Malwa ...	132 00	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Khatrau Makanji ...	267 50	155 00	100	5,985	3,647	2,462	24	20,093	35,300	25,417	1,945	16,364	6,272	743	...
4% Cum. preference ...	74 00	74 00	100	2,992	...	...	...	...	...	...	...	...	...	...	...
Kohinoor Mills ...	337 00	233 50	100	10,000	1,700	10,157	68	11,181	37,523	29,025	720	22,459	1,364	62	...
Lakshmi Cotton ...	405 00	405 00	250	3,200	3,071	1,925	1	6,821	19,817	14,439	100	8,393	2,676	69	...
5% cum. preference T. ...	170 00	160 00	250	1,600	...	...	...	...	...	...	...	...	...	...	...
Mafatal Fine Spg. ...	765 00	405 00	100	5,800	9,613	3,495	17	4,689	20,322	13,939	7,852	5,018	3,713	3,059	...
41% 1st. R. C. P. ...	86 00	86 00	100	1,450	...	...	...	...	...	...	...	...	...	...	...
41% 2nd. R. C. P. ...	92 00	92 00	100	1,450	...	...	...	...	...	...	...	...	...	...	...
Maraden Spg. & Mfg. ...	...	64 00	200	2,731	2,661	862	30	6,503	7,777	5,013	92	6,521	2,789	479	...
Minerva Mills ...	72 00	60 00	100	2,960	1,149	183	-773	9,774	9,766	5,102	846	6,476	1,230	48	...
Model Mills ...	60 00	175 00	250	9,334	392	21,99	-2,59	84,32	169,26	78,82*	25	99,68	789	2,72	...
Modern Mills ...	57 20	46 00	500	4,647	1,750	1,25*	32	8,180	14,123	7,057	124	9,241	570	62	...
5% Debenture ...	...	...	200	1,200	...	...	...	...	...	...	...	...	...	...	...
Mongram Mills ...	...	...	500	2,600	3,000	463	12	7,575	7,427	4,899	75	8,402	2,482	162	...
Morarjee Goudas ...	261 00	235 00	100	5,175	4,000	518	238	14,263	28,453	20,523	14	16,531	1,405	40	...
41% cum. preference ...	78 00	...	100	1,725	...	...	...	...	...	...	...	...	...	...	...
Myore Spinning ...	69 50	85 00	50	2,484	3,195	868	34	7,497	11,767	7,186	2,792	6,600	764	85	...
41% cum. preference ...	27 00	28 00	50	745	...	...	...	...	...	...	...	...	...	...	...
New City of Bombay ...	150 50	93 00	100	2,400	1,377	899	...	2,110	8,293	4,870	8	3,114	92	401	...
New Commercial ...	...	...	100	6,300	1,363	1,489	21	12,330	14,438	10,262	1,243	9,262	7,196	151	...
4% 2nd. R. C. P. ...	...	...	100	525	...	...	...	...	...	...	...	...	...	...	...
New Great ...	175 00	218 00	100	3,000	...	235	466	3,979	10,927	6,337	10	5,424	361	232	...
51% C. P. ...	114 50	130 00	200	800	...	...	...	...	...	...	...	...	...	...	...
New Kaiser-I-Hind ...	64 50	60 50	100	4,500	...	40	-1,077	16,536	12,454	9,733	1,164	13,658	3,401	281	...
5% C. P. ...	74 50	74 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
New Shorrock Spg. ...	...	...	125	5,200	5,434	3,720	93	9,728	15,549	10,788	3,613	7,423	6,526	1,358	493
Omanashahi Mills ...	40 00	42 25	100	8,723	2,840	90	...	7,750	17,686	6,786	204	8,053	535	212	...
Padar Mills ...	150 00	127 00	100	4,000	35,00	10,65	4,72	47,20	48,70	24,25	32,60	28,60	22,77	39,16	...
4% Cum. Preference ...	64 00	72 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Raymond Woolen ...	...	...	100	7,500	980	440	221	14,958	15,492	7,275	2,049	13,126	2,357	290	5,58
5% C. P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Rohit Mills ...	...	...	100	4,875	1,504	1,652	10	16,267	13,375	7,360	141	12,009	6,726	333	...
5% C. P. T. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P. [2nd.] ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
41% R. P. [5th.] ...	...	...	10	250	...	...	...	...	...	...	...	...	...	...	...
Sassoon & Alliance ...	10 00	9 76	100	500	3,95	3,68	-1,72	4,57	21,22	19,01	...	6,93	4,35	1,97	...
Sassoon Spinning ...	55 50	40 00	10	3,770	6,544	5,322	5	10,646	25,180	14,972	190	10,703	4,429	512	...

COTTON

NAME	Managing Agents/ Agents/Secretaries	Spindles	Looms	Raw	Sales	Stocks	Managing	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
				Materials			Agents/ Commission						Latest	Pre- vious	Seco- Pre- vious
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Sholapur Spinning	Morarka & Co. Half. Ord. 3% R. Cum. preference	55,332	2,234	106.34	127.51	92.54	28	3-55	-23.04	-60.15	nil	nil	nil
Sharrook Spinning	Mafatlal Chandulal Ahmed...	36,648	720	7.865	18.268	1.518	230	12-57	(a22)3,115	3,511	20	39	25
Shree Niwas Cotton	Marwar Textiles (Agency) 4% R. Cum. preference	69,070	1,640	21,120	28,994	10,235	50	12-57	964	2,923	8	12	4
Shree Sajjan Mills	C. L. L. & Co. H. Kalidas & Company	17,880	440	25.75	60.56	13.77	22	3-55	1.81	42	4	4	4
Shri Ambica	5% Cum. preference 4% Cum. preference (2nd)...	94,128	1,790	18.786	47,321	9,774	970	12-58	10,264	7,351	30	25	30
Staples	F. F. Campbell & Co. Pri.	34,846	1,274	15,092	23,126	5,838	82	3-58	(a23)1,811	(a24)1,335	5	5	5
Sir Silk	Bi la Brothers private 6% C. P.	...	...	4,469	16,728	5,502	12	9-57	49	24	4	4	4
Standard	Mafatlal Gopalbhai & Sons 4% 1st R. C. P. 4% 2nd R. C. P.	97,588	2,409	26,028	57,926	6,059	678	12-57	(a24)8,838	11,125	24	22	20
Sureshji Mills	Tata Industries pri. Ltd. 5% Cum. preference	72,236	2,000	15,118	31,355	7,867	115	12-58	2,769	2,298	4	4	4
Swan Mills	James Finlay & Co. Ltd.	39,328	551	11,417	24,585	4,410	156	12-57	1,874	2,566	16	9	14
Tata Mills	Tata Industries Pri. Ltd. 5% Debentures	65,448	1,800	13,328	25,033	7,496	...	12-58	200	1,246	5	5	5
Victoria Mills	Mangaldas Mehta 4% R. Cum. preference	50,056	958	88.44	186.54	9.83	6,08	12-55	12.96	10.44	25	15	15
Vijaya Mills	H. Acharya & Co. 4% 2nd Cum. Preference T.	36,176	780	7,960	19,487	3,697	73	12-57	1,432	2,090	4	4	4
Vishva Cotton	4% 3rd R. Cum. Pref. T. Directors 7% Cum. preference T.	47,240	1,331	7,575	18,107	4,130	...	12-58	(a)1,060	(b)909	4	4	4
											7	7	7
NORTHERN INDIA													
Basant Cotton	Calcutta Agency 64% C. P. 51% Debentures	13,044	356	26,320	7,418	...	47	12-57	543	613	6	6	5
Bangal Luxmi Cotton	Directors Ordinary Partly Paid Ordinary Partly Paid 5% R. C. P.	6,601	...	6,247	11,264	3,641	...	3-58	(a30)369	570	...	10	10
Bangal Nagpur	Directors 7% C. P.	29,936	810	...	7,154	5,578	...	12-57	(u)-671	(.) 171	...	...	...
Birla Cotton	Birla Brothers Private	39,896	1,088	26,910	38,434	5,821	99	3-58	1,312	2,859	...	...	...
Bowrah Cotton	Kettellwell Bullen & Co. Ltd. 8% 'A' C. P. 7% 'B' Pref.	42,960	841	9,646	17,764	6,694	45	12-58	152	116	...	...	...
Cawnpore Textiles	Begg Sutherland & Co. Private	...	591	...	11,649	1,851	...	12-58	-850	412	...	...	...
Delhi Cloth	Bharat Ram Ch. Ram & Co. Pri. Ordinary 44% 1st 2nd C. P. 4% 3rd C. P. 51% 4th C. P. 51% Debenture	141,180	2,352	139,422	300,800	39,104	1,626	6-59	23,378	21,636	8	8	8
Dunbar Mills	Kettellwell Bullen & Co. Debenture	42,944	518	9,607	18,399	5,791	50	12-58	281	-337	...	...	...
Elgin Mills	Begg Sutherland 8% C. P. 5% C. P.	48,452	1,198	17,440	29,828	6,991	177	9-58	2,596	3,486	...	...	...
Jagatjit Cotton	K. C. Thapar & Bros. Pri. 5% C. p. p. Debentures	26,560	530	...	24,927	2,045	405	1-58	4,450	4,120	...	...	...
Jay Shree Textiles	Birla Brothers Private Ltd. 51% Debentures 7% Debentures	...	...	3,992	8,680	3,004	...	12-58	1,865	1,150	...	...	...
Kanaram Cotton	Birla Brothers Ltd. 7% C. P.	74,672	1,992	25,766	48,630	13,079	50	3-58	920	4,557	...	...	...
Mahini Mills	Chakravarti Sons & Co. Ordinary 5% R. C. P.	23,484	435	9,012	18,792	6,043	213	12-57	2,261	3,052	...	...	...
Muir Mills	Indian Tex. Syndicate 6% C. P.	88,640	1,814	145,19	218,04	...	60	12-55	-5,06	-10,24	...	...	...
New Victoria	J. P. Srivastava & Sons Pri. Deferred 6% C. P.	70,072	1,333	12,938	23,797	10,887	...	12-57	-635	-2	...	...	...
Orissa Textiles	B. Patnaik & Co. Private 5% R. C. P.	47,728	864	13,642	24,120	7,507	36	3-58	-134	-2,156	...	...	...
Ravi Textiles	J. P. Srivastava & Sons. 64% 'A' C. P. 64% 'B' C. P.	34,532	600	6,617	11,409	7,736	...	12-57	-440	401	...	...	...
Sulaj Cotton	Birla Brothers Private	27,340	992	11,567	31,029	6,154	530	3-59	5,158	5,728	...	...	...
Sureshji Cotton	Directors Prefd. Ord. 6% C. P.	112,216	2,081	43,573	85,696	39,292	...	12-57	5,083	6,423	...	...	...
SOUTH INDIA													
Adoni Spinning	Kothari & Sons 6% C. P.	24,000	...	2,746	4,380	282	...	12-58	574	269	...	...	...
Alagappa Textiles	Ramul & Co Private. 74% C. P.	50,000	...	5,526	8,702	2,012	...	12-55	-109	-338	...	...	...
Ashor Textiles	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Bangalore Woolen	Setna & Co. Binny & Co. (Madras) Ltd.	20,900	1,157	4,828	6,373	1,994	15	6-58	293	...	...	...	...
Buckingham & Carnatic	6% C. P. Binny & Co. 74% C. P. 5% Debentures	40,608	...	20,734	55,418	8,715	615	12-58	6,448	4,930	...	...	...
		120,288	2,762	31,490	100,140	10,910	751	12-58	(a2)8,674	(r)9,859	...	...	...
											...	...	...

Includes Stock on hand.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	December 1959 Rs. no.	December 1958 Rs. no.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA (Contd.)															
Sholapur Spinning	...	...	1000	1,590	126.86	29.53	-1,70.07	253.16	293.66	204.66	19.76	118.88	55.09	-1.72	...
Half. Ordinary	...	...	500	10	...	...	...	...	...	...	...	...	...	...	...
3% R. C. P.	...	...	100	3,196	...	...	...	...	...	...	...	...	...	...	...
Shorrock Spinning	...	...	100	2,925	5,411	1,550	18	4,988	10,070	7,348	579	3,917	3,678	3,904	...
Shree Niwas Cotton	252 00	133 00	100	8,000	3,870	600	59	19,627	12,766	6,773	7,211	14,719	3,974	36	631
4% R. C. P.	61 00	67 00	100	480	...	...	...	...	...	...	...	...	...	...	...
Shree Seijan Mills	...	...	100	2,615	...	27	-66	34.83	36.43	17.73*	94	38.81	1.85	27	...
Shri Ambica	...	...	100	6,376	22,828	7,316	57	9,520	23,218	13,223	4,894	15,325	12,681	5,460	...
5% cum. preference	...	...	100	560	...	...	...	...	...	...	...	...	...	...	...
4% cum. preference [2nd]	...	...	100	700	...	...	...	...	...	...	...	...	...	...	...
Simplex	165 00	170 00	50	4,200	2,810	270	8	15,540	19,586	7,984	110	7,860	3,251	6	...
Sir Silk	...	...	10	9,423	...	...	-2,311	45,430	55,631	...	...	10,026	6,467	281	337
5% C. P.	...	...	100	20,000	...	...	...	...	...	...	...	...	...	...	...
Standard	861 00	405 00	100	8,780	5,865	19,161	156	011,29	29,616	18,799	357	13,444	5,939	13,570	...
4% 1st R. C. P.	70 00N	70 00N	100	600	...	...	...	...	...	...	...	...	...	...	...
4% 2nd R. C. pref.	70 00N	70 00N	100	600	...	...	...	...	...	...	...	...	...	...	...
Swadeshi Mills	278 00	204 00	100	10,000	9,102	492	29	11,680	30,249	15,954	698	12,862	3,331	733	884
5% Cum. preference	95 00	85 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Swan Mills	442 00	345 00	100	3,600	4,008	2,507	26	7,997	15,227	9,652	72	9,997	2,487	5	...
Tata Mills	43 00	35 50	25	6,558	3,403	1,525	18	15,464	24,099	9,195	363	12,394	2,492	394	372
5% Debentures	93 25	93 25	1000	3,951	...	...	...	...	...	...	...	...	...	...	...
Victoria Mills	335 00	245 03	100	1,600	19.90	9.68	57	50.93	67.57	46.04*	5.56	34.01	25.26	18.74	...
4% R. Cum. preference	...	...	25	800	...	...	...	...	...	...	...	...	...	...	...
Vijaya Mills	...	...	500	3,500	1,762	2,038	23	8,411	12,890	9,020	560	6,303	3,402	230	...
4% 2nd C. P. T.	...	...	100	359	...	...	...	...	...	...	...	...	...	...	...
4% 3rd R. C. P. T.	...	...	100	280	...	...	...	...	...	...	...	...	...	...	...
Vishnu Cotton	118 00	98 00	100	3,200	1,240	2,106	-1,482	8,102	19,448	13,003	367	7,313	2,363	98	146
7% Cum. preference T.	435 00	422 50	500	1,566	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 00%	96 00%	...	3,000	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Basant Cotton	6 44	6 31	10	1,500	115	296	115	2,361	3,828	2,404	1,155	2,563	219	115	...
6 1/2% C. P.	8 56	8 06	10	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	425 00	425 00	500	700	...	...	...	...	...	...	...	...	...	...	...
Bengal Luxmi Cotton	33 00	52 00	40	711	1,350	13	22	5,498	8,351	3,915	20	4,213	709	41	...
Ordry. partly paid	...	...	30	131	...	...	...	...	...	...	...	...	...	...	...
Ordry. partly paid	...	...	20	170	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	40	523	...	...	...	...	...	...	...	...	...	...	...
Bengal Nagpur	4 00	3 50	10	2,700	...	...	-812	6,840	8,045	6,024	37	6,634	681	55	...
7% C. P.	75 00	89 00	100	300	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	85 00	33 75	10	3,500	5,923	1,557	104	14,393	14,125	11,021	2,051	12,830	5,945	596	...
Birla Cotton	20 00	105 00	200	2,400	150	...	-35	14,327	12,017	4,703	53	8,716	1,770	166	23
Bowroah Cotton	165 00	126 00	100	600	...	...	...	...	...	...	...	...	...	...	...
7% 'A' C. P.	130 00	65 00	100	600	...	...	...	...	...	...	...	...	...	...	...
7% 'B' Pref.	65 00	65 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Cannore Textiles	6 87	4 03	5	3,000	600	2,863	-1,294	2,964	8,100	6,288	986	3,865	1,431	37	...
Delhi Cloth	...	...	25	338.36	12,853	28,263	265	91,594	135,090	78,057	2,639	88,798	24,276	11,135	...
Ordinary	...	...	24	100	...	...	...	...	...	...	...	...	...	...	...
4% 1st & 2nd C. P	...	...	25	2,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 3rd C. P.	...	...	25	3,735	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 4th C. P.	...	...	10	1,195	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
Dumbar Mills	208 00	129 00	100	1,900	2,537	83	12	9,707	14,294	7,089	58	7,417	1,880	89	89
Debentures	...	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...
Elgin Mills	18 25	11 50	10	6,300	300	10,520	65	11,972	17,356	14,869	8,649	13,681	5,315	525	...
8% C. P.	113 00	101 50	100	1,100	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	7 75	8 25	10	420	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Cotton	14 00	8 88	10	3,855	250	1,613	87	15,343	17,815	10,919	1,724	11,651	3,734	890	7,99
5% C. P. P.	38 75	43 75	100	1,545	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	...	3,000	...	...	...	...	...	...	...	...	...	...	...
Jayshree Textile	12 62	7 94	10	4,917	...	714	133	3,266	8,132	3,032	19	4,085	1,184	173	...
5 1/2% Debentures	...	...	1000	1,371	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	1000	68	...	...	...	...	...	...	...	...	...	...	...
Kesoram Cotton	23 12	12 03	10	160.00	5,400	15,945	5	19,117	40,600	13,872	3,990	15,999	11,772	2,887	2,081
7% C. P.	105 50	101 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% R. C. P.	...	...	25	600	5.00	3,045	73	9,899	11,101	9,664	1,558	6,996	3,753	3,768	...
Mohani Mills	...	...	10	3,399	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	10	1,997	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	53 50	50 00	100	3,000	25.00	25.00	-51.31	105.33	164.51	115.39	1.05	105.64	7.36	1.03	...
Muir Mills	71 00	66 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	1 66	1 22	24	2,742	...	...	-1,507	17,071	12,305	7,647	121	13,579	2,513	51	...
New Victoria	...	...	1	307	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	2,605	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	3 50	3 12	10	4,740	...	...	-2,874	21,543	23,577	11,020	10	11,442	1,853	142	...
Orissa Textiles	8 50	5 00	10	2,500	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	80 00	...	100	6,000	...	661	-954	8,979	11,019	5,139	1,778	9,790	2,487	146	...
Raza Textiles	...	...	10	750	...	...	...	...	...	...	...	...	...	...	...
6 1/2% 'A' C. P.	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 'B' C. P.	...	...	10	1,500	28,290	8,134	3,105	9,109	11,552	8,802	18,952	14,344	4,656	9,347	...
Sutlej Cotton	90 00	10 25	10	1,750	6,000	17,523	265	62,369	52,886	19,731	19,647	35,410	18,660	2,186	6,104
Swadeshi Cotton	10 25	10 44	10	157.50	...	...	...	...	...	...	...	...	...	...	...
Prefd. Ordry.	9 75	...	10	3,500	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	71 50	76 00	100	...	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Adoni Spinning	8 60	7 10	10	2,996	...	...	23	3,016	7,091	622	40	889	312	138	182
6% C. P.	10 30	9 80	10	1,996	...	...	...	...	...	...	...	...	...	...	...
Aleppore Textiles	...	...	10	1,500	6.00	4.55	-11.13	40.00	60.86	29.09	3.30	22.19	21.88	28	...
7 1/2% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Aster Textiles	212 80cd	...	100	1,199	152	65	...	3,458	4,517	2,123	25	2,257	185	13	...
Bangalore Woolen	200 00	155 50	100	12,150	3,300	12,224	298	9,284	36,974	29,209	853	20,114	3,322	5,192	1,209
6% C.	120 00cd	113 00cd	100	600	...	...	...	...	...	...	...	...	...	...	...
6% C.	200 00	174 00	100	12,848	7,206	23,293	183	18,070	76,367	45,051	1,073	32,772	6,472	611	3,280
Birmingham & Carnatic	140 00cd	122 50cd	100	2,130	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C.	1000 00	980 00	1,000	6,744	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre-vious	Second previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA—(Contd.)													
Cambodia ...	Peirce Leslie & Co. Ltd. ...	37,356	4	6,331	6,875	2,225	22	12-58	-1,464	(v)-50	nil	5	5
Cannanore Sg. ...	7% C. P. ...	20,000		4,845	7,277	398	37	3-59	684	559	15	7	7
Cauvery Sg. ...	Directors ...	17,600		5,162	8,478	1,610		3-58	498	1,079	9	9	7
	5% Debentures ...										52	62	62
Coimbatore Cotton ...	R. Bheema Naidu & Co. ...	28,864		5,784	8,290	1,893	50	12-58	788	1,032	6	9	25
Coimbatore Kamala ...	Directors ...	17,264	24	3,552	4,798	1,392		12-57	89	(n)1,915	nil	nil	nil
	Partly Paid ...												
	6% Debentures ...												
Coimbatore Moregan ...	T. A. Ramalingam Chettiar ...	23,660	100	3,426	5,317	1,656	15	12-57	(a)284	695	7	12	20
	6% C. P. ...										6	6	6
Coimbatore Pioneer ...	T. R. Narayanaswami Naidu ...	28,194		7,396	11,495	2,649	153	12-57	(a)2,077	1,824	20	20	20
	61% C. P. ...										6	6	6
	61% C. P. ...										6	6	6
Coimbatore Spinning ...	R. G. S. Naidu & Co. ...	72,188	407	14,318	12,488	2,468	50	12-58	-167	-421	nil	nil	20
Davanagere Cotton ...	R. Hanumanthappa & Son ...	25,216	300	79,81	29,61	2,46	3-56	13,90	8,59	9	9	12	12
Dhanalakshmi Mills ...	M. Nanjappa Chettiar & Sons ...	38,052	201	7,342	13,153	4,721	142	12-57	1,603	2,068	10	25	30
Gnanambikai Mills ...	V. C. V. Gounder & Bros. ...	17,248			31,458			12-54	2,84	1,91	10	6	6
	61% Cum. Pref. ...										6	6	6
Hemalatha Textiles ...	Sudarsanam Private ...			3,690	5,765	164	15	6-58	281	490	6	6	nil
	5% Cum. Pref. ...										5	5	5
Jenardana Mills ...	G. Venkataswami Naidu & Co. ...	23,784			65,11	6,19	97	12-56	5,57	4,93	20	20	10
Jawahar Mills ...	Umayambika & Co. ...	33,472		5,130	7,826	1,915		12-57	935	1,447	15	25	12
Kapila Textile Mills ...	C. P. C. & Co. ...	15,184	250	20,13	27,74	2,59	4	6-54	62	89	nil	nil	nil
	6% C. P. ...												
	74% R. C. P. ...												
	Deferred ...												
Kasthuri Mills ...	C. N. V. Naidu & Co. ...	19,940		1,463	3,024	318	30	3-58	-23	547	nil	12	7
Kothari Textiles ...	Kothari & Sons ...	41,040	300	7,702	15,872	2,759		12-58	(a)1,343	1,137	nil	10	10
	6% C. P. ...										6	6	6
	6% B. Preference ...												
Lakshmi Mills ...	G. Kuppuswamy Naidu & Co. ...	93,160	201	20,758	32,987	612	398	3-59	4,743	3,854	12	12	20
	A. Class Ord. ...										12	12	20
Loyal Textile Mills ...	Thiagaraja Chetty & Sons Pri Ltd ...	24,242	2,24	5,599	8,299	1,057	2	6-58	59	857	nil	5	7
	5% Cum. Pref. ...										2	5	5
	Deferred ...												
Madura Mills ...	A. & F. Harvey Ltd. ...	485,296		91,719	132,200	8,423		12-58	-3,108	6,255	nil	15	17
Malabar Spinning ...	Directors ...	22,592	100	147	2,917	1,736		12-58	-412	(a)2,60	nil	4	nil
Mettur Industries ...	Beardsell & Co. Private ...	25,656	603	5,838	15,560	164	388	3-59	(a)7,625	3,327	25	20	20
Mysore Silk Filature ...	Directors ...				22,59	9,44		3-57	3,30	-47	nil	nil	nil
Mysore Spun Silk ...	Directors ...				3,769	558		3-58	-200	(b)234	nil	6	6
Palamalai Ranganathar ...	S. K. R. Naidu & Co. ...	10,016		2,714	3,769								
	Partly Paid ...												
Palani Andavar Mills ...	Bagyalakshmi & Co. ...	41,200		1,628	9,693	1,526	50	12-53	(a)5,336	629	20	15	30
	'B' Ordinary ...										20	18	30
	7% C. P. ...										7	7	7
Pankaja Mills ...	Directors ...	27,980		3,927	6,627	1,182		12-58	-812	-133	nil	nil	nil
Premier Mills ...	K. N. Swami Naidu & Co. ...			6,912	11,385	1,697	40	3-58	767	1,362	9	15	13
Radha Krishna Mills ...	A. G. Gurusamy Naidu & Co. ...	55,664	300	7,397	11,692	2,129	54	12-58	875	1,091	6	12	20
	'B' Ordinary ...										6	12	20
Rajapalayam Mills ...	Ramco Agencies Private ...	24,996		5,543	9,925	2,028	47	3-58	345	935	8	12	10
Rejesswari Mills ...	Gudiyatham Textiles Pri ...	8,400			23,50		48	12-55	5,47	4,51	15	12	7
	Ordinary ...										12	7	5
Sri Ranga Vilas Ginning ...	P. S. G. Naidu & Sons ...	32,128	88	50,80	65,45		1,76	12-54	6,22	(a)9,514	16	12	7
Ravaleema Mills ...	Ravaleema Develop. Co. ...	14,800		3,720	5,214	353	24	12-57	456	862	10	10	10
Sivanandha ...	S. R. P. P. Chetty & Sons ...			3,586	6,733	6,155	90	12-58	1,112	633	15	12	12
Sri Kr. Rajendra ...	Directors ...	30,744	292	5,466	13,421	2,713		3-59	969	(a)1,182	8	9	14
Sri Sarada Mills ...	V. S. Sengottiah & Bros. ...	20,472	200		62,94	5,42	57	12-55	(a)7,43	3,32	10	6	nil
	7% C. P. ...										7	7	7
Tirumurti Mills ...	G. Ramasamy ...			3,198	5,080	1,155	18	12-57	92	493	6	16	15
Tirupati Cotton ...	P. S. Narayana & Sons ...			3,617	4,915	1,152	15	3-59	350	1	nil	nil	
	61% Cum. Pref. ...										1	nil	
Travancore Rayons ...	Emcete & Sons private ...			9,134	32,829	1,823	666	12-58	8,948	5,724	12	10	10
	5% Cum. preference ...										5	5	5
	5% Debenture ...												
Trichinopoly Mills ...	Moore Ramjee & Sons ...	18,000		1,530	2,898	7,456	20	12-58	273	353	7	9	11
Vasanta Mills ...	R. K. S. Chetty & Bros. ...	44,424		9,745	15,484	3,023	86	12-57	1,127	2,186	12	20	20
	61% Cum. preference ...										6	6	6
	6% Cum. preference ...										6	6	6
Sri Venkatesa Mills ...	G. V. G. Naidu & Co. ...	44,660	268	7,219	13,524	2,123	123	12-58	2,224	1,613	16	20	25
	6% Cum. preference ...										6	6	6
Vijayalakshmi Mills ...	Balakrishna & Co. ...	26,536		28,48	43,25		71	12-56	3,50	3,17	10	10	10
Vijayawari Textile ...	N. V. Naidu & Sons ...			1,668	2,082	132	6	12-58	164	108	6	nil	10
Vrudhunagar Textile ...	Thiagaraja Chetty & Sons Pri ...		2,00	2,391	3,995	557	50	12-58	529	340	6	4	nil
	5% Cum. Pref. ...										5	5	5
	Deferred ...												
	Do. P. P. ...												

(a) After transferring Rs 6,26,601 from Depreciation, Renewal and Extension Fund and Rs 80,000 from Reserve Fund.

(b) After transferring Rs 45,153 from General Reserve; Rs 25,000 from Machinery Replacement Reserve and Rs 6,008 from provision for taxes.

(c) After transferring Rs 525,000 from General Reserve and Rs 500,000 from Dividend Equalisation Reserve.

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

(e) After transferring Rs 120,000 from Reserve Fund Rs 268,000 from Reserve for Taxation and Rs 25,888 from excess provision not required.

(f) After transferring Rs 730,176 from Reserve for Taxation and Rs 289,043 from General Reserve.

(g) After transferring Rs 2,556,522 from General Reserve.

(h) After transferring Rs 80,000 from Reserve Fund.

(i) After transferring Rs 319,667 from General Reserve.

(j) After transferring Rs 842,193 from General Reserve.

(k) After transferring Rs 70,000 from General Reserve and Rs 87,500 from Dividend Equalisation Reserve.

(l) After transferring Rs 208,000 from Dividend Fund.

(m) After transferring Rs 3,03,261 from General Reserve.

(n) After transferring Rs 2,975,000 from General Reserve and Rs 1,000,000 from Dividend Equalisation Reserve.

(o) After transferring Rs 5,27,512 from General Reserve.

(p) After transferring Rs 400,000 from General Reserve.

(q) After transferring Rs 2,50,000 from Income-tax Reserve and Rs 3,70,712 from Raw Materials Fluctuation Reserve.

(r) After transferring Rs 3,22,589 from General Reserve and Rs 75,000 from Depreciation Reserve.

(s) After transferring Rs 9,50,000 from General Reserve.

(t) After transferring Rs 200,000 from General Reserve.

(u) After transferring Rs 100,000 from General Reserve.

(v) After transferring Rs 670,000 from General Reserve and Rs 78,808 from Excess Provision for taxation.

(w) After transferring Rs 1,814,832 from General Reserve and Rs 592,584 from Dividend Equalisation Reserve.

(x) After transferring Rs 255,000 from General Reserve.

(y) After transferring Rs 25,000 from Dividend Equalisation Fund.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	Liquid Assets					
	December 1959	December 1958			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others	
	Rs. np.	Rs. np.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
SOUTH INDIA (Contd.)																
Cambodia	9 50	7 90	10	2,600	1,900	19	-1,860	3,608	5,125	2,615	31	2,580	613	32	...	
7% C. P.	110 00	110 00	100	100											...	
Cannanore Sg.	156 50	135 00	100	1,500	511	5	15	2,662	5,265	3,155	22	2,136	387	39	...	
Cauvery Sg.	13 50	10 80	10	937		511	21	2,521	6,081	2,597	71	1,927	243	156	...	
61% C. P.	93 00	85 75	100	652											...	
5% Debentures			100	1,225											...	
Coimbatore Cotton	161 00	135 00	100	3,597	900	1,249	1	3,671	8,598	3,622	215	2,072	1,846	8	...	
Coimbatore Kamala	102 00	102 00	100	341	3,00		-326	3,520	2,820	1,481	3	1,630	1,022	14	...	
Partly Paid	50 00	50 00	50	72											...	
6% Debentures	500 00	500 00	500	400											...	
Coimbatore Murugan	95 00	92 00	100	1,662	306	100		2,734	4,096	2,602	230	1,855	1,263	30	...	
6% C. P.	88 00	88 00	100	71											...	
Coimbatore Pioneer	325 00	273 00	100	2,000		1,828	1	6,464	8,021	4,409	2,410	2,917	1,320	134	...	
61% C. P.	85 25	91 75	100	100											...	
Coimbatore Spinning	53 00	45 00	50	2,077			-1,578	12,758	13,750	8,679	13	7,182	937	60	...	
Davanagere Cotton			100	2,440	12 00	33	18	44 09	67 23	34 91	13 16	34 68	13 81	20	...	
Dhanalakshmi Mills	223 00	167 00	100	4,798	1,700	875	2	4,045	8,428	4,984	600	5,211	2,305	260	...	
Gnanambikai Mills			100	927	2 76			11 70	16 99	8 06		11 49	3 04	48	...	
64% Cum Preference			100	21											...	
Hemalata Textiles	8 05	8 60	10	1,504	125	1	20	1,224	2,896	1,498		1,761	93	74	...	
5% Cum Preference	73 00	80 00	100	431											...	
Jandana Mills	59 50	69 00	50	890	8 56	2 10		10 75	31 40	19 97	1 20	8 21	4 12	5 35	...	
Jewhar Mills	9 45	12 00	5	940	1 296	737	-230	4 737	7 478	3 427	33	2 285	1 064	47	...	
Ordinary			10	50											...	
Kapila Textile Mills			10	2,699				27 88	43 67	1 24		15 65	2 05	16	3 57	
6% C. P.			100	699											...	
74% R. C. P.			10	105											...	
Deferred			2	200											...	
Kasturi Mills	24 75	24 75	25	780		311	-251	1 170	3 206	1 937	18	611	104	9	...	
Kothari Textiles	11 30	9 90	10	6,710	800	1 025	32	6 659	14 172	4 050	415	3 962	1 803	240	583	
6% Cum. Preference	9 50	8 65	10	1,200											...	
6% 'B' Cum Preference			10	600											...	
Lalabhai Mills	145 25	93 00	50	7,100	1,400	6 186	155	10 666	27 735	13 248	2 009	6 455	5 815	290	...	
A. Class Ordinary	74 00	44 50	25	3,550											...	
Loyal Textile Mills	30 00	28 00	50	3,152		255	-401	4 547	8 656	3 133	24	3 127	544	35	...	
5% Cum. Preference	63 50	66 50	100	1,499											...	
Deferred			5	200											...	
Madura Mills	30 50	28 55	15	17,502	12 093	24 382		21 854	59 975	41 759	3 807	39 259	13 906	642	...	
Malabar Spinning			200	1,200	350	17	-502	1 858	29 08	1 964	60	1 808	111	2	...	
Mettur Industries	410 00	331 00	100	6,000	825	2 147	12	5 763	6 814	4 952	2 811	4 808	2 383	2 863	...	
Mysore Silk Filature			10	972			-8 63	451	2 30				3 15	14	!	
Mysore Spinn Silk			10	1,362				14 13	29 12	17 83	8	15 22	78	41	...	
Palamalai Ranganatha			100	240			-198	1 630	1 549		10	611	126	6	...	
Partly Paid			50	109											...	
Palani Andavar Mills	160 00	126 00	50	400	100	1 062		4 414	7 629	3 197	16	1 829	348	151	...	
'B' Ordinary	225 00	189 00	75	600											...	
7% C. P.	92 00	55 00	50	200											...	
Pankaja Mills	54 50	38 00	100	1,500			-2 120	3 824	3 739	1 970	4	772	631	29	...	
Premier Mills	234 00	127 50	100	2,500	350		3	4 324	8 487	3 969	11	1 885	751	2	...	
Radha Krishna Mills			100	1,661	1 490		4	2 610	10 719	6 227	1 412	3 516	617	157	...	
'B' Ordinary			50	841											...	
'C' Ordinary	28 70		25												...	
Raasapalayam Mills	128 00	117 00	100	1,614	500	900		3 757	5 840	2 095	31	2 229	696	72	...	
Rajawade Mills			50	893	1 01	1 89	3	12 55	22 90	7 74	2 00	4 63	1 96	1 68	...	
Ordinary			10	100											...	
Sri Ranga Vilas Ginning	45 50	49 50	50	1,502	6 70	9 59	21	27 14	44 80	25 54	8 17	19 90	4 56	6 22	...	
Rajaleema Mills	120 00	105 00	100	2,232	750	409	5	2 382	5 373	2 316	98	1 764	835	23	...	
Sivananda	20 00	13 00	10	1,000	500	144	3	3 055	5 157	2 599	215	1 118	422	388	...	
Sri K. Rajendra	72 50	61 50	50	3,670	800	1,520	23	4 274	9 950	6 657	7 10	4 5 10	1 432	53	...	
Sri Sarada Mills			100	635			1	25 15	27 24	9 11	11	13 60	3 44	19	...	
7% C. P.			100	100											...	
Tirumuri	96 00	114 00	100	876	330	95	-133	2 819	4 665	2 339	1	1 304	342	13	...	
Tirupati Cotton	9 30	9 50	10	1,276			2	3 474	4 350	3 50	60	1 278	99	32	45	
64% Cum. Preference	10 00	10 00	10	743											...	
Travancore Rayona	26 43	15 00	10	10,000	6,000	3 686	198	6 126	41 724	23 017	37	6 447	2 295	5 432	2 674	
5% Cum. Preference	9 80	7 80	10	5,000											...	
4% Debenture			5000	1,900											...	
Trichinopoly Mills	11 00	11 62	10	1,399	250	625		402	2 072	1 413	12	1 027	598	404	...	
Vasante Mills	239 00	201 00	100	2,100	1,800	1 987	12	5 565	8 631	5 176	637	6 193	1 586	23	...	
64% C. P.	103 00	101 00	100	300											...	
6% C. P.	100 00	90 00	100	150											...	
Sri Venkatesa Mills	126 00	116 00	50	3,366	150	1 092	6	6 324	14 040	7 587	60	2 716	1 739	23	...	
6% C. P.	47 00	50 00	50	50											...	
Vijayalakshmi Mills	90 00	86 00	100	1,000	2 00	1 00	5	20 71	39 37	17 65	33	14 72	3 06	22	...	
Vijayawar. Textiles	110 00	79 00	100	1,600		36	4	1 639	2 813	1 31		490	101	9	...	
Vrudhachar Textile	41 00	30 00	50	1,214		396	-459	900	2 485	1 254		896	66	402	...	
5% Cum. Preference	60 00	53 00	100	241											...	
Deferred															...	
Deferred (P. P.)			Aa. 1	8											...	

TEA

NAME	Managing Agents Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. A. P.	Mds.	Rs. A. P.	Rs. 000		Rs. 000	Rs. 000			
Amleekie	McLeod & Co. Ltd.	9,989	2'48	9,106	2'23	40	12-58	441	293	15	10	50
Ananda (Assam)	7% C.P.P.	9,075	2'64	8,112	2'09	...	12-58	395	87	36'71	26'81	106'04
Anandabag	Gill Arbutnot & Co. Ltd.	8,424	2'37	5,533	2'52	26	12-58	293	79	10	5	12'4
Aruttipore	Directors	4,059	1'62	3,421	1'61	...	12-58	57	104	nil	nil	...
Atal	Gonka & Co.	6,039	1'48	5,206	1'73	8	12-57	106	134	5	5	2'4
	41% C.P.P.	...	...	...	...	...	...	...	...	4'4	4'4	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Baghmati	McLeod & Co.	9,018	2'29	10,153	2'20	25	12-58	210	288	15	15	25
Baitakhal	Ramdukt Ramkissendass	5,790	1'72	4,412	1'69	7	12-58	88	60	2'4	2'4	...
Benarhat	Andrew Yule & Co. Ltd.	38,911	2'00	37,127	1'84	81	12-58	(a) 1,060	(a) 847	20	20	40
	61% C.P.	...	...	...	...	...	...	...	...	6'4	6'4	...
Baradighi	Jardine Henderson Ltd.	18,781	1'91	19,547	2'23	44	12-57	556	1,019	15	20	30
Basmatia	Andrew Yule & Co. Ltd.	7,439	2'62	8,593	2'08	28	12-58	309	299	20	17'4	20
Beteli	National Tea Corp.	9,918	2'10	9,965	1'87	40	12-58	406	415	30	30	60
Belgachi	National Tea Corp.	5,870	1'51	6,122	1'29	22	12-58	223	175	25	20	40
Betjan	Gill Arbutnot & Co. Ltd.	10,802	2'55	9,574	2'61	38	12-58	404	334	15	15	25
Bhatkawa	McLeod & Co. Ltd.	14,048	1'98	15,648	1'95	30	12-58	95	309	nil	15	30
Bijoynagar	D. C. Ghose & Co. (Private)	19,060	...	20,409	...	33	12-58	468	610	8	8	16
Birpara	Duncan Bros. & Co. Ltd.	15,843	2'06	13,832	2'04	38	12-58	419	339	12'4	7'4	25
	8% C.P.	...	...	...	...	...	...	...	...	8	8	...
Bishnauth	Williamson Magor	48,796	2'44	45,442	2'58	30	12-58	476	824	nil	10	20
Bloomfield	Gonka & Co.	2,037	2'31	1,943	2'49	9	12-57	-60	...	nil	nil	...
Bokakhat	Octavius Steel & Co. Ltd.	4,493	3'02	4,556	2'59	15	12-58	170	40	5	nil	5
Bormahjan	McLeod & Co. Ltd.	7,816	2'49	4,319	2'16	29	12-58	431	-116	7'4	nil	15
	6% C.P.	...	...	...	...	...	...	...	...	6	6	...
Borpukhuri	Williamson Magor	7,518	2'25	6,342	2'39	6	12-58	102	7	nil	10	15
Brooke Bond	Directors	3,199	2'29	3,001	2'10	...	6-59	1,621	984	12'4	10	17'4
	6% C.P. T.	...	...	...	...	...	...	...	...	6	6	...
Carron	Duncan Bros. & Co. Ltd.	5,813	1'72	7,103	1'72	15	12-58	(a) 31	81	nil	5	10
Central Cachar	Jardine Henderson Ltd.	9,292	1'97	9,946	2'30	20	12-57	322	322	nil	5	nil
Chamong	Williamson Magor	1,819	3'51	1,959	3'30	2	12-58	-2	-6	nil	nil	7'4
Chandypore	Jardine Henderson	8,904	...	9,718	...	3	12-57	50	62	10	10	4
Choonabutti	Andrew Yule & Co.	14,667	2'07	14,951	1'91	51	12-58	564	566	22'4	20	35
	61% C.P.	...	...	...	...	...	...	...	...	6'4	6'4	6'4
Chandecherra	Octavius Steel & Co. Ltd.	8,357	2'13	7,835	1'95	58	12-58	563	479	nil	nil	nil
Cleveland	Duncan Bros. & Co. Ltd.	6,386	2'15	5,537	2'00	20	12-58	407	243	10	10	30
Dauracherre	Duncan Bros. & Co. Ltd.	5,309	2'32	3,924	2'15	19	12-58	454	208	1'4	7'1	15
Dejo Valley	McLeod & Co. Ltd.	5,179	2'49	4,045	2'42	25	12-58	271	140	30	20	30
Desai & Purbuttia	Jardine Henderson Ltd.	13,313	2'65	14,033	2'69	20	12-57	-119	(a) 300	nil	10	10
Dhakhat	James Warren & Co. Ltd.	8,418	...	...	...	67	12-57	832	942	25	25	25
Dhunerri	Directors	9,752	2'14	9,210	2'14	...	12-58	380	391	20	20	12'4
	7% C.P.	...	...	...	...	...	...	...	...	7	7	7
Dibrugarh	McLeod & Co. Ltd.	8,315	2'80	6,832	2'73	64	12-58	612	413	30	25	30
Dilaram	Doo-uwala & Sons	1,853	2'76	1,824	2'75	12	12-57	22	30	nil	5	nil
Dimakusi	Williamson Magor and Co.	8,536	2'63	8,564	2'82	33	12-58	374	533	25	30	30
	8% C.P.	...	...	...	...	...	...	...	...	8	8	...
Dufflaghur	Williamson Magor and Co.	13,229	2'52	12,251	2'76	68	12-58	695	765	45	30	40
East India	Williamson Magor & Co.	14,415	2'47	14,785	2'48	15	12-58	217	269	5	5	10
Eastern Cachar	Octavius Steel and Co. Ltd.	4,913	1'82	4,127	1'74	10	12-58	-185	-190	nil	nil	nil
Ellenbarrie	Duncan Bros. and Co. Ltd.	5,632	1'75	5,633	1'74	10	12-58	91	(a) 27	nil	nil	5
Engo	Andrew Yule and Co. Ltd.	3,348	1'89	2,944	1'67	5	12-58	19	-17	nil	nil	nil
Ethelbarrie	Directors	6,255	...	5,945	...	...	12-58	-4	105	nil	7'4	10
Gairkhat	Gill Arbutnot and Co. Ltd.	13,288	1'94	12,128	1'88	30	12-58	97	-22	nil	nil	10
Gillo	Davenport and Co. Private Ltd.	2,783	2'86	2,918	2'68	13	12-58	-41	-27	nil	nil	nil
Gillapukhuri	Directors	9,374	...	8,202	...	...	12-58	363	358	25	25	30
Golpur	Williamson Magor and Co. Ltd.	7,943	2'46	7,618	2'69	22	12-58	250	344	5	20	25
Gopalpur	Secretary	14,232	...	14,306	...	1,37	12-50	5,72	5,34	12	10	12
Grob	Octavius Steel and Co. Ltd.	22,205	2'46	23,650	2'18	...	12-58	1,490	1,126	30	25	25
	'B' Ordinary	...	...	...	...	...	...	...	...	32'4	20	50
Gungarao	Duncan Bros. and Co. Ltd.	15,164	1'72	16,331	1'68	30	12-58	(a) 156	(a) 236	nil	7'4	10
Hansqua	Duncan Bros. and Co. Ltd.	6,503	1'74	6,348	1'71	15	12-58	70	136	nil	10	10
Hantapara	Duncan Bros. and Co. Ltd.	31,701	1'84	32,853	1'77	35	12-58	227	(a) 221	nil	10	7'4
	8% C.P.	...	...	...	...	...	...	...	...	8	8	...
Hasmara	Davenport and Co. Private	67,524	2'69	...	...	69	12-58	949	755	7'4	7'4	22'4
	7% C.P.	...	...	...	...	...	...	...	...	7	7	7
Hattikihra	Octavius Steel and Co. Ltd.	22,163	1'70	16,239	1'67	36	12-58	484	-55	5	nil	5
Hoograjuli	Andrew Yule and Co. Ltd.	5,288	2'01	5,730	2'34	8	12-57	101	176	10	15	5
Hoolungoorie	Andrew Yule and Co. Ltd.	15,259	2'32	13,519	2'29	38	12-58	447	254	17'4	12'4	15
Huldibari	Davenport and Co. Ltd.	25,107	1'72	21,710	1'59	42	12-58	475	311	15	12'4	25
Jaybirpara	Andrew Yule and Co. Ltd.	6,362	1'85	6,425	1'87	10	12-58	24	-40	nil	nil	6
Jayshree	Birla Bros Private Ltd.	...	...	...	...	275	12-58	3,288	2,829	10	10	10
	6% R.C.P.	...	...	...	...	...	...	...	...	6	6	...
	6% R.C.P.	...	...	...	...	...	...	...	...	6	6	...
Joontallee	Kettawell Bullen & Co.	11,495	2'06	10,715	2'01	34	12-58	377	452	22'4	22'4	115
Jutibari	Gill Arbutnot and Co. Ltd.	12,815	2'42	11,577	2'50	34	12-58	359	306	10	17'4	10
Kalati	Octavius Steel and Co. Ltd.	...	...	...	...	15	12-57	-36	-3	nil	nil	nil
Kalinugger and Khoree	Bullion Co. Ltd.	3,901	1'12 2	4,390	2'12 6	6	12-56	118	338	12'4	25	nil
Kilicott	Duncan Bros. and Co. Ltd.	12,634	1'85	13,495	1'78	24	12-58	245	434	7'4	15	20
Kingsley Golaghat	Directors	14,373	2'04	13,989	2'56	...	12-57	394	654	25	25	25
	6% preference	...	...	...	...	...	...	...	...	6	6	6
Kotamullai (m)	Duncan Bros. & Co. Ltd.	17,288	1'84	16,584	1'72	25	12-58	133	(a) 126	nil	nil	nil
	6% Pref.	...	...	...	...	...	...	...	...	6	6	6
Krishanbehari	Directors	8,593	2'29	8,133	2'10	...	12-58	78	37	6	3	10

January 23, 1960

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	December 1959 Rs. a.p.	December 1958 Rs. a.p.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others Rs. 000
Amleekie	27 12	28 62	10	446	671	482	...	911	2,030	748	15	944	180	41	122
7% C. P. P.	37 06	42 09	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	19 00	20 00xd	10	277	450	251	7	1,435	1,297	482	508	919	137	43	...
Anandabag	25 50	18 00xd	10	700	250	441	45	1,213	1,472	423	...	955	445	226	...
Arcuttipore	5 25	7 00	10	300	...	...	...	478	536	195	1	217	24	3	...
Atal	6 31	5 23	10	450	...	65	2	947	1,536	430	36	453	327	126	17
41% C. P.	5 30	5 00	10	300	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Baghmari	23 12	20 69	10	550	862	516	22	783	2,416	897	53	937	151	10	...
Baitakhal	7 69	5 25	10	400	270	14	43	247	927	318	64	328	77	45	...
6% Debentures	950 00	950 00	1000	150	...	...	...	...	...	...	...	...	...	...	...
Benarhat	319 00	280 00	100	2,700	2,826	6	81	3,288	5,746	2,487	81	3,569	1,329	1,063	...
61% C. P.	105 00	106 51	100	400	...	...	...	...	...	...	...	...	...	...	...
Baradighi	27 00	20 50	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	21
Basmatia	27 94	28 25	10	510	1,070	6	41	1,086	1,539	631	77	555	289	482	...
Bateli	23 19	19 87	5	493	151	60	1	1,015	1,559	997	...	716	532	196	...
Belgachi	26 75	48 00	10	250	250	196	44	603	300	246	925	152	58	16	...
Bejyan	24 50	20 12xd	10	640	470	493	34	1,929	1,432	488	...	1,181	606	714	62
Bhatkawa	22 12	22 50	10	900	900	893	...	942	2,560	1,205	54	1,517	250	282	...
Bijoynagar	...	...	25	869	1,650	928	170	1,159	3,231	1,066	483	1,510	279	319	...
Birpara	198 00	141 00	100	900	625	916	39	1,223	2,687	917	...	...	...	...	...
8% C. P.	109 00	105 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Brahmnauth	20 25	18 25	10	3,300	700	818	550	5,770	8,208	3,299	326	4,802	1,010	92	...
Bloomfield	2 50	3 06	1000	400	...	...	...	568	803	102	8	121	24	30	...
Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Bolakhat	14 87	15 00	10	600	200	126	52	620	1,357	317	1	303	53	1	...
Bormahjan	17 56	16 12	10	750	454	352	51	617	1,335	391	53	652	201	64	...
6% C. P.	62 00	74 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Borpukhuri	17 37	14 00	10	450	150	33	86	924	1,321	509	2	606	210	12	...
Brooke Bond	18 12	16 87xd	100	3,500	535	745	440	3,396	9,094	3,287	509	1,733	639	3,206	201
6% C. P. T.	65 00	66 05xd	100	3,500	...	...	...	...	...	...	...	...	...	...	...
Carron	175 00	116 00	100	600	370	360	6	352	1,438	454	15	562	99	27	...
Central Cachar	76 00	57 50	100	1,000	525	240	195	1,891	2,785	1,017	3	1,103	423	149	14
Chamong	11 03	9 69	10	280	75	50	11	182	429	84	1	189	58	5	...
Chandypore	304 00	261 00	100	250	...	...	...	47	58	...	2	1	9	277	...
Choonabhatti	104 50	106 50	100	900	1,320	14	114	1,411	2,277	944	599	1,009	494	424	...
64% C. P.	104 50	106 50	100	200	...	...	...	...	...	...	...	...	...	...	...
Chundecherra	15 00	27 50	10	300	450	358	558	2,034	1,290	461	2	696	501	1,445	225
Cleveland	...	...	10	400	400	313	20	890	918	268	1	521	199	567	...
Dauracherra	9 69	9 93	10	600	610	394	58	555	991	248	103	364	231	777	...
Deoj Valley	69 00	72 00	10	120	325	382	17	535	1,088	348	1	501	109	29	...
Deoni & Purbuttia	170 00	151 00	100	840	650	127	118	2,187	4,104	1,856	...	1,013	1,365	18	42
Dhalekhat	23 12	21 00	10	1,753	975	83	30	2,032	2,678	692	872	776	741	498	...
Dhunerai	18 00	15 25	10	469	400	159	9	664	1,414	513	2	621	194	113	...
7% C. P.	2 94	3 02	10	120	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	29 75	25 25	100	450	577	528	63	1,124	1,429	343	59	786	234	364	213
Dilaram	102 00	95 00	100	200	107	62	1	54	350	170	1	136	43	23	...
Dimakusa	30 50	28 37	10	475	500	160	166	793	1,602	706	149	759	46	313	...
8% C. P.	8 90	9 70	10	70	...	...	...	...	...	...	...	...	...	...	...
Dufflaghur	38 12	33 50	10	701	900	150	462	1,792	2,541	1,418	207	1,105	202	1,348	...
East India	29 25	20 75	10	1,000	500	350	116	1,915	3,034	1,108	117	1,455	384	1	...
Eastern Cachar	2 00	4 00	10	700	...	...	...	1,084	873	135	...	359	78	42	...
Ellenbarrie	149 00	155 00	100	300	100	277	6	460	986	439	...	472	96	28	...
Engo	215 00	400 00	100	120	264	...	...	315	499	285	2	326	63	35	...
Etholbarrie	10 25	10 51xd	10	490	33	28	31	963	1,002	277	290	379	61	28	...
Cairkhata	152 00	140 00	100	750	270	355	13	1,345	914	1,136	2	1,376	441	110	...
Ciella	12 31	8 25	10	200	176	124	121	238	844	319	48	155	71	17	...
6% C. P.	68 00	75 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Gilapukri	27 75	30 25	10	504	533	69	20	2,000	1,603	577	868	516	688	28	...
Gohpur	20 50	21 62	10	676	300	175	143	966	2,118	957	146	792	119	42	...
Gopalpur	18 50	20 00	25	1,050	500	494	132	7,66	17,66	7,49	3,12	8,26	3,94	3,96	...
Grob 'A'	...	...	5	1,192	900	2,319	45	3,822	5,903	1,755	8	2,779	1,010	80	...
Grob 'B'	14 25	13 00	10	361	...	...	...	...	...	...	...	...	...	...	...
Gungaram	140 00	147 00	100	1,344	760	1,280	8	691	2,745	1,035	458	1,513	289	113	...
Hansqua	19 19	18 00	10	500	510	547	17	331	1,451	446	124	669	89	8	...
Hantapara	168 00	109 00	100	3,600	1,025	2,159	19	2,637	6,882	2,120	508	3,560	965	294	...
8% C. P.	109 00	103 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Hasmara	23 25	20 25	10	3,200	2,125	3,619	243	4,095	11,068	5,491	869	5,395	1,307	446	...
7% C. P.	104 00	101 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Hattikhira	14 69	11 00	10	1,260	550	250	75	949	3,045	1,329	2	1,527	172	26	...
Hograjuli	26 50	28 75	10	500	576	...	6	477	985	403	52	569	92	264	...
Hoolungsoone	201 00	170 00	100	870	1,280	65	91	1,234	2,935	1,404	9	1,221	465	313	...
Huklabari	24 37	20 00	10	825	700	1,293	134	1,163	2,533	1,115	190	1,808	371	334	...
Jaybirpara	14 69	18 12	10	700	512	...	...	312	1,120	511	2	617	64	171	...
Jayabroo	16 62	11 50	10	5,857	4,903	486	91	5,979	16,370	5,470	798	3,638	2,062	145	...
6% R. C. P.	...	...	100	195	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	50	38	...	...	...	...	...	...	...	...	...	...	...
Joonkollao	18 37	...	10	600	741	443	112	1,151	1,739	860	273	755	206	976	...
6% C. P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
Jutibari	21 75	18 49xd	10	900	525	274	53	1,712	1,728	517	1	1,272	207	774	...
Kaliti	5 12	8 18	10	246	381	...	...	1,007	...	...	2	...	1,240	382	...
Kallimugger & Khorsel	110 00	96 00	100	450	200	169	36	759	307	6	406	338	497	84	...
Killcott	21 75	17 75	10	900	750	911	34	941	2,367	696	307	1,271	191	95	...
Kinsley Goleghat	160 00xd	160 00xd	100	350	1,000	302	91	2,383	1,653	779	1,250	1,618	583	53	...
6% Preference	14 75	11 69	5	180	...	4	...	3,657	2,467	354	3	1,231	164	266	30
Kotamullai (m)	14 00	16 50	25	218	...	...	...	...	...	...	...	...	...	...	...
6% Pref.	10 22xd	10 82	10	500	230	25	1	493	1,153	231	3	252	56	6	...
Krishnabehari	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

COMPANIES															
NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1959 Rs. ap.	December 1958 Rs. A.			General	Others	Carry Forward				Investments	Stocks & Stores	Outstanding	Cash	Rs. 03*
Kunchanpore	8 00	7 75	10	360	55	55	4	292	644	268	...	302	62	20	...
Kyran Tea Seeds	...	5 12	10	200	35	...	1	38	183	2	42	8	39	4	...
Lackaoteah	20 00	19 00	10	400	500	296	192	2,181	1,157	393	5	883	540	1,576	...
Lado	18 25	18 31	10	650	140	726	10	527	1,389	389	188	620	243	1	...
Linga	20 25	19 00	10	700	150	61	31	705	1,535	686	387	686	197	27	...
5% C. P.	...	...	100	506	600	...	32	...	...	...	...	...	...	...	...
Longview	9 81	7 00	10	1 032	600	568	52	1 032	2 623	623	209	871	165	18	...
Loobeh	2 31	3 12	10	469	600	39	441	2 228	1 664	493	1 931	1 140	247	189	...
Lukwah	...	...	...	800	...	...	...	...	...	...	...	...	304	39	...
5% Cum Pref.	...	...	...	475	...	...	...	...	...	...	...	...	...	...	...
Maihati	13 81	15 00	10	900	1 505	605	106	638	2 813	916	422	962	146	329	...
Manabarrie	65 62	66 50	100	200	486	86	3	1 031	705	325	...	321	846	46	2 12
Manipur	...	...	10	420	210	40	-6.20	8.82	7.31	1.80	...	326	32	22	...
Margareta Hope	14 06	13 62	10	400	200	205	69	494	823	387	2	349	304	...	...
Manonbarrie	...	...	10	154	...	...	-1.93	1 094	1 049	163	2	110	55	3	...
Maud	14 12	14 75	10	800	90	100	7	1 031	1 384	388	194	540	137	160	...
Methoni	22 00	22 00	100	1 000	700	550	62	1 233	2 265	699	95	1 014	306	564	...
Mim	226 00	226 00	100	159	335	16	5	204	498	220	1	252	101	89	...
Micheema	13 31	12 87	10	480	...	30	2	5 00	1 004	2 32	...	4 74	30	16	...
6% C. P.	9 37	8 19	10	320	...	...	...	...	...	...	...	...	...	...	...
Mochola	465 00ad	395 00	100	150	720	641	50	553	11	10	150	320	136	1 459	...
Murphulan (Assam)	25 87	27 87	10	175	781	...	40	677	1 244	621	2	638	195	416	...
Prefd. Ordly.	27 62	28 62	10	200	311	61	-209	1 136	...	...	...	...	...	...	...
Naga Hills	18 50	29 50	10	400	965	864	20	565	2 635	909	583	432	289	18	...
Nagaurao	198 00	138 00	100	960	250	175	124	510	658	201	114	322	121	315	...
Nagri Farm	24 25	24 87	10	335	175	30	3	1 169	509	509	...	493	275	5	...
Namburnadi	12 65ad	12 37	10	400	400	508	78	1 441	1 231	527	1	507	299	1 416	...
New Assam Valley	...	...	225	675	850	151	45	1 169	...	...	...	...	...	...	...
New Chumta	36 25	38 00	10	300	200	618	60	415	952	503	183	1 274	242	16	...
New Gnatollah	106 00	103 00	100	500	...	20	-59	758	906	312	150	512	171	167	...
New Doora	300 00	271 50	100	1 400	2 000	27	86	1 917	2 776	1 130	649	1 622	733	980	...
6 1/2% C. P.	102 50	109 00	100	200	...	...	...	...	...	...	...	...	...	...	...
New Saranbogh	25 00	19 62	10	400	400	...	...	...	...	...	...	...	...	...	...
8% C. P.	91 50	92 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Nilpur Tea	...	...	100	149	60	...	50	264	292	132	1	262	18	83	...
North Western Cachar	118 00	94 00	100	700	500	172	140	845	1 254	320	159	567	673	26	...
Okarai	600 00	500 00	100	100	60	152	13	237	471	249	...	111	39	240	...
7% C. P.	79 00	93 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Ondlabari	15 75	15 00	10	640	330	247	10	268	1 238	303	2	382	100	76	...
Pathernara	7 00	7 19	10	259	...	...	-223	1 205	654	94	1	619	60	...	...
Patrakola	175 00	132 00ad	100	3 600	4 525	1 460	184	9 170	6 424	2 585	100	3 947	2 934	8 121	...
Phakowa	145 00	115 00	100	250	185	192	7	7 149	5 121	210	...	266	50	68	37
Phobong	9 00	7 00	10	300	...	4	-15	148	612	241	...	107	57	2	...
Pasimbong	10 50	10 25	10	205	113	95	-87	173	540	97	48	140	57	15	...
7% C. P.	93 00ad	95 00	100	205	...	...	...	...	...	...	...	...	...	...	...
Polinbarrie	48 00	50 09	10	100	60	135	-13	173	376	168	1	198	38	10	...
Rajabhat	17 50	17 20	10	600	577	530	-332	528	1 521	656	54	778	156	50	...
Rajgarh	42 50	42 25	10	200	844	2	39	620	1 138	492	2	558	204	294	...
Rajnagar	9 56	9 56	10	320	100	43	141	638	810	433	1	339	187	338	...
Ranicherra	19 37	15 74	10	765	281	751	91	764	926	1 443	54	1 084	306	83	1
Roopacherra	15 19	12 37	10	260	281	117	-81	1 221	959	319	1	926	145	31	56
Rungamtee	65 00	68 00	50	525	455	577	23	429	1 511	435	99	551	231	30	...
Runglao Rungliet	360 00	385 00	100	140	270	231	23	2 655	3 442	207	224	210	55	204	...
Rydak	35 50	28 62	10	1 493	1 804	881	50	2 619	5 520	3 112	4	2 225	396	1 775	...
Sepoi	21 25	24 00	10	900	263	49	22	2 666	3 772	1 212	500	685	640	55	...
Sureson	30 00	29 50ad	10	346	600	234	9	1 249	1 318	635	2	759	894	73	...
Surajul	25 62	26 00	10	249	308	85	110	455	1 239	655	...	759	41	53	...
Seyok	10 50ad	11 00	10	300	125	202	4	149	551	196	...	123	54	198	...
Selimbong	...	...	10	300	105	10	28	353	600	239	1	295	121	17	...
Singell	19 50	22 09	100	625	...	1	-762	1 034	696	106	...	143	90	22	...
Sinatom	7 25	5 00	10	300	...	19	7	341	1 323	294	207	146	90	102	2
5% C. P.	5 56	6 62	10	300	...	...	...	...	...	...	...	...	...	...	...
Sonai River	9 12	12 50	10	400	32	304	-109	339	1 111	378	3	255	31	15	...
8% C. P.	93 00	93 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Soram	37 50	34 37	10	300	300	115	183	665	763	382	200	293	91	597	...
Sungma	15 87	14 12	10	625	600	351	92	658	1 694	469	2	381	90	515	52
Talpona	...	...	10	500	205	58	-28	629	1 125	478	1	516	135	26	...
Tan Ali	26 00	26 00	10	450	600	250	72	924	1 311	517	197	836	256	207	...
Tecsta Valley	18 00	22 00	10	320	400	454	-8	630	896	165	309	564	124	355	...
Talapara	142 00	137 00	100	900	1 525	584	22	1 173	2 080	636	49	1 074	320	1 336	...
Telojan	28 44	29 12	10	598	854	449	47	1 135	1 686	555	56	405	457	227	...
Tengpani	35 87	37 37ad	10	800	275	287	50	1 545	1 311	453	...	974	417	709	...
Terapore	18 00	15 87	10	1 983	1 350	17	41	1 676	4 808	2 065	82	1 915	684	79	...
9% Prof. Cum. a.s.to 5	11 19	9 95	10	205	...	...	...	...	...	...	...	...	...	...	...
Tilukh	10 00	10 00	10	375	3 75	56	-30	17 50	16 15	1 94	...	8 77	1 70	85	...
Tirinhannah	40 00ad	32 75	10	220	100	575	34	858	1 361	594	2	720	216	440	...
10% C. P.	12 00ad	13 00	10	100	...	...	...	...	...	...	...	...	...	...	...
Tongani	8 56	7 56	10	600	390	...	...	1 170	1 528	307	...	734	114	16	81
Tukvar	8 00	8 50	10	801	...	...	...	1 396	1 679	459	2	688	175	32	...
Tyoon	39 00	37 12	10	520	1 050	1 260	61	2 162	4 158	1 488	55	1 516	287	251	378

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

(u) After transferring Rs 151,220 from Depreciation Reserve; Rs 60,000 from Replanting Reserve; Rs 25,000 from Development Reserve and Rs 20,000 from General Reserve.

(v) After transferring Rs 55,223 from Building and Machinery Reserve and Rs 18,000 from provision for taxation.

(w) After transferring Rs 145,000 from Revenue Reserve and Rs 5,000 from Development Retate Reserve.

(x) After transferring Rs 30,000 from General Reserve and Rs 50,000 from provision for taxation and including Rs 88,623 being dividends forfeited.

(y) After transferring Rs 298,750 from Building and Machinery Reserve and Rs 175,000 from Revenue Reserve.

(z) After transferring Rs 110,000 from Revenue Reserve.

(a8) After transferring Rs 60,000 from Revenue Reserve.

(a9) After transferring Rs 50,000 from Revenue Account.

(a10) After transferring Rs 29,400 from Investment Realisation Surplus and writing back Rs 50,000 from Provision for

MILLS

NAME	MARKET QUOTATION AS ON THE QUATION DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1959 Ra. np.	December 1958 Ra. np.			General	Others	Carry Forward Ra. 000				Investments	Stocks & Stores Ra. 000	Outstandings Ra. 000	Cash	Others
Andhra	23 90	18 50	10	3,000	1,650	690	22	5,277	8,459	2,423	210	3,295	916	182	...
Bairampur	4 00	7 40	5	1,400	120	1,540	59	9,356	5,348	3,235	1,178	6,730	1,621	154	10
Basti	120 50	120 50	100	1,200	950	2,268	983	6,420	5,381	3,785	2,286	11,193	365	70	...
Ordinary 'B' Class	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Belapur	335 00	295 50	50	7,050	75 19	43 24	3 00	9,014	150 48	108 77	22 79	116 52	14 02	87 02	...
Beland	14 62	11 75	7 1/2	1,949	725	100	67	6,600	3,356	2,571	718	4,166	3,183	102	...
Bharat	12 75	17 00	10	1,500	650	655	4	2,524	2,266	1,389	1,396	2,889	629	45	...
5% R.C.P.T.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bhopal	26 30	26 50	10	1,750	8 87	37	5	8 22	33 04	21 37	3 34	20 58	9 89	1 96	...
3% C.P.	84 50	85 00	100	1,250	...	...	...	...	...	...	...	...	...	...	...
Carew	11 75	8 37	100	3,200	950	1,388	12	12,576	14,971	10,202	28	12 343	3,949	183	3
6 1/2% R.C.P.	85 50	36 00	1000	1,950	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	980 00	920 00	100	400	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	900 00	100	3,983	...	...	...	6,038	1,206	29	...	860	1,466	638	7889
Cauvery	122 00	95 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	115 50	12 90	10	3,000	2,050	4,252	-2,224	8,961	16,483	9,880	264	7,005	2,456	283	427
Cawnpore	14 56	10 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
8% C.P.	102 00	18 12	10	1,800	1,440	2,402	7	6,618	8,545	6,225	37	8,208	4,485	212	...
Champaran	19 75	10 82	5	3,984	2,100	2,461	150	14,700	11,944	6,695	395	14,528	2,218	1,315	350
Deccan	6 00cd	6 10cd	5	700	...	...	...	...	...	...	...	...	...	...	...
7% Preference	7 25	9 56	10	958	145	1 57	-40	5,328	2,648	1,727	1,077	3,707	606	31	203
Deoria	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	2,600	31 00	2 36	1 12	19 18	57 53	37 24	2 58	36 93	12 89	6 97	...
Dorabhai	22 87	15 25	5	1,620	3,500	2,274	26	4,137	4,341	1,918	264	3,950	3,762	1,043	116
Dyer Masikin	46 00	29 80	21	550	1,000	1 25	56	1,275	1,431	781	609	915	800	247	...
E. I. D. (E)	17 12	16 50cd	21	200	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	19 87	19 75	10	2,000	150	3,480	25	3,840	6,972	2,235	2,136	2,067	536	18	...
Ganesh Sugar	7 50cd	8 75	10	5,492	1,202	515	20	23 39	13,906	3,509	2,149	15,754	2,772	60	36
Gobind	...	...	...	500	160	57	5	2,792	2,911	1,240	24	2,665	123	31	...
5 1/2% R.C.P.	...	...	100	1,594	...	761	9	6,091	4,568	2,788	170	4,956	2,250	473	...
Gwalior	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7% R.C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	...	...	10	250	10 00	1 50	14	63 39	37 63	30 49*	4 86	44 81	27 49	74	...
Harnagar	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Ordinary	241 25N	237 50	100	6,000	4,662	1,850	43	20,229	21,144	8,621	284	18,201	2,156	121	...
Hindustan	90 00	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	12 60	12 30	10	6,397	337	573	25	9,892	7,860	2,377	3,138	3,148	6,471	84	...
India	88 25	93 00	100	1,100	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C.P.T.	...	...	100	1,109	11 54	5 37	9 81	50 08	16 18	15 41	13 75	59 97	2 81	58	...
Jagjit Sugar	5 25	5 25	10	2,000	1,200	353	73	12,079	12,450	7,379	62	9,825	1,120	93	134
Jawant	69 50	69 50	100	1,030	...	...	...	...	...	...	...	...	...	...	...
5 1/2% B.C.P.	14 00	15 00	10	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	32
Jaypee	100 00	90 00	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	106 00	100 00	...	1,000	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	16 63	...	100	1,052	57 50	23 00	27	195 11	179 03	35 20	25 50	95 18	24 95	2 70	...
K. C.P.	95 00	100 00	10	529	...	...	...	...	...	...	...	...	...	...	...
5% R.C.P.	...	...	10	287	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	49 00	100	1,197	...	1 649	-19 96	9 083	7 260	...	...	...	...	...	...
Kirlampudi	73 00	98 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C.P.	132 00	101 50	100	3,400	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	...	10	2,000	...	...	47	268	2,790	1,730	...	1,193	49	19	...
Madura Sugars	...	...	100	4,800	12 40	80	41	65 32	85 86	39 20	3 70	68 18	18 95	3 84	...
Modi Sugar	...	...	10	1,400	...	...	...	...	...	...	...	...	...	...	...
Ord. Share	3 75	2 56	10	1,000	...	216	-2 846	8 769	5 516	1 831	20	2 117	1 476	23	44
Mohini	...	...	1	25	...	...	...	...	...	...	...	...	...	...	...
Founders	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	70 00	70 00	10	2,400	6 13	2 00	-7 88	5 52	7 56	39	4 84	6 87	4 28	4 56	2 05
Murree Brewery	...	43 25	10	2,179	6 250	3 023	144	13 313	15 731	9 618	9 790	4 149	6 36	204	...
Mysoor	56 50	60 00	100	1,200	550	910	789	3 524	5 622	3 052	1 660	1 537	1 619	434	453
Nawalganj	...	...	1	500	...	...	...	...	...	...	...	...	...	...	...
'B' Class	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	30 00	28 62	10	789	2 150	709	6	5 441	5 291	3 083	1 684	4 202	1 957	109	...
New India	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% R.C.P.T.	127 50	101 00	100	49	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C.R.P.P.	4 81	5 91	10	1,101	2 75	178	3	561	4 909	2 920	57	...	50	21	...
New Savan	...	...	25	10,937	5 252	3 305	102	47 825	29 270	17 639	343	39 872	16 404	2 162	681
Nizam S.R.P.	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
4% C.P.	...	...	50	5,000	4 074	1 793	150	11 343	11 877	7 042	207	8 503	4 720	4 003	23
Phaltan Sugar	80 00	80 00	100	1,200	270	957	11	4 161	3 642	2 166	1 251	2 977	580	61	251
Punjab Sugar	12 50	15 75	10	900	200	1 764	16	2 414	4 388	3 294	35	2 711	1 703	39	312
Punjab	13 75	13 00	10	600	...	...	...	...	...	...	...	...	...	...	...
10% C.P.	20 75	18 25	10	1,660	1 825	2 008	20	3 701	7 292	3 626	...	5 050	330	12	556
Rannugger Cane	92 00	88 50	100	400	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	...	...	500	595	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	100	1,175	...	114	-285	3 148	3 242	2 324	10	3 073	155	34	...
Ratna Sugar	2 65	3 00	100	39	...	...	...	...	...	...	...	...	...	...	...
9% C.P.	...	137 00	50	2,000	11 00	25 27	68	41 30	95 61	56 01	14 35	84 38	2 71	1 21	...
Ravalgaon Sugar	143 50	70 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum Pref.	66 09	30 00 N	100	400	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00	500 75	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Debenture	625 00	12 75	10	6,359	1 840	902	7	6 200	8 710	3 413	1 697	5 152	2 895	255	...
Raza Buland	13 00	17 06	10	800	150	500	1	3 937	2 927	2 393	2 10	4 252	653	539	...
Ryam	9 00	8 44	10	800	...	...	...	...	...	...	...	...	...	...	...
8% C.P.	13 12	12 37	10	1,199	345	1 347	21	3 489	4 813	2 603	...	3 527	500	126	39
Samaratpur	...	...	100	857	1 100	1 319	228	14 901	12 580	5 554	816	8 749	1 986	58	513
Shadila	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
8% C. preference	...	...	10	2,000	...	2 239	4	3 712	4 819	1 682	1 545	1 299	908	16	...
Shree Anand	11 00	10 25	10	500	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	12 1/2	1,500	25 79	11 29	35	41 45	69 56	43 15	8 77	43 69	11 71	6	3 24
Shree Chandoo	28 38	14 65cd	10	2,500	50	1 050	12	5 080	6 446	3 441	64	4 765	1 524	331	...
Shree Hanuman	16 00	60 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	55 00	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	9 57	10	3,989	1 900	368	48	17 460	14 799	7 310	60	14 416	4 548	40	511
Shree Krishna Gyanodaya	13 87	81 00	100	600	...	...	...	...	...	...	...	...	...	...	...
6% A' Pref.	85 50	65 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	65 00	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	

SUGAR

NAME	Managing Agents' Agents/Secretaries	Cane Crushed Mds. 000	Sugar Produced Mds. 000	Sales Ra. 000	Stock Ra. 000	Managing Agents' allowance and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Ra. 000	Previous Ra. 000	Latest	Previous	Second Previous
Shree Sitaram	Directors	2,651	...	8,785	3,302	...	8-58	(q)262	257	5	5	10
Sitalpore	Directors	23.98	...	43.06	34.35	...	6-56	2.03	—72	nil	nil	nil
South Behar	Directors	...	...	10,425	1,367	...	10-58	177	—190	nil	nil	nil
	9% pref. cum as to 7	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
	6% Debentures	...	...	...	...	...	...	...	...	nil	nil	nil
Standard Refinery & Distil.	K. C. Thapar & Bros.	8.15	...	65.83	7.13	18	12-54	1.54	3.39	5	10	10
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Travancore	Parry & Co Ltd.	101	8	12,876	4,153	165	4-58	1,539	1,670	10	10	10
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
United Breweries	Directors	...	...	3,642	97	...	3-58	1,482	(k)886	60	20	20
United Provinces	Directors	2,953	321	9,998	2,055	...	9-58	6.54	736	10	7	6
Upper Doab Sugar	R. Lal Debi Prasad & Bros.	...	...	168.22	37.97	1.50	9-55	14.86	22.22	12	15	30
Upper Ganges	Cotton Agents Private	9,547	...	37,517	11,190	3.40	6-58	3,666	4,142	50	50	2
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	5% C. P. T.	...	...	...	...	...	...	...	...	5	5	5
Upper India	Mitra Mandal Private	6,151	...	20,452	12,284	136	4-58	(r)2,205	1,642	15	15	15
	'B' Class Ord.	...	...	...	...	...	...	...	...	15	15	15
Vizagapatam	Kantilal & Sheth	...	...	...	...	12	6-54	—2.06	—2.30	nil	nil	5
Walchandnagar Industries	Walchand & Co. private	227	...	30,561	7,031	487	9-58	5,570	6,573	21	21	21
	7% C. P.	...	...	...	...	...	...	...	...	7	7	7
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...

Tons.

(a) After transferring Rs 2,039,237 from General Reserve.

(b) After writing back Rs 1,30,000 from taxation, Rs 50,000 from contingencies and Rs 36,839 from Gratuity. (c) After writing back Rs 85,000 from contingencies for stock realisation Rs 12,536 from provision for taxation. (d) After writing back Rs 2,80,018 being provision for liabilities no longer required. (e) After writing back Rs 100,000 from Reserve for book debts and advances.

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Second Pre- vious
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000	Rs. 000		
Agra Electric Supply ...	Martin Burn Ltd. ... 41% Debentures ...	36,283	4,229	31,513	3,876	115	3-58	(f)1,083	(a)1,123	10	10	10
Ahmedabad Electricity Co....	Killick Industries Ltd. ... 41% Debentures ...	548,693	326,45	485,981	269,18	6,60	9-56	(b)113,46	77,54	6½	5	6½
Aligarh ...	Jain & Co. ...	...	...	...	...	31	3-54	1,70	1,68	9½	10	9½
Amalgamated Elec'y Co. ...	N. C. Javeri & Co. ... 51% C. P. ... 5% C. P. ...	40,481	8,154	43,589	7,211	319	3-59	1,939	1,664	9½	8½	8½
Andhra Valley Power ...	Tata Hydro Elec. Agencies Pri. ... 7% C. P. ... 4% Debentures ...	...	19,026	...	17,420	426	3-59	(l)6,878	(h)7,153	8	8	5.62
										7	7	5.25
Bareilly Elec'y Supply ...	Martin Burn Ltd. ... 41% Debentures ...	12,787	2,142	13,482	2,420	61	3-58	413	(d)590	10	12½	10
Benares Electric ...	Martin Burn Ltd. ... 41% Debentures ...	38,063	4,414	38,063	4,912	115	3-58	(i)1,048	1,234	10	12½	12½
Berhampur Electric Supply...	Directors ... 6% C. P. ... 5% Debentures ...	...	2,22	...	1,68	...	12-51	1,03	68	5	ni	nil
Bhagalpur Elec. Supply ...	Octavius Steel & Co. ...	4,833	1,253	4,316	1,316	32	3-58	189	269	6	6	6
Bombay Suburban Elec. ...	Killick Industries Ltd. ...	99,869	10,143	83,581	8,690	261	3-59	(m)3,384	2,863	7½	7	6½
Breesh Elec. Supply ...	Rajputana Textiles Agencies ... 6% Debentures ...	16,69	4,85	14,72	4,84	28	12-55	1,62	1,80	7½	7½	7½
		...	...	...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply ...	Directors ... 5% C. P. ... 5% Debentures ...	1,899,400	5,292	13,027	4,996	...	12-54	19,90	16,17	6	5	6
Cochin State Power ...	Chandrie & Co. ...	45,12	5,71	44,20	5,49	...	3-54	1,83	1,99	5	5	5
Cuttack Elec. Supply ...	Octavius Steel & Co. Ltd. ...	4,695	1,205	4,246	1,352	46	3-58	276	274	10	10	5½
						...				6½	8	6½
Dharwar ...	Associated Electric Co. ... 5% C. P. ...	3,58	...	...	3,25	16	3-55	86	80	6½	6½	6½
		...	...	...	...	...	...	...	...	5	5	5

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1959	December 1958			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Ra. np.	Ra. np.													
Shree Sitaram	10 19	9 00	10	1,589	854	470	18	6,421	3,804	2,175	3,101	4,097	383	56	88
Sitalpur	6 31	2 37	10	1,000	...	27	—4.25	31.11	28.21	13.52	23	36.39	5.28	53	...
South Behar	1 00	1 37	10	650	45	...	—1,777	9,090	5,171	1,147	1,497	2,502	2,605	29	...
9% Pref. Cum. as to 7	20 50	20 50	100	915	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 25	0 25	2	440	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery	...	...	10	964	433	39	12	44.27	8.36	3.34	91	17.17	36.89	3.73	4
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Travancore	10 80	10 15	10	3,000	300	1,941	107	3,162	6,543	2,753	...	4,878	1,141	185	...
5% C. P.	8 83	7 10	10	1,500	...	...	...	...	...	...	...	...	...	...	...
United Breweries	650 00cd	270 00cd	75	600	960	...	9	1,820	3,095	2,685	1,562	1,246	171	31	...
United Provinces	17 62	14 44	10	1,600	356	422	50	3,289	3,564	2,787	70	3,166	1,628	270	...
Upper Doab Sugar	...	...	100	2,000	12.50	...	1.26	68.91	66.46	40.07	5.36	48.93	21.59	41	...
Upper Ganges	55 25	60 50	10	800	1,800	1,674	25	17,096	16,509	8,987	1,322	13,342	2,084	123	...
5% C. P.	75 00	64 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	75 00	64 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Upper India	127 00	127 00	100	350	1,700	1,376	23	17,989	9,869	3,931	101	13,072	3,395	40	...
'B' Class Ordinary	15 00	15 00	25	2,162	...	...	...	...	...	...	...	...	...	...	...
Vizagapatam	...	...	10	747	42	...	—4.83	39.40	29.22	8.99	25	14.44	7.00	55	...
Walchandnagar Indrs.	320 00	270 00	100	10,100	2,800	9,239	174	18,789	29,528	11,768	921	22,573	1,859	2,016	...
7% C. P.	115 25	118 75	100	350	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	95 00	94 00	...	2,500	...	...	...	...	...	...	...	...	...	...	...

(r) After transferring Rs 60,000 from Dividend Equalisation Reserve.
 (s) After transferring Rs 1,78,125 Div. Equal. Fund. (h) After writing back Rs 56,878 from provision for taxation. (i) After transferring Rs 225,000 from General Reserve.
 (j) After transferring Rs 1,00,000 from Renovation and Renewals Reserve (k) After transferring Rs 1,07,093 from provision for taxation.
 (l) After transferring Rs 1,00,000 from provision for contingencies no longer required. (m) After transferring Rs 55,000 from provision for taxation and including Rs 58,837 being Railway claims recovered. (n) After writing back Rs 1,75,000 from Contingencies Reserve and Rs 34,720 being adjustment of Stores, etc. (o) The entire loss of Rs 388,405 has been wiped off by transfer from Reserve Fund. (p) After transferring Rs 650,000 from General Reserve. (q) After transferring Rs 675,000 from General Reserve.
 (r) After transferring Rs 70,450 from Dividend Equalisation Fund. (s) After transferring Rs 400,000 from General Reserve.
 (t) After transferring Rs 175,000 from General Reserve.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share Rs.	Paid-up Capital Rs. 000	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities Rs. 000	Gross Block Rs. 000	Depreciation Rs. 000	LIQUID ASSETS				
	December 1959 Rs. np.	December 1958 Rs. np.			General Rs. 000	Other Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks and Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Other Rs. 000
Agra Elec. Supply. ...	139 00cd	144 00	100	1,999	1,857	2,563	49	5,669	11,231	3,325	455	2,146	2,031	239	362
4% Debentures	90 00	90 00	100	1,000											
Ahmedabad Elec'y Co ...	90 90	94 80	100	87,472	9,39	65,65	...	94,83	1343,66	248,28	15,41	54,00	59,33	6,88	13,59
4% Debentures	985 00	1030 00	1000	20,000											
Aligarh	11 00	10 00N	10	459	53	72	1	6,17	11,30	5,68	68	2,13	3,39	21	...
Amalgamated Elec'y Co.	10 76	11 32	100	2,250	55	2,151	1,595	5,303	21,823	5,204	216	1,753	1,293	296	624
5% C. P.	92 50	88 20	100	2,031											
5% C. P.	86 50	82 50	100	2,031											
Andhra Valley Power	1090 00	1197 50	1000	30,276	3,887	5,321	21	39,426	94,652	26,477	2,248	4,917	7,029	539	9,963
1% C. P.	1097 50	1076 25	1000	4,934	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	1010 60	987 50	1000	9,828											
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ELECTRIC

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000			
Dishargarh Power	Andrew Yule & Co. 5% 'A'. C. P. 4% 'B'. C. P.	...	6,625	...	5,608	118	3-59	1,222	1,056	7½	7	6½
Ellore Elec. Supply	Chandrie & Co.	1,608	3,20	14,65	2,91	14	3-54	68	63	7½	7½	6½
Gouropore Elec. Supply	Macneill & Barry	...	6,679	...	6,151	91	3-59	1,106	1,245	10	10	7½
Gudivada Elec. Supply	Mechelec Engineering Co.	...	1,66	...	1,18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Mo. nna Lall & Sons	27,23	9,42	21,85	7,82	32	12-53	1,47	1,38	6½	8½	8½
Jorhat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1,37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	Martin Burn Ltd.	32,109	3,588	28,096	2,869	140	3-58	(a) 958	(b) 604	9,20	9,20	9,25
Kanadukathan	Directors	...	1,93	...	2,14	...	3-56	82	88	3	3	3
Karikkal Elec. Supply	A. S. Abilandum	8,04	1,56	7,34	1,43	11	3-56	61	50	7	7	6
Kumbakonam Elec. Supply	India Company 6% Cum. Pref.	67,61	9,53	56,98	8,17	44	12-55	3,46	2,88	10	8½	7½
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36,50	10,02	34,22	9,37	42	3-56	2,36	1,44	10	10	10
Mirzapur Elec. Supply	Octavius Steel & Co.	2,047	577	1,777	577	14	3-58	105	117	8	10	5½
Mosafarpore Elec. Supply	Octavius Steel & Co.	3,533	1,162	3,108	1,220	42	3-58	275	311	10	10	10
Muttia Elec. Supply	Directors	36,26	6,41	31,87	5,39	...	3-56 H	1,62	1,23	7	6	6
Nasik Deolali	Rajputana Textiles Agency 7% Cum. Pref. 6% Debentures	57,60	14,66	51,34	12,96	64	12-56	3,45	3,75	10	9½	10
Negapatam Elec. Supply	India Co. Private Ltd. 6% C. P. 4½% Debentures	39,85	3,89	35,97	3,74	24	12-55	1,23	1,14	8½	8½	5
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	32,980	4,456	32,296	4,919	149	3-58	1,456	1,596	7½	10	7½
Poona Electric	Rajputana Textiles Agency pri. 7% Cum. Pref. 6% Debentures	66,152	51,52	61,357	49,17	1,14	12-56	11,82	12,68	10	10	10
Saharanpur	Elec'l. Development Corp. Partly Paid	...	5,67	...	...	22	3-55	92	75	7½	9	9
Salem Erode Elec'ty	Octavius Steel & Co. 6½% R. C. P.	25,596	2,254	23,172	2,002	74	3-58	452	455	10	10	10
Saugor Elec'ty Supply	Martin Burn Ltd.	1,678	547	1,906	621	36	3-58	98	101	6½	6½	6½
Shahjahanpur Elec. Supply	Octavius Steel & Co.	2,845	773	2,424	1,007	38	3-58	188	177	5	5	5
Shilong Hydraulic	Development of Industries Partly Paid	...	6,00	...	5,31	40	6-55	2,20	2,04	6	6	6
Sijua (Jheriah) Elec. Supply	Bird & Co. pri Ltd.	...	6,392	...	5,927	96	3-59	543	566	7½	6½	7½
South Arcot Elec'ty	5% Debentures Directors 6% C. P. 5½% C. P.	21,265	1,788	17,425	1,427	...	1-254	366	272	6½	6½	6½
South Madras Electric	Seshasayoo Bros Private Ltd. 5½% 1st C. P. 5½% 2nd Pref 4% Debentures 5% Debentures 5½% Debentures	81,763	6,929	83,689	6,660	80	3-59	m) 1,983	1,625	9	8½	12
Surat Elec'ty Co.	Killick Industries Ltd. 6½% C. P.	...	7,551	...	7,106	143	3-59	1,483	1,271	7	7	7
Tata Hydro Electric	Tata Hydro. Elec. Agencies Pri. 7% C. P. T.	...	15,353	...	11,830	467	3-59	(a) 7,725	(j) 4,783	8	8	5,62
Tata Power Co.	Tata Hydro. Elec. Agencies Pri. 7½% C. P. T. 4% Debentures 4% Debentures	...	32,144	...	30,293	678	3-59	(b) 13,251	(k) 10,971	8	8	5,62
Tinnevely Tuticorin Elec...	Octavius Steel & Co. 6½% R. C. P.	18,220	1,708	16,844	1,488	53	3-58	389	337	10	10	10
United Provinces Elec.	Martin Burn Ltd. 4½% Debentures	80,842	9,715	75,694	9,098	155	3-58	(a) 2,224	2,142	10	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,902	1,943	11,960	2,076	57	3-58	284	287	10	12½	9½
Upper Jumna Valley	Martin Burn Ltd.	16,685	2,706	13,602	2,244	...	3-58	400	310	12½	12½	12½
Valore Elec. Corpn.	Chandrie & Co. Private 6% C. P.	106,03	9,24	87,02	7,68	37	3-56	2,77	1,95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5½% C. P.	116,22	10,92	120,77	11,89	58	3-53	2,60	2,51	10	10	7½

(a) After transferring Rs 69,000 from Deferred Taxation Reserve.
(b) After transferring Rs 1,04,846 from Tariff and Dividend Control Reserve and Rs 44,000 from Defd. Taxation Reserve.
(c) After transferring Rs 3,814 from General Res. (d) After transferring Rs 8,80,000 from Dividend Control Reserve.
(e) After transferring Rs 90,000 from provision for other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

COMPANIES—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	December 1959	December 1958			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Other
	Rs. np.	Rs. np.													
Dishergarh Power ...	67 00	74 50	100	4,320	2,000	163	377	2,173	8 009	3,586	3,575	1,644	711	71	8
5% 'A.C.P.	78 50	69 50	100	1,600											
4½% 'B.C.P.	75 00	79 50	100	1,200											
Ellore Electric Supply ...	10 35	11 00	10	300		37	4	2.33	6.26	1.73	18	75	61	67	1
Gourepore Electric Supply ...			100	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,009	1,583	51	
4% Debenture	850 00	840 00	1000	2,500											
Gudivada Electric Supply ...			100	118		3	3	1.03	2.01	62	6	23	38	18	1
Jhansi Electric Supply ...	6 62	7 85	10	535		29	3	9.71	21.44	9.16	5	2.98	4.18	25	
6% Debentures	850 00 N	850 00 N	1000	380											
Jorhat Electric Supply ...	11 62	11 62	10	250		8	—17	1.48	5.88	2.44		32	82	17	1
6% Cum Preference	105 00	105 00	100	50											
6% Debentures				35											
Jubbulpore Electric Supply ...	13 81	14 12	10	2,250	1,175	1,352	29	4,083	9,831	3,584	169	890	1,312	145	127
Kanadukathan ...			500	500		1	10	2.14	8.92	4.35	57	81	62	11	56
Karakkal Electric Supply ...	10 75cd	9 50	10	210		35	68	79	3.12	97		42	57	71	8
Kumbakonam Elec. Supply ...	10 60	12 17	10	1,249	12	2.05	5	16.05	36.34	9.60	61	2.49	2.24	1.19	
6% Cum. Pref.	9 60	9 00	10	250											
Mangalore Electric Supply ...			10	560	28	3.09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	
5% Debentures			500	137											
Mirapur Electric Supply ...	7 61xd	8 10	9	495	125	97	22	444	1,278	602	20	255	126	105	
Mozufferpore Elec. Supply ...	7 62xd	8 10xd	10	582	183	152	39	2,140	3,264	1,147	28	350	343	168	91
Muttia Electric Supply ...	9 12	9 14	10	700	60	1.06	15	5.92	14.28	6.97	1.33	1.62	1.63	2.77	
Nasik Deolali ...	105 00		100	1,168		5.37		8.17	37.33	11.24	1.41	3.93	2.25	2.12	
7% Cum Pref.	91 50		100	100											
6% Debenture				1,000											
Nagapatam Electric Supply ...	10 00	10 59	10	398		52	2	3.02	11.15	3.61	22	86	1.13	80	
5% C. P.	9 50	9 00	10	100											
4½% Debentures			100	200											
Patna Electric Supply ...	11 44	12 25	10	3,507	2,300	1,451	191	3,362	13,215	5,166	763	1,798	1,793	407	
5% Debentures	450 00	450 00	500	2,000											
Poona Electric ...	112 25	110 00	100	4,889	51	28.66	1	39.51	128.62	48.22	22.92	5.96	9.78	8.97	
7% Cum Pref.	101 00	101 00	100	400											
6% Debentures				800											
Saharanpur ...			100	362		31	1	4.23	7.87	3.94	1.57	86	1.23	53	191
Partly Paid			10	14											
Salem Erode Electricity ...	13 25 d	14 00	10	880	580	511	24	2,040	4,705	1,572	237	493	337	207	
6½% R. C. P.	9 57 d	9 9cd	10	400											
Saugor Electric Supply ...		9 31	10	300	142	69	2	971	1,431	329	24	248	51	52	7
Shahjahanpur Elec. Supply ...	6 50xd	9 31	10	910	165	29	41	624	1,190	511	154	418	368	134	14
Shillong Hydraulic ...	4 96	5 50	2	773	1,66	1,56	60	9.11	21.61	9.00	21	53	3.02	88	3,40
Partly Paid			10	1,680	224	980	7	1,393	6,693	4,376	312	1,151	926	387	322
Sijua (Jheriah) Elec. supply ...	9 62xd	10 62	1000	1,200											
5% Debentures	910 00	910 00	100	1,674	1.10	68	15	36.27	53.94	13.65	3.19	5.57	2.91	1.01	6,15
South Arcot Electricity ...			100	200											
6% Cum Preference			100	200											
5½% Cum Preference	10 12xd	11 9½xd	10	5,600		1,140	5	8,652	19,603	6,106	1,196	2,182	1,830	19	
South Madras Electric ...	9 97	9 04	10	2,200											
5½% 1st Cum Preference	9 42	8 39	10	800											
5½% 2nd Cum Preference	90 00	90 00	100	200											
4% Debentures	93 53	93 50	100	100											
5% Debentures	95 00	95 00	100	200											
5½% Debentures															
Surat Electric Co. ...	98 00	111 50	100	6,062	454	1,880	5	3,835	14,351	4,680	375	1,231	1,049	340	72
5½% Cum Preference ...	107 25	109 50	100	500											
Tata Hydro Electric ...	110 50	122 50	100	23,999	5,221	3,775	25	30,149	68,399	17,569	4,342	3,010	5,895	197	7,82
7% C. P. T.	99 50	107 50	100	8,928											
Tata Power Company ...	1140 00	1220 00	1000	51,536	10,360	12,282	29	60,243	167,307	36,050	3,600	8,733	16,121	1,372	15,93
7½% C. P. T.	1115 00	1130 00	1000	8,697											
4% Debentures	870 00	862 50		4,737											
5% Debentures	1000 00	1001 00		25,000											
Tinnevely Tuticorin Elec. ...	13 25	13 50cd	10	970	268	457	21	1,743	4,129	1,462	231	472	373	145	
6% R. C. P.	9 50	9 35cd	10	450											
United Provinces Electric ...	132 00	137 00	100	5,600	2,190	4,898	83	12,375	32,303	12,897	974	3,665	2,972	813	316
4½% Debentures	90 00	90 00	100	3,000											
Upper Ganges Valley ...	14 00	12 12	10	598	243	224	9	1,800	2,109	936	92	464	522	415	1
Upper Jumna Valley ...	18 75	16 75	10	500	500	489	34	2,080	3,055	986	115	463	590	341	2
Vellore Elec. Corporation ...	13 00	13 60	10	400	48	1,57	1,45	16.94	24.17	6.57	63	2,46	2,16	2,76	
6% Cum Preference	6 75	7 04xd	10	125											
West Coast Electric ...	12 50	14,00	10	1,000		1,67	52	15.16	26.59	6.42	45	3,25	2,68	1,41	1,9
4½% Cum Preference	7 00	6 89xd	10	250											

SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	CROP HARVESTED			Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Pre-vious	2nd Pre-vious
		000 lbs	000 Cwts.	000 lbs					Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Latest	Pre-vious	2nd Pre-vious
Alageswar Amalgamated Coffee	Ramani & Co. Directors 6% Cum. Pref. 51% Debentures	393	6	35+	1,008 1,529	93 555	7	6-59 3-58	116 251	139 386	71 6	10 4	10 (a)
Anandam	A. V. George & Co. 7% C. P. 6% Debentures	285		114	587	52	8	12-58	106 10	115	10 7	15 7	20 7
Anaparni	Associated Planters Private 6% Debentures		8		1,588	1,158	50	6-53	481	621	35	40	25
Arthala	R. N. Kapur & Co. Ltd. 6% C. P.	3,40			9,25	70	18	6-55	1,69	50	nil	nil	nil
Athimattam	M. Sebastian 6% Debentures			62	89	3		2-56	34	24	5	31	31
Bababudini	A.V. Thomas & Co. (Mysore) 6% C. P.		2				13	6-58	130	250	25	25	25
Badra	Young India Agencies Private 71% R. C. P.		3		474	356	16	5-58	155	215	171	171	15
Balanoor	Young India Agencies Private 71% C. P.	456	2	36	1,116	483	31	3-58	322	454	171	171	25
Balmadies	Planting Agencies Pri 6% C. P.		1		286		4	5-59	50	134	71	71	71
Be Be	Mg. Director 61% C. P. T. 61% R. C. P. T.			3,17	5,67	30		3-56	1,35	94	6	71	71
Blue Mountain	Kothari & Sons Agencies Pri	1,277	11		5,460	203	85	6-59	907	2,026	121	121	121
Chandramalai	Directors 71% Cum. Pref.	393	1	31	843	182		6-58	(b) 235	241	15	15	15
Chembra Peak	Peirce Leslie & Co. Ltd.	1,686			3,290	962	45	3-59	649	(e) 428	15	10	20
Cochin Malabar	Peirce Leslie & Co. Ltd. 7% C. P.				4,743	1,269	120	2-59	1,626	1,076	15	10	15
Coffee Lands	Consol Coffee Estates 5% C. P.		1		6,491	266	2	6-58	1,469	2,707	20	40	25
Consolidated Coffee	5% Debentures Mg. Director 6% C. P.				9,359	93		6-58	3,605	7,112	20	40	20
Coonoor Tea	Matheson Bosanquet & Prvt. Co. 6% C. P.	334			1,063	91	19	9-58	259	247	20	6	6
Coorg Tea	Srinivas Agencies 61% R. C. P.	412			715	167	20	3-59	208	135	20	6	6
Cottanad Plantations	Associated Planters pri. 71% C. P. P.	158		52	603	206	18	3-59	112	137	15	15	171
Cowcoody	Peirce Leslie & Co.		4		733	280	38	6-58	475	271	65	50	50
Devasahala	Mg. Director	332			742	115		12-57	(i) 201	442	171	25	25
Devon	Young India Agencies Private 71% C. P.	303	1		620	249	13	3-58	147	209	171	171	25
Emerald Valley	Parkins Private Ltd	128			262	64	8	12-58	75	38	6	6	10
Gokul Rubber	Young India Agencies			68	1,22	23	8	12-55	69	61	10	9	61
Haileyburia	Parkins Private Ltd. 5% C. P.	2,004			1,890	2,027	89	12-57	875	1,244	15	25	25
Highland	51% Debentures A. V. Thomas & Co. 6% C. P.	1,211		81	2,146	319	46	12-57	472	709	71	20	20
Kadur	Young India Agencies Private 61% C. P.				108	100	4	5-58	41	33	71	71	71
Kailas	A. V. George & Co. 6% Debentures			4,86			32	2-53	3,20	3,30	25	121	71
Kalasa	Peirce Leslie & Co. 7% Debentures	507			986	144	17	3-59	270	(d) 208	15	121	15
Kalpetta	A. V. Thomas & Co. E. I. Agencies Private	346		267	1,080	163	16	4-58	192	234	10	20	20
Karikode Rubber	6% Cum Pref 5% Debentures			108	154	66	8	12-57	40	58	10	12	12
Kil Kotagiri	Peirce Leslie & Co. 6% C. P.				2,474	498	58	10-58	949	(e) 833	15	15	20
Kumergode	Peirce Leslie & Co. Ltd. 71% Debentures		4		747		19	10-58	252	277	20	25	20
Kurchimala	Ipe Oommen & Co. Pr. Ltd. 61% Cum Pref.	259	149		470	132	21	3-59	204	111	8	61	71
Lucky Valley Tea	Matheson Bosanquet & Co. Pri. Vimsons Private Ltd.	236		2	624	111	13	12-58	163	79	10	10	10
Malabar Agricultural Co.	6% C. P. 5% Debentures	417			754	127	10	12-57	-3	-5	nil	nil	nil
Malabar Industrial	Mg. Director			2,86	5,60	12		2-58	98	228	10	221	25
Manankara	Johnson's Estates & Agencies			684	1,146	94	41	3-58	533	295	17	221	321
Manar	Vasantha & Co.	156			105	92	8	3-58	74	-	12	9	15
Morcar	Associated Planters Private 6% Preference			266	437	104	12	6-58	116	62	20	15	221
Midland	A. V. Thomas & Co Ltd. 6% C. P.	1,671		1,044	4,258	645	48	3-58	1,024	1,657	10	20	20

(a) Arrears of Preference dividend from 1-3-1947 to 31-3-1956 at the rate of Rs. 5.35 per preference shares amounting to Rs. 2,14,000, will be paid by the issue of one new preference share for every two preference shares already held, and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

January 23, 1960

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	December 1959	December 1958			General	Others	Carry- forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
Alageswar	2 75	2 65	2	600	530	61	8	575	1,648	388	65	165	190	93	...
Amalgamated Office	13 75	12 40	10	675	...	11	121	515	1,661	171	...	790	59	57	...
6% C. P.	8 75	8 20	10	400	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	500 00	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	15 50	14 77	10	250	...	574	20	214	1,283	99	6	74	36	8	...
7% C. P.	8 30	9 00	100	123	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	2	906	530	...	41	1,765	1,837	192	259	1,224	471	27	...
Anapara	5 20	5 80	100	384	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	96 50	97 00	5	300	11	120	44	855	770	98	603	106	134	16	...
Arthala	4 00	4 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	9 20	9 20	2	325	...	50	3	55	370	17	...	5	49	27	...
Athimattam	1 05	0 97	...	...	...	...	...	...	...	...	...	...	...	...	...
Bababuddin	9 55	12 75	5	200	270	207	3	237	695	84	...	372	10	223	...
6% C. P.	8 35	8 65cd	10	300	...	...	...	...	...	...	...	...	...	...	...
Badra	3 97	4 40	2	425	200	102	35	380	778	61	12	427	36	100	...
71% C. P	9 27	9 62	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	18 75	17 62	10	1,099	376	160	8	584	1,584	270	21	592	199	550	...
71% C. P.	11 00	10 75	2	250	...	...	...	...	...	...	...	...	...	...	...
Balmadies	2 95	3 30	10	75	150	85	2	66	424	43	34	6	105	151	...
6% C. P.	8 80	7 90	5	866	...	287	2	234	12,66	...	456	51	44	2	...
Be Be	3 25cd	3 87	5	143	...	...	...	...	...	...	...	...	...	...	...
61% C. P. T.	3 03cd	3 13cd	10	286	...	...	...	...	...	...	...	...	...	...	...
61% R. C. P. T.	6 44cd	6 64cd	2	5,250	1,100	1,068	179	2,166	7,586	1,218	13	417	1,699	1,265	...
Blue Mountain	3 58cd	3 35cd	...	...	...	...	...	...	...	...	...	...	...	...	...
Chandramala	2 95cd	3 20cd	2	550	550	17	38	415	1,454	255	...	167	126	211	...
71% C. P.	2 20	2 20	2	133	...	...	...	...	...	...	...	...	...	...	...
Chembra Peak	4 33	5 33	2	933	1,450	30	76	644	2,470	740	1	241	967	101	...
Cochin Malabar	7 20	5 46	3	2,691	2,025	...	15	1,514	5,055	698	...	1,559	314	128	...
7% C. P.	52 50	46 70	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	26 35cd	26 63cd	10	1,800	2,550	2,50	1,52	2,479	4,566	951	56	851	2,747	1,423	...
5% C. P.	84 00	78 00	100	2,250	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	300	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	25 57cd	24 65cd	25	7,155	5,175	594	75	7,793	14,278	3,095	1,642	1,220	6,650	1,972	...
6% C. P.	23 50	26 00	10	1,875	...	...	...	...	...	...	...	...	...	...	...
Coonoor Tea	23 25	23 75cd	10	378	313	946	22	347	2,126	140	3	118	15	34	...
6% C. P.	93 85	98 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	5 20	4 80cd	2	480	57	413	4	304	1,089	195	11	275	108	221	...
61% R. P.	4 69	4 45	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	16 25	15 25	10	400	80	487	3	369	1,243	60	1	244	104	10	...
71% C. P. P.	10 25	10 75	10	100	...	...	...	...	...	...	...	...	...	...	...
Cow Coody	6 32cd	6 80	2	409	150	...	72	593	230	45	15	337	8	678	...
Devasahala	31 50	24 25	10	600	455	40	3	230	1,216	288	116	129	19	135	...
Devon	16 50	16 62	10	443	250	105	45	289	983	185	10	320	115	96	...
71% C. P	101 00	104 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	8 12	6 65	5	350	125	8	3	97	369	60	...	87	12	175	...
Gokul Rubber	1 58	1 50	2	450	20	...	1	104	323	11	1,30	25	15	92	...
Haileyburia	16 20	16 75	10	1,562	8,50	1,275	29	2,306	4,305	682	4	2,307	441	1,27	...
5% C. P.	77 50	73 00	100	230	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	1000 00	1000 00	1000	250	...	...	...	...	...	...	...	...	...	...	...
Highland	14 75	11 37	10	1,800	481	515	49	6 25	2,908	586	421	455	201	330	...
6% C. P.	8 45	9 00	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 84	2 85	2	120	25	10	8	84	155	3	...	122	5	18	...
61% C. P.	6 84	7 17	10	50	...	...	...	...	...	...	...	...	...	...	...
Kailas	5 00	4 80cd	2	600	600	...	30	324	1,244	46	...	208	10	1,38	...
6% Debentures	500 00	500 00	500	...	600	114	68	245	1,405	282	...	282	28	412	...
Kailas	4 15	3 35	2	218	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	502 50	502 50	500	600	498	207	12	596	1,967	306	23	271	91	122	...
Karimnagar	13 45	11 00cd	10	200	...	125	3	105	516	28	15	69	12	66	...
Karimnagar Rubber	9 45	8 00cd	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Pref.	7 8 1/2cd	8 00cd	...	68	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	100 00	100 00	2	859	1,325	356	109	619	2,990	428	...	605	42	301	...
Kil Kotagiri	4 95	6 65	10	250	...	...	...	...	...	...	...	...	...	...	...
5% C. P	9 65	8 97	...	...	...	...	...	...	...	...	...	...	...	...	...
Kamerigode	6 15	6 65	2	400	220	...	44	290	864	111	...	169	2	158	...
71% Debentures	502 50	502 50	500	127	...	...	...	...	...	...	...	...	...	...	...
Kurichermala	8 75	6 00	10	345	...	430	2	264	1070	94	1	146	31	16	...
61% Cum. Pref.	6 37	7 12	10	130	...	...	...	...	...	...	...	...	...	...	...
Lucky Valley Tea	12 25	12 45	10	300	36	...	30	460	904	47	...	134	24	8	...
Malabar Agricultural Co.	7 40	8 55	10	500	180	100	53	781	1,542	170	1	175	50	9	...
6% C. P.	16 36	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	14 5/8cd	14 5/8cd	10	458	61	123	7	404	672	24	45	46	161	145	...
Malankara	17 87	18 12	10	1,350	143	281	...	566	2,041	339	...	162	7	500	...
Manar	2 56	2 90	2	350	40	37	13	79	336	14	...	64	47	85	...
Mercara Rubber	9 75	9 00cd	5	325	250	...	9	178	733	7	...	132	50	104	...
6% Preference	8 25	8 31	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	11 80	10 78cd	10	2,700	817	2,292	3	1,869	8,611	1,030	290	1,130	250	149	...
5% C. P	8 45	8 21	10	1,720	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIA

NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales	Stock	Managing Agents allowances and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
		Tea	Coffee	Rubber					Latest	Previous	Latest	Previous	2nd Previous																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
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*Cardamom (in lbs.).

(a) After transferring Rs 82,000 from Dividend Equalisation Fund.
(b) After transferring Rs 64,563 from General Reserve.

(c) After writing back Rs 100,000 being estimated surplus provision of previous years.

(d) After writing back Rs 80,000 being excess provision in previous years.

(e) Includes Rs 60,888 being surplus provision and Refund of Income-tax written back.

(f) Includes Rs 270,000 being estimated surplus provision of previous years written back.

January 23, 1960

PLANTINGS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital Rs. 000	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities Rs. 000	Gross Block Rs. 000	Depre- ciation Rs. 000	LIQUID ASSETS				
	December 1959 Rs. np.	December 1958 Rs. np.			General Rs. 000	Others Rs. 000	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Malamalay	41 00	36 00	25	300	...	1.44	4	2.32	6.77	2.05	77	1.06	73	2.52	...
74% C. P.	25 12	24 10	25	300	...	...	...	...	...	...	...	...	...	...	...
Mysore Amalgamated	6 00	5 50	5	150	15	35	5	244	307	22	8	193	16	56	7
6% C. P.	7 00	6 40	10	117	...	...	...	...	...	...	...	...	...	...	...
Mysore Coffee	4 91	3 50	2	600	75	150	4	793	1,023	90	...	155	374	160	...
Mysore Plantations	1 60	1 55	2	500	95	55	13	326	1,079	1.38	...	197	92	8	...
6% C. P.	7 00cd	7 85cd	10	250	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	4 85cd	5 02	5	3,600	675	1,303	78	1,813	8,014	1,204	45	1,175	642	598	...
5% C. P.	7 30cd	7 05	10	1,800	...	...	...	...	...	...	...	...	...	...	...
Nelliampathy	3 03	3 05cd	2	1,200	230	2.80	33	1,194	2,705	501	12	536	267	368	...
6% C. P.	8 70	8 55	10	450	...	...	...	...	...	...	...	...	...	...	...
Nellithanam	12 80cd	13 25	10	190	...	...	19	4.42	4.40	11	1.03	24	50	34	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nenmeny	16 25	15 65	10	335	408	6	35	552	1,586	249	...	282	10	8	...
7% C. P.	9 70	9 25	10	300	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	...	2	650	2.00	3.02	4	3.48	11.68	1.30	82	1.09	1.51	1.11	...
Nilambur	17 50	15 00	10	200	120	208	2	280	955	68	...	73	56	93	...
6% C. P.	6 90	7 46	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	98 00	98 00	...	100	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	7 25	7 40	10	563	1.50	1.50	13	2.14	15.16	1.96	1	1.86	71	2.90	...
64% C. P.	4 72	4 25	5	280	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	501 00	497 50	500	500	...	...	...	...	...	...	...	...	...	...	...
Nonauch Tea	25 40	23 25	10	2,310	...	7.61	57	2,157	2,903	364	468	1,200	35	1,041	...
Ouchterlony	6 15	5 48	2	1,946	1,094	1,225	5	641	4,693	1,575	...	1,440	175	177	...
Panchura	4 20cd	3 75	1	150	150	2	65	310	261	19	128	160	140	6	...
Parkside	24 65	19 50cd	10	1,354	450	1,195	5	939	3,128	417	...	560	34	639	...
Peermade	20 37	19 62	10	1,700	...	784	63	1,159	3,921	1,311	150	551	155	392	...
6% C. P.	98 00cd	93 50cd	100	150	...	...	...	...	...	...	...	...	...	...	...
Perinur	22 25	18 80	10	600	2.40	4	61	3.93	7.41	29	...	3.10	21	1.28	...
Periakaramalai	3 85	3 85	2	5,795	2,600	101	146	2,020	10,678	3,152	65	2,611	258	199	...
Periyar & Pareekanni	...	...	10	500	...	40	4	2.99	10.09	33	15	1.55	9	2.86	...
74% R. C. P.	...	...	5	203	...	...	...	...	...	...	...	...	...	...	...
64% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Ponmudi Rubbers	1 40	1 40	2	165	32	...	1	49	298	9	...	26	...	2	...
6% C. P.	9 35cd	9 35	10	70	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 96	1 57	2	1,650	200	29	72	384	2,156	552	201	221	13	446	...
6% C. P.	8 65	8 65	10	150	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 82	2 65	2	2,100	1,200	358	66	667	3,233	260	194	179	905	140	...
Rajagiri	20 50cd	18 40cd	10	1,350	3.00	5.86	41	1,478	4,648	4.23	10	2.55	1.87	1,338	...
6% C. P.	7 60	8 15	5	200	154	12	42	396	350	35	100	358	116	114	...
Rajendra Coffee	18 25cd	14 70cd	10	100	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref.	8 35cd	8 46	10	100	...	...	...	...	...	...	...	...	...	...	...
54% Redem Cum. Pref.	7 20cd	7 00	10	100	...	...	...	...	...	...	...	...	...	...	...
Sangameshwar	3 00	2 45	2	1,200	25	110	16	378	1,824	58	...	641	4	278	...
7% C. P.	10 50	9 90	10	350	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	500 00	500 00	500	600	...	...	...	...	...	...	...	...	...	...	...
Savemalai	3 95	3 47	2	550	194	50	1	182	406	107	77	25	118	438	...
Shevaroy	1 83cd	2 06cd	2	1,350	1.70	2.00	54	5.66	9.80	86	3.22	4.12	3.53	2.66	...
Stanes Amalgamated	16 25cd	14 60cd	10	900	190	1,105	4	389	2,735	763	208	222	248	46	...
54% Debentures	450 00	460 00	500	200	...	...	...	...	...	...	...	...	...	...	...
Swinton	2 35	2 50cd	2	125	12	...	1	63	187	5	9	60	3	21	...
54% Debentures	505 00	505 00	505	75	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	1 72cd	...	2	1,250	296	919	2	820	3,195	275	2	775	321	20	...
6% C. P.	8 10cd	7 90	10	750	...	...	...	...	...	...	...	...	...	...	...
Teskoy	7 90cd	7 25	10	1,600	...	274	17	353	2,250	170	11	91	36	155	...
6% C. P.	8 10	7 35	10	600	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	100 00	103 00	100	110	...	...	...	...	...	...	...	...	...	...	...
Thamarappally	26 62	27 00	10	250	75	200	32	1.73	5.98	42	45	69	...	135	...
61% C. P.	4 60	4 62	5	175	...	...	...	...	...	...	...	...	...	...	...
Thirumbadi	1 98	1 62	1	915	450	50	30	862	2,293	158	...	430	48	195	...
71% Debenture	495 00	455 25	500	500	...	...	...	...	...	...	...	...	...	...	...
Travancore Rubber	15 25	17 25	10	603	...	14	1	304	781	...	...	140	22	117	...
T. R. T. & Co.	8 20	6 70	10	4,100	750	671	24	1,097	8,555	1,644	200	590	265	274	...
6% C. P.	8 05cd	8 05cd	10	1,600	...	...	...	...	...	...	...	...	...	...	...
Tropical Plantations	21 87	21 75	25	2,700	...	...	66	7.39	28.29	7.04	...	3.30	5	2.46	...
Twyford	12 75	16 10	10	900	15.50	1.00	21	6.96	21.34	1.76	1	7.87	1.45	3.77	...
Udayagiri	13 00	11 15	10	220	148	282	1	223	973	95	1	67	5	2	...
7% C. P.	9 60	10 30	10	80	...	...	...	...	7.71	...	...	...	...	...	...
61% Debentures	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
United Nilgiris	21 37	17 30	10	2,193	297	1,057	120	918	4,138	1,370	532	627	96	562	...
Vaikundam	27 75	23 35	10	880	165	119	...	519	976	32	250	133	49	297	10
Vayitri	1 55	1 56	2	400	75	30	19	64	549	53	2	11	39	40	...
54% Debentures	...	...	...	32	...	...	...	...	5.01	...	...	...	...	...	...
Velimalai	5 90	5 82	5	600	375	81	6	385	1,746	102	1	220	133	95	...
7% C. P.	8 85	8 90	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	560 00	500 00	500	317	...	...	...	...	...	...	...	...	...	...	...
Waterfalls	3 77	3 47	2	3,150	2,000	1,078	118	2,504	6,041	778	27	521	2,091	1,450	...
6% C. P.	8 93	8 03	10	500	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 70	1 50	1	100	...	53	10	37	339	90	5	3	19	7	...
64% C. P.	3 46	3 79	5	60	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	500 00	500 00	500	50	...	...	...	...	...	...	...	...	...	...	...
Woodlands	8 00	8 62cd	10	605	42	205	2	196	1,419	72	1	196	162	92	...
61% C. P.	7 80	8 80cd	10	232	...	...	...	...	...	...	...	...	...	...	...
50% Debentures	502 50	502 50	502	415	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up Capital Rs. 000	Reserves including Latest Allocation		Depreciation Rs. 000	Liquid Assets				Other Rs. 000			
			Latest	Previous Period	Latest	Previous Period	December 1959	December 1958		Carry forward	Other		Reversion	Sundry Liabilities	Cross Block	Stocks and Bonds		Outstandings	Cash	Works in Progress
CALCUTTA																				
Arthur Butler	N. Bhatia Trading Co. 7% C.P.	10-54	-3.45	-1.71	nil	nil	13 00	8 44	6,000	4,000	15	9.57	4.68	5	6.29	82				
Banar Engineering	5% Debentures K. C. Thapar & Brothers	3-55	-5	-15	nil	nil	10 75	9 50	900	...	-2.61	2.61	1.49	10	1.58	1.86				
Bharat Elec.	5% Debentures Bharat Co. Ltd.	12-58	3,264	4,025	124	124	15 12	16 05	10 50,000	2,500	183	8,527	3,884	94	9,336	457				
Bharat Elec.	5% Debentures Directors	12-58	4,223	4,372	20	20	25 75	31 00	10 5,660	2,900	4,091	9,46	1,454	664	9,336	457				
Bridge & Roof	5% Debentures Balmer Lawrie & Co. Ltd.	12-58	(m)2,371	1,733	20	20	25 00	27 00	10 1,200	2,431	499	3,643	5	3,967	2,153	1,813				
Brit. Building	5% Debentures Holmes Wilken & Co.	3-58	419	531	5	5	8 56	5 94	10 1,893	500	23	1,180	2,709	36	254	...				
Brit. Engg.	6% Redeem Cum pref. McLeod & Co.	12-58	1,224	962	6	6	12 00	11 90	10 4,000	2,100	1,948	4,256	2	13,043	34	...				
B.L. Elec. Co.	5% C.P. 31% Debentures	12-58	872	713	20	20	47 00	47 00	10 2,000	550	15	1,304	2	2,366	31	782				
Burn & Co.	5% C.P. Balmer Lawrie & Co. Ltd.	4-58	12,841	13,778	20	20	43 00	43 00	10 8,000	1,700	18,245	27,168	806	12,551	11,234	38,052				
Guest Keen	5% C.P. 7% C.P.	12-57	16,149	16,907	20	20	118 00	115 00	10 15,000	9,191	10,348	16,828	1,448	33,654	173	2,153				
Indian Motors	5% C.P. 6% R.C.P.	3-58	8,354	3,852	6	6	15 62	6 52	10 46,013	1,141	939	22,548	...	14,032	5,955	...				
Hooghly Docking	5% C.P. 6% R.C.P.	12-57	552	618	10	10	105 50	118 00	10 4,003	1,255	1,100	3,880	...	1,065	2,581	27 2,91				
India Machinery	7% C.P. 7% C.P.	6-54	95	1,01	nil	nil	23 00	23 00	10 3,113	...	21	12,86	...	7,15	11,34	29				
I. Galvanizing	5% C.P. Debentures	12-58	(b)-557	645	nil	nil	21 62	16 50	10 3,695	...	-274	2,861	13	2,571	1,125	150				
Indian Iron	5% C.P.T. Martin Burn Ltd.	3-59	(m)86,318	(m)76,417	5	5	23 22	24 72	10 124,409	26,400	155,524	122,585	24,398	147,603	164,966	35,583				
I. Mail Casting	5% C.P. 4% First Debrs.	3-58	131	132	6	6	4 50	4 14	10 365	...	13	817	149	1,587	129	18				
I. S. Wagon	4% Debentures Martin Burn Ltd.	3-58	5,214	5,869	20	20	90 00	87 50	10 3,000	750	4,714	6,495	303	16,282	13,134	1,090				
I-Steel & Wire	7% C.P. India Singh & Sons, Pri	3-58	6,988	8,663	40	40	33 62	33 25	10 32,000	10,445	20,658	13,216	5,135	6,677	9,135	17,964				
Jay. Engrs. works	5% C.P. Fairly Paid	3-55	28,60	23,76	12	12	204 00	174 00	10 20,25	35,10	15,35	48,03*	...	79,53	51,50	4,67				
Jenop & Co.	5% Debentures Jenop & Co.	10-58	(m)8,872	7,657	5	5	24 44	24 31	10 10,199	7,882	597	7,258	7,516	7,904	21,883	222 12,368				
Kemardhahi	5% C.P. Bird & Co. Private Ltd.	11-58	1,303	1,658	10	10	6 62	8 00	10 1,843	290	5,360	8,722	2,947	46	5,588	14 2,711				
Marshall Sons	5% C.P. 4% Debentures	6-58	527	681	20	20	42 00	40 00	10 1,000	1,850	454	1,791	126	11,108	6,762	316				
National Iron	5% C.P. Directors	3-59	1,355	1,247	6	6	10 06	8 75	10 4,996	250	1,328	7,526	305	5,127	2,580	241				
National Rolling Steel	4% Debentures Assoc. Indus. Develop.	6-58	1,808	1,370	6	6	15 75	13 75	10 4,000	2,000	510	8,349	3	2,681	1,812	20				
National Screw & Wire	6% C.P. Directors	12-58	700	-207	15	15	8 00	5 50	10 10,000	32	-71	637	2	1,097	1,818	18				
Richardson & Cuddihy	5% C.P. S.B. India Dev. Co.	6-55	33,02	31,91	5	5	54 00	54 00	10 60,000	10,000	17,01	13,59	13,59	52,73	85,00	1,78				
Sreen	5% C.P. B. Sutherland & Private Co.	3-59	505	635	6	6	7 62	6 50	10 6,000	30	874	2,019	50	1,716	830	123				
Sen Releigh Indus.	5% C.P. D. Khanna & Sons	9-58	1,958	2,164	6	6	19 87	15 12	10 7,000	350	1,559	4,266	1,382	7,592	1,917	918				
Steel Products	5% C.P. 5% C.P.	4-52	49	17	Nil	Nil	2 87	1 50	10 3,000	...	1,00	3,78	2,47	6,71	4	...				
Test Machs.	5% C.P. Bird Bros. Private	12-53	10,040	10,252	15	15	26 65	20 30	10 15,000	2,575	2,909	17,191	304	27,735	7,006	135				
	5% C.P.T.				54	54	93 60	86 50	10 1,000	...	37	39,033	...	7,907	93	...				
	5% R.C.P.T.				54	54	64 00	64 00	10 3,000	...	...	...	...	...	...	...				
	5% Debentures				955	955	00	00	40,000	...	...	...	...	...	...	...				

BOMBAY

BOMBAY																	
Acms: Manfr.	Walchand & Co. Private 6% C.P.	6-56	3.51	1.81	nil	nil	274 50	242 50	100 100 100 100	240 600 400 3,342	18 3,090	-229 ... 24 4,060	22.34 6.100 7,756	9 1,059	14.72 2,116	6.42 4,955	10 890
Alcock Ashdown	Turner Morrison	12-58	(m)662	958	121	121	15	65 00	60 100 100	1,500 2,520 1,000	245 1,000 10,28	23 43,25 52.91	4 1,661 443	638 96.45 1,722	443 16.88	99 2.26	71
Bredy Engineering	Walchand & Co. Pvt.Ld.	6-56	8.11	6.06	7	6	3	157 00	100 100 100	3,018 650 750	6.02 8.14 ...	39 63.03 ...	86.39 59.25 ...	22	66.71 23.56	5.41	...
Cespar Engineering	Bris. Bros. Ld.	12-55	18.82	13.81	10	8	97 00	110 50	100 100 100	3,018 650 750	6.02 8.14 ...	39 63.03 ...	86.39 59.25 ...	22	66.71 23.56	5.41	...
Hind cycles	5% R.C.P.T.				5	5	25 80	25 80	25 25	48 100	...	...	...	...	...	...	...
Inves. Machine Tools	5% R.C.P.T.				5	5	...	...	100 100 100	1,500 1,000 1,132	...	-747 24.03 ...	23.84 4.435	2.78 1,558	18.63 2,605	1.77 797	10 169
Jaiour Metals	4% C.P.	12-58	841	449	6	5	100 50	65 50	100 100 100	1,132 800 1,000	50 215 38	692 10 3,236	2,78 4.435	2.78 1,558	18.63 2,605	1.77 797	10 169
Jest's Engr.	4% Debentures	3-59	1,371	1,359	5	5	24 48	24 48	100 100 100	1,000 800 1,000	200 215 38	692 10 3,236	2,78 4.435	2.78 1,558	18.63 2,605	1.77 797	10 169
Kanani	4% Debentures	3-59	1,371	1,359	5	5	24 48	24 48	100 100 100	1,000 800 1,000	200 215 38	692 10 3,236	2,78 4.435	2.78 1,558	18.63 2,605	1.77 797	10 169
Kanani Engineering	5% C.P.	6-58	2,128	442	5	5	60 00	54 00	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Metals	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129	8.241	3,808	1,717	1,302	160
Kanani Bros. Private	5% C.P.				5	5	...	...	100 100 100	2,000 2,000 1,500	100 40 58.31	16 3,129					

GILDED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.12.59	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.12.59	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.12.59
GOVERNMENT OF INDIA LOANS						GOVERNMENT OF INDIA LOANS						GOVERNMENT OF INDIA LOANS					
Rupee Loans						Rupee Loans						Rupee Loans					
NON-TERMINABLE LOANS						NON-TERMINABLE LOANS						NON-TERMINABLE LOANS					
8,93,34,00	3	1896-97	3 Months notice	30-6/31-12	74-10	5,99,72,900	3	1936	1956-61	20-10/20-4	99-80	35,00,000	3	1929	1959	1-2/1-8	
TERMINABLE LOANS						TERMINABLE LOANS						TERMINABLE LOANS					
17,00,69,000	2	1946	1961	1-2/1-8	98-35	2,95,85,200	4	1933	1953-63	1-6/1-12	101-75	14,35,000	4	1913	1960	1-4/1-10	
45,63,07,000	2	1946	1960	15-1/15-7	97-65	3,33,47,200	4	1953	1963	15-1/15-7	100-40	10,00,000	4	1915	1960	1-4/1-10	
75,86,72,000	2	1947-48	1962	15-5/15-11	98-05	3,25,00,000	4	1955	1967	1-3/1-9	100-43	66,61,000	4	1922	1960	1-6/1-12	
14,77,48,000	2	1946	1976	16-3/16-9	83-50	4,10,00,000	4	1956	1968	3-3/3-3	100-40	11,51,000	4	1924	1960	1-4/1-10	
116,17,46,000	3	1932	1963-65	1-6/1-12	98-20	3,00,00,000	4	1957	1969	16-3/16-9	102-00	10,25,000	3	1926	1960	1-5/1-11	
30,33,10,000	3	1950	1964	15-6/15-12	98-25	5,00,00,000	4	1958	1970	15-1/15-7	102-00	12,50,000	3	1930	1960	1-5/1-11	
110,11,78,000	3	1943	1966-68	1-4/1-10	96-05	COCHIN						48,04,000	3	1936	1960	1-4/1-10	
115,05,83,000	3	1945	1970-75	15-4/15-10	93-00	30,00,000	3	1937	1956-61	1-6/1-12	98-00	12,50,000	3	1931	1961	1-5/1-11	
248,91,37,000	3	1946	1986	16-3/16-9	73-60	TRAVANCORE						13,50,000	3	1932	1962	1-3/1-9	
87,27,36,000	3	1956	1962	16-1/16-7	99-90	300,00,000	4	1953	1963	15-1/15-7	99-82	36,50,000	4	1904	1964	1-1/1-7	
75,29,00,000	3	1953	1961	1-6/1-12	100-18	4	1956	1968	3-3/3-9	99-85	35,00,000	4	1905	1965	1-2/1-8		
58,54,92,000	3	1958	1963	12-5/12-11	100-20	4	1958	1970	15-1/15-7	100-97	15,00,000	3	1936	1966	1-3/1-9		
138,17,90,000	3	1954	1964	19-4/19-10	100-20	MUNICIPAL LOAN						44,00,000	4	1907	1968	1-5/1-11	
103,67,92,000	3	1955	1965	1-1/1-7	100-22	25,00,000	5	1928	1958	1-1/1-7	99-90	75,00,000	4	1908	1969	1-3/1-9	
63,81,83,000	3	1956	1967	16-1/16-7	99-85	26,21,000	5	1929	1959	1-2/1-8		40,00,000	4	1909	1970	1-1/1-7	
30,00,00,000	3	1958	1968	26-2/26-8	99-65	17,97,000	3	1930	1960	1-6/1-12		56,00,000	4	1910	1971	1-4/1-10	
66,63,54,000	3	1959	1974	16-1/16-7	99-65	110,00,000	4	1931	1963	1-3/1-9		7,00,000	3	1941	1971	1-5/1-11	
56,99,30,000	3	1957	1967	1-2/1-8	100-85	215,00,000	4	1932	1964	1-3/1-9		75,00,000	4	1911	1972	1-6/1-12	
34,33,89,000	3	1958	1968	12-5/12-11	100-65	244,14,500	3	1933	1965	1-3/1-9		110,00,000	4	1912	1973	1-2/1-8	
49,17,27,000	4	1957	1972	1-2/1-8	101-65	200,00,000	3	1951	1965	16-2/16-8		80,00,000	4	1913	1974	1-1/1-7	
43,30,26,000	4	1926	1960-70	15-3/15-9	100-60	9,00,000	3	1936	1966	14-3/14-9		88,25,000	4	1914	1975	1-4/1-10	
49,51,44,000	4	1958	1973	12-5/12-11	101-50	175,34,000	3	1951	1966	3-4/3-10		35,00,000	4	1915	1975	1-6/1-12	
STATE GOVERNMENT LOANS						33,00,000	3	1952	1966	16-2/16-8		24,58,000	3	1935	1975	30-3/30-9	
WEST BENGAL						24,50,000	3	1936-37	1967	1-2/1-8		CALCUTTA PORT TRUST					
1,75,00,000	3	1951	1962	17-3/17-9	98-25	69,00,000	4	1938	1968	1-3/1-9		149,30,000	5	1928	1958-88	15-3/15-9	
3,60,23,300	4	1953	1963	15-1/15-7	100-40	30,00,000	3	1939	1969	1-3/1-9		100,00,000	3	1949	1959	15-2/15-8	
2,00,00,000	4	1952	1964	1-2/1-8	100-45	64,00,000	3	1940	1970	1-3/1-9		50,00,000	3	1949	1959	20-2/20-8	
7,00,00,000	4	1955	1967	1-3/1-9	100-40	48,00,000	3	1940-41	1971	1-3/1-9		100,00,000	3	1950	1960	15-6/15-12	
7,00,00,000	4	1956	1968	3-3/3-9	100-30	25,00,000	3	1941-42	1972	1-3/1-9		100,00,000	3	1950	1960	15-6/15-12	
5,00,00,000	4	1958	1970	15-1/15-7	102-05	135,00,000	4	1943-44	1973	1-3/1-9		50,00,000	3	1951	1961	1-6/1-12	
BOMBAY						20,00,000	3	1944-45	1974	1-6/1-12		50,00,000	3	1951	1961	1-6/1-12	
2,92,30,300	3	1950	1960	31-1/31-7	99-60	25,00,000	3	1944-46	1976	1-3/1-9		50,00,000	4	1953	1963	14-2/14-8	
5,61,12,200	3	1949	1962	1-2/1-8	97-30	54,00,000	3	1947	1977	1-3/1-9		25,00,000	3	1938	1963-68	1-6/1-12	
2,97,86,300	3	1951	1962	17-9/17-3	99-20	61,00,000	3	1949	1979	1-3/1-9		60,00,000	3	1935	1965	15-3/15-9	
5,50,35,400	4	1953	1963	15-1/15-7	100-75	88,14,100	3	1949	1979	15-3/15-9		90,24,000	4	1914	1974	8-2/8-8	
3,61,30,900	4	1952	1964	1-2/1-8	100-75	10,00,000	5	1920	1980	1-3/1-11		76,90,100	4	1915	1975	1-4/1-10	
9,00,00,000	4	1955	1967	1-3/1-9	100-90	80,00,000	3	1950-51	1980	1-3/1-9		50,00,000	3	1945	1975	1-2/1-8	
7,50,00,000	4	1956	1970	3-3/3-9	100-80	75,00,000	3	1947-48	1977	1-3/1-9		50,00,000	3	1946	1976	15-3/15-9	
6,00,00,000	4	1957	1969	16-3/16-9	102-60	61,00,000	3	1949	1979	1-3/1-9		50,00,000	2	1947	1977	31-3/30-9	
18,00,00,000	4	1958	1970	15-1/15-7	102-60	88,14,100	3	1949	1979	15-3/15-9		50,00,000	3	1948	1978	15-1/15-7	
10,00,00,000	4	1958	1970	15-1/15-7	102-60	10,00,000	5	1920	1980	1-3/1-11		50,00,000	3	1950	1980	15-4/15-10	
MADHYA PRADESH						80,00,000	3	1950-51	1980	1-3/1-9		68,02,300	3	1921	1981	1-10/1-4	
1,01,44,700	3	1950	1960	31-1/31-7	98-30	54,00,000	3	1947-48	1977	1-3/1-9		150,00,000	6	1951	1981	20-2/20-8	
2,01,28,800	3	1948	1964	1-3/1-9	95-50	75,00,000	3	1947	1977	1-2/1-8		50,00,000	3	1953	1983	14-2/14-8	
1,02,18,100	3	1951	1962	17-3/17-9	98-75	61,00,000	3	1949	1979	1-3/1-9		80,00,000	4	1931	1991	15-4/15-10	
1,02,18,100	4	1953	1963	15-1/15-7	100-45	88,14,100	3	1949	1979	15-3/15-9		50,00,000	3	1945	2005	1-2/1-8	
1,50,00,000	4	1955	1967	1-3/1-9	100-40	10,00,000	5	1920	1980	1-3/1-11		50,00,000	3	1946	2006	15-3/15-9	
1,50,00,000	4	1956	1968	3-3/3-9	100-30	80,00,000	3	1950-51	1980	1-3/1-9		50,00,000	3	1947	1977	1-1/1-7	
2,00,00,000	4	1958	1970	15-1/15-7	101-80	80,00,000	3	1950-51	1980	1-3/1-9		50,00,000	3	1948	1978	1-1/1-7	
UTTAR PRADESH						80,00,000	3	1950-51	1980	1-3/1-9		50,00,000	3	1949	1979	1-1/1-7	
2,20,93,600	2	1946	1961-66	1-3/1-9	92-25	150,00,000	3	1952	1962	17-1/17-7		50,00,000	3	1950	1980	15-4/15-10	
2,17,89,700	3	1945	1960	14-3/14-9	99-40	CALCUTTA MUNICIPAL LOANS						50,00,000	4	1951	1981	20-2/20-8	
1,57,42,600	3	1936	1961-66	15-3/15-9	97-75	10,00,000	5	1932	1962	1-4/1-10		50,00,000	4	1953	1983	14-2/14-8	
1,94,11,700	3	1951	1962	17-3/17-9	98-90	33,91,000	3	1935	1965	1-1/1-7		80,00,000	4	1954	2006	15-3/15-9	
5,65,15,500	4	1953	1963	15-1/15-7	100-35	60,00,000	3	1936	1966	1-1/1-7		50,00,000	3	1955	1985	1-3/1-9	
6,11,45,200	4	1952	1964	1-2/1-8	100-50	47,50,000	3	1938	1968	1-6/1-12		155,00,000	4	1956	1986	1-4/1-10	
8,50,00,000	4	1955	1967	1-3/1-9	100-35	17,64,400	3	1942	1972	1-5/1-11		124,00,000	4	1957	1987	16-2/16-8	
3,50,00,000	4	1956	1968	3-3/3-9	100-35	21,10,000	3	1942	1972	1-4/1-10		100,00,000	4	1959	1989	10-2/10-8	
7,00,00,000	4	1958	1970	15-1/15-7	102-05	15,49,000	3	1951	1961	1-2/1-8		50,00,000	4	1959	1989	17-2/17-8	
MADRAS						16,33,000	3	1951	1961	1-2/1-8		IMPROVEMENT TRUST LOAN					
3,81,77,200	2	1946	1961	1-3/1-9	98-35	66,88,000	3	1951	1966	1-4/1-10		CALCUTTA IMPROVEMENT TRUST					
2,78,44,400	3	1945	1960	14-3/14-9	99-30	87,56,000	4	1952	1962	1-5/1-11		25,00,000	5	1929	1959	18-9/18-3	
4,38,25,400	3	1950	1960	31-1/31-7	99-30	2,22,72,000	4	1955	1985	1-6/1-12		50,00,000	5	1934	1964	14-2/14-8	
3,01,49,000	3	1951	1962	17-3/17-9	99-10	1,67,12,000											

Indian Finance											
Indian Dye Stuff 6%	100	119.00	Indian Globe	25	8.00 N	Ballyburla	10	16.00	Digvijay Woollen	10	14.36
Ind. Huma Pipe 5%	100	55.00	Indian Mercantile	40	45.75	Highland	10	12.60	East India Hotels	10	10.00
Indian Rayon 7%	25	25.00	Imperial	15	6.08	Kalpetta	10	10.28	Empire Dyeing	15	42.25
Khandelwal Ferro Alloys 7 1/2%	50	54.00	Nepitune	10	1.45	Midland	10	12.12	Ferro Alloys	100	100.00
Madhusudan 4%	121	7.50	New Astatic	5	2.75	Nellampathy	2	2.88	Gujarat Investment	50	11.00
Motor & Genl. Fin. 10%	25	34.00	New Great	20	22.80	Rajabdi	10	19.92	Gujarat Safe	75	120.00
National Rubber 6%	100	82.00	New India	15	62.30	Towford	10	12.24	Harvey & Sabapathy	500	50.00
New Central Jute 6%	100	107.00	New India 'A'	15	61.50	Waterfall	2	3.80	Hindustan Motors	10	14.40
N. I. Fisheries 6%	100	101.00	Sentinel	50	60.00 N	SUGAR			Hindustan Housing	25	21.00 N
Orient Paper 5 1/2%	100	93.20	Universal	10	12.00	Caustic	100	107.50	Hingir Rampur Coal	50	23.00
Orient Paper 5 1/4%	100	58.50	Vulcan	10	21.44	Kasear	40	66.00	Indian Dyestuffs	100	495.00
Rohitas Indus. 'A' Pref.	100	110.00	SHIPPING:			Krishna Gyanoday	10	14.00	Indian Copper	25	4.00
Rohitas Indus. B. Pref.	100	61.00	Great Eastern New	5	12.00	Maharashtra	50	244.00	Indian Rayon	25	26.50
Sen. Raleigh 5%	100	143.00	Malabar Steam	10	11.68	New Swadeshi	100	325.00	Indian Tool	100	110.00
Standard Motors 6 1/2% 'A'	100	103.00 N	TELEPHONE:			Oudh	100	167.00	Invt. Corp.	100	140.00
Standard Motors 6 1/2% 'B'	100	103.00 N	Adoni	10	8.20	Ugar	100	190.00 N	Khandelwal Ferro Alloys	50	74.20
Stanvac 6%	100	65.50	Bhavani	10	19.00 N	Vashnu	100	235.00	Kirloskar Oil Eng.	10	18.92
Star Paper 5 1/2%	100	73.00 N	Bradbury	50	132.00	CEMENT:			Madhusudan A.	100	81.00
Star Paper 6 1/2%	100	100.00 N	Durhampur Tapti	100	87.00 N	Andhra B.	10	10.44	Madhusudan B.	20	13.52
Structural Eng. 5%	100	105.50	Davangere	100	114.00	Asheka	10	8.78	Man. Indus. Corp.	100	95.00
Structural Eng. 6 1/2%	100	106.50	Chakkar	100	260.00	Dalmia	10	10.24	Motor & Genl. Pine	10	40.00 N
Sundatta Foods 6%	50	50.10	Hakkumbhand	100	105.00 N	India Cement	5	6.00	National Rubber	10	13.95
Texmaco 1st 5 1/2%	100	85.00 N	Indian Mfg.	100	2100.00 N	Jalpur Udyog	10	10.12	New Central Jute	100	21.28
Texmaco 2nd 5 1/2%	100	62.00	Jam Shri Hanjit	1000	1500.00	Orissa	10	13.24	N. I. Fisheries	100	80.00
W. I. Plywood 6%	100	90.00 N	Jyadeerao	10	11.44	STEEL:			New India Indus.	100	385.00
Ordinary:			Khandesh	1000	1450.00	Indian Iron	10	23.40	Orient Paper	10	81.10
BANKS:			Khandesh	250	375.00	MISCELLANEOUS:			Parashuram Pottery	25	65.00
Baroda	50	99.00	Kothari	10	10.00 N	Alumina Corp.	10	16.36	Raymond Woollen	100	67.50
Baroda B.	25	46.00	Mahendra	100	225.00	Asi. Hardboards	100	385.00	Rohitas Industries	10	24.00
Bikaner	25	30.50	Mahendra	40	40.00 N	Asso. Rubber	100	105.00	Sardar Carbonic	100	320.00
Central	25	48.75	Navaari	100	204.00	Bombay Cycle	20	22.24	Sen. Raleigh	10	20.24
Central 'A'	25	51.00	Phoenix	100	155.50	Bombay Silk	50	5.00	Standard Batteries	100	140.00
Devankaran Nanjee	50	52.70	Pulgaon	10	10.24	Boni Swadeshi Stores	5	7.24	Standard Motors	10	18.24 N
Hindust. Mercantile	50	12.00	Raja Motilal	100	62.00	British Burma Petrol	5	2.10	Star Paper A.	100	12.00
India 'A'	50	112.00	Ruby	25	61.00	British India Corp.	5	5.44	Star Paper B.	100	12.00
India 'B'	50	111.25	Shubhlaxmi	100	125.00 N	Brunton Eng.	10	4.00	Supradia	100	10.00
Jalpur	50	41.00	Swadeshi (Kampur)	10	12.00 N	Ceat Tyres	75	176.00	Sundatta	100	10.00
Maharashtra	40	52.00	Swadeshi (Kampur) P.O.	10	10.40 N	C. I. Coal	10	6.35	T. P. Marital	100	12.70
Punjab National	10	20.60	Western India	1000	4225.00	C. I. Machinery (old)	10	10.00 N	Texmaco	100	110.00
State Bank	100	352.50	ELECTRIC:			C. P. Railway	100	53.00	Union Bank	100	110.00
Union	5	6.84	Basain	10	8.50 N	Chem. Pharma (old)	25	26.00	W. I. Plywood	100	90.00
United Comm.	50	65.50	Nakpur	25	22.00	Colour Chem.	100	315.00			
INSURANCE:			Nagpur	25	51.60	Commerce (1935)	10	17.00			
All-India General	8	3.50	TRANSPORTS:			Dehri-Rohas	10	18.56			
British India	10	14.16	Blue Mountain	2	3.64	Durang Chemical	100	166.50			
Devkar Nanjee	50	33.00									
Empire	100	268.75									

Calcutta Stock Exchange									
PRICE TRENDS DURING DECEMBER, 1959									
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th
3% 1986	74.15	73.70	73.75	73.30	73.63	73.52	73.52	73.45	73.85
United Commel	62.00				64.75		64.00	64.50	64.50
Kocoram	18.67	19.37	19.19		19.08	19.31	19.50		19.12
Bengal Coal	297.00	295.00			296.00		300.00		298.00
Barrackur	17.12	17.00	17.19	17.06	17.00	17.08	17.44	17.37	17.31
Hovrah	23.58	23.50	23.44	23.37	23.37	23.62	23.67	23.67	23.62
National	25.25	25.50	25.50	25.25	25.00	25.12	25.75	25.75	25.75
New Central	20.25	20.37	20.63	20.31		20.12	20.81	21.19	21.12
Brooke Bond					18.62				17.00
Hastimara	23.19						22.62		23.37
Tarpore	18.62	18.87	18.56	18.62					18.25
Jessop		33.62			22.50	22.81	23.00	23.87	24.50
Indian Iron	23.14	22.98	23.07	23.16	23.15	23.35	23.69	23.73	23.68
TEXMACO	24.30	24.00	24.30	24.20	24.20	24.25	24.40	24.45	24.20
L. Copper	3.88	3.85	3.68	3.68	3.68	3.88	3.90	3.90	3.89
Orient Paper	36.20	35.90	36.35	35.90	36.15	35.85	36.00	36.60	36.50
Shree Gopal	22.37	22.50	22.62	22.69	22.56	22.31	22.44	22.69	22.75
I. Cable	30.25	30.00	30.06	29.64	29.87	29.87	30.06	30.31	30.37
I. Steamship	12.25	12.22	12.25	12.12	12.00	12.19	12.06	12.16	11.94
Rohitas	24.75	24.62	24.94	25.19	24.87	24.31	24.37	24.75	25.00
Dunlop	35.50	35.00	35.00	35.12	35.19		35.87	36.00	
I. Aluminium	23.31	23.12	23.25	23.31	23.31	23.25	23.44	23.44	23.31
H. Motor	14.75	14.56	14.94	14.94	14.81	14.87	15.06	15.44	15.94
I. Oxygen	28.00					28.00	27.87	28.87	29.00

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by
C. S. Rangaswami

27 JAN 1960
PUBLIC DEPARTMENT

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The hard iron lay dead in slumber deep
And we stirred it to life, ho!

In the dark depths of a million years it lay hid
And we stirred it to life, ho!

Tamed by our strong hands
It sings to the tune we call.

Its silence of long years have we broken, ho!
The dead doth stir with new life today

And rushes forth the wide world to conquer.
Fearless with our two hands today

Its reins we hold strong, ho!

— a translation of a song from
Rabindranath Tagore's
'ACHALAYATAN'

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January 23, 1960

FOR THE INVESTOR

Investment Gossip:

Improved Sentiment

ALTHOUGH trading in the stock markets during the week just ending has continued to be rather subdued, there is now discernible a more constructive sentiment than had been the case most of the time in the previous week. Not only have the more speculative counters staged a moderate rally from the low levels touched during the early part of the week but once again investors have begun to evince interest in the general list. Perhaps the main helpful influence has been the fact that the Sadashivnagar session of the ruling party's annual meet has, contrary to general expectations, produced no untoward worry to the private sector. Operators have evidently found little cause for fresh anxiety in the Indian National Congress deliberations during the past week. There is, however, no gainsaying the still prevalent apprehensions about the coming Central Budget. While it would appear that some addition to the taxes is generally considered inevitable in view of the rising tempo of defence expenditure, operators seem to be confident that the burden on the corporate sector will not be increased in the interest of efficient working of private sector industries which will continue to have a major share in the industrial development. And a rapid development of industries is one of the main aims of official policy. The subdued optimism latterly noticeable seems to have also stemmed from indications of increased foreign assistance for our Five Year Plans.

The past week has also been productive of encouraging developments as regards two of the major industries. Thanks to effective Government intervention indications are that the output of the cotton textile industry will be stepped up in coming months thereby contributing to an easing of the scarcity conditions currently noticeable in the cloth markets. Meantime news from the export front is also quite good. The jute goods industry is now having greatly reduced anxiety about the depredations of unbridled speculation thanks to effective Government action. Both raw jute and goods prices are coming back to realistic levels. Burlap consumption in US during 1959 has touched an all time high for the post-war period and expectations are that provided our goods prices are

economic prospects for exports in the current year will be quite good.

Even so, there is a general disinclination to extend commitments and this trend is likely to continue till the Central Budget is safely out of the way. Money is also more stringent now than a few weeks ago and this accounts for the cautious approach of most operators. The proximity of the flotation of some big new issues is yet another restraining influence in the current investment situation as investors have derived considerable profit from similar investments in the recent past.

ER\$

Investment Notes:

It is learnt that all the formalities regarding the issue of the Hindustan Aluminium Corporation have been completed and the sponsors, will be in the market during the first week of February. To be precise, the subscription list will open on the 8th February and close on the 18th February, if not earlier. The authorised capital of the company is Rs 20 crores, consisting of Rs 10 crores of equity capital in shares of Rs 10 each; Rs 2½ crores of Cumulative Preference shares of Rs 100 each earning a tax-free dividend of 6.3 per cent and the balance of Rs 7½ crores in unclassified shares. The Preference shares are redeemable after a period of 20 years.

The directors have proposed to issue, at present, Rs 8.35 crores—Rs 5.85 crores in Ordinary shares and Rs 2.50 crores in Preference shares. Out of this, Rs 1.56 crores of equity capital is reserved for the Corporation's technical collaborators, Kaisers and their friends and another Rs 2.13 crores will be taken up by Birla Gwalior Private Limited and its directors and their friends. The remaining equity capital of Rs 2.15 crores and the whole of Rs 2.5 crores of preference capital will be offered to the public.

The response to the issue of new capital by the Chase Bright Steel Limited, the subscription list for which opened on Monday, is reported to be encouraging.

The outlook for the Raymond Woollen Mills Limited, appears to be good. It is reported that the company has fared better last year than in 1958. There are indications that a net dividend of 8 per cent will be maintained.

Kerala will soon have one of the biggest tyre-factories in the country. The new factory in a joint enterprise by the Kerala Government, Premier tyres, a public concern receiving technical assistance from the well known Dayton Rubber Company of U.S. The target of output after completion of this plant is 240,000 tyres and an equal number of tubes annually.

ER\$

Investment Briefs:

Union Bank of India has recommended a dividend of 11-2/5 per cent (Rs 1.57 per share), subject to deduc-

tion of tax, for 1959. This works out to a net dividend of 40 nP against 44 nP per share for 1958.

Oudh Sugar has recommended a dividend of Rs 18.25 per share, subject to deduction of tax. This works out to a net dividend of Rs 12.75 per share against Rs 12.50 paid in the previous year.

ER\$

Angelo Brothers Raise Dividend

Balance-Sheet Reviews:

THANKS to the stabilising effect on shellac prices of the decision of the Indian Lac Exporters' Association to maintain the minimum export selling prices, Angelo Brothers Limited, dealing mainly with the shellac trade, has reported excellent working results for the year ended 31st August 1959. Despite a decline in sales from Rs 1.78 crores, the net profit for the year, after providing for Depreciation and Taxation, is substantially higher at Rs 6.18 lakhs against Rs 3.37 lakhs in the previous year, mainly due to a reduction in production costs from Rs 1.57 crores to Rs 1.49 crores.

Despite increased profits, all allocations have been reduced: Depreciation from Rs 1.05 lakhs to Rs 97,414; Taxation provision from Rs 6.85 lakhs to Rs 5.40 lakhs and Development Reserve from Rs 8,484 to Rs 5,467. But the dividend is raised from 15 to 20 per cent (including a bonus of 7½ per cent).

The directors have confidence in the future of the company, whatever the outside circumstances, and the policies which have served so well in the past will be maintained with all suitable modifications.

ER\$

Bharat Sugar

The Bharat Sugar Mills Limited has raised the ordinary dividend from Rs 1.00 to Rs 1.50 per share following an increase in the net profit from Rs 1.21 lakhs to Rs 3.27 lakhs for the year ended 30th June, 1959. Sales have risen to Rs 71.40 lakhs from Rs 64.07 lakhs. The Depreciation amount is raised to Rs 1.01 lakhs from Rs 48,600; Taxation provision to 2.26 lakhs from Rs 2.10 lakhs and Development Rebate Reserve to Rs 96,000 from Rs 7,400.

The quantity of cane crushed is higher at 18.75 lakh maunds against 15.97 lakh maunds, although the recovery is lower at 10.15 per cent against 10.29 per cent.

ER\$

United Breweries

Sales of United Breweries Limited have recorded a further rise in the year ended 31st March 1959 to Rs 42.72 lakhs from Rs 36.42 lakhs in 1957-58. The net profit, before providing for Depreciation and Taxation, has, therefore, risen rather significantly to Rs 19.01 lakhs from Rs 14.82 lakhs. The amount set aside to Depreciation is lower at Rs 2.83 lakhs against Rs 4.48 lakhs; but the provision for Taxation is much higher at Rs 9 lakhs against Rs 6.5 lakhs. The General Reserve gets Rs 1.2 lakhs (nil). The transfer to Development Rebate Reserve is Rs 99,900 (Rs 20,100). A final dividend

of Rs 52.50 per share is to be paid which, with the interim dividend of Rs 7.50, makes a total of Rs 60 per share for the whole year against Rs 60 per share previously on a smaller capital. An interim dividend of Rs 25 per share, subject to deduction of tax, has been declared in respect of the year ended 31st March, 1960.

In order to keep the paid-up capital in balance with the capital employed in the business, the directors have decided to issue additional shares. It is proposed that, out of the dividend of Rs 52.50 per share, now proposed, a sum of Rs 50 per share should be applied toward the allotment of five fully paid-up equity shares. The new shares rank equally with the existing shares in all respects except that they shall not participate in the first interim dividend declared in respect of the current year.

ER\$

Kamani Metals

With rigorous restrictions on imports, the output of Kamani Metals and Alloys Limited was badly affected in the year ended 30th June 1959. It is stated that the shortage of virginial metals, coupled with non-availability of good quality scrap, affected considerably the working of the company.

The net profit, before providing for Depreciation and Taxation, is therefore much lower at Rs 14.48 lakhs against Rs 20.83 lakhs in the previous year. The provision for Depreciation is Rs 2.98 lakhs (Rs 4.38 lakhs). The arrears of depreciation have been provided to the extent of Rs 7.30 lakhs (Rs 11.40 lakhs). The provision for Taxation is Rs 99,404 against Rs 30,000, while the General Reserve gets Rs 25,000 (Rs 40,000). A dividend of 7½ per cent is to be paid on the equity shares.

A new strip mill, which is most modern in design and which is the first of its kind to be used in India for rolling copper and brass strips of thinner gauge and very close tolerances mostly for catering to the needs of industrial users, is expected to go into production during the current year.

ER\$

Willcox (Buckwell-India)

It is understood that Larsen & Toubro Limited of Bombay, jointly with Tractors India Limited of Calcutta, has acquired the controlling interest in Willcox (Buckwell-India) Private Limited of Delhi.

Messrs Willcox (Buckwell-India) Private Limited is a well-established organisation in Delhi. They are the authorised dealers for Northern India for the famous 'Caterpillar' tractors and other earthmoving equipment. They maintain an extensive service and spare parts organisation, and modern workshop facilities. The Company has been supplying 'Caterpillar' earthmoving equipment to a number of important projects. It has expanded considerably during the last years and has increased its paid-up capital from Rs 2.30 lakhs to Rs 15.00 lakhs. It has paid an average of 17 per cent dividend, free of income-tax, for the last 10 years. It is expected that the Company,

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under the control of the above mentioned public companies, experienced and well-known in the field of Engineering, will expand its activities considerably.

Khardah Jute

The profit earned by the Khardah Company Limited is higher at Rs 10.04 lakhs for the year ended 31st March 1959 as against Rs 5.69 lakhs in the previous year. An ordinary dividend of 20 per cent has been recommended against 8 per cent.

The provision for Taxation amounts to Rs 3.93 lakhs against Rs 21,128 and that for Depreciation Rs 5.51 lakhs against Rs 4.94 lakhs. After other adjustments, a sum of Rs 10,158 is carried forward against Rs 45,833 brought in.

The third and fourth phases of the modernisation programme have been completed according to schedule. Arrangements are being made to implement the last two phases, which will completely modernise the preparing and spinning sections of both the mills.

Alliance Jute

The plentiful supply of raw jute and the better conditions that prevailed in the jute trade are fully reflected in the working results of the Alliance Jute Mills Company Limited for the year ended 31st May 1959. Although sales are lower at Rs 2.00 crores against Rs 2.52 crores, the net profit for the year, after providing for Depreciation, amounts to Rs 6.75 lakhs as against a loss of Rs 2.52 lakhs incurred in the previous year, mainly due to a cut in manufacturing expenses. Apart from providing a sum of Rs 29,200 for Development Rebate Reserve, the Depreciation amount is reduced to Rs 1.84 lakhs from Rs 1.95 lakhs. The dividend on the Ordinary shares is passed over again. The profits earned are adjusted against the debit

balance of Rs 8.46 lakhs brought forward from the previous year, leaving a debit balance of Rs 1.88 lakhs, to be carried forward.

According to the directors' report, partial modernisation of the Warp side Spinning Machinery is in progress. It is expected that 21 Spinning Frames will be installed and working by the end of February, 1960.

Waverley Jute

In spite of a decline in the net profit from Rs 3.46 lakhs to Rs 2.99 lakhs, the Waverley Jute Mills Company Limited has recommended a dividend of 25 nP per share for the year ended 31st May 1959 as against nil in the previous year. Sales of loom-hours are higher at Rs 7.11 lakhs against Rs 6.26 lakhs. A sum of Rs 9,400 (Rs 21,000) is provided for Taxation and Rs 1.14 lakhs (Rs 1.25 lakhs) for Depreciation.

According to the directors' report, the mill was closed down on the 17th June 1957; but the working loom-hours were sold to other mills within the McLeod group, which has enabled the company to show a profit.

Kalpeta Estate

The annual report for the year ended April 30, 1959, for the Kalpeta Estate Limited, disclosed a better profit of Rs 2.2 lakhs against Rs 1.98 lakhs in the year 1957-58. The rubber crop was 271,700 lbs against last year's 268,600 lbs. Tea crop declined to 317,627 lbs against last year's 345,543 lbs.

The Company has set aside Rs 42,220 for Depreciation. In the previous year, the amount for this item was Rs 42,767. Taxation took up Rs 65,000 against Rs 75,000. A dividend of 12½% gross is ordered to be paid against 10% previously. Current year's tea crop is estimated at 310,000 lbs and rubber crop at 265,000 lbs.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Previous Dividend (Rs Per Share)	Transfer Books Closed
Indian Wood Products	Jany. 29	1.00 (int.)	2.50	21/1/60 to 23/1/60
Kamarhatti Co.	Jany. 29	1.00 (int.)	5.00	19/1/60 to 23/1/60
New India Sugar	...	3.65	...	29/12/59 to 3/1/60
British Burmah Petroleum	...	Nil	0.04	5/12/59 to 12/12/59
Sarugaon Tea	...	2.00	2.00	...
Upper Ganges Sugar	Jany. 29	7.25	5.50	21/1/60 to 29/1/60
Alliance Jute	Feby. 2	Nil	Nil	20/1/60 to 2/2/60
Waverley Jute	Feby. 3	0.25	Nil	21/1/60 to 3/2/60
Palampore Sugar	Feby. 8	0.40	0.25	1/1/60 to 8/2/60
Bharat Sugar	Feby. 9	1.50	1.00	30/1/60 to 9/2/60
Angelo Bros.	Feby. 9	2.00	1.50	25/1/60 to 9/2/60

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Indian Finance

Established 1928

January 23, 1960

"The Wise Man in his attitude toward the World has neither Prejudices nor Prejudices. He is on the side of what is Right"—The Analects, of Confucius.

The Russian Guests

INDIA will this week be welcoming President Voroshilov of the Soviet Union. The distinguished guest and his entourage will be in India for over a fortnight and visit various parts of country. The ostensible occasion is the Indian Republic Day at which the Soviet President will be an honoured guest. His visit is a symbol of the growing intimacy between the two countries, of which we have had another recent example in the visit of the delegation of Soviet jurists, headed by the President of the Supreme Court of the Soviet Union. That the Soviet President's visit is not entirely a gesture seems to be borne out by the fact his entourage includes some other important political figures in the Soviet Union. Mr Kozlov, the first Vice-Chairman of the Council of Ministers, and Mr Kuznetsov, a First Deputy Foreign Minister, are among the delegation and both are considered to be "Khrushchev men". Besides the official and formal functions, the delegation will evaluate the fruits of Indo-Soviet cooperation and investigate the possibilities of further collaboration in the future.

Comparisons are inevitable, but neither in its intention nor in its likely results is the Soviet President's visit comparable to that of the American President last month. The Constitutional position of the two dignitaries alone would make the comparison pointless. Under the US Constitution, the President is the chief executive of the nation, mentor and watchdog of the legislature and the conscience of the nation, all rolled into one. The comparable figure in the Soviet Union is, of course, Mr Khrushchev, who is also coming to India next month, though the actual dates have yet to be fixed.

Mr Khrushchev's visit can hardly be a coincidence. The Soviet leader's original destination (which it is still) was Djakarta. But soon after Mr Eisenhower left India last month, feelers regarding the Soviet leader's visit to India were sent out and were promptly acted upon by the Government of India. A formal invitation was extended and accepted and the details of the actual length of stay are being worked out. It is obvious that Mr Khrushchev is anxious to have detailed discussion with Mr Nehru on subjects on which Mr Eisenhower also had exchanged ideas with Mr Nehru. There can hardly be any doubt that India is being sought by both sides as the best mirror through which each may see the other's point of view reflected without distortion. There is no question of "mediation" or "broking" by India: Mr Nehru is too conscious of the magnitude of the problems, to offer his services lightheartedly for such purposes. But both leaders have the confidence that Mr Nehru will be able to do two things that their own advisers and allies will not be able to do. First, he will be able to interpret each to the other without indulging in any special pleading or distortion. He has the necessary detachment and integrity. Secondly, uncommitted as he is, he will be able to bring his own particular political sagacity to bear on both so that each is brought a little nearer the other. In the heart of their hearts, both leaders wish precisely for such a coming together. Each would, of course, wish to give away as little

as possible, but each is probably willing to make real concessions, if necessary, provided he is assured that it will be worth while. Mr Khrushchev's discussion with Mr Nehru will largely be concerned with finding out Mr Nehru's appreciation of American intentions. Mr Khrushchev knows that Mr Nehru has no axe of his own to grind and that he holds no brief for the West any more than he does for the Communist bloc. He knows that Mr Nehru wears no ideological goggles—an impediment from which even he is not free. It is to Mr Khrushchev's credit that he should have the shrewdness to see this particular equipment—or rather absence of one—in Mr Nehru and characteristically benefit by it without standing on ceremony. There can be no doubt that Mr Khrushchev's talks with Mr Nehru will give him a deeper understanding of the American position than what would have been possible otherwise. His own friends would have had no opportunity to hear Mr Eisenhower express himself unreservedly. Nor would his own personal discussion with Mr Eisenhower have served him much better, for, in the nature of things, there would have been certain inevitable inhibitions. This would have been so even when both the American and the Soviet leaders are personally convinced of the other's sincerity as they now seem to be. For, personal sincerity cannot bridge entirely the chasm that divides them. Moreover, both have difficult allies whom they cannot (and probably do not want to) desert; and, since the real negotiations are still ahead, both will be unwilling to show their hands completely to the other. Mr Nehru, of course, cannot give to Mr Khrushchev anything except a broad indication of the way the mind of the US President is working, but he will be able to give an idea of the particular obstacles in the way of settlement and his own appreciation of how powerful such obstacles are. This should be of inestimable value to Mr Khrushchev.

We commented some time ago on the emergence of the New Eisenhower. It seems to us that there has emerged a New Khrushchev in the last two years. Even as recently as 1957, when he, alone with Mr Bulganin, flooded the post offices with letters, there was a feeling that it was all part of an elaborate propaganda stunt. But in the last two years, Mr Khrushchev has shown such tenacity of purpose in bringing about a detente as to have worn out even the resistance of Mr Dulles. This he has done at considerable risk to his own position, for, it is no secret that his personal ascendancy during this period was the culmination of a struggle with the more rigid and unbending section of the ruling clique that came into being after Stalin. It is paradoxical, but true, that the displacement of the "collective leadership" by a "one-man" rule has been coincidental with greater liberalism inside the Soviet Union and a greater readiness to come to terms with the West in international affairs. In the internecine struggle, Mr Khrushchev's position was often precarious, but he has been able to carry the country (and what is more important, the party) with him. The most serious, though indirect, challenge to his position came from the rigid

dogmatism of the Chinese Communists, which threatened a whole series of disasters for him personally and for the whole Communist bloc. Even now, the Chinese Communists are looking with barefaced concealed disfavour on his attempts to bring about an East-West settlement. It is no secret that, at crucial moments in the internal power struggle in the Soviet Union, the more dogmatic anti-Khrushchev clique was able to look for support from Mao and his friends. In fact there was at one time a powerful "Mao-mystique" in the Communist world and there were even hints of Mao being the real successor of Stalin, which, in a sense, he is.

The circumstance of the real Communist power still residing in Moscow indicates the relative irrelevance of ideology in politics. For, if ideology were all powerful, then the technological circumstance should have made no difference to the inevitability of the power shift to the more ideologically conscious Peking. It is Mr Khrushchev's recognition of this comparative unimportance of ideology (and the failure on the part of his rivals to do so) that gave him the decisive edge in the struggle. This is not to say that Mr Khrushchev has ceased to be a Communist, but only to recognise the fact that he has loosened himself comparatively free from the strait-jacket of ideology. This has enabled him to see the possibility of many things, including a world in which rival ideologies can co-exist. From this, as also from the realisation of the "balance of nuclear terror", has sprung Mr Khrushchev's determination for coming to terms with the West. There can be none so indifferent to the future of mankind as not to wish Mr Khrushchev success in his new endeavour.

It is inevitable that we, in India, should speculate about what Mr Khrushchev is likely to tell Mr Nehru about the recent Sino-Indian quarrels. Probably, there is very little that Mr Khrushchev can do beyond what he has already done, which, considering the relationship between the two Communist countries, is farther than anyone else would have dared go. Mr Khrushchev's attitude to the question is another indication of his emancipation from ideological meshes. But the coming Delhi talks may not bring about any dramatic changes in the Sino-Indian relations and we may have to reconcile ourselves to an uneasy coexistence with a predatory neighbour.

It is not out of place to mention here that there may be a more immediate significance for India in the forthcoming visit of Mr Khrushchev. We refer here to the reaction, as it were, that the state of the Indian economy produced by Mr Eisenhower. There can be no doubt that the American President went away convinced that India deserved every assistance that America could give in respect of our development programmes. It may not be too much to hope that, whether or not motivated by a sense of friendly competition in this sphere, the Russian leader will feel that it is also up to him to give Mr Nehru every assurance of the Soviet Union's desire to help as much as it lay in its power in the implementation of India's development programmes.

Engineering Industries Production Below Capacity

ENGINEERING industries occupy a prominent place in our economy. They produce capital equipment and consumer goods. From the defence point of view, these industries are of considerable significance. It is therefore important that they always function at a high level of efficiency.

The progress of engineering industries since the achievement of independence has been impressive. Production of many items has shown a remarkable increase. Not only the output of light engineering goods like bicycles, sewing machines and electric fans but also that of capital goods like textile machinery, tea machinery, and machine tools has shown a steady and substantial improvement. The development of these industries has helped to displace imports and save foreign exchange. What is even more significant is that the export of engineering goods is also gradually picking up. The value of such exports is now of the order of Rs 6 crores a year. Engineering goods are exported not only to the countries of South East Asia and West Asia but even to Europe and the USA. In 1959, it is interesting to note, the United Kingdom was the biggest customer for Indian sewing machines!

However, it is a matter of concern to note that many engineering industries are working much below the installed capacity. It is estimated that 43 out of 63 industries are unable to make effective use of their capacity. Some of these industries are railway wagons, steel furniture, typewriters, automobiles, domestic refrigerators, radio receivers, razor blades, carding engines, electric lamps, dry cells, steel files, complete ring spinning frames, grinding wheels, etc. The figures in respect of some industries for 1958 are given below:

Items of Production.	Pro- duction.	Installed capacity.
Railway Wagons (No.)	16,506	20,135
Steel furniture (Tons)	20,400	31,020
Typewriters (Nos.)	16,610	33,000
Automobiles (Nos.)	25,805	49,800
Domestic Refrigerators (Nos.)	2,000	7,600
Radio Receiver (Nos.)	195,100	240,600
Razor blades (million Nos.)	340.0	629.0
Carding Engines (No.)	1,152	3,000
Electric Lamps (million No.)	29,30	43,13
Dry Cells (million cells)	166.00	224.50
Steel files (Dozens)	240,357	348,000
Complete Ring Spinning Frames	876	2,784
Grinding Wheels (Tons)	1,186	2,470

Figures for the full year 1959 are not yet available. But the situation does not appear to have shown any appreciable improvement. For example, the production of railway wagons in September 1959 was only 850 compared with a monthly capacity of 1688. The number of automobiles produced in October 1959 was 3,018 against a monthly capacity of 4,150. For carding engines, the industry has a capacity to make 250 (numbers) per month but output in October was only 41. Similarly, the production of ring spinning frames amounted to 86 in October against a monthly capacity of 232.

A Fair Deal for our Scientists

By M. SUR

THE Third Five Year Planners have to think very seriously about the terms and conditions of scientists employed in Government undertakings, if they are to find men of sufficient calibre to fill these posts. The problem has been pinpointed recently by the Prime Minister's outburst against those who go abroad for further training and do not re-

The capacity of a number of other industries also in the engineering group remained considerably under-utilised in 1959.

Such a situation is clearly undesirable. It is necessary to enquire into this matter and adopt the necessary measures as early as possible so as to enable these industries to increase their production. Obviously, short supply of steel was largely responsible for this situation. The indigenous production of steel in 1958 was practically the same as in the preceding year, namely, 1.3 million tons while imports amounted to 1.1 million tons as compared with 1.7 million tons in 1957. The availability of steel both from indigenous and imported sources did not show any material improvement in 1959. The position will, of course, improve gradually with the commencement of regular production by the steel plants in the public sector and the completion of the expansion schemes in the private sector.

The question of prices is also very important. Indian steel may be the cheapest in the world, but the equalisation surcharge as well as the stiff excise duty has made the cost of steel prohibitive. At present, the surcharge works out to an average of Rs 115 per ton while the excise duty amounts to Rs 53 per ton in terms of finished steel. It is, therefore, necessary to reduce steel prices. As Sir Jehangir Ghandy recently pointed out:

"A reduction in selling prices will not only stimulate the consumption of steel within the country, but has also become necessary in consequence of the fact that the selling price, for instance, of bars and rods in India is Rs 645 per ton, or Rs 39 more than in the USA, Rs 76 more than in Japan, and as much as Rs 119 more than in the UK. As a matter of fact, the purpose of Government's price equalisation fund is not being fulfilled in the case of these products because bars could be imported from Belgium or Japan at a landed duty paid cost of Rs 28 and Rs 42 respectively lower than the official selling price in India. The position is similar in the case of joists, plates and a few other products."

We are planning for the expansion of the steel industry in a big way. A target of 10 million tons of steel ingots is being suggested for the Third Five Year Plan. But such large quantities of steel can be consumed only if the steel-using industries are enabled to function to their full capacity. This aspect should receive immediate attention so that the increasing output of steel in the coming years can be readily absorbed within the country.

Apart from steel shortage, other factors like the non-availability of capital equipment from abroad may be responsible to some extent for the under-utilisation of capacity in the engineering industry. In any case, the problem calls for prompt attention so that this vital section of our economy will be in a position to function effectively.

turn, and by the tragic suicide of Dr M. T. Joseph, senior scientific assistant at the Indian Agricultural Research Institute. The underlying causes in both cases are not far to seek; they can be traced to the low salaries obtainable in Government service even for highly qualified and experienced specialists. We read every day in the press of the urgent need

for more scientists and engineers, and more and more young men are studying science and engineering in India and abroad, and yet while qualified men remain unemployed we hear that suitable candidates cannot be found for the vacant posts. It is not that candidates are not available in many instances, but that the conditions of employment are not attractive.

From the preliminary report on Dr Joseph's suicide, we learn that, according to his own letter, the cause was "frustration". As a senior scientific assistant, with 15 years' experience, he was drawing a basic salary of only Rs 160 a month, on which he had to support his wife and five children. He had been offered a job at the Haffkine Institute on much better remuneration, but the time limit for acceptance had expired before a decision on his request for permission to change his job had been taken by the Union Finance Ministry. He is stated to have applied in more than 10 instances for permission to apply for a better post, but in only two or three cases was the permission given. He was under a contractual agreement to serve the Government for a 3-year period because he had received help from them to complete his doctorate in the USA.

It is unfortunately only a typical instance: A scientist with specialist knowledge and an American doctorate, who could not earn more than a basic salary of Rs 160 in his own country, but who, if he had stayed in the States, could probably have made a comfortable living for himself and his family. A case was quoted in the press only recently of a research scholar who was returning to the USA because he despaired of finding reasonable employment in his own country. With 9 years' research experience, a doctorate, and knowledge of six Indian and European languages, the only post he could obtain in India was that of senior scientific assistant in the grade of Rs 250-500 in a national laboratory, whereas he had been offered a salary of over \$450 a month in the States. Is it any wonder that India should be losing many of its best scientists and engineers? Almost anyone with whom one discusses the problem can quote similar cases.

It is surely not just a question of patriotism, although even the Prime Minister seemed to imply this. A young man studies or does research for 4 or 5 years in a Western country. They are the formative years of his life. He becomes used to certain standards of living, and to an independence seldom enjoyed in his own home. He makes friends and enjoys their hospitality. He comes home and finds that the only way he can possibly live is as a member of the joint family, for, otherwise the meagre salary he obtains cannot support him. He cannot easily settle down again to the life of the joint family; he misses his privacy and independence, he cannot entertain his friends. If he has a wife and family, it is even more difficult. If his wife has been abroad with him, she, too, will find life in the joint family irritating and frustrating. If he brings home a foreign wife, the problem of adjustment is greater. The joy of returning home is marred by finding that he can no longer settle down in the old conditions, and by the harassing process of finding a job. It is not just a matter of snobbery on the part of those returning from overseas training. They have a psychological problem of re-adjustment. They have been shaken out of their old ways and cannot return to them. They cannot face the prospect of living on Rs 150 a month—and why should they? A completely illiterate, but skilled workman, with a little overtime, may earn as much as that. If we do not want to lose our brightest men, then, we have only two alternatives. Either we must stop sending them abroad unless they have private means

to support them on their return, or we must offer them jobs on sufficient remuneration so that they can live at a reasonable standard and can keep their minds free from financial worries.

What are the present starting salaries offered by Government to scientists? Class II employees of national laboratories on contracts of 5 years may have to start in the grade of Rs 160 to Rs 275. A recent advertisement offered a vacancy for a senior chemical assistant in a Government undertaking, qualifications: good B.Sc. or M.Sc. with 2/3 years' experience of analysis of fuels—grade Rs 150 to 250. The States offer such jobs as Lecturer in Agricultural Chemistry, qualifications: 2nd class M.Sc. or equivalent foreign degree, 2 years' experience grade Rs 150-350; or Special Officer (Sericulture) with M.Sc. Entomology or Biology and specialist training in Sericulture with at least 2 years' experience—grade Rs 200-700. DA is too low to make much addition to these basic rates. Even Class I research jobs in Government institutes do not carry a starting pay of more than Rs 350.

The question of wage differentials needs the most careful study if good candidates are to be attracted to the more important posts. Even in UK, in recent years, it was found that wage differentials were not sufficient to attract men to more responsible jobs. Something seems really wrong with wage differentials when, in the same newspaper that contained the advertisements quoted above, one finds an advertisement for a Diesel Foreman in a State Electricity undertaking: qualifications—"must be literate", 5 years' experience of diesel

India's Trade with Western Europe

Scope for Increased Exports

THE declining or static trend of exports from India to the West European countries during recent years induced the Government of India to send a mixed Trade Delegation to those countries at the fall of last year, to explore the possibilities of increasing this trade. As a result, Trade Agreements have been concluded with West Germany, France, Italy and Switzerland which, broadly speaking, have created a favourable climate in those countries for a greater flow of trade with India. Under each of these Agreements, a Joint Commission is to be set up, to consider questions relating to the removal of impediments to this trade and the provision of facilities for increasing its flow.

Each one of these Agreements specifically refers to the scope which exists in the country concerned for more exports thereto from India. This scope has reference to conditions in general; it also refers in some cases to specified commodities which have been listed together and enumerated as appendix to the Agreement. Generally, these Agreements indicate the possibilities of co-operation between industrial enterprises and trading organisations on either side in meeting each other's requirements and effecting sales to each other on a basis of reciprocity. It is expected that understandings to this end would make possible imports of raw materials and developmental goods into India against supplementary sales to West European countries.

WEST GERMANY ENUMERATES ITS NEEDS

The West German Agreement speaks of a wide and growing market for Indian goods in that country. "Efforts should be made," it says, "to utilise the undoubted possibilities of

generating sets—grade Rs 150-250. Is it worth while for any man to spend 5 or 6 years obtaining an M.Sc. and further years training in some specialist line if, at the end of it, he is not going to be any better off than a "literate" man with 5 years' experience? This comparison is within governmental service, but the contrast is greater when it comes to comparison with private industry. Scales are much more variable in the private sector, but, in the larger companies, executive jobs for graduates with special qualifications often start at Rs 300 or Rs 500, plus substantial DA, and more specialised jobs may carry a starting pay of Rs 800 or more. A graduate in a large commercial company as an ordinary clerk can start at a salary of over Rs 200 (including DA). Hence, the better candidates inevitably search for employment first in the private sector.

Jobs in the private sector for scientists, however, are limited. Where they will be required in much greater number is in the rapidly expanding public sector, where few large-scale projects call for engineers and scientists with knowledge and experience that they can apply to the practical problems of rapid expansion. It is not possible for Government to obtain for these posts the right type of candidate—men with broad outlook, able to think for themselves and apply their knowledge in a practical way—if these men are to be constantly worried and frustrated because they do not know how they can provide a decent livelihood for their families. Patriotism does not really come into the picture at this stage, for, a man's first loyalty is to his family.

respective areas." In respect of the former, it observes: "The French representatives declare their firm determination to abolish progressively in respect of India and all the other member-countries of the GATT discrimination in the application of quantitative restriction on imports into France, with a view to furthering the expansion of international trade on a sound and durable basis." Questions of interest to the two parties to the Agreement in regard to the extension of liberalisation on a non-discriminatory basis will be examined by a Joint Commission of the two Governments, to be set up to consider this and other questions relating to trade promotion. In addition, France has expressed its readiness to examine, in this connection, ways and means of facilitating importation into France of products of special interest to the export trade of India, "in a manner compatible with the best interests of the two countries."

ITALY REQUIRES NUMEROUS INDIAN PRODUCTS

It is understood that there are no quantitative restrictions on the import into Italy of goods which India is in a position to supply; Italian authorities would welcome, within the limits of the Italian regulations concerned, any improvement of imports of Indian goods into Italy. Under the Agreement, Italy has undertaken to give to imports from India (or exports thereto) the same treatment as is accorded to Sterling exchange area group of countries in the Italian foreign trade regulations. In other words, applications for licences for import of goods from and to Italy will be treated equally favourably, except in cases of specific commitments to the contrary, with similar applications from any other members of this currency group. Both the Governments have agreed to give all facilities to promote trade between the two countries and treat fairly and equitably all questions arising therefrom.

While this favourable treatment has been assured to imports from India generally, the Agreement with Italy has specified, in a schedule attached thereto, about 50 products which are available for export from India to that country. These products are: tea, coffee, tobacco, spices, cigarettes and cigars, dried fruits, coal, preserved fruits, fish and tinned prawns, hides and skins raw and tanned, hydrogenated vegetable oils, bones, sheep casings, animal hair and animal horns, vegetable and essential oils, pig iron, mica, groundnut, cotton raw and waste, silk waste, raw wool, myrobalam and extract, drugs and medicines and other pharmaceutical products, cotton and jute twist and yarns, cotton fabrics mill and handloom, jute gunny bags and cloth, woollen, art silk and rayon fabrics, ethyl alcohol, leather footwear, carpets, collyer and manufactures, bristles, fibres, brushes and brooms, certain types of wood and timber, railway rubber components, linoleum, sports goods, handicrafts, exposed Indian films, gums and resins other than gum arabic and resin, lac and shellac, canes and rattans, shells, carding engines, glassware and oilseeds. Exporters to the Italian market are advised to pay particular attention to these products.

SO ALSO SWITZERLAND

There are no quantitative restrictions in Switzerland, too, on imports into that market of commodities which India is in a position to supply.

In the case of the Agreement with that country also, besides a general assurance that all facilities would be given "for the promotion of Indo-Swiss trade, within the framework of their respective laws or regulations",

FRANCE ASSURES NON-DISCRIMINATION

The Agreement with France not only assures non-discrimination between India and all the other member-countries of the GATT, but also promises to "examine with the authorities of the different States in the French Community the possibilities of freer importation of Indian products into their

about 30 commodities have been listed together, in an annexure thereto, which are considered particularly to have considerable scope in the Swiss market. These include manganese and ferro-manganese, pig iron and steel tubes, shellac, jute manufactures, raw wool, leather manufactures, mica, essential oils, tobacco, cotton and silk waste, pharmaceutical raw materials, bristles, precious stones, tea, coir manufactures, spices, cashew and walnuts, carpets, textile manufactures, hydrogenated vegetable oils, pickles and chutneys, mangoes and bananas, tinned fruits and brassware. The particular attention of exporters to the Swiss market is invited to these products.

All-India Businessmen's Convention

Aims and Objectives Examined

THE All-India Businessmen's Convention to be held in New Delhi on the 24th and the 25th of this month will be a unique event. The Convention is expected to be attended by more than 10,000 businessmen. Last year, regional Conventions were held in Bombay, Madras and West Bengal. The Convention of West Bengal was, of course, the most impressive. It was attended by nearly 5,000 businessmen from various parts of the State. The West Bengal Convention has now set up a permanent organisation to give advice and assistance to people in establishing new industries or in expanding the existing industries and also for promoting the growth of trade associations in the mofussil areas. It is understood that the sponsors of the Business Conventions in Bombay and Madras have also set up some machinery more or less with similar aims.

Having thus successfully organised regional Conventions, it has now been decided to hold a Convention on an all-India basis. The initiative has been taken by the Federation of Indian Chambers of Commerce and Industry, the central organisation of the Indian business community. The Convention will provide opportunity to all categories of business-manufacturers, distributors, importers, exporters, wholesalers, retailers, etc.—to come together to discuss problems of common concern.

The objectives of the Convention are:

- To bring about a feeling of greater harmony, sense of unity and co-operation among the businessmen of all classes operating in different parts of the country;
- To create an atmosphere of purposive activity in the commercial and industrial community in the task of further progress and economic development of the country;
- To promote a spirit of constructive enterprise among the younger generation;
- To bring to the notice of the unorganised section of the business community the role of chambers of commerce and associations, etc., and the contribution they make to the solution of problems confronting the interests they represent; and
- To provide an effective medium of focusing attention on the general difficulties experienced by businessmen.

It is true that the problems confronting all businessmen are not identical. For instance, the interests of the manufacturers and traders may not be the same. The difficulties confronting importers belong to a different category. Besides, the big industries and the smaller industries sometimes are not well disposed to each other. But it should be remembered that, fundamentally, the problems of the business community are the same. For

Thus, liberalisation and favourable treatment have been assured under all the Agreements. Except in the case of France, commodities have been specified in which the respective markets are particularly interested. While the West German list is small, the Italian and Swiss lists cover a very wide field and include commodities in the increased exports of which India is particularly interested. It is now up to the exporters concerned to take the fullest advantage of this favourable opportunity and endeavour to export to these markets as much as possible, particularly in respect of the scheduled commodities, and thus help to realise a higher level of trade.

destructive way. Businessmen should acknowledge the fact that, in an underdeveloped country like ours, the public sector has a crucial role to play. It may, because of inexperience, make mistakes occasionally, but that should not be used as an argument to run down the public sector as such. At the same time, Government and the Congress leaders should realise that the private sector will continue to play a vital role in economic development. It is futile to believe that problems like poverty and unemployment can be solved merely by enlarging the sphere of the State. Our economic condition as compared to that of advanced countries is far from satisfactory, and rapid progress will be possible only when the public sector and the private sector work in a spirit of maximum co-operation and understanding.

The agenda for the Convention includes many items which are of considerable importance to the business community. Some of the items are: greater use of normal trade channels by manufacturers for internal distribution and export and import; assisting the development of small scale industries; ways and means of strengthening trade and industrial associations; needs for simplification of the procedure for collection of sales tax, professional tax, income tax; and the desirability of streamlining various pieces of legislation, such as Shops and Establishments Act and the Industrial Disputes Act, which are found cumbersome and difficult, especially by smaller establishments.

The utility of the Convention will, however, depend on the extent to which the sponsors carry out its objectives. A great deal of good can be done if the various chambers of commerce and similar bodies make a genuine attempt to help the small businessmen. The difficulties of the latter at present are broadly of two categories—lack of financial assistance and lack of technical help. Although the centre and the States have set up several institutions like the Industrial Finance Corporation and State Financial Corporations, the small businessmen have not been able to take full advantage of them because the rates of interest are very high (the West Bengal Finance Corporation charges 7 per cent) and the procedure for getting loans is rather cumbersome. Similarly, the Small Scale Service Institute and its connected agencies are doing useful work, but it is reported that these institutions are not quite helpful to the small businessmen. The chambers of commerce, therefore, should undertake this aspect of the work in such a way as to avoid the rigidities usually associated with official agencies. The chambers, in consultation with the banks, should devise the necessary measures by which they can be of assistance to the small businessmen in regard to the provision of finance.

Chambers of commerce have been in existence in India for over 30 years and, by and large, they have rendered useful service to the business community and to the country at large. But now that the country is entering a period of intensive industrialisation, it is necessary that the chambers should adjust themselves to the new situation. Apart from representing effectively the grievances of trade and industry as in the past, they should now play a more active and positive role by assisting and encouraging more and more young men to take to the business line. It is only when educated men in large numbers give up their craze for service and enter the business sphere that we can solve the acute problem of unemployment. The first All-India Businessmen's Convention will have rendered a useful service to the country if it succeeds in creating a more favourable atmosphere for business activity in this country.

EDITORIAL

NOTES

Materials for Steel

It is disturbing that, while the importance of increased production of iron and steel as the base of industrialisation is now generally accepted, and the massive effort made in the last few years in that direction is bearing fruit, the industry producing the principal raw material, namely, Coal, should be lagging behind. Drawing attention to this in his address at the last annual dinner of the Geological, Mining and Metallurgical Institute of India, Sir Jehangir Ghandy urged a "thorough-going review of the policies governing the industry to eliminate the present disincentives and brakes in production." Sir Jehangir estimates that, according to present indications, the coal industry is unlikely to achieve more than fifty per cent of the 22 million tons of additional output envisaged in the Second Plan. Unless effective steps are taken to step up output, shortage of good coal, which is "already proving an increasingly serious drag on industrial development", will seriously handicap the expansion of the iron and steel industry.

It is not alone in respect of coal that difficulties are being experienced. Accessible supplies of limestone, of which half a ton is required for every ton of steel, are limited and it will be necessary to build up Railway facilities in order

to open up new deposits. With three plants in the public sector and two in the private sector producing six million ingot tons of steel a year by the end of the Second Plan, and the further expansion envisaged in the Third Plan, the problems of supplies and transport of materials to each of the plants require to be tackled with provision.

In this context, Sir Jehangir has suggested the setting up of an Iron and Steel Board, competent to anticipate the problems that are likely to arise and with sufficient authority to take appropriate action. The question may be raised whether the Ministry of Iron & Steel could not perform these functions. But with plants in both the public sector and the private sector standing in the queue for the materials and facilities in short supply, there will be no scope for complaints of partiality toward the public sector, which are heard from time to time, if a Board, consisting of representatives of Hindusthan Steel, Tatas and Indian Irons, does the job for the Ministry.

Another point made by Sir Jehangir relates to the export of iron ore. An objective assessment of the raw material position clearly shows that the country can afford to export iron ore in substantial quantities without prejudice to the indigenous steel industry. This is a theme which Indian Finance has been plugging for the last dozen years. If the Government had come round to this view a few years earlier than they did and taken the necessary steps to promote exports that are now being taken, it is possible that the country could have avoided the foreign exchange crisis which threatened to throttle the Second Plan. It is rueful to reflect that a proposal by Tatas for exporting four million tons of iron ore a year to an American German Combine in 1952 had to be dropped for want of official support.

Another Ministry

The President of the Coal Consumers' Association of India has necessarily to be interested in the problems of coal, but it is the distinction of Mr. Darab. Cussetji Driver that he is able to infect others with his own enthusiasm for the subject. His addresses to Coal Consumers' Association of India is an yearly event, which not only ticks off the problem that face the rather shaky coal economy of the country, but is also teeming with fertile suggestions.

The problems of coal ramify in all directions—Railways, power generation, Engineering, Public health, Street lighting etc. The programme to step up supply of coking coal for the steel industry, through setting up washeries, will leave the latter with huge quantities of middlings and rejects on their hands. And unless some economic use

could be made of the middlings, Power Generation for instance, the heavy investment on the washeries will not pay off. The programmes for expansion of the steel industry will have to be coordinated with a programme for electrification of railways. The latter will also serve to release part of the limited supplies of selected grades, now consumed by the steam locomotive, for industrial users.

The splendid panegyric with which Mr. Driver has saluted the great achievement of the Railways should put the authorities in a favourable frame of mind to take note of this suggestion, as well as some of his "minor misgivings" regarding inadequate attention to small projects like provision of colliery sidings, or prompt payment of bills. But with all respect for Mr. Driver, it is not possible to follow him when he goes on to suggest the creation of a new Ministry of Coal. How is a new Ministry going to eliminate the difficulties created by what Mr. Driver calls lack of cooperation between the "Ministry of Labour and Unemployment" and the Ministry of Steel, Mines and Fuels? On the other hand, is not another Ministry more likely to complicate the problem?

How Much Sugar?

The rise in sugar prices, followed by the disappearance of the commodity from the retail shops, has been causing anxiety and has also led to a variety of suggestions for dealing with the situation, ranging from Decontrol to Total Rationing. Government, for their part, seem to be experimenting with half-measures, while the "cup that cheers" is day by day getting more and more bitter, and even infants are alleged to have become allergic to the feeding bottle. The hunt for the culprit has elicited a chorus of those most closely concerned shouting "Not Me". It is quite likely that they are not to blame, but are just victims of the operations of the market and of Government policies as much as any ordinary consumer.

The diagnosis that shortfall in production in the last two years is responsible for the dizzy rise in prices has been automatically followed by the prescription that increase in production will offer a permanent cure. That production has slumped, for whatever reason, admits of no argument. But under conditions of planned economic growth, is it possible to envisage any period when this country will be able to produce as much sugar as its growing population will be able to consume? The experience of the last decade in which, while production has doubled, consumption has increased at an even faster rate, should be a warning against any such dangerous illusion. There may be temporary breaks when production

may appear to catch up with consumption, but not for any length of time. Consumption would soon recover the lead. The problem is whether, making all allowances for technological improvement in cultivation of sugar cane for increasing yield and sugar content, we have enough land to spare after providing for food grains, milk (that is pasture), oil seeds, cotton, jute and other essential raw materials for industry? This problem has not so far received the attention of the planners and the food administrators that it deserves.

The plan for sugar, including both production and distribution, will be successful if it is drawn up on the assumption that special efforts would be required to equate supply and demand. This may be done in two ways—rationing, which will take all the sweetness out of sugar, or, in the alternative, complete decontrol accompanied by a sustained campaign to persuade the public to reduce the consumption of sugar. It may not be as difficult as it appears, if all the resources of propaganda, including medicine men and revivalists, are pressed into service. The Tea Board and the Coffee Board can help by popularising ways of preparing the beverages with smaller quantities of sugar or with no sugar at all. And VIPs can perhaps set a patriotic example of ostentatious austerity by taking their tea with salt.

We still feel that it is not too late for going ahead with a plan for the export on a considerable scale of iron ore. Japan, Germany, America, and much of Europe, both eastern and western, would probably be interested in a steady and assured supply of India's quality iron ore.

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WORLD OF FINANCE

Misleading Bank Profits?

BANKING results that are being published for 1959 are strange, mystifying and paradoxical. With rare exceptions, the "quick communiques" of profits indicate a level of earning that is, if anything, slightly better than the relative figures for 1958. True, there have been instances where a decline in profit has been reported; and it is also true that we have yet to hear from such entities of importance as the Central Bank and the Punjab National Bank. So, it is barely possible that we may still have a confirmation of trends as to a lower level of earnings from banks as a whole. However, on the available evidence, the conclusion is not unwarranted that 1959 may not have proved so terrifying a year for banking as we had feared it might be. Why?

We may state at the outset that the "quick communiques" may be misleading. We do not know as yet the components of the income on the basis of which profit figures have been struck. For example, it is not unlikely that surplus on investments has figured as an important contributor to profit. Indeed, it may be recalled that such strategy had had to be adopted by some institutions in 1958. If, indeed, the balance-sheets in due course show that, in a number of instances, recourse has been had to such subterfuge, it would be true that the 1959 profits look respectable only because profits that are not, strictly, banking-derived have inflated the income side of the profit and loss accounts. So, in order to get at the real banking profits of individual institutions, we have to wait for the publication of the balance-sheets.

We may now refer to the reason for puzzlement that, in regard to the published results so far, we confess to. It is that, during 1959, banks undoubtedly had a larger proportion of their Deposits in the form of the higher-costing Time Liabilities; that, relatively, banks experienced a lower ratio of the higher-earning assets, Advances, to Deposits; and that, indeed, the weekly average of higher-costing Deposits exceeded the weekly average of higher-earning assets. In such a situation, it was all too clearly inferable that banking profits (sic) would have been adversely affected.

There was, of course, the mitigating factor of the bulk of available resources of banks, other than that aspect of it lent out as

Advances, being invested in gilt-edged. That is to say, in relation to the increase in Deposits recorded in 1959, banks did not correspondingly augment their cash balances, and instead insured the earning of around 3½ per cent by purchasing gilt-edged through the Reserve Bank tap. But, then, a reduction in the maximum rate in terms of the inter-bank agreement was effected only as from the beginning of September in 1959. So, until then, a good part of the money for which the banks were paying, and paying through the nose, was at a rate of interest that exceeded the return on their gilt-edged investments. This will have surely meant a "loss" on every rupee of such Deposits.

But there is, in all this, another complication. This relates to the position of the State Bank. It is true, the State Bank has had during 1959 both an unduly low ratio of Advances and an unusually high ratio of Investments to Deposits. But, in the case of the State Bank, the higher costing Deposits has not entailed a loss, since a large parcel of Deposits (now said to be in the environs of Rs 200 crores) relating to counterpart funds lodged with the State Bank bears a rate of interest that is fully one per cent below the average yield on Government securities.

So, in the case of the State Bank, and at least as relating to the Rs 200 crores of special Deposits, the higher-costing Deposits have not tantamounted to a liability, but have instead been an asset earning a clear one per cent. The static nature of Advances that has been experienced by the State Bank might, therefore, have not had much of an impact upon the State Bank's earnings for 1959. On the other hand, we must not forget that the State Bank has simultaneously been preoccupied with a considerable programme of branch expansion. In the first ten months of 1959, the number of new offices opened by the State Bank is placed at 92; and the point need hardly be laboured that each such new office would have entailed a "loss" for the State Bank. Thus, the adventitious and fortuitous profit that the State Bank has been enabled to earn on counterpart funds will have come in useful in defraying the loss consequent on the branch expansion programme.

But, if the State Bank figures are excluded, it will be found that Scheduled Banks were, in fact, able to utilise a satisfactory proportion of their funds in the higher earning Advances. But, again, meantime, operating expenses of banks have generally been on the rise. So, the fractionally improved earnings from Advances in 1959, it seems to us, will have been fully absorbed by the higher operating costs during the year.

We are, therefore, left where we started. Incredible, fantastic, impossible: but the published bank figures do not make such dreary

reading as we had apprehended. At the moment, meanwhile, the money market is feeling the strain of a busy season pressure that is considerable. It is not at all unlikely that expansion in Advances of Scheduled Banks during the current busy season will amount to Rs 200 crores. Banks are consequently happy.

We suggest that the present experience of optimum utilisation of resources on the part of banks will prove ephemeral. Although the busy season, strictly speaking, is supposed to last until the end of April, we have seen in the last two years that the spate of Governmental disbursements at the fiscal year-end endows the banking system with such vast new resources as to succeed in considerably mitigating busy season pressure by the first or second week of April. It is too early to predict now whether the 1960 slack season will witness as substantial a contraction in bank Advances as we have had in the last year or two. But, undoubtedly, the Reserve Bank will direct the banking system to use restraint in Advances, in manner patterned after the central banking institution's action in this behalf in February last year. So, it may be safe to assert that, for its part, the Reserve Bank will "persuade" Scheduled Banks to effect a reduction of at least Rs 100 crores in Advances during the 1960 slack season. Meantime, it may also be safely assumed that Deposits accretion during the 1960 slack season will be as pronounced as was the case in recent years. Against such a background, inevitably, there will be a steady accumulation of banking resources which cannot be profitably utilised. It may well happen that, in manner similar to last year and the year before, banks will add considerably to their gilt-edged portfolio. This, however, will not solve the problem of banking earnings during 1960. It is our view that, in the light of the experience of recent years, the banking system should plan on the basis that it will have an embarrassment of riches on its hands as from, say, May. Accordingly, the Indian Banks Association would be well advised, in the midst of busy season pressure, to consider the question of further revising downward the maxima on deposit rates at least for the currency of the 1960 slack season.

Steep Rise in Bank Advances

THE returns of the Reserve Bank for January 8 are practically featureless, although there is evidence of inter-governmental transactions. Active Note circulation has expanded by Rs 2.82 crores to Rs 1777.90 crores. There has been an outflow of Rupee Coin for Rs 0.32 crores. Consequently, the Reserve Bank's cash in the till is lower by Rs 3.14 crores at Rs 9.79 crores.

Bank Profits

Andhra Bank Limited has reported a substantially higher profit of Rs 12.12 lakhs for 1959, subject to tax, against Rs 8.26 lakhs in 1958.

The profit of the Bank of Baroda for 1959 is placed at Rs 28.89 lakhs against Rs 27.42 lakhs. The provision for tax has been reduced by Rs 1.50 lakhs to Rs 4 lakhs. Including interim dividend, the distribution to shareholders for 1959 is put at 14 per cent, which works out to 9.8 per cent net as against 12 per cent tax free paid in 1958.

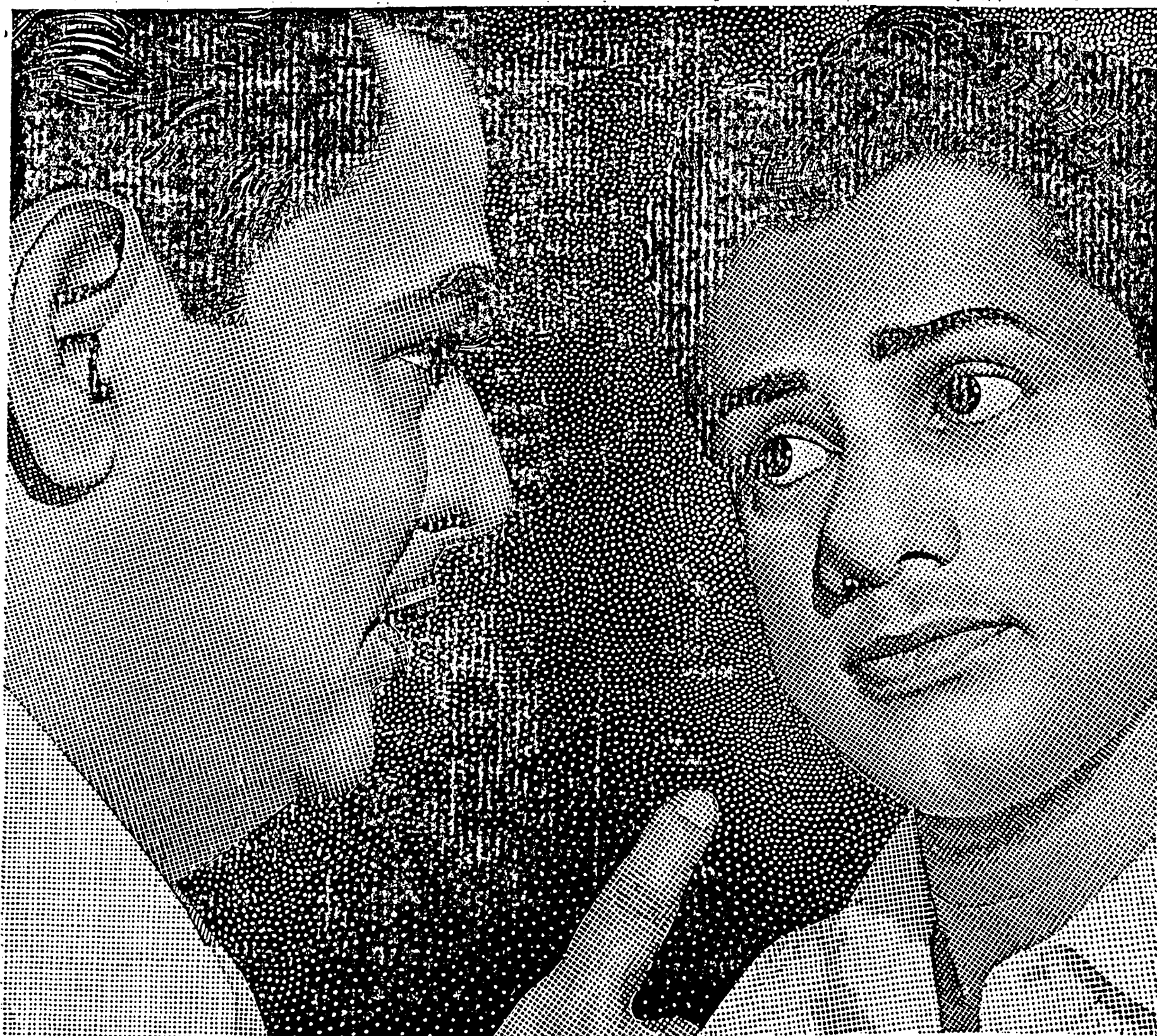
The dividend paid by Bank of India is also reduced. Earnings for 1959 show a drop from Rs 85.77 lakhs to Rs 82.68 lakhs. The provision for tax has been reduced by Rs 7 lakhs to Rs 18 lakhs. Although the rate of dividend has been maintained, the shareholder receives less since the net dividend is 11.2 per cent against 16 per cent in the previous year.

Bank of Maharashtra has reported a profit of Rs 9.89 lakhs for 1959. The provision for tax is placed at Rs 3.40 lakhs. The taxable dividend of 9 per cent is being paid on a capital higher by Rs 6.46 lakhs against the dividend of 6½ per cent free of tax on the old capital of Rs 25.22 lakhs.

Union Bank has reported a sharp rise in profit from Rs 14.75 lakhs to Rs 24.30 lakhs. Reserves get Rs 1 lakh more at Rs 4 lakhs. The provision for tax has been doubled to Rs 8 lakhs. Bonus to staff absorbs Rs 5 lakhs against Rs 3.15 lakhs. The dividend has been paid at 11.25 per cent, subject to tax, against 8½ per cent free of tax.

The State Bank of Shaurashtra has reported a profit of Rs 18.01 lakhs, including the carry forward, for 1959 as against Rs 16.38 lakhs being the relative figure for the previous year.

Dena Bank has done exceedingly well in increasing its Deposits during 1959 by Rs 5.02 crores to Rs 35.02 crores. The net profit for 1959, after providing Rs 2.25 lakhs (Rs 1.80 lakhs) for bonus to staff and including Rs 3.02 lakhs (Rs 2.80 lakhs) brought forward from the last accounts, amounted to Rs 16.07 lakhs against Rs 17.02 lakhs in 1958. The transfer to Reserve is maintained at Rs 6 lakhs. It has been pointed out that no provision for tax is necessary as tax paid at source on investments is enough to cover the liability. The dividend declared has been stepped up from 6 per cent to 8.76 per cent which implies an increase of 0.14 per cent in the net dividend payable.



"Same service everywhere"

How do you mean, Bhai Sahib? Are you saying that all tea shops are supplied direct by Brooke Bond?

Precisely—and they are supplied at least once a week. It used to be different in the old days. Small traders had to fend for themselves...no one bothered whether they received regular supplies or not. But Brooke Bond changed all that. Today a Brooke Bond salesman visits each single shop selling Brooke Bond Tea every week and delivers the shopkeeper's requirement right at his doorstep.

Do you mean to say that even a small village shop buying, for instance, a pound or two of tea, is visited regularly by a Brooke Bond salesman?

Yes—I mean just that. No matter how small the shop, how far the place or how little the quantity bought, a Brooke Bond customer gets the same frequent and courteous service as the largest shop in the cities.

Is this system of direct distribution peculiar to Brooke Bond, then, Bhai Sahib?

Yes and no, my friend. Whilst Brooke Bond were the pioneers in introducing this radical system of direct distribution, it soon proved so successful that many others have followed suit. You might say that Brooke Bond blazed the trail.

Well, they say a good idea is always catching, Bhai Sahib!

Brooke Bond India Private Limited

The sharp rise of nearly Rs 30 crores to Rs 213.03 crores in Investments is symptomatic of deficit financing incurred by Government during the week, for, State Governments have very substantially improved their balances, which have been marked up by Rs 27.83 crores to Rs 40.36 crores, even after their Ways and Means borrowings from the Reserve Bank had been reduced by Rs 3.76 crores to Rs 20.78 crores. It is thus that the Central Government's Deposits, in spite of being replenished by the proceeds from deficit financing, have been marked down by Rs 14.95 crores to Rs 49.41 crores.

There is an increase of Rs 8.56 crores in the Reserve Bank's portfolio of Government Treasury Bills purchased and discounted, and this relates presumably to transactions in this behalf carried out with the State Bank of India, whose Investment portfolio is lower by Rs 10 crores. Similarly, the rise of Rs 12.44 crores to Rs 88.69 crores in the Reserve Balances of

member banks is traceable to the State Bank. The continuing busy season pressure is suggested by the small rise of Rs 2.65 crores to Rs 105.54 crores in the Other Loans and Advances of the Reserve Bank.

Finally, Balances Held Abroad have fallen further by Rs 1.57 crores to Rs 46.78 crores.

According to the return of the State Bank for January 15, Deposits have improved by Rs 6.55 crores to Rs 585.67 crores. Advances are higher by Rs 1.32 crores to Rs 173.45 crores. There has been disinvestment in gilt-edged for Rs 10 crores and, consequently, cash in hand and with the Reserve Bank has moved up by Rs 14.74 crores to Rs 35.05 crores.

During the week ended January 8, the superimposition of month's early disbursement upon busy season demand has caused a steep rise of Rs 20.53 crores to Rs 997.19 crores in the Advances of Scheduled Banks. Besides, constituents also drew down on their Deposits,

which are lower by Rs 10.82 crores to Rs 875.77 crores. Gilt-edged Investments have been marked up by Rs 12.03 crores, reflecting purchases made by the State Bank during the relevant week. With window-dressing completed, cash balances have been drawn on steeply in order partially to reduce indebtedness to the Reserve Bank, which is lower by Rs 10 crores to Rs 22.21 crores. Cash Balances are almost exactly Rs 44 crores lower at Rs 155.89 crores against Rs 199.87 crores.

Britain, and US Inflation Prospects

By Paul Einzig

THE terms of the settlement of the steel wages dispute in the United States have caused considerable concern in Britain, because they foreshadow a resumption of the non-stop inflation with world-wide consequences. In itself, the addition of \$1,000 million to the consumer purchasing power of a nation such as America would not necessarily be inflationary. But the impending increase in the price of production of a wide-range of consumer goods as well as capital goods. And the terms conceded to steel workers will set the pace of other wage demands, leading to an all-round increase of wages.

The United States authorities are certain to make an effort to prevent or reduce the inflationary effects of the steel settlement. They will keep money tighter than they would have kept it in the absence of such an inflationary decision. In any case, since the balance of payments of the United States is bound to be affected by the revival of inflation, the resulting effect on the gold reserves might compel the United States authorities to adopt defensive monetary measures in order to check the drain.

The possibility of dearer and tighter money in New York is causing some concern in London. The business situation in Britain does not call for higher money rates, but a further decline in the British gold reserve might force the hand of the authorities. It would be a pity, because capital good industries are only just beginning to benefit properly by the revival, and any dearer money is bound to check the expansion of industrial capital investment programmes. There is no reason to believe that the British authorities envisage raising the Bank Rate just yet, but if, in spite of the end of the adverse season, the outflow of gold should continue, they might decide in favour of such a step.

One of the reasons why the British authorities are reluctant to raise the Bank Rate is that they have no wish to impede the efforts of the United States authorities to reverse the outflow of gold. In this respect, history may repeat itself, even though in a modified form. It will be remembered that, in 1927, the Federal Reserve authorities lowered their

bank rate, even though it was considered necessary to check the Wall Street boom, in order to make things easier for Britain. The British gold reserve was declining, and it was inexpedient to check the outflow by means of raising the Bank Rate, which would have caused an increase of unemployment. In order not to force the British authorities to raise their bank rate, the United States authorities lowered their money rate. Likewise, the British authorities are now endeavouring to keep down money rates even at the cost of losing more gold, for the sake of facilitating the task of the United States authorities to check their gold outflow.

In a letter to *The Times*, Sir Ralph Hawtrey, one of the leading monetary economists formerly Economic Adviser to the Treasury, strongly urged the Government to detach sterling from the dollar in order to prevent American price and wage inflation from spreading over Britain. He suggested that, should inflation in the United States be resumed, sterling should be allowed to depreciate above its present upper "support point" of \$2.82. Interesting as the suggestion is, it is not likely to be followed. The Government are firmly wedded to the principle of maintaining existing exchange parities, and nothing short of some major emergency would induce them to depart from the present parity.

In any case, there is no reason why inflation in the United States should necessarily cause inflation in Britain. On the contrary, if money rates should be raised in New York, the resulting dearer money in London would check inflation in Britain. Any artificial appreciation of sterling would be detrimental to the British balance of payments. The United States is not the only industrial country whose competition British exporters have to face. Even if the adjustment of the sterling dollar rate to the rise in American prices would do no more than relinquish the advantages Britain would gain over American competitors through higher costs in the United States, it would place British industries at a disadvantage against competition by German, Japanese, etc., rivals.

In the absence of any adjustment in the exchange rate, inflation in the United States would mean an increase of the British gold reserve as a result of a favourable change in the British balance of payments. It would be a pity to prevent this by means of a revaluation of sterling. The British gold reserve is still far from being adequate, especially after its decline largely as a result of debt repayments last year. There is every reason to welcome an increase of the gold reserve through an improvement in the balance of payments. This would be something quite different from an artificial improvement through attracting or retaining foreign balances with the aid of raising the Bank Rate. Any part of the gold reserve acquired or retained by such means is not a source of strength but of potential weakness. There is everything to be said in favour of building up a large gold reserve as a result of a genuine improvement of the balance of payment.

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Choice

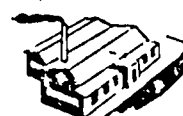


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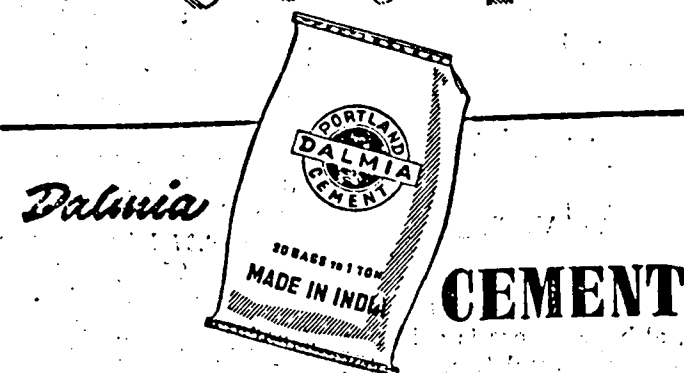
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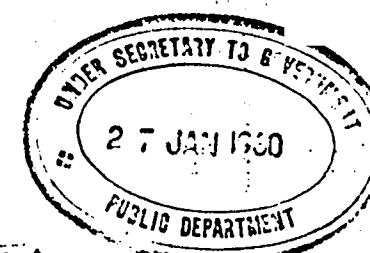
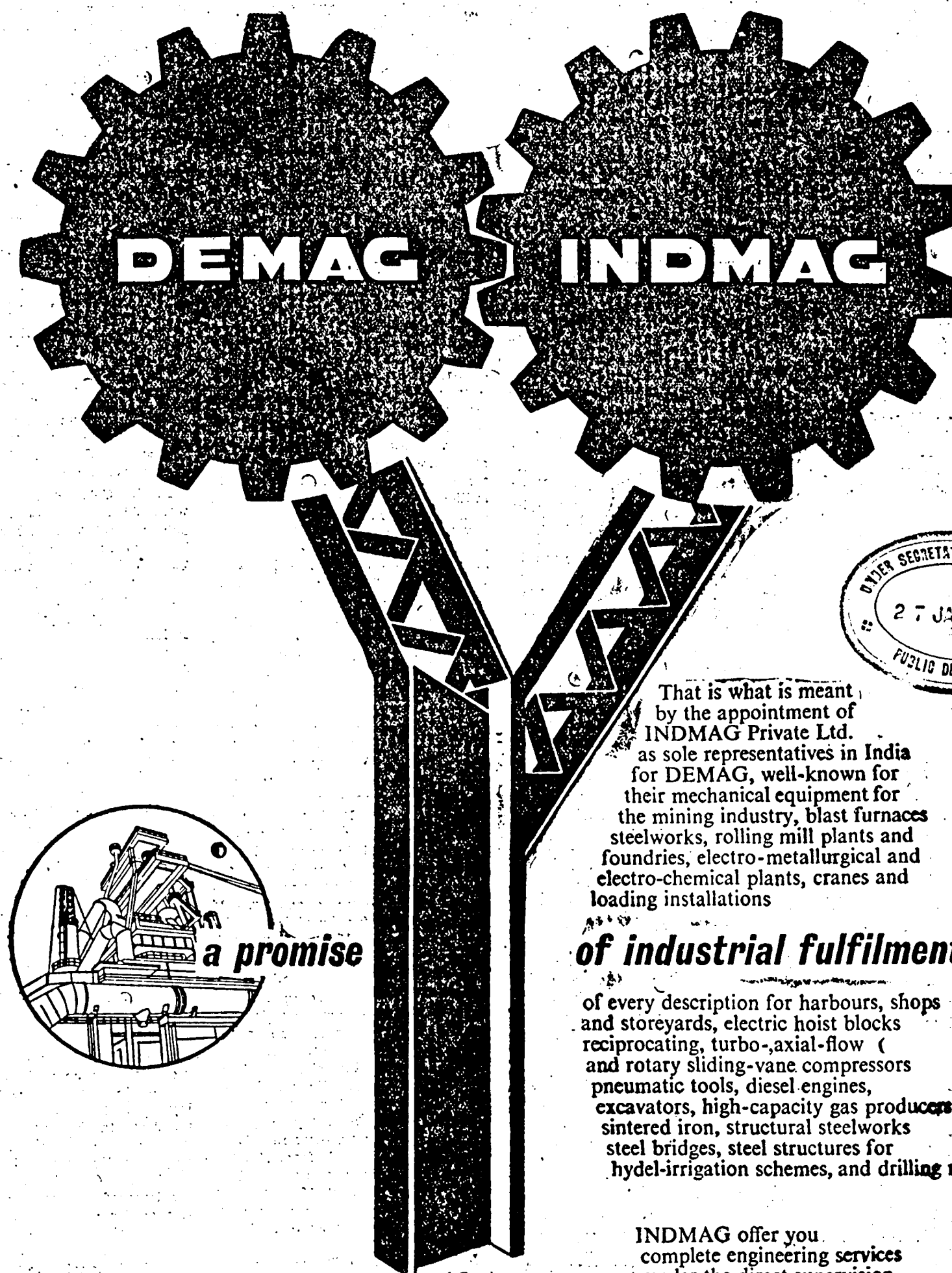
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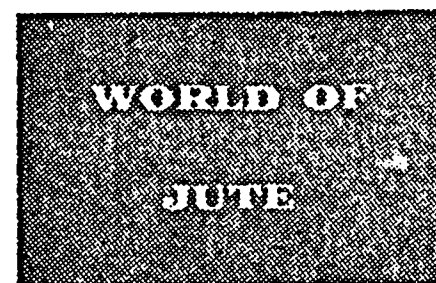
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Easier Trend in Jute Markets

THE jute markets displayed a quiet trend during the past week ended Wednesday. While sentiment had been subdued due to lack of fresh foreign interest speculative fervour had also considerably lessened. It would appear that at long last marketmen have realised that the bogey of raw jute shortage would not bring mills rushing to augment their stocks of the raw material at any price. There is no plausible reason to believe that raw jute availability in the current jute year would be inadequate to meet mills' requirements and leave a sizable quantity to be carried over into the next season. Reports from upcountry markets indicated arrivals and there was a sizable increase in raw jute arrivals in Calcutta and mill stations during last month. Arrivals of raw jute in December totalled 8.24 lakh bales comprising 7.65 lakh bales of jute of Indian origin and 0.61 lakh bales of Pakistani. This compares with the total of 7.80 lakh bales received during the previous month. Of the November arrivals, 7.46 lakh bales were of Indian origin jute and 0.34 lakh bales came from Pakistan. In the first six months of 1959-60, arrivals totalled 31.43 lakh bales comprising 29.81 lakh bales of Indian jute and 1.63 lakh bales from Pakistan. During the corresponding period of the previous season, arrivals totalled 35.10 lakh bales of which Indian jute amounted to 32.93 lakh bales and imports from Pakistan were 2.17 lakh bales.

Up to the end of December 1959 about 30 lakh bales of out of the total Indian crop of 57 lakh bales have reached mill centres leaving about 27 lakh bales yet to be moved. The trend of arrivals of Indian jute in the past two or three months shows that crop movement is getting into its normal stride. Moreover, this year imports from Pakistan is expected to total 5 lakh bales as against 3.4 lakh bales in the previous season. Of this quantity only about 1.63 lakh bales have been received so far.

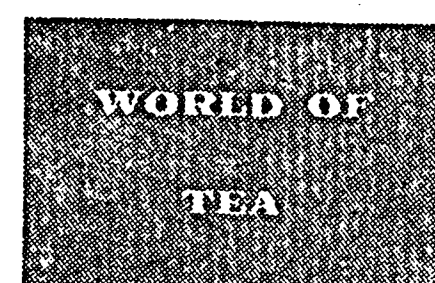
The decline in jute goods prices noticeable during the past few days has stemmed partly from lack of speculative support and partly from the continued absence of any sizable overseas enquiries. It is evident that the declining trend in the raw jute market where sellers have become keen for business is primarily responsible for the reluctance of operators to lend support at the higher levels. Even

hessian has developed a sagging tendency despite encouraging US burlap consumption during December. US burlap consumption was slightly higher at 80 million yards during last month as compared with November. Burlap consumption in US during 1950 touched a new post-war high of 897 million yards. Stocks of burlap in that country at the end of December were also lower than at the end of November. Now that the steel strike is over it may be expected that burlap consumption will continue to record an uptrend. Even so, stocks are still large enough to meet three months requirements. It is therefore unlikely that US burlap consumers will evince much interest in the market if prices continue to rule high.

The jute goods market opened last Friday on a quiet note in the absence of buying interest. Even the news that US burlap consumption during December had been maintained at around the previous month's level with a reduction in stocks failed to check the declining trend. At the end of the day B Twills January was placed lower at Rs 113.15 as against previous closing of Rs 113.80. Hessian too was rather quiet at Rs 42.20. The trend continued to be downward next day also and by close of transactions B Twills stood more than a rupee lower on balance at Rs 112.50. Hessian followed a similar course to be finally placed at Rs 41.20. After ruling slightly better on Monday the market once again turned easier in the next two days with heavy goods meeting with heavy selling pressure on Wednesday to be finally placed on that day at Rs 109.50. Hessian was also lower in sympathy at Rs 41.50. In the futures market B Twills February declined to close on Wednesday at Rs 109.45 from Rs 113.15 at the beginning of the week. Hessian February was placed at Rs 41.22 from its opening level of Rs 42.60.

Sentiment in the raw jute market was easy with sellers keen for business. As mills did not evince any interest, prices declined from day to day and Assam Bottoms was finally placed at Rs 30.25 per maund as against Rs 31.25 a week ago.

	Jan. 2 1960	High-est closing	Jan. 20
Hessian:	Rs	Rs	Rs
40" x 10 ozs Ready	42.55	43.15	41.15
40" x 10 ozs March	42.70	43.20	41.45
40" x 10 ozs			
April/June	42.75	43.25	41.50
40" x 8 ozs	34.20	34.55	32.75
40" x 7 1/2 ozs	32.00	32.35	30.55
Sackings:			
B. Twills Ready	112.10	116.00	109.00
B. Twills March	112.60	114.90	109.20
B. Twills Apr/June	112.10	113.75	108.00
Hv. Ceas (Green)	110.50	113.50	109.25
Cornacks	111.80	115.60	110.25
Cubans	132.50	136.00	131.00
A. Twills	137.25	139.00	133.25
L. Twills	127.00	130.00	125.75
D. W. Flours	133.00	135.75	131.25
Sugar Twills	126.50	128.50	125.00
Futures:			
Hessian—Feb'y.	42.70	48.16	41.46
Sacking—Feb'y.	112.60	115.30	108.90
Raw Jute—March	31.14	31.78	29.40



Production and Prospects

WITH the release of the output figures of the major tea-producing countries, it is now possible to say that world supplies, during the 1959-60 season, will be well in balance with requirements. The latest crop estimate for Northern India for December indicates that the entire output of last year is likely to be sold at remunerative prices. Total output for last year has risen by only 2.15 million pounds to 557.96 million pounds as compared with 1958.

Following are the output figures (in million pounds) for the other producing countries:—South India, January-November, 137.7 against 148.1 in the corresponding period of 1958; Pakistan, April-December, 56.8 against 56.3; Ceylon, January-November, 377.9 against 375.3; Indonesia, January-October, 77.5 against 84.4; Nyasaland, January-November, 12.00 against 20.1; British East Africa, January-November, 40.9 against 36.2.

Russia is reported to have withdrawn from the Calcutta market and it is believed that this country may not buy any more tea during the current season. Buying from the UK, Egypt, Turkey and other countries is expected to broaden in the near-term. Apart from the external enquiry, domestic buyers are expected to take bigger quantities. If foreign demand for the plainer varieties is maintained, as is expected, their prices might develop a hardening tendency.

According to trade sources, stocks of tea in Calcutta warehouses totalled 1.14 million pounds at the end of last month as compared to 1.18 million pounds at the close of 1958. While stocks in public warehouses declined from 867,917 packages at the close of 1958 to 765,014 packages at the end of last year, those in private warehouses increased from 310,071 packages to 375,652 packages. Teas afloat, at the end of 1959, totalled 12,011 packages as compared with 6,207 packages at the end of last year.

Meanwhile, in the Export Sale held in Calcutta this week, offerings consisted of 74,368 packages. There was a fair demand; but prices for plain and medium BPs and Fannings were generally 4 nP to 10 nP per pound lower although some of the blacker and cleaner Fannings showed little change. Medium BOPs, especially the higher-priced ones, were a weak feature and there were frequent withdrawals. There was, however, a fair demand for Orange Fannings at generally lower rates.

CTC Assams were irregular and these declined by 5 nP to 10 nP, there being a little more interest in BPs than in Fannings. Non-wither leg-cut teas were generally sold at 4 nP

to 6 nP below last week's levels; but there were a number of withdrawals of higher-priced autumnal descriptions. Whole Leaf grades were steady and occasionally dearer; but there was only a limited enquiry for Tippy sorts. The demand for Darjeeling teas was selected and prices were irregular, the more flavoury kinds selling well. Following rates were quoted:—Clean Black Pekoe Rs 2.22 to Rs 2.26; Plain BP Rs 2.04 to Rs 2.10; Plain Fannings Rs 2.10 to Rs 2.16; Medium BP Rs 2.00 to Rs 2.08; Medium Fannings Rs 2.16 to Rs 2.26; Best CTC Assam BP Rs 2.40 to Rs 2.60 and Best CTC Assam Fannings Rs 2.40 to Rs 2.60.

In the Cochin market, ten and a half lakh pounds of Leaf tea were offered for exports. Against good general demand, low medium and medium sorts were fully firm. Good medium teas were steady; but the high-grown sorts attracted very little demand. Whole Leaf teas were strong and dearer.

In the Colombo market, offerings were 5,802,852 pounds. There was good general demand for high-grown teas, which were dearer following quality, by approximately 5 nP to 10 nP per pound. Medium Broken were 5 to 10 cents dearer; but low-grown and "tea price" were rather easier.

In the Internal Sale, offerings were 22,726 packages of Dusts. Orthodox teas were sold at up to 8 nP per pound below last rates, while leg-cut teas followed this trend and were also up to 8 nP easier. The few Darjeeling dusts, on offer, were well supported and often sold appreciably above last rates. Medium CTC dusts were irregular and sometimes easier. The very best CTC types were also easier by up to 10 nP. Following rates were quoted (per pound):—Medium Doosars Dust Rs 2.16 to Rs 2.26; Medium Assam Dust Rs 2.10 to Rs 2.20; Medium Assam CTC Dust Rs 2.18 to Rs 2.28 and Best Assam CTC Dust Rs 2.50 to Rs 2.80. Also 1,530 packages of Leaf grades were offered for internal consumption. There was a fair demand for these at lower rates.

The Ceylon Government have announced that the total quota of high-grown tea, to be sent for auction in London in 1960, will be the same as last year—32 1/2 million pounds. For the first three months of the year, there will be no quantitative control on the medium teas going to London auctions. Quantitative restrictions are imposed on quantity teas sent to London for auctions in order to develop Colombo as an auction centre for Ceylon teas.

In the Internal Sale held in Chittagong, offerings, were 14,656 chests of Leaf grades and 5,269 chests of Dusts. Leaf offerings met again with a very strong demand and there was a general advance of a further As 12 to As 14 per pound. Leg-cut Fannings quoted between Rs 5.50 and Rs 5.80 a pound. There was a strong demand for Dusts with prices generally showing a rise of one to two annas a pound. Plain Sylhet Dust was quoted at Rs 5.06.

In Mincing Lane, offerings were 24,965 packages of North Indian and other miscellaneous growths, which were sold readily. Prices were fully steady on previous rates with any change in seller's favour.

Indian Finance

January 23, 1960



Britain

Britain's steel production in December averaged 432,900 tons a week—38 per cent more than a year earlier and the highest rate for any December in London today (January 14).

In the first three weeks of the month, steel output averaged 474,300 tons a week, or 3.4 per cent higher than in November. This production rate continued the rise of between 3 and 4 per cent a month begun in October.

Output in 1959, which was 52-week year, totalled 20,200,000 tons, compared with 19,600,000 tons in 1958 (a 53-week year).

The Iron & Steel Board estimates that production is currently running at about 23,500,000 tons a year.

Britain's exports in December were valued at £297,100,000, her imports at £371,900,000, and her re-exports at £10,700,000, according to provisional figures issued on January 13 by the Board of Trade in London.

After allowing for the normal seasonal variation, United Kingdom exports in the fourth quarter of 1959 were 5 1/2 per cent more than in the previous quarter on the same basis. Imports were 8 1/2 per cent up, and re-exports showed an increase to £12,000,000 a month, compared with £11,000,000 a month in the previous quarter.

Taking 1959 as a whole, Britain's exports were 5 per cent greater (at £3,326 million) than in the previous year, and 1 per cent greater than in 1957, the previous best year. Imports, at £3,993 million, exceeded 1958 imports by 6 1/2 per cent, but were still 1 per cent less than in 1957. Re-exports amounted to £130,000,000, compared with £141,000,000 in 1958 and £130,000,000 in 1957.

France

In November 1959, French factories produced 7,500 tons of spun jute and 6,100 tons of woven jute, compared with 7,839 and 6,335 tons respectively in October, and with 6,862 and 5,465 tons respectively in November 1958.

During the first eleven months of 1959, the total output of jute was 74,372 tons of spun jute and 59,880 tons of woven jute, compared, respectively, with 86,354 and 67,431 tons during the corresponding period of 1958.

During the first eleven months of 1959, the Peugeot factories manufactured 186,114 vehicles, compared with 171,314 vehicles during the corresponding period of last year. Of this production, 142,287 units were pleasure vehicles, compared with 131,883 units in 1958.

The French consumption of gasoline and high-octane fuel during November totalled 523,000 cubic meters, compared with 480,000 cubic meters in November 1958, which is an increase of almost 9%. Last October, the 587,000 cubic meters of fuel consumed was slightly less than the 592,000 cubic meters used in October 1958.

A similar trend was evident in the consumption of fuel oil with an increase of nearly 8% in November 1959 compared with the corresponding month of 1958 (154,000 cubic meters against 145,500 cubic meters). Last October, only 166,000 cubic meters were consumed, compared with 174,500 cubic meters in October 1958.

There was also a considerable increase in the consumption of heavy fuel compared with November 1958, which was a sign of increasing economic activity. For domestic fuel the figures were, respectively, 398,500 tons compared with 296,600 tons, which is an increase of more than 30%; for light fuel, 250,000 tons compared with 210,000 tons, which is an increase of 19%; and for heavy fuel, 509,000 tons compared with 568,000 tons, which is an increase of 9%.

At the beginning of December, the planting of cereals was carried out under normal conditions and the first harvests of both wheat and secondary cereals should be good.

The surface area planted with wheat is slightly higher than that planted on 1 December 1958 (40.3%) and 1.1% higher than the average surface area planted between 1954-58. Surface area planted with other cereals is generally lower than that of last year at the same period: oats—11.8%; and barley—9.2%.

Because of heavy rain, the maize harvest has not yet been completed. The yield has been irregular.

The rice harvest is almost finished. Despite the increase in surface area planted, the harvest, less than that of last year, should total 1.3 million quintals, including 1.1 million quintals of round grains and 0.9 million quintals of long grains. The average yield per hectare is 40 quintals of rice.

Planting has been hindered by the dry condition of the ground. Certain fields have had to be returned. As a result, the surface area reserved for fall rape has been reduced by 42% compared with last year and by 3% compared with the period 1954-1958. The surface area reserved for turnips has been reduced by 38%.

The production index for October showed a considerable increase. It was 168, excluding construction, compared with 160 in September and 157 in October 1958.

As a result, the increase was approximately 7% compared with last year. Including construction, the increase was 6%, with an over-all index of 161 in October compared with 154 in September and 152 in October 1958.

Considering the seasonal variations, the corrected index increased only 1.2% to 165 in October compared with 163 in September.

A mission consisting of four civil servants from the Indian Ministry of Trade recently arrived in Paris. The purpose of their voyage is to meet with French authorities in order to

study the details concerning the manufacture of industrial equipment prototypes by an industrial training center in Madras in southern India. The Madras center will deliver prototypes of precision machines and equipment for small industry.

The Ministry of Finance announces that foreign currency reserves in the franc zone totaled 1,793.3 million dollars as of 30th November, 1959.

Foreign currency reserves have decreased 117.7 million dollars. This decrease is the result of an excess of \$2.3 million dollars in foreign accounting operations and an anticipated reimbursement to the International Monetary Fund of a sum of 200 million dollars. This last payment reduces the French debt to this organization to 181.2 million dollars.

In November foreign currency receipts were higher than in October (67 million dollars), but compared with the receipts for August and September which were 82 and 84 million dollars respectively.

The actual pace of foreign currency receipts is considered by the Finance Ministry as very satisfactory although it is less than that of the first half of 1959 during which monthly receipts totaled an average of 150 million dollars.

The breakdown of French reserves is as follows:

—Gold in the Bank of France: 875.5 million dollars;
—Accounts at the Bank of France available for foreign transactions: 794.8 million dollars;
—Gold and convertible currencies of the Stabilization Exchange Fund: 123 million dollars.

Sweden

Stockholm—Sweden's industrial production in October was 6 per cent larger than in the same month a year ago, including a 6 per cent rise for capital goods and 5 per cent for consumer goods. The index of the Federation of Swedish Industries was registered at 269 points (1935=100), as compared with 253 in October 1958.

The seasonally adjusted figure for October was 254 points as against 251 for September. Breakdown figures for the various branches show a 20 per cent increase in iron-ore mining over the figure for October 1958. For the steel and other metal manufacturing industry and for paper and pulp the rise was about 15 per cent. The timber industry, on the other hand, fell short of last year's figure by 7 per cent. Employment in the engineering industry was up 3 per cent on the figure for October last year.

The marked upturn in business trends in 1959 brought about a heavy rise in production in Sweden, it is said. In the preliminary National Budget Report submitted together with the State Budget at the opening of the Riksdag on January 12. The increase in overall production is estimated at 4-5 per cent, which is above the average for the 1950s. A continued rise is likely to take place in 1960, a particularly strong stimulus being expected from industry's

purchases of machinery and means of transport.

Behind the increased activity in 1959 was in the initial phase the favourable development of exports. Increases were registered for all export groups except agricultural products, and an especially large upswing was noted for forest products and for iron and steel. Overall exports rose by 5 per cent in value and by 7 per cent in volume.

Imports, on the other hand, remained more or less unchanged in value, while an increase of 2 per cent was recorded in volume. Sweden's balance of payments showed a favourable development, and for the first time since 1953, there was a surplus preliminarily estimated at Kr.150,000,000 (£10,345,000; \$30,000,000).

A forecast for the first half of 1960 seems to indicate an increase in the volume of exports of 5 per cent. Imports are likely to grow, but to remain within the framework of current export revenues, the report says.

Investments rose more steeply than consumption in 1959. Government investments were up 12 per cent, while private and municipal investments increased by 1 per cent each. The number of housing units completed reached a new peak level of close on 70,000.

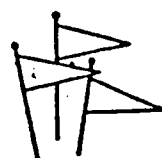
Public consumption showed a rise of 7 per cent during the past year, most of the increase being accounted for by defence, education and hospital care. Private consumption rose by 3 per cent. In both cases the rate of increase was larger than in the immediately preceding years.

The nominal incomes of the households showed an increase of 4.5 per cent in 1959. Higher direct taxes and other contributions to the Government and the municipalities reduced this figure to less than 4 per cent, while price increases during the year amounted to close on 1 per cent.

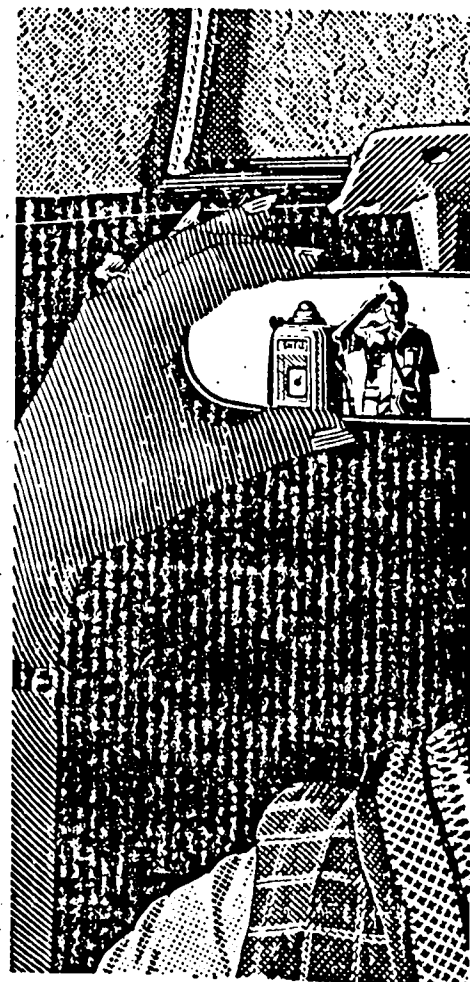
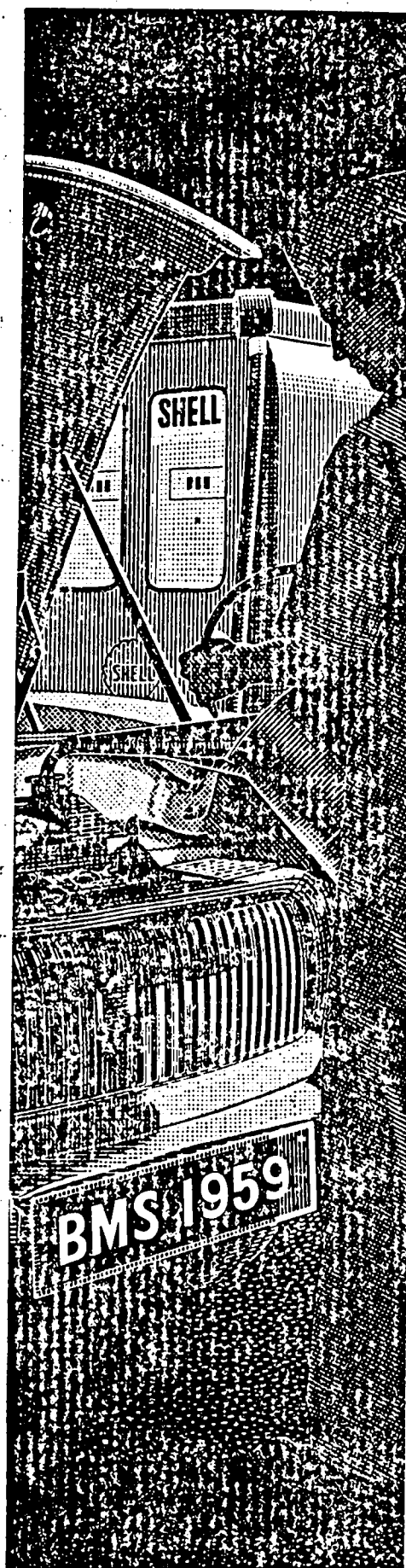
The rapid improvement in economic trends during the past year is perhaps most clearly reflected in developments on the labour market, the report says. Unemployment, which reached a peak at the beginning of the year, fell behind the figures of 1958 already during the spring months and at the end of the year, it had been reduced to the low levels prevailing in 1956. Although the labour market situation may be said to be balanced, there are signs of a shortage of labour in certain sectors, particularly the metal industry and the building trade.

In 1960 the strongest economic stimulus, besides exports, is likely to emanate from the demand for investment goods from some sectors of private industry and business, the report continues. Industry's investment plans for 1960 show a steeper rise for investments in machinery and means of transport than in any year, of the past decade. The increase has been estimated at 13 per cent. The gradual depletion of stocks during the past year seems now to have turned into a need for building up inventories, which means a further stimulus to demand. Housing and road construction, on the other hand, is expected to be somewhat smaller than in 1959.

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January 23, 1960

THE Department of Economic Affairs of the Finance Ministry has brought out an extremely interesting and useful brochure on the subject of External Assistance received by India up to 30th November last. I spent some exciting time leafing through it. Normally, figures leave me bored, but I could visualise the multi-lateral idealism and purposefulness behind the figures collated in this volume. Reading through the descriptive portions, I could see the variety of purposes for which assistance was rendered, adding up to a pattern and spelling a qualitative change in the economy and life of India. There are significant differences in the emphasis in the purposes for which assistance has come from particular countries, and the formal agencies devised for the purpose of routing the assistance would offer an excellent subject for detailed study. Above all, the book gathers up conveniently all the relevant facts about external assistance, which we had often in the past to piece out from a variety of sources. Here, at last, is an authoritative source to which we can go, when discussion of the extent of assistance from abroad, either retrospective or prospective, crops up.

Let me give you some figures. The total assistance from inception up to 31st of November 1959 from all sources adds up to Rs 1760 crores. Of this, Rs 1438 crores are in the form of loans and the rest in the form of outright grants. This does not include the assistance received in the form of suppliers' credit from certain countries; nor does it include receipts from the Rockefeller Foundation (amounting roughly to over Rs 4 crores) or the private voluntary assistance from the US (amounting roughly to Rs 50 crores). The assistance that was available for the Second Plan was (up to 31-3-59) Rs 1158 crores (of which Rs 198 crores was in the form of grants.) This figure includes the spill-over from the First Plan authorisations amounting to Rs 196 crores (of which Rs 72 crores were in the form of grants) out of a total authorisation for the period of Rs 392 crores. Incidentally, this unspent authorisation over-flowing from the First Plan is a much larger figure than what was envisaged in the Second Plan, which put it at Rs 100 crores. The utilisation of the Second Plan authorisation has been better. With two years of the plan still to go, the utilisation up to the end of March 1959 totals Rs 462 crores. Considering that the tempo of activity has increased in the last year, the utilisation in the rest of the plan period would be more rapid. Indeed, we have had to ask for further assistance, and a further authorisation between

1st April and 30th November 1959 of Rs 405 crores (including Rs 178 crores from the USSR meant for the Third Plan) has been made. The position, therefore, is that, as on 31-3-59, we have total unused foreign assistance amounting to Rs 1158 crores. But, as I said, earlier, the bulk of it is likely to be used up before March 1961.

One or two facts stand out. The total foreign assistance available for the Second Plan has outstripped the plan's expectation of Rs 800 crores and is almost the figure that I had indicated in these columns. It is true that certain special efforts had to be made for securing this, and the good offices of the World Bank were lent for two crucial decisions by friendly countries in 1958 and 1959 to underwrite India's foreign exchange requirements. It is also true that increased allocations were swallowed up by increases in costs. Nevertheless, the lively interest in Indian development of friendly foreign countries has been repeatedly demonstrated.

There are as many as thirteen entities listed in the table as sources of assistance; and, of these, eleven are friendly foreign governments. This list does not include all the UN agencies that are rendering help, the only agency shown being the World Bank. Besides the World Bank (its associates which will play an increasing part in financing development projects in the coming decade) there are other agencies which are rendering significant help. For instance, the UNESCO is providing technical equipment worth 10 million roubles (about Rs 1,20,00,000) for the Indian Institute of Technology, Bombay (a beneficiary also of the Soviet Union) and sundry other assistance in the form of expert services for translation and technical training. The UNICEF has been carrying its unostentatious service for the underfed children of the world, and though its services are hardly measurable in monetary terms, the amount spent is not inconsiderable (Rs 12.18 crores). Its assistance for basic maternity and child welfare schemes in community development project areas—it aids with supplies and equipment 5,306 health centres throughout the country—is more qualitative than quantitative. It also provides for

Clive Street Gossip

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

a training centre in Calcutta at a cost of about Rs 5 crores for training maternity and child welfare. Besides, the UNICEF cooperates with WHO in malaria control, a blessing that those whose memory of the Bengal of the old days is not blunted will be able to appreciate. There are a dozen other humanitarian endeavours of the UN through its other agencies, described in the brochure, and all of them are of basic importance from the point of view of essential human amenities.

The World Bank's assistance to India is well known. India is probably the greatest single beneficiary of World Bank's assistance. The total receipts from the IBRD for public sector projects up to the end of November 1959 comes to Rs 186 crores. The private sector has obtained a total of over Rs 95 crores. The beneficiaries are mostly Railways, private sector steel plants, River Valley projects and ICIC. The World Bank's interest in Indian development has been demonstrated in other ways than direct loans. In the years to come, the assistance from this source is bound to be considerable in view of its more overt commitment to its responsibilities to under-developed nations.

Of the individual countries assisting India, the US stands out

both in the quantum of aid given and the variety of agencies devised for the purpose. Total US aid up to the end of November 1959 comes to Rs 777 crores, of which Rs 210 crores are outright grants. This does not include the assistance rendered by private philanthropic agencies like the Ford Foundation (nearly Rs 10 crores, all of which is an outright grant) and the Rockefeller Foundation (over Rs 4 crores) and innumerable individuals and organisations. The assistance takes the form of complicated agreements designed to serve several purposes at once. For instance, the PL 480 agreements over surplus agricultural commodities give us much needed food supplies and the sale proceeds of the commodities are to be put to a variety of uses in the form of loans to the Refinance Corporation of India for loans to medium sized industries in the private sector, to River Valley projects, and to the ICIC. This has the advantage of saving foreign exchange on import of food, and of providing a cushion against inflationary pressures and at the same time providing internal resources for development projects. The deployment of funds thus secured into special institutional agencies like the Refinance Corporation is imaginative. For one thing, it helps solve a problem for medium-term credit that commercial banks were not able to provide. It also stimulates production in a sphere which tends to get neglected in the plan's pre-occupation with basic industrialisation, on the one hand, and social services and employment problems, on the other. Incidentally, it provides funds for the private sector or projects for which finance is a problem. Another feature of US assistance is its attempt to provide third currency

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assistance by a process of triangular agreement. And, finally, a proportion of the returned loans is to be spent in India itself by the US with all the attendant economic advantages of such activity.

In comparison to the Russian assistance, the interest terms of the US loans are onerous, but against this should be set down the fact that, unlike the Russian credits, the period of repayment is long. They are mostly of 15 or 20 years' duration. Difficulties have

from time to time been expressed about the utilisation of these loans because of the requirement that the purchases should from the US where the prices are uncompetitive. This may explain the fact of meagre utilisation of the Exim Bank credit line. Of a total authorisation of Rs 71 crores, only Rs 1 crore has been utilised upto the end of March 1959. Mr Vance Brand, who was recently in India, tried to allay Indian misgivings that the recent requirement of the utilisation of DLF credit in the

US might make it difficult for India to derive the full benefit of such assistance.

Now that President Eisenhower has had a personal glimpse of what is going on in India, we may confidently expect that the coming years will see the intensification of US interest in Indian development. One curious omission in the pattern of American assistance is noticeable. America's direct participation in Indian industrialisation is, compared to that of Russia, or

Germany or the UK somewhat meagre. This may be due to American prejudice against public sector projects. Otherwise, it is hard to explain the fact that there is no American equivalent to Bhilai or Durgapur or Rourkela. (The participation of Kaiser Corporation in the Tata expansion scheme is not the same thing as the others.) The Third Plan should see a more direct collaboration between India and the US in basic industrialisation.

Next to the US, the USSR has made, monetarily speaking, the largest contribution to Indian development plans. The total authorisation up to 31-11-59 of Rs 324 crores includes an authorisation of Rs 178 crores for the Third Plan.

We may take up, finally, the kind of assistance that we have received from the United Kingdom. In terms of money, as at the end of November 1959, loans and grants from the United Kingdom exceed Rs 103 crores. Something more than a third of this is in respect of the Durgapur Steel Plant. On the one hand, the Export Credits Guarantee Department, UK, has extended credit of Rs 20 crores, the loan being repayable in four annual instalments, which will coincide with the first four years of the Fourth Plan. On the other hand, the loan of Rs 15.3 crores from Lazard Brothers, also for Durgapur Steel, is due for repayment in five half-yearly instalments commencing from 1st January 1962. Then, there are credit lines for a further Rs 87 crores, also from the Export Credits Guarantee Department. The second of the credit agreements envisages repayment, according to a formula, commencing in 1964 and ending in 1979. It will be seen, thus, that the credits are over a fairly long time. Then, in terms of technical assistance, the United Kingdom has given facilities for the largest number of trainees among the eleven entities which have extended such facilities to India. Moreover, the Delhi Engineering College is to be assisted as to half a million pounds for being set up. In all this enumeration of assistance from the UK, however, I find no mention of the fact that we have received from the UK advance instalments in respect of sums payable under the Pensions Agreement. I do not quite remember the exact figures, but my impression is that advance payment of instalments amounting to perhaps Rs 30 crores has been received by India. Certainly, such advance payment by the UK helped India in its foreign exchange position.

Thus, in broad terms, the variety and range of assistance, from friendly foreign Governments, that India has received so far. It seems to me that the record is such that we may be reasonably confident of securing such external assistance as would be necessary for putting through the Third Plan.

EAVESDROPPER.

GATEWAY GOSSIP

THE only tangible result that the Air India International pilots' strike, which has ended after lasting eight days, seems to have achieved is the demonstration of the solidarity of the AII airmen and the abundant support they have among airways employees in the country in particular and the working class in general. The All India Pilots' Guild, which gave the strike call, is, however, unlikely to accept this view for obvious reasons. The Guild has maintained throughout its negotiations with the Corporation that it has a compelling reason for embarking on so extreme a step as a strike. A pilot from among the pilots selected to undergo training in connection with the Corporation's forthcoming jet service has been sent to Seattle (USA) out of his turn, and this particular gentleman has recently resigned from the Guild. It was the contention of the Guild that this act of the AII management was in direct contravention of the agreement reached between itself and the AII management in the matter of promotion by seniority. In this view, it was demanded that Captain Gilder, the pilot who had already left for the USA, be recalled. At a later stage, it was further demanded that one of the Guild pilots be sent to Seattle. The Corporation contended that the Guild's charges were totally unfounded. For, the agreement with the Guild was only in regard to the selection of pilots on the basis of seniority and Captain Gilder was one of the 22 pilots

selected in accordance with the agreement. There is no reference in the agreement as to which of the pilots would be trained in Seattle or Bombay.

The AII management had said that the deputation of Captain Gilder to Seattle did not violate any of the undertakings given to the Guild. While declaring that the management could on no account agree to recall Capt. Gilder, Mr J. R. D. Tata, Chairman of the AII Corporation, had pointed out that he would be ready to refer the matter for arbitration, although he considered that there was no valid dispute between the pilots and the Corporation. The management had chosen Captain Gilder, it was pointed out, because no other pilot possessed the requisite preliminary training. The Guild pilots were themselves to blame because they had failed to report for training when notified to do so. The management had also made it clear that, because of his training in Seattle, Capt. Gilder would derive no extra benefit. During the period of the strike, it became clear that the Guild pilots had genuine apprehensions about seniority as a result of the deputation of Captain Gilder who is not the senior-most pilot. They made no secret of their apprehension as they charged the Corporation as having given preferential treatment to Captain Gilder because he was not a member of the Guild. The management on the other hand charged the Guild that it had engineered the strike just to show

The Pilots' Strike

that a non-member could not do far.

Anyway, one would have expected the pilots to have called off the strike immediately after the clarifications were made, but that was not to be. Even the advice of the Union Transport Minister went unheeded at first, but wiser counsels had evidently prevailed ultimately as the Guild at long last decided to advise its members to go back to work from last Sunday unconditionally on the assurance from the management that there would be no victimisation and that the January agreement on salaries, etc., would stand unaltered.

Although both sides had said some harsh things against one another during the pendency of the unfortunate strike, the fact that matters is that the AII services are once again on. Even so, there is that point about the management's right to select whom it pleases for training which still stands out. The AII management has noted that there might be some connection between the strike and the fact that the Corporation's nominee for undergoing Boeing training first at Seattle is not a member of the All India Pilot's Guild. Perhaps the AII is quite justified in asking whether it is reasonable to embark on an extreme measure to redress imaginary grievances especially when such a measure as a strike is bound to result in sizeable financial losses to the company and much inconvenience to the users of the airline. It is,

however, evident that the Pilots' Guild had felt that the management's action in deputing Capt. Gilder constituted a vital departure from the relationship of its members with the management.

It is easy to succumb to the temptation of characterising the short-lived pilots' strike as much ado about nothing. But a closer look at the statements made on behalf of the Guild and the Corporation would show that there are some points, despite the January agreement, on which the management and the pilots do not see eye to eye with each other. Even so, the fact remains that a strike is a weapon which should be sparingly used and this should be particularly so in undertakings such as the Air India International which caters to the needs of quick international air transport.

Now that the strike is over, concerted efforts should be made both by the management and the All India Pilots' Guild to clear up whatever misunderstanding that may be still there. Even in the international sphere, the trend is toward settlement of disputes through peaceful negotiations. It cannot be contended seriously, therefore, that for workers to get their due a strike now and then is necessary. The All India Pilots' Guild cannot escape the charge that, in declaring the recent strike, it has not examined carefully whether a drastic measure as a strike would be needed to achieve the limited purpose on hand.



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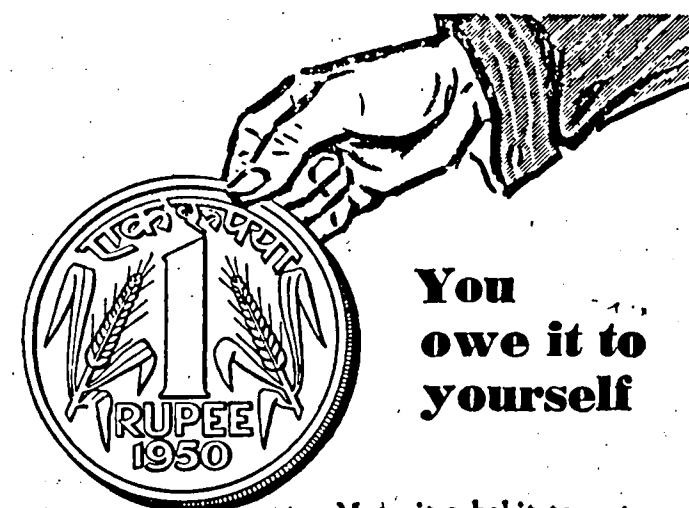
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GATEWAY NOTES

Nagpur Corporation

Presenting the annual budget of the Nagpur Corporation, Mr D. J. Madan, the Municipal Commissioner, disclosed the various activities the Corporation proposes to conduct in the new year for enhancing the civic amenities and accelerating the development of the city. The expenditure of the Corporation is estimated to be Rs 3.37 crores while the income to be derived will be Rs 3.11 crores, showing a deficit of about Rs 26 lakhs.

One of the methods suggested for meeting the deficit is to float public loans. The Corporation has to resort to this step for continuing the development programmes of the city since all possible scope for raising money by taxation has been fully exploited. That there will be no additional tax this year will be welcome news to the citizens, and the authorities of the Corporation can expect good response from the public for the public loans since the amount is to be utilised for the implementation of new schemes. Mr Madan also revealed that the unspent balance has been exhausted for making up the slow pace of development during the previous years. Diversion of some amounts which are earmarked for capital projects is also under the consideration of the authorities.

The commissioner elaborated the brisk and beneficial activities that will be carried out this year. It is to be admitted that a great deal has been done by the Corporation for the city's betterment; but there remains much to be done. Top priority must be given to water supply, slum clearance and underground drainage which constitute the basic requirements for public health and hygiene. Substantial progress has been made in expediting the completion of the Kanhan Water Supply Scheme. A provision of Rs 10 lakhs has been made for remodelling the water supply system of the city. An amount of Rs 21 lakhs has been allocated for completing the drainage scheme by the end of March 1961. Expenditure for other works requires an amount of Rs 60 lakhs—the highest during the past five months. It is gratifying to note that Rs 15 lakhs have been earmarked for executing the slum clearance schemes. Major works that are to be completed this year include the construction of the Town Hall, Temple Bazaar Market, Employees quarters and Chitnis Park. The other activities of the Corporation will include the building of beggar homes and the free supply of text books to the students of the Corporation Primary Schools. In short, as stated by the Commissioner, the Corporation will attend to all the needs of the city with the fullest support and good-will of the public.

Report on Bombay Port

According to the annual report of the administration of the Bombay Port, the total cargo handled at the docks and bunds during the year

1958-59 amounted to 11,751,601 DW tons which indicated a decrease of 1,358,075 DW tons as against the traffic of the previous year. The volume of exports declined from 1.87 million tons in 1957-58 to 1.64 million tons while the volume of imports decreased from 4.42 million tons to 3.70 million tons.

The General Account for the year under review registered a surplus of Rs 183.50 lakhs in contrast to the surplus of Rs 93.34 lakhs envisaged in the Budget Estimates and of Rs 39.61 lakhs in the Revised Estimates. From the point of revenue earned, machinery formed the largest single item in the foreign import trade passing through the docks.

Considerable progress has been recorded in the programme of modernisation of the Princes and Victoria Docks. The total expenditure for the scheme for modernising these docks has been estimated at Rs 20 crores. The attempt of the Trustees of the port to secure a grant of about half the cost of the scheme from the centre proved infructuous.

The report also revealed that labour unrest, which was acute at the beginning of the year, culminated in a general strike which lasted for twelve days. However, it is heartening to point out that, after the settlement of the general strike, no major stoppage of work has been reported in the port.

*

The US Trade-Mission

THE recent tour of the US Trade Mission for promoting and facilitating trade between the United States and India has evoked great interest among both the politicians and the industrialists of the country. The team, led by Mr James McNally, Assistant Director of Business Economics Department of Commerce, consists of experts in modern business and is the fourth of its kind sent to India in connection with the United States Small Industries Exhibits.

In a press conference held at Nagpur, a member of the Trade Mission highlighted the strategic importance of the city which has close proximity to the country's steel centres and other advantages of location. With these advantages, there is immense scope for developing a host of ancillary industries in that area and the additional production of steel from the neighbouring steel plants can be fully utilised for productive purposes. The mission also revealed that considerable interest has been evinced by the industrialists of their country to invest more capital in India to help it in the task of economic development.

The visit of the Trade Mission is significant in more than one respect. It affords considerable scope for exchange ideas through mutual discussions and for establishing closer contact between the industrialists of the two countries. The Government of India have recently entered into an Investment Guarantee Agreement with the United States to encourage the participation of American private enterprise in India's industrialisation.

It can be reasonably hoped that, as a result of the tour of the Trade Mission, the flow of US capital to India will increase.

GATEWAY MARKETS

Hectic Week for Zinc

AMONG Non-Ferrous Metals, Zinc has experienced a hectic week. The price of this metal, which has been ruling firm during the past many weeks on reports of shortage, has experienced a sharp setback with the rate quoted around Rs 133 per cwt. against Rs 144 in the previous week, thanks to the Government decision to import substantial quantities. The Government of India have made arrangements to import about 10,000 tons of zinc from abroad in the next two months. Part of the imports will be effected through the State Trading Corporation, which has already entered into arrangements with foreign suppliers. A portion of this has already been shipped and will be available in the market very shortly. The balance will arrive before the end of the current licensing period, viz., March 1960.

Besides this, supplies will also be augmented through imports under the quota licences granted to established importers and also the licences granted to actual users during the current licensing period. Although the quantity to be imported is not much when compared with the imports of as much as 57,750 tons in 1958, it is bound to have a salutary effect on the speculative activity in the metal.

Meanwhile, the outlook for the metal abroad is still clouded by the production cutback scheme, which has created an artificial scarcity. Despite the sale of 3,000 tons of stockpile metal last month by the British Board of Trade and an equal quantity expected to be released at the end of this month, the London Metal Exchange has not witnessed any sizable reduction in the price of zinc. At the most, the recent stockpile release has reduced the risk of some of the works closing down for the time being; but there is still a shortage of all types of zinc, particularly of the highest grades.

Among other non-ferrous metals, Copper wire-bars remained steady around Rs 254 per cwt. Sheets were easy with less offtake.

The market for Lead ruled weak throughout the week with the rate quoted around Rs 74.50 per cwt. Not much of consumption is taking place, as outside orders are going mostly to Calcutta where the price is a rupee below.

The offtake of Tin was not encouraging; but purchases by influential circles did not permit any sharp break in prices. The rate was quoted around Rs 141 per quarter.

Oils & Oilseeds

The overall tendency of prices, on the Bombay Oilseeds Exchange, has continued to remain upward, although a section of the trade is inclined to be cautious at higher levels in view of the imminent marketing of the new crop.

Groundnut prices, after touching fresh higher levels, reacted slightly

toward the close. Reports of insufficient arrivals and higher up-country advices have continued to excite the market. Crushers and vanaspathi manufacturers have also continued their purchases at successively higher prices. Above all, there has been a good deal of buying of spot supplies by the dealers, who feel that the prices may go up further during the lean months.

In the absence of fresh quotas for groundnut oil and expeller cake, the activity in the export section is confined largely to HPS groundnut. The UK is stated to have bought 400 to 500 tons at prices ranging from £82½ to £83½ per ton. There are also reports of some business in groundnut extraction with some of the Communist countries.

In the Castorseed section, the nervousness caused by the recent reports of Brazilian devaluation in respect of its castor oil exports, has tended to subside, as the operators feel that Brazil has little supplies to offer to the UK. It is believed that the USA will have to enter the Indian market sooner or later in view of the fact that the Brazilian supplies will be available freely only after the receipt of the new crop in October, 1960. There is little important business with the UK, and the USA appears to be unwilling to buy commercial oil at 15 cents per pound.

With US consumption running at a fairly high level, exporters here continue to be optimistic about the revival of American demand for Indian castor oil. Total imports into the USA, in 1959, are placed at 96,700,000 pounds of castor oil and 25,958,250 pounds of castorseed against 71,685,000 pounds and 18,136,500 pounds respectively in 1958. This suggests a substantial improvement in US consumption last year.

Yarn

Prices in the Bombay Yarn market developed a reactionary tendency due to profit-taking following consumers' resistance at higher levels. Business was, therefore, limited as many up-country weavers were not inclined to augment their stocks of yarn.

Cotton yarn lacked support on reports of subdued conditions in the cloth market. Poor enquiries for handloom and powerloom textiles compelled weavers from Surat, Banaras and other centres to keep away from the market. The Government's announcement of liberal import quotas of cotton to mills also induced bear operators to push down prices.

The export trade in rayon textiles has revealed a fresh improvement with shipments in November 1959 amounting to Rs 38 lacs against Rs 31 lakhs in the previous month. Total exports, during the first eleven months of 1959, have been estimated at Rs 3.71 crores. Exporters feel that the trade can improve further if some of the present difficulties are overcome.

For instance, pre-shipment inspection facilities are not considered to be satisfactory and the issue of inspection certificates is stated to take a long time. This delay prevents exporters from applying for import licences for yarn and results in avoidable locking up of funds.

WORLD OF COTTON

IT has been the Government's policy to encourage increased production of long-staple variety cotton. As world prices of such staple have now gone up considerably, the Government feel that it is desirable to secure for the grower at least a share of the increase in the international prices. They have, therefore, decided to refix, with immediate effect, the ceilings of long-staple cotton 1 1/32" and above.

It is understood that the effect of the Government order will mean increase in the price of certain varieties of cotton which the mills are likely to pay to the growers. The increase, according to authoritative circles, will range from Rs 100 to Rs 200 per candy of raw cotton. It would have been far better if the Government had announced such an increase in the ceiling prices at the beginning of the season. In fact, a rise in the ceilings was overdue, as the prevailing prices of the long-staple cotton bear no relation to those of foreign growths, which are much higher.

Market circles feel that the above step is timely and is bound to help toward higher production of long-staple cotton next season. A section of the trade, however, fears that it will indirectly push up the prices of other varieties also. A large part of the medium-staple crop grown in Saurashtra and South India, it is pointed out, is likely to be bracketed with Rajapalayam, CO2, MA5 and other long-staple varieties grown simultaneously.

Meanwhile, spinners have welcomed the import quota of three lakh bales of American cotton.

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Refixation of Ceiling Prices

Reports are current that about 30,000 bales have already been bought by needy mills for the March-April delivery. There are indications that the mill response to long-staple varieties from America will also be good.

Cotton houses are, however, perturbed to find that all the import quotas have gone directly to mills. Imports of cotton have been allowed to the extent of 10 lakh bales this season against earlier estimates of only six lakh bales. There is, therefore, a valid case for providing the trade an opportunity to show its skill in putting through business on terms most advantageous to the country. The Cotton Advisory Board has also recommended that the trade should get a reasonable share in the import business of cotton.

Again, the Textile Commissioner has announced a revised plan of distribution of foreign cotton to the mills. This is expected to be followed by a detailed circular on the distribution of Indian cotton to the industry. The Indian cotton crop, which will be available to the textile mills, has been placed at 40 lakh bales. Inevitably, a large quantity of foreign cotton will be required.

According to the plan which is going to be enforced, foreign cotton is divided into two categories: Foreign 'A' and Foreign 'B'. Foreign 'A' consists of cotton of staple length 1 1/16" and above and Foreign 'B' will consist of cotton below 1 1/16". Indian cotton is not, however, sub-divided into any categories and a quota for a total quantity will be issued from time to time.

The actual user mills will get a quota for 100 per cent of their basic consumption. This category will include mills to which actual user quotas are granted on a pro rata basis for their new spindleage. The actual user quota-holders will be expected to consume, during the year 1959-60, their full quota for a year and reduce their Indian cotton consumption proportionately. Any shortfall in the requirement of Indian cotton will be made good by additional allocation of foreign cotton of staple one inch and below.

As regards Foreign 'A' cotton quota for the mills other than actual user mills, quotas have already been granted and there will be no addition to these quotas during the current year. The retention quotas for the exporting mills will be allowed as at present.

Demands for 'B' cotton from mills will be registered immediately. Such demands should be made in respect also of additional production over and above that of 1958-59 which mills expect to

achieve. So far, 20,000 bales of Pakistani cotton and 180,000 bales of American cotton of one inch and below have been made available. Additional quantities of cotton of one inch and below will be made available, if necessary.

*

SPOT MARKET:

Liberal imports, announced by the Government, failed to impress the domestic market, where Jharkhand March contract shot up further to Rs 778 per candy, showing a rise of Rs 14. The spurt was attributed to hectic short-covering and aggressive buying, being induced by the strengthening belief that, even after resort to quality control, the cotton situation would continue to be tight.

On the export front, conditions remained active. Superior and choice short-staple varieties from the Punjab and Rajasthan shot up by about Rs 60 per candy on reports that Japan was an anxious buyer of Indian cotton at 25d per pound against 22d quoted last month.

In the import section, the principal demand was for US growths. Good business took place in California cotton of staple 1 1/16" in Good Middling quality. Mill interest in Egyptian and Sudanese growths was limited on account of

a sharp rise of about Rs 75 per candy in their prices. Small transactions were reported in AR-Uganda.

*

According to the International Cotton Advisory Committee, the total world supply of cotton, during the current season, is placed higher at 67.7 million bales against 66.3 million bales in 1958-59. While stocks were lower at 20.9 million bales at the outset of 1959-60 against 21.8 million bales in the previous season, production is placed higher at 46.8 million bales against 44.5 million bales. With an estimated increase of 2.8 million bales in production, the supply of cotton in the free world is estimated at 49.2 million bales in 1959-60 against 47.5 million bales in the previous season.

While stocks of cotton at the beginning of the current season were lower at 17.5 million bales against 18.6 million bales in the previous season, production is expected to increase to 31.7 million bales against 28.9 million bales.

The improvement in the free world cotton supply position is mainly attributed to the USA where the supply is estimated at 23.6 million bales during the season under review against 20.2 million bales in 1958-59.

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DELHI REVIEW

Report on External Assistance

THE Department of Economic Affairs of the Union Ministry of Finance has just issued the third annual report on external assistance received by India, generally up to November 1959, from various sources and in different forms. A general table, given in the report, is suitably condensed and presented in this despatch to show at a glance the total aid authorised from different sources upto 30th November, 1959, and utilised upto 31st March, 1959. It will be seen from this table that, up to the end of November 1959, American aid (including grants given by the Ford Foundation) has totalled Rs 786 crores, made up of Rs 566 crores by way of loans and Rs 220 crores by way of grants. Assistance from the Soviet Union, on the other hand, has been almost entirely in the form of loans; this

has totalled Rs 324 crores (including Rs 179 crores authorised for the Third Plan). In the same way, assistance from the United Kingdom has been almost entirely in the form of loans; this has totalled Rs 103 crores. And assistance from other countries (Canada, Australia, New Zealand, West Germany, Japan, Norway, Rumania and Czechoslovakia) has totalled Rs 256 crores, made up of Rs 166 crores by way of loans and Rs 90 crores by way of grants. It is noteworthy that Canada has provided assistance mostly in the form of grants and Australia, New Zealand and Norway have given aid entirely in the form of grants. The grand total of external assistance (which does not include suppliers' credit from Japan, France and Rumania, grants from the Rockefeller Foundation and gift

shipments from private philanthropic agencies in the United States, assistance under Title II and III of PL 480, third country assistance from the United States, and technical assistance by the United Nations Organisation and its specialised agencies) authorised from inception to 30th November 1959 comes to Rs 1,760 crores, covering both loans and grants.

The report is also notable for its coverage of the assistance received from the United Nations Organisation and its specialised agencies. This assistance has come in the form of technical experts, training of Indians abroad and equipment for a number of development programmes. Particulars of the aid received from some of the specialised agencies are as under:

(1) The UNESCO has agreed to

provide technical assistance for the establishment and development of the Indian Institute of Technology, Bombay. Supply of equipment costing 10 million roubles is covered by this aid.

(2) The United Nations International Children's Emergency Fund has been providing valuable assistance since 1948, for various development programmes chiefly in the fields of public health and nutrition. The assistance is given in the form of supplies and equipment as well as technical experts and facilities for the training of Indian personnel abroad. The total amount of funds allocated by the UNICEF since the inception of the programme to the 31st of March 1959 including ocean freight was \$25.57 million (Rs 12.18 crores). Noteworthy among the schemes assisted by the UNICEF is the one covering basic maternal and child welfare services. UNICEF is providing equipment and supplies for 1,160 primary health units and their 3,220 sub-centres as well as for the hospitals and laboratories, which support them. With an average of 65,000 persons served by each primary unit, these rural health services will put elementary health services within reach of 22 per cent of the entire population of India. The BCG vaccination campaign is another. The goal of this campaign is to test 170 million children and vaccinate the negative reactors. By the end of 1958, 120 million tests and about 42 million vaccinations had been performed. The plan for 1959 is to test 22 million children. It is expected that, at this rate, the campaign target will be reached by March 1961. UNICEF is also providing skim milk powder for supplementary feeding. About 1.5 million children and mothers were reached in 1958 through health centres and schools, and it is expected that 1.9 million will be reached in 1959.

There is a separate section dealing with technical assistance received not only under the UN Expanded Technical Assistance Programme but also under bilateral arrangements with a number of countries. This assistance has been received in the form of services of foreign experts (and related equipment) and training facilities abroad for Indian nationals. Experts have been obtained for working in advisory capacity in projects, institutions and departments in those fields in which qualified Indians of the required calibre are not available. Training facilities have been obtained in subjects in which a higher standard of training is available in foreign countries.

The number of experts obtained and the number of persons sent for training are shown in the Table that follows:

OLYMPUS

January 23, 1960

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Programme-Country	Date	Ex-Trainees	Ports
UN Expanded Technical Assistance Programme	30-6-59	387	756
Australia	31-5-59	18	300
Canada	do.	22	292
Ceylon	do.	1	...
Finland	do.	2	4
France	do.	7	9
Japan	do.	18	47
Malaya	do.	...	1
New Zealand	do.	10	68
United Kingdom	do.	114	773
United States of America	31-3-59	486*	738*

*Represents number of experts who arrived in India and trainees returned to India after completing their course.

The United Nations have also recently set up a Special Projects Fund with the object of enlarging the scope of the existing technical assistance activities and to finance such special projects, in approved fields, as would contribute to the economic development of recipient countries. Assistance will be given mainly in the form of teams of experts with adequate provision for equipment and supplies to deal with all the related aspects of a given problem on a sustained and

continued basis so as to pave the way for productive capital investment. The fund will primarily assist projects in the following fields:—(a) Assessment and development of manpower; (b) Industry, including handicraft and cottage industries; (c) Agriculture; (d) Transport and Communications; (e) Building and Housing; (f) Health; (g) Education; (h) Statistics; (i) Public Administration. The following five projects have been sponsored for inclusion

in the 1959 programme of the Special Projects Fund:—(1) Power Engineering Research Institute, Bhopal & Bangalore; (2) Central Mechanical Research Institute, Durgapur; (3) Three Regional Labour Institutes, at Kanpur, Calcutta, and Coimbatore; (4) Central Training Institute, Howrah; (5) Higher Institute of Fisheries Training in India. Out of these, the project relating to the Central Training Institute, Howrah, has been accepted for assistance so far. There are indications that some of the remaining projects will also be accepted.

TABLE SHOWING AID RECEIVED FROM VARIOUS SOURCES.

(In Lakhs of Rupees).

Source.	Authorisations upto 31-3-1956.		Balance of unutilised aid as at the end of 31-3-1956.		Aid Authorised from 1-4-1956 to 31-3-1959.		Balance available as at the end of 31-3-1959.		Authorisations after 1-4-1959.		Total authorisations from inception to 30-11-1959.	
	Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant
I. USA:												
(a) Wheat Loan	9031	...	...	...	...	...	...	...	...	...	9031	...
(b) TCA Programme	3928	9075	3699	4875	2263	3594	1899	2621	93	4900	6191	12762*
(c) PL 480	...	...	...	...	18540	4357	18040	4357	4900	...	23440	9257†
(d) Development Loan Fund	...	...	...	...	8333	...	7646	...	952	...	9285	...
(e) President's Asian Economic Development Fund	...	...	...	...	...	...	...	...	...	...	952	...
(f) US Bank credit for AII	...	...	...	...	533	...	533	...	...	...	533	...
(g) Exim Bank	...	...	...	...	7143	...	7028	...	...	...	7143	...
											56575	21019
II. USSR:												
(a) Bhilai Steel Plant	6307	...	6307	...	5950	...	1105	...	...	...	6307	...
(b) Industrial projects	...	...	...	...	...	...	5939	...	...	...	5950	...
(c) Drugs Projects	...	...	...	...	...	...	...	...	949	...	949	...
(d) Oil Refinery Barauni	...	...	...	...	...	...	...	...	1190	...	1190	...
(e) Grants for Machinery	...	...	...	...	...	122	...	46	...	...	...	122
(f) Credits for Third Plan	...	...	...	...	...	...	...	...	17858	...	17858	...
											32254	122
III. United Kingdom:												
(a) Under Colombo Plan	...	39	...	36	...	8	...	13	...	...	...	47
(b) ECGD Credit for Durgapur Steel	...	...	...	...	2000	...	...	...	...	...	2000	...
(c) Lazard Credit for Durgapur Steel	...	...	...	...	1533	...	600	...	...	...	1533	...
(d) II-ECGD Credit for Capital Goods	...	...	...	...	3800	...	3293	...	...	...	3800	...
(e) III-ECGD Credit for Oil Pipe Line	...	...	...	...	...	...	...	...	400	...	400	...
(f) IV-ECGD Credit November 1959	...	...	...	...	...	...	...	...	2533	...	2533	...
											10266	47
IV. Canada	...	3234	...	1264	1571	3572	...	2275	...	333	1571	7139
V. Australia	...	1108	...	588	...	34	...	7	...	...	...	1142
VI. New Zealand	...	172	...	139	...	151	...	51	...	...	...	323
VII. West Germany	...	...	...	...	7483	...	3269	...	...	...	7483	...
(a) Rourkela	...	...	...	...	1904	...	1455	...	...	...	1904	...
(b) Other Credits	...	...	...	...	...	209	...	209	...	...	...	209
(c) Okhala and IIT Madras	...	...	...	...	...	...	...	...	...	...	9387	209
VIII. Japan	...	...	...	...	2761	...	2736	...	...	...	2761	...
IX. Norway	...	66	...	...	...	100	...	...	...	...	...	166
X. Rumania	...	...	...	...	530	...	530	...	...	...	530	...
XI. Czechoslovakia	...	...	...	...	...	...	...	...	2310	...	2310	...
XII. IBRD:												
Public	...	3200	...	300	11838	...	2870	...	3570	...	18608	...
Private	...	2570	...	2090	6538	...	1650	...	476	...	9584	...
											28192	...
XIII. Ford Foundation	...	561	...	335	...	4060	...	469	...	30	...	997
TOTAL	25036	14255	12396	7237	83672	12553	59545	10048	35138	5356	143846	32164

This statement excludes:—(i) Assistance received in form of suppliers' credit, e.g., from Japan, France and Rumania. (ii) Rockefeller Foundation. (iii) Gift shipments from private voluntary agencies in USA. (iv) Assistance under title II and III of PL 480. (v) Third country assistance from the USA.

*This includes the amount of Rs 32.3 crores being the rupee equivalent of the dollar value of agricultural commodities imported under PL 665. Out of this, a sum of Rs 19.00 crores is to be received as a part of the three Development Assistance Loans and the rest in the form of grants for agreed projects. This excludes amounts obligated towards US Technicians.

†This excludes Cooley funds and amounts retained by the US Government for their own purposes.

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DA 59/348

NORTH INDIAN NOTES

Problem of Inflation

Inflation in a developing economy was the subject of a speech delivered by Mrs Tarakeswari Sinha, Union Deputy Minister for Finance at the PDM Commerce College, Rajkot. According to Mrs Sinha, the country today was in what corresponded to the first phase of an inflationary economy that could be seen in all developing economies in the world. Inflation in this phase of development is inevitable in view of the huge investments that have to be made for the creation of capital assets which, however, remain unmatched by corresponding creation of consumer goods.

The inflation that now prevails in the country is of this developmental type and is of short term character, being attributable to the lag between the creation of capital assets and the time they take for production. How short this period of developmental inflation is, would necessarily depend upon the measures taken by the country to produce goods to absorb the increased purchasing power that had been released in the course of financing the new capital assets. In such a situation, it is important that a proper relation should be maintained between productivity, wages and prices. As pointed out by Mrs Sinha, if there were claims for higher wages on the basis of rise in prices without reference to productivity of labour, and there was insistence on maintaining or enlarging the share of the total national cake, there will be a wage spiral, costs will go up and this in turn will affect adversely the country's competitive position abroad. A proper national wages policy related to productivity and prices become an essential condition for the successful implementation of a development plan involving large-scale investment which remains unproductive in the short-run.

Availability of sufficient foreign exchange is another factor that determines the duration of inflation in the developing phase of an economy. The impact of inflation in the developing phase, could either be escaped or mitigated with adequate availability of foreign exchange, which could be used to import consumer goods not producible within the country. There are, however, few instances of countries in the modern world which are so placed as to obtain their requirements through imports. On the contrary, as Mrs Sinha pointed out, in the case of many countries, pressure on balance of payments arising from internal inflation became the most important

argument in favour of controlling inflation.

India's difficulties in fighting inflation in the initial stages of development were aggravated by the shortfall in foodgrain production while shortage of foreign exchange rules out reliance on imports. In this situation, investment and consumption become alternatives to each other. A proper balance has to be struck between these two, taking into account the needs of development and the sub-standard of living of the majority of population.

UNESCO Plan for Primary Education

The recent conference of Asian member states on primary education convened at Karachi marked a significant development in the evolution of a common and comprehensive plan for spreading primary education in those countries where mass illiteracy is pronounced and common, being an aspect of the general backwardness that underlies their economies. Though the national plans of these countries give priority to spread of education, scarcity of resources and personnel is a factor that limits immediate possibilities. International cooperation involving aid in money and resources is an obvious necessity for accelerating progress in primary education.

It is this objective which is sought to be subserved by the plan which the Karachi conference has prepared. Dr V. Veronese, Director-General of UNESCO, explaining the features of the plan to newsmen at New Delhi, observed that the Plan would be submitted for consideration by UNESCO at its general conference.

The plan would involve a total cost of 64 billion dollars for the entire period of 20 years for which it is to run, and aims at increasing the number of school children seeking primary education from 65 million in 1960 to 90 million in 1965, 125 million in 1970, 167 million in 1975 and 220 million in 1980. It visualises enrolment of 156 million additional children, the construction of 55 million additional classrooms and 2 million additional houses for teachers. The plan, Dr Veronese assures, has been drawn taking into account the rapid growth of population in these countries.

While the greater part of the resources for the plan would have to be provided from the national budgets of member countries, it also calls for external assistance of about 10 billion dollars during the 20 year period, or 500 million dollars annually. This is a challenging demand which could be met only through the beneficence of the advanced countries. The UNESCO should find it possible to negotiate with the advanced countries for such aid.

NORTH INDIAN MARKETS

No Decontrol of Sugar

THE expectations of early decontrol of Sugar seem to have been belied by the reported decision of the Government to wait and watch the situation for some time more in view of the increase in sugar production registered so far this season. The industry, on the other hand, contends that, although the overall trend of production has been upward so far, the aggregate increase for the whole season will be relatively small as the current season is likely to prove shorter on account of the continued diversion of cane to the gur and khand-sari units.

The industry has pointed out that unless sugar factories are enabled to offer competitive cane prices to save diversion of cane from their areas, it will not be possible to raise production substantially. This, the industry adds, can be done by removing the present stifling controls on the factories.

The industry maintains that the present crushing season is already two and a half months old and, if decontrol has to be effective in yielding higher production, no time should be lost by the Government in taking necessary and effective action in this behalf. It is also pointed out that, after allowing for the high tax rate of Rs 13.15 per maund of sugar, factories actually realise only Rs 24.69 per maund of sugar, whereas the net realisation of a khand-sari manufacturer, after paying the nominal excise duty of Rs 3.25 to Rs 4.16 per maund, comes to as much as Rs 33.34 to Rs 38.16 per maund. Similarly, the gur producer who, in normal times, realised only 40 per cent of what the sugar manufacturer produced, now gets Rs 16.50 to Rs 18.50 a maund of gur.

According to the industry, the answer to the present malaise of high prices can be found only in maximising production. While the incentives recently announced by the Government of higher cane prices and rebate in the basic excise duty for the surplus sugar production during the current season are expected to improve the production to some extent, they are not expected to go far so long as the gur and khand-sari prices continue ruling at the present high levels.

The industry has, therefore, urged immediate decontrol, enabling the factories to offer competitive cane prices and to attract cane supplies for increasing production. While this will solve the immediate problem, more concerted attention has also to be given to the poor cane yield and quality.

Meanwhile, sugar markets remain depressed with prices displaying a slightly easier tendency due to better supply position. In the Hapur market, the rate for the commodity is quoted at Rs 115 per bag.

Khandsari

Khandsari prices have recorded handsome gains of about Rs 3 to Rs 5 per maund during the week on reports of no early decontrol on sugar. Demand is fairly heavy from the consuming areas of the South; but despatches are hampered due to restricted loading facilities.

Production is being continued vigorously; but there are reports of shortage of cane supplies to some of the crushers at the prevailing prices of Rs 1.50 to Rs 1.62 a maund of cane. The rate is quoted at Rs 35 to Rs 43 per maund, according to quality.

Gur

Although there is a fall of a rupee per maund during the week, Gur markets have continued to rule steady due to good outside demand. Despatches are hampered by loading restrictions, while arrivals have dropped due to rains. Total arrivals, in the Hapur market, in the current season, are put at 3.9 lakh maunds as against 3.75 lakh maunds in the corresponding period of the previous season. Pansera quality is quoted at Rs 16.25 to Rs 16.50 and Balti at Rs 17.25.

Foodgrains

Quiet conditions were noticed in the Hapur Foodgrains market. Demand is slack against comfortable stocks. Wheat prices are quoted at Rs 18.25 per maund for the average quality and Rs 19.25 for the farm variety. Maize and Bajra have been attracting good demand. The Rice situation remains quietly steady. Thanks to favourable rains, which have brightened the prospects of the standing crops, Gram prices have been displaying a slightly easier tendency. Although Maize continues to meet with good demand, prices are pulling easy due to the comfortable supply position. Among Pulses, some gains were recorded in Arhar on reports of some damage to the standing crops. The market for pulses are ruling quiet, as demand is being met with arrivals from outside.

After remaining quiet for the major part of the week, foodgrains prices in Delhi improved slightly on fresh demand from neighbouring mandies coupled with higher outside advices. Wheat and farm prices have remained unchanged with satisfactory turnover. Bajra is in good demand, while gram has firmed up by 50 nP on higher Punjab advices.

THE PENINSULA

IT is for the third time in recent years that the annual meet of the Congress has been held in the South. Though the attainment of Independence has had drained the annual meet of the Congress of the old glamour and sparkle, it is still an event of national importance in as much as it is at these sessions that the social and economic principles that are to govern Government's policy are laid down. At the Avadi Congress, the country adopted the Socialistic pattern of society as the goal toward which the nation's efforts should be bent. The Nagpur session of the Congress, held last year, committed the Government to the principle of land ceilings and also gave the slogan of cooperative farming. In comparison, the recently concluded session at Sadasivnagar was free from ideological preoccupations and was devoted to consideration of the more important problems connected with planning. Mr Nehru himself rang this change when he observed that the time had come for "doing a thing" and not for ideological philosophising. However, the challenge posed by the Swatantra party, which has sprung up as the rightist reaction from the Congress, called forth a reaffirmation of the Congress's faith in its ideology which was sought to be justified in terms of the Directive Principles of State Policy embodied in the Constitution.

Thus, it was on implementation rather than on policy that the accent of the discussion on economic matters fell. However, there was no denying of the progress that had been made in both the agricultural and industrial sectors, which was considered to have justified the general policies and programmes laid down by the Congress as well as the Planning Commission. But, in view of the magnitude of the problems and the growing population, there was need for faster progress. Gaps in achievement are an additional reason for stepping up implementation of programmes. The resolution

on implementation of programmes of planned development, which was adopted, therefore, underlined the need for speed, efficiency and integrity in the administrative set-up at all levels and called for a change in the rules and procedures which impede scheduled implementation of plan programmes. Closer contacts between the administrative officials and the people as well as a change in temper was also emphasised as being essential for proper implementation of development schemes. The basic consideration was to keep progress well ahead of the growing population so that the self-propelling stage of growth could be reached soon.

It was in the perspective of this need for faster progress that the problems relating to the different sectors of the economy were discussed at the session. Increase in agricultural production, vital to the progress of the country, was considered to have been not sufficiently rapid to meet the requirements of the plan and the people. For stepping up production, intensification of efforts along known lines is called for. Among the methods for achieving better results the resolution lists full utilisation of available irrigation facilities, better agricultural tools, use of good seeds, soil conservation especially contour bunding, use of fertilizers, green manure and compost, reclamation of water-logged areas and saline and USAR lands through established methods.

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MADRAS REVIEW

Plan Implementation

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NORTH INDIAN NOTES

Problem of Inflation

Inflation in a developing economy was the subject of a speech delivered by Mrs Tarakeswari Sinha, Union Deputy Minister for Finance at the PDM Commerce College, Rajkot. According to Mrs Sinha, the country today was in what corresponded to the first phase of an inflationary economy that could be seen in all developing economies in the world. Inflation in this phase of development is inevitable in view of the huge investments that have to be made for the creation of capital assets which, however, remain unmatched by corresponding creation of consumer goods.

The inflation that now prevails in the country is of this developmental type and is of short term character, being attributable to the lag between the creation of capital assets and the time they take for production. How short this period of developmental inflation is, would necessarily depend upon the measures taken by the country to produce goods to absorb the increased purchasing power that had been released in the course of financing the new capital assets. In such a situation, it is important that a proper relation should be maintained between productivity, wages and prices. As pointed out by Mrs Sinha, if there were claims for higher wages on the basis of rise in prices without reference to productivity of labour, and there was insistence on maintaining or enlarging the share of the total national cake, there will be a wage spiral, costs will go up and this in turn will affect adversely the country's competitive position abroad. A proper national wages policy related to productivity and prices become an essential condition for the successful implementation of a development plan involving large-scale investment which remains unproductive in the short-run.

Availability of sufficient foreign exchange is another factor that determines the duration of inflation in the developing phase of an economy. The impact of inflation in the developing phase could either be escaped or mitigated with adequate availability of foreign exchange, which could be used to import consumer goods not producible within the country. There are, however, few instances of countries in the modern world which are so placed as to obtain their requirements through imports. On the contrary, as Mrs Sinha pointed out, in the case of many countries, pressure on balance of payments arising from internal inflation became the most important

argument in favour of controlling inflation.

India's difficulties in fighting inflation in the initial stages of development were aggravated by the shortfall in foodgrain production while shortage of foreign exchange rules out reliance on imports. In this situation, investment and consumption become alternatives to each other. A proper balance has to be struck between these two, taking into account the needs of development and the sub-standard of living of the majority of population.

UNESCO Plan for Primary Education

The recent conference of Asian member states on primary education convened at Karachi marked a significant development in the evolution of a common and comprehensive plan for spreading primary education in those countries where mass illiteracy is pronounced and common, being an aspect of the general backwardness that underlies their economies. Though the national plans of these countries give priority to spread of education, scarcity of resources and personnel is a factor that limits immediate possibilities. International cooperation involving aid in money and resources is an obvious necessity for accelerating progress in primary education.

It is this objective which is sought to be subserved by the plan which the Karachi conference has prepared. Dr V. Veronese, Director-General of UNESCO, explaining the features of the plan to newsmen at New Delhi, observed that the Plan would be submitted for consideration by UNESCO at its general conference.

The plan would involve a total cost of 64 billion dollars for the entire period of 20 years for which it is to run, and aims at increasing the number of school children seeking primary education from 65 million in 1960 to 90 million in 1965, 125 million in 1970, 167 million in 1975 and 220 million in 1980. It visualises enrolment of 156 million additional children, the construction of 55 million additional classrooms and 2 million additional houses for teachers. The plan, Dr Veronese assures, has been drawn taking into account the rapid growth of population in these countries.

While the greater part of the resources for the plan would have to be provided from the national budgets of member countries, it also calls for external assistance of about 10 billion dollars during the 20 year period, or 500 million dollars annually. This is a challenging demand which could be met only through the beneficence of the advanced countries. The UNESCO should find it possible to negotiate with the advanced countries for such aid.

NORTH INDIAN MARKETS

No Decontrol of Sugar

THE expectations of early decontrol of Sugar seem to have been belied by the reported decision of the Government to wait and watch the situation for some time more in view of the increase in sugar production registered so far this season. The industry, on the other hand, contends that, although the overall trend of production has been upward so far, the aggregate increase for the whole season will be relatively small as the current season is likely to prove shorter on account of the continued diversion of cane to the gur and khand-sari units.

The industry has pointed out that unless sugar factories are enabled to offer competitive cane prices to save diversion of cane from their areas, it will not be possible to raise production substantially. This, the industry adds, can be done by removing the present stifling controls on the factories.

The industry maintains that the present crushing season is already two and a half months old and, if decontrol has to be effective in yielding higher production, no time should be lost by the Government in taking necessary and effective action in this behalf. It is also pointed out that, after allowing for the high tax rate of Rs 13.15 per maund of sugar, factories actually realise only Rs 24.69 per maund of sugar, whereas the net realisation of a khand-sari manufacturer, after paying the nominal excise duty of Rs 3.25 to Rs 4.16 per maund, comes to as much as Rs 33.34 to Rs 38.16 per maund. Similarly, the gur producer who, in normal times, realised only 40 per cent of what the sugar manufacturer produced, now gets Rs 16.50 to Rs 18.50 a maund of gur.

According to the industry, the answer to the present malaise of high prices can be found only in maximising production. While the incentives recently announced by the Government of higher cane prices and rebate in the basic excise duty for the surplus sugar production during the current season are expected to improve the production to some extent, they are not expected to go far so long as the gur and khand-sari prices continue ruling at the present high levels.

The industry has, therefore, urged immediate decontrol, enabling the factories to offer competitive cane prices and to attract cane supplies for increasing production. While this will solve the immediate problem, more concerted attention has also to be given to the poor cane yield and quality.

Meanwhile, sugar markets remain depressed with prices displaying a slightly easier tendency due to better supply position. In the Hapur market, the rate for the commodity is quoted at Rs 115 per bag.

Khandsari

Khandsari prices have recorded handsome gains of about Rs 3 to Rs 5 per maund during the week on reports of no early decontrol on sugar. Demand is fairly heavy from the consuming areas of the South; but despatches are hampered due to restricted loading facilities.

Production is being continued vigorously; but there are reports of shortage of cane supplies to some of the crushers at the prevailing prices of Rs 1.50 to Rs 1.62 a maund of cane. The rate is quoted at Rs 35 to Rs 43 per maund, according to quality.

Gur

Although there is a fall of a rupee per maund during the week, Gur markets have continued to rule steady due to good outside demand. Despatches are hampered by loading restrictions, while arrivals have dropped due to rains. Total arrivals, in the Hapur market, in the current season, are put at 3.9 lakh maunds as against 3.75 lakh maunds in the corresponding period of the previous season. Pan-sara quality is quoted at Rs 16.25 to Rs 16.50 and Balti at Rs 17.25.

Foodgrains

Quiet conditions were noticed in the Hapur Foodgrains market. Demand is slack against comfortable stocks. Wheat prices are quoted at Rs 18.25 per maund for the average quality and Rs 19.25 for the farm variety. Maize and Bajra have been attracting good demand. The Rice section remains quietly steady. Thanks to favourable rains, which have brightened the prospects of the standing crops, Gram prices have been displaying a slightly easier tendency. Although Maize continues to meet with good demand, prices are ruling easy due to the comfortable supply position. Among Pulses, some gains were recorded in Arhar on reports of some damage to the standing crops. The market for pulses are ruling quiet, as demand is being met with arrivals from outside.

After remaining quiet for the major part of the week, foodgrains prices in Delhi improved slightly on fresh demand from neighbouring mandies coupled with higher outside advices. Wheat dara and farm prices have remained unchanged with satisfactory turnover. Bajra is in good demand, while gram has firmed up by 50 nP on higher Punjab advices.

THE PENINSULA

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MADRAS
REVIEW

AT the annual general meeting of the Madura-Ramanad Chamber of Commerce held in Madura, severe criticism was voiced against the fiscal policy of the Government which almost everywhere is being viewed with grave apprehension by the business community. Addressing the meeting, Mr A. M. M. Murugappa Chettiar, Vice-President of the Federation of Indian Chambers of Commerce and industry, alleged that considerations other than purely economic had been influencing the policy of the

Government and that this clouded proper consideration of the real effects that flowed from the policy being pursued by the Government.

Government taxation of industries is a subject in respect of which industrialists have special grievance in view of the crushing burden it has worked up for the business community. In pleading for tax concessions, Mr Murugappa Chettiar pointed out that the motive of the business community was not personal gain but increase

in investible surplus which could be ploughed back into business enterprises. Mr Murugappa Chettiar also sought to refute the argument of the Government spokesmen that the inhibitive legislative measures including the heavy taxation had not had a deterrent effect on productive enterprises, and pointed out that the progress achieved through the initiative and resources of businessmen could have been better but for the disincentives inherent in the fiscal measures of the Government.



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SOUTH INDIAN
NOTES

A plea for providing the private sector with a larger share in the Third Plan than in the Second. Plan was made by Mr T. Manickavasagam, Director of the Sri Meenakshi Mills Ltd, and President of the Chamber, in the course of his speech. World monetary conditions and the past experience of the public sector would, according to Mr Manickavasagam, warrant such a step on the part of the Government. It was however necessary that the proper atmosphere was created so that businessmen could discharge their obligations. This calls for relaxation of the present fiscal pressure on industries.

Mr Manickavasagam also expressed dissatisfaction at the slow progress of industrial development in the Madras State and pointed out that, compared with more advanced States in the North, progress in the South was not commensurate. Therefore, he pleaded for a substantial increase in the total outlay for the Third Plan for the State. The contemplated outlay of Rs 250 crores appeared to him to be inadequate in relation to the new industrial potential of the State.

Areca nut Production

Self-sufficiency in areca nuts production has been urged upon the growers by Dr Punjabrao Deshmukh, Union Minister for Agriculture, in his inaugural address to the 11th annual general meeting of the Indian Central Areca nut Committee held in Coimbatore early this week. The present shortfall in production reflects a situation in cultivation which is characterised by uneconomic methods. Cultivation is predominantly in the hands of small growers and this fact would seem to suggest that there is great scope for improvement of cultivation by the adoption of scientific practices. Dr Deshmukh himself pointed out that, by regular manuring alone, 43 per cent of the area can be made to bear more.

The present area under areca nuts is 2,62,616 acres while production is of the order of 23,66,990 maunds. The Second Plan had envisaged extension of areca nut cultivation to an additional area of 9,200 acres. The problem with regard to improving the yield of areca nut is that of supplying seedlings of the right type. Nurseries for supplying the seedlings of the various types required had been set up in various parts of the country under the Second Plan. The targets and production of areca nut seedlings were 91,62,000 (target) and 28,69,207 seedlings raised in 416 nurseries. There is obvious need for more intensified efforts to make up for the slow progress, so glaringly evident in the wide gap between target and performance.

SOUTH INDIAN
MARKETS

Madras, January 20.

All hopes of prices receding in the groundnut oil and groundnut market have receded. Manipulated by bulls, there has been a phenomenal increase in the price of groundnuts. Anticipating higher and still higher prices stockists are reluctant to sell while producers are equally hesitant to unload their stocks.

Today the market closed with the following rates for groundnut oil and groundnut kernels: Groundnut oil per candy of 500 lbs ex-Madras godown 3% F.F.A. expeller ready: Rs 372 (done); January Rs 375 and March Rs 380 (done). Kernels per candy of 531 lbs: Coromandel Rs 202.

(All Southern market centres had put up their prices to Rs 200 per candy under the knowledge that prices in the City and exporting centres are going up).

There being no workable parity, shippers are not quoting for U.K. or Burma shipment. U.K. price quotation is around £117 and Burma Rs 1,640 per ton, but this could not work and therefore export to these places are unthinkable at the present prevailing prices.

Castor oil was quoted at Rs 320 per candy of 500 lbs; Coconut oil per tin Rs 40; Gingelly oil per maund Rs 20/4; Gingelly seed per bag Rs 66/67; Groundnut cake per bag Rs 26/12.

One should say that price increase in this front in Madras has been spectacular ever since the turn of the year. This increase is indeed unheard of in the history of the Madras oil and seeds market. These commodities here not even during the war period, particularly the groundnut touched the level of Rs 202 per candy or oil ever sold at 372 spot and Rs 376/380 for forward positions. True, January is always the rush part of the season, when shippers and other vanaspathi interests used to fulfil their near and future commitments. Shippers and vanaspathi interests sat with fingers crossed. Consuming public too did not bother much when the level was hovering higher and higher. Despite all this inactivity, prices continue to soar. There is also the mistaken notion that crop this season has not been good, which is not a fact. Bullish interests elected to lend support to the market at higher levels, and the daily increase in price levels encouraged the primary producers too to hold back stocks to realise a better price. Naturally groundnuts should have gained about Rs 80 per ton while oil recorded a gain of about Rs 75 or so per ton this week.

Local arrivals of groundnut seemed to be small averaging 45/50 tons daily. Big and small local crushers absorbed this quantity at Rs 195 or so. Small crushers invariably were to suffer the high prices because they had no other go. For these traders, there is the relief by way of excise duty exemption and that way they would not mind this high price for a while.

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Hectic Rise in Groundnut

In oil, Calcutta interests came into the picture. They bought good quantities daily. Local vanaspathi interests did not care to look up to oil deals as much as they were with buying of kernels. Till last week-end the price of oil verged around Rs 367 per candy but Tuesday's closing showed a higher tenor. Today's spot closed at Rs 372.

Substantial business is reported in February and March positions. Naturally January transactions would be of a squaring up nature. While the price per candy was quoted at Rs 363 last Saturday, Monday opening was far higher and on Tuesday closed with Rs 367. January was offered and business was done at Rs 375 today toward close. A few deals materialised at Rs 374 in the forenoon session.

In February position the turnover was better even at Rs 376 today. Tuesday closing was only around Rs 368. The jump of Rs 8 per candy is indeed spectacular. But better still was March position which closing at Rs 375 Tuesday opened around Rs 378 and closed firm at Rs 380 today. Operators hope that this trend may continue and nobody knows how long.

Naturally groundnut oil cake followed the line of oil and kernels when the price of this commodity too jumped up to Rs 26/12 today per bag of 160 lbs ex-gunny exmill.

Hides and Skins

There was nothing much in the Hides & Skins market. Very little business could be confirmed with U.K. due to higher prices still prevailing.

Inferior fifts 5/5½ lb average between 46d to 48d were negotiated with Britain. However Madras shippers quoted far higher prices than the U.K. conditions could make them buy.

Arrivals were not much in tanned buffalo hides. Prices remained firm in tanned cow calf due to small arrivals.

Due to unchanged conditions in prices in tanned goat skins the turn over remained the same at about 1,000 pieces and market quality sheep skins changing hands were only in the neighbourhood of 8,000 pieces. While goatskins left was about 5,000 sheepskins remained at 30,000 pieces. Heavy weight goats had been in good demand in export section. Export was meagre due to resistance from U.K. and continental buyers.

The raw skin prices were (last week's prices within brackets):

Bangalore raw goatskins Rs 650/715 (Rs 640/655): White wool sheep Rs 640/690 (Rs 610/660): Black wool sheep Rs 485/520 (Rs 470/505): Bezvada raw goatskin Rs 630/635 (Rs 615/620): He sheep Rs 576/585 (Rs 570/575): She sheep Rs 475/485 (Rs 470/475).

Quotations per lb tanned cow Prime 5/5½ lbs Rs 3 to Rs 3.37; 6/6½ lbs Rs 2.81 to Rs 3.00; 8/8½ lbs Rs 2.31

to Rs 2.50; 10/12 lbs Rs 1.91 to Rs 2.06; Tanned Buffalo hide 12/13 lbs Rs 1.56 to Rs 1.75: Cow calf 1½/2 lbs Rs 5 to Rs 5.37: Buffalo calf 1½/2 lbs Rs 3.25 to Rs 3.62: Goat Prime 8/9 lbs Rs 9.25 to Rs 9.37: 5½/6 lbs Rs 10.50 to Rs 10.75: Sheep ordinary 6/7 lbs Rs 8.25 to Rs 8.62: Sheep Prime 6/7 lbs Rs 10.75 to Rs 10.87.

Bangalore Silk

Conditions in respect of the prices of silk and silk products in the Bangalore silk market, during the week ended 7th January, 1960, were practically similar to those that prevailed in the earlier week. Demand for both Charka and Cottage Basin silk was moderate while that

for Filature silk was slack. There was no change in the prices of Filature silk. Charka raw silk prices too remained unchanged unlike in the previous week, even though the supply of raw silk in the market was understood to be moderate.

With regard to Reeling Cocoons the prices indicated a general upward movement taking up the prices of Channapatna by 25 nP. per lb. and of Mugur by 18 nP. per lb.

Mysore Seed Cocoons ruled at between Rs 4.00 to Rs 5.50 as against Rs 4.00 to Rs 5.25 during the previous week. There was no change in the prices for Foreign Seed Cocoons, which remained at Rs 6.00 to Rs 12.00.

FOREIGN TRADE OF INDIA IN NOVEMBER 1959.

The provisional figures of foreign trade of India by all routes, i.e., sea, air and land, on private and Government accounts during November, 1959, according to information available to-date in the Department of Commercial Intelligence and Statistics, Calcutta, are given below:—

Merchandise, excluding overland trade with Nepal, Tibet, Sikkim and Bhutan: Exports Rs 61.26 crores, re-exports Rs 50 lakhs, imports Rs 69.99 crores. The import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment and of private merchandise under reference to Customs for verification.

Treasure: Exports (including re-exports) of currency notes Rs 89 lakhs, gold negligible and current coins (excluding gold coins) negligible. Imports of currency notes Rs 37 lakhs, gold Rs 11 lakhs, current coins (excluding gold coins) negligible.

Balance of Trade: Subject to the limitation in import figures mentioned above, the total value of exports (including re-exports) of merchandise and gold fell short of imports by Rs 8.34 crores.

A comparative table showing the trade in November, 1959, October, 1958 and the eleven months ended November, 1959 and 1958 is given below:—

Foreign Trade in	Month		(In Lakhs of Rupees)	
	Nov., 1959.	October, 1959.	Nov., 1958.	Eleven months ended November 1959.
A. Merchandise—				
Exports	61.26	59.56	49.24	550.08
Re-exports	50	18	33	5.07
Imports	69.99	65.03	68.65	798.92
Balance of Trade in Merchandise	-8.23	-5.29	-19.08	-243.77
B. Treasure (Gold)—				
Exports	...	...	...	1
Re-exports	...	...	...	5
Imports	11	8	4	58
Balance of Trade in Gold	-11	-8	-4	-87
Government of India Current coins and foreign current coins excluding gold coins—				
Exports	...	...	...	1
Re-exports	...	...	...	8
Imports	86	1.83	1.50	6.94
Currency Notes—				
Exports	3	4	3	41
Re-exports	37	49	3.61	51.03
Imports	-8.34	-5.37	-19.12	-244.34
Overall Balance of Trade in Merchandise and Gold				-166.95

N.B.—Nil or negligible.

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MANUFACTURE OF METRIC WEIGHTS

One hundred and six factories in the States of Andhra Pradesh, Bombay, Kerala, Madras, Mysore and Punjab and the Union Territory of Delhi have so far been granted licences for manufacturing metric commercial weights. There are about 305 factories, including some units in the public sector, which can manufacture metric weights and measures in adequate numbers to meet the demand in the country.

According to an estimate made by the National Sample Survey, at present there are about 54 million weights and 1 million measures in use all over the country. These will have to be replaced by metric weights and measures during the next two years or so.

The sale of new weights and measures will be through licensed dealers.

INCREASED CANADIAN ASSISTANCE

The Canadian Secretary of State for External Affairs, Mr Howard C. Green, announced in Ottawa on 18th January, 1960, that Canada's capital assistance programme for India under the Colombo Plan for the fiscal year 1959-60 would amount to \$25,000,000.

This represents an increase of \$8,000,000 over that allocated to India for the previous fiscal year, but does not include the amount set aside to provide Canadian experts and training facilities under the Technical Co-operation programme which will be continued and expanded during the coming year.

The announcement comes during the week when the tenth anniversary of the Colombo Plan is being celebrated in all the member countries.

The Ottawa announcement explains that in order to assist India to carry forward her programme of economic development, it has been decided to allocate a sum of \$11,500,000 for the provision of urgently needed non-ferrous metals. An additional \$7,000,000 is made available as a wheat grant and \$2,550,000 for the provision of fertilisers of various types which would assist in increasing food production. A sum of \$2,000,000 would be devoted to the provision of diesel switching locomotives to facilitate handling of cargo in India's major ports. An amount of \$750,000 is set apart to cover the initial expenses of a hydro-electric project to be agreed upon by the two Governments. A further sum of \$130,000 is to be used for cobalt beam therapy units for cancer treatment.

The Canada-India Reactor at Trombay, which will be opened during the present year, is allocated an additional \$700,000 towards its completion. Of the remainder, \$250,000 will be used to provide radioteletype equipment and \$120,000 for the provision of raw asbestos used in the construction of factories and industrial housing.

The foregoing allocations have been agreed to after lengthy discussions between Canadian and Indian officials during the past six months. In all cases where Canadian aid is

taking the form of commodities, the Government of India has agreed to establish counterpart funds from the sale proceeds of the commodities. These counterpart funds, as in the past, will be used to cover the local costs of economic development projects agreed upon by the two Governments.

CHEMICAL TREATMENT PLANT INSTALLED IN HINDUSTAN HOUSING FACTORY.

A chemical treatment plant for timber has been installed in the Hindustan Housing Factory and has had a successful trial run. The total cost of the plant works out to about Rs 72,000. The plant can be charged thrice a day and each charge can treat about 175 cft. of timber in two hours. The timber treated in the trial runs has been put to various tests and the results have been found to be satisfactory.

Treatment of timber is done under pressure. The timber is loaded in the pressure cylinder through trollies and the chamber is then closed. After sealing, Ascu solution is pumped into the chamber from the storage tank till it penetrates to the requisite degree.

CUSTOMS DUTY ON INCOMPLETE SETS OF IMPORTED MACHINERY

The Government of India have decided to consider bona fide cases for suitable relief in customs duty on incomplete sets of imported machinery.

Under the Indian Customs Tariff, plant and machinery in general are assessable at a low statutory rate of 10% ad valorem. Where, however, the articles imported as parts of machinery do not constitute a whole piece of machinery, they cannot be assessed as such and have to be assessed individually on merit under the appropriate items of the Tariff. Under this mode of assessment, some of the articles fail to qualify for assessment at the machinery rate and have to pay duty at higher rates.

In order to encourage manufacture of machinery and other capital goods in the country, Government have, of late, been permitting import not of complete machinery/plant but only of such portions and parts thereof as cannot be manufactured locally. It is not, however, the intention of the Government that such incomplete sets of machinery should be deprived of the benefit of the machinery rate merely because the entire machinery is not being imported from abroad in the interest of the indigenous industries. The Government of India have, now decided to consider hard cases of this kind in order to grant suitable relief in customs duty.

Imports are therefore, advised that if they have a bona fide case for concessional assessment on the grounds mentioned above, they may make an application well in advance of the importation of the goods, to the Central Board of Revenue through the Development

Wing of the Ministry of Commerce and Industry, New Delhi for necessary relief furnishing full data to prove that the imported portion of the goods forms, with the locally manufactured portion, a complete plant or machinery which if imported wholly from abroad would have been assessed at the machinery rate. On receipt of the application, it will be open to Government at their discretion to grant suitable exemption from duty so that the rate applicable to the imported articles is not in excess of that leviable on the complete machinery, subject to such conditions and procedural safeguards as may be considered necessary to check abuse of the concession.

IMPORT OF COMPLETE WATCHES

The Government of India have decided to permit import of complete watches during the current licensing period. Gold watches and watches of c.i.f. value of more than Rs 150 will, however, not be permitted for import.

The following is the Import Trade Control Public Notice issued today regarding import of watches during October 1959—March 1960 period:

"During the current half year, import licences for 'Parts of watches' are being granted to Established Importers of 'Watches and parts thereof' on the basis of a quota of 7½% General and 7½% Soft. These licences are valid for import of 'Parts of watches or complete watch movements' only.

These additional licences to be granted to Established Importers will be valid only for import of complete watches. These will not, however, permit import of Gold watches and/or watches with a price of more than Rs 150 per watch.

The basic period for watches and parts thereof has already been extended so as to include the year 1957-58.

Established Importers should submit their applications for additional licences for 'watches' in the prescribed form and manner to the licensing authorities at the ports as soon as possible but not later than 16-2-60."

PRODUCTION IN HMT TO BE DOUBLE

The Government of India have approved a proposal of the Hindustan Machine Tools (Ltd.), Bangalore, to double its capacity from 1000 machines to 2000 machines per annum.

The capital expenditure on the expansion programme will be Rs 280 lakhs of which the foreign exchange component would be approximately Rs 115 lakhs.

HMT's production has substantially increased in the last few years. In fact, the second Plan target of reduction had been achieved as early as 1957-58 when 402 machines valued at Rs 1.4 crores were manufactured. The realisation of the Plan target, three years ahead of schedule, was made possible by reorganisation and multiple shift working in the factory.

During the current year (1959-60) production will be about 700

machines valued at Rs 2.5 crores. The annual production is expected to reach 1,000 machines valued at Rs 3.5 crores by the end of the second Plan (1960-61). When the proposed expansion to 2,000 machines per year will materialise in 1963, the value of annual production will be over Rs 7 crores per year.

The company has already started making profits. Even after providing for the payment of 4½ per cent as interest on the loan of Rs 1.87 crores which Government had made available to the Hindustan Machine Tools and after providing for a fair return on the share capital, it is expected that the company will be able to finance a part of the capital cost of the expansion programme from its internal resources.

Substantial reduction has also been achieved in production costs of HMT machines. The benefit of this has been passed on to the buyers through reduction in sale prices. The sale price of 1,000 mm lathe, for example, was first brought down from Rs 39,000 to Rs 36,000 and then to Rs 29,500 with effect from June 1, 1958. The landed cost of imported machines of equivalent quality is around Rs 40,000.

PRODUCTION OF MACHINE TOOLS.

Indian Machine Tool Manufacturers' Association report that the total approximate production of various machine tools by their 13 leading member-firms during the month of November, 1959, was:—

Description	Quantity Nos.	Value Rs.
Lathes	168	26,12,730
Milling Machines	20	7,60,000
Drilling Machines	57	1,51,320
Shaping Machines	6	1,50,400
Plate Bending Machines	2	34,000
Radial Drills	8	20,000
Hacksaw Machines	10	17,300
Furnace	1	5,150
Miscellaneous	4	3,600
Bandsaw Machines	2	1,900
Lathe Chucks	447	1,27,595
Drill Chucks	349	13,190
Total	1,074	38,97,190

AUTOMOBILE PRODUCTION IN 1959.

The production of automobiles in the country showed an appreciable rise in 1959, the main contributing factors being the rapidly increasing indigenous content of cars, trucks and vehicles and liberal imports of components allowed to the manufacturers.

The total production of cars, trucks, buses and jeeps in 1959 amounted to 36,468, the highest recorded so far. Production in the three previous years, 1956, 1957 and 1958, had been 32,138 33,058 and 26,788 respectively.

A break-down of the 1959 figure shows that production of cars (including station wagons), trucks (including buses) and jeep vehicles amounted to 11,993, 19,099 and 5,376 respectively.

The total car production in 1958 was 8,113. Car production in November and December, 1959, totalled 1,321 and 1,600 respectively.

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees).

	15-1-60	8-1-60	16-1-59
LIABILITIES:			
Notes in Banking Dept.	9,79.15	12,93.21	6,53.92
Notes in Circulation...	1777.89.74	1775.08.02	1629.70.37
	1787.68.89	1788.01.23	1636.24.29
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117.76.03	117.76.03	117.76.03
(b) Outside India...	...	...	...
Sterling Securities	163.00.89	163.00.89	164.67.56
Total of A	280.76.92	280.76.92	282.43.59
(B) Rupee Coin	129.48.90	129.81.34	134.00.21
Rupee Securities	1337.43.07	1337.43.07	1219.80.49
	1787.68.89	1788.01.23	1636.24.29
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	30,00.00	30,00.00	25,00.00
National Agricultural Credit (Stabilisation) Fund	4,00.00	4,00.00	3,00.00
Deposits—			
(a) Central Govt.	49,41.35	64,36.51	52,23.19
(b) Other Govt.	40,36.57	12,53.82	47,14.01
(c) Banks	80,68.97	68,24.78	72,20.13
(d) Others	128,57.30	128,43.16	115,86.69
Bills Payable	20,96.16	15,07.69	18,90.69
Other Liabilities	33,57.46	31,58.75	33,23.69
	465,57.51	433,24.71	452,58.40
ASSETS:			
Notes	9,79.15	12,93.21	6,53.92
Rupee Coin	1.85	2.99	2.65
Subsidiary Coin	3.99	3.69	3.95
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	56,67.82	48,12.16	14,11.61
Balance held abroad	46,79.43	48,35.36	32,59.75
Loans & adv. to Govt.	20,78.42	24,54.85	24,39.62
Other Loans & Adv.	103,53.61	102,89.13	94,93.73
Investments	218,03.04	183,45.62	268,77.89
Other Assets	12,91.20	12,87.70	11,15.29
	465,57.51	433,24.71	452,58.40

(1) The item 'Other Loans and Advances' included Rs. 3,02,40,000 advanced to scheduled banks against unsecured bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees).

	9-1-59	1-1-60*	8-1-60*
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	21,80.52	15,63.07	18,60.13
(ii) Other demand liabilities	690,62.93	738,88.29	728,50.57
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	36,20.68	25,69.00	20,97.37
(ii) Other time liabilities...	878,37.85	1106,37.57	1107,69.46
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	8,96.48	7,04.88	10,01.86
(ii) Time Liabilities	10.00	1,92.00	87.00
Borrowings in India from the R. B. I.			
Cash in India	35,29.46	32,21.50	22,21.35
Balance with the Reserve Bank of India	40,23.84	51,66.25	45,33.29
Balance with other banks in current account in India	67,36.33	101,64.09	68,45.66
Money at call and short notice in India	13,62.94	20,03.62	15,75.21
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	36,47.71	26,52.98	26,34.65
Advances in India	633,65.06	763,79.00	775,82.73
Island Bills Purchased and Discounted in India	772,09.08	822,91.24	836,87.70
Foreign Bills Purchased and Discounted in India	88,95.09	107,83.02	113,75.26
	40,57.44	45,91.75	46,56.43

*Figures are provisional since complete returns have not been received from Banks.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA (In 000's of Rupees).

	15-1-60	8-1-60	16-1-59
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	7,00.00	7,00.00	6,62.50
Deposits and other Accounts	585,67.50	579,12.45	464,81.74
Borrowings from other Banks, Agents, etc.	1,99.50	1,95.50	18,00.00
Bills Payable	8,52.99	8,50.99	6,01.67
Bills for Collection as per contra	3,45.30	3,37.35	2,41.21
Acceptances etc. for constituents as per contra	1,52.08	1,46.42	1,00.49
Other Liabilities Including Inter-office Adjustments	4,90.21	3,79.65	4,36.23
Total	618,70.08	610,45.06	508,92.34
ASSETS:			
Cash in hand and with R. B. I.	35,05.44	20,31.06	27,22.13
Balance with other Banks	2,27.32	3,61.04	2,91.40
Money at call and short notice	2,66.67	2,90.00	2,66.67
Government and other Trustee Securities	373,24.65	383,16.39	273,77.02
Other Authorised Investments	10,77.52	10,52.48	11,70.96
Loans Advances, cash credits & Over Drafts	157,40.61	156,32.58	164,89.26
Bills Discounted and Purchased	16,05.06	15,81.15	13,62.28
Bills for collection as per contra	3,45.30	3,37.35	2,41.21
Constituents' Liabilities etc., as per contra	1,52.08	1,46.42	1,00.49
Dead Stock	2,31.19	2,30.93	2,16.90
Other Assets	13,94.24	11,05.49	6,47.02
Total	618,70.08	610,45.06	508,92.34

CLEARING HOUSE RETURNS

Clearing House	No.	Amount	
		Rs.	p.
Madras	44124	5,52,28,713	00
Delhi	47563	8,00,87,369	71
Kanpur	24297	4,80,52,511	00
Bombay	440911	109,14,33,000	00

	9-1-59	1-1-60*	8-1-60*
BANK OF ENGLAND (In Million £)			
LIABILITIES:			
Notes in Circulation	13,660	6-1-60	14-1-59
Notes in Banking Department	2,134.5	2,185.2	2,039.2
Govt. debt and securities	65.9	15.1	61.1
Other securities	2,197.0	2,197.0	2,096.5
Gold Coin and Bullion	0.7	0.7	0.7
	0.4	0.4	0.4
ASSETS:			
Deposits—			
Public Accounts	14.6	13.5	12.1
Treasury Special Account	235.1	244.4	208.5
Other	63.7	64.1	69.2
Total	303.4	322.0	289.8
SECURITIES:			
Government	216.8	274.8	193.8
Discount and Advances	17.4	30.4	31.9
Other	21.0	21.1	21.2
Total	255.2	326.3	246.9
Banking Department reserves	66.6	15.9	62.0
"Proportion" %	21.9	4.9	21.3
Government debt is £11,015,100, Capital £14,553,000			
Fiduciary issue reduced by £10 million to £2,300 million on Janu ry 6, 1960			

STATE BANK OF PAKISTAN ISSUE DEPARTMENT: (In 000's of Rupees).

	8-1-60	1-1-60	9-1-59
LIABILITIES:			
Notes in Banking Dept. ...	8,33.84	8,02.81	11,87.49
Notes in circulation ...	317,27.24	366,82.49	348,04.65
	379,61.08	374,85.30	359,92.14
ASSETS:			
(A) Gold Coin & Bullion	23,70.66	23,70.66	23,07.35
Approved Foreign Exchange	68,35.78	68,35.78	50,76.06
India Notes receivable from Reserve Bank ...	43,01.61	43,01.61	43,02.28
(B) Rupee Coin	3,64.00	3,88.22	3,88.96
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	234,99.97	229,98.97	332,77.42
Gold coin & Bullion ...	19.02	19.02	19.02
Sterling Securities ...	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin ...	29.51	29.51	29.51
Total ...	379,61.08	374,85.30	359,92.14

BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up ...	3,00.00	3,00.00	3,00.00
Reserve Fund ...	4,15.00	4,15.00	3,00.00
Deposits:—			
(a) Central Govt. ...	6,19.01	5,23.07	84,97.49
(b) Provincial Govts. ...	1,58.55	7,87.16	31.64
(c) Banks ...	16,68.50	18,59.86	15,99.09
(d) Others ...	73,18.57	72,96.68	5,68.78
Bills payable ...	29.90	14.21	16.90
Other Liabilities ...	13,67.53	12,01.08	11,15.74
	120,65.56	123,97.06	124,23.55
ASSETS:			
Notes ...	8,33.84	8,02.81	11,87.49
Rupee Coin ...	47	44	46
Subsidiary Coin ...	30	27	34
Bills purchased & disc'd.			
(a) Internal ...	...	...	...
(b) External ...	1,24.43	99.58	4.89
(c) Govt. Treasury Bills	35,20.48	32,72.48	12,44.50
Loans & Adv. to Govts.	12,06.00	10,89.00	9,50.00
Provincial Governments	...	...	...
Debtor Balances ...	12,20.63	14,78.13	3,80.84
Other Loans & Advances	41,75.89	46,78.89	59,56.32
Investments ...	9,83.32	9,75.46	8,95.69
Other Assets ...	...	...	...
Total ...	120,65.56	123,97.06	124,23.55

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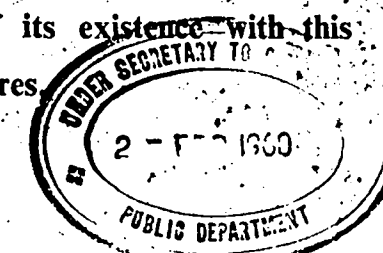
January 30, 1960

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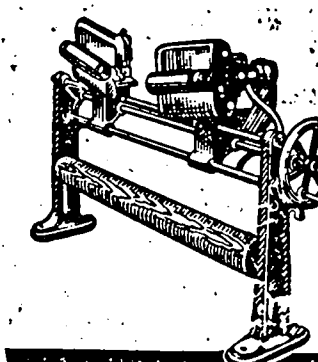
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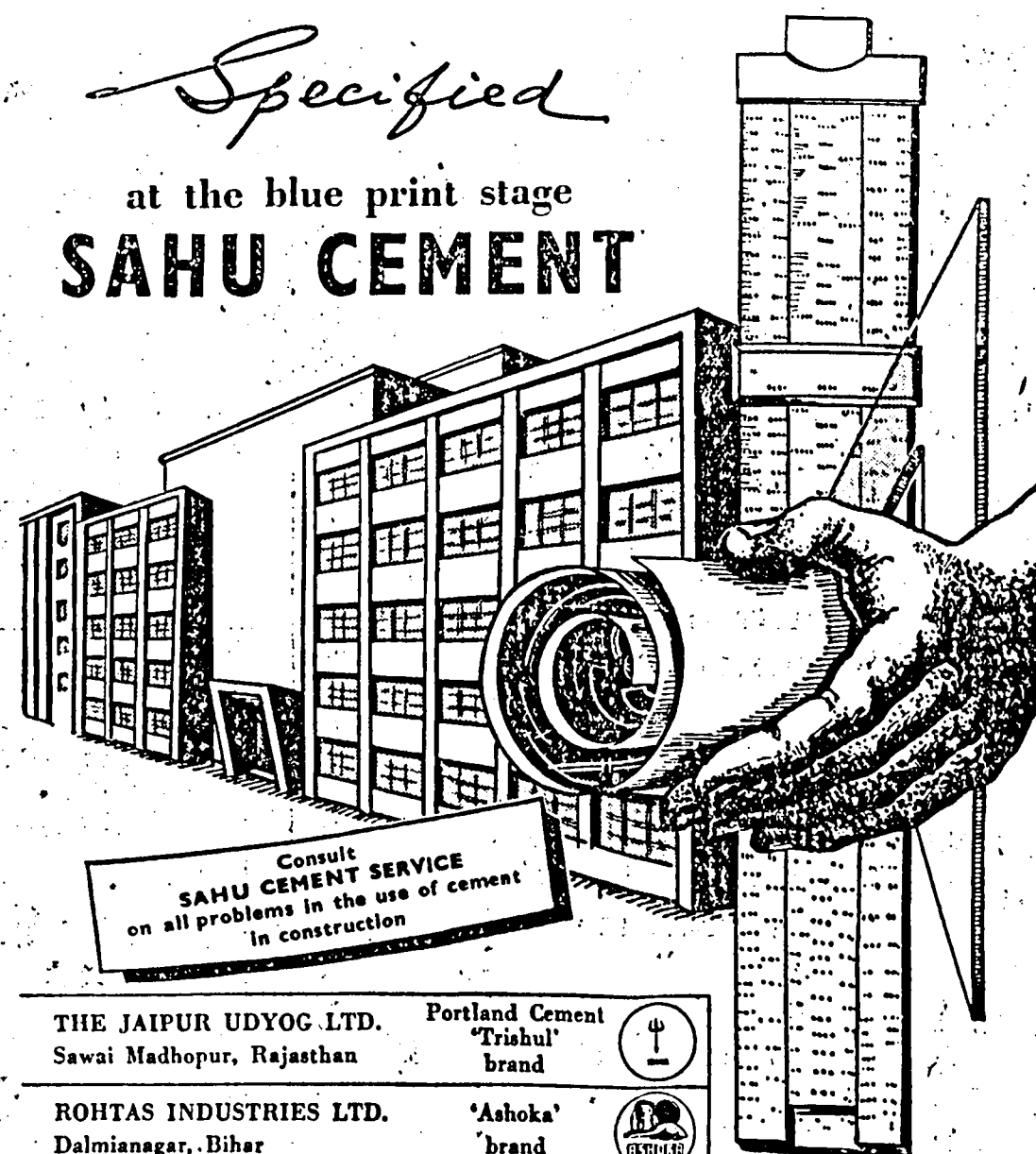
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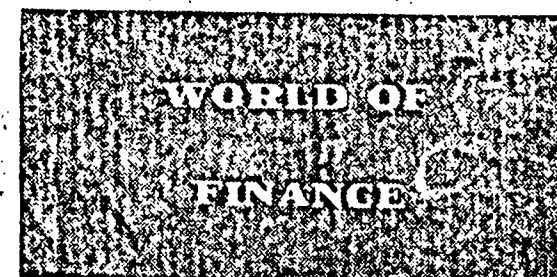
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State of Public Law 480 Counterpart Funds

A decline of over Rs 150 crores in Govern-
ment of India Treasury Bills outstanding
during the week ended December 25, 1959 has
so far passed unnoticed. This is a change
which normally should be of considerable
significance to the money market, since it is an
indication that the reverse of deficit financing
was instituted in so large an amount. Such
cancellation of ad hoc Treasury Bills has
happened off and on, as and when the Central
Government's balances were so bountiful as to
allow the "retirement" of created money. In
the past, the new loan week of the Centre has
usually witnessed the institution of reverse
ad hocs on a considerable scale. Both in 1958
and in 1959, the amount involved in each case
was around Rs 100 crores. At other times,
when Central revenues are particularly good,
a drop in the outstandings of Treasury Bills
has been noticed. The most important such
decline, however, occurred when the Central
Government "funded" Rs 300 crores of deficit
financing, in 1958, by the creation of a special
issue of Rs 300 crores of the 4 per cent 1973
loan, this parcel being handed over to the
Reserve Bank in cancellation of ad hoc Treas-
ury Bills for corresponding amount. There
was, finally, one other situation in which the
Central Government might prove to have a
plethora of cash; and this was when the
Centre received, from the US embassy accounts
on deposit with the State Bank, counterpart
funds under Public Law 480 in the form of
loan or grant. Does the fall of Rs 154 crores
to 1177.44 crores of outstanding Treasury Bills
as at December 25 indicate any one or combi-
nation of transactions that we have described?

The first transaction that we may rule out
any possibility of is embarrassment of Central
Government balances owing to a new loan;
there hasn't been one, or we surely would
have heard of it. Even so, no State Govern-
ment or Governments have come on the mar-
ket for so large an amount of money, that
Rs 150 crores could be paid over to the Centre.
(Madhya Pradesh, it is true, did come on the
market; but that was well after December 25,
and the amount sought—and obtained—was
somewhat small, Rs 2 crores). As far as we
know and can surmise, Central Government
revenue, despite tax receipts in December, by
no means exceeded revenue expenditure by so
colossal a sum as Rs 150 crores. We did con-
sider the possibility of a funding operation,
but, if there has been any such move, we do
not know of it. All that remains to be ex-
amined is whether payments have been received
against the Public Law 480 counterpart fund
loans and grants.

In this context, the figures relating to the
Public Law 480 Agreements are worth recapitu-
lation. Under the First Agreement of Sep-
tember 1956, India received commodities (in-
cluding ocean transportation) worth some
Rs 169 crores. A supplementary agreement of
June 1958 was worth Rs 26 crores. The
Second Agreement of September 1958 is worth
a total of Rs 124 crores. The latest available
figures show that, as at the end of June 1959,
the Indian Government had received and paid
for commodities worth Rs 265 crores against

the total of Rs 319 crores for the three agree-
ments. Meantime, in November 1959, a Third
Agreement was entered into for a value of
about Rs 114 crores; and a supplement to the
Third Agreement has also since been signed,
being worth Rs 9 crores. Thus, the total value
of Public Law 480 Agreements would be as
under:

	Rs Crores
First Agreement	168.83
Supplementary Agreement	26.32
Second Agreement	123.71
Third Agreement	113.71
Supplement to Third Agreement	8.80
Total	441.37

It may be repeated, however, that consign-
ments till the end of June 1959, had still to
cover the commodities under the Second
Agreement. Even if, subsequently, transac-
tions relating to the Second Agreement have
been completed, the counterpart funds should,
at the present day, be of the order of Rs 319
crores. The allocation of this sum of Rs 319
crores is as follows:

	Rs Crores
Loans to India	185.40
Grants to India	43.57
For US Embassy	52.19
Against Cooley Amendment	37.71
Total	318.87

We have no means of knowing whether and
to what extent the US Embassy has spent from
the fund set apart for its use; however, it is
known that such funds are on deposit with an
exchange bank, and need not concern us now.
As far as the Cooley Amendment amount is
concerned, according to the official figures on
the subject, only one loan of Rs 10 lakhs has
been authorised—but we do not know whether
it has been disbursed; subsequently, however,
another loan under the Cooley Amendment is
reported to have been finalised.

The moneys earmarked for loan or grant to
India are, however, done so only against spec-
ific agreements that need to be negotiated
and executed with the American Government.
As at the end of August 1959, such specific
agreements had been signed for a total amount
of Rs 146.26 crores, all of it save the following
for river valley projects:

	Rs Crores
Refinance Corporation	26.19
Industrial Finance Corporation	10.00
Industrial Credit & Investment Corporation	10.00
Malaria Eradication Programme	8.00

Against this, all that had at that date been
drawn was Rs 9.80 crores for the River Valley
projects and Rs 5 crores for the Refinance
Corporation. So, it is clear that, in respect of
agreements that have been completed, the
Central Government may at any time draw
on the loans already negotiated. It is at this
stage that we may revert to the subject of
reverse ad hocs instituted by Government dur-
ing the week ended December 25. Is it pos-
sible that the Centre will have drawn such an
amount against the negotiated agreements?
The answer to this question is, unfortunately
in the negative, for, the State Bank (with
which institution it is that the bulk of coun-
terpart funds are being kept) has shown no
change in its Deposits. But, then, couldn't the
Central Government have drawn the money,
but continued to keep it on deposit with the
State Bank? The answer is again no, since
the State Bank cannot keep the Central Gov-
ernment's cash where there is a branch of the
Reserve Bank and, in every other case, to
render account each week.

It is thus that we suggest that there must
have been some funding operation to account
for the steep decline in the outstandings of
Government of India Treasury Bills. It would
be helpful if the Reserve Bank could shed light
on the subject.

We may round off this article with a few
further figures about Public Law 480. The
amount that India would get, as loan and
grant, from the Third and the Supplementary
Agreements, would be around Rs 100 crores.
In broad terms, therefore, against Public Law
480 Agreements so far negotiated, the amount
that India will get as loan and grant is in the
neighbourhood of Rs 330 crores. And specific
agreements in respect of more than half this
amount have yet to be discussed. So far, it is
possible that counterpart funds on deposit with
the State Bank (covering up to the Second
Agreement) have aggregated Rs 230 crores,
of which perhaps Rs 15 crores have so far been
drawn. Chances are that, by the time the
Central Government draw on the agreed proj-
ects, the State Bank will start to benefit from
the next tranche of Public Law 480 assistance,
in an amount of Rs 100 crores. Indeed, atten-
tion may be drawn to the successive rises in
Deposits of the State Bank in the last two
weeks; may be, this marks the beginning of
the Rs 100 crore tranche.

Bank Advances Cross the Rs 1000 Crore Mark

A contra-seasonal contraction of Rs 10.58
crores to Rs 1767.32 crores has been re-
gistered in active note circulation, according to
the returns of the Reserve Bank for the week
ended January 22. Such contra-seasonal ten-
dencies are also, as we shall presently see, re-
flected in the statutory statement of the
State Bank for the same week. Moreover,
there has in the latest week been inflow of
rupees coin for Rs 0.33 crores. In the result,
the Reserve Bank's cash in the till has im-
proved by Rs 10.89 crores to Rs 20.68 crores.

There is not, in the Banking Department,
any indication of deficit financing, though the
considerable receipts to the credit of the State
Governments would strongly hint at recourse
to created money by the Central Government
for meeting this commitment in respect of the
monthly instalment payable to the States. The
answer is partly to be found in the State
Bank's return, wherefrom it is clear that the
latter institution has figured as having pur-
chased Rs 15 crores of securities through the
Reserve Bank tap. That this transaction is
not reflected in a drop of this size in the
Reserve Bank's holdings of Rupee Securities
makes it clear that the Central Government
should have instituted deficit financing in an
amount of Rs 15 crores, this, however, having
been concealed by the Reserve Bank's tap
sales in like amount. Such replenishment of
resources was necessary on the part of the
Centre to effect payments to the States, whose
balances have improved significantly by
Rs 15.62 crores to Rs 24.76 crores; and the
Centre's Deposits are only nominally higher by
Rs 0.78 crores at Rs 52.20 crores.

A slight "slack" in the current busy season
is also insinuated by the increase of Rs 2.33
crores to Rs 78.36 crores in the Reserve Bal-
ances of member banks; in the relative week, the
State Bank, partly to finance the purchase of
gifts from the Reserve Bank, had run down its
cash in hand and with Reserve Bank by over
Rs 4 crores; and this means that the Other
Scheduled Banks added to their Reserve Bal-
ances by nearly Rs 7 crores. Similarly, the
Other Loans and Advances of the Reserve
Bank show a small drop of Rs 0.60 crores to
Rs 104.94 crores.

Obviously, some Rs 20 crores worth of Treas-
ury Bills purchased and discounted by the
Reserve Bank matured during the week; and
this commitment, too might have entailed def-
icit financing on the part of the Government.

though it is in the nature of a counter-vailing transaction.

Lastly, the foreign exchange deficit continues; Balances Held Abroad have again declined by Rs 2.76 crores to Rs 44.02 crores. Does this mean that exports are tending to be sluggish?

The return of the State Bank for January 22 shows the disposal, as it were, of the bank's profit for 1959. Other Liabilities, under which presumably the accruing profit was being shown, have declined by Rs 3.46 crores to Rs 1.44 crores. The Reserve Fund and Other Reserves are, by dint of the transfer from the last year's profit, higher by Rs 20 lakhs at Rs 7.20 crores. For the second week in succession, Deposits have been marked up, in rising by Rs 6.74 crores to Rs 592.42 crores—perhaps the beginning of another tranche of Public Law 480 counterpart funds. That such may be the case is suggested by the increase of Rs 15 crores roughly to Rs 388.22 crores in the ill-fledged portfolio of the State Bank. The acquisition of gilt-edged has caused cash in hand and with Reserve Bank to drop by Rs 4.39 crores to Rs 30.65 crores. Suggestive of a slack week in the busy season is the decline of Rs 1.89 crores to Rs 171.57 crores in Advances.

Continued busy season pressure is shown in the return of Scheduled Banks for January 15. The total of Advances has, in rising by Rs 5.89 crores, pierced the Rs 1000 crore mark to be placed at Rs 1003.08 crores. It may be recalled that, during the last busy season, Advances had similarly passed the level of Rs 1000 crores, only to decline thereafter during the 1959 slack season. Deposits, it is true, are higher by Rs 2.76 crores; but the State Bank having figured during the relevant week as having added to its Deposits by some Rs 64 crores, it is clear that Other Scheduled Banks have experienced some drain. Similarly, though cash balances are higher by Rs 6.33 crores, the extent of the State Bank's accretion in that week was around Rs 15 crores. Disinvestment in gilt-edged has occurred for Rs 12 crores, the bulk of this, or Rs 10 crores, being ascribable to the State Bank. Busy season pressure consequently compelled the banking system to have greater recourse to borrowings: those from the State Bank have moved up from Rs 10.89 crores to Rs 12.94 crores, while indebtedness to the Reserve Bank has risen by Rs 3.04 crores to Rs 25.25 crores.

The Bank Rate at 5 per cent

By Paul Einzig

SINCE the Bank rate inquiry in 1957, the Treasury and the Bank of England have got into the habit of aiming at changing the Bank rate when it is not expected, so as to avoid any suspicion of leakage of information. This may quite conceivably mean that the authorities feel obliged to abstain from making the change at the most suitable moment because too many people expect them to make it, and that they may choose less suitable moments for the change for the sake of catching the markets unawares. Although the risk of changing the Bank rate at a wrong time is therefore undoubtedly present, the increase to 5 per cent on January 21 was certainly made at the right moment. Having abstained from raising the Bank rate on several successive Thursdays when it was widely expected, the Bank of England acted after the markets had given up expecting it.

From the point of view of the international aspects of the situation, a higher Bank rate may have been deemed expedient because of the recent losses of gold. Even though the

amounts lost have been moderate if we allow for debt payments to the United States and Canada, the fact that sterling remained weakish even after the turn of the year must have contributed toward the decision to try to check the drain. Since the United States authorities were expected to raise their Bank rates, and since this would have accentuated the gold outflow, the British authorities may have felt impelled to take action before they have lost much more gold.

In any case, the balance of payments outlook is causing some concern, owing to the wage increase conceded or about to be conceded by important industries. For that reason alone, the adoption of dear money must have been considered advisable, in order to check the rise in costs and prices. This brings us to the domestic aspects of the change. Its main object was probably to discourage trade unions from pressing excessive claims and to discourage employers from conceding such claims too lightheartedly. It was the 7 per cent Bank rate in 1957 that induced the trade unions to restrain their greed during 1958 and 1959. But the effect of that action is now wearing off, and it is evident that there is need for another lesson, even if it does not have to be so drastic.

During 1959, many views were expressed to the effect that the 7 per cent Bank rate and the credit squeeze had failed in their objective, for they had checked the increase of the output at the same time as discouraging wage demands. In many quarters, the view gained ground that the authorities would therefore never repeat the experience of 1957 again. This, the trade unions inferred that they were now safe in pressing forward with demands for large wage increases and shorter hours. The Government may possibly have intended the Bank rate shock for the purpose of making the unions realise that the authorities are quite ready for administering another dose of deflation if it becomes necessary for checking the inflationary wages spiral.

Anyhow, since a higher Bank rate was vaguely anticipated since before the turn of the year, it is now out of the way. If it should lead to a moderation of wage demands, it would enable industry to continue to increase output without causing inflation. In that case, no further disinflationary measures would be considered necessary, especially if the higher interest rates prevent a further substantial outflow of gold. Judging by the favourable effect of the change on sterling, the foreign exchange market took an optimistic view of the effects of the change. Of course, we have to await the reactions to Bank rate increased in the United States and other countries that may possibly follow the increase of the British Bank rate. But the immediate impression is that the 5 per cent rate will be fully adequate to cope with the situation, both in its domestic and international aspects. (Copyright)

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Anniversary Week

THE last week in January each year serves to bring poignant memories of the past. It was on the 23rd of the month, many years ago, that Subhas Chandra Bose was born, and this is the first of the anniversaries that we mark and celebrate. For, in so doing, we pay homage to the memory of the man who marshalled India's, first national army in modern times. Such a commemoration is perhaps more necessary this year than in years past, in the light of the aggressive tendencies that China has been showing. We would do well to remind ourselves that the times in which Netaji built up his army were more parlous than today, when the nuclear age has almost made a mockery of war. But prepared we must be for aggression, and there can be no better preparedness than the emulation of the courage and resoluteness that Netaji so richly displayed. There have been, it is true, military heroes—and heroines—before. But Netaji's example is green in our memories, and it is proper therefore that his birth anniversary stirs us to a realisation of our duty to defend this land of ours, if that need should arise.

Freedom may have been our birthright, but independence was not won without a fight. It was on the 26th of January, in 1950, that India became a Republic; and this, too, is a day of significance. That freedom will have meant nothing, if the masses of the Indian people did not with Swarajya have a glimmering of hope for a future in which, slowly perhaps but surely, they would be ridden of the poverty and squalor in which they lived. Equality of opportunity is the objective of republican India. Much has been done since that fateful January day in 1950. The era of planning has started. There is a zealous anxiety to help people at the grass roots level. Perceptible evidence is available of the hard work undertaken and done to raise the standard of living. But what has been accomplished is as nothing, compared to what remains to be done. And so, it is fitting that on Republic Day we rededicate ourselves to the cause of the Indian people, so that economic progress can ensure that the political freedom that we have won will not be lost.

It was on the 30th of the month, twelve years ago, that Mahatma Gandhi achieved the honour of martyrdom. It was almost as if, his job of work done with the winning of Indian independence, the Mahatma departed in manner befitting a saint. But this is a day to remember, both for the way, in which he lived and the manner of his death. Gandhi's life was as model as any mortal man's can be. There are his precepts and his examples, most of all his humility, as his rich legacy to us. His was a life to inspire the nobler attributes of man. Who but he could have publicly confessed to a Himalayan blunder? Or undertaken a fast of penance for the failings of, not himself, but of his brethren? In the India of today, with our preoccupation with the economic advancement of man, the danger there is that we shall lose sight of the moral progress of mankind. So it is, that we should be grateful for Martyrs' Day, that we may freshly remind ourselves of the traits and attributes that we

should persevere to own for ourselves. The manner of his death, though it was a fitting one for Gandhi, should be a warning to us. The father of this country was lost to us because of the baser passions of man. Intolerance, prejudice, racialism and communalism—these are what the weapon was made of that killed Gandhiji. The Mahatma would perhaps have been with us today, but for base attributes such as these. And in the India of the last twelve years, there has been sporadic evidence of the rise of such passions. Even as we could not have afforded the Mahatma's taking off, so would it be ruinously costly for us to be parochial and communalistic. Martyrs' Day, therefore, should each year be time for the resolution that we shall

forever those traits that can place our freedom in jeopardy.

Last of all, there is a personal anniversary of our own. It was thirty-two years ago, that C. S. Rangaswami, prodded by his friends, published the first issue of Indian Finance, on January 28, 1928. Until then, the freedom fight was preoccupied with political issues, the Swadeshi movement notwithstanding. Indian Finance's was the first attempt to imbue the economy and matters economic with a nationalistic content. Today, it is economic progress that is uppermost in our minds. We remember C. S. Rangaswami today, his courage and vision, as this journal dedicates itself ever, without predilections or prejudices, to the cause that is right.

Sugar Prices

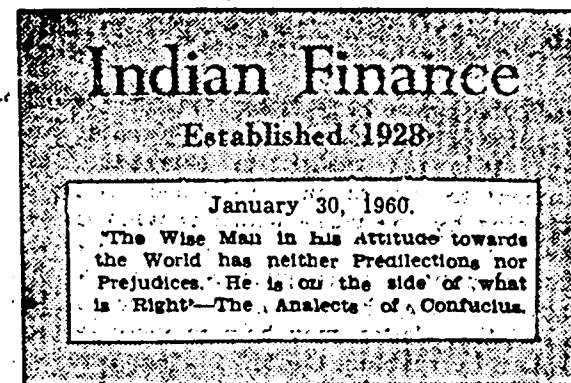
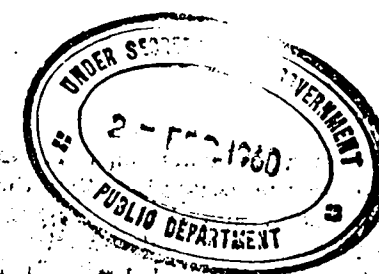
A FACTUAL analysis of the present position regarding the production and prices of sugar is contained in an excellent brochure brought out by the Indian Sugar Mills Association. The concern of the Association is not unnaturally to refute the ill-informed criticism which blames the Mills for the present unsatisfactory position. In this respect, the Association, as all fairminded observers will be ready to concede, has been completely successful. Price control was imposed on July 30, 1958. It has been acknowledged by Government spokesmen that prices continued to be at a reasonable level till May 1959. In July, the entire stock with the Mills in the controlled area (that is UP North Bihar and the Punjab) was taken over by the Government and distributed through their nominees. If at all there was any profiteering by Mills, it could have taken place during the two months of May and June 1959. During this period, the Association points out, the quantity released for sale by Mills in the controlled area was only 1.20 lakh tons against total release of 3.75 lakh tons. Out of the balance, 1.31 lakh tons was allotted by Government to their nominees and 1.24 lakh tons was given for sale by factories outside the controlled area. It does not stand to reason that, with an allotment of less than a third of the total supply, the sugar mills in the controlled area could have manipulated the prices or indulged in profiteering. It is more probable that "while the fall in production created fears of shortage, the manner of timing of control and the faulty distribution arrangements taken thereafter turned this into a scare of scarcity and resulted in the present debacle."

While the Mills may be absolved of the charge of profiteering, it may be thought that they are at least responsible for the fall in production which has led to the current shortage. Production, which stood at 20.29 lakh tons in 1956-57, had dropped to 19.18 lakh tons by 1958-59, in spite of an addition of 3 lakh tons to installed capacity during the same period. Taking the additional capacity into account, the actual shortfall during the last two seasons is really of the order of 4.11 lakh tons. During the same period, production of khandasari had increased from one lakh tons to 3.50 lakh tons. The diversion of cane

supplies from sugar Mills to khandasari and gur manufacture, it is pointed out, is the reason for the drop in mill production. The controlled prices at which Mills are obliged to sell sugar are fixed on the basis of the minimum prices of cane. With the heavy burden of taxes and rising costs, the Mills have little room for manoeuvre. In this context, it has been pointed out that, while prices of sugar per maund have risen only two and a half times since 1933, cost of sugar cane has increased fourfold, wages have risen five times and the cost of machinery seven times. It is also relevant to mention that the ex-factory price includes a tax component of Rs 13.16 per maund. The total incidence of taxes and Cooperative Societies' Commission has increased from Rs 2.97 per maund in 1946-47 to Rs 13.16 in 1958-59. The Mills therefore are not in a position to bid for sugar cane supplies against gur and khandasari manufacturers who are free of such handicaps. At the present levels of gur and khandasari prices, it is possible for manufacturers of these products to outbid the sugar mills for supplies of cane. The Association has, therefore, urged immediate decontrol of sugar prices. This will enable sugar factories to offer higher cane prices in order to prevent diversion of cane to other uses.

An unbiased survey of the facts will bear out the claim that the industry cannot justly be either blamed for the fall in production or charged with exploiting the shortage to push up the prices. But that does not mean that the solution that they have put forward will be readily acceptable. Even if it is accepted as reasonable in theory, it may not be practically feasible. It is only a week ago that the Food Minister of West Bengal announced a new scheme extending the area of control of distribution. The system of "approved wholesalers" introduced last year is to be reinforced by a new cadre of "approved retailers". It seems the authorities are not quite confident about the result, for, the Minister, while announcing the new scheme, also added that, in case the new scheme did not function satisfactorily, Government would consider the question of rationing. That seems to be the direction which policy is likely to take.

The only way to equate supply and demand



when the gap is large is by rationing, either by purse or through a system of physical controls. It is not realistic to expect the Government to accept an unabashed policy of rationing by the purse which is what decontrol would amount to in the estimation of the general public. It is quite possible that this impression may be wrong. Decontrol, as the Association claims, may help to increase production by enabling the Mills to pay competitive prices for cane, and this may help to ensure a stable level of prices. It would have been really helpful in countering the natural apprehensions of the public, if the Association, which has presented much revealing statistics of sugar manufacture, had projected the estimates into the future and given an indication of the level at which the price of sugar is likely to be stabilised. For instance, by how many annas per maund will it be necessary to increase the prices paid for cane and how far will it tend to increase sugar prices? According to the concessions allowed in October last, an increase of three annas in the price per maund of cane, it may be noted, was linked with an increase of Rs 1.85 per md. in the ex-factory price of sugar. A market survey of the prices paid by khandasari manufacturers for their cane should give a reliable indication

Glimpses of Foreign Agriculture—II

[The first instalment of this article dealing with the World Agriculture Fair was published in the issue of "Indian Finance" dated January 16, 1960—Ed.]

IF India can learn some relevant lessons—relevant from the point of view of production and productivity—from American agricultural experience, it can learn some equally relevant ones from Communist agriculture also, especially that of the People's Republic of China. If the basic structural difference between China's collectivist agriculture and India's small-scale individualist agriculture is relegated to the background, the characteristics common to both are easily brought into their proper focus. These common features are that, in either country, the agricultural economy is a largely rice economy, cultivation is mostly of the intensive type, especially on irrigated lands, the impact of industrialisation by way of mechanisation and chemical fertilisation is just incipient and there is a plenitude of manpower and cattle power available for agricultural operations. Though this country shares these characteristics with China, it is far behind the latter in the matter of unit-area yields as it has always been.

If China continues to maintain its traditional lead in the matter of agricultural productivity, it is because that country's technique of soil management is still solidly based on the sound dictum that what is taken out of land must be returned to it. Even the substantial increase, in recent years, in the use of inorganic fertilisers in China appears only to supplement, not supplant, the traditional organic manurial practices which, thus, continue to be of basic importance in that country. Any discerning observer may learn, by patient interrogation and otherwise, from the rice and wheat sections of the Chinese pavilion in the World Agriculture Fair that some very high yields of paddy and wheat are being obtained through a judicious combination of traditional and modern cultural practices, with the emphasis still being on the traditional.

This supremely relevant lesson from Chinese agricultural experience would need to be illustrated by a reference to the wet cultural practices pertaining to early rice, middle season rice, late rice and wheat. In one Chinese country, for example, consisting of

of the extent to which sugar prices are likely to rise, on the assumption that the khandasari manufacturers are already paying the maximum prices they could afford to pay. But, considering the great disparity in the tax burden borne by Mills and khandasari, it does not seem likely that they have no reserve power to raise the price in order to retain their cane supplies. Competitive bidding by Mills in such circumstances can only result in pushing the price of sugar to a level which would cause acute popular dissatisfaction.

It is rather surprising that the Indian Sugar Mills Association should have put forward the proposal for decontrol, at this juncture, without necessary safeguards. Decontrol could be attempted with success if Government are prepared to build up a buffer stock out of imports for controlling prices. Though at present Government policy appears to be firmly set against any move which would mean expenditure of foreign exchange on sugar imports, the question deserves careful re-examination. It should by now be clear to the Food Minister, who has displayed remarkable insight in his handling of the problem of food grain shortage, that it will not be possible to build up a buffer stock out of indigenous supplies of sugar.

thousands of acres of irrigated paddy land, early rice has registered in 1959 an average yield of 6,694 lbs in terms of paddy per acre. Here, the improved practice is deep ploughing to a depth of 17 to 23 cms as against a depth of about 10 cms formerly. Such deeper ploughing is being done by improved ploughs drawn by buffaloes and is integrated with mostly compost manure and about 200 lbs of ammonium sulphate per acre, the latter depending on the fertility of the soil. Transplanting is done at the rate of 91,000 to 151,000 hills of seedlings per acre, each hill having 7 to 10 seedlings. Manurial top-dressing is done with oil cakes. The outturn of cleaned rice is as much as 75 per cent of the weight of paddy. This high outturn appears to be due as much to the fact that the variety of paddy in question is an improved one as due to the fact that it is a coarser strain.

In another Chinese country, consisting of thousands of acres of canal-irrigated paddy land, middle season rice has registered in 1959 an average yield of 8,899 lbs per acre in terms of paddy. Here, the two noteworthy improved cultural practices are deep ploughing to a depth of 26 to 33 cms and elimination of pests and insects. The simple equipment used for spraying 666 insecticide is made locally by the commune concerned. In another country, middle season rice has registered in 1959 an average yield of 7,792 lbs per acre in terms of paddy. Here, the improved cultural practices are the keeping of the distance between hills (of seedlings) and rows at 10×20 cms and 10×17 cms in the field and application of three to five times the usual quantity of organic and inorganic manures. Ammonium sulphate is not used for top-dressing because part of the Nitrogen goes into air and is thus wasted; it is therefore used at the stage of ploughing itself. But potash, superphosphate and soyabean cake are applied as top-dressing.

In yet another country, late rice has registered in 1959 an average yield of 6,359 lbs per acre in terms of paddy. Here, the improved cultural practices are shallow irrigation, manurial top-dressing at the stages of tillering, jointing and earing in the growth of the paddy plant, use of improved seeds,

transplanting 1.2 million seedlings per acre and application of 300 tons of river mud (comparable to tank or channel silt in India), pig dung and compost per acre. As for winter wheat, one Chinese country has registered in 1959 an average yield of 4,037 lbs per acre under irrigated conditions. Here, the improved practices are deep ploughing to a depth of 33 cms and garden style cultivation on fields, each measuring 2 metres × 8 or 10 metres.

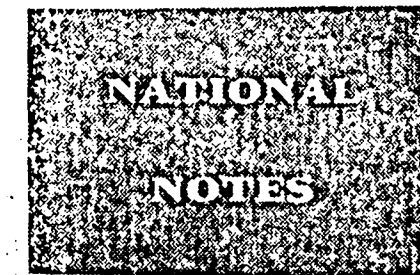
The normal dose of compost (made of dung, urine, night soil, mud and vegetable wastes and containing 0.4 to 0.5 per cent Nitrogen, 0.2 per cent phosphorous and 0.5 to 0.8 per cent potash) used on paddy and wheat lands in China is 30 to 60 tons per acre. Besides compost, in some areas other organic manures like mud manure, peat (a certain vegetable which turns into a kind of mud), guano (the dung of some seabirds accumulated over the centuries in the West Sand Islands), halsi (a sea plant found in some places in large quantities), etc., are being used. Green manures are also being extensively grown in China, covering in winter alone more than 10 million acres, as of 1959. It is stated that as a result of applying 1.35 tons of green manure per hectare in the wet field for two years in succession, the organic material goes up by 0.17 per cent, the nitrate content by 0.006 per cent, and the yield of paddy by 760 Kg per hectare. It is significant that as many as 11 varieties of green manures with varying contents of Nitrogen, phosphorous and potash are grown in China.

The great advantage of organic and green manures is that, with their own water content, they help retain soil moisture longer at a time of drought. When secure irrigation is also available, the results flowing from the massive use of organic manures are truly spectacular. When some inorganic fertilisers are also used in judicious quantities, the results are even more so. This is the supreme lesson that Indian agriculture can learn from Chinese experience. And the other equally significant lesson that needs to be learnt is in respect of irrigation which has registered phenomenal progress in China in the last ten years, covering as it does 177 million acres in 1959 as against 40 million acres in 1949. Even if some allowance is made for mistakes in official statistics, it is within the realm of probability that as much as 150 million acres may have by now come to obtain the benefits of some kind of irrigation or other.

If irrigation has been so rapidly extended in China, it is due to the fact that, besides big reservoir projects, medium and small barrages, small retarding dams, tanks and ponds, underground wells and river channels have been constructed and renovated on a far larger scale than in India. Unfortunately, the Chinese Pavilion has not displayed a break-up of the total irrigated area under major, medium and minor projects. Despite this statistical omission, it is possible to figure out that the irrigated area under local minor irrigation works must have increased greatly in recent years. This can be indirectly inferred from the fact that one People's Commune alone, for example, covering an area of 238 villages with 45,000 people, has completed 57 small reservoirs on small streams, 696 ponds for irrigation and fish rearing, 1,460 wells for irrigation and 279 miles of main canals. As a result, the area under irrigation in that Commune has increased from 6,270 acres to 16,220 acres in a year's time. While this Chinese experience cannot be obviously copied in India, it is difficult to believe that a Community Development Block in this country cannot do in at least two or three years' time what a Chinese Commune, with its disciplined mobilisation of labour, can and does do in a year's time.

Indian Finance

January 30, 1960



Question Mark in Kerala

With the approach of polling day, it is not surprising that an election campaign should get hotter. But the campaign in Kerala has also developed some alarming features. The violent clashes resulting in loss of life of which reports are too frequent, fall clean outside the democratic pattern. All may be fair in elections, as in war. But the line has to be drawn at homicide. The leaders of the two contending parties seem to have thrown the burden for maintenance of peace on the Administration. But the strain may prove too great, unless the party leaders co-operate by keeping the exuberance of their partisans under control. Without such cooperation, the Administration may not be able to maintain both peace as well as the democratic freedom essential for free elections. As a result of the violent incidents, which raise apprehensions of mob violence on polling day, the main question now is not about the outcome of the elections but whether the rival parties will at all allow a free election to take place.

From the very outset, the campaign in Kerala has taken a direction which provokes disturbing

thoughts about the prospects of parliamentary government in that State. The United Front is practically an extension of the Vimochana Samarak Samiti, both in objectives and political alignments, with the difference that the Congress is now formally in the picture as the dominant partner. With the benefit of hindsight, it is possible to wonder whether Congress could not have served its ideals better by following the same policy in respect of the election as it did during the Vimochana Samara, especially as the main objective, to judge by statements made by Congress leaders, is to keep the Communists out. Mr. Mannath Padmanabhan, who so ably led the Vimochana Samara, could have been trusted to accomplish this task, and the Congress would have remained free of compromising entanglements which do not add to its strength in accomplishing its historic task of ushering in the Socialist Pattern of Society in India.

Not many in the Congress could be happy over the circumstances which forced an alliance, or understanding, with the Muslim League. No amount of sophistry can disguise the surrender of basic principles involved in this opportunistic alliance, which is the greatest among the many disservices that the Kerala Congress has done to the national organisation. That the Communists have tarred themselves with the same brush, by organising parties like the "Progressive Muslim League" or "Progressive Catholics", does not improve matters. The communal graft on the Communist stalk can yield nothing but bitter fruit.

Those responsible for shaping Congress policy cannot also be happy over the alignment of economic interests and classes behind the communal facade. The United Front is being projected before the people by cunning Communist propaganda, as the party of the propertied classes of all communities, with the result that have-nots irrespective of community are being persuaded that their only salvation lies in lining up behind the Red Flag. This may or may not help the Communists in the current elections. But the Congress cannot afford to ignore the significance of the portent.

Ayub's Offer

The successive clarifications that President Ayub Khan has given of his proposal of a joint defence, taken together with the statements he has made in a television interview, confirm the impression that it has no relevance to the present situation. It is equally clear that those politicians who fall foul of the Prime Minister for not jumping at the offer have not cared to study its detailed implications.

The statements he had made recently in Chittagong, in answer to questions, implied that a settlement of the Kashmir dispute was

the condition for the adoption of any of the three alternatives he suggested for joint defence. This could be "of the nature of a pact; it could be a mere understanding between the two countries; or it could be that there was peaceful relations between the two countries on the basis of each defending its own borders." This point regarding Kashmir he has made explicit in the television interview, in the course of which he declared that he did not think that a defence pact was possible with India before a solution was found of the Kashmir problem. The advantages of an early settlement of this long standing dispute for both India and Pakistan are too obvious to need reiteration. But, unfortunately, his emphatic rejection of the proposal that the dispute could be frozen along the present cease fire-line has not brought the countries any nearer to a settlement.

Timely Aid

Three announcements made in the course of the last fortnight, coming at a time when the outlines of the Third Five Year Plan are being finalised, are of happy augury as regards its foreign exchange requirements. The first was the announcement, made in Ottawa on the tenth anniversary of the Colombo plan, regarding allocation to India of 25 million (Canadian) dollars during the fiscal year 1959-60. This will bring the total assistance received from Canada during the Second Plan period to over 75 million dollars, including the two wheat loan agreements concluded in 1958 for a total of 33.8 million dollars and authorisation of 17 million dollars under the Colombo Plan made in February 1959. The aid from Canada is for the fourth year of the Second Plan, but it may be regarded as an indication of the scale on which assistance will be available during the Third Plan period.

On the other hand, the credit of \$ 40 million offered by Yugoslavia under an agreement concluded on January 21 is linked to the requirement of the Third Plan. The credit is intended to cover purchases of capital goods, heavy electrical and other equipment and ships for projects included in the Third Plan. One distinctive feature of this agreement is the arrangement under which repayment will be effected through exports of Indian commodities. The Three-Year Trade Agreement concluded simultaneously provides for payments of all commercial and non-commercial transactions between the two countries in non-convertible Indian rupees. This facility, of payment in Indian rupees, enhances the value of the assistance for the economic development of the country.

The third aid offer is the announcement made by Dr. Reinhard Karmitz, the Austrian Finance Minister, on January

20, of a long-term credit of \$ 20 million during the current year, for promoting trade between India and Austria. He also indicated that similar aid might be available during the next four or five years. The announcement is of particular significance, because this is the first time that Austria is embarking on a policy of trade expansion after the end of the Occupation. The fact that the Austrian Government have chosen to make a beginning with India will be greatly appreciated as a token of friendship and closer economic relations between the two countries. Austrian steel-makers are already participating in the Rourkela Steel Project. The credit offer now made should put technical and trade cooperation on an enduring basis.

More Steel

While the debate over the steel target for the Third Plan—whether it should be ten million tons or nine—is being carried on from a number of platforms, Government have not allowed the grass to grow under their feet so far as the immediate programme is concerned. Whatever the ultimate target that is decided upon, and this will depend on the size and contours of the Third Plan, action has to be taken now, if any target that is fixed is to be reached by 1967. The announcement made by Sardar Swaran Singh at Bhillai, during the visit of Soviet Deputy Prime Minister Kozlov to the steel town, makes it clear that Bhillai will get off to an early start with its programme for expansion of output to two and a half million tons, against the capacity of one million tons at end of Second Plan.

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The Union Minister for Steel also revealed that, following his visit to Moscow last year, the Soviet Union had agreed to extend a line of credit "as a first gesture of cooperation to assist India in its Third Five Year Plan."

There are also indications that formulations of concrete proposals for expansion of the Rourkela steel plant may also be taken up without delay. The plans are now being discussed between the representatives of VOEST, the Austrian steel makers, and the Government of India. The Austrian Finance Minister indicated that the plan, now being worked out, envisaged an expenditure of twenty to thirty million dollars, which may form part of the long-term loan offered by Austria. Once the plan is settled, Rourkela should be able to make rapid progress, for provision has been made in the design of the plate mill and other accessory installations for subsequent expansion.

It may be too early to think of expansion schemes at Durgapur

before it has got over its teething troubles. But the Steel Ministry is confident that the schedule for the commissioning of different units will be maintained, and we may expect that plans for expansion will be taken up before the end of the current year. As the capital cost of expanding the capacity of existing plants will be much less compared to new projects, it is elementary common sense that the scope for expansion of steel plants already in existence should be exhausted before investing on a substantial scale on new projects. The claims of the producers in the private sector, to participate in the programme for expansion of steel production, can be set aside only at the risk of inflating the cost of the programme.

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Businessmen's Credo

If Mr G. D. Birla gave the Delhi Businessmen's Convention the inspiring slogan, "Security of the Country and Prosperity for All",

Mr Madanmohan Ruia, President of the Federation of Indian Chambers of Commerce and Industry, made an emphatic affirmation of the progressive businessman's credo. It was at the same time an effective plea for the elimination of the conditions which frustrated the businessman's efforts to live by this credo.

Mr Ruia made a point, which needs reiteration, that businessmen are not interested in maintaining an economy of scarcity for taking advantage of the opportunities it may offer for profiteering. They are interested in ensuring larger production and economic distribution, but the all-round expansion of the national economy was stifled by the complex system of controls and the heavy burden of taxes. In this context, Mr Ruia drew pointed attention to the failure to make full use of resources during the Second Plan, with the result that unemployment persisted in a "psychologically aggravated form" in that expectations had been

roused which could not be satisfied.

Unemployment cannot be effectively dealt with by increasing the numbers on the Government payroll. The answer, both to the problem of economic expansion as well as of increasing employment, must be sought in a policy which will make a career in business more attractive to young men of ability and enterprise than a desk job in Government service.

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Helping Small Industries

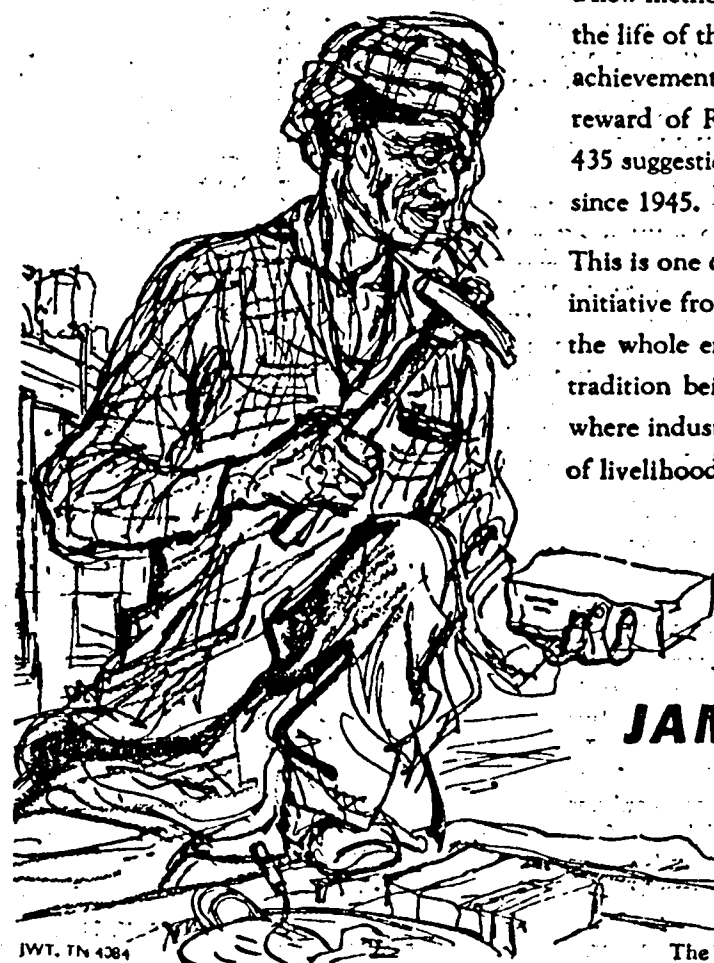
The need for a rationalised and systematic approach for developing small scale industries in the country, particularly in the under-developed areas, has been increasingly felt by all concerned. Small scale undertakings have a vital role to play in the nation's economy not only in facilitating large scale employment but also as an effective instrument for ensuring a more equitable distribution of national income. After the attainment of independence, increased attention has been paid to improving the techniques of production and the quality of the products. It may be recalled that the production of small scale industries covers a wide range of consumer goods like leather goods, cutlery, housing utensils, sports goods, machine tools and also ancillaries, spare parts and component parts required by large undertakings.

The development of small scale industries in India is hindered by a variety of factors such as the lack of adequate working capital, good factory accommodation, modern machinery and equipment, the generally low standard of production, lack of adequate marketing facilities and their organisational incompetency to cope with the competition from the large scale undertakings.

The Board has recommended that the Industrial Extension Service run by the Government should be continued on a large scale. Provision should be made for establishing adequate common service facility shops and at least three well-equipped tool rooms in each state along with the existing facilities.

To help the entrepreneurs to start new units and run the existing ones efficiently, the State Governments should take the responsibility for developing credit institutions and utilising the existing organisations including banks to the maximum. To improve the marketing facilities, the Government should try to purchase as far as possible manufactured goods from the small units. Besides, the setting up of several sales emporia in the country can be of immense help. The desired end can be achieved only if the small units produce standardised goods which will also help to boost exports of manufactures from the small scale sectors.

*a mason
shows
the way*



In the steel-making furnaces at Jamshedpur, the temperature is around 3200°F. The brick-lined doors of the furnace required frequent repairs because the tremendous heat burnt out the lower part of the door lining and the frames.

It was left to Zahir Hussain, a 43-year old mason in the Brick Department, to devise a new method of lining which has increased the life of the furnace doors. Zahir Hussain's achievement won him acclaim and a cash reward of Rs. 5,000—one of the 435 suggestion awards made since 1945.

This is one of the many examples of initiative from the shop floor benefiting the whole enterprise—another industrial tradition being laid in Jamshedpur, where industry is not merely a source of livelihood but a way of life.

JAMSHEDPUR

THE STEEL CITY

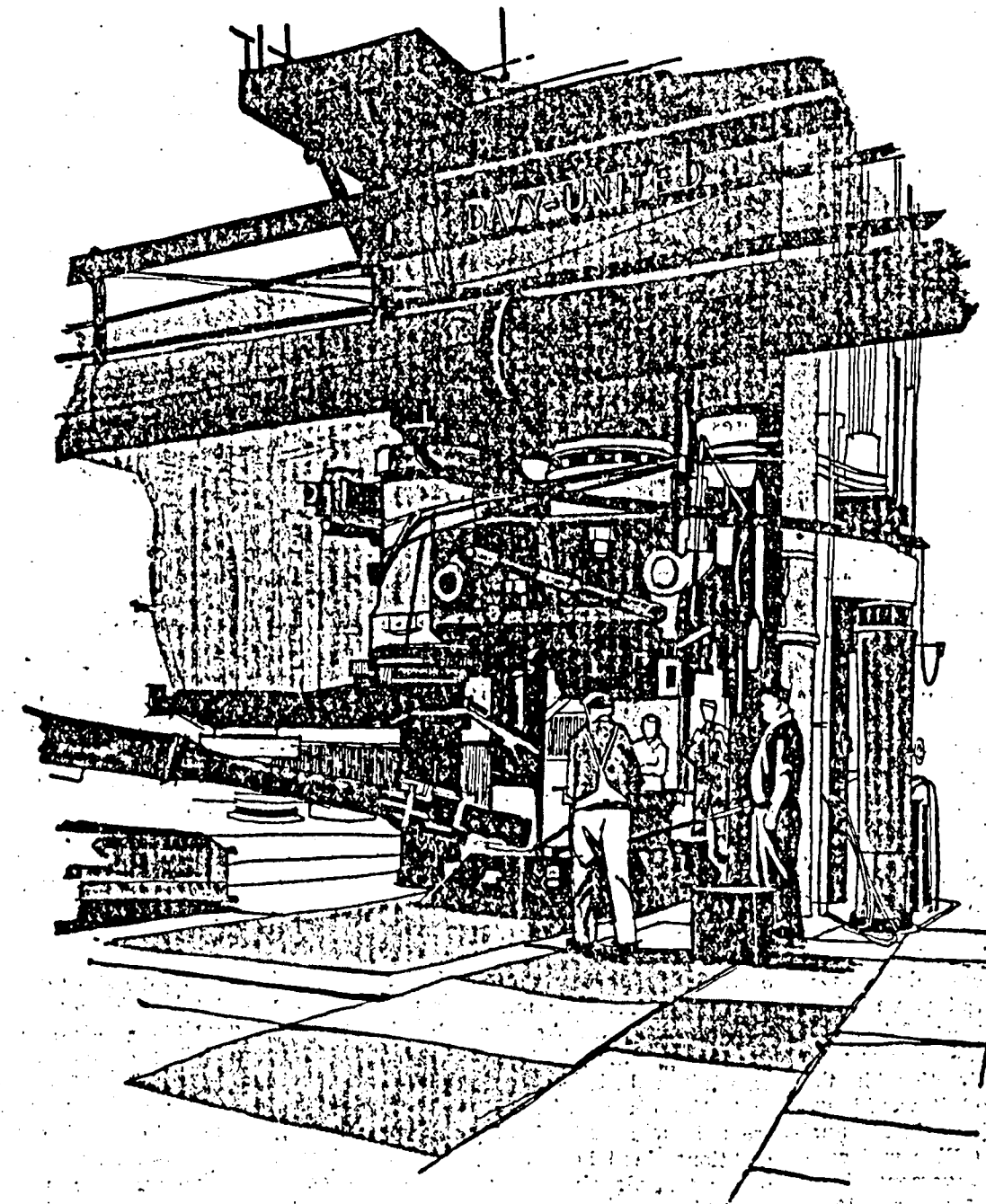
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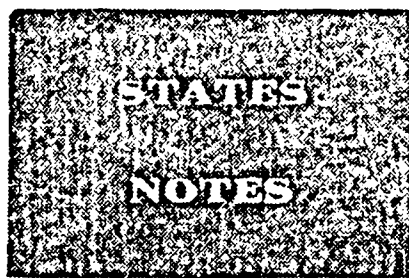


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Annual Plans

With the last year of the Second Five Year Plan due to commence in about two months, State Governments' proposals for the Year 1960-61 are being finalised. During the past few days, the annual outlays for five States have been announced and it is now possible to form a fairly clear idea about the progress of plan expenditure in these States. In all the five States, Assam, Bihar, Orissa, Madras and Kerala—the actual expenditure is likely to fall short of the original outlay. This is perhaps largely due to the pruning of the original allotments as a consequence of the pruning of the National Plan itself from Rs 4,800 crores to Rs 4,500 crores. If this limiting circumstance is taken into consideration, it will be seen that the States have, by and large, fulfilled the tasks given them in a satisfactory manner. In all these States under review, the planned development undertaken is reflected in increased outturn of agricultural production, development of industries, spread of literacy and technical education and the creation of various other facilities for the immediate and long-term improvement of the material and other conditions of the people as a whole.

ASSAM

Assam was originally allotted Rs 56 crores under the Second Plan. It is estimated that the expenditure in the first four years of the Plan will be about Rs 39 crores. It has now been decided that the annual plan of Assam for 1960-61, the last year of the Second Plan, will have an outlay of Rs 14.4 crores. On the assumption that this amount will be spent in full, the total expenditure during the whole of the Second Five Year Plan will amount to Rs 53.4 crores. Commendable headway has been made in several directions in the past four years and it would appear that the emphasis in the final year of the current Plan will continue to be an improvement of the living conditions of the people in the State. More than one third of the next year's allotment goes to Social Services, excluding education. The next two important development programmes are Agriculture and Irrigation and Power, each involving an expenditure of Rs 2.3 crores. The progress in the agricultural sector can be measured by the fact that already 122 seed farms out of the Second Plan target of 144 farms have been set up. During the final year the State proposes to distribute 150 power pumps to develop paddy cultivation in the upland areas.

there is a great demand for such pumps. Another important aspect of the Irrigation and Power programme is the proposal to instal diesel sets in eight localities to meet the urgent demand for power to enable an uninterrupted development of industries since power from the Barapani Hydro-Electric scheme would be available only two or three years hence. Education is to get Rs 1.9 crores while the provision for transport development is Rs 1.4 crores. The total allocation for industries is Rs 1.2 crores and under this head are included provisions for the cement, spun-silk and cotton spinning industries. A techno-economic survey is also proposed to be undertaken.

BIHAR

As at present estimated, Bihar's total outlay during the Second Five Year Plan may total Rs 170.8 crores as against the original allotment of Rs 190.2 crores. It is estimated that, at the end of the first four years of the current plan period, the State would have spent about Rs 125.2 crores. The outlay decided upon for the annual plan for the State for 1960-61 is Rs 45.6 crores. Out of the annual plan provision, the bulk is shared by Irrigation and Power and Agriculture with Rs 13 crores and Rs 8.1 crores respectively. Another Rs 13 crores go to Social Services. The other sizable allotment goes to Education which gets Rs 6.6 crores. A significant feature of the education programmes is a scheme costing about Rs 2.9 crores for universal and free compulsory education. This is intended to be a preliminary scheme for the Third Five Year Plan. The pace of implementation of the Minor Irrigation programme has been satisfactory and this explains the fairly large allocation that has been decided upon for this programme in the next year. Irrigation and Power programmes have been forging ahead during the past few years in Bihar, bringing more and more land under irrigation and extending power supply to large new areas. In the annual irrigation and power programme, a provision of Rs 1 crore has been made for the Gondak project. As a result of the increase in irrigation facilities, an additional irrigation potential of 2.9 lakh acres of land has been created and 2.85 lakh acres of additional land have been brought under the plough during the Second Plan period so far. Up to the end of 1958-59, a production potential of 5.85 lakh tons out of a target of additional food production of 15 lakh tons has been created. It is expected that, by the end of the current financial year, a further potential of 5.39 lakh tons will be created. Under industries, which get a total provision of Rs 2 crores in the annual plan, the development of the 3 industrial areas of Patna, Ranchi, and Adityapur is envisaged and a provision of Rs 10 lakh is made for the expansion of the Bihar super-phosphate factory.

KERALA

With an outlay of Rs 21 crores now decided upon for the annual plan of the Kerala State for 1960-61, the total expenditure on plan programmes during the Second Five Year Plan in the State may be expected to amount to Rs 78 crores as against an original outlay of Rs 87 crores. From the progressive increase in the annual expenditure from year to year (the annual expenditures for the first three years of the Second Five Year Plan are Rs 10 crores, Rs 13 crores, and Rs 16 crores. The anticipated expenditure for 1959-60 is Rs 18 crores) it is evident that the State has been able to maintain a satisfactory pace with regard to implementation of Plan projects. The pace is obviously to be quickened further in the last year of the Plan, as the allotment has now been stepped up to Rs 21 crores. In the final year's programmes, Irrigation and Power get the pride of place in Kerala as in most other States. The allocation under this head is Rs 8 crores, of which a substantial portion is earmarked for the Panniar Hydro-Electric Scheme and Stage I of the Pamba Hydro-Electric Scheme. Social Services come next with an outlay of Rs 5.7 crores. Among the Agricultural programmes, which involve an expenditure of Rs 2.6 crores, seed farms continue to engage concerted attention and 16 out of a total target of 24 such farms will have been established by the end of the current year. The remaining eight are expected to be established next year. Minor irrigation schemes are making good progress and several more schemes are ready for implementation as the necessary investigations have been completed. In the industrial sector, the provision for next year is Rs 1.7 crores and the industries that will be receiving special attention are tyres and transformers. Provision has also been made for the modernisation of machinery for soap and plywood manufacture.

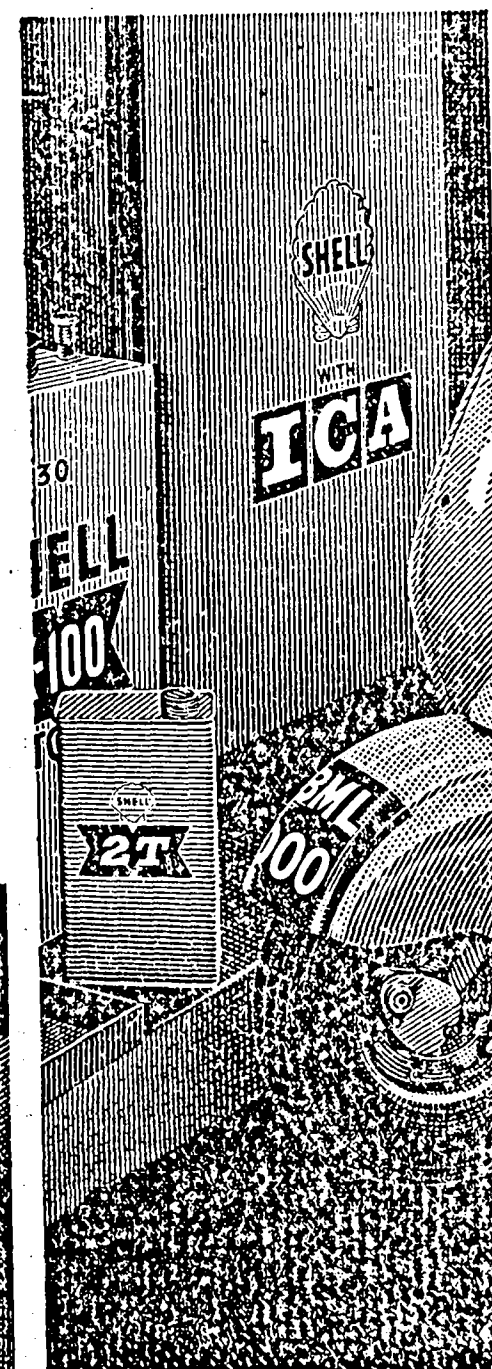
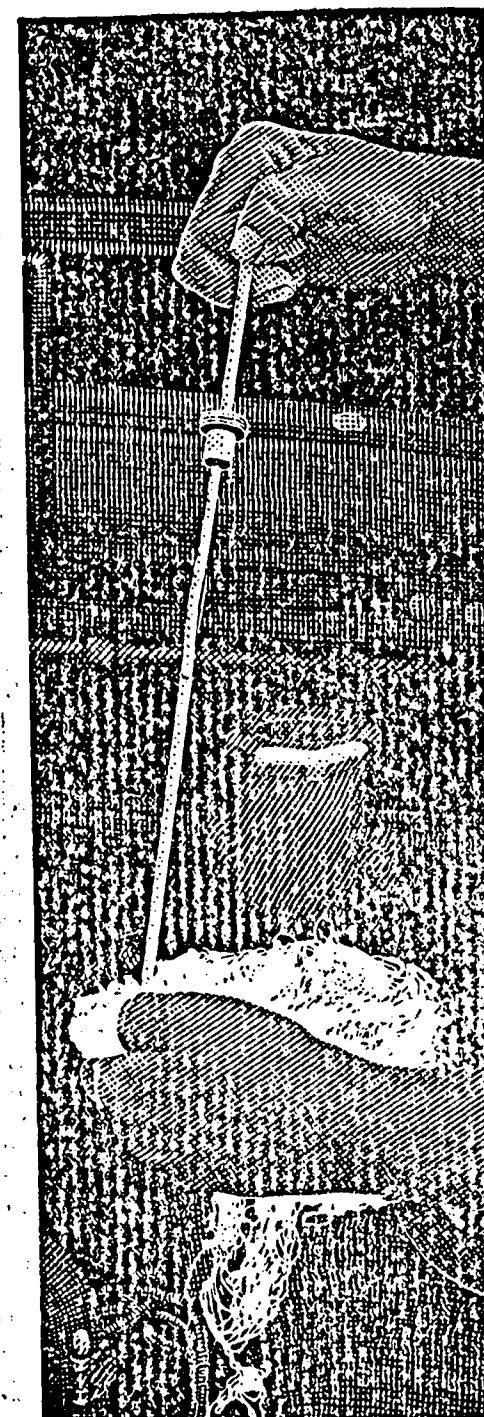
ORISSA

The Second Plan expenditure in Orissa may total Rs 92.26 crores as against the original outlay of Rs 99.97 crores. The expenditure up to the end of the 1959-60 is likely to be Rs 69.86 crores. Orissa can no longer be called a backward State as far as industrialisation is concerned. Though it is undeniable that much remains to be done before the State can justly claim that all its resources have been fully utilised, significant beginnings have already been made with the commissioning of Hirakud and Rourkela. The former is now under the direct control of the State Government and power and water from this project are sustaining quite a number of industries as well as providing much required irrigation facilities. As the full utilisation of the facilities available from Hirakud should continue to be the main preoccupation of the State, Irrigation and

Power programmes naturally get the biggest share of the final year's outlay. The allocation under this head is Rs 8.83 crores and the major schemes that will be taken up are the Hirakud Stage II and Delta Irrigation. The State proposes to complete the distribution system for utilising Hirakud power during 1960-61. Minor irrigation also is to get increased attention as the tube well projects have become quite popular in areas where there are no other means of irrigation. Production of commercial crops like jute is being stepped up and the annual plan for 1960-61 includes a scheme for jute retting tanks and a cocoa development scheme. One of the sectors in which the State has had to bestow special attention is education and it is expected that the targets set out in the Education Plan will be achieved and in the case of girl's education the target is likely to be exceeded. The emphasis placed on educational schemes is borne out by the fact that, out of a total of Rs 5.05 crores for Social Services and a number of other allied sectors, Education alone gets over Rs 2 crores. In the industrial sector, industry and mineral development get an allocation of Rs 98.96 lakhs; but, out of this, as much as Rs 92.89 lakhs are for village and small industries.

MADRAS

The annual plan of Madras for 1960-61 as finalised after discussion with the Planning Commission is Rs 37.52 crores and most of the amount is absorbed by three items, Agriculture, Irrigation and Power and Social Services. The large allocation of Rs 13.7 crores for Irrigation and Power is because power transmission and distribution works have to be completed together with the works connected with the Kundah project, which is fast progressing. It is but natural that agriculture is given as big an allotment as Rs 6 crores of which Rs 1.73 crores is given to Minor Irrigation because the State has made good progress in food production during the past few years. It is now confidently expected that the State will achieve the food production targets set for the Second Plan. The allotment of Rs 10 crores under Social Services is for a large number of items such as education, health, housing, social welfare, labour, etc. Under Education, a scheme has been included for affording relief to the educated unemployed. Expansion of compulsory primary education with a view to attaining complete coverage in the Third Five Year Plan is also envisaged in the final year. In the industrial sector, as much as Rs 2.11 crores out of a total allotment of Rs 2.46 crores go for small industries. Among the small scale industries a sum of Rs 103 lakhs is earmarked for handloom industry, indicating the important place occupied by this industry in the State.



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CD in Mysore

The Mysore Government, it is understood, have requested the Centre and the Planning Commission to allocate Rs 20 crores to Community Development schemes under the Third Plan. The Second Plan allotment was nearly Rs 10 crores against which expenditure incurred in the first four years adds up to more than Rs 8 crores. As regards physical achievement, it is claimed that nearly 163 blocks have been organised in the course of the first four years while 99 blocks have to be opened to cover the entire State with development blocks. In terms of area and population, the movement covers 69 per cent and 30 per cent respectively. On the basis of this performance, there should not be much difficulty in covering the entire State by community development blocks by the target date of 1963.

While the progress is commendable, it offers no real test of the success of the movement. For, setting up of community development blocks represents only the minimum preliminary groundwork for the organisation and initiation of development works. The real test of the movement lies in the extent to which economic standards in the countryside have been improved. On this consideration, there does not seem to be much to praise the work done in the community development areas. Though seven years have elapsed since the movement was initiated, the results are yet to be reflected in a tangible improvement of living conditions in the rural areas. The ambitious appraisal of the potentialities of the movement in the initial stages and the consequent lack of viability in community development schemes were factors that held up progress in the direction of economic improvement. This entailed rephrasing of the movement which provided for the creation of a three-tier system of development units for accelerating implementation by demarcating fields of responsibility. This new set-up is in the process of being implemented and only a few States have completed the necessary legislation. Before this administrative and organisational setup is completed, the community development movement could not be expected to do anything substantial in developing local resources.

Mathematical Studies

THE advancement of scientific and technological studies forms part of the general educational policy of the country. It is only in the fitness of things that the authorities should lay special stress on promoting scientific and technological teaching, for, the country is in dire need of sufficient technically trained personnel. In their eagerness to develop all branches of technological studies, the authorities have evinced keen interest in the development of Mathematics

as well, as is evidenced by the deliberations of the Conference on Mathematical study held at the Bombay University Convocation Hall under the auspices of the Tata Institute of Fundamental Research. The conference was attended by the leading scientists of the country and prominent delegates from abroad.

In his inaugural address at the conference, Dr H. J. Bhabha, the Chairman of the Atomic Energy Commission stated that adequate financial assistance will be forthcoming for promoting the study of Mathematics in the country. Any worth while project in this field will be sponsored by the Department of Atomic Energy, which has been allotted the task of promotion of advanced study and research in Mathematics in India. The Chairman expressed grave concern at the problem of finding qualified mathematicians who can enrich the field with substantial contributions. A more practical approach to the problem, than what has hitherto been pursued, seems to be the pressing need of the hour. Increased attention should be paid at the school level to imparting more theoretical knowledge and, if possible, practical training to the students, for, university education is largely dependent on school education. "Catch them young" must be the objective behind all the schemes to be initiated in the educational system. The lack of proper training at the school level is also evident in the low standard of the education at our universities. Along with the creation of research facilities, due care must also be taken to provide the scholars with proper employment facilities on the completion of their research work.

Fish for Food Value

Addressing a fishermen's gathering near Calicut, Mr M. V. Krishnappa, Union Deputy Minister for Food and Agriculture, stated that Rs 40 crores were proposed to be provided in the Third Five Year Plan for the development of fisheries. This would work out to a four-fold increase in outlay as against the Second Plan figure, which was Rs 10 crores. Such an enlarged outlay would seem justified in view of the scope for development and the benefits that would accrue.

With a coastline which runs to more than 3,000 miles, the scope for fisheries development is almost limitless and the First and Second Plan schemes represent only a small beginning. Apart from marine sources, there are inland sources, constituted by rivers, lakes, tanks, etc, which could be successfully exploited to increase the output of fish.

On the side of benefits, exports hold out great possibilities. It has been estimated that, by incurring the expenditure now provisionally envisaged for the Third Plan,

foreign exchange to the tune of Rs 25 crores could be earned in the first year of the Fourth Plan itself. Moreover, there is the consideration of the dietetic value of fish consumption, especially for a people the majority of whom are under-nourished. All these point to the need for effective measures for stepping up fish output.

For stepping up fish output, mechanisation is the obvious need, and the present under-exploitation of fishery sources reflects the prevalence of crude and antiquated methods and equipment in the industry. The limited resources would preclude large-scale mechanisation in the short run. However, as Mr Krishnappa observed, organisation of cooperatives for fishermen would facilitate progress mechanisation and enable the fishermen to own a mechanised boat for a group of four or five.

Irrigation in MP

The discussions held and the preliminary thinking done on the Third Five Year Plan by the members of the Planning Commission reveal that top priority will be given to increase agricultural production in the country. The importance of increased food production for the success of any large scale plan for social and economic development of a country need hardly be over-emphasised.

Some of the states have started deliberations well in advance for effecting improvements in their agricultural yield. The Standing Committee on Irrigation in Madhya Pradesh has already sanctioned an outlay of Rs 62.90 crores for the development of the irrigation schemes in the state during the next plan period.

Mr Shankarlal Tiwari, Minister for PWD, in the course of the discussions, which touched almost all important problems relating to irrigation in the state, stressed the need for launching a number of minor and medium irrigation schemes. The advantages of such schemes are obvious: they can be executed in a relatively short period with limited expenditure. At the same time, they yield quicker results. Along with the starting of new works, the improvement of the existing ones should also be carried out efficiently at an early date so that the crops are not affected by the lack of adequate water supply. One broad factor that emerged from the discussions of the Committee was that about eleven new projects would be started during the next plan. The task of conducting surveys and investigations on these projects has already been entrusted to the Central Water and Power Commission.

The Committee also dwelt at length on the rates charged for the supply of water for private tanks from the irrigation works and on the ad hoc rates to be charged on water supply to be supplied for Kharif (paddy) crops this year.

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FOREIGN NOTES

US Economic Development

IT is pretty well agreed among those who read the economic signs that the United States in 1960 will be enjoying its highest level of prosperity yet. This conclusion is based on all sorts of portents, to each of which the economists' fraternity assign a particular importance. Among these are the rising incomes of the American people, the ambitious investment plans of American business, the growing community programmes for public services and facilities, etc., etc.

While there is no reason to take issue with any of these widely accepted judgments, there is one question that is rarely answered: how do the American people feel about all this?

If one subscribes to the commonly held (and undoubtedly valid) view that in a free economy people, through their consumption of goods and services, are the final arbiters of business trends, then their own economic appraisal assumes a more than casual significance.

In the light of this, two little-noticed surveys made public last week assume an interesting significance.

The first is one of the nationwide studies of consumer opinion periodically undertaken by the Survey Research Centre of the University of Michigan. The second is a report on the views of retailers throughout the country, as expressed by 200 members of the National Retail Merchants Association. Both are undeniably optimistic, and fully in keeping with the confidence so much in evidence among professional economists.

The consumer survey comes up with these basic findings: the American people, by and large, are

In the State of Kerala, the irrigation and power development programmes received the highest priority in 1960-61. During the discussions held at New Delhi last week, the representatives of the State and the Planning Commission have agreed that an amount of Rs 8 crores should be earmarked for irrigation and power schemes in the State. Two major projects that will attract increased attention this year are the Pamba Hydro Electric Scheme and the Panniar Hydro Electric Scheme. Other minor and medium works will also be carried out for facilitating regular supply of water to the various agricultural crops in time.

satisfied with the state of their personal finances, anticipate further improvements in their financial positions in the course of the year, and evince a continuing interest in making major purchases. It is in order here to recall that record in correctly calling the turn on consumer attitudes and probably buying patterns.

It should also be noted that this survey actually was conducted last October and November, with nearly half of the 1,300 participating adults interviewed at a time when the steel mills were still shut down as a result of the lengthy labour-management dispute in that key industry. This inevitably led some caution in the assessment of the business future and of individual spending plans.

Significantly, however, there was a noticeable increase in optimism among consumers questioned after the steel mills resumed operations nearly in November. This leads the centre to conclude that "now that the steel controversy has been settled, a major source of uneasiness among consumers has been removed and a further improvement in consumer optimism is in prospect."

The steel shutdown, of course, was not the only thing that bothered Americans. The survey also disclosed a somewhat greater concern about inflation than in the past, with a consequent resistance to higher prices that was stated openly in many cases and implied in others.

But this, interestingly enough, has its favourable aspect. For the apparent resistance to inflationary forces could conceivably be highly instrumental in keeping those very forces under control.

Emerging, then, is the picture of a confident consumer ready, willing and able to spend more money, thus lending new strength to the national economy, but at the same time loath to embark on the kind of uninhibited spending spree that could become a seriously unsettling factor.

This sort of confidence shows up, from the viewpoint of the seller rather than the buyer, in the survey conducted among retailers from coast to coast. According to the Retail Merchants Association, all but five of the 200 department stores and specialty shops participating in the survey expect their sales in the first half of 1960 to "meet or beat 1959."

While the precise reasons for the expected rise in sales totals were not detailed in the report, the survey results point to a variety of factors, among them are the prospects for rising consumer incomes and hence and expanded purchasing power, the growing population and indications of increased employment.

Another factor which was favourably noted, one that lends particular substance to the results of the consumer opinion survey, is the retailers' belief that prices will be firm and generally stable.

WORLD OF BUSINESS

Development of Handicrafts

THE All India Handicraft Board, which met at Madras, expressed grave concern at the deterioration in the designs of Indian handicrafts. Handicraft in the country was flourishing under the able patronage of princes and local chieftains. The decline of the Mughal Empire saw the beginning of the deterioration of Indian Handicrafts. The indifferent or rather the inhuman treatment meted out to the artisans and the craft in general by the British accelerated the decline while the impact of the industrial revolution on the economy had also its share in the sudden fall.

The need for reviving the handicrafts in India arises mainly from the fact that they help to rehabilitate our economy. They also afford employment for the unemployed, especially in the rural areas. It is gratifying to note that greater attention has been paid by the authorities to promoting handicrafts in the country. The establishment of the All India Handicrafts Board to encourage the craft can be considered a step in the right direction. Indian handicrafts enjoy a monopoly throughout the world and there is no stiff competition abroad. They possess a great reputation in almost all the overseas countries and our Embassies are organising exhibitions in those countries to give greater publicity. The establishment of the Handicraft Development Corporation has also been helping in boosting exports of handicrafts.

The meeting of the Board has been convened to consider, inter alia, the report of the Evaluation Working Group on Handicrafts and the programme for the Third Five Year Plan. The members of the Board also discussed the recommendations of the Sub-Committee for the survey of Associations of Handicrafts Artisans, Dealers and Exporters. Mr Bhaktavatsalam, in the course of his address, laid stress on the need for adjusting the mode and varieties of production to suit the needs of modern times and to compete with the machine-made goods. It is to be admitted that the Board has been making fairly good progress and has established numerous training centres for imparting training to the artisans in the country. More skilled instructors should be appointed to be in charge of these training centres. Handicraft products must be made in such a way as to suit the taste of foreign

consumers. A good foundation for the promotion of this trade has been laid during the Second Plan. It is necessary to make a determined and concentrated effort to organise production and control quality so that the desired aim can be achieved at least by the end of the next plan. A vigorous drive should be made for expanding both the external and internal market for the articles. The Board has formulated a scheme on the lines of the recommendations of the Evaluation Group, and Rs 27 crores has been allocated for the development of handicrafts during the Third Plan. Out of this, Rs 21 crores will be spent on schemes of the State Governments while the remainder will be utilised for running the schemes which are under the direct control of the Union Government. The State Governments have already started discussions for formulating plans to encourage handicrafts in their respective states.

Housing

Judged by the amount of work involved and the resources required, housing constitutes a problem of challenging magnitude, which the schemes undertaken in both the First and Second Plans have in no way mitigated. Conditions in the rural areas are particularly depressing. A sample survey of about 943 villages of the country has brought the fact to light that only 7 per cent of the houses in the rural areas have plinths and walls of bricks, cement or stone, and roofs of corrugated sheets, tiles, etc. The rest are hardly habitable, being made of mud, bamboo and reed. 50 million of our of the 54 million houses in the rural areas have been found to require substantial improvement.

The total sum required, on the basis of a conservative estimate of Rs 500 for every house, adds up to the colossal figure of Rs 2,500 crores. Against this, the First Plan allocated a sum of Rs 33 crores for housing, while the Second Plan outlay, originally fixed at Rs 120 crores, was later whittled down to Rs 84 crores. There are also other aggravating elements, particularly the existence of slums which have become a growing menace to industrial health.

The problem evidently does not admit of a solution on the basis of unilateral responsibility on the part of the Government or private enterprise. In fact, the uneconomic nature of work involved would seem to preclude scope for private enterprise in schemes for rural housing. More reliance has to be placed on schemes of self-help and cooperation, which could utilise the surplus productive labour force now lying unused in the countryside.

One such scheme has been formulated by Mr B. L. Jalan for mobilising the surplus labour force for the production of bricks to be utilised for house construction. Mr Jalan assumes as a fun-

damental condition for the successful implementation of his scheme that all the working adults in the village should contribute daily one hour of extra work in the busy season and two hours in the slack season for the manufacture of bricks and other assets of local importance. On the basis of an adult population at 110 million, average man hours which each could put in every year at 480 hours, and the average wage-rate at Rs 1.50 per man day, Mr Jalan estimates that the contribution would add up to Rs 1,000 crores a year. Similarly, he takes credit for another contribution of Rs 3,000 crores through implementing minor irrigation schemes on the basis of voluntary work done by people in the villages.

Mr Jalan has proposed a miracle of a solution to solve the housing problem in the rural areas, and the first reaction would be to dismiss it as fantastic. The existence of practical difficulties in the way of the implementation of the scheme would also take away much of lure with which it has been presented by Mr Jalan. Transport and marketing difficulties are obvious obstacles to large-scale application of the scheme.

However, Mr Jalan's scheme is not without practical utility. This has been borne out by its successful implementation on a pilot project basis in certain parts of the country, notably West Bengal. On this evidence, the scheme would deserve wider implementation. The interest it has aroused in both Dr B. C. Roy and Prime Minister Nehru is a favourable portent.

Asian Cables Issue

The Asian Cables Corporation Limited is scheduled to enter the market for raising new capital early next month. The subscription list will open on the 5th February. Out of the issued capital of Rs 50 lakhs, the company proposes to offer to the public for subscription share capital amounting to Rs 25 lakhs, comprising 25,000 equity shares of Rs 100 each. The promoters, directors and their friends have subscribed for share capital amounting to Rs 25 lakhs. The public issue has been underwritten by the United Commercial Bank and the Dena Bank.

The company will manufacture rubber insulated wires and cables and the factory will be located at Thana, near Bombay. The plant is expected to go into production early next year. When the plant achieves the normal level of production, the company's output is expected to be of the order of Rs 1.25 crores a year. The net foreign exchange savings are placed around Rs 75 lakhs. Enfield Cables Limited, England, will be the technical collaborators in the project. The company has finalised orders for machinery, which will be imported mostly from the UK and Germany. The cost of the machinery will be covered by a long-term foreign exchange loan of about Rs 21.50 lakhs from the Industrial Credit and Investment Corporation of India Limited. The loan will be repayable in 8½ years.

SELF-SUFFICIENCY IN TUBES

When, on 7th March 1956, Dr. Shri Krishna Sinha, Chief Minister, Government of Bihar, inaugurated the Fretz Moon Mill at the Jamshedpur Works of The Indian Tube Company (1953) Limited, we published an announcement of the Company's plans for expansion. These plans have now been fulfilled.

The present capacity of our Jamshedpur Works is approximately 1,40,000 tons of steel tubes per annum, manufactured by three processes—the Fretz Moon, the Electric Resistance Weld and the Pilger.

The Company has also established capacity at Jamshedpur for the manufacture of approximately 30,000 tons per annum of cold rolled steel strip for use in tube-making and for sales as strip. In addition, a plant has been installed for the fabrication of upto 1,50,000 Tubular Steel Poles per annum.

On 28th January, Shri Morarji Desai, Finance Minister, Government of India, performed the official opening ceremony of the Seamless Tube Mill. The completion of this means that India has achieved self-sufficiency in all sizes of steel tubes from $\frac{1}{8}$ " upto and including 6" nominal bore.

The Company's production so far has already saved India Rs. 26 crores of valuable foreign exchange and, with its present capacity, the annual saving in a year of full production will amount to approximately Rs. 20 crores.

Further expansion will be undertaken to keep pace with the growth of the Indian economy.

INDIAN TUBE

THE INDIAN TUBE COMPANY (1953) LIMITED
A TATA-STEWARTS AND LLOYDS ENTERPRISE.

MANUFACTURERS OF: SCREWED AND SOCKETED TUBES, SCAFFOLDING TUBES, BOILER TUBES, FLUE TUBES, STRUCTURAL TUBES, MECHANICAL TUBES, FURNITURE TUBES, CYCLE TUBES, TRANSFORMER TUBES, ELECTRICAL CONDUIT, STEAM PIPE, OIL LINE PIPE, DRILL PIPE, CASING PIPE, TUBULAR STEEL POLES, COLD ROLLED STEEL STRIP, BOX STRAPPING, TUBULARS.

ITC-42

Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
To blow on whom I please"

—As You Like It.

THE twenty-eighth of January, in 1928, was the first occasion when there was a Clive Street Gossip to read; exactly thirty-two years later, as I was sitting down to write my piece for the week, the Finance Minister, Mr Morarji Desai, was inaugurating, at Jamshedpur, a seamless tube plant—the first of its kind in India. Such a coincidence, of course, befits the inauguration ceremony as subject eminently proper for a Gossip. But, before I review briefly what this new plant is supposed to do, and before I touch as lightly as I can on the controversy that was rejoined at that function, I crave pardon to reminisce a bit—just a bit. Much has happened in these thirty-two years. A depression, an awakening to the economic issues inherent in the fight for freedom, a world war, the attainment of independence, the inauguration of the planning era, the quickening of industrial endeavours, all these the last three decades have seen. And yet, for me, what matters most is something I haven't mentioned. For the first time since Indian Finance was born, the original Eavesdropper is not here to write or to read the commemoration of the birth anniversary of this journal. He is not here to see the re-ordering and re-arrangement of features, in a manner that he would doubtless have approved. For him, the World of Finance was of paramount importance. Learn to understand it, he would tell me, and you have an invaluable key to the Indian economy as a whole. Thus, World of Finance becomes the feature with which Indian Finance begins. The Leading Articles section is unchanged. After that, all the notes have been brought together. Notes of national importance lead the section; then, you have foreign notes, states' notes and business notes. After which you get the opportunity to read the Gossip. Next in line are Gateway Gossip, Olympus and Peninsula. The commodity markets (which will shortly be enlarged) are grouped together, Jute, Tea and Cotton being featured. Last of all, you have, for the Investor, a conveniently homogeneous section. Henceforth, Company Reports and Balance-sheet Reviews will be clubbed together, so that the figures and the comments are side by side. As a postscript—but, I hope, as lengthy as the post-script written by a woman normally proves to be—will be a marshalling of facts and figures. From time to time, as before, the "occasionals" will be published. I have no doubt that the new arrangement of features will make for much easier and much more convenient reading.

Now, to Jamshedpur. If ever there was an example of the steel industry making for ever widening concentric circles of prosperity,

Tata Steel it is. The number of important industries that have been located in and around Jamshedpur is not inconsiderable. Telco, Indian Steel and Wire, Tinplate Company and, I suppose, a host of others. (I don't think I can honestly defer a visit to Jamshedpur; it is years since I went there last, and I expect I will be amazed at the changes that have taken place—not least Tata Steel's own TMTP). The latest and newest in the way of ancillary industries is Indian Tube. Here is a lesson for us: create the steel-making capacity, and you will inevitably have the growth of the industries that use steel as a raw material. Of course, there may be a time-lag between the availability of steel and demand for it; it is on this point that a significant controversy exists today. We shall presently have something to say about the how of setting a target for steel over the Third Plan period. At this stage, we may content ourselves with a word of encomium for the initiative shown by Steward and Lloyds in less than Tata Steel in bringing the tube plant into being. This is the kind of endeavour that our industrialists should address themselves to, and this the sort of partnership that is desirable between Indian and foreign interests. The pioneering spirit has always been strong in the Tata species; and the seamless tube plant is merely another "first" for the Tata house. We may now see what this project is, of which we have been speaking in rather general terms.

The tube plant that Mr Morarji Desai inaugurated is the third and final phase, costing Rs 3 crores, of an eight crore project, an Indo-British endeavour, undertaken in 1953 by Stewarts and Lloyds and Tata Steel. I might point out that the foreign exchange content of the scheme was roughly fifty per cent, and this was forthcoming from the British partners, who are, incidentally, the largest manufacturers of steel tubes in Europe. The steel tube capacity at Jamshedpur is now, I understand, some 140,000 tons a year. The first of the plants came on production in November 1955; before this was completed, the second phase was taken up and came into operation in April 1957; and, simultaneously, work began on the seamless tube plant, an undertaking that was "ready" by April 1959. Thus, one more addition to the industries located around the nucleus that is Tata Steel. The labour force of workers

and supervisors numbers 1,700 at the plant, which sprawls over 72 acres. The output already achieved represents a saving in foreign exchange of some Rs 28 crores, and rated production would annually be of the value of 2½ times the cost of the project, or Rs 20 crores. The manufacturing process may be described as follows:

Steel "blooms" in long lengths up to 30 feet constitute the raw material from which seamless steel tubes are made. This raw material is supplied by the Tata Steel works practically next door to the tube plant. After cutting, the cut lengths are heated in a gas-fired furnace to a temperature of 1,250 degrees centigrade. After preliminary processing, the lengths of steel are fed into a hydraulic piercing press which transforms them into a cylindrical hollow. These pass next into the rotary elongator, which reduces the diameter and thickness. Now comes the main operation on the Rotary Forge mill, where the finished tube is forged, step by step, on a mandrel, at the same time as grooved rolls reduce the outside thickness. The capacity of the mill is approximately 30,000 tons a year on full 3-shift operation. Nine basic sizes of tubes are produced, ranging from 3.1/4" to 6.5/8" in outside diameter, while other intermediate sizes are obtained by reduction in a reducing mill.

So much for the how of the seamless tube plant. I am under commitment to examine the how, as it were, of the steel target for the Third Plan. Sir Jehangir Ghandy, Chair-

man of Indian Tube, both implicitly and explicitly, both on previous occasions and at last week's ceremony, has come out with a case for moderating our steel ambitions for the Third Plan. He does not deny that steel does not have a key role in economic development; but, he adds, with the quadrupling of steel capacity during the Third Plan, "it would be advantageous for the economy as a whole to opt for a smaller increment in steel production in the Third Plan but give greater emphasis to the development of secondary industries." One of the considerations advanced is that the ancillary industries are, relatively speaking, more labour-intensive. Mr Morarji Desai bluntly disagreed with such a point of view. In his extemporaneous speech, he said that India must concentrate on the development of steel, power and oil. There is, I suggest, something to be said on both sides. The position today is that, in some quarters, and not without justification, there is the anxiety that the secondary sectors necessary to use steel will not have come up by the time the additional steel output, consequent on the Second Plan schemes, will become available. Sir Jehangir's fear, rightly, is that, without planning for the secondary sectors, high target thinking on steel is futile. On the other hand, the cause of industrial development would be retarded, if the supply of the basic raw materials, such as steel and power, is not assured. So, it seems to me that the planning of steel production and of the ancillary industries must go hand in hand. This means that Government must give every encouragement to the setting up of the secondary industries—and I am afraid that there is not, today, sufficient incentive for such units being set up.

If the inauguration of the seamless tube plant at Jamshedpur is symptomatic of Indian progress in industrialisation, it is, I think, interesting to juxtapose here the achievements of another kind of

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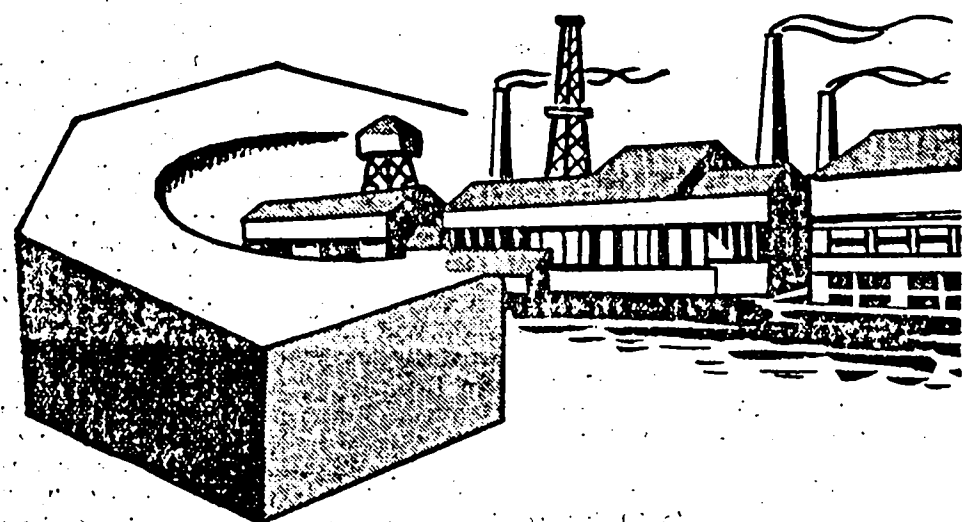
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economy in every way—that of Soviet Russia. Figures just released paint the following picture of the USSR.

The review of economic activity for Soviet Russia for 1959 discloses a heightened tempo in all sectors. The growth in industrial output was particularly remarkable and it is claimed that the rate of output in 1959 considerably exceeded the average annual pace of growth envisaged by the Seven Year Plan. Progress has been uniform region wise and sector wise and it is reported that all the Union Republics and all the economic councils have fulfilled their annual plans for gross output and for most of the key items including most of the consumer goods. A notable feature of this expansion in production was the designing and completion of over 2,000 new machines, mechanisms, apparatuses and other equipment of the most important type. The year also witnessed the completion of the phase of reorganisation of the machine and tractor stations.

Increase in the number of workers and employees in the national economy and rise in labour productivity were factors that contributed to expansion of industrial production. The average annual number of workers and employees in the Soviet Union, which was 56.3 million, increased by 1,700,000 during 1959. Further, labour productivity in industry grew by 7.4 per cent in comparison with 1958.

The rise in labour productivity to the extent of 7 per cent is particularly remarkable considering that the work-day has been reduced in many industries to 6 to 7 hours a day. The number of workers who have been brought under the shorter work day is 13 millions. That the normal earnings of workers have not been affected by the introduction of the shorter work-day is to be explained in terms of the rise in productivity which the short work-day has induced. The progress achieved by the USSR during 1959 is reflected in the rise of the country's national income by 8 per cent which, according to the review, works out to 100 billion roubles more than in 1958. The cash incomes of the collective farms during 1959 are estimated at 140 billion roubles.

Expansion in social security benefits constituted another noteworthy development in the Soviet Union during 1959. Such benefits, which include pensions, grants, scholarships and free medical aid, according to the review, totalled about 230 billion roubles in 1959 as against 215 billion in 1958. Lastly, another sector to participate in the general expansion was foreign trade. The volume of foreign trade is reported to have exceeded 41 billion roubles in 1959 as against 34.6 billion roubles in 1958.

EAVESDROPPER.

January 30, 1960

CHENNAI DAILY

GATEWAY GOSSIP

IMC Memorandum on Third Plan

THE latest important contribution to current thinking on the Third Five Year Plan has come from the Indian Merchants' Chamber, Bombay. In a 125 page memorandum submitted to the Planning Commission, the IMC have presented a broad frame-work of the Third Five Year Plan which will require an outlay of Rs 8,500 crores at the most. It is, however, pointed out that, "on the present resources position and under the conditions that exist today, the economy does not show any response to the building up of resources of the order of more than Rs 7,500 crores without stress or strain."

While fully recognising the tremendous national urge unleashed after the attainment of political independence to raise sizably the standard of living of the people, the IMC have emphasised the need for determining first and foremost what will be the resources that can be sustained by the economy without bringing any undue strain on it. It is only proper that, in assessing this capacity, reliance is placed on the experience of the Second Plan and the current economic trends. So far in the second Plan period, domestic resources (including borrowings, taxation, small savings, etc.) have amounted to less than one-third of the total outlay. In estimating the domestic resources for the Third Plan, there are the new factors such as the expenditure for the maintenance of social services built up during the Second Plan and the cost of servicing the increased internal and external debts. There is also the question of repayment of foreign loans that will fall due during the next few years to be taken into consideration. Not much help can be expected in the shape of return from the Second Plan projects for various limiting factors. This leaves only one source, taxation, and here, too, it is accepted on all hands, not excluding Government, that taxation in our country has already reached its peak.

The IMC have, therefore, reached the conclusion that a range of outlay between Rs 4,800 crores and Rs 5,500 crores for the Public Sector and a range of outlay between Rs 3,000 crores and Rs 3,700 crores for the Private sector only will be within the realms of possibility, the higher outlays, however, depending on the speed with which appropriate changes in policy and methods for capital formation are carried out by Authority. The IMC rule out the possibility of any increase in direct taxation. Deficit financing is similarly held out

of the question as it has already been utilised in full. Even the targets of Rs 7,500 crores or Rs 8,500 crores, rely on a fairly heavy receipt of foreign assistance, improved efficiency in the collection of taxes at existing levels and a sizable reduction in non-investment expenditure. It is pointed out that, in the event of a shortfall in resources, especially in the direction of external assistance, there should be no hesitation in pruning the size of the Plan to conform to the firm available resources.

Perhaps the most significant contribution of the IMC memorandum is the suggestion regarding the use of the vast manpower resources at various levels of activity. In view of the urgent need for increasing the employment potential in the country, any scheme for opening up fresh vistas for gainful employment should be welcome to the Planning Commission. It is rightly said that the Third Plan should pay considerable attention to this problem as progress in other directions would be rendered meaningless if unemployment continues to increase. The rapid growth of population in the country also should serve to emphasise the fact that the problem can brook no delay. In the opinion of the IMC, surplus labour should be considered as really the "savings potential." This can be mobilised for the investment effort through a "technique of drafting surplus labour to such uses which will create and at the same time will not involve additional investment in terms of finance and will not reduce output in agriculture or consumer goods." The technique suggested envisages the conversion of surplus unproductive labour which is already consuming primary consumer goods like food to productive agents. This, it is claimed, can be achieved by enabling the investment workers (surplus labour who will be engaged in the manner envisaged by the IMC) to make their own tools. The adoption of this technique, however, presupposes the position that, in our country, "the same capital intensity as in economically advanced countries should be neither desired nor promoted."

Referring to the approach to the problems of planning and particularly to the Third Five Year Plan, the IMC are rather concerned about the trend of thinking in the ruling party as revealed in the report of the Planning Sub-Committee of the AICC. The approach to the Third Plan of this body appears to be doctrinaire rather than pragmatic. The Congress Party's proposal for an outlay of Rs 10,000 crores for the Third Plan has derived further strength from the Chinese aggression, necessitating as it does an urgent need for national preparedness. Mr Nehru has himself seen in the new situation, created as a result of the Chinese aggression, an urgent need

for building up heavy industries. He has equated the establishment of basic industries with the problem of enduring national defence. Apart from the defence aspect, the Congress Planning Sub-Committee has pointed out that, for it, the objective of planning is not merely the economic development but also to bring about a socialist society. It must be said in fairness to the Congress that it has not attempted to belittle the task involved in planning for a big Third Plan. It is no doubt a stupendous task requiring enormous resources to be mobilised. It would appear that the Congress is placing much reliance on the willingness of the people to take big sacrifices in order to take the country forward to a stage where further development will automatically ensue. In so far as the capacity of the economy under what may be called normal conditions is subordinated to the compelling national urge for a sizable increase in the standard of living of the people without much delay, the Congress Sub-Committee's proposals are not closely related to the resources position. What seems to be really worrying the IMC, however, is the logical result of the doctrinaire approach of the Congress to planning. In the Congress proposals is seen a continuous reduction of the sphere of operation of the private sector and its ultimate extinction altogether. It is averred by the IMC that a clear assurance that no discriminatory procedures will be followed in regard to the development of the private sector is a felt need. Moreover, it is to be authoritatively reiterated that there is in reality one sector—that is, the national sector—in

which both public and private enterprises are complementary to each other.

Coming back to the Third Plan, it may be noted that the Federation of Indian Chambers of Commerce and Industry, New Delhi, have said that a Rs 10,000 crore Third Plan is 'feasible' provided conditions conducive to capital formation are created by appropriate changes in Government policies. Even for the reduced outlay envisaged, the IMC also want Government to make suitable changes in their various policies so as to enable the growth of resources. Although the IMC's plan-frame is based on an appraisal of resources that are likely to be available without bringing about undue strain on the economy, it is to be expected that the FICCI's acceptance of the figure of Rs 10,000 crores will be cited to show that businessmen have already approved of a higher target.

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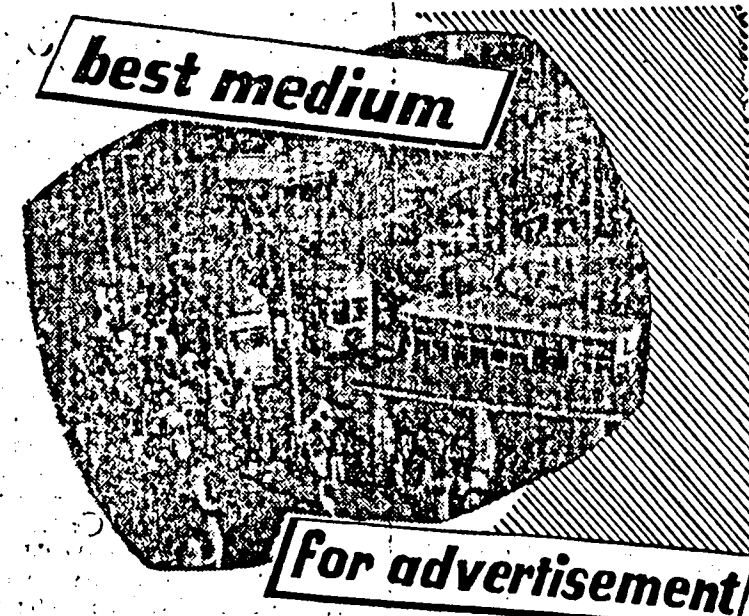
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OLYMPUS

Businessmen's Convention

DELHI'S Ramlila Grounds, where mass political meetings are usually held, appropriately constituted the venue of the first All-India Businessmen's Convention, representing a broad-based mass mobilisation of businessmen-big, medium and small. It appeared that the Convention's unstated objectives were as important as the stated ones. The unstated objectives which could be figured out are: (1) To demonstrate that the Federation of Indian Chambers of Commerce and Industry, which has normally been caricatured as an organisation representing the interests of Big Business, has the backing of a wider mass of medium and small businessmen; (2) to counter the political (Congress) strategy of isolating big businessmen from the larger mass of medium and small businessmen through greater incentives to the latter; (3) to create sanctions, through a mass mobilisation of businessmen, for the Federation's demand for a reorientation of fiscal and administrative policies so as to provide greater incentives to the private industrial sector; and (4) to get the required concessions by pledging all-out support to the Government at a time when the Forum of Free Enterprise and its "political projection," the Swatantra Party, seem to be gaining ground and causing anxiety to the Congress.

It was not entirely fortuitous that Mr G. D. Birla, an astute politician

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GENERAL MANAGER
S93

among businessmen, laid down the political "line" for the Convention. This "line" was one of support to the Government in return for tax concessions and liberalisation of controls. He described the business community as essentially patriotic, and his reference to "black sheep" was significant. This "line", however, did not appear to have been wholly appreciated by the Prime Minister, who told the Convention that controls were the result of shortages and not of socialist ideology and that there were more controls in the United States than in India. The only heartening admission that Mr Nehru made was that controls should be at the minimum level required to meet the compulsions of a situation. Mr Nehru's remarks, however, were only general, for, he did not appear to have rejected offhand the concrete grievances of businessmen on the score of laws, regulations and administrative procedures.

These grievances, expressed at the Convention, are summed up as follows: (1) The difficulties of businessmen engaged in trade and small-scale industries are particularly great because they have capacity either to understand the implications of the intricate and complex laws or to comply with them. (2) The incursions by the State in trading activities through the State Trading Corporation, co-operative agencies and fairprice shops have distorted the normal trade channels. (3) Commodity controls such as those on sugar and iron and steel are not called for in the present context. (4) The present sales tax policies pursued in different States result in the levy of tax on the same product more than once. (5) The intricate procedural formalities prescribed under the sales tax laws hamper the day-to-day working of traders and businessmen. (6) Lack of co-ordination in the sales tax policies pursued by the different States and lack of uniformity in their administration result in conditions conducive to malpractices and corruption. (7) Medium and small-scale industries face numerous difficulties in respect of procurement of raw materials, finance, labour legislation and taxation.

The Convention has also made a number of concrete suggestions which are: (1) Sales tax may be merged with excise in the case of a number of commodities besides cloth, sugar and tobacco. (2) The assistance and facilities currently offered to medium and small-scale industries be given a more concrete shape so that a larger number of people might take advantage of them. (3) Red tape should be reduced to the minimum and direct contacts between the different governmental agencies and potential entrants in the industrial field be maximised. (4) Trade and industrial associations at different levels may be recognised so that some of the functions discharged by Government in respect of manufacture and distribution could be decentralised and entrusted to such associations so as to be discharged by them in an autonomous and self-regulatory manner.

In organising the Businessmen's Convention, which has given expression to the concrete grievances and

expectations of small businessmen, the Federation of Indian Chambers of Commerce and Industry has thus come out as representing their interests also. The Federation's effort at harmonising the interests of big business with those of small business appears to be slowly but

surely succeeding. As Sir Shri Ram, Chairman of the Reception Committee of the Businessmen's Convention, has rightly stated, the Federation is becoming broad-based in its operations, and this is implicit not only in its increasing membership but explicit in its expanding activities.

PRODUCTION OF SELECTED INDUSTRIES

Industry	Unit	1958	1959 (estimated)
Light Engineering:			
Woodscrews	Th. Gross	7,176	7,940
Machine Screws	Th. Gross	1,833	1,775
Razor Blades	Lakh Nos.	3,562	4,030
Hurricane Lanterns	Th. Nos.	3,382	3,600
Oil Pressure Lamps	Th. Nos.	78	83
Sewing Machines	Th. Nos.	205	238
Abrasives (Coated)	Th. Reams	110	101
Complete Ring Spinning Frames	Nos.	877	1,100
Electrical Engineering:			
Dry Cells	Mill Nos.	168	180
Storage Batteries	Th. Nos.	356	425
Electric Motors	Th. H. P.	624	610
Power Transformers	Th. K. V. A.	1,126	1,078
Electric Lamps:			
(a) G.L.S. and others	Mill Nos.	30	33
(b) Fluorescent	Th. Nos.	979	1,120
Electric Fans	Th. Nos.	638	720
Radioes	Th. Nos.	198	190
House Service Meters	Th. Nos.	348	360
Refrigerators	Nos.	2,901	3,460
Conduit Pipes	Mill. R. Ft.	11	8.6
Cables and Wires:			
(a) B.C.C.	Th. Tons	7	7
(b) Aluminium Conductors	Th. Tons	14.4	13.4
(c) Winding Wires	Tons	2,120	2,960
(d) VIR & PVC	Mill. Yds.	127	160
Industrial Machinery:			
Diesel Engines—Stationary	Th. Nos.	25.8	33.0
Diesel Engines—Vehicular	Th. Nos.	4	8
Power Driven Pumps	Lakh Rs.	76	82
Machine Tools	Th. Nos.	376	438
Twist Drills	Th. Nos.	1,335	1,070
Grinding Wheels	Th. Lbs.	2,737	2,540
Jute Machinery	Lakh Rs.	115	N.A.
Sugar Machinery	Lakh Rs.	191	N.A.
Cement Machinery	Lakh Rs.	62	N.A.
Tea Processing Machinery	Lakh Rs.	71	N.A.
Transport Equipment:			
Bicycles	Th. Nos.	913	924
Motorcycles	Nos.	4,391	N.A.
Motor Cycles	Nos.	2,853	N.A.
Three Wheelers	Nos.	683	N.A.
Automobiles	Th. Nos.	27	32
Railway Wagons	Th. Nos.	14	7.2
Locomotives	Nos.	102	N.A.
Non-Engineering:			
Sulphuric Acid	Th. Tons	227	254
Caustic Soda	Th. Tons	57	59
Soda Ash	Th. Tons	89	96
Chlorine Liquid	Th. Tons	20	21
Bleaching Powder	Th. Tons	7	5.6
Bichromates	Th. Tons	3	4
Superphosphates	Th. Tons	167	200
Salt (Common)	Lakh Mds.	1,130	1,000
Glycerine (Refined)	Tons	3,858	4,382
Copper Sulphate	Tons	2,084	2,980
Glue	Th. Cwts.	24	37
Power Alcohol	Mill. B. Galls.	9	9
Industrial Alcohol	Mill. B. Galls.	10	12
Soap	Th. Tons	124	118
Paints and Varnishes	Th. Tons	48	54
Matches	Th. Cetes	626	639
D. D. T.	Tons	1,755	N.A.
Tyres (Automobiles)	Lakh Nos.	10	11
Tubes (Automobiles)	Lakh Nos.	10	11
Tyres (Bicycles)	Lakh Nos.	83	96
Tubes (Bicycles)	Lakh Nos.	79	100
Plywood:			
(a) Commercial	Lakh Sq. ft.	378	350
(b) Tea Chest	Lakh Sq. ft.	882	960
Cement	Th. Tons	6,069	6,675
Paper and Paper Board	Th. Tons	253	260
Asbestos Cement Sheets	Th. Tons	186	155
Refractories	Th. Tons	434	484
Ceramics	Th. Tons	87	97
Sheet Glass	Mill. Sq. ft.	74	91
Insulators:			
(a) H. T.	Th. Nos.	751	961
(b) L. T.	Th. Nos.	5,076	4,700
Aluminium	Tons	8,181	16,395
Finished Steel	Th. Tons	1,290	1,550
Copper	Tons	7,841	7,730
Lead	Tons	3,334	4,000
Coal	Mill. Tons	45	47
Sugar	Th. Tons	1,978	1,920
Cigarettes	Mill Nos.	29,840	31,460
Textiles:			
(a) Cotton Yarn	Mill Lbs.	1,685	1,700
(b) Cotton Cloth	Mill Yds.	4,927	4,913

Indian Finance

January 30, 1960

THE PENINSULA

All-India Women's Conference

THE All-India Women's conference, which met at Madras early this week, is an expression of the solidarity of Indian women in the face of continuing social prejudices and other disabilities which impinge upon them and which keep them backward economically and socially. Both by modern ideas of citizenship and the ideals of Indian thought and culture, the position of women in the country is hardly enviable. For the greater part of world history, women in all countries had been treated as a class inferior in social and political status to men. Democratic ideas brought about a change in this system of values, and freed women from the clutches of social customs which confined them to an inferior status in society. In India, however, special factors were at work tending to immobility in social thought. For a long period in the country's history, women had been subjected to special restrictions and taboos which being given a wrong religious and moral sanction, were found hard to break.

Foreign domination and the flames of nationalism it kindled brought about the first awakening in women to their social and political rights and responsibilities. Nationalism sowed democratic ideas and the freedom movement gave opportunities to women to defy customs which barred them from public life and to come into the

open on a footing of equality with men.

Attainment of Independence opened up a new era for women in the country. The Constitution guaranteed equality of status for women with men.

Constitutional guarantee of equal rights has been followed by legislation seeking to remove special disabilities under which women suffer. Right to property, which had been denied to women under Hindu Law, has been conferred by legislation. Another measure which seeks to give more economic protection to women is the anti-dowry bill which is now before Parliament. The appointment of women to positions of responsibility is yet another proof of the change that is sought to be given to the conditions of women in the country.

While independence has opened a new era, the task involved in improving the economic and social conditions of women is of stupendous dimensions. At the time of independence, only about 6 per cent of the women in the country could read and write. Though, under the First and Second Plans, considerable expansion in facilities for education has taken place, there has also been a simultaneous widening in the disparity in the education of boys and girls. The Second Plan, for example, aims at an increase of only 7 per cent in the enrolment of girls in the age group of 6-11 as against 17 per cent for boys. There is a similar disparity of target in respect of the age group of 11-17. Referring to this, Mrs Raksha Saran, who presided over the Conference, appealed to the Government to take steps for reducing the gap and for implementing the recommendations

of the National Committee on Women's Education.

Mrs Raksha Saran also complained of lack of proper vocational and technical training facilities for women in the country. This, according to her, makes up for the phenomenon of educated unemployment among women. This, however, is a grievance which would apply equally to men, being a reflection of the leeway to be made up in technical education and general economic development. However, continuing discrimination against women in the matter of employment opportunities, as alleged by Mrs Saran by the Government is hardly fair and would only aggravate the problem of educated unemployment among women. Provision of cheap housing was another suggestion made for improving the conditions of women.

While asserting the rights and privileges of women, the Conference was not unmindful of their duties and responsibilities in the building up of the country. Mrs Saran referred to the difficult times through which the country was passing and the challenges and dangers which women had to face. Mr C. Subramaniam, the Madras Minister for Finance, underlined the responsibility of women for child welfare and observed that this work should be the particular concern of women. Care in child welfare would, by itself, ensure equal development of boys and girls and enable them to take their rightful place in society. The suggestion made by Dr A. Lakshmanaswami Mudaliar for entrusting primary education exclusively to women also deserves consideration. Besides increasing employment opportunities for women, this

would also obviate the need for separate schools for boys and girls.

An interesting speech was made by Madame Furtseva, Deputy of the Supreme Soviet of the USSR. Dealing with the role and position of Soviet Women in the public and cultural life of their country, Madame Furtseva observed that Soviet women had all the rights and engaged in social and political activity, without any restrictions, on an equal footing with men. She disclosed that women members in the supreme Soviet of the USSR constituted 26.4 per cent of the total membership, while the number elected to the Supreme Soviets of the Union Republics in the USSR was 1,718. Conditions in India are far from comparable. However, the increasing participation of women in public life and the growing number of women seeking education and employment are signs of the new social awakening among women which, with the political and social rights conferred by Government, should facilitate a gradual transformation of the conditions of women.

However, it cannot be overlooked that no amount of special measures could improve women's welfare in conditions of general economic backwardness which impinge upon all sections of people equally. On this consideration, it is general economic development of the country which holds the key to the economic and social uplift of women.

Progress necessarily calls for unremitting endeavour and sacrifice from all sections of the people not excluding women. Both the First and Second Plans have opened up fields for women's participation in their welfare work on the basis of voluntary service. Social

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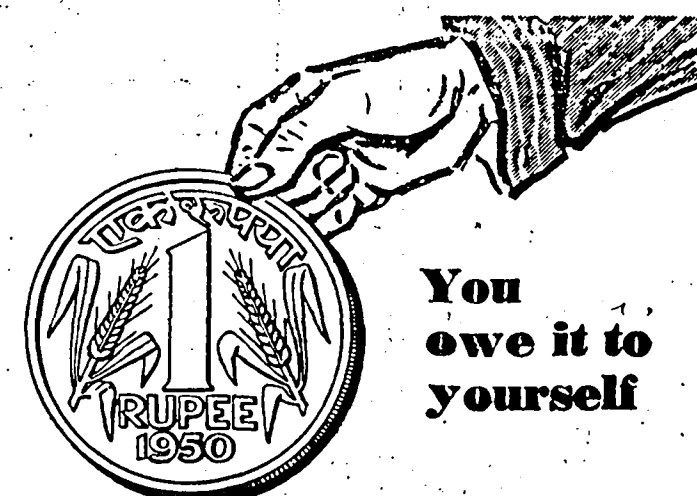
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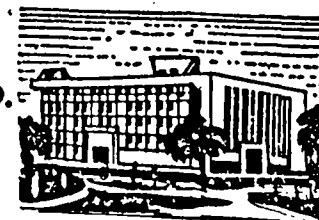


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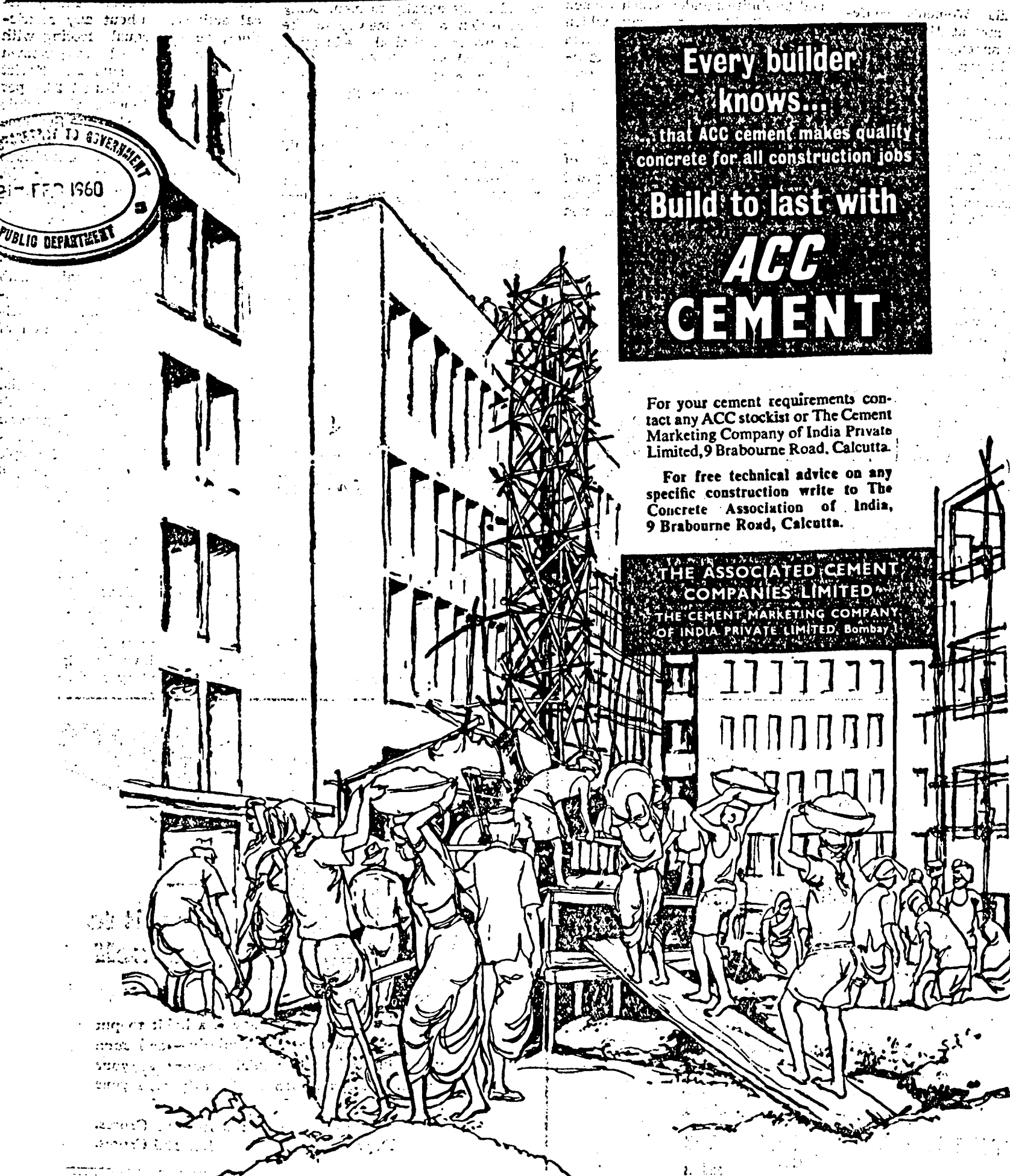


welfare and education constitute two such fields. Much valuable work is already being done under official auspices. Though not above criticism, the Central Social Welfare Board, directed by Mrs. Durgabhai Deshmukh, has been making fair progress in extending social welfare

activities to cover a larger number of women. Under its patronage and encouragement, a number of centres to impart training in arts and crafts to women has sprung. The scope of such work could be expected to be enlarged in the course of the Third Plan which envisages substantially

larger outlay than that which had been incurred in the Second Plan. The All-India women's conference has also been carrying on commendable work in social welfare and educational fields. Pioneering work in this line was started by the Women's Indian Association now a part of the All-

India Women's Conference. But, the greatest contribution that the All-India Women's Conference has made was in the educative role it has played in breaking the general prejudices entertained about the position of women and to rouse social conscience to the inequities subjected upon them.



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WORLD OF JUTE

Revival of Bullish Fervour

A sharp uptrend in prices, especially in the sacking section, has characterised trading in the jute goods market during the past few days although, on Thursday, the high levels have induced some selling. The revival of bullish sentiment at a time when indications appeared to be toward realistic price levels stemmed mainly from fresh enquiries for goods. Following the announcement last Thursday of a Government tender for about 28,000 bales of B Twills, partly for ready delivery and partly for February-March position, drooping spirits revived. It appeared that the market had been waiting for just some such order to materialise to rig up the prices once again. When the Government tender was quickly followed by enquiries from Indonesia and Burma, largely for heavy goods and for a small quantity of hessian, the firm undertone was well maintained in subsequent trading. Thus, during the period from last Friday to Wednesday this week, prices of heavy goods advanced by more than 3 rupees while the hessian section also steadied up in sympathy. With the smart rise in goods prices, the raw jute market, too, recorded a sizable rise in rates. Sellers in the raw jute market, who were till the other day very anxious to conclude business even below prevailing market rates, became reserved.

The return of bullish fervour on the strength of orders which can by no means be described as big would seem to indicate that the earlier apprehension of a scarcity of ready heavy goods had revived, notwithstanding the fact that no business of note had passed during most of the time this month in this category of goods. Further, it is to be noted that mills have continued to work with 90 per cent of their looms during January. And it would appear that this proportion will continue undisturbed during February also. Hence, it is rather difficult to believe that there can be a squeeze in heavy goods.

Prospects for hessian also cannot be deemed to be bright in the event of a continuance of high price levels. The enthusiasm that has been generated by the fact that burlap consumption in US has touched a new post-war high in 1959 is now tempered by the knowledge that burlap stocks in

that country are large enough to meet three months' demand even at last month's rate of consumption. This is not to say, however, that US offtake of hessian may not be at a fairly satisfactory level if our prices are stable. For, with the end of the steel strike, US burlap consumption is likely to be high for some months to come, even though this is usually the part of the year that is marked by a fall in burlap consumption.

The improvement in goods prices seems to have been partly aided by renewed attempts to revive the bogey of raw jute shortage. There are still whispers that, although arrivals in upcountry centres have no doubt been large in recent weeks, there is little jute left in the hands of cultivators. Some seem to nurture the hope that the scarcity will make itself felt toward the closing months of the current season. Such a belief cannot stand close scrutiny as both official trade opinion agree that there will be enough raw jute in the country during the current season to meet the requirements in full. And we have this year the assurance that more jute will be imported from Pakistan, if need be.

After a quiet opening, the futures market firmed up in later dealings last Friday on the announcement of the Government tender. The firm undertone continued for some time on Monday but, by close of the day, higher price levels could not be maintained. The undertone was again firm in later dealings on Wednesday but, during Thursday's trading, sentiment was somewhat quiet. B Twills February opened on a quiet note at Rs 110.40 but firmed up to Rs 113.50 the next day to close at Rs 113.45. The highest level touched on Monday was Rs 113.70 but, by the close of the day, the rate came back to Rs 112.60. At the end of Wednesday, the rate improved to Rs 113.05. Sentiment turned quiet on Thursday with the closing quotation much lower at Rs 112.35. Hessian 40" x 10 oz February was comparatively stable with the rate fluctuating between Rs 41.02 and Rs 42.06. Assam Bottoms March moved between Rs 30.48 and Rs 29.48 to close on Thursday at Rs 29.60.

In the jute goods market, B Twills January was done at Rs 110.25 last Thursday. With the announcement of the Government tender, prices rose steeply on Friday and at the end of the day B Twills were placed at Rs 113.40. Although the trend was rather quiet on Monday in the absence of foreign enquiries, reports that Government had made some purchase against their earlier tender pushed up B Twills January to Rs 114.20 by close on Wednesday. The trend was downward on Thursday in sympathy with the futures market and B Twills closed the day at Rs 113.40. Hessian

40" x 10 oz January moved within a narrow range to close at Rs 41.10.

In the raw jute market, Assam Bottoms Jan-Feb was taken to Rs 30.50 on last Friday from the previous closing of Rs 30.25 following some buying interest evinced by mills. The steadiness in the goods section also helped the uptrend. The rate further improved to Rs 30.75 the next day and continued at that level up to the close on Wednesday, though mills largely kept out of the market after prices began to take an upward course. The effect of the continued lack of mill interest was, however, to be seen on Thursday, when the rate declined to Rs 30.25.

	Jan. 21 1960	High-est	Jan. 27 1960
Hessian:			
40" x 10 Ozs.			
Ready	41.20	41.90	41.40
March	41.50	42.00	41.70
April-June	41.55	42.20	41.85
40" x 8 Ozs.	32.85	33.25	33.00
40" x 7 1/2 Ozs.	30.60	31.00	30.95
Sackings:			
B. Twills:			
Ready	110.25	114.60	114.60
March	110.10	113.20	112.25
April-June	109.35	113.25	111.00
Hy. Cees (Green)	110.00	112.60	112.10
Cornacks	111.00	114.25	114.25
Cubans	131.50	133.50	132.50
A. Twills	133.75	136.25	136.00
L. Twills	127.25	129.50	128.25
D. W. Flours	132.50	135.00	135.00
Sugar Twills	125.55	128.50	128.50
Futures:			
Hessian—Feb.	41.32	42.06	41.49
Sacking—Feb.	110.40	113.05	113.05
Raw Jute—			
March	29.36	30.36	29.78

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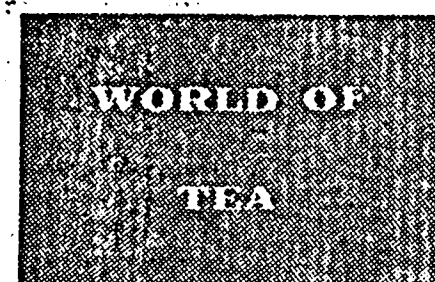
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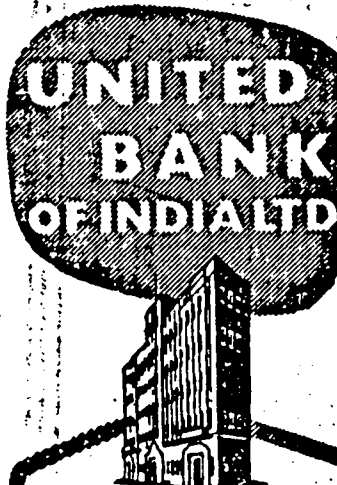
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Demand Weakens

DEMAND at this week's auction, held in Calcutta, has slackened off somewhat and the market has shown a general decline of 6 nP per pound for teas of orthodox manufacture. BOPs were again a weak feature of the sale and there were a number of withdrawals; but there was a fair enquiry for BPSs and Orange Fannings. CTC Assams were irregular, while the poorer mediums were often easier. Non-wither legg-cut teas were also somewhat irregular, but generally showed a decline of 4 nP to 8 nP.

Whole Leaf grades were irregular and sometimes easier, although there was fair enquiry. The demand was again limited for Tippy teas and for Darjeelings although any with flavour were sold well. Following rates were quoted:—Clean Black Pekoe Rs 2.18 to Rs 2.22; Plain BP Rs 2.00 to Rs 2.04; Plain Fannings Rs 2.04 to Rs 2.08; Medium BP Rs 1.96 to Rs 2.02; Medium Fannings Rs 2.10 to Rs 2.20; Best Assam CTC BP Rs 2.40 to Rs 2.60; and Best Assam CTC Fannings Rs 2.45 to Rs 2.65.



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In the Internal Sale, offerings consisted of 22,602 packages of Dusts. The market opened showing a decline of about 6 nP to 8 nP per pound for Dusts for orthodox manufacture; but strengthened as the sale progressed. At the close, these types were only 4 nP to 6 nP easier. Legg-cut teas were also about 4 nP to 6 nP easier. Darjeeling dusts were irregular and sometimes sold below last rates. Flavoury kinds, however, met with keen competition.

Medium CTC dusts were irregular, but were well supported at about last rates, with the exception of a few lines which were about 4 nP easier. The very best CTC types were generally up to 10 nP easier. Following were the rates:—Medium Doors Dust Rs 2.14 to Rs 2.22; Medium Assam Dust Rs 2.08 to Rs 2.16; Medium Assam CTC Dust Rs 2.18 to Rs 2.66 and Best CTC Assam Dust Rs 2.45 to Rs 2.75. Also, 1,215 packages of Leaf grades were offered for internal consumption. These met with a fair demand at lower rates. The few chests of Green Tea, on offer, were keenly competed for and sold above last rates.

Ceylon produced 35,315 million pounds of tea during December, making the total of 413.01 million pounds for the year 1959. The highest figure for any year was in 1958 when 413.1 million pounds was produced.

Pakistan tea exports beyond previous commitments have been stopped in view of the scarcity and high prices of the commodity in the internal market. Disclosing this, the Pakistani Commerce Minister has stated that there will be no further export auction this season and stocks purchased at export auction may be sold internally. This will give about 2.5 million pounds for internal consumption. About 16 million pounds had already been exported out of an export quota of 20 million pounds. The present area of 77,000 acres will be expanded by about 10,000 acres for tea cultivation and another 10,000 acres will be available in the Dinajpur district.

In Mincing Lane, values for the plainer descriptions are generally holding up satisfactorily. The spread between the bottom and top grades continues to narrow, ranging now from 3sh 11d to 5sh 9d per pound as compared with 3sh 10d to 5sh 10d in the previous week. The level of weekly offerings suggests that the regulation of supplies on a weekly basis is in abeyance for the time being.

Commenting on the above, one trade quarter says that anything, which tends to put up the price of tea to the consumer, is not in the best interests of the trade. However, heavier weekly offerings now can result in smaller offerings later on when supplies normally shrink around mid-year before the larger quantities of north Indian tea begin to arrive.

In the above connection, the Chairman of the Indian Tea Asso-

ciation has stated that, although the comparatively strong demand for tea may be expected to continue this year, at least until the 1959 crop has been sold, there is no room for complacency as consumption is increasing. He adds that what is needed is a steady and gradually expanding market at a price which will cover the cost of production and yield a modest profit.

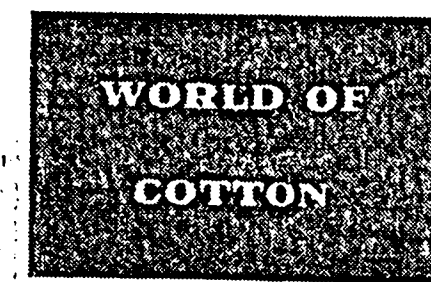
Planters in North India feel disappointed that more progress has not been made toward the renewal of the International Tea Agreement. They also feel that it will strengthen their positions if the machinery of control is at least seen to be in existence, ready to be brought into use only when the market positions require it.

Meanwhile, tea shipments have shown a decline in 1959 as compared to 1958. With shipments of 54.76 million pounds last month, total exports of North-East Indian tea have declined to 385.07 million pounds from 409.6 million pounds in the previous year. The setback is mainly due to the fall in the UK offtake from 270.65 million pounds to 234.1 million pounds. Exports to the USA and Canada have also declined from 17.51 million pounds and 12.05 million pounds to 16.59 million pounds and 9.57 million pounds respectively. Exports to Russia are maintained around 20.22 million pounds.

In the Dust Sale held in Cochin, offerings were 500,000 pounds. The quality of the offerings was well maintained. The market met with a strong general demand and prices were dearer for all descriptions. There was a keen competition for a small selection of CTC types. Legg-cut dusts were sold above last rates.

In the Chittagong market, prices have continued to rise, common tea being sold at Rs 4.8.0 to Rs 5.00 per pound and the quality tea being freely available at Rs 3.0.0 to Rs 3.4.0 per pound. In this connection, the Pakistan Industries Minister has indicated the possibility of re-imposing control on tea prices which, he feels, is the only answer when things are not going well under free trade in tea.

Again, effective steps will be taken by the Pakistan Government to expand the area under tea and improve the yield under an Ordinance promulgated last week. Under the Ordinance, the Central Government have been empowered to issue directives to existing tea gardens to plant or replant tea in specified areas from year to year under the penalty of fine. The Government will also render assistance to the existing tea gardens to improve their production and issue loans to finance the development of tea production. These measures are considered necessary to increase Pakistan's tea production, which has remained almost static around 56 million pounds during the past three years.



Sizable Decline in Prices

A HALT has been cried to the protracted firmness in Cotton prices on the Bombay market, thanks to the prompt measures taken by the Government by liberalising imports of foreign cotton, by as much as 12 lakh bales to meet the shortage of supplies of indigenous growth. Sentiment was also affected by the pronounced weakness in the cotton piecegoods market.

It is significant to note that the cloth market has not only lost its cheer noticeable until the beginning of the year, but has actually turned easy. According to indications available, there has been a marked setback in the offtake, both by the wholesalers and the retailers.

In fact, those who had hoarded cloth with a view to making some profit would appear to have been disappointed and are now keen to dispose of their stocks. Presumably, they seem to have realised that the Government mean business in allowing liberal imports of foreign cotton to meet the threatened crisis in the industry. The cumulative effect of these factors has indeed told upon the futures, which have to find their bottom. Jharilla March contract closed at Rs 752.50, showing a decline of more than Rs 25 per candy over the previous week.

In the Spot section, activity was restricted, as most of the mills did not show interest, having covered their requirements for the next three months. Wagad, Kalyan and Kala Gin came down by about Rs 20 per candy. Exportable growths also lost about Rs 25 to Rs 30 per candy.

On the export front, Bengal-choiced cotton was in keen demand. But, due to scarcity of supplies, prices were hardening.

In the foreign cotton section, most of the mills appeared to be eager buyers of lower types of American cotton. Fresh business for about 40,000 bales was put through with US shippers, subject to licences. The Government of India have, however, warned importers of lower type American cotton that no commitments should be made by them until the new purchase authorization was announced and until after the expiry of the usual waiting period.

It is reported that US cotton exporters are asked to quote firmly prior to issuance of purchase authorization and the contracting

period thereunder. All sales will be rendered ineligible for financing if contracts are concluded prior to January 22, 1960. Moreover, the Joint Chief Controller of Imports and Exports has announced that the quota fixed for the import of American cotton stapling one inch and below had been reached and hence no further applications will be entertained with immediate effect.

As mills are reported to have purchased 40,000 to 50,000 bales, the US authorities appear to be seriously perturbed over this. It is learnt that the US authorities have issued instructions to the effect that any business done earlier than seven days after the issuance of the purchase authorization will not be eligible for registration with the Commodity Credit Corporation for purposes of procuring the benefit of the 8 cent subsidy. It is further learnt that any violation of this regulation will be investigated by the authorities and the offenders will be brought to book.

Meanwhile, available information suggests that a purchase authorization No. 39-38 has been issued in Washington for \$19.7 million to enable India to buy cotton stapling one inch and below. The contracting date under this authorization is January 22 to May 31, 1960 and the shipment period is January 22 to June 30, 1960.

India is also expected to buy about 200,000 bales of East African Cotton this year.

Thus, the measures taken by the Government to arrest the rising trend in cotton prices are having their effect. With the marked change in the mood of the market, traders also seem inclined to revise their ideas about the 1959-60 crop. Many say that the crop may not be really so poor as generally talked about at 41 to 42 lakh bales. It is not improbable that crop estimates might have been considerably deflated to persuade the Government to release larger import quotas for cotton at a time when it was still seized with ideas of a scarcity of cloth. Time alone will reveal the correct position.

CLOTH AND PIECEGOODS:

An increase of about 100 million yards in the production of cloth was recorded in 1959 as compared with the total output of 7,056 million yards in 1958. The cotton textile industry, including the handloom and powerloom sectors, produced 7,153 million yards during 1959. Of this, 2,228 million yards of cloth was produced by the handloom and powerloom sectors and 4,025 million yards by the textile mills.

The estimated production of yarn, during the year 1959, was about 1,721 million pounds of which 550 million pounds was consumed by handloom, powerloom and hosiery and other units. The monthly average supply of yarn to these industries was about 46 million pounds.

MARKETS

Rise in Sugar Output

ACCORDING to the Indian Sugar Mills Association, Sugar production has amounted to 4.27 lakh tons in December 1959 as against 3.57 lakh tons in the corresponding month of 1958. This brings the total production, for the 1959-60 season up to December 31, 1959, to 6.38 lakh tons as against only 4.77 lakh tons in the corresponding period of the previous season. Offtake of sugar from factories, during December 1959, is 1.65 lakh tons as against 1.41 lakh tons. Thus, total despatches, up to 31st December 1959, are 2.96 lakh tons as against 3.06 lakh tons in the corresponding period of 1958. The closing stock with the factories, as on the 31st December 1959, was 4.85 lakh tons as compared to 5.00 lakh tons on the corresponding date of 1958.

The Governments of Uttar Pradesh and the Punjab have decided to take certain administrative measures to ensure adequate supply of cane to sugar mills throughout the season and also encourage power-crushers and khandasari units to operate increasingly away from the factory areas. It was also agreed that, in order to maintain and achieve a better production, certain administrative and other steps should be taken. Steps will also be taken to reduce the diversion of cane to khandasari and power-crushers.

Meanwhile, sugar prices have improved by about Rs 3 a bag in sympathy with the sharp gains in the prices of Khandasari following the Government decision not to decontrol sugar for the present. In the Hapur market, the rate is quoted at Rs 120 a bag.

World production of sugar in 1959-60 is placed lower at 49.59 million metric tons as compared to 50.94 million metric tons in the previous season. While the production of cane sugar is expected to rise further from 29.41 million metric tons in 1958-59 to 29.57 million metric tons during the season under review, that of best sugar is expected to fall from 21.58 million metric tons to 20.02 million metric tons.

Cuba is placed at the top of the list of producers with an output

With consumption of cloth steadily rising and production barely maintained, the prospects of any drastic change in the textile situation are generally discounted. The immediate outlook is, however, viewed with caution.

million metric tons in 1958-59. Russia's sugar output, which was the highest (6.26 million metric tons) in 1958-59 is expected to decline to 5.88 million metric tons in the current season.

Production in China was well maintained. While production declined in Brazil, West Germany, France, Australia and Formosa, it improved in Mexico, Italy and the USA.

Shellac

Conditions in the Calcutta Shellac market have continued to rule firm with the Pure TN quality quoting now at Rs 78 as against Rs 73 a maund quoted at the beginning of the year. This firmness in price is expected to be maintained for some time to come as foreign enquiries are running at a fair level. Considering the substantial decline in stocks in the UK, it is believed that enquiries from there may soon broaden.

An encouraging factor is that supplies to Calcutta from the up-country centres have been maintained at a fair level. As there is reported to be a shortfall in the output as well as the quality in the Siamese crop, the increase in the production of the Indian Katki and Kusmi crops should prove useful. The Katki crop is estimated at 233,000 maunds against 265,000 maunds in 1958. The Kusmi crop is believed to have increased from 52,000 maunds to 110,000 maunds.

It may not be out of place to mention here that the present steadiness in prices is mainly attributed to the export price minimum scheme sponsored by the Indian Lac Exporters' Association. The flow of increased foreign enquiries in recent months indicates that overseas buyers have turned their attention to the Indian produces to a greater extent. The price stability has encouraged the use of the commodity in preference to substitutes.

Yarn

While it is gratifying to note that yarn production in 1959 has risen from 1,685 million pounds to 1,725 million pounds, it does not seem that the improvement has helped in relieving the scarcity of yarn in the country and this, too, notwithstanding the fact that exports have fallen from 31 million pounds to 18 million pounds.

Despite increased availability, yarn prices have been consistently rising for some time past, which appears to have caused serious concern to handloom and powerloom weavers. It is stated that chances are that prices may appreciate further due to the fact that there has been a known shortage of cotton in the country.

Meanwhile, fears are being expressed in certain quarters that the firm prices of yarn will have an adverse effect on cloth production. The immediate outlook is, however, viewed with caution.

particularly bad in the South, in that the handloom weavers there have urged the Government of India to stop forward trading in yarn on the ground that speculative tendencies have caused a sharp increase in prices. Weavers' Societies have appealed to the Government to ban further exports of yarn.

Imports of Art Silk yarn, in Bombay, during the year 1959, increased to 362 lakh pounds from 274 lakh pounds in 1958; of synthetic yarn to over 22.87 lakh pounds as against 18.88 lakh pounds; and of cotton yarn to 4.93 lakh pounds against 14.63 lakh pounds.

Zinc

Sales of Zinc by the Board of Trade in London have succeeded in keeping the price of the metal down to the high levels reached by early December of last year and traders do not expect any new rise in the near future. It is generally accepted that the future of zinc may depend on the international conference that is to be held in Geneva.

The commitments, accepted by producers last April, automatically expired at the end of last year and any producer was free to expand output from January 1 of this year. Trade sources believe that some have already begun to do so and some are known to have begun building extensions to their capacity. It is believed, in London, that the Geneva conference will have to raise the limits agreed upon last April and immediate impact is likely to be an easing of the currently tight supply position. This is assuming that producers will agree to accepting output restrictions. They did so last year under the threat of a continuing heavy surplus of zinc. Now, that threat has disappeared and some producers may not feel the same compulsion.

Bullion

Prices on the Bombay Bullion Exchange, after recording new peak levels, developed a reactionary tendency toward the close of the week, thanks to the imposition of heavy margins on purchases. The initial firmness of the market was mainly due to the firm grip of the bull operators who were encouraged to be active in their dealings for the increasing demand in the ready section following the busy season.

Silver met with heavy bull unloading, being induced by the heavy margin of Rs 750 per bar, which will be applied on all the purchases that remain outstanding at the end of the day's session. The offtake in the ready section was also moderate, which aided the sentiment. Arrivals amounted to 18 bars as against an offtake of 24 bars. Unrefined metal receipts totalled 18 bars. Ready rates (.996) moved between Rs 213.75 and Rs 214.10.

Gold also met with heavy profit-taking and selling from bulls. The new contract "Fagun", which will be opened shortly, it was feared, would become operative with higher margins as per the amended bye-laws of the Association. The final approval of the Government of Bombay would be sought after the meeting of the general body of the Bullion Association. Ready rates moved between Rs 132.56 and Rs 133, to finish at Rs 132.81. Sovereign remained very firm at Rs 83.75.

Foodgrains

Steady to firm conditions prevailed in the Hapur Foodgrains market following better demand on the belief that "rabi" arrivals would start only after two months. Wheat prices remained almost unchanged. Arrivals in the open market continued to be small; but supplies were augmented by sales through fair price shops. Prospects for wheat and other "rabi" crops have brightened following the recent rainfall.

Gram prices improved slightly on higher Madras advices. A large quantity of gram was reported to have reached Hapur on Government account for stock purposes. Barley and Bajra prices sought higher levels in sympathy with gram although demand was poor. Maize and Bajra continued to attract good consumer demand. While maize prices were steady Bajra improved fractionally due to good demand in the light of the poor supply position. The market for Peas remained depressed following slack demand in the face of comfortable stock position and bright prospects for the new crop.

Khandsari

The firm trend in Khandsari prices has continued unabated and prices have touched new high levels of the season on brisk outside buying support. Railway loading facilities are restricted; but despatches are being made by trucks. It is reported that khandsari producers are buying cane, at certain places, at higher prices than paid by the sugar factories. Production is expected to touch a new high in the current season.

Rates are quoted at Rs 43 to Rs 50 per maund for the superior quality.

Gur

In the Hapur market, ready Gur prices have advanced by about 75 nP to Re 1 a maund, thanks to continued buying support from Gujarat and Saurashtra, as prevailing prices in the South are about 50 per cent higher than those ruling at Hapur. Daily arrivals are small following the recent rainfall and have totalled about 10,000 maunds. Following good despatches to outside stations, stocks at Hapur are estimated at only 10,000 maunds against 28,000 maunds at this time last year. Gur Pansera quality is quoted at Rs 17 a maund as against 15.75 in the corresponding period of last year. Balti quality is quoted at a premium of Re 1 a maund over Pansera quality.

Pepper

In the Cochin market, the price of Pepper has declined to Rs 1,850 from Rs 2,000 a candy in the absence of foreign demand. Fair average quality is quoted at Rs 1,850 and the light variety at Rs 1,000.

India's exports of black pepper, during the first eight months of last year, fell by about 2,000 tons as compared to the quantity exported during the same period in 1958. As against 8,743 tons exported during January to August 1958, exports during January to August 1959 totalled only 6,751 tons. The decrease was mainly attributed to less offtake by the Soviet Union, the USA, West and East Germany, Egypt and the Netherlands. Exports, however, increased appreciably to the East European countries of Czechoslovakia, Poland, Rumania, Bulgaria and Hungary as well as Pakistan.

Cashew

According to the Cashew and Pepper Export Promotion Council, exports of Cashew kernels from India, in the first eight months of 1959, improved to 533,027 cwts valued at Rs 10.61 crores as compared to 485,227 cwts worth Rs 9.53 crores in the corresponding period of the previous year. Cashew

shipments to the USA improved from 348,492 cwts to 363,839 cwts as did those to Russia from 52,046 cwts to 69,915 cwts. Notable increase took place in exports to West Germany from 4,927 cwts to 17,857 cwts; East Germany from 830 cwts to 4,504 cwts and Canada from 14,979 cwts to 18,122 cwts. Exports to Australia were well maintained at 18,122 cwts; but those to the UK declined to 31,206 cwts from 35,806 cwts.

Rubber

According to the figures released by the Rubber Board, stocks of rubber in the country have shown an improvement at the end of November 1959, thanks to a substantial increase in production and imports. Production, during November 1959, was higher at 3,037 tonnes as compared to 2,459 tonnes in the previous month. Imports also rose to 1,054 tonnes from 939 tonnes. Consumption by manufacturers, in the month under review, was also higher at 3,434 tonnes against 2,618 tonnes.

Stocks of rubber in the country increased to 10,467 tonnes at the end of November from 9,810 tonnes at the previous month-end. Out of the total stocks during the month under review, estates and dealers held 5,004 tonnes and manufacturers 5,463 tonnes against 4,426 tonnes and 5,384 tonnes respectively at the close of October, 1959.

During November 1958, production and consumption were 2,855 tonnes and 2,649 tonnes respectively, while the month-end stocks totalled 12,500 tonnes.

Bangalore Silk

In general, conditions in the Bangalore Silk market, during the week ended January 21, in respect of silk and silk products, were more or less similar to those in the previous week. There was practically no change in the prices of Filature and Charka raw silk varieties. Cottage Basin, however, rose by 50 nP per lb.

As regards the prices of Reeling Cocoons, the movement was equally steady.

Oils & Oilseeds

The markets for Oils and Oilseeds continued to display a buoyant appearance with groundnut and castor registering fresh gains. The upward trend in Groundnut gathered fresh momentum with the spot as well as forward prices touching successively higher levels. The sustained shortage of spot supplies accentuated the feeling of nervousness among the sellers, who were obliged to get out of the market at rising prices. Buyers, on the other hand, tightened their grip in view of the favourable conditions.

While arrivals of groundnut continued to be small, the pressure of available supplies increased with the crushers and vanaspati manufacturers making steady purchases.

Besides, there were frequent rumours that the Government were likely to extend the period of validity in respect of unutilised export quotas for groundnut oil. In these conditions, groundnut bold quality remained very firm at Rs 43.25 and groundnut oil at Rs 21.87.

Trading in the Castorseed section was highlighted by significant revival in the operators' confidence in the outlook for exports of castor oil. The feeling, that India need not be alarmed by Brazilian competition, gained strength, as most of the operators were inclined to believe that Brazil would not be an aggressive seller of castor oil in world markets till it received its fresh crop of castor in October, 1960.

The decision of the West Coast of India, Pakistan and USA Conference to allow its members to quote freight rates for castor oil without restrictions, also imparted a bullish tone to the market. Above all, rumours of business in castor oil with America pushed up the rates. Castor ready is quoted higher at Rs 33.50 and Castor Oil, commercial quality, at Rs 18.

The Linseed section was devoid of interest, although the overall trend is upward in sympathy with the firmness in groundnut and castorseed. Shippers are somewhat worried about the continued silence of Australia in respect of linseed oil, while business with the UK and the Continent continues to be difficult. Moreover, operators are somewhat cautious to enter into commitments in view of the approaching movement of the new crop. Linseed ready is quoted at Rs 33.87 and Linseed Oil at Rs 18.31.

Last week's boom conditions in the Madras groundnut and groundnut oil markets continuing this week resulted in the vaida market being closed due to default. Mention was made in the last week's report that the price line was being deliberately held high by bull operators at Bombay due to reckless speculation. The fear, that there would be the possibility of the future positions being affected, materialised today when defaulters could not negotiate for future positions at the same increasing trend.

In the middle of last week, the Madras Oils and Seeds Association represented to the Central Government the deterioration caused by speculators and requested them to intervene. Up to the time of making this report, no response has been visible from New Delhi and the Secretary of the Association told Indian Finance today that, if prices of both oil and groundnut were not brought down immediately, even the few mills working hand-to-mouth would have no option but to close down. Consumers, too, would be affected badly by this step. But no positive steps had yet been taken. (Similar was the case in respect of bullion, too, early this month, and due to Bombay speculative inter-

ests bullion registered a new high price level in Madras.)

High prices as such have paralysed the oil milling and vanaspati industry. The prices of kernalis per candy at Rs 207 and oil per candy at Rs 380 were unheard of.

Today, the market was quite inactive and the rates were only nominal. Groundnut oil per candy of 500 lbs ex-Madras godown exporter ready 3 per cent FFA was quoted nominally at Rs 385-386. There are no buyers.

Castor oil per candy of 500 lbs Rs 320.

Gingelly oil per maund Rs 21. Groundnut oil cake per bag Rs 27. Coconut oil per tin Rs 41.

Arrivals of kernalis in the local market were around 50-60 tons daily.

United Kingdom groundnut oil (Indian) was quoted at £117-119 per ton, while for Burma the quotation was Rs 1750 per ton.

No signs were visible, in the past fortnight, of any downward trend in the price of both groundnut and kernalis. Exporters kept quiet ruling out the argument of excessive export for this increase in prices.

Those who are keen on the restoration of normalcy in the trade are aware that the groundnut harvest has not been exhausted. The season has started just now. At the very start, when prices begin to go high, the producer is afraid of unloading the stock lest he should lose more with a quick sell off. That arrivals are meagre and so prices should go up is not an acceptable argument, because in the producing centres large stocks of kernalis, both husked and unhusked, are still held back by the ryots or the middlemen. They state, it is reported in the Oil Exchange Association, that so long as the price curve tends to climb, they would be unwise to get rid of their stocks. Any downward tendency would induce the stockist to unload, facilitating normal trade and better marketing within reasonable margins based upon supply and demand.

Therefore, last week, when the market operated for four days, groundnuts marked a gain of

Rs 50-55 per ton, and oil gained Rs 70-75 per ton.

The plight of the small-scale crushers was none the happier, because they had to buy at the abnormal rates.

Calcutta interests were watching the market level in oil and bought in small quantities after realising that, in other Andhra or upper India centres, the prices had become uneconomic. Middle of last week, a few candies were absorbed at Rs 377, but with the tone firm, another 150 candies at Rs 380 were dealt with by very needy extreme southern side mills. Having initially satisfied their urgent requirements, they would make no more offers. But market remained at the same rate at last closing and today also it was nominally quoted at Rs 380 Ready per candy.

Forward positions registered big jumps. The three vaidas has placed the shorts in a predicament, and naturally they proved unequal to the task and today there were many defaulters resulting in closure of the transactions in these positions. Since kernalis arrivals came to nothing practically, they could not honour their oil contracts. Therefore, the situation was that they had to buy back those contracts at terms dictated by the bulls, who, under these circumstances, certainly exploited the position to their best advantage. An indication of this squeeze was available on 25th January, and Bombay bulls simply ran through the chaos to reign supreme. In these circumstances, a few mills have begun to contemplate on the worthwhileness of Hedge trading in April vadia, particularly now, when there is nothing to hedge for millers or shippers or other regular traders in the field.

The January vaida was around Rs 375-379 towards the end of last week, but had to be bought back at Rs 380-382 per candy. Despite this, some closed a few deals at Rs 381 per candy.

A small number of transactions were put through at Rs 379 or even at Rs 380 in February vaida. March Vaida too recorded sizeable gains at Rs 382 and it was not possible to bargain at the last closing for less than Rs 385 per candy and naturally none was bold enough to do the deal.

Groundnut oil cake too was quoted higher at Rs 27 per 160 lbs bag with gunny, ex-mill.

Upcountry markets recorded practically no arrival of kernalis. Both South and North Arcot districts, as well as Tanjore, reported strikingly small arrivals. Stockholders were apparently deterred by the high prices. Even in these places, the price levels spurted to Rs 203 per candy. Crushers of oil were hesitant to commit themselves since most of them in the districts were bidders only for lower rates.

Gingelly seed price has also gone up, due to reported small arrivals.

The prices were:

Gingelly Seed:	Rs. per bag.
Mysore quality	67-68
Rajasthan quality	69-70
Local varieties	65-66

Gingelly Oil:	Rs per maund.
On wholesale basis	21
On Retail basis	21-4

Coconut oil was quoted at Rs 41 per ton locally. At Cochin, the price was Rs 662 per candy for Ready and Rs 654 for February.

Burma January shipment G. nut oil Rs 1750 per ton in drums and Rs 1800 in tins.

The following prices prevailed in the other markets in the South of oil and kernalis.

	(1)	(2)
Guntur/Bezwada	204	375
Vidhachalam	202	376
Madhyal	200	368
Villupuram	203	374
Guddappah/Vengal	195	370
Polachi superior nominal	205	370
Tanjore	200	370
Tiruvannamalai	200	372
Salem	202	374

(1) Groundnut seeds per candy of 531 lbs.

(2) Groundnut oil per candy of 500 lbs.

Hides and Skins

Both tanned cow hides and buffalo hides did not change in prices. The former had moderate demand and sales with fair arrivals. Though increased prices were quoted due to UK demand, business was confirmed with United

Kingdom importers one to two pence lower than the quotations given out by the local export houses. Inferior Fifths had good internal demand and at about 46d United Kingdom completed some deals.

Tanned cow calf arrivals were not much and prices were strong. Tanned goatskins sold were about 1,000 pieces and tanned sheepskins sold numbered as much as 51,000. Bazar had 4,000 tanned goat and 25,000 tanned sheep skins. Prices advanced between 6 and 12 nP in this section per lb. but sheep skins were dearer by 25 nP per lb.

Raw skin prices advanced this week also. The following are the rates prevailing: Last week's are quoted in brackets:

Bangalore raw goat skin	Rs 665-750 (Rs 650-715);
White wool sheep	Rs 630-750 (Rs 640-690);
Black wool sheep	Rs 490-530 (Rs 485-520);
Bezwada Raw Goat skin	Rs 645-680 (Rs 630-635);
He sheep	Rs 580-600 (Rs 575-585);
She sheep	Rs 485-500 (Rs 475-485).

January first fortnight's shipments were: To United Kingdom: cow hides 1750 bales, calf skins 158 bales, buffalo hides 4 bales, calfskins 266 bales, goatskins 362 bales, and sheepskins 391 bales.

To the Continent: cowhides 10 bales, calfskins 24 bales, buffalo hides 3 bales, goat skins 382 bales and sheep skins 184 bales.

To United States: Buffalo hides 75 bales; calf skins 2 bales and goat skins 70 bales. Eastern Europe: Cowhides 184 bales, and goat skins 21 bales. Aden imported 3 bales of cow hides. The total was 3,913 bales exported from Madras.

The prices in hides and skins market were as follows:

Per lb tanned cow prime 5½ 5½ lbs Rs 3 to Rs 3.37; 6½ lbs Rs 2.81 to Rs 3.00; 8-8½ lbs Rs 2.31 to Rs 2.50; 10-12 lb Rs 1.94 to Rs 2.06; Buffalo 12-13 lb Rs 1.56 to Rs 1.75; cow calf 1½-2 lb Rs 5 to Rs 5.37; Buffalo calf 1½-2 lb Rs 3.25 to Rs 3.62; Goat prime 8-9 lb Rs 9.25 to Rs 9.37; 5½-6 lb Rs 10.50 to Rs 10.75; Sheep ordinary 6-7 lbs Rs 8.25 to Rs 8.62; sheep prime 6-7 lb Rs 10.75 to Rs 10.87.

ESTD.—1906

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SOUTH EASTERN RAILWAY

TENDER NOTICE

Sl. No.	Tender No.	Brief Description.	Specification.	Quantity.	Due date of opening.	Earnest money.	Cost of Tender Form.
1.	OT/PA/1751/GB10	Slacked Lime for water softening plants containing 75-85% Calcium Hydroxide Moisture 5% maximum to be supplied in 1 cwt suitable gunny bag.		460 tons.	19-2-60 at 12 noon.	Rs. 412/-	Rs. 2/-
2.	OT/PA/582/GB9	(i) Shoes Black Leather. (ii) Capplis Black Leather		8 pairs. 952 pairs.	26-2-60 at 12 noon.	Rs. 230/-	Rs. 2/-

Tender forms are obtainable from Controller of Stores, South Eastern Railway, Garden Reach, Calcutta-23 on remittance of cost

of tender form (not refundable) by Money Order direct to him in case of outside firms and on production of cash receipt from the

Chief Cashier, S.E. Ry., Garden Reach, Calcutta-23, by local firms. Firms not on the Railways list of approved contractors must enclose

a valid Income Tax Clearance Certificate along with the Earnest Money receipt with the tender.

CONTROLLER OF STORES



Marketmen Preoccupied with New Issues

Investment Gossip:

SENTIMENT on the stock market this week has been generally dull. At the time of writing, however, a more confident undertone seems to be prevailing. It would appear that this late revival of activity in the stock market has largely stemmed from the sudden firmness of one or two prominent shares which have been the centre of attraction in the past few days.

This special interest apart, marketmen appear to be slowly regaining confidence in equities as rumours that have percolated to the market place in the past few days about the coming central Budget do not refer to any fresh direct imposition. It is of course generally agreed that some additional levies are inevitable, but they are expected to be in the shape of excise duties on a number of consumer items. Direct or indirect, additional imposts will have their repercussions on industry. But operators seem to be satisfied with the prospect held out by the rumours that there may not be any direct taxes. There are some who draw the inference that, far from imposing new burdens, the corporate sector may be given some relief at least from some of the restrictive tax measures. Optimists seem to have derived some comfort from the Prime Minister's speech at the Businessmen's convention in New Delhi, as he has agreed that tax levies are heavier in India than in most other countries. It is also hoped that the fervent appeals

made by captains of industry for the relaxation of restrictions on private enterprise in order to enable this important sector to function efficiently will not after all go unheeded by authority.

The absence of much activity in the stock markets at the present juncture is not anything unnatural, because both operators and investors are understandably preoccupied with the new issues that have already come and are due to come in the coming weeks. The fact that almost all the new issues that have recently been placed in the market have been heavily oversubscribed shows why old equities are being somewhat neglected. The list of new issues is by no means exhausted yet. For instance, the subscription list of the long awaited issue of Hindustan Aluminium is opening on the 8th February. This is to be followed closely by other prominent issues.

£R\$

Investment Notes:

With the gradual transformation of the country's economy, there has been a shift in emphasis in the activities of Larsen & Toubro Limited. The company has received a licence from the Government to undertake the manufacture of heavy machinery. The company is also considering a number of small manufacturing schemes which are associated with heavy machinery. A suitable site for the factory will be selected either in Orissa or in Bihar.

Negotiations with the Government have reached an advanced stage. The technical collaborators are GHI, a leading West German firm, which will participate in this project on a 50-50 basis. The value of manufactures is expected to increase from Rs 70 lakhs in the current year to Rs 1.45 crores in 1960-61 and to Rs 2 crores in 1961-62. The company has been paying a steady dividend of Rs 12.5 per share even with progressive increases in capital. The outlook for the company is, therefore, bright.

The directors of the West Coast Paper Mills Limited are actively considering a scheme for expanding substantially the production capacity

of the company's plant. The proposals include the doubling of the capacity from the present level of 60 tons a day. The question of a still higher capacity is also under consideration. The details of the scheme are being worked out. The production trend at the factory is reported to be encouraging.

The outlook for Shree Niwas Cotton Mills Limited appears to be encouraging. In view of the substantial programme of renovation carried out by the company during 1959, its working results for the year are expected to be considerably better than in 1958. The working of the company's subsidiary, Shree Madhusudan Mills, is also reported to be improving and considerable progress has been made in the modernisation of the machinery.

Efforts are under way to put up a textile mill in Pondicherry with the assistance of Japan. Negotiations will commence shortly between the Japan Machinery Export Association and some business interests in Kerala, who are believed to be sponsoring this project. It is stated that, while the Kerala interests will construct the mill, Japan will provide the machinery and the technical know-how, as also the operating management. The mill will have some 40,000 spindles and 1,000 looms. It is further stated that the Japanese collaborators in the project will be entitled to receive all profits in the first six years of operation toward payment of machinery and services and that, thereafter, ownership and all other benefits will revert to Indian interests.

As a result of a reorganisation of the shareholdings of the Binny group companies, which was carried out in 1959 with the approval of the Reserve Bank of India, Binny and Company (Madras) Limited, the managing agents, became the holding company of the Buckingham & Carnatic Company, the Bangalore Woollen, Cotton & Silk Mills Company and Binny & Co. (Madras) Limited. The Companies Act, 1956 has imposed various restrictions on managing agents and further restrictions are contemplated by the Companies (Amendment) Bill, 1959. In view of these restrictions, Binny & Co. (Madras) Limited have informed the directors of the Buckingham & Carnatic Company of their desire to relinquish the office of managing agents of the company and this they propose to do with effect from 1st January, 1961.

£R\$

Investment Briefs:

The State Bank of India has recommended a dividend of Rs 20 per share, subject to deduction of tax, for 1959 against Rs 18 paid in the previous year.

Canara Bank has proposed a dividend of 15 per cent, taxable, for 1959 against 10 per cent paid in 1958.

£R\$

Balance-Sheet Points:

The Standard Batteries Limited has reported a net profit of Rs 11.69 lakhs for the year ended 30th June 1959, as against Rs 6.17 lakhs in the previous year. The Ordinary divi-

dend is Rs 14 per share, subject to deduction of tax, on the increased capital against the tax-free dividend of Rs 8 paid in the previous year.

The Textool Company Limited has done much better in the year ended 30th April, 1959. The net profit amounts to Rs 12.73 lakhs as against only Rs 7.53 lakhs in the previous year. A dividend of 15 per cent, less tax, is to be paid against 10 per cent tax-free previously.

The working of the Kirloskar Electric Company Limited has resulted in a profit of Rs 5.82 lakhs for the year ended 30th June 1959, as against Rs 6.46 lakhs in the preceding year. The directors have recommended a dividend of 10 per cent, subject to deduction of tax.

For the year ending March 31, 1959, the Karaikal Electric Company Ltd., had made a profit of Rs 33,907 after providing Rs 17,670 for depreciation. The carry forward amount from the previous year was Rs 36,339. A sum of Rs 70,446 was available for appropriation. The previous year's profits were Rs 33,812. Tax paid was Rs 2,726. Contingency Reserve was Rs 48.0, Development Reserve was Rs 1,705, and Income-tax reserve was Rs 22,000. A dividend of 8%, tax-free, has been recommended on the shares, absorbing Rs 16,781. The balance of Rs 26,775 is carried to the current year. Previous year's dividend was also 8%.

Cowooddy Estates Limited has reported a fall in its net profit before providing for taxation and depreciation for the year ended June 30, 1959. The profits were Rs 1.28 lakh against Rs 4.75 lakhs in 1957-58. Depreciation allocation is Rs 14,760 against Rs 11,993 last year. Taxation allowance is Rs 27,200 against Rs 1.68 lakhs, while the general reserve gets Rs 25,000 against Rs 21,952. The final dividend of 15% along with the interim dividend makes the total 25% for the whole year taxable. Last year the dividend was 56%. Smaller coffee crop of 101,457 kilos against 177,805 kilos previously was stated to be responsible for lower profits. Working expenses also are reported to have increased. The current year's estimate of coffee crop is 115.8 tonnes.

£R\$

New Issue Notes

The Kirloskar Company Limited has proposed to increase its authorised capital from Rs 50 lakhs to Rs 1 crore by the creation of further 5 lakh equity shares of Rs 10 each. The present authorised capital is Rs 60 lakhs, divided into 5 lakh equity shares of Rs 10 each. Out of this, the company has already issued capital amounting to Rs 45 lakhs, leaving a balance of only Rs 5 lakhs available for further issue.

The response to issue of fresh capital to the public by the Premier Tyres Limited has been overwhelming. It is understood that the issue has been over-subscribed by about 6½ times. Applications from the interior have yet to arrive. The company will now proceed with the allotment of shares in consultation with the Bombay Stock Exchange authorities and hope to complete it before the middle of next month.

January 30, 1960



Improved Recovery, Profits Reported by Champarun Sugar

Balance-Sheet Reviews:

A SUBSTANTIAL improvement in recovery has enabled the Champarun Sugar Co Ltd, under the managing agency of Begg, Sutherland, to report a sharp increase in its earnings during the year ended June 1959. It is to be noted, however, that cane crushed in 1958-59, though higher at 5.79 million maunds as against 5.42 million maunds in the previous year, is still rather lower than the 6.29 million maunds crushed in 1956-57. The contribution of higher recovery to the better profits is disclosed by the fact that, despite a lower volume of cane crushed in the latest year, the outturn of sugar, at 569,720 maunds, is higher than the relative figure for 1956-57 by more than 10,000 tons.

In this context, the Directors' Report points out that the crush at Chanpatia was the highest in the last twenty years. The recovery at Barrah was 9.81 per cent, and 9.86 per cent at Chanpatia.

However, sales are somewhat lower in the latest year, having declined from Rs 2.13 crores in 1957-58 to Rs 2.03 crores, though showing considerable improvement over the relative figure for 1956-57, which was Rs 1.78 crores.

The net profit, before tax and depreciation, has risen steeply from Rs 9.95 lakhs to Rs 13.55 lakhs. The provision for tax has been quintupled to Rs 5 lakhs. Depreciation, on the other hand, is a lesser charge at Rs 1.75 lakhs against Rs 3.25 lakhs. Development Rebate gets a nominal Rs 1,944 as compared with Rs 13,000 in 1957-58. Other Funds receive rather more at Rs 3.98 lakhs against Rs 0.27 lakhs. The dividend payment has been stepped up from 10 per cent to 15 per cent, the latter, however, being subject to deduction of tax. But, in any event, the effective return to the shareholder, in just recognition of the better performance, is somewhat marked up.

The paid-up capital of Champarun Sugar, all ordinary shares, is at Rs 18 lakhs. The share premium account is shown at Rs 2.10 lakhs. The amount to the credit of Capital Reserve, at Rs 18.87 lakhs, exceeds the paid up capital. There is, besides, a Reserve Fund to the tune of Rs 14.40 lakhs, and Other Funds total Rs 7.08 lakhs. Secured loans are a heavy item on the liabilities side of the ledger at Rs 42.19 lakhs, though they show a drop of over Rs 5½ lakhs from the previous year's figure.

The gross block of the company has been showing little change in the last three sets of accounts, and in the latest balance-sheet is placed at Rs 84.99 lakhs. Accumulated depreciation totals Rs 63.38 lakhs, the net block consequently being placed at Rs 21.61 lakhs. There are few other changes of significance in the accounts, except perhaps for a rise of Rs 1.43 lakhs to Rs 3.55 lakhs in cash balances.

CHAMPARUN SUGAR COMPANY, LIMITED.

Mg. Agents:—Begg, Sutherland & Co. (Private) Ltd.	1959	1958	1957
Year ended June	Rs.	Rs.	Rs.
Cane Crushed (mds.)	5,789,443	5,417,221	6,292,824
Sugar (mds.)	569,720	533,127	559,618
Sales	20,308,938	21,255,235	17,803,444
Stocks	7,128,253	6,837,778	9,222,010
Net profit	1,355,174	994,985	52,324*
Taxation	501,000	100,000	55,000
Depreciation	175,000	325,000	370,200
Development Rebate	—	—	—
Reserve	1,944	13,000	—
Other Funds	398,056	27,000	—
Div. Amount Ord.	270,000	180,000	—
Carry Forward	16,996	6,822	—343,163
Div. % Ord.	15	10	nil

(Annual General Meeting on 24-2-60 at 10 a.m.)
*After writing back Rs 175,000 from Contingencies Reserve and Rs 34,720 being adjustment of Stores, Sales Tax Rebate, etc.

Synopsis of balance sheet as on the last day of June

Liabilities	1959	1958	1957
Rs.	Rs.	Rs.	Rs.
Capital Paid-up	1,800,000	1,800,000	1,800,000
Share Premium	210,000	210,000	210,000
Capital Reserve	1,887,000	1,870,000	1,830,000
Reserve Fund	1,440,000	1,440,000	1,440,000
Other Funds	708,304	821,844	319,288
Loans Secured	4,219,363	4,782,023	8,145,117
Loans unsecured	14,727	98,063	50,830
Taxation Provision	497,588	61,046	112,422
Debits	1,708,360	1,677,373	2,152,275
Carry Forward	16,996	6,822	—
Total	12,502,336	12,268,816	16,059,710

Assets	1959	1958	1957
Rs.	Rs.	Rs.	Rs.
G. Block	8,498,942	8,545,310	8,472,400
Depreciation	6,837,829	6,225,089	5,912,895
Block (net)	2,161,113	2,320,221	2,559,705
Cap. Exp. in progress	28,855	3,894	—
Stores	1,213,558	1,370,656	1,260,440
Stocks	7,128,253	6,837,778	9,222,010
Outstandings	385,734	386,659	638,939
Do. More than 3 months	225,261	181,563	181,130
Mis. Deposits and Advances	967,500	917,463	1,582,529
Investments	36,600	36,600	76,800
Cash	355,462	211,982	237,104
Debit Balance	—	—	343,163
Total	12,502,336	12,268,816	16,059,710

ANGELO BROS. LIMITED.

Mg. Agents:—Turner, Morrison & Co. (Private) Ltd.	1959	1958	1957
Year ended August	Rs.	Rs.	Rs.
Sales	17,190,478	17,790,897	24,842,835
Net profit	1,228,374	1,128,417	1,699,287
Taxation	640,000	685,000	1,025,000
Depreciation	97,414	104,850	108,872
Development Rebate	—	—	—
Reserve	5,467	8,484	—
Div. Amount Ord.	600,000	450,000	540,000
Carry Forward	224,865	239,372	361,289
Div. % Ord.	20	15	18

(Annual General Meeting on 9-2-60 at 3-30 p.m.)

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

Liabilities	1959	1958	1957
Rs.	Rs.	Rs.	Rs.
Capital Paid-up	3,000,000	3,000,000	3,000,000
Reserve Fund	2,530,224	2,523,373	2,520,717
Other Funds	1,113,951	1,108,484	1,109,000
Staff Gratuity Fund	300,000	300,000	300,000
Taxation Provision	1,180,677	1,524,238	1,759,906
Debits	1,397,643	1,156,195	1,412,985
Carry Forward	224,865	239,372	361,289
Total	9,747,360	9,851,662	10,454,897

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Previous Dividend (Rs Per Share)	Transfer Books Closed
Alliance Jute	Feb. 2	Nil	Nil	20/1/60 to 2/2/60
Waverley Jute	Feb. 3	0.25	Nil	21/1/60 to 3/2/60
Balrampur Sugar	Feb. 8	0.40	0.25	1/1/60 to 8/2/60
Bharat Sugar	Feb. 9	1.50	1.00	30/1/60 to 9/2/60
Angelo Bros.	Feb. 9	2.00	1.50	25/1/60 to 9/2/60
Kalapahari Coal	Feb. 4	0.75 (int.)	Nil	25/1/60 to 4/2/60
Champarun Sugar	Feb. 24	1.50	1.00	9/2/60 to 24/2/60
Indian Oxygen	Feb. 25	1.50	1.00	8/2/60 to 25/2/60
Alkali and Chemical		0.95	0.80	

ORISSA CEMENT LIMITED

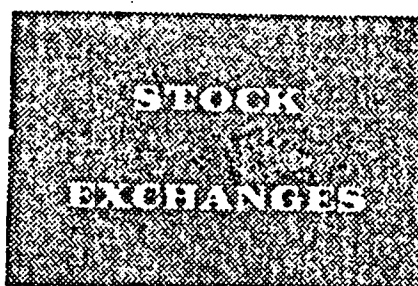
Regd. Office:

RAJGANGPUR, S. E. Ry. ORISSA

This is to inform to all the applicants who have applied against new issue of 7,50,000 ordinary shares of Rs. 10/- each of the Company that the Allotment Letters in respect of the shares allotted to them have been despatched from the Registered Office of the Company on 25th January, 1960 "UNDER CERTIFICATE OF POSTING" at their respective addresses recorded in the Company's Books.

S. KEDIA
Assistant Secretary

Dated, 26th January 1960.



A State of Uncertainty

Watch-Dog Writes:

DEALINGS in stock markets have been characterised by a state of uncertainty during the week under review. Talks of increased taxation and the prevailing monetary stringency are holding the speculative operators in check, while investors seem to be pre-occupied with taking up new issues. The only relieving feature of trading is that the pace of decline is relatively slow and the selling pressure is less around the lower levels.

Trading on the Calcutta Stock Exchange was dull with prices drifting to lower levels.

The publication of the Wage Board report for the textile industry had a

STATE BANK OF INDIA

A Meeting of the Central Board of Directors of the State Bank of India was held at Calcutta on Friday, the 22nd January 1960.

The following is a note of the net profits declared at the Meeting for the year ended the 31st December 1959 and their distribution:

Net profits for the year ..	Rs. 187,10,400
Brought forward from last year ..	Rs. 55,73,200
	Rs. 242,83,600

Dividend to Shareholders at the rate of Rs. 20/- per share, subject to deduction of tax (made up of Interim Dividend at the rate of Rs. 10/- per share Rs. 56,25,000 and Final Dividend at the rate of Rs. 10/- per share Rs. 56,25,000)	Rs. 112,50,000
Transferred to Reserve Fund ..	Rs. 20,00,000
Transferred to Pension Funds ..	Rs. 6,96,100
Bonus to Staff ..	Rs. 40,00,000
Transferred to Welfare Fund ..	Rs. 2,50,000
Transferred to Staff Co-operative Housing Fund ..	Rs. 5,00,000
Carried forward	Rs. 55,87,500
	Rs. 242,83,600

depressing effect on the Bombay Stock Exchange.

Activity on the Madras Stock Exchange was mostly confined to the Planting issues.

Uncertain conditions prevailed on the London Stock Exchange.

Wall Street closed heavy with price changes either way ranging to about one dollar or so.

Calcutta

Calcutta, Thursday Evening.

ACTIVITY on the local Stock Exchange was restricted last week when price movements were rather irregular on alternate buying and selling. The main factor responsible for the present phase was the Budget, which continued to cast its shadows. There was a general disposition on the part of professional operators to lighten their commitments on the feeling that a recovery might not be possible till the presentation of the Budget. Investors, too, tried to liquidate some of their holdings in order to subscribe for the new capital issues.

Budget thoughts apart, one factor restraining activity in the market was the stringency in the money market where demand had been steadily increasing. The fact that operators were in no mood to extend support to the market even around the lower levels, but strength to the theory that there was no possibility of any major rally before the presentation of the Budget.

The Giltedged market continued to remain dull. With the money conditions remaining tight, institutional enquiry was lacking and prices tended to ease further on small offerings. The volume of business was meagre in the extreme and the tone was subdued. 3 per cent 1988 Conversion Loan changed hands at Rs 74.05 to Rs 74.25, to finish at Rs 74.23.

The only section, which was practically neglected throughout the week, was Jute. Operators seemed to be in no mood to enter into any commitments on the feeling that even the present decline in raw jute prices was not enough to enable the mills to make a sufficient margin of profits on account of the poor demand for jute goods from abroad. The news of the strike at the Howrah mills was also a contributory factor. Howrah, for obvious reasons, were offered at as low as Rs 23.87 against Rs 24, while Bally were marked down to Rs 210 from Rs 217 and New Central to Rs 22.25 from Rs 23.06. India were, however, maintained at Rs 16.06 and so also National at Rs 30.87. Kamarhatti changed hands at Rs 170 to Rs 173 against Rs 176.

Although a few selected Coal shares continued to meet with good demand on the hope of an increase in demand for the commodity in the coming months, there was a general disposition to book profits at bulges in view of the anxiety with regard to the transport situation. Reports of lower production last year were another contributory factor. Bengal continued to be supported up to Rs 300; Western Bengal up to Rs 6.62; Equitable up to Rs 30.50 and Central India up to Rs 8.87. Burrakur moved rather irregularly between Rs 18.31

and Rs 19.50, to finish at the last quoted level.

Tea shares became extremely susceptible to the fluctuations of rates at the auctions and recorded business at reduced levels. Shares of the Cachar gardens were freely offered on fears of increased costs of production as a result of higher wages. Banarhat changed hands at Rs 318 to Rs 320; Bormah Jan at Rs 18.69 to Rs 18.81; Grob at Rs 13.75 to Rs 13.87 and Dhelakhat at Rs 22.06 to Rs 22.37. Jayshree were on offer at Rs 15.69 against Rs 16.25 and Killcott at Rs 20.50 against Rs 20.87.

Sugar shares came in for good demand, but at lower levels. Operators were inclined to await further developments in the sugar situation. Raza/Buland met with business at Rs 12.69 to Rs 12.94 (Rs 12.75); Carew at Rs 12.12 to Rs 12.37 (Rs 12.37); Cawnpore at Rs 15.19 to Rs 15.81 (Rs 15.75) and Darbhanga at Rs 18.69 to Rs 19.06 (Rs 18.69). Figures shown within brackets were the week's closing rates. The only firm feature were Balrampore, which met with sustained support up to Rs 4.16 from Rs 4.06.

Textile scrip displayed an easier tendency as operators were inclined to book profits at the recent high levels, pending further developments in the cotton situation. The publication of the Wage Board report also had a depressing effect on sentiment. The only exceptional feature were Cawnpore, which were barely maintained at Rs 6.50. Elgins were, however, marked down to Rs 17.06 from Rs 17.50 to finish better at Rs 17.31. Kesoram, after touching a low of Rs 21.69 from Rs 22.12 closed better at Rs 22.00. Jayshree moved between Rs 12.37 and Rs 12.50.

In the Engineering section price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to sustained selling pressure till Thursday on lower advices from Bombay. Against the week-end closing of Rs 22.15, Indian Irons opened lower at Rs 21.95 and receded further to Rs 21.85 at which level some bear-covering coupled with replacement buying pushed up the scrip to Rs 22.16, closing finally at Rs 22.14. TEXMACO were marked down at one time to Rs 25.45; Kumardhubi to Rs 6.50 and Marshalls to Rs 5.04, to finish better at Rs 25.55; Rs 6.69 and Rs 6.00 respectively. Braithwaite were, however, a firm feature at Rs 28.69 and so also Britannia at Rs 12.12. Burn were quiet at Rs 438 against Rs 441.

Miscellaneous issues moved with the general trend of the market. Following were the price trends of a few selected scrip:

	Week's High	Week's Low	Week's Closing
Orient Paper	37.80	37.50	37.65
Shree Gopal	22.50	22.19	22.50
Sirpur	13.62	13.31	13.50
Rohtas	27.56	27.00	27.31
Dunlop	36.25	35.87	36.25
A. Chemical	23.87	23.50	23.12xd
H. Motor	16.37	15.22	16.31
I. Cable	29.62	29.44	29.56
I. Aluminium	24.94	24.50	24.94
I. Copper	3.86	3.80	3.85
I. Steamship	11.81	11.62	11.66
B. I. C.	5.81	5.69	5.69
Angelo Bros.	21.81	21.61	21.61

Bombay

ALTHOUGH sentiment was quite constructive at the start of the week, not much improvement obtained at the end of the week on Thursday, mainly due to the lack of fresh buying. In earlier dealings there was considerable resistance to lower levels but there was also a marked tendency to refrain from fresh commitments at the higher levels. It would appear that the Central Budget is inducing its usual effect on the market but it would appear that this year rumours have ruled out any additional levies in the shape of direct

THE INDIA JUTE COMPANY, LIMITED.

NOTICE OF INTERIM DIVIDEND

Notice is hereby given that the Board of Directors of the above Company have sanctioned payment of an Interim Dividend on the Ordinary Shares at 75 Naye Paise per share (less tax to be deducted in accordance with the provisions of the Finance Act, 1959) in respect of the year ending 31st March, 1960, payable to those members whose names appear in the Company's registers on the 27th February, 1960, as the Registered Holders of Ordinary Shares. The above dividend will be paid on or after 14th March, 1960.

The Share Transfer Books of the Company will be closed from 17th February, 1960, to 27th February, 1960, both days inclusive.

By Order of the Board,

A.D.A. ALEXANDER,
Secretary.

16, Strand Road, Calcutta.
Dated the 28th January, 1960.

THE MEGNA MILLS COMPANY, LIMITED.

NOTICE OF INTERIM DIVIDEND

Notice is hereby given that the Board of Directors of the above Company have sanctioned payment of an Interim Dividend on the Ordinary Shares at 60 Naye Paise per share (less tax to be deducted in accordance with the provisions of the Finance Act, 1959) in respect of the year ending 31st March, 1960, payable to those members whose names appear in the Company's registers on the 27th February, 1960, as the Registered Holders of the Ordinary Shares. The above dividend will be paid on or after 14th March, 1960.

The Share Transfer Books of the Company will be closed from 17th February, 1960, to 27th February, 1960, both days inclusive.

By Order of the Board,

A.D.A. ALEXANDER,
Secretary.

16, Strand Road, Calcutta.
Dated the 28th January, 1960.

taxation. Excise duties on a wide front is generally anticipated but these do not seem to worry the operators very much. The budget apart, there are two other important limiting factors in the situation, the growing stringency in the money market and the investors' continued interest in new issues of which more are due in coming weeks. It is generally believed that activity would continue to be somewhat restricted till the budget is out of the way.

In the steel section, conditions were irregularly easier. Tata Steel declined from Rs 147.50 last Friday to be finally placed at Rs 143.75 this Thursday. Indian Iron reacted to Rs 21.83 from Rs 22.28. Mukund Iron was likewise quiet at Rs 17.52.

Textile shares met with selling pressure in earlier dealings following indications that the Wage Board had recommended. Increased wages for textile workers. Though lower levels attracted renewed interest the close was easier in tune with the rest of the market. Bombay Dyeing receded to Rs 65.60 from Rs 67.50. Century was sold down to Rs 438 from Rs 442.50, Kohinoor lost ten points to be placed at Rs 307 as did Svadeshi at Rs 252. Standard was lower on balance at Rs 755. Gokak moved down to Rs 163 from Rs 168, Indore Malwa to Rs 110 from Rs 114 and Tata Mills to Rs 45.75 from Rs 47.50.

Among Miscellaneous issues automobile shares met with support in later dealings. Hind motors moved up to Rs 15.88 from Rs 15.40. Premier automobiles gained nearly three points over the week to be done at Rs 148. Among Engineering shares Larsen Toubro was a steady feature at Rs 26.65 on expansion prospects. Cement shares were irregular with ACC quiet at Rs 145.25 and Ashoka unchanged at Rs 8.76.

Madras

DUE to selling pressure, the stock exchange here today showed an extremely weak tendency. In many counters, there was much of inactivity, resulting in prices being quoted considerably lower. In contrast to last week's undertone, textiles exhibited particular selling pressure with no buyers. Sugars followed the same trend. Plantings were irregular and also shedded values. Little business, if at all, was transacted in the miscellaneous section, which also remained inactive.

Banks: Bank of Mysore improved to Rs 385.00 from the last closing of Rs 359.00. Indian Bank Rs 100 paid was lower today at Rs 183.00 and Rs 80 paid was 50 nP higher at Rs 149.00. Indian Overseas slid down to Rs 175.00 from the previous closing of Rs 177.25. Punjab National was stable at Rs 21.50 and the Travancore Forward at Rs 6.20.

Electric: Cochín was unaltered at Rs 10.25, but Kumbakonam went up by 10 nP at Rs 10.70. South Madras was weaker by 10 nP at Rs 10.15. Vellore and West Coast were the same at Rs 13.00 and Rs 12.50 respectively.

Plantings: Amalgamated continued at Rs 13.75 and Anandam at Rs 15.50. Badra was quoted at Rs 3.97 and Be Be shares were raised to Rs 3.63. Blue Mountain was lower at Rs 3.40 and Chandramalai was unchanged at Rs 3.03. Chembra, too, was lower at Rs 4.28. Cochín

Malabar was at Rs 7.05. Both Coffee Lands and Consolidated Coffee shares were available cheaper at Rs 23.00 and Rs 21.75 respectively. Coonoor and Cocrg were unchanged at Rs 26.50 and Rs 5.20. Cowcoody was maintained at Rs 6.10. Highland was quoted at Rs 14.65 and Kailas at Rs 4.90. Karikode was steady at Rs 9.45. Kil Kotagiri was lower than the last closing at Rs 465. Kumer-gode was at Rs 6.10. Lingapur shares were transacted 5 nP lower at Rs 6.90. Malankara was at Rs 18.12. Mercara, following others in the line, was available at Rs 12.15,

being lower than the last level of Rs 12.20. Mysore Coffee was no better than Rs 5.03, and Nellithanam at Rs 12.05. Ossoor was at Rs 3.68 and Oucherlony Valley did not change at Rs 5.75. Peermade was at Rs 20.25 and Periakaramalai at Rs 3.72. Pullangode at Rs 1.95 was not fancied. Rajagiri at Rs 20.25 changed hands while Shevroy at Rs 1.63 attracted little business. T.R. & T. also was lower today at Rs 7.90. Wartyhully had offers at Rs 3.65 and Waterfall at Rs 3.70 had no buyers.

Miscellaneous: Aluminium Industries was enquired at Rs 21.80.

Andhra Cement and Andhra Scientific did not alter at Rs 9.30 and Rs 9.50 respectively. In Ashok Leyland, no business could be done even at Rs 6.80. Binny continued at Rs 160.00, as well as F.A.C.Ts at Rs 9.77.

Hindustan Lever at Rs 34.98 remained untransacted. India Cement too was unattractive at Rs 6.19. Indian Steel Rolling was quoted at Rs 12.40. Kinloskar Electricals at Rs 12.75 was not prominent. Manikar was quoted at Rs 48.00. Mysore Chemicals and Fertilisers were not in demand, though at the price of Rs 9.9.

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M. L. Khaitan, Chairman, Bata Shoe Co. Ltd.

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LIST OF QUOTED SHARES

NAME	Paid-up	Quotation as of
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Share.	22-1-80	22-1-5
	Re: RB	Re: RB

NAME	Paid-up Share	Quotation as on 22-1-60 Re NP	22-1-59 Re NP	NAME	Paid-up Share	Quotation as on 22-1-60 Re NP	22-1-59 Re NP	NAME	Paid-up Share	Quotation as on 22-1-60 Re NP	22-1-59 Re NP	NAME	Paid-up Share	Quotation as on 22-1-60 Re NP	22-1-59 Re NP
Hindust. Mercan.	50	17.87	13.00	Bengal-Nagpur	10	4.54	3.81	Burma Mines	34	1.73	1.53	FLOUR MILLS			
Punjab National	10	21.50	23.85	Birla Cotton	10	20.00	33.75	Consol. Tin	1	0.44	0.50	Bengal	10	36.12	30.45
United D.	10	5.06	4.94	Bowrah	100	179.00	105.00	Chrestien Mica	10	9.81	10.25	Delhi	10	12.80	16.00
United Comm.	50	64.25	69.00	Cawnpore	50	6.56	4.31	Chr. Mica Defd.	5	5.64	6.06	Hooghly	10	21.91	26.37
RAILWAYS				Century Spg.	100	398.10	320.89	Indian Copper	10	3.86	3.62	United	10	45.00	29.87
Ahmedpur-Kutwa	100	39.00	50.00	Dunbar	100	200.00	141.00	Kangra Valley	100	95.00	95.00				
Arrah-Basaram	100	45.00	47.90	Elgin	10	17.50	11.50	Karapurva Devel.	10	13.37	11.31	INSURANCE			
Bankura-Damodar	100	45.00	49.50	Jagatjit Cotton	10	14.00	8.88	Metal Corp.	10	11.69	8.94	Concord of India	5	12.12	11.81
Burdwan-Cuttwa	100	47.31	51.90	Jayshree Tex.	10	11.50	8.18	Metal Corp. Defd.	1	2.00	2.00	General	25	19.25	18.12
Buxtarpur	100	27.75	11.12	Jiajiesoo Cotton	10	11.56	5.37	Orissa Minerals	10	36.12	26.25	Hercules	10	24.87	24.00
Chapar-Sighat	100	31.00	37.00	J. K. Cotton	100	100.00	100.00	Stuna Stone Lime	10	17.50	19.25	India Trade	40	23.50	22.25
Dehri-Rohas	10	18.75	10.44	Keoram	10	22.12	11.87	CEMENT, POTTERY & FIRECLAY				National Incoe	100	344.00	344.00
Futwah-Jampra	100	32.50	37.38	Maharaja Shree	100	165.00	...	A-B. Cement	10	5.75	3.31	New Asiatic	5	3.58	2.62
Howrah-Alamta	100	44.00	51.96	Umaid	100	85.00	50.00	A.B. Cement Defd.	1	1.08	0.87	Ruby General	8	7.19	6.19
How-Sheakhala	100	55.50	34.90	Mulr	100	1.44	1.19	Asaka Cement	10	9.12	8.25	Standard	10	4.25	4.90
Kata-Lalabazar	100	56.13	89.88	New Victoria	21	8.69	5.00	Bengal Potteries	21	6.37	4.00	Triton	25	146.00	151.00
Mahadara (Delhi)	100	66.75	98.00	Orissa Textiles	10	10.12	12.00	Dalmia Bharat	10	11.41	9.58				
COAL				Rampooria Defd.	1	2.40	4.50	Dalmia Defd.	1	2.00	2.44	Airways (India)	10	4.78	4.06
Amalgabated	10	21.89	21.50	Shree Madhusudan	10	6.00	...	Jairpur Udyog	10	11.69	9.94	Alum. Corp.	10	15.00	10.94
Asso. Kpura	10	4.75	4.75	Shree Niwas	100	223.00	157.00	Kalyanpur Lime	100	103.00	105.00	Alum. Corp. Defd.	21	6.69	5.25
Asso. Laikdi	10	3.75	2.94	Shri Bhawan	100	10.25	10.00	K'dhubi Fireclay	10	22.75	22.75	Amalgam. Devel.	100	50.00	50.00
Bagdigi Kuljama	100	9.00	3.51	Sultje Cotton	10	91.00	75.50	Reliance Firebrick	10	20.00	24.62	Angelo Bros.	10	21.75	19.87
Bengal	100	300.00	282.00	Swadesh Cotton	10	10.25	10.35	Orissa Cement	10	12.75	12.44	Asso. Hotel	10	6.00	7.50
Bengal Bhatdee	10	3.48	4.08	Swadesh (P.O.)	10	9.68	10.00	Sone Valley	5	5.72	5.25	Assam Match	10	17.75	17.31
Bengal-Nagpur	10	12.50	12.75	JUTE				CHEMICALS				Balmer Lawrie	100	200.00	145.00
Bhagalora	10	6.63	6.31	Agarpara	10	11.62	11.00	Alkali	10	24.31	17.87	Barace Coke	10	18.25	11.81
Bharat	10	7.06	6.44	Alexandra	100	172.00	152.00	Bathgate	10	1.00	0.69	Bharat Commerce	10	12.56	6.06
Bhowra Kankanee	10	11.12	...	Alliance	100	114.00	125.00	Bharat Chem.	100	107.00	96.00	Bharat Nidhi	10	8.06	5.37
Bhulanbarree	10	5.87	7.75	Anglo-India	100	211.00	225.00	Bharat Starch	10	8.06	8.06	Bhartia Co.	100	34.75	44.75
Bhuranaga	10	1.81	2.00	Auckland	100	170.00	180.00	Burns Lime	10	8.25	7.50	Bhartia Sons	10	2.50	2.47
Bokaro & Ramguri	10	14.50	14.00	Bally	100	217.00	205.00	Calcutta Chem.	10	16.00	15.00	Birds Invest.	10	15.94	15.00
Borra	10	19.25	18.25	Barnagore	5	148.00	142.00	Dahangdhara	100	160.00	103.00	Bihar Rice	10	1.00	1.50
Burra	10	18.44	17.50	Beldere	100	146.00	166.00	Frank Rose	5	2.75	1.87	Br. Biscuit	10	25.81	17.94
Buxar	10	8.75	7.25	Bengal	10	11.37	11.62	Smith Stanstreet	5	12.75	10.31	Br. Ceylon Corp.	10	7.00	6.10
Central India	10	8.75	7.25	Bharat	25	6.12	6.12				B. I. Corp.	5	5.69	3.62	
Central Kurkud	10	11.25	11.50	Birla	10	26.00	20.12	ELECTRICS				Cal. Credit Corp.	10	9.44	4.12
Churulla	4	4.00	2.87	Budge-Budge	100	133.00	150.00	Agra	100	139.00	144.00	Calcutta Gas	10	5.08	8.25
Dheno Main	10	9.94	9.25	Calcutta	10	8.19	9.94	Almagamated	10	7.96	8.41	Cal Invest.	100	43.70	47.31
East India	1	25.19	22.62	Caledonia	100	178.00	197.00	Aligarh	10	10.00	10.00	Calcutta Safe	10	7.87	7.81
Equitable	10	29.87	28.75	Champdany	100	125.50	127.00	Bareilly	10	14.44	14.50	Calcutta Silk	10	4.37	4.06
Guha & Musla	10	13.00	17.00	Chivot	100	168.00	196.00	Barnagar	10	14.50	14.19	Calcutta Trams	61	15.00	14.75
Gourangdi	10	7.00	7.00	Chitavalah	100	14.50	14.87	Bhagalpur	5	7.47	8.37				
Guza, Kajora	10	6.00	8.25	Clive	10	12.37	14.00	Calcutta	61	15.31	14.87	Corpn.	100	100.00	101.00
Hurliadhi	10	14.37	14.87	Dalhousie	100	144.00	136.00	Cuttack	10	8.25	7.41	Chern Chhatak	5	6.25	6.25
Jaini Central	21	0.43	2.00	Delta	100	144.00	174.00	Dharwar	50	45.80	46.50	Cible Row Inv.	10	8.81	11.62
Josta	10	2.00	1.56	Empire	100	15.87	19.44	Dishergarh	100	67.00	74.50	Darjeeling Rope	10	7.75	5.87
Kalahari	10	28.50	22.00	Fort Gloster	100	381.00	257.00	Eastern UP	10	7.00	7.00	Dunoon Bros.	100	117.00	122.00
Karapurva	100	146.00	115.00	Fort William	10	23.69	23.75	Jubbulpore	10	13.69	13.75	Dunlop	10	36.12	30.37
Katras Jheriah	10	62.50	66.75	Ganges Mfg.	10	9.06	...	Jorhat	10	11.62	11.62	Eastern Invest.	100	144.00	133.00
Khas Kajora	10	12.00	9.50	Gondalpara	10	28.00	...	Shanal	10	6.62	7.23	Elec. Const.	10	12.87	11.16
Khas Shamapore	10	1.06	1.06	Goudapore	100	442.00	387.00	Kursong	10	2.19	2.19	French Motor	10	24.38	25.00
Kuardi	10	3.81	2.75	Haastings	100	99.00	105.00	Mittra	10	9.12	9.14	Ganges Rope	100	208.00	175.50
Lakuria	10	14.87	15.50	Hooghly	10	11.77	13.00	Muzaffarpore	10	7.62	8.12	Gillanders	10	11.40	11.21
Mahabir	10	12.25	12.25	Howrah	10	24.06	20.6	Patna	10	10.69	11.25	Godfrey Phillips	10	20.75	19.23
Mundulpore	10	0.50	1.05	Hukumchand	71	22.37	21.58	Shahjahanpur	10	8.62	8.81	G. E. Hotel	250	250.00	250.00
Nazira	10	8.31	7.56	Kanarhatty	100	178.00	177.00	Shillong Hydro.	2	4.96	5.50	Greaves Cotton	100	138.50	106.50
New Beerthoom	10	22.31	19.87	Kanarhatty B	100	186.00	172.00	Silva Jheriah	10	9.62	11.00	Hindusthan Ice	7	12.56	12.71
New Churulla	10	2.28	2.00	Kankarrah	100	101.50	100.00	U. P.	100	132.00	135.00	Hindusthan Ice	5	1.05	0.90
New Huntodhi	10	4.00	4.00	Kankarrah (B)	10	99.00	84.00	Upper Ganges	10	14.00	12.12	Hindusthan Lever	10	35.19	25.87
New Jalrapur	10	3.50	3.50	Kedarnath	10	10.12	8.12	Upper Jumna	10	18.75	16.75	Hindus. Motors	10	15.44	7.22
New Manbhoom	10	12.31	11.12	Kelvin	100	144.00	263.00	ENGINEERING				Hind. Nat. Glass	10	9.00	5.23
North Damuda	21	1.10	1.25	Khardah	100	189.00	167.00	Arthur Butler	10	12.75	9.12	Hindus. Pilkington	10	17.81	10.13
North-West (F.P.)	10	23.12	24.92	Kinnison	100	174.00	195.00	Bhartia Elec.	10	14.75	15.00	Hoare Miller	10	8.19	6.03
North-West (F.P.)	71	20.75	19.12	Landowne	100	137.00	129.00	Braithwaite & Co.	10	28.62	32.00	Imp. Tobacco	10	10.87	12.37
Oriental	10	8.12	8.00	Lawrence	100	132.00	115.00	Bri. Bldg. & Iron	7	7.19	6.00	Indian Alum.	10	24.62	16.54
Ondal	10	11.50	12.00	Mahabir	100	85.00	85.00	Bri. Eng.	10	12.06	11.06	Indian Cable	10	29.75	29.16
Parasae	10	18.56	15.40	Megna	10	12.87	14.75	B. I. E. Conat	10	31.81	21.25	Indian Oxygen	10	29.25	23.61
Pench Valley	10	19.62	23.94	Nalhati	100	82.00	77.00	Bridge and Roof	10	25.00	27.20	Indian Plastic	10	8.81	5.23
Pure Sitapore	10	5.75	6.25	Nankarpura	10	12.50	14.25	Burn & Co.	100	436.00	364.00	Indian Rubber	10	18.25	18.00
Rancegunge	10	17.25	14.56	National	10	30.75	26.12	Guest Keen	10	44.25	37.25	Indian Wood	10	32.00	44.37
Rewa	10	19.69	18.00	Nellimaria	10	12.06	12.06	Hoghy Docking	50	105.50	118.00	Ind. Corp. of Ben.	10	0.31	0.31
Samsa	10	12.00	12.94	New Central	10	23.06	13.50	India Galv.	10	21.56	16.50	Iran Jones	2	1.65	1.90
Seasole	21	2.69	6.00	New brook	10	19.94	18.69	India Iron	10	22.15	22.16	James Wright	5	2.62	2.25
Seaspore	7	27.12	26.25	Nuddea	50	57.25	60.00	India Machinery	10	2.00	2.00	James Wright Defd.	1	0.69	0.69
Sendra	10	12.75	11.25	Orient	100	159.00	179.00	Indian Mail Cast.	5	4.50	4.14	J. Henderson	100	67.00	81.00
Shree Mahakali	10	3.50	4.15	Presidency	5	5.94	6.25	Ind.Mall. Casting				James Alexander	10	10.56	8.77
Singarent	10	16.25	13.44	Rameshwara	10	9.37	6.31	Ind. Defd.	1	2.50	3.00	Jeevanlal	10	8.37	6.00
S. Karapurva	10	12.50	12.31	Reliance	10	8.25	8.06	Ind. St. Wagon	25	90.00	86.00	John Paterson	10	4.50	2.00
Standard	10	18.00	13.31	Shree Ambica	10	13.50	11.37	I. Steel Wire	10	38.62	32.25	Kalmpoon Rope	10	2.25	3.1
Union	10	14.00	14.25	S. Luchminarayan	10	7.00	7.00	I. Steel Wire P.P.	1	14.59	14.59	Kettlewell Bullen	100	137.00	143.00
United Collieries	10	12.25	10.94	S. Luchminarayan	5	8.25	8.25	Jay Engineering	100	204.00	174.00	Khandelwal Ferro			
Western Bengal	10	6.56	5.87	Soorah	10	20.06	19.50	Jessop & Co.	10	23.75	24.75	Alloys	50	75.00	75.00
West Guisack	10	14.06	13.50	Standard	100	112.50	115.00	J. K. Steel	10	13.25	...	Kishore Trading	100	75.00	75.00
West Jamuria	10	6.69	7.75	Union	200	206.00	229.00	Kumardhubi	2	6.75	8.56	Kusum Products	10	4.80	5.77
West Laikdi	10	3.25	2.94	Vaverley	1	4.06	4.00	Marhabila	2	5.94	5.75	Macfarlane	5	3.75	3.00
COTTON				MININGS AND MINERALS											

NAME	Share	Paid-up per Share	Quotation as on 22-1-60 Rs NP	Quotation as on 22-1-59 Rs NP
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Mahindra and Mahindra ...	10	25.50	17.25	
Mahindra Trading ...	100	200.00	200.00	
Mahindra & Co. ...	100	225.00	187.50	
Metal Box ...	10	32.25	31.63	
Moradabad Water ...	10	5.35	4.00	
Nat. Carbon ...	10	42.50	27.12	
N. I. Cables ...	10	26.50	29.12	
National Pipes & Tubes ...	10	17.19	15.56	
National Rolling ...	10	16.53	12.81	
Nat. Rubber Mfg. ...	10	13.19	13.69	
Nat. Tanneries ...	10	0.30	0.30	
Nat. Tobacco ...	10	17.69	12.31	
Nav Bharat ...	10	4.00		
Naviya ...	75	48.00	35.50	
New I. Invest. ...	10	4.00	1.25	
Pearl Invest. ...	10	25.00	16.75	
Phillips India ...	100	202.00	190.00	
Phosphate Co. ...	10	13.50	9.19	
Purity Society ...	10	1.50	1.50	
Prem. Trans. ...	100	83.50	48.00	
Raila ...	10	5.00	4.68	
R.B. Rodda & Co. ...	10	27.56	19.19	
Rohas ...	5	3.06	3.03	
Sahu Properties ...	10	19.87	14.87	
Sen Raleigh ...	10	19.75	15.12	
Shaw Wallace ...	2	0.75	1.06	
Spencers' Hotel ...	10	19.40	19.00	
Spencer & Co. ...	100	79.00	81.00	
Star Co. ...	25	8.00	8.00	
Star Trading ...	10	12.00	14.00	
Straw Products ...	10	7.87		
Srinik ...	100	73.20	75.00	
Union Co. ...	10	0.87	0.25	
Union Tobacco ...	5	2.00	2.00	
Union Tobacco ...	1	3.37	1.91	
Walforda (Po) ...	1	3.12	1.44	
W. Stockholder ...	150	1.52	1.30	

OILS

B. B. Petrol ...	30	1.85	2.06	
L. B. Petrol ...	10	24.25	25.37	
Northern India Oil ...	10	1.12	1.06	
Tide Water Oil ...	10	16.81	13.69	

PAPER MILLS

Balapur ...	25	44.12	25.00	
Bengal Paper ...	25	80.50	88.00	
India Paper ...	10	20.60	21.25	
Mysore Paper ...	10	23.65	16.25	
Orient Paper ...	10	27.50	30.10	
Shree Gopal ...	10	22.44	15.50	
Sirpur Paper ...	10	13.37	13.37	
Star Paper ...	10	12.00	11.82	
Titagarh P.O. ...	21	3.88	3.87	
Titagarh Ord. ...	10	40.37	41.62	
U. L. Ouppur ...	100	80.00	80.00	
West Coast ...	100	166.50	106.00	

PRESSING

Bhagwati ...	10	4.10	4.80	
Camperdown ...	100	103.00	118.00	
Hooghly Ganges ...	10	5.62	5.87	
Shiva Jute ...	100	53.00	58.00	

REAL PROPERTY

Bengal Bonded A ...	500	545.00	607.00	
Bengal Bonded B ...	624	63.92	61.88	
Bengal Bonded C ...	100	104.00	141.00	
Bengal Bonded D ...	124	13.13	16.64	
Comm. Prop. ...	5	0.56	0.62	
Darjeeling Prop. ...	10	5.06	1.00	
Hindustan Bldg. ...	10	5.00	4.62	
Humayan Prop. ...	10	10.35	10.37	
Humayan Deid ...	1	1.90	2.00	
Midnapore Zamin ...	100	20.00	19.00	
Regent Estate ...	10	1.00	1.00	

SAW MILLS AND TIMBER

Assam Saw ...	3	3.06	3.94	
Bengal Timber ...	100	16.25	10.00	

SHIPPING

B. A. Steam ...	100	86.50	100.00	
Cal. Landing ...	10	13.31	13.87	
Cal. Steam ...	10	12.37	12.82	
Fraser & Co. ...	10	13.25	11.56	
I. O. Navigation ...	10	86.50	73.00	
India Steam ...	10	11.62	13.90	
Port Shipping ...	10	11.25	13.00	

NAME	Share	Paid-up per Share	Quotation as on 22-1-60 Rs NP	Quotation as on 22-1-59 Rs NP
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SUGAR				
Bahampur ...	5	4.06	7.40	
Belaund ...	71	14.62	11.80	
Bharat ...	10	12.75	17.00	
Basti ...	100	120.50	139.50	
Carew ...	10	12.56	8.52	
Cawnpore ...	10	15.12	12.90	
Champan ...	10	20.25	18.12	
Darbhanga ...	10	19.50	19.94	
Deoria ...	10	7.25	9.86	
Dyer Mookins ...	5	19.75	15.00	
Ganesh Sugar ...	10	19.87	19.75	
Ganesh Sugar ...	10	7.50	8.75	
Jaswant ...	10	5.25	5.25	
Mohini ...	10	3.19	2.56	
Nawabganj ...	100	60.00	60.00	
New India ...	10	30.00	28.62	
New Savan ...	10	4.19	5.81	
Punjab ...	100	80.00	80.00	
Purba ...	10	12.25	13.00	
Rannugger Cane ...	10	21.00	18.25	
Ratna ...	10	2.65	2.65	
Raza ...	10	13.00	12.87	
Rayam ...	10	16.44	17.06	
Samastipur ...	10	13.00	12.00	
Shree Anand ...	10	11.00	10.25	
Sitalpur ...	10	6.06	2.37	
South Behar ...	10	1.80	1.37	
S. Behar Deid ...	21	0.25	0.25	
Sri Hanuman ...	10	16.00	14.50	
S. K. Gyan ...	10	14.19	9.87	
Shree Sitaram ...	10	10.19	9.00	
Tilalpur ...	5	7.25		
Upper India 'A' ...	100	127.00	127.00	
Upper India 'B' ...	25	15.00	15.00	
Upper Ganges ...	10	55.25	60.50	
United Province ...	10	18.00	15.00	

TEA

Assam Gardens				
Amuluckie ...	10	27.12	28.62	
Ananda ...	10	19.00	20.00	
Anandabag ...	10	25.19	18.00	
Baghmati ...	10	23.62	18.56	
Basmatia ...	10	27.94	28.25	
Betali ...	5	23.37	18.25	
Betjan ...	10	24.50	22.00	
Bishnauth ...	10	20.37	18.50	
Bokakhat ...	10	14.87	15.00	
Bormahani ...	10	18.94	18.87	
Borpukhuri ...	10	16.62	14.00	
Brooke Bond ...	10	18.00	16.00	
Dejoo Valley ...	10	69.00	72.00	
Dessai & Purbat ...	100	170.00	152.00	
Dhelaht ...	10	23.12	22.00	
Dhuner ...	10	18.62	15.75	
Dibrugarh ...	10	28.44	25.25	
Dumakul ...	10	29.12	26.25	
Dumakul ...	10	39.50	32.50	
Dumakul ...	10	24.87	20.20	
Gillapuri ...	10	27.75	30.25	
Gobpur ...	10	20.12	21.50	
Grob ...	10	14.06	13.12	
Hapjan Purbat ...	10	14.00	14.00	
Hoograh ...	10	28.37	28.75	
Hoongoorie ...	100	212.00	170.00	
Joonkollie ...	10	18.37	20.62	
Jutibari ...	10	21.75	18.49	
Kyang Tea Bouda ...	10	6.26	8.12	
Kingsley Golaghat ...	100	100.00	100.00	
Krishnabehari ...	10	10.22	10.82	
Ledo ...	10	18.25	18.31	
Maid ...	10	14.12	14.75	
Methoni ...	10	23.50	19.69	
Mohema ...	10	13.31	13.87	
Mothola ...	100	516.00	395.00	
Murphulani ...	10	25.87	27.87	
Murphulani P.O. ...	10	27.82	28.62	
Naga Hills ...	10	22.50	29.00	
Namburnadi ...	10	13.25	12.37	
N. Cinnatolia ...	100	135.00	100.00	
N. Cinnatolia ...	10	42.50	42.25	
Rajgarh ...	10	21.12	24.00	
Sepoi ...	10	26.62	26.00	
Seafull ...	10	28.06	29.31	
Telajan ...	10	35.87	37.37	
Tengpani ...	10	18.75	14.81	
Tepore ...	10	7.31	7.56	
Tongani ...	10	36.80	37.12	
Tyoon ...	10			

Darjeeling Gardens				
Bloomfield ...	10	2.50	3.06	
Chamong ...	10	10.31	10.50	
Chamong ...	100	155.00	135.00	

NAME	Share	Paid-up per Share	Quotation as on 22-1-60 Rs NP	Quotation as on 22-1-59 Rs NP
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Dilaram ...	100	102.00	95.00	
Gliele ...	10	12.31	8.87	
Jayashree ...	10	16.25	12.00	
Lingia ...	10	20.25	18.00	
Longview ...	10	9.81	7.00	
Margaret's Hope ...	10	14.06	13.62	
Mim ...	100	225.00	226.00	
Nagri Farm ...	10	24.25	24.87	
Oxayti ...	100	600.00	500.00	
Paabok ...	10	30.00	18.62	
Poobong ...	10	9.00	7.00	
Pusimbiting ...	10	10.50	10.25	
Runglee Bunglot ...	100	360.00	365.00	
Seeyok ...	10	10.50	11.00	
Singell ...	100	28.75	22.00	
Singtom ...	10	7.25	4.81	
Soom ...	10	39.50	29.87	
Sungma ...	10	15.50	16.06	
Teesta Valley ...	10	17.00	22.00	
Tukvar ...	10	8.00	8.50	

Doon Garden

Banarhat ...	100	322.00	270.00	
Baradighi ...	10	29.50	18.75	
Bhatkora ...	10	24.25	19.87	
Birpara ...	100	207.00	161.00	
Carron ...	100	200.00	118.00	
Choonabhatti ...	100	310.00	260.00	
Ellenbarrie ...	100	149.00	156.00	
Enga ...	100	275.00	400.00	
Elkhabari ...	10	10.19	10.81	
Galkhatia ...	100	164.00	140.00	
Gopalpur ...	25	22.62	20.00	
Hantapara ...	100	168.00	123.00	
Hastimara ...	10	23.69	20.37	
Hulidbari ...	10	27.25	20.81	
Jaybirpara ...	10	16.50	18.12	
Killoot ...	10	20.87	17.75	
Mahati ...	10	13.81	15.00	
Manabbarie ...	10	65.62	66.50	
Nagalaurie ...	100	205.00	122.00	
New Doon ...	100	304.00	266.00	
Oodlabari ...	10	15.75	15.00	
Phakowa ...	100	146.00	115.00	
Rajabhat ...	10	19.00	15.75	
Ranicherra ...	10	21.31	15.75	
Ryda ...	10	37.50	28.62	
Sarugson ...	10	32.00	29.50	

Cooch Gardens

Arcuttipore ...	10	7.00	7.00	
Central Cooch ...	100	77.00	50.50	
Eastern Cooch ...	10	2.00	4.00	
Kunchanore ...	10	8.00	7.75	
N.W. Cooch ...	100	154.00	94.00	
Pathemara ...	10	7.00	7.19	
Roopacherra ...	10	15.37	12.37	
Rungamattee ...	50	80.00	69.00	
Sonal River ...	10	9.12	12.50	
Tea Producing Co ...	10	10.37	10.87	
Tykh ...	10	10.00	10.00	

Chittagong Gardens

Kodala ...	10	12.12	12.33	
Kornafull ...	10	10.50	8.00	
Oodaleah ...	10	12.00	12.99	

Sylhet Gardens

Baitakhal ...	10	7.69	5.06	
Chundocherra ...	10	15.00	27.50	
Dauracherra ...	10	9.69	9.93	
Hatikhira ...	10	14.00	11.81	
Kaliti ...	10	5.37	8.18	
Lactatooah ...	10	20.00	19.00	
Loobah ...	10	2.31	3.12	
N. Samanbagh ...	10	23.00	19.75	
Patrakola ...	100	173.00	132.00	
Rajnagar ...	10	9.56	9.56	
Tellapara ...	100	127.00	131.00	

January 30, 1960

STATE BANK OF INDIA (In 000's of Rupees).			
	Week Ended		
	22-1-60	15-1-60	23-1-59
ES:			
up	5,62.50	5,62.50	5,62.50
nds	7,20.00	7,00.00	7,00.00
and other Ac-	592,41.79	585,67.50	473,88.42
from other			
nts, etc.	2,16.50	1,99.50	10,03.00
collection as	9,09.16	8,52.99	6,55.71
etc. for	3,42.41	3,45.30	2,35.77
ts as per			
ities Inclu-	1,50.82	1,52.08	1,06.62
Inter-office			
nts	1,44.28	4,90.21	1,07.81
	622,87.46	618,70.08	507,59.83
and with			
th other	30,66.38	35,03.44	22,88.54
all and short	2,25.80	2,27.32	3,05.39
and other	2,40.00	2,66.67	2,26.66
Securities	388,22.06	373,24.65	273,35.71
orised In-	10,72.02	10,77.52	11,70.96
ances cash	154,87.71	157,40.61	165,91.94
Over and	16,69.05	16,05.06	13,00.78
collection as	3,42.41	3,45.30	2,35.77
Liab ities,	1,50.82	1,52.08	1,06.62
er contra-	2,34.79	2,31.19	2,17.62
	9,76.42	13,94.24	9,79.85
	522,87.46	618,70.08	507,59.83

CLEARING HOUSE RETURNS			
Week ended 22nd January 1960			
Clearing House	No.	Amount	
		Rs.	pP.
...	131297	16,89,90,826	00
...	50155	12,33,88,645	13
...	21517	4,52,66,305	00
...	440911	109,14,23,000	00

BANK OF ENGLAND			
(In Million £)			
	Week ended		
	13.6.60	6-1.60	14.1.59
Circulation	2,134.5	2,185.2	2,039.2
Banking Department	65.9	157.1	61.1
and securities	2,197.0	2,197.0	2,096.5
ities	0.7	0.7	0.7
and Bullion	0.4	0.4	0.4

BANKING DEPARTMENT:			
	14'6	13'5	12'1
ounts			
Special Account	225.2	246.4	208.5
	63.7	64.1	69.2
	303.4	324.0	289.8
	116.8	274.8	193.8
	17.4	30.4	31.0
nd Advances	21.0	21.1	21.2
	255.2	326.3	246.0
partment reserves	66.6	15.9	62.0
%	21.9	4.9	21.3

BANKING DEPARTMENT:	
Government debt is £11,015,100, Capital £14,553,000	
Issue reduced by £10 million to £2,200 million of	
1960.	

STATE BANK OF PAKISTAN			
ISSUE DEPARTMENT: (In 000's of Rupees).			
	Year Ended		
	15-1-60	8-1-60	16-1-59
LIABILITIES:			
Notes in Banking Dept.	6,94.33	8,33.84	13,30.14
Notes in circulation	372,66.10	317,27.24	346,67.03
	379,60.43	379,61.08	359,97.17
ASSETS:			
(A) Gold Coin & Bullion	23,70.66	23,70.66	23,07.35
Approved Foreign Exchange	67,78.95	68,35.78	50,76.07
India Notes receivable from Reserve Bank	43,01.61	43,01.61	43,02.28
(B) Rupee Coin	3,63.35	3,64.00	4,43.99
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	235,55.80	234,99.97	232,77.42
Gold coin & Bullion	19,02	19,02	19,02
Sterling Securities	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin	29,51	29,51	29,51
Total	379,60.43	379,61.08	359,97.17
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	4,15.00	4,15.00	3,00.00
Deposits:			
(a) Central Govt.	9,35.77	6,19.01	85,83.10
(b) Provincial Govts.	1,23.06	1,58.25	...
(c) Banks	16,25.57	16,62.30	16,40.50
(d) Others	76,33.51	75,13.57	5,66.10
Bill payable	29.99	29.99	17.18
Other Liabilities	11,12.87	13,67.53	12,00.32
	121,75.77	120,65.56	126,07.20
ASSETS:			
Notes	6,94.33	8,33.84	13,30.14
Rupee Coin	50	47	52
Subsidiary Coin	34	30	36
Bills purchased & discd.			
(a) Internal	...	...	...
(b) External	1,24.43	1,24.43	4.89
(c) Govt. Treasury Bills	37,00.98	35,20.48	13,03.69
Balances held outside Pk. Loans & Adv. to Govts.	12,06.00	12,06.00	9,50.00
Provincial Governments	...	...	...
Debtor Balances	1,24.05	...	4,27.17
Other Loans & Advances	12,09.76	12,20.83	17,89.98
Investments	41,16.57	41,75.89	59,10.81
Other Assets	9,98.81	9,81.32	8,89.64
Total	121,75.77	120,65.56	126,07.20
Ratio of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange to Banks' notes issued, 36.91 per cent.			
SCHEDULED BANKS IN PAKISTAN (In 000's of Rupees).			
	Week Ended		
	8-1-60	1-1-60	9-1-59
DEMAND LIABILITIES:			
(a) General	189,21.03	194,49.22	173,95.99
(b) (i) Deposits from Banks	5,48.49	5,71.41	12,24.15
(ii) Borrowings from Banks	6,73.87	5,32.25	5,21.16
TIME LIABILITIES:			
(a) General	97,64.57	98,30.13	69,41.95
(b) (i) Deposits from Banks	3,80.83	3,82.04	3,54.78
(ii) Borrowings from Banks	4,67.07	5,19.52	5,00.00
Borrowings from the state Bk			
(a) Against Usance Bills promissory notes	7,71.15	10,29.65	14,85.25
(b) Other Borrowing	3,84.80	3,40.60	3,37.00
CASH IN PAKISTAN:			
(a) Pakistan Notes	5,51.70	6,59.17	5,34.94
(b) Pakistan Rupee Coins	1,23.28	25.23	22.46
(c) Pak. Subsidiary Coins	6.63	7.22	15.72
BALANCE WITH THE STATE BANK:			
(a) Principal Office	8,53.70	9,11.35	8,75.75
(b) Other Offices and Branches	6,41.33	7,15.62	6,72.02
Balances with other banks in Current Account in Pak. Money at call & short notice in Pakistan	4,45.33	4,35.20	4,91.44
Investment (At Book Value)	8,67.80	8,46.98	12,75.15
(a) In Central Govt. Securities including Treasury Bills	106,06.28	106,21.97	88,16.51
(b) In Provincial Govt. Securities including Treasury Bills	17,77.91	17,77.91	13,41.97
(c) In Others	3,12.21	3,13.11	3,12.71
ADVANCES IN PAKISTAN	144,54.41	150,00.44	125,10.14
BILLS DISCOUNTED IN PAK.	5,82.48	5,92.24	4,16.35
FOREIGN, BILLS DISC'D. P.K.	23,80.73	13,38.73	15,64.64

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Indian Finance

Some of Britain's most famous engineering and electrical firms are grouped together in the Consortium known as ISCON for the purpose of building the Steelworks at Durgapur. Each of these firms is a leader in its own field and the integrated Steelworks when completed will compare favourably with the largest and most modern in any part of the world.

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Head Wrightson & Company Ltd.
Simon-Carves Ltd.
The Wellman Smith Owen Engineering Corporation Ltd.

CIVIL WORK

The Cementation Company Ltd.

ELECTRICAL WORK

The British Thomson-Houston Co. Ltd.
The English Electric Co. Ltd.
The General Electric Co. Limited.
Metropolitan-Vickers Electrical Export Co. Ltd.

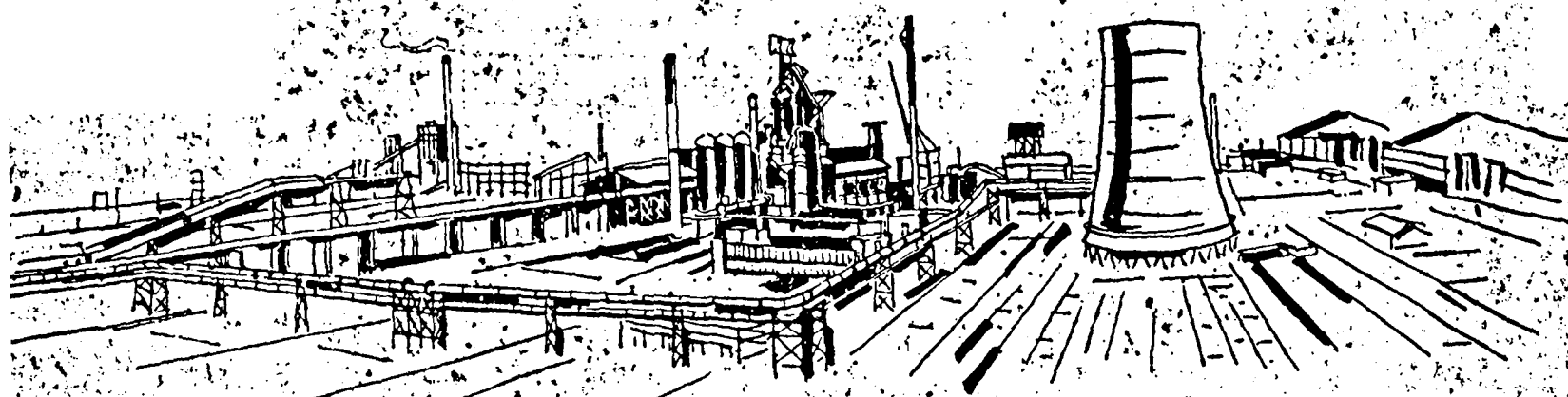
STRUCTURAL STEEL

Sir William Arrol & Company Ltd.
Cleveland Bridge & Engineering Co. Ltd.
Dorman Long (Bridge & Engineering) Ltd.
Joseph Parks & Son Ltd.

(Cable work for the Consortium by Siemens Edison Swan Ltd., and
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who is
doing
what
at

Durgapur?

Indian Finance

Indian Finance

Saturday

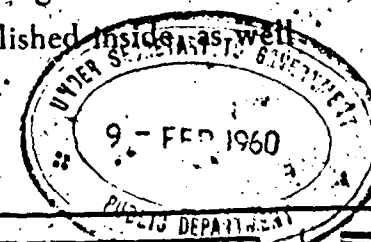
February 6, 1960

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HIGHLIGHTS OF THIS ISSUE

There is ample evidence of the booming state of the new issue market. See the Announcements published inside as well as the section For the Investor.



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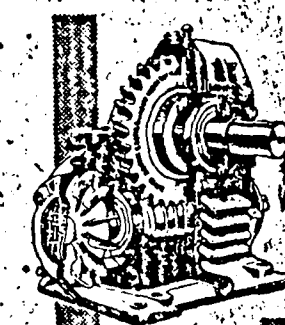
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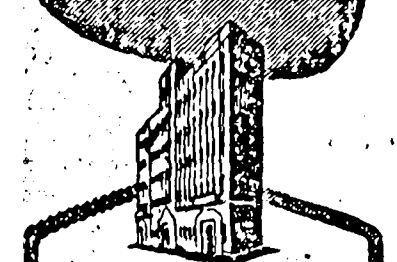
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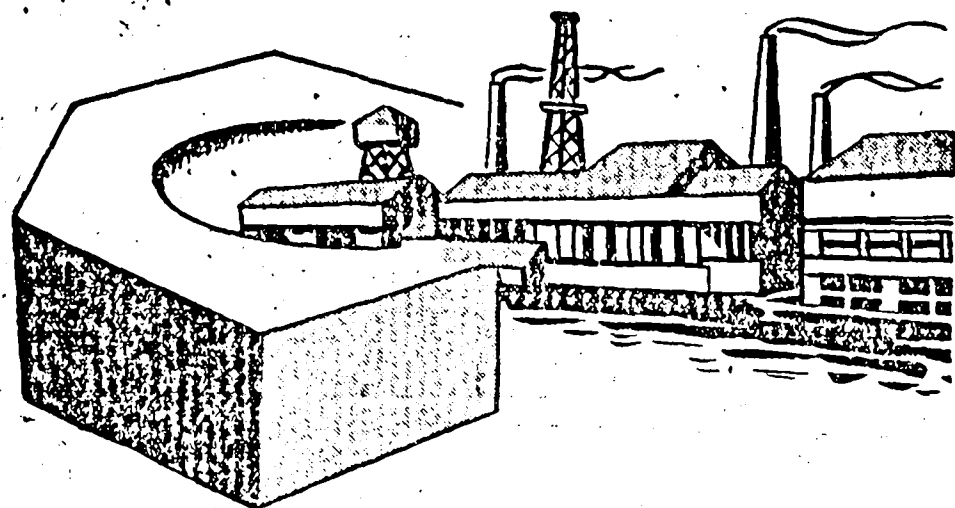
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More Industries



Go METRIC

On October 1, 1958, when the change-over to the Metric System began, a number of important industries—jute, iron and steel, textiles, cement, paper, salt, engineering, coffee, non-ferrous metals, raw rubber etc.—started adopting Metric weights and measures.

Since then the transition has begun in more industries.

Use of the Metric System was permitted in the COIR industry from October 1959. In the SUGAR industry the change-over started from November 1, 1959.

The pace will further quicken from April 1960, when the VANASPATI and PAINT industries 'go metric'.

The entire distribution of PETROLEUM and PETROLEUM PRODUCTS will be in litres and metric units from April 1, 1960.



Another Major step will be taken when the Customs and the Central Excise adopt the Metric System from August, 1960.

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WORLD OF FINANCE

Broad Features About Bank Profits for 1959

WITH the release of the working results of the Punjab National Bank for 1959, a fairly comprehensive picture of banking profits during the last year is now available. While the analysis in this respect will be published next week, certain broad features may here be mentioned. The first point to note is that the bigger banks—with one remarkable exception—have generally reported decline in earnings and a reduction in the net dividend received by the shareholder; even the State Bank has reported a fall in profit, and the dividend it is distributing is lower. Secondly, and surprisingly, the smaller banks appear almost uniformly to have done better; and in this category may be included the medium-sized banks as well. Thirdly, snap judgements as to performances in 1959 should be avoided, since it is only the detailed figures of the profit and loss account which will give a clear indication of banks' working in that year. Our own view, fourthly, is that a fair number of banks would have found it necessary to take credit for profit on investment to boost their earnings figures. Fifthly, as a result of the higher deduction of tax on the interest receivable from gilt-edged investments, it is possible that a fair number of banks will be able to show their balance of profit as being clear of any tax liability. Lastly, the published accounts should impel the banking system to take early action about the maxima fixed under the inter-bank agreement in respect of interest that may be paid on Deposits.

It is at this juncture that we may also mention that 1960 has commenced on an extremely heartening note for the banks. Expansion in Advances, though not meteoric, is steady and sustained; prospects are that the industrial demand for funds will be maintained throughout the year. Thus, there is every likelihood that banks' resources will be more profitably utilised in 1960 than has been the case in the last two years. But such a state of affairs, or such an expectation, should not, we emphasise, deter banks from taking concerted action to reduce the charge postulated by what we consider to be a still too high maximum as the interest that may be payable on Deposits.

Meantime, the money market is tight; and the returns for the latest week of both the State Bank and the Scheduled Banks bear testimony to the considerable busy season pressure being experienced.

State Bank Again Buys Gilts from Reserve Bank

THE Reserve Bank returns for January 29 are featureless, though there is evidence of deficit financing. Active note circulation is nominally higher by Rs 0.12 crores at Rs 1767.44 crores. Rupee Coin, however, has returned from circulation for Rs 0.17 crores. With minor adjustments under the head of Rupee Securities, there is practically no change in the Reserve Bank's cash in the till, which is placed at Rs 20.67 crores.

Investments in the Banking Department are shown higher by Rs 4.50 crores at Rs 217.33 crores; and the State Bank is also known to have purchased through the Reserve Bank tap for Rs 5 crores. The inference is, therefore, that deficit financing has been instituted in roughly this amount of Rs 10 crores. However, presumably because the Central Government's disbursements have been on the heavy side, their balances have, despite the created money, moved down by Rs 2.42 crores to Rs 49.78 crores. State Governments may have somewhat benefited from Central Government payments, since their borrowings from the Reserve Bank are shown nearly Rs 2 crores lower at Rs 20.27 crores; but, then, their balances have been drawn on to the tune of nearly Rs 2½ crores from Rs 24.76 crores to Rs 21.27 crores.

The busy season pressure appears nevertheless to have been influencing the situation of the Scheduled Banks. Borrowings against advance bills have again moved up from Rs 3.43 crores to Rs 4.31 crores; the Other Loans and Advances of the Reserve Bank are higher by Rs 2.86 crores at Rs 107.80 crores; on the other hand, the drop in Reserve Balances from Rs 78.36 crores to Rs 73.75 crores is wholly due to the State Bank utilising its balances with the Reserve Bank for purchase of gilt-edged.

It is possible that deficit financing was incurred by Government for meeting the maturing liability in respect of Rs 20 crores odd worth of Treasury Bills purchased and discounted by the Reserve Bank.

Finally, Balances Held Abroad have again declined, though by the nominal amount of Rs 4 lakhs to Rs 43.98 crores.

It may be taken as certain that expansion in currency circulation will prove to be hefty in the next week, since month-early disbursements will be super-imposed upon the normal busy season pressure.

If the Reserve Bank returns for January 29 fail to give any considerable indication of the pressure of the busy season, the statement of the State Bank for the same week does do so in an emphatic manner. The total of Advances has expanded by Rs 5.43 crores to Rs 177.00 crores. Deposits have moved up by Rs 0.90 crores to Rs 593.32 crores. But, since cash was also drawn on for purchase of gilt-edged for some Rs 5 crores from the Reserve Bank, borrowings are shown to have gone up slightly from Rs 2.17 crores to Rs 2.40 crores. It is to be anticipated that a brisker increase in Advances will be registered in the next return of the State Bank, relating as it will to a week when busy season pressure will be aggravated by beginning of the month disbursements; and, unless 'windfall' Deposits come the way of the State Bank, it may also happen that a decline occurs under this head in the next week.

Deposits of Scheduled Banks show promise, in the return for January 22, of presently crossing the Rs 1900 crores mark. In the week under review, a rise of Rs 15.19 crores has been registered, and only Rs 6.74 crores of this can be traced to the State Bank, which takes gross Deposits of Scheduled Banks to Rs 1893.72 crores. The total of Advances has expanded by another Rs 3.65 crores to Rs 1006.73 crores. There is a contra-seasonal increase of Rs 15 crores in Investments, but this is wholly on account of the State Bank. Cash balances have moved up by Rs 1.66 crores to Rs 163.88 crores.

When figures for January 29 are available, a picture can be formed of the first half of the 1959-60 busy season. This will presumably show that the strains thrown up in the current busy season are somewhat more severe than was the case in 1958-59; but the mitigating factor has this time been that the busy season

started out with a low ratio of Advances to Deposits.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, the 2nd February 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.365 were accepted in full. Total amount accepted was Rs 2,00,00,000; the average rate of accepted tenders being 99.365 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 8th February 1960. Successful tenders should make payment on Friday, the 12th February 1960. Other conditions are as usual.

91 days' Intermediate Treasury Bills will be sold from the 3rd to 6th February 1960 at Rs 99.381 per cent. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from the 27th to 30th January 1960 amounted to Rs 2,01,00,000.

Govt. Securities—Payment of Interest

Government Promissory Notes of the following loans (Central and State Governments) interest on which falls due for payment during the months of March and April 1960 will be accepted by the Public Debt Office, Reserve Bank of India, Calcutta for preparation of interest warrants from the 16th February and 16th March 1960 respectively.

Interest falling due in March 1960

Rate	Loan	Year
2½%	Con.	1976
3%	Con.	1946
4%	Con.	1960-70
2½%	Madras	1961
2½%	U. P.	1961
3%	Madras	1960
3%	M. P.	1964
3%	U. P.	1960
3%	U. P.	1961-68
3½%	Bombay State Dev.	1962
3½%	Madras	1962
3½%	M. P.	1962
3½%	U. P.	1962
3½%	West Bengal	1967
4%	Andhra	1967
4%	Bihar	1967
4%	Bombay	1967
4%	Hyderabad	1967
4%	Madras	1967
4%	M. P.	1967
4%	Mysore	1967
4%	Saurashtra	1967
4%	U. P.	1967
4%	West Bengal	1968
4%	Andhra	1968
4%	Bihar	1968
4%	Hyderabad	1968
4%	Madras	1968
4%	M. P.	1968
4%	M. P.	1968
4%	Mysore	1968
4%	Orissa	1968
4%	Punjab	1968
4%	Rajasthan	1968
4%	Saurashtra	1968
4%	Trav-Cochin	1968
4%	U. P.	1968
4%	West Bengal	1968
4%	Bombay	1970
4½%	Bombay	1969
4½%	Mysore	1969

Interest falling due in April 1960

Rate	Loan	Year
3%	Con.	1966-68
3%	Con.	1970-75
3%	Mysore	1956-61
3½%	N. P. Loan	1964
4%	Hyderabad State Dev.	1963

Holders of the loans are advised to lodge their securities well in advance of the due dates to facilitate delivery of the securities and interest warrants on the due dates. In view of the heavy work involved, the period for delivering securities tendered for payment of interest on the above loans may be extended to five clear working days.

Economic Aspects of the French Crisis

By Paul Einzig

DEVELOPMENTS in France cast gloom on an otherwise cheerful Britain. On the basis of the progress achieved toward consolidation since General de Gaulle assumed power in 1958, it did seem reasonable to hope that, once more, the world would witness a French miracle such as was staged by M. Poincare in 1926 and was almost staged by M. Reynaud shortly before the war. Confidence in French economy and finance increased considerably during 1959. It was widely assumed that political stability would enable the French Government to achieve financial stability, with a balanced Budget and with a sound currency. The replacement of the inflated monetary unit by the "heavy" franc, worth 100 old francs was a gesture implying that the time has now come to turn a new leaf and eradicate from Frenchmen's mind that memory of inflation and non-stop currency depreciation.

Only a few days ago, the Finance Ministry announced far-reaching relaxations of the exchange control. There is reason to believe that this measure was arranged before the outbreak of the crisis over Algeria, and that it was carried out in spite of the changed situation either through the operation of the law of inertia making for time lags between decision and execution, or as a gesture to show that the Government do not consider the outlook to have changed for the worse. Unfortunately, while, a few weeks ago, a relaxation of the exchange control would have been welcome as a sign of strength, today, many people shake their heads gloomily about the move which would facilitate the flight of capital in case of major trouble.

Whether or not there will be such trouble, it is impossible to foretell. But the events of the last week have shown that the degree of optimism that existed until a week ago about the French outlook was unwarranted. Very few people outside France realised until now the full difficulties of finding a solution for the Algerian problem. Now, all of a sudden, a wave of pessimism is developing about France. The possibility of a civil war, or of a military coup to seize power from de Gaulle, is freely envisaged. Either solution would inevitably give rise to a flight of French capital and to acute distrust in the franc abroad.

At the time of writing, it seems that nothing short of a miracle could prevent the French crisis from developing into a major disaster, or at any rate from causing a major setback in the French economy. While, until recently, the question of the international effects of a wholesale repatriation of privately-owned French dollar balances was subject to much speculation, today, nobody thinks on those terms any longer.

It is an ill wind that brings no one any good. There can be no doubt that pessimism toward the franc has resulted in a revival of confidence in the dollar. Until recently, the possibility of heavy American gold losses that might result from French repatriations caused much concern in Washington, and even in London. Today, that problem no longer exists. Considering that such an outflow would have induced many foreign non-French holders of dollars to follow the French example, the removal of the threat must be viewed with some relief—if only the circumstances of its removal were not so tragic.

On the other hand, the outlook has changed for the worse not only for France but also for the whole of Western Europe and the free world. The French recovery has been one of the most promising features of the situation, not only from a political point of view but also from an economic point of view. There was every reason to expect the whole of Western Europe to benefit economically by the consolidation of the French economy. A prosperous France would mean a prosperous European Common Market. And even the rival group of countries, the European Free Trade Association, would stand to benefit by it, if only because de Gaulle would be in a position to adopt a less intransigent attitude toward collaboration between the Six and the Seven.

The economic recuperating power of the French nation compels admiration. But it stands no chance of prevailing amidst grave political difficulties. If de Gaulle is superseded by a nominee of the Army who does not command the same confidence, the psychological foundations for economic consolidation would cease to exist. And if de Gaulle succeeds in retaining his position with the aid of support from the Left—which is a possibility, since the sympathies of the Right are with the Army—this would generate distrust not only among the wealthy and in the French business community but also among the millions of middle classes. Thus, even in the absence of a civil war, there may be an outflow of French capital, all the more so as the powerful French Communist Party is bound to try to fish in troubled waters.

The American-Canadian attempt to build a bridge between the Common Market and the European Free Trade Association made a good start at the recent Paris meeting, but now no progress can be made until the French situation has cleared up. And if de Gaulle has to make major concession to the Army, he is likely to try to restore his prestige by being even more difficult in international relations than he has been until now.

The outlook is utterly perplexing, and all we can do is to await developments and hope for the best—as much for the free world as a whole as for France itself.

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Indian Finance

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Kerala's Verdict

THE people of Kerala have endorsed by a conventional and constitutional act what they tried to express by an inchoate mass upsurge about a year ago. With four results still to be announced at the time of writing, the Communists have won only 28 seats, against the 65 that they and their sympathisers had in the last election. They have so far lost 27 seats to the Congress, 11 to the PSP and 2 to the Muslim League, while they have wrested two new seats from the Congress and two from independents. The United Front of the Congress, PSP and the Muslim League have so far won 92 seats and the Congress itself has won 61 seats. Polling has been remarkably high, reaching an average of 85 per cent. The next few days will find party leaders busy analysing the results in greater detail, in complacent or, consoling self-justification. The Communists will, for instance, draw such comfort as they can from the fact that they have increased the proportion of the votes polled from 35 per cent in 1957 to 43 per cent. This may even make them fall temporarily in love with the principle of proportional representation. But, by all the normal rules of the parliamentary game, the Communists have suffered a decisive defeat in Kerala.

It is important that the right morals are drawn from this fact, particularly by the constituents of the victorious United Front. Almost the only indisputable conclusion that can be drawn from the results is that Kerala has had, for the time being at any rate, enough of Communism. In other words, the Communists can no longer pretend that the events of last year were the machinations of a group of vested interests. When the interests so vested are as large as reflected by the results of this election, the expression loses the odium attached to it. The vote is decisively anti-Communist; but it is little else. Herein lies the snare for the victors, for, they may be rash enough to read more into results than would be warranted by facts. For instance, they may be tempted to think that it is not so much a defeat of the Communists as a victory for them, which is not the same thing. Particular constituents of the alliance will also do well to bear in mind that the individual successes would not have been so flattering to their self-esteem, if the elections had been a free-for-all. Finally, they should also remember that the elections were fought at deeper (and in some respects, dangerous) levels than that of relative political programmes or performances. In the peculiar circumstances that were responsible for this election, these considerations, normally so important, were strangely irrelevant.

But, then, ideological clashes are exhilarating wine, but hardly human nature's daily food. It will not be possible, therefore to sustain the electorate with pre-election memories or bogeys. It may be hard on politicians, but the electorate will judge them by their performance in practical tasks, though the election itself was won on other considerations.

In a sense, the Kerala election was not a normal democratic election at all. The motives behind the voter's choice were, in detail,

widely different and even contradictory, but they all converged on anti-Communism. Observers have been troubled not only by the negative and uneasy nature of the anti-Communist alliance, but also by the ulterior immediate motivation of the voters. Patterns of loyalties behind the voting have disturbing implications, which are in no way mitigated by the fact that they have their unity in anti-Communism. In themselves, they are corrosive of some of the bases of our democratic ideals. Should these pre-election motivations persist even after the elections, there will be not only awkward movements for the alliance, but also a serious challenge to the stability of a sorely tried state. Kerala has the unenviable reputation of a State that has had the largest number of governments and elections since independence—a rather ironical comment on the unexamined general correlation between literacy and political maturity. Meantime, the basic problems which are economic have had to mark time for the attention they deserve. The Congress and the PSP would do well to recall not only the Communist but also their own past record in the State, which, by all accounts, has not been so resplendent as to make any one assume automatic success for the coalition to

Indian Finance

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

Finance for Third Plan Different Approaches by Businessmen

IT is unfortunate that the organised sector of the business community is unable to speak with one voice on a vital matter like the Third Five Year Plan. Last September, the Federation of Indian Chambers of Commerce & Industry brought out a brochure giving a tentative outline of the Third Five Year Plan. At that time, it was believed that the Federation's approach was endorsed by important sections of businessmen all over the country. But the seminar on planning, which the Federation organised in November, revealed, for the first time, the existence of strong differences of opinion among businessmen regarding the approach to the next plan. The differences are now widely made known with the publication last month by the Indian Merchants' Chamber, Bombay, of its memorandum submitted to the Planning Commission. The Chamber is one of the most respected commercial organisations of Western India, and it is therefore important to understand where it differs from the Federation and why.

Both the Federation and the Chamber have agreed on the need to accelerate the country's economic development and to raise the living standards of the people as rapidly as possible. Both have also urged the need to give the maximum incentive to the private sector and to effect the necessary changes in fiscal policy with a view to promoting savings and investment. The difference between them relates mainly to the size of the Third Five Year Plan.

The Federation holds that an investment of Rs 10,000 crores during the next phase of

come. Understandably, the coming weeks will be devoted to not very edifying attempts to share the fruits of victory. Admittedly, the United Front was a marriage de convenience, but arranged marriages have often proved successes. There is no reason why the United Front should come off at the seams, provided the leaders of the constituent units show the necessary self-abnegation in common interest and address themselves to the real tasks of improving the lot of the people. They will, no doubt, have a trying time, what with having to keep under control the more clamorous of their own followers and to meet Communist-inspired difficulties. But they have one great advantage in the fact that the Communists have been decisively disowned by the people, and the masses are willing to give them a fair try. The one temptation that they should avoid is to be merely popular, without attempting to deal with basic problems in a practical and realistic way. Above all, they should establish a reputation for personal integrity and administrative purity, which will win half their battle. The fact that the general elections are only so far away from the corner as to give them a chance to prove their mettle is a sobering thought.

planning is necessary to produce an appreciable impact on the living conditions of the people in a short period. The net investment of Rs 10,000 crores will mean an overall investment outlay of around Rs 11,000 crores to Rs 12,000 crores. The Federation has, however, pointed out that capital formation of this order is possible only "if certain conditions of economic policy and administration are satisfied".

The Indian Merchants Chamber, on the other hand, argues that, on the present resources position and under the conditions that exist today, the economy does not show any response to the building up of resources of more than Rs 7,500 crores without the strain which has been experienced in the Second Five Year Plan. However, it may be possible to project the size of the Plan to a higher figure of Rs 8,500 crores, provided the appropriate policies are followed to encourage capital formation. We shall now consider some of these differences in detail.

The Federation has estimated that the finances for the public sector may be raised in the following manner:

	(Rs crores)
Surplus from current revenue	900
Surplus from Railways	500
Borrowings and small savings	900
Other Capital Receipts	175
Profits of other State enterprises	375
External earnings and assistance	1,550
Deficit Financing	1,100
Total	5,500

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In arriving at this figure, the Federation has assumed "a flexible tax policy for attracting resources and a more active conception of the role of public enterprises. Under this policy, the rates of taxation on both companies and individuals will be appreciably reduced without detriment to the exchequer".

The Chamber's estimate of finance for the public sector for a plan of Rs 8,500 crores is as follows:

	(Rs crores)
I. Domestic Budgetary Resources:	
(i) Balance from current revenues (at existing levels of taxation) 1,000	
(ii) Railways' contribution .. 350	
(iii) Loans from the public (net) and small savings .. 1,400	
(iv) Profits of State enterprises .. 200	
(v) Miscellaneous capital receipts .. 50	
II. External assistance (net) .. 2,400	
III. Deficit financing	
Total .. 5,400	

It will be seen that, so far as the balance from current revenues is concerned, there is not much difference between the two approaches. As regards the railways' contribution, the Federation estimates it at Rs 500 crores while the Chamber puts it at Rs 350 crores. The Chamber's comments on this aspect are worth quoting:

"The contribution of the Railways to the depreciation reserve has remained constant while there has been a significant increase in additional investments. It is a matter for careful investigation and examination whether the revenue surplus from the Railways is a real surplus or is merely in the nature of a book entry. However, there is need for a review of the present position in regard to the finances of the Railways so as to ensure increasing surplus being made available for Plan projects".

With regard to borrowings and small savings, there is wide difference between the two, the Federation placing the figure at Rs 900 crores and the Chamber at Rs 1,400 crores. According to the Federation, it is desirable for a healthy development of the money market that it should not be dominated by Government borrowings which at present absorb most of the available funds; the Chamber says that "it would not be reasonable to project beyond Rs 1,400 crores".

From the profits of State enterprises the Federation estimates that it would be possible to obtain about Rs 375 crores. But the Chamber considers that it would not be possible to obtain more than Rs 100 to Rs 200 crores from this source during the Third Plan. The Chamber asserts that the performance of the Government undertaking "does not encourage any improvement in the efficient working of the same, and therefore, sizeable profits being made available for further investment."

In the sphere of external finance, the Federation and the Chamber estimates the resources at Rs 1,550 crores and Rs 2,400 crores respectively. Both of them, however, emphasize the need for creating favourable conditions within the country for the participation of foreign private capital in Indian industries.

On the question of deficit financing, the organisations differ widely. The Federation says:

"We have suggested that deficit financing should be made at the rate of about Rs 220 crores per annum. This rate will not be higher than the average annual deficit financing conducted in the last two years of the Second Plan. We feel that it should be possible to maintain this rate without incurring risk of any runaway inflationary

situation; in fact, this deficit financing should be a constructive method to deal with the larger problems of unemployment and under-employment during the Third Plan."

The Chamber, however, has completely ruled out deficit financing. It observes:

"Deficit financing has exerted itself to the full on the economy and there is very little scope to this source of financing, if further increases in prices are to be avoided and inflationary pressures kept under manageable control. In the absence of foreign exchange reserves which ran down to the lowest post-war level at Rs 177.8 crores as on July 21, 1959, in the view of the Committee, the possibility of suggesting the use of deficit financing for fixed investment is completely ruled out for the Third Plan. The Committee, however, add that credit creation through the banking system should be permitted to provide the increasing requirements of working capital. This should be considered safe and feasible in a process of development."

For the corporate private sector, the Federation's plan envisages an investment of Rs 3,000 crores to be financed as follows:

	(Rs crores)
New Issues .. 500	
Retained Profits, Reserves and other Savings .. 1,000	
Commercial Banks and Refinance Corporation .. 600	

Should Conditions of Service be Standardised?

By M. SUR

SHOULD we aim at standardised conditions of service throughout the country? This is a question that springs to mind on studying a recent Supreme Court decision in the case of Dunlop Rubber Company (India) Ltd., which upheld the principle followed by the industrial courts that adjudication should be on "an industry-cum-region basis".

Central legislation has standardised working conditions through the Factories Act, and industrial relations machinery through the Industrial Disputes Act; it has laid down standard conditions governing retrenchment and lay-off throughout the country, and required standing orders which on the whole follow the Central Model, though there are some variations in State Rules. But when it comes to service conditions, such as remuneration and superannuation, then there is no standard. Industrial courts have brought about some degree of standardisation of pay within a local industry or between industries within an industrial region, but there has been no attempt at national standardisation, and for the obvious reason that the standard of living and cost of living vary widely from one region to another. All attempts to consider a national minimum wage have foundered on the same rock: Government service, by means of varying allowances, recognises these regional variations. Presumably, it will take a very long time before conditions in the different regions become sufficiently uniform to admit of national wage rates.

That this creates problems for the all-India industrial organisation is admitted. Said the Supreme Court:

"There is no doubt that in the case of an all-India concern it would be advisable to have uniform conditions of service throughout India and if uniform conditions prevail in any such concern they should not be lightly changed".

Indian Finance

	(Rs crores)
Government Finance Corporations and other Institutions .. 175	
Investment Corporations and Unit Trusts .. 25	
Foreign Loans and Investments .. 300	
Other Credits and Mortgages .. 400	
Total .. 3,000	

The Chamber is firmly of the view that an investment of Rs 3,000 crores in the private sector is impossible. If, however, suitable changes are made in fiscal and monetary policy, it is perhaps possible to have an investment of Rs 2,000 crores to be financed as follows:

	(Rs crores)
Paid-up Capital New Issues .. 300	
Retained profits, reserves and other savings .. 600	
Borrowings—Commercial Banks and Finance Corporation .. 500	
State Finance Corporations .. 150	
Foreign loans and investments .. 150	
Other credits and mortgages .. 300	
Total .. 2,000	

Such, then, are the broad differences between the Federation of Indian Chambers of Commerce & Industry and the Indian Merchants' Chamber in their approach to the Third Five Year Plan.

But Their Lordships went on to say:

"However desirable uniformity may be in the case of all-India concerns, the tribunal cannot abstain from seeing that fair conditions of service prevail in the industry with which it is concerned. If therefore any scheme, which may be uniformly in force throughout India in the case of an all-India concern, appears to be unfair and not in accord with the prevailing (regional) conditions... it would be the duty of the tribunal to make changes in the scheme irrespective of the fact that the demand is made by only a small minority of the workmen employed in one place out of the many where the all-India concern carries on business."

The Supreme Court therefore upheld the tribunal's changes in the retirement and gratuity scheme for Dunlop employees in the Bombay Branch, although they had been covered hitherto by a scheme of all-India application, and although they represented only small minority of the total number of employees.

This decision has a double-edged effect. Obviously, the company had been anxious to maintain standard terms of service throughout India, and must be disappointed in the result. On the other hand, in many all-India concerns, where there have hitherto been variations in terms between one branch and another, trade unions have been agitating to raise the conditions in the lower level region to the standard of the higher level region, and they, too, will be disappointed.

Now, whilst it seems obvious that, for the present, we must accept this regional variation so far as remuneration is concerned, are we not making a mistake in extending it to

*Labour Law Journal, Dec. 1959, p. 628.

other conditions of service, such as retirement terms? A man grows old at the same rate, wherever he may be, and his responsibilities for his dependents do not vary regionally. Is there then any justification for retiring an employee in one region at the age of 55 and in another at the age of 60? Similarly, since gratuity is calculated always in terms of a percentage of basic pay, regional variations in the cost of living are taken care of, where is the justification for paying a gratuity of half a month's basic pay for each year of service to staff in one region and three-quarters of a month's basic pay to staff in another region? There appears to be little logic in this; yet, on the basis of the "industry-cum-region" principle, this is what has been confirmed by the Supreme Court in the case of Dunlop clerical staff.

In Indian Finance of January 16, certain complications about the age of retirement arising out of tribunal awards (although not this particular one) were discussed, and it was mentioned that the Government of Bombay had put the age of retirement at 58 in its Model Standing Orders. The tribunal, in the case of the Dunlop Rubber Company, found that the retirement age was fixed between 55 and 60 years in various concerns in Bombay and was of opinion that 55 years was too low an age for retirement of clerical staff and that the trend in all the awards in recent times had been to fix it at 60 years. With the clerical staff are included certain supervisory and technical staff coming within the salary limit of Rs 500 set by the Industrial Disputes Act. Now, while clerical staff are seldom transferred from one region to another (although this is not unknown), supervisory and technical staff, sales staff and others may be so transferred. This award has the effect that a man due to retire at 55 in Calcutta may, on transfer to Bombay, find that the length of his working life has been increased to 60—or will he? Will some other tribunal find that his conditions of service are still governed by Calcutta conditions? Whichever way the decision goes, it will cause heart-burning.

Future Steel Demand

THE National Council's study* of future steel demand in the country adds a new dimension to the current debate on the content and the size of the Third Plan. Its publication, happily synchronising with the visit to this country of the Steel delegation from the United States, which is reportedly interested in building the fourth public sector steel plant at Bokaro, is not only bound to sustain public interest in the steel target in particular but to advance the chances of creating as much new capacity as possible for steel while the going in terms of foreign assistance is good. And it may even be that a higher Third Plan target for finished steel than what the National Council's estimated demand at 7.2 million tons suggests will come to be canvassed inasmuch as the defence potential of the steel industry, which is basic to a number of other heavy industries, is expected to command greater consideration at the hands of planners than it did before the Sino-Indian border dispute came to the fore. Any fear of

*Steel Demand Appraisal: A study carried out last year by the National Council of Applied Economic Research on behalf of the Council of Scientific and Industrial Research. A Government-appointed expert committee with Dr P. S. Lokanathan as Chairman, representatives of the Ministries of Steel and Commerce & Industry and of the main steel producers in the country as members and Dr B. Natarajan as Member-Secretary was in charge of the study. Dr A. K. Mukherji of the National Council was principally responsible for the study proper.

Surely, it is possible to decide on an all-India basis what the normal age of retirement should be for a particular type of job. In this case, only clerks and supervisory staff were concerned; other workmen were left with a retirement age of 55. The tribunal and the Supreme Court both held that 55 was too low an age for retirement for clerks—and this apparently had no reference to the climatic conditions of Bombay or Calcutta, but was a decision arrived at in relation to the type of work required of clerks in general. The recent Pay Commission also had the feeling that 55 was too low an age for retirement of Government employees. They suggested 58 years, but the Central Government rejected this recommendation on the ground that it would have an adverse effect on employment opportunities, and might lead to the retention of inefficient people beyond the age of 55. The Supreme Court has no such doubts, apparently. To whom is industry to look for guidance in this matter—the Central Government, the State Government, or the Supreme Court?

Closure of Business:

Section 25FFF of the Industrial Disputes Act lays down that where closure of a business is on account of "unavoidable circumstances beyond the control of the employer", retrenchment compensation should not exceed average pay for three months. The words "unavoidable circumstances beyond the control of the employer" came up for interpretation in the Calcutta High Court last week in the case of Bhattacharya Rubber Works Ltd., which had gone into liquidation. The High Court held that no extraordinary effort to keep the establishment open was required of the employer, who must confine himself to what a reasonable man in normal circumstances might be called upon to do. It must be remembered, however, that, by an explanation in the Act, the phrase "unavoidable circumstances" does not include closure "by reason merely of financial difficulties (including financial losses) or accumulation of undisposed of stocks."

a possible distortion of the goals of the Third Plan by an "ambitious" steel target may also be readily discounted because the existing plants, too, can be easily expanded at a relatively small capital cost.

If, thus, the likely increase in the steel requirements of defence industries is fully taken into account, it would appear that the Council's estimate of steel demand by 1965-68 is rather on the low side. This inference is suggested by the following figures which do not specifically cover the consuming sector of "defence and defence industries":

NCAER'S Estimate of Steel Demand by Consuming Sectors.				
(In '000 tons)				
Consuming Sector	1960-61	1965-68	1970-71	
1. Transport and Communications .. 772	1,515	1,993		
2. Large and Medium Industries .. 1,571	3,599	7,970		
3. Small Scale Industries .. 300	450	800		
4. Housing & Construction .. 107	268	379		
5. Power Projects .. 158	221	208		
6. Irrigation Projects .. 320	435	610		
7. Agriculture .. 35	50	75		
8. Others				
Grand Total .. 3,613	7,168	12,856		

It may not, however, be possible to figure out the additional steel requirements of the "defence and defence industries" sector. Whatever they be, there can at least be no doubt that the consequential gap between estimated production at full capacity of exist-

ing plants and expected higher demand will be somewhat wider than the Council's estimate of 2.6 million tons emerging from the following figures:

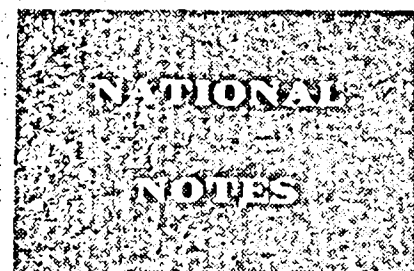
Categories	Estimated Production at full capacity of existing plants	Estimated demand NCAER 1965-68	(+ or -)
1. Heavy structurals .. 584	524	+ 60	
2. Light structurals .. 600	616	- 16	
3. Rails & fishplates .. 345	700	- 355	
4. Sleeper bars, etc. .. 156	215	- 59	
5. Tinplates .. 150	190	- 40	
6. Sheets .. 740	1,050	- 310	
7. Plates .. 300	666	- 366	
8. Bars and Rods .. 1,305	2,229	- 924	
9. Wire .. 55	212	- 157	
10. Tools and Alloy Steel .. 69	276	- 207	
11. Wheels, tyres and axles .. 70	80	- 10	
12. Skelp .. 168	330	- 162	
13. Hoops and strips .. 28	80	- 52	
Total .. 4,570	7,168	2,598	

Since the Council's study has taken into account the possibility of the fourth public sector steel plant being able to turn out finished steel by the end of the Third Plan and since the expansion of the Bhilai plant is a certainty, the balance of the gap of 2.6 million tons may not be of such magnitude as to call for the expansion of, possibly, more than one existing steel plant. Where the gap is conceivably wider, it should be possible to cover it fully by expanding the other existing plants, preferably in the private sector in the first instance so as to maintain a continuing balance between the two sectors. If the National Council has made no such suggestion, it is because its study is objectively concerned more with the appraisal of steel demand than with its supply or with the ways and means of ensuring that supply.

It is, therefore, as a demand appraisal study that its value would need to be judged. What is noteworthy here is that the appraisal of steel demand has been made in the most scientific manner possible. By combining the "end-uses method" (which generally gives the most reliable estimate of demand for a basic commodity like steel) with the "national estimates method", the Council's study has arrived at estimates which are manifestly dependable for the broad purposes of planning. If the study has not adopted the "trend method" of estimation fully, it is because "it is not valid to project the demand solely on the basis of the past trends, when the base of steel production and consumption had been as narrow as it was in the past in India, and when large investment is contemplated in establishing a solid base for the industrialisation of the country and in increasing the output of the steel consuming industries."

Estimated Requirements of Categories of Finished Steel in 1960-61, 1965-66 & 1970-71.

Categories	1960-61	1965-66	1970-71
		(In '000	Tons)
1. Heavy Structural	270	524	874
2. Light Structural	330	616	1,202
3. Rails & Fishplates	311	700	931
4. Sleepers and Sleeper Bars	98	215	249
5. Tinplates	140	190	243
6. Sheets	582	1,050	2,335
7. Plates	300	666	1,274
8. Bars & Rods	1,092	2,229	4,066
9. Wire and Wire Products	126	212	346
10. Special Steel (including Tool and Alloy Steel)	107	276	514
11. Skelp	168	330	590
12. Wheels, Tyres and Axles	49	80	112
13. Hoops & Strips	40	80	120
Total	3,613	7,168	12,856



Pragmatic Socialism

The country is indebted to the Union Finance Minister for a new concept to serve as the directive principle of economic planning. The economic policy pursued by the Government with its emphasis on the Socialistic pattern has been increasingly assailed both on the ideological plane as well as on the level of practical action. Since India seeks to follow the West in economic development, attention has been naturally drawn to current trends in the industrialised nations of the West which indicate an unmistakable retreat from orthodox concepts of Socialism. A pointed reference to these developments was made in the Presidential address of Mr K. J. Cleetus to the annual meeting of the Indian Electrical Manufacturers' Association, which was inaugurated by the Union Finance Minister. Mr Morarji Desai was on strong ground when he advised Indian industrialists not to press the theme too hard. Socialist programmes have become out of date in West, because the aims for which they stood which have relevance for the common man have been realised as the by-product of increased prosperity. But, in India, where the per capita income after eight years of planning is still less than Rs 300 a year, and where glaring inequalities persist

in spite of rates of taxation which are the highest in the world, it would not be realistic to suppose that socialistic ideas had lost their revolutionary impulse. Mr Desai, therefore, recommended his audience of businessmen to take a pragmatic view on Socialism.

The term pragmatic socialism can open up a fascinating vista of ideological speculation on its implications. But Mr Desai left no room for doubt about what he actually meant. In all policies, the interest of the common man should be the main guiding factor. If this was conceded, the area of controversy would be narrowed and discussions can therefore be more purposive. It should then be possible to ensure that the practical difficulties of manufacturers, to which Mr Cleetus had referred in his address, would receive more effective attention than Mr Desai could possibly give in an extempore address.

Mr Cleetus had referred in particular to the difficulties on account of shortages of essential raw materials, fuel and power. A large programme for increase in the output of steel, power and oil will not be particularly helpful, unless the requirements of industry are taken into account in working out the details of the programmes. While the climate for foreign investment has no doubt improved, there is still room for speeding up the processing of proposals for foreign technical collaboration. A pragmatic approach implies greater attention to practical details than to doctrinaire considerations. And if Government policy is guided by this principle, as desired by Mr Desai, many of the difficulties experienced by industrialists should be automatically eliminated.

Hasty Legislation

The All India Businessmen's Convention served as a powerful sounding board for broadcasting the views of the business community on the systems of taxation and controls obtaining in this country. That these often result in needless vexation and harassment is not in dispute. But the general approach so far has been one of helplessness, both on the part of the authorities as well as of the victims of their policies. The elimination of the hardships experienced by businessmen would be feasible if the underlying causes were clearly understood. The role of hasty legislation in creating needless difficulties for businessmen was spotlighted by Dr A. Ramaswami Mudaliar on the second day of the Convention. He gave effective expression to the widespread feeling that the pace at which legislation is being enacted did not allow sufficient time for careful examination of the drafts of the bills in relation to existing laws. The result was more work for the courts which,

Dr Mudaliar said, were "completely confused by this plethora of laws which they try to adjust as far as possible". The difficulties are further aggravated by the tendency to keep the accredited organisations of businessmen at a distance. Lack of precision in laws was responsible to a large extent for procedural delays. This, as Dr Mudaliar shrewdly pointed out, was one of the reasons why industrialists and businessmen have to station permanent liaison officers in Delhi for "tracing files that pass from one person to another".

Voroshilov in Calcutta

If the welcome accorded to President Voroshilov and his party was less hysterical than the one accorded to an earlier visit of Soviet leaders, it was nonetheless heart-warming and should have given the visitors an insight into the mind of the Indian people. The visitors have come to Calcutta on the last lap of their Indian tour. At all places visited by them, two themes have been emphasised in the addresses of Marshall Voroshilov and his companion, Deputy Premier F. R. Kozlov, namely, disarmament and economic co-operation. On both these issues, they can be sure of the enthusiastic support of the Indian people. There is great appreciation in this country of the very fruitful assistance rendered by the USSR for economic development which is symbolised by the steel plant at Bhilai. Other big projects, made possible by Soviet assistance, are also coming up at Durgapur and at Hatia in Bihar. It is also confidently expected that economic cooperation between the two countries will increase during the Third plan period. It will be noticed that the welcome accorded to our guests cuts across party lines. The visitors also should have no reason to think that the cordiality of the welcome they have received in Calcutta, as in other parts of the country, had anything to do with ideological affiliations.

Friendship Reinforced

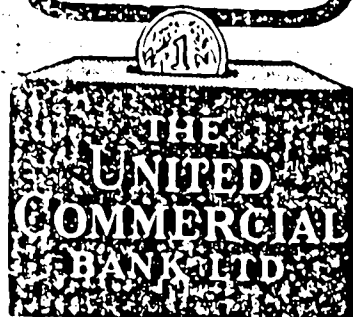
The visit of Nepal's Premier, which coincided with the Republic Day, has induced a new awareness in this country of our northern neighbour. The joint communique emphasises the close friendship and the community of culture and outlook subsisting between Nepal and India. In fact, the traditional bonds of culture which bind the two countries together has itself, on occasions, been the source of misunderstandings. For, it is not always easy to keep in mind that Nepalis are not Indians but are the citizens of an independent country jealous of its sovereignty. The greater, therefore, should be the satisfaction that the joint communique, issued by the Prime Ministers of the two countries, has reiterated

that "Nepal and India have a united interest in each other's freedom, integrity, security and progress and that the two Governments should maintain close consultation in matters of common interest."

The joint communique also refers to the new treaty of trade and commerce that would replace the existing one which would expire in April. The expansion of trade, for which the treaty can create favourable conditions, depends ultimately on the economic development of Nepal. It is a matter of considerable satisfaction that, in spite of pressing demands for development at home, Government of India have found it possible to afford financial assistance to Nepal's development programmes to the extent of Rs 14 crores, in addition to undertaking construction of the East Kosi Canal at a cost of about Rs 4 crores. It is only in the fitness of things that the new treaty should also provide for separation of Nepal's foreign exchange account and the regulation of Nepal's foreign trade by the Nepal Government.

While in Madras, President Voroshilov recalled Russia's own backwardness forty years ago and expressed sympathy with India's difficulties in forging ahead. He was, of course, pleased at India getting rid of the "yoke" of imperialism, and was all praise for the post-Independent record of the Indian Government and their foreign policy. It was interesting to hear from him that Russian aid was without "strings", in that the USSR did not stipulate the conditions whereunder that assistance could be used.

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FOREIGN NOTES

US Capital Expenditure

THE resurgence of capital expenditures by business is among the factors most often cited as supporting the anticipated record level of United States economic activity in 1960, and evidence of the strong upturn in these expenditures continues to mount steadily.

The most recent, and so far this year the most significant, evidence is found in reports by two leading private business groups in the United States. The National Constructors Association, an organization of industrial builders, notes "a definite pickup" of activity plant design and planning by American businessmen in a wide range of industries, pointing to a broad-based "upturn in industrial construction." The American Iron and Steel Institute, one of the nation's leading trade associations, reports plans for a sharp expansion in capital spending this year by companies in the industry it represents—certainly, one of the key industries in the economy.

Thus, it appears that the revival in business outlays for net plant and equipment, which rose only moderately last year after a relatively sharp 1958 dip, is gathering momentum. This would in line with normal past experience, since these outlays often show a stronger than expected rise during periods of vigorous economic growth, as at present.

A rundown by the newspaper 'Journal of Commerce', reflecting the opinions of executives in the construction industry, turns up a number of interesting reasons for the high level of plant and equipment spending by American companies. First, and probably most important, is the high level of general business activity and the rising demand for goods. This trend seems to be encouraging company officials to go ahead with expansion and modernization moves.

Second, is the need to make up for the lag in capital spending of the past few years. Third, competition for business is expected to remain keen, with consequent pressure to keep costs down and productivity up. One of the most efficacious means of accomplishing these ends is through the building of new and better plants and the modernization of existing facilities.

Finally, the recent settlement of the steel labour-management dispute appears to be laying the basis for uninterrupted production by American steel mills for the next

two years. This should result in adequate supplies of that key material which is basic to construction and to many other industries.

One adverse factor that may have to be dealt with during 1960 is the high cost of raising money. But this is not expected to be a major obstacle to capital investment if the need for facilities is strong enough. Moreover, much of the money to finance new plants and equipment normally comes from internal rather than external sources, largely from retained earnings.

The National Constructors Association, whose members build such facilities as power plants, chemical plants, petroleum refineries and steel mills, notes that its clients are doing a lot more talking about expanding and modernizing, and are signing more contracts for these purposes, more than they were at this time last year.

While it takes some time to translate engineering work into construction, a significant upturn in actual building, according to the association, should be well under way later this year.

It is interesting to note, incidentally, that the new work for association members is coming from foreign as well as American companies—further indication of the international character of the current economic rise.

The importance of the capital investment rise to the construction industry and the US economy as a whole also is seen in the fact that the increased outlays for new facilities will more than offset an anticipated dip in housing, which constitutes the largest single segment of the construction industry.

The Department of Commerce expects construction expenditures in the United States to reach \$55,300 million this year, about two per cent above the 1959 level, despite the housing dip.

Steel modernization and expansion evidently will be playing a big part in the upthrust of capital investment. The latest figures of the American Iron and Steel Institute, now indicate that in 1960 iron and steel companies in the United States will be spending a near-record \$1,600 million for new plant and equipment. This outlay would be \$640 million larger than the 1959 spending, and only \$150 million below the record annual total spent during 1957.

Through the 14 post World War II years of 1946-49, inclusive, American iron and steel companies spent a grand total of more than \$12,000 million to build up the efficiency and expand the productive capacity of that industry. During that time, US steel-making capacity grew from less than 92 million short tons a year (one short ton equals 0.91 metric tons) to nearly 148 million short tons a year, a total gain of about 56 million tons or 60 per cent.

Now, the industry's projected 1960 spending on plant and equipment would bring the capital investment

vestment total to \$13,700 million for a 15-year period, assuring a further significant advance in the steel-making potential of the United States.

Sino-Burmese Agreement

The Sino-Burmese border agreement, which has been reached with surprising expedition, is satisfactory in so far as it lays down firm principles for the delimitation of a disputed frontier. Settlement has been reached on the basis of the recognition of the customary frontier between the two countries, which follows the watersheds of rivers specified in the agreement, except for certain small tracts where adjustments have been made on the basis of mutual accommodation. The Chinese claim to the three villages on the Kachin border, which are to be handed over to China, had already been conceded by U Nu in 1956. On the other hand, China has agreed to turn over to Burma a tract of land which had been leased to Burma under a convention entered into with the British in 1897, in return for areas under the jurisdiction of the Panlung and Panlao tribes on the border of the Wa State. The cession of the Namwin tract is a valuable gain for Burma as the existing road link with Shan states passes through this area. The basis of the settlement agreed to in principle appears to be more favourable to Burma than what the former Burmese Government would have been prepared to accept. This must have been one of the reasons that prompted Premier Ne Win to speed up the settlement on the eve of general elections in Burma.

It is obvious that the continuing dispute over the Indo-Tibetan border has provided the incentive to China to straighten its relations with its other neighbours in South East Asia, forestalling any possible hostile grouping of countries in this region which are apprehensive of Chinese expansionism. The fact that the border agreement is accompanied by a treaty of non-aggression leaves no room for doubts on this point.

The dispute over China's border with Burma has been settled on the basis of principles which India has all along been suggesting should be adopted in delimiting the border, that is to say, the recognition of the customary frontier along the water sheds, with minor adjustments of disputed points. There would have been no dispute over the Sino-Indian border, if China had been prepared to abide by this principle, not to speak of Panch Sheel, which has been reiterated in the Sino-Burmese agreement. Can we assume on the basis of the record, that the Chinese would be as reasonable over the frontier dispute with India as they found expedient in negotiations over the Sino-Burmese frontier?

IDA: Before the Year end

The International Development Agency, the brain-child of President

Eisenhower, has grown with reassuring rapidity, strengthening the hope that it may, yet prove an effective instrument for accelerating the economic development of underdeveloped countries. This faith, it may be conceded, was at a very low ebb when the last UN, Assembly approved the proposal in a rather attenuated form. The hesitant approach of the countries of Western Europe raised doubts whether the institution would be able to serve the purpose for which it was intended. Though these have not been completely dispelled, it is gratifying to note that the blue-print for the organisation has been drawn up with remarkable rapidity and, barring unexpected delays, the IDA should be launched before the end of the year.

The Articles of Agreement, along with a commentary by the Executive Directors of the World Bank, have been sent out to the 68 member Governments of the Bank. The IDA will become "formed" when Governments, whose subscriptions aggregate at least 65 per cent of the total initial subscriptions, have accepted membership, but not earlier than September 15, 1960. The IDA will supplement the services provided by the World Bank, by providing finance to meet important development requirements of less developed areas of the world "on terms which are more flexible and bear less heavily on balance of payments than those of conventional loans".

Membership is open to members of the World Bank, who will raise the proposed initial resources of \$1,000 million through subscriptions proportionate to their subscriptions to the World Bank's capital. A distinction has been made between the seventeen industrialised countries which are members of the Bank, and the remaining fifty-one countries, in the matter of payment of their initial subscriptions. Whereas the former will pay their total subscription in five equal instalments in gold or freely convertible currencies, the 51 less developed countries will pay 90 per cent in their national currencies, which the IDA will not be able to convert into other currencies without the consent of the countries concerned, and only 10 per cent in gold or freely convertible currencies. This concession will relieve to a great extent the strain on the second group of countries in finding resources for the initial capital of the institution.

The Articles allow considerable latitude as regards the terms and purposes of financial assistance that may be granted by the IDA. The IDA is authorised to finance any project of a developmental nature, whether or not it is remunerative or directly productive. This will put the IDA in a position to help in building the economic infra-structure, for lack of which industrial development is held up in many parts of the world. The flexibility of operations indicated by the Articles should make the IDA an important addition to international financial agencies and mark it out as an effective channel for international aid programmes.

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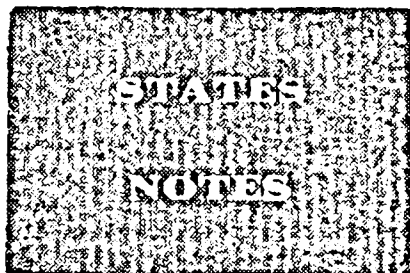
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Human Capital and National Wealth

Speaking at Bhopal, Mrs Tara-keswari Sinha, Union Deputy Minister for Finance, underlined the importance of "human capital" for economic development. Of this, no better evidence exists than the impressive contribution being made by human capital to the national wealth of USA, the most highly mechanised economy in the world. Against 10 per cent, which is claimed to be the contribution of machines, the share of human capital in the national wealth of that country is estimated at 90 per cent. Even as the economic prosperity of the USA reflects the efficient utilisation of human resources, the economic backwardness of India is a reflection of the superabundance of unproductive labour engaged in agriculture. Progress in development calls for diversion of this surplus agricultural population through the creation of channels of productive enterprise.

This inevitably raises the question of accelerating capital formation, which provides the only basis for new economic activity. As Mrs Sinha pointed out, capital formation involves two stages—(1) the accumulation of savings of the people, which represented the surplus of current production over current consumption and (2) the savings being pooled by requisite institutions for their investment in the national economy. In so far as capital formation has been hindered by lack of appropriate institutional agencies for mobilising the savings of the people, the setting up of such agencies should provide more funds for development. However, the scope for stepping up capital formation in this way is very limited, since a low margin of savings is the characteristic feature of such economies. In our country itself, the margin of savings at present is, according to Mrs Sinha, less than 8 per cent, while the minimum margin considered necessary for reaching an advanced stage is 15 per cent.

Mrs Sinha has prescribed diversification of production on the basis of smaller and larger units. For absorbing the surplus productive labour force, the importance of small and labour-intensive units of production should be obvious.

Planning in Under-Developed Economy

Planning for economic development has now come to be accepted

as the only way to quicken the pace of progress, at least in under-developed countries. Faced with a huge backlog of development work and the new-found urge for a rapid improvement in the standard of living of its teeming millions, the underdeveloped countries are gravely handicapped for want of modern machines and the technical know-how, which alone can help utilise the available indigenous resources. We in India have come up against similar obstacles during the current plan period. It has been forcefully brought home to us that ambitious development plans in our country, for some time to come at least, will have to depend on the availability of large amounts of foreign exchange. The crux of the problems that are facing our planners is how to reconcile the need for a rapid industrial development with the acute stringency in our foreign exchange resources.

The difficulties encountered during the Second Plan have led to the demand for what is called a pragmatic approach to planning. That there are other equally valid approaches to the problems of planning in an underdeveloped country has been shown the other day in Patna. Speaking at a college symposium on "Planning in Mixed Economy", Dr B. R. Misra has indicated that allocations of resources in planned development in an underdeveloped economy can be divided into three main heads, which he terms as overheads—the economic overheads, social overheads and borderline overheads. Economic overheads are those which, on fruition, begin to yield profits in the shape of increased production. Social overheads comprise the projects for the development of education and other allied subjects which, while quite essential to the community, take a long time to yield results. The borderline overheads may fall either into the one or the other of the categories. Transport falls under this category, and Dr Misra says that transport, when it directly helps the economic overheads, will be included in this category; but such of those transport developments as merely add to the convenience of people will have to be tagged on to the social overheads. It would appear therefore that, if the main objective is rapid economic development, there can be no question as to the priorities in allotment among the three sectors. He has illustrated his thesis by pointing out that, if the effect of planning has been slow in reflecting in the economy, it is because the allocations have not been made with a view to attaining an optimum economic growth.

Slow Progress of Small Industries

The report of the Small-scale Industries Board, which was published last week, makes disappointing reading in so far as it has revealed unsatisfactory progress in

the implementation of Second Plan schemes during 1959. Madras, Uttar Pradesh and West Bengal were the only exceptions and, in these States, encouraging work in connection with organisation of industrial estates, marketing emporia and servicing centres is reported.

This gap in performance is particularly deplorable, considering that the financial assistance to small-scale industries is reported to have been considerably enlarged through various agencies. Larger disbursements have been claimed by all important channelling agencies such as State Governments, State Financial Corporations and the State Bank. The amounts disbursed by the State Governments and the State Bank are put down at Rs 7.8 crores and Rs 4 crores respectively. In the face of such increased disbursements, lagging progress in implementation could only point to lack of concern and enthusiasm on the part of the Government in the matter of small-scale industries development.

In so far as shortage of raw materials has hindered progress, it is necessary to ensure adequate supplies. That the position continues to be unsatisfactory is evident from the report. Shortage has been reported in respect of essential items such as iron, steel, copper, zinc, and basic and heavy chemicals.

Against such unsatisfactory facets of progress, the report has also revealed other encouraging developments, which include setting up of model schemes, opening of training centres, preparation of distribution-aid centres etc. These schemes, together with the initiation of the intensive campaign for developing small-scale industries in the backward areas, should provide the impetus for the rapid development of the small-scale sector.

Jan Sangh's Growth

The Nagpur Convention of the Jan Sangh held last week marks the completion of 8 years since the party was formed. It was evident from the report of the Secretary that, notwithstanding the stigma of communalism with which it was born, the party has gained in strength and popularity. The report points to rise in membership and notable successes achieved in civic elections in the Northern States of Uttar Pradesh, Madhya Pradesh, Rajasthan and Punjab. Though without a large following in the South, in the course of the last 8 years, it has grown to become one of the four major national parties in the country.

The resolution passed at the conference underlined the difference between the policies and programmes of the Jan Sangh and those of the Congress. The party has called for radical changes in the economic policy of the Government and particularly wants the domination of the economy by the State to end. Nationalisation and

State trading and such other avenues of State participation in economic activity are disfavoured. The opposition to these policies is explained and justified in terms of the dilution of democratic principles that such policies involve. In this, the policies of the Jan Sangh and of the newly formed Swatantra Party closely resemble. Opposition to cooperative farming figures prominently in the resolution on the economic situation. However, it is interesting that the party has proclaimed itself as not allergic to ceilings on land.

The party favours a decentralised pattern of industrial development, gigantism being approved only in respect of defence and basic industries. However, the concern evinced by the party for increasing the military strength of country seems rather out of accord with its own prejudices against big industries.

The party expressed general approval of the policy of non-alignment, being followed by the Government in their relations with other countries. However, dogmatic fidelity to non-alignment was disavowed. A "firm, honourable and realistic" China policy is advocated and, in the context of the Chinese incursions into Indian territory, this, according to Mr Pitambar Das, the President of the Sangh, calls for serving an ultimatum on China to quit Indian territory. With a view to containing Chinese aggression, rapid improvement and intensification of border arrangements in respect of defence, transport and communications are urged.

By the principles of its birth and origin, the Jan Sangh is committed to a policy of reciprocity toward Pakistan. Hence, it sees no justification for the soft policy pursued by the Government toward Pakistan in the face of continuing irritations caused by that country.

Exploiting Alcohol in UP

The Uttar Pradesh Government have set up a working group to formulate a programme for exploitation of alcohol during the Third Plan period. The group has indicated the possibilities of starting fifteen large and medium industrial units, which can use industrial alcohol for producing several useful commodities, most of which are now imported. The State produces 12 million gallons of alcohol a year, nearly equal to the production of all the remaining States. The 63 sugar mills in the State are the main producers of industrial alcohol.

A sum of about Rs 60 crores is proposed to be invested. The capital investment of the alcohol-based industries is estimated at Rs 8 crores. The synthetic rubber plant, which is being put up at Bareilly in the private sector, is the first major move to utilise industrial alcohol, and the project may cost Rs 42 crores.

Indian Finance

February 6, 1960

According to the working group, the demand for alcohol, during the Third Plan period, is expected to rise to 27 million gallons a year. Bareilly's synthetic rubber plant alone will consume 14 million gallons for producing 20,000 tons of rubber. When the factory's capacity is increased to 30,000 tons, its requirements are expected to be 20 millions. There is, therefore, every possibility of doubling UP's output of industrial alcohol in the near future.

MP's Mineral Resources

The Madhya Pradesh Government have proposed to set up a Corporation in the public sector to exploit the mineral resources of the State. In disclosing this, Mr H. V. Pataskar, the Governor of the State, has added that the Government of India have decided to license the setting up of three sulphuric acid and superphosphate plants in the private sector in the State. The possibility of a fertilizer plant being established in the State has also been hinted at.

Madhya Pradesh would have utilised a little under 80 per cent of its Second Plan allocation. The outlay fixed for the final year of the Plan is Rs 35.5 crores.

West German Investment

After conducting an extensive tour of the country, Mr Alfred Krupp, the well-known West German industrialist, expressed great satisfaction at the favourable industrial climate in India and revealed that it would facilitate an increased flow of German capital to help it in its industrial programme.

Addressing a press conference at Bombay, Mr Krupp disclosed that the signing of the Indo-German agreement on avoidance of double taxation had removed some of the hurdles to West German investment in this country. The German magnate stated that, during his stay in India, he had received several proposals for establishing new plants in the country on the basis of Indo-German collaboration. He thought that some of these proposals were sound and profitable and that they would be given due consideration.

Mr Krupp's views clearly reflect the growing interest evinced by West German industrialists in helping our country to accelerate the pace of industrialisation. It may be recalled that the representatives of the two countries are negotiating an investment guarantee agreement between the two countries and it is reasonable to hope that such an agreement will entice German industrialists to invest more capital in India.

Higher Output in Rajasthan

According to the official estimates, agricultural production in

Rajasthan has recorded a substantial increase during 1958-59 as compared to the output of the previous years. Marked improvement has been registered in the production of pulses, oilseeds, cotton, sugar-cane and other cash crops.

Food production reached a record level of 3,588,000 tons in 1958-59 as against 881,000 tons in 1951-52. The total production of pulses and oil seeds reached the peak level of 1,483,000 tons and 266,000 tons respectively during the period under review.

Unprecedented increase has been shown in the output of cotton, the production of which was estimated at 147,000 bales in contrast to 86,000 bales in 1951-52. Sugar production also shot up to 13,910 tons from 8,229 tons in 1951-52.

Similar increase has also been made in industrial output, the most important that deserves special mention being cement, the production of which rose to 765,240 tons in 1958 from 272,852 tons in 1952.

This increase in food production is a creditable achievement for the state. In spite of the record food production in the country last year, there was shortage in food. An all out effort all over the country is required for easing the food scarcity. The main handicap for Rajasthan in the agricultural field is the lack of irrigational facilities. More land can be brought under the plough if water is supplied in time to the agriculturists. Besides use of better seeds, improved implements and fertilisers will immensely improve the agricultural yield in the state.

Irrigation in Madras

The Madras Government have finalised the programme for the development of minor irrigation schemes in the State during the Third Five Year Plan, at the cost of about Rs 12.5 crores, to increase the agricultural yield. The food production in the State was never in a satisfactory position and it is but natural that the authorities are paying increased attention to stepping up food production during the Third Plan.

The programme drawn up for the next plan marks a departure from the policy hitherto pursued by the Government. It is evident that the Government have been giving great attention to developing the major projects in the State. It seems that the water potential to be utilised for such projects in the State is already exhausted and the development of minor works is the only alternative to facilitate regular and timely supply for the agricultural crops in the State. Moreover, improvement of minor irrigation works is considered to be an effective means for increasing food production within a limited time with minimum expenditure.

The proposals of the Government, among other things, include the launching of new projects all

over the State and the renovation of the existing ones. Increased attention will be given to the desilting of tanks, raising bunds of tanks and extending the scheme of subsidising well-sinking to other parts of the State as well. The tempo of the well-sinking scheme will be accelerated during the next plan and a programme is being drawn up to fix the target at double the number set down for the Second Plan.

The advantages of enhancing the irrigation facilities in a State need hardly be emphasised, especially in a deficit state like Madras. It is estimated that, as result of the schemes implemented during the Second Plan, food production in the State will improve to the tune of 900,000 tons and it is expected that, by the end of the next plan, the food position will be satisfactory with the completion of the minor schemes contemplated by the Government.

Mysore's Annual Plan

Mysore State has planned to make a big effort in the last year of the current five year plan to increase its power potential and to augment irrigation facilities. This is evident from the fact that nearly half of the annual outlay of Rs 39.63 crores is allotted for the Irrigation and Power sector. Out of a total allocation of Rs 16.25 crores for this sector, irrigation gets Rs 6.75 crores while Power gets as much as Rs 9.50 crores.

Out of the Second Plan outlay of Rs 145.13 crores, an expenditure of Rs 99.07 crores has been incurred up to the end of 1958-59. The revised budget for 1959-60 is Rs 39.82 crores and with the outlay for 1960-61, now approved by the Planning Commission, of Rs 39.63 crores, the total expenditure on Second Plan Projects may be expected to be in the environs of Rs 138.70 crores.

As a result of the implementation of projects in the Agricultural and allied sectors in the first four years of the Second Plan, an additional foodgrains production potential of about 4.2 lakh tons has been achieved. A further additional potential of 1.38 lakh tons is expected to be reached by the end of 1960-61. Agriculture and allied sectors get a total provision of Rs 5.80 crores in the annual plan and among the programmes to be taken up are scheme for cocoa development and a provision for the Coorg Fruit Research Scheme. Social services get an allocation of Rs 7.75 crores and the biggest beneficiary will be education with an allotment of Rs 3.39 crores. Transport gets Rs 2.29 crores and a State Road Transport Corporation is expected to be set up during the next year. Out of an allocation of Rs 2.11 crores for Industries and Minerals, small scale industries figure prominently with a share of Rs 1.26 crores.

Rajasthan's Third Plan

The State's people's urge to accelerate the region's all-round development is reflected in the big outlay planned for the Third Plan by the Rajasthan Government. According to the tentative Plan, a total outlay of Rs 279.38 crores is envisaged. The major task will continue to be one of improving the living conditions of the generality of the people and, as such, the allocation of Rs 91.32 crores for social services including education is quite appropriate. Nearly half of this amount is to be spent on education, as the task that faces the State in this field is enormous. The aim is to attain a very high percentage of coverage under primary education and the age group that will come under the scheme is 6-11. There will be a corresponding increase in the facilities for secondary education.

As is to be expected, food production is to receive special attention during the next plan period. The aim is to double foodgrains production from the 1957 level of 29 lakh tons to 66 lakh tons. The task, however, may not appear too big if it is noted that the State expects to attain a food production target of 48 lakh tons by the end of the current plan period. Generation of Power gets as much importance as agriculture, and rightly so, as there is a large unsatisfied demand for power in the State. Moreover, it is one of the aims of the State Government to foster the growth of industries in the private sector. Recently, Government have announced concessional power rates for industrial consumers. As against an allotment of Rs 51.75 crores for agriculture, the provision for power schemes is Rs 55 crores. The next biggest allocation is in regard to transport at Rs 35.35 crores. Industries and Minerals receive Rs 11 crores, and the emphasis in this sector will be on mineral-based industries.

Punjab's Plan for 1960-61

Punjab has programmed for a big outlay in the final year of the Second Plan. The annual plan for 1960-61 as finalised envisages a total expenditure of Rs 35.8 crores and the bulk has been allotted for power and irrigation schemes. Out of the total apportionment of Rs 15.6 crores under this head, as much as Rs 10.5 crores is to be spent on Bhakra Nangal. The State's agricultural schemes included in the Second Plan have made good progress and efforts in this direction are to be further intensified in the next year as will be evident from the large provision of Rs 4.7 crores for this sector of activity. Education and health programmes are to absorb the major portion under Social Services which get a total allotment of Rs 7.8 crores.

WORLD OF BUSINESS

Stress and Strain for Cement

The cement industry seems to be passing through a period of stress and strain. The main deterrent to profitable working of the industry would appear to be the fact that consumer demand is not catching up with the increase in the installed capacity of the industry. According to Mr Dharamsey M. Khatau, Chairman of the Associated Cement Companies Limited, there is no early possibility of an improvement in this regard. Besides the problem of production outstripping demand, thereby resulting in the accumulation of unsold stocks, the industry is troubled by financial stringency largely brought about by the fiscal and regulatory measures initiated by Government in the course of the past year. The increase of Rs 3.50 in the retention price granted to ACC by Government on the recommendations of the Tariff Commission has been found to be inadequate to cover the increase in the cost of production since 1957. In his speech at the annual meeting of the shareholders of ACC, Mr Khatau has pointed out that the Tariff Commission have made a basic error in assuming, in their computation of costs, that production will be equal to installed capacity. The ACC's actual performance does not support this thesis as production has been only 95 per cent of the effective installed capacity.

Mr Khatau is all praise for the Finance Act 1959 in so far as it has greatly simplified the cumbersome procedure connected with company taxation. But the assurance that the status quo will be maintained as far as the financial obligations of companies are concerned has been falsified in its actual application. In short, the new system takes from companies more than it gives, with the result that the Exchequer is enriched by increased yield which is largely to be borne by companies. This is in direct contradiction to the Finance Minister's statement that the new system will neither result in bringing additional revenue to Government nor increase the burden on companies. Mr Khatau has said that only if the aggregate rate of income tax and Corporation tax under the new system does not exceed 40 per cent will the Finance Minister's declared objective be fulfilled. Yet another drawback in the new system has come to light in its actual working. Even to pay its reduced dividend, the ACC has been obliged to draw heavily from

its reserves. Under the new dispensation, such amounts as have been drawn from taxed reserves will automatically lose the tax credit. This, as Mr Khatau has noted, will amount to imposing a penalty on companies for following a conservative financial policy.

Shareholders of ACC can, however, look to the future with confidence because the company, despite financial stringency, is going ahead with its expansion and diversification programmes. Mr Khatau has also spoken in appreciative terms about the more realistic Government approach to the problems of fixing the target for cement production during the Third Plan. He is of the view that a production of 45 million tons is an achievable target.

Modifying Trade Policy

The discussions of the Export and Import Advisory Councils to be held at Delhi on February 13 and 14 on the modifications that are to be carried out in the country's export and import policies during the first half of the fiscal year 1960-61 have already attracted the attention of industrialists in the country. The Bharat Chamber of Commerce has submitted two notes to the Government of India containing its suggestions to be brought before the Councils at their sittings. The main idea contained in these notes is the need for gearing all policy measures, including foreign trade policies, so as to accelerate the collective buoyancy in the business activities in the country, so that the country can launch the Third Five Year Plan with increased economic stability.

Before the implementation of the next plan, a thorough probe should be conducted into the techniques of foreign exchange budgeting, working of the Import Trade control policy and procedure. The Chamber pleaded for the stabilisation of the licensing procedure for industrial consumers and for enforcing a uniform basis for taking decisions about the need for new enterprises to be started in the different states. The modification of the import policy for at least some of the items contained in the Import Trade schedule has also been suggested by the Chamber.

Effective steps should be taken to boost exports on long term programmes so as to achieve an export surplus. This is particularly important when the country is confronted with the repayment of debts incurred for launching Five Year Plans. Other suggestions advanced by the Chamber that deserve mention are the relaxation of the rules governing exports, the declaration of guarantee taken by the Government at least for the next fifteen years so as to ensure further investments for the development of the country's export industries and exports markets. The notes also stressed the need for adopting the necessary measures to step up the export of

at least some of the traditional items like tea, jute manufactures and cotton manufactures.

ITA

At the annual meeting of the Indian Tea Association, Mr D. L. Betts the Chairman, expressed the view that, although the comparatively strong demand for tea might be expected to continue this year, at least until the 1959 crop had been sold, there was no room for complacency. He believed that, with Government encouragement by way of extensive propaganda and abstention from over-hasty greed for taxation revenue, with patience from labour and moderation in their demands for a rising standard of living, with hard work, increased productivity per capita, and with attention to quality and intelligent management all round, there was still a hopeful future for Indian tea, including the plainer grades. In this connection, he made a plea for equitable distribution of the revenue collected between the Central and State Governments, avoidance of multiplicity of taxes and support for attempts to codify the relationships which should exist between employer and employee.

The sale of residue tea, even to places far away from Calcutta auctions, had undoubtedly a depressing effect on the market for Common tea. The temptation to make easy and immediate profit by such sales must be resisted. In this connection, Mr Betts has the feeling that complete destruction of residue and waste tea is one way in which, without waiting for an international agreement or regulatory system, there can be a control on crops. Finally, Mr Betts has expressed the view that, in the Third Plan, India must set "market" targets to increase the demand in foreign countries, and the Tea Board's efforts in that direction must be encouraged.

Refractory Materials Plant

The inauguration of the Refractory Materials Plant at Bhilai by Mr Morarji Desai, the Union Finance Minister, is another milestone in the industrialisation of the country. The plant has been constructed at a cost of about Rs 1.7 crores and is manufacturing burnt dolomite and other materials required for various industries, and it is estimated that the annual production of the plant will be worth Rs 50 lakhs. The authorities are also considering plans to start production of bricks in the plant.

In the course of his address, Mr Desai paid a glowing tribute to the efficiency and enthusiasm evinced by the technical staff working at the plant and expressed the hope that their labour will help to eradicate poverty in the country in the long run.

With the installation of the Steel Plant at Bhilai, the place has become a hive of industrial activity.

The supply of steel from the plant will increase the tempo of industrialisation of the country at large. Another product of the plant which is in great demand is ammonium sulphate. And there are ample reasons to expect that, with the abundant supply of raw materials, a host of subsidiary industries will be established around the plant in future.

Indo-Japanese Endeavour

In collaboration with the Japanese Government, the Government of India have decided to establish a prototype and training centre at Howrah, in West Bengal. It is the third of its kind in the country. The cost of the project is estimated to be over a crore of rupees. According to the agreement reached by the representatives of the two governments at New Delhi last week, the plant and other machinery required for the installation of the centre will be supplied, free of cost, by the Japanese Government, along with the services of some expert technicians, while the other expenses will be met by the home Government.

The project, which is expected to start production early next year, will undertake the development of prototype of machines, tools and other accessories for commercial exploitation by the various small scale undertakings of the country. It will also develop special purpose machinery to help the small units to improve their production techniques. Moreover, the centre will impart instructions to the technicians employed in small industrial units, state industries and the Central Small Scale Industries Organisation. The establishment of similar centres in other states will be helpful in accelerating the industrial programme of the country.

NEI Locomotives

The National Engineering Industries of Jaipur have entered into an agreement with the Maybach firm, West Germany, for the manufacture of high speed engines of 400 to 3,000 hp. in India. The NEI, the leading ball bearing and roller bearing firm in Asia, as a preliminary step, will install factory at Jaipur for assembling locomotive engine parts, and it is expected that, within a period of five years, with the help of German technicians, the firm will be able to start manufacture of the entire engine in this country.

A similar agreement has been entered into by the NEI with the MAK, a noted German firm, for the manufacture of diesel locomotives at Sawai-Madhopur. No financial partnership has been reached by the two firms with the Indian firm and royalties will be paid only after fifty per cent of the parts have begun to be manufactured in India. It is estimated that a Maybach locomotive, to be manufactured by the NEI, will cost about Rs 12 lakhs.

Clive Street Gossip

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

of defence with industrialisation is a long-term project, and cannot make much difference to the deployment of funds and effort for our immediate purposes. And God knows that the immediate purposes are pressing enough. With the Chinese still on Indian soil, even an increased alertness about our frontiers is going to involve considerable expenditure, and this has to be found.

The extent of the outlay on the Plan in the final year is likely to be evident in the next few days, when we shall have some data to go on on the actual performance in the current year. But it is safe to assume that it is not likely to be less than what it has been for this year. The finding of the money for it, without having a budgetary deficit—for which there seems to be hardly any scope any more—is a problem that must be exercising Mr Morarji Desai. Likewise, Government's commitment on the Pay Commission's recommendations is another imperceptible pickle that will swell the mickle.

Where is Mr Desai going to find the wherewithal for these additional burdens? In school-boy slang, I might say, "Search me!" I doubt whether he can do anything at all in the field of direct taxation except for marginal adjustments. He may be tempted to fiddle with rates, especially of Wealth Tax and the taxation of capital gains. But he would do well to resist the temptation, for, the tax accretion will be negligible, and the upset it will cause quite disproportionate. I shall come to corporate taxation in a moment, about which I have a suggestion to make. In the field of indirect taxation, which has the dubious honour of slowly ousting direct taxation from its pride of place, there will doubtless be some attempts at increases. Ever since TTK's Budget in May 1957 imposed excise duties on a wide range of commodities, the revenue from this source has been increasing. Attempts at rationalising the imposts by eliminating sales tax on such commodities should be carried to their logical conclusion.

In respect of corporate taxation, Mr Desai has a ticklish problem on hand. He began very well last year with clearing up the proce-

dural jungle that had grown around it. And he also abolished certain levies which had little fiscal or other justification. And he indicated a rate of taxation on companies which was nominally lower than what companies were paying all along. Above all, he claimed that he had done this without any loss to the exchequer. The first reaction to the proposals was one of incredulous wonderment. It sounded too good to be true. Sure enough, snags began to appear.

First, it became evident that the lesser nominal rate of taxation on companies was offset by the denial of the benefit of "grossing up" of the dividends that the shareholder was having, and this meant either that the shareholder was to have a substantial reduction in his net return from investment or that the company would have to pay a larger dividend to give him the same net return on his investment. When the calculations were made in detail, it was found that the professed purpose of leaving everybody where they were before, but at the same time obtaining a welcome simplification of procedure was unlikely to be realised at the proposed rate. It was stated at the last annual meeting of the Associated Chambers of Commerce that studies showed that, in the majority of cases, the company and the shareholder taken together would be worse off than before, unless the rate of tax on companies was reduced to 40 per cent instead of the indicated probable rate of 45 per cent. Readers may recall my discussing this question in this column last December. It must be said to the credit of the Finance Minister that, on this question, he has set about in a very sensible and open-minded way. When he brought these new proposals, there was no facing the country with a fait accompli. The rate of 45 per cent was merely the rate at which the companies were to pay their advance taxes under Section 18A of the Income-Tax Act. The actual taxation under the new system was to commence only with 1960-61. The Finance Minister must, therefore, have wanted to have fuller data regarding the likely impact of this new system before he made up his mind about the rate. Without being uncharitable, one may even suggest that the 45 per cent rate was an error on the "safe" side, from the point of view of the Government. In justice to him, it must be admitted that, if he had

erred the other way, and wanted to increase the rate of actual taxation now, there would have been an adverse reaction (to put it mildly). On the other hand, should he now be convinced that 45 per cent is excessive in the light of the professed principle behind the changes, he could reduce the rate and gain a correspondingly favourable reaction. (Let no one think that there is anything narrowly personal about these calculations. A "favourable" or "adverse" reaction has notorious repercussions on the state of the economy, and, in deliberately engineering a "favourable reaction", a Finance Minister is only doing his plain duty of being the watch-dog of the economy).

But the question is—and it is some question!—whether Mr Morarji Desai would relent and reduce the rate, or would plead that the increased commitments make it impossible for him to do so. If he does not increase the rate beyond 45 per cent, he would not be doing anything unexpected. But it seems to me that, if Mr Desai does reduce the rate, even though not to the full extent demanded by the corporate sector, he would be not only backing the principle he enunciated but also making a fine gesture that would be reciprocated by industry.

There is another suggestion I should like to make. It seems to me to have advantages both to Government and the tax-payer. Of course, there may be snags in the idea that I have not spotted, for, I have not examined it in detail. But I am making the suggestion for precisely such an examination. The idea is this: Development Rebate, which is being now allowed in one year, should be spread over three or four years. From the point of view of Government, it has the advantage of immediate increase in current receipts since the quantum of rebate is reduced correspondingly for each of the years of the spread. From the point of view of the tax-payer, the pressure on his funds for the creation of the qualifying reserve (75 per cent of the Rebate allowed) is reduced. It is true that he pays immediately a higher amount of tax, and, in the case of assesseees other than companies, this may make an enormous difference because of the slab system—this is one of the snags. But, since the reserve to be found is more than the tax relief obtained, he may not mind. And since, in the case of a company, the final tax result would be the same, the idea has obvious attractions.

So, my suggestions for the Budget would involve (a) the status quo being maintained in personal taxation, with any temptation to raise the rates on either Wealth Tax or Capital Gains Tax, or on Estate Duty, rigorously resisted; (b) the explicitly promised relief being given to the corporate sector, by suitably scaling down the rate of tax to 42½ per cent, as against the 45 per cent rate at which advance payment of tax has been made; (c) the imposition of the usual array of excise duties, with consolidation in suitable cases of sales tax with excise duty; and (d) the

amendment of the conditions under which the benefit of Development Rebate may be gleaned, so that both Government and the company are immediate beneficiaries. I realise that what I have asked for may conceivably mean a reduction in governmental revenues; and this runs counter to the undoubted need of Government for finding, if anything, even more money for the increased defence costs, the higher civil administration bill and the accelerated tempo of plan expenditure in its last year. I realise, also, that, in view of the disquieting price situation, Government will scarcely find it possible

to budget for any large-scale revenue deficit being covered, in the overall budget by deficit financing. And it is important to appreciate that, in the context of the price situation, Government may decide upon anti-inflationary measures as part and parcel of the 1960-61 Budget. Where do we go from here?

To, I suggest, market borrowings. The last two years have been fantastic from the point of view of realisations from new loans. So, what

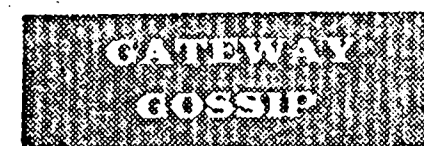
remains to be borrowed, in order to achieve the Second Plan target under this head, is somewhat less than the annual average for the 5 years as a whole. If the Centre and the States no more than maintain the magnitude of their borrowing during the next year, I should think that market loans can contribute in no small measure to covering the overall deficit. In other words, after the first attempts to make up the revenue deficit by new taxation, Government policy has been to leave the gap to be covered by ad hoc Treasury Bills; and it should be the intention. In 1960-61, to have the revenue deficit met, in the overall Budget, largely by realisations from market loans.

In any case, I think it is high time for Government to pay some heed to that intangible, "climate". When the general feeling is one of a back-breaking burden of taxes, and when the official hope is to induce more industrial activity, care must be taken to ensure that a Budget is not framed as will be destructive of morale. What is more, even in respect of inflation, the only answer is production; the Plan aims at augmenting production; and it is clear that diversified industry is going to be possible only if the individual uses initiative. Perhaps no more incentives are necessary than obtain today. But, most certainly, development will be retarded if more disincentives make their appearance. Most important of all, Government should surely believe that a dynamic economy is in the making; if so, tax revenues even on the present rates should be consistently improving; and, in that case, where is the need for disincentive taxes? Perhaps it is no more than wishful thinking, but I am hoping that we may have a Budget which for once does not unduly tax the tax-payer, but instead even offers him a morsel of relief.

One final comment. In discussing the prospects of funds for the Third Plan, we often hear of expectations from state enterprises. I have had serious reservations about hopes in this regard, but, if there is any substance to them, it seems reasonable that they should show some earnest of their promise for the Third Plan by starting to yield something for the last year of the Second Plan. It would be interesting to look for indications of this in the coming Budget.

However, it may be premature to look for any significant signs in this regard in the next Budget; all you can have is an indication. For, the steel plants, on which presumably the Government will mainly rely for their profits from State enterprises, are expected to go into full production only by the end of next year. So, it will be the Budget for 1961-62 which can be counted upon to be portentous in respect of profits from State enterprises.

EAVESDROPPER.



Electricity Supply Industry in Distress

THE new system of company taxation as adumbrated in the Finance Act 1959 is no doubt an overdue reform and it has met with general approval. The unnecessary complications connected with the grossing up of dividends in the hands of shareholders have been eliminated and the whole process has been brought to an easily understandable level. But while there is no gainsaying the simplicity of the new procedure, it is doubtful if its repercussions are as harmless as Mr. Morarji Desai said they would be, when he announced the new scheme at the time of presenting the Budget for 1959-60.

In actual working, the reduced flat rate of tax on profits with the implied need to compensate shareholders for the loss of the tax credit which they were hitherto enjoying is said to have turned out to be more irksome than the previous system. The consensus of opinion is that the hope that companies will be enabled to pay higher dividends will be falsified if the flat rate is not further reduced.

Under the new dispensation, the electricity supply industry seems particularly to have been reduced to an unenviable position, in as much as it has also to conform to the regulations of the Electricity (Supply) Act. Even without the Finance Act 1959 this industry has not been very popular with investors as many of the concessions available to other industries have been denied to it. The reasons for the comparative sluggishness of shares of electricity supply companies were ably analysed in a memorandum submitted to the Government in June 1958 by the Federation of Electricity Undertakings of India. The memorandum had pointed out that, while the basic remedy lay in the upward revision of the Standard Rate, the grossing of dividend in the hands of shareholders, as was allowed in the case of the shareholders of other companies, would go a long way toward reviving investor interest in the industry. With the restoration of the confidence of the investor, the industry would be enabled to attract more funds and thus solve to a great extent its perennial problem of resources for modernisation and expansion.

The Finance Act 1959 has abolished all grossing up, but with the assurance that shareholders of companies will not be any the worse for the loss. But indications are, I repeat, that, without a suitable amendment, the new dispensation is unlikely to fulfil the expectations of the Finance Minister

in so far as the return to the shareholders is concerned. When it comes to be applied to the Electricity industry, the new system makes further inroads into the already much depleted return to the shareholders. Shareholders in other industrial enterprises, if they have been deprived of the credit for the tax paid by the companies, are compensated by the abolition of Excess Dividend Tax. Further, they can at least hope to get the same net return as they were getting under the old system. But the shareholders in electricity supply companies do not derive the benefit of the lower tax on companies, because the advantage is passed on to the consumer. The net result is that the previous tax credit enjoyed goes and the shareholders are obliged to carry the tax on dividends without any compensation for their loss.

It is not in the least surprising, therefore, that shares of electricity supply companies have continued to be neglected at a time when most other equities have been booming. Apart from the higher dividend potentialities, one of the main reasons for the revival of investors' interest in industrial equities during the past year or so is the growth prospects of many an enterprise. Thanks to the abiding interest shown in the rapid industrialisation of the country both by Government and private enterprise, many new industrial units have sprung up in the past eight or nine years. The two Five Year Plans have greatly accelerated the growth of industries, old and new, and investors have rightly been enthusiastic in lending support to these industrial enterprises. A look at the comparative prices of equities now and a year ago will bear eloquent testimony to the sizable improvement in the investment climate in the country. A solitary exception to the general buoyancy is the electricity supply industry. For, the shrewd investor knows that, apart from the severe limitation in their dividend paying capacity, the electricity industry companies offer little in the shape of growth prospects. Caught between the Electricity Supply Act and the Income tax Act, the industry is hemmed in on all sides by regulations and disabilities, which leave little scope for it either to save or borrow. Thus, it suffers from a chronic shortage of funds even for modernising its equipment, let alone for embarking on expansion programmes.

Why is so essential an industry, as electricity supply, is, being crippled, as it were, and prevented from growing to its full stature? It is true, the Electricity Supply Act is designed primarily to protect the interests of the consumers of electricity—an item that is becoming as essential as water or clothing. Moreover, electricity has a vital role to play in the industrialisation of the country. It stands to reason, therefore, that

Government should ensure that, in the supply of this essential item, there are no frequent and wide fluctuations in the price that consumers are asked to pay. There can only be the fullest support for such a principle. At the same time, however, is it not also incumbent on Government to ensure that the electricity supply industry expands rapidly, so that the additional electricity capacity that is being built up daily can be effectively and efficiently purveyed to the villages and new industries?

I am afraid that, perhaps unintentionally, Government have failed to foster the steady growth of this key industry. It surely is not Authority's desire that the Licensees should shift for themselves as best as they could under whatever laws that may be enacted from time to time in the country, just because they come under the category of essential service. It is a safe presumption that Government do not at all intend, through the Finance Act 1959, to bring the industry into the disfavour of the shareholders of electricity companies, and that the representations that have been made to the Finance Minister on behalf of the industry will receive sympathetic consideration. It would appear that a lasting remedy to the ills of the industry lies in suitably raising the rate of return to the industry. In a recent memorandum, the Federation of Electricity Un-

dertakings of India has pointed out to the Finance Minister that the Finance Act 1959 would bring the industry to the verge of collapse, as the shareholders will, while losing the credit for the tax paid by the companies, have to carry the additional liability for tax on the dividends received by them. The FEU have calculated that this liability may amount to something like 42.85 per cent of the net dividends in the shareholders' hands. I shudder to imagine what the reaction of shareholders to such a prospect will be. It is, I hope, not merely a pious wish that the Government of India, in their Finance Department, will be able to realise in time the great harm that the Finance Act 1959 is doing to the electricity industry. For, it is quite possible that the fact that the probable repercussions of the new change in undertakings which are already labouring under a different set of laws under the Electricity Supply Act have escaped notice, even as its full implications on the general run of companies do not seem to have been fully studied. The FEU has suggested several methods by which the disabilities of electricity supply companies can be mitigated. One remedy will be the revision of the Standard Rate of return in such a manner as to compensate fully the loss that may be incurred by the shareholders under the new, rationalised tax scheme.

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06.00 hrs. to 09.00 hrs. ...	70% of full rate
09.00 hrs. to 20.00 hrs. ...	Full rate
20.00 hrs. to 23.00 hrs. ...	70% of full rate
23.00 hrs. to 24.00 hrs. ...	40% of full rate

Sundays and Telegraph Holidays

00.00 hrs. to 07.00 hrs. ...	Full rate
07.00 hrs. to 24.00 hrs. ...	50% of full rate

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Rehabilitation of Displaced Persons

IT should be a matter of some relief to the public in West Bengal to know that the pace of rehabilitation of displaced persons from East Pakistan—a problem which, incidentally, has been a persistent headache to the Central Government—has been stepped up during the first eight months of the current financial year (1950-60). During this period, the work of dispersal of camp families for settlement has been speeded up;

	Camps	Homes	Number of Camps	Homes
Population on 1-4-1950	1,85,656	55,237	132	39
Population on 15-11-1959	1,52,231	50,223	91	32
Total reduction	33,425	5,014	41	7

The reduction of 38,439 persons in the number of inmates of camps and homes being maintained by Government has resulted in a saving of about Rs 35 lakhs in relief expenditure during the last eight months. This also reduces the recurring monthly expenditure on maintenance of inmates in these institutions by about Rs 10 lakhs every month from 1st December, 1959.

The closing down of 48 camps and homes during this period of eight months as against the total closing of 28 camps during the whole of 1958, apart from the economy in maintenance expenditure referred to above, has also resulted

a beginning has been made in the process of integration of the work of rehabilitation with the normal departments of the State Governments concerned; important decisions have been taken to determine the size of the residuary problem of rehabilitation in the eastern States by completing the elimination of the factors responsible for keeping the same indefinite until now; and a start has been made to tackle the residual problem in some parts where assessment of the final size of the same has been determined. The details of the progress made and the present position are covered in this despatch.

During the period April 1959—15th November 1959, 43 camps and homes were closed. The net reduction in the population was 38,439 as indicated in the following table:—

	Camps	Homes	Number of Camps	Homes
Population on 1-4-1950	1,85,656	55,237	132	39
Population on 15-11-1959	1,52,231	50,223	91	32
Total reduction	33,425	5,014	41	7

in substantial economy in expenditure on camps establishment. A saving of about Rs 15 lakhs is anticipated over the total expenditure of about Rs 55 lakhs on camp establishment incurred last year. This has been made possible not only due to the dispersal of inmates from camps for rehabilitation, etc., but also on account of the amalgamation of the smaller camps with the bigger ones.

There were about 45,000 displaced persons of the long-term liability category residing in 24 Homes/Infirmaries in West Bengal on 31st August, 1959. Though some of these institutions cater for displaced women and children,

others have all categories of displaced population including the rehabilitable category. It was therefore desirable that the position should be reviewed. A committee of the officers of the Union Ministry of Rehabilitation and the State Government has accordingly been set up to review the position.

Since 1st April, 1959, sanctions amounting to Rs 6.34 crores have been issued for rehabilitation schemes. 27,351 displaced persons were dispersed from camps to sites of rehabilitation in the undermentioned States during the period April 1959-15th November 1959:

West Bengal	5,123
Tripura	7,125
Orissa	800
Bihar	6,395
In other States, viz., Uttar Pradesh, Madhya Pradesh, Rajasthan from West Bengal camps	6,357
Dandakaranya upto 30-11-1959	1,551
Total	27,351

It has been decided, in consultation with the West Bengal Government, that a displaced person living in a camp may be given the choice either to rehabilitate himself within the State of West Bengal through his own private initiative with rehabilitation assistance from Government or to take advantage of the rehabilitation schemes formulated by the Government either within the State of West Bengal or in Dandakaranya. To a non-agriculturist family, the following three options have been given:—

- To take a plot and housing loan in one of the colonies.
 - To take on rent a tenement in one of the housing colonies.
 - To make arrangements for himself under the "Bainanama" Scheme.
- To an agriculturist family, the options are as under:—
- To make arrangements for himself under the "Bainanama" Scheme.
 - To move for rehabilitation to Dandakaranya where it will be provided with work in the initial stages.

Each family is given three months notice to take advantage of Government schemes, or to make arrangements for itself, failing which the names of the family members will be removed from the camp register and the family dispersed with six months maintenance grant. Notices are being issued to 2,000 families each month from September, 1959. Up to the 30th November, 1959, notices to 7,422 families have been issued.

The maintenance assistance will hereafter be given to the inmates of camps on their dispersal from camps to rehabilitation sites, in the form of grant and not loan. According to the practice followed in the past, displaced families on their dispersal from camps for rehabilitation were given maintenance loans for varying periods ac-

cording to their professional categorisations. These maintenance loans were intended to assist the families for the short period which must necessarily intervene within the time of their dispersal from camps and the time when they began to earn. It was represented to the Government that, as there was no substantial change in the circumstances of the camp families between the time of their leaving camps and the time they began to earn, and as no assets could be created by a displaced person out of the loan meant for his maintenance, this assistance should be treated as "grant" and not as a "loan". Government of India have agreed to this with retrospective effect. The financial implications of this remission are likely to be about Rs 5 crores.

With a view to expediting the setting up of industries for affording employment to displaced persons, an industrial corporation known as "Rehabilitation Industries Corporation Ltd", with a capital of Rs 10 crores, was promoted by Government under the Chairmanship of Mr. G. D. Birla. The Corporation was registered in April, 1959. So far, 107 applications have been received by the Corporation, out of which 26 were considered and loans amounting to Rs 22.65 lakhs sanctioned to 5 industrial concerns. These schemes are likely to provide employment to 1,000 persons. The Corporation have also decided to set up two industrial estates near Calcutta.

The problem of clearing Sealdah has received consideration at the highest level from time to time. Both the State and the Central Governments expressed their anxiety that the Sealdah Station should be cleared of the squatters. It was also realised that, as a corollary to the clearing of Sealdah Station, arrangements would have to be made by the State Government to prevent further squatting. There are at present 889 squatter families at Sealdah. Of them, 479 are displaced families. The squatters from Sealdah Station are being dispersed progressively. More than 50 per cent of the squatters have already been removed.

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THE PENINSULA

Roads Congress

THE formation of the Indian Roads Congress 25 years ago was a landmark in the annals of the country's transport system. Before its birth, very little was known of the science of road construction and maintenance in the country. Road engineers formed a class who were seldom utilised for improving roads. Standards and designs in road construction were far from uniform. Research in road construction was conspicuously absent. Progress in the midst of such pitifully bad conditions was impossible without an organisation which could give the lead in the science and practice of road construction and which could, by its representative character, make itself heard in road development. It was such an organisation which the Indian Roads Congress represented. By providing a forum for road engineers in the country for collaboration and discussion on matters pertaining to road development, the Congress has considerably enriched the science of road development. In the progress that had been made during the last 25 years in road development in the country, the work done by the Congress has been a telling factor.

The meeting of the Congress last week at Bangalore marked its silver jubilee session. It was an occasion to assess its contribution to the development of roads in the country, and for projection of its own duties and responsibilities in the context of the unfulfilled task of road development. That the Congress was inclined to emphasise the latter aspect is a reflection of its concern at the task that lies ahead. This is to be appreciated in the perspective of the Second 20-year (1961-81) Road Plan formulated by the Congress and which is now before the Government for consideration and adoption.

This plan, formulated by the Indian Roads Congress, aims at an increase of the total road mileage in the country from 379,000 miles as at the end of the Second Five Year Plan to 657,000 miles by 1981. National Highways will increase from 13,800 miles to 32,000 miles, State Highways from 35,000 miles to 70,000 miles, Major District Roads from 95,200 miles to 115,000 miles, other District Roads from 78,300 miles to 180,000 miles and Village Roads from 156,700 miles to 225,000 miles. The target it is clear, involves practically a doubling of the mileage in each sector.

The total outlay, that such a target in mileage would involve has been estimated by the Congress at Rs 5,200 crores for the 20-year period, which works out to an annual outlay of Rs 260 crores. Against this, the total outlay for

the five-year period of the Second Plan would amount to Rs 224 crores only. Thus, from the point of view of the outlay involved, the target does look ambitious. However, from the standpoint of the country's own needs in the context of the growing volume of traffic which development in other sectors would generate, it is the minimum below which the country cannot afford to go without causing bottlenecks in transport. It has, for example, been estimated that, between 1950 and 1930, agricultural produce would increase from 68 million tons to 150 million tons. The produce of industry is similarly expected to increase. The impact of this increase in production and other development activities would be to raise the long distance traffic from 93 million tons in 1950 to 800 million tons in 1980. Development and expansion of railways to carry even half of this traffic is not a feasible proposition. Shortfall in traffic capacity could be obviated only by providing for expansion of road traffic. An outlay of Rs 5,200 crores is therefore inescapable.

That it should not be beyond the means of the country to find this outlay was explained by Mr U. J. Bhatt, Chief Engineer, PWD, Bombay State, and President of the Road Congress in the course of his presidential address. In fact, on the basis of the revenue estimated by the Chief Engineers at Rs 6,150 crores as derivable to Government from road transport during the 20 year period, Mr Bhatt is even confident of meeting the expenditure of Rs 6,550 crores estimated by the Chief Engineers for road construction and maintenance during the 20 year period. The gap of Rs 400 crores could, according to Mr Bhatt, be met by levying some minor taxes, like betterment levy on roadside property, road cess on land revenue, etc. For the most part, therefore, the Second Road Plan of the Congress is a self-financing scheme. However, Mr Bhatt was particular that a beginning should be made in right earnest and adequate funds be made available in the Third and subsequent Five-Year Plans sufficiently in advance to allow orderly planning and the most economical use of manpower and materials.

An important consideration which, in present conditions of the country, requires to be kept in view in implementing a large-scale road development programme is economy in execution. The use, as far as possible, of locally available materials should conduce to this end. The existence of such materials and their value for road construction have to be examined. Research is therefore essential.

Apart from mileage, the other aspects of road development which deserve attention are capacity and maintenance. Capacity is a question of both number of vehicles and their speed. So far as speed was concerned, it was pointed out by Mr Bhatt that a figure of 40

to 50 miles per hour was the accepted standard. Indian traffic rules should be brought to conform to this norm. This would require the segregation of slow-moving traffic from important highways. Increase in the number of vehicles is even more important for increasing road traffic capacity. On this consideration, the reported fall in the production of automobiles should be a matter for concern. Development of the automobile industry will have to go hand in hand with the road transport programmes. Truck-trailer combinations offer another means of increasing traffic capacity on roads. The general disavowal with which truck-trailer combinations are viewed by State Governments is a little difficult to appreciate in view of their wide prevalence in advanced countries.

Maintenance of roads also calls for vigilance and care. In this connection, Mr Bhatt voiced the complaint that district roads entrusted to the care and maintenance of District Local Boards are being neglected and that the surface is fast deteriorating. He has suggested transfer of this function to State Highways Departments even at the cost of taking away from the autonomy of local self-Government.

In view of the huge arrears of development work that remain to be wiped out to ensure a self-sufficient road transport system, the need for a separate Highways Department as proposed by Mr Bhatt is obvious and justified. Mr Raj Bahadur, Union Minister of State for Transport and Communications, who inaugurated the conference, was also inclined to agree with this suggestion. The

advantage of having such a separate department should be evident from the excellent network of roads which the Madras Highways Department maintains. In the interest of proper development, it is necessary that other State Governments also follow the example of the Madras Government, and take early steps for setting up separate highways departments which could give undivided attention to road transport development.

The Conference thus considered almost every aspect of road development and underlined the importance of stepping up outlay so as to reach the target indicated in the 20-year Plan of the Congress. This plan, it would appear from present evidence, would form the basis for road development schemes for the next two decades. No definite commitment was available from Mr Raj Bahadur. This however was understandable in view of the fact that a thorough examination of the implications of the Plan is yet to be made by the Government. Mr Raj Bahadur, however, disclosed that the State Governments had been advised to follow the broad order of priorities indicated in the report for purposes of formulating road schemes to be included in the Third Five Year Plan. The Third Plan itself is expected to lay greater stress on road development than the Second Plan. About this Mr Raj Bahadur himself left no doubt. In his own words there was "in-escapable need for according a relatively much higher priority to the needs of road transport in the Third Plan in order to ensure an adequate and balanced development of the various forms of transport".



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WORLD OF JUTE

New Outlet for Hessian

CONDITIONS in the jute goods market were quiet during the past week ended Thursday. In the absence of fresh buying interest, prices especially in the sacking section developed a sagging tendency to finish the week lower on balance. As indicated in this column last week, the question of resealing the 2½ per cent looms reopened on 24th August last was again been deferred. According to authoritative indications, the existing position, that is, 90 per cent of looms in commission, would continue at least up to the end of February. So it is clear now that the additional sacking supplies will continue to be available to the market for another month.

In the meantime, the raw jute market has also turned soft due to the cumulative effect of the continued large arrivals of raw jute in Calcutta and Mills stations, the effective measures taken to curb unbridled speculation, the general realisation that raw jute availability will be adequate to meet demand in full and the absence of any undue haste on the part of mills to buy their requirements at the enhanced levels. The fact that Pakistan has decided to lift the restriction on jute acreage

seems to have somewhat unnerved sellers in the raw jute market. One of the probable implications of the new Pakistani raw jute policy is that, in the next season, world raw jute supplies may increase with a consequent reduction in price. This is a matter for serious consideration because, with raw material costs for jute industries elsewhere in the world reduced, the Indian industry will be placed in an unenviable position if it is obliged to pay uneconomic prices for its requirements of raw jute.

Hessian prices have been maintained, though, for the most part of last week, there was no sizable foreign business. It would, however, appear that marketmen have still not abandoned the hope that US demand would pick up. The hope about improved offtake was partly stemmed from the fact that a new organisation called the Jute Carpet Backing Council has lately been formed in the USA with the express objective of promoting and expanding the use of hessian cloth by the carpet manufacturing industry. During the past year, wide looms for the production of burlap backing for tufted carpets have been installed in the USA. These looms have consumed last year nearly 100 million square yards of hessian. Toward the close of the week, there were indications that Argentina had at long last begun to show interest in the Calcutta market. Latest reports speak of a sizable order for hessian from this country having been received by the market.

While the prospects for increased exports to the main hessian consuming countries are thus quite satisfactory in the current year, the continued efforts to quicken the modernisation of the industry

should further help increase the competitive position of the Indian industry in world markets. The modernisation of the spinning section is going on apace and, as on March 31, 1959, 190,200 spindles on the fine side and 34,400 on the coarse side of the modern sliver spinning type are reported to have been installed in 51 out of the 82 mills. This would mean that about 55 per cent of the installed looms are now being fed by sliver-spun yarn. The Government of India are now believed to be considering proposals to enable the jute industry to take up modernisation of the weaving sections, including the installation of shuttleless looms during the Third Five Year Plan. In the modernisation programme of the jute industry, the National Industrial Development Corporation is playing an active part. The Corporation has so far granted loans to the tune of Rs 4.6 crores to 22 jute mills. It has also introduced a scheme to provide short-term loans to jute mills to facilitate the purchase of indigenous machinery.

The jute goods market ruled quiet during the past week. Hessian 40"x10 oz February was quiet last Friday with the quotation for Ready delivery at Rs 40.90. Saturday witnessed narrow fluctuations and sentiment continued to be rather subdued when the market opened after the holidays on Tuesday. There was no marked change in the trend on Wednesday when Hessian ready closed at Rs 41.05. In the heavy goods section, B Twills started on a quiet note, but, by close of last Friday, showed some improvement at Rs 113.40 for ready delivery. In the subsequent days, the trend was downward and the rate closed easier on Wednesday at Rs 112.70.

The distant deliveries continued to be quoted at a sizable discount over the ready position. Raw jute prices declined by 50 nP since 1st Friday to be finally placed on Wednesday at Rs 29.50 for Assam Bottoms. Mills generally were out of the market, although sellers were keen for business even at below prevailing levels.

In the futures market, 40"x10 oz Hessian February closed at Rs 41.06 on Wednesday as against last Friday's opening rate of Rs 41.18. 3 Twills February, after having been done down to Rs 110.80, recovered to close on Wednesday at Rs 111.55. Assam Bottoms March closed at Rs 28.98 after touching a low of Rs 28.46.

	Jan'y.	High	Feb'y.
	28th	est	3rd
Hessians:			
40"x10 ozs. Ready	41.10	41.20	41.06
40"x10 ozs. March	41.45	41.35	41.40
40"x10 ozs.			
April/June	41.60	41.60	41.20
40"x8 ozs.	33.00	33.10	33.10
40"x7½ ozs.	30.75	30.60	30.60

Sackings:			
B. Twills Ready	113.35	113.60	112.70
B. Twills March	111.42	111.75	109.10
B. Twills April			

Hy. Cees (Green)	110.40	110.75	108.00
Cornacks	111.50	112.00	111.50
Cubans	113.25	113.50	112.50
A. Twills	132.00	133.00	133.00
L. Twills	135.60	135.75	135.75
D. W. Flours	138.00	138.00	138.00
Sugar Twills	127.25	127.50	127.50

Futures:			
Hessian—Feb'y.	41.42	41.42	41.06
Sacking—Feb'y.	112.35	113.20	111.55
Raw Jute—March	29.74	29.56	28.98

X

Burma's Jute Production:

Jute production in Burma has been showing a steady uptrend during the past few years. The main incentive for the jute production programme is derived from the increasing demand for raw jute from the domestic manufacturing industry whose output in 1959 is estimated at 20 million bags as against 15 million bags produced in 1958. As it is expected that mill capacity will increase to 60 million bags in the near future, concerted attention on the production of jute has become necessary. Already the effect of the encouragement given to jute cultivators is evident as jute production in 1959 is estimated to be in the environs of 8,000 long tons as compared with 6,000 long tons produced during the previous year. It is estimated that the domestic industry comprising at present the Government-owned mill will need a total of 24,000 long tons of raw jute annually under full production. Although the immediate objective may be the meeting of the domestic demand for the raw material in full, export possibilities are also likely to be considered. Already some jute from Burma is finding its way into world markets. A few months ago a consignment of jute from this country was sent to the UK and was well received by the trade.

WORLD OF TEA

Irregular Trend in Prices

THERE is a significant development in the tea situation, which may strongly influence price movements in the coming months despite the report of a ten-million pound fall in British consumption and the absence of the Russian buyer from the market. It is the falling stock position in warehouses, whether at Calcutta or at Cochin, which will influence the market.

North India ceases to produce tea toward the end of December; but South India continues its plucking round the year. Some of the best producing areas of the South, the Nilgiris and Anamallais, are affected in various degrees by the breakdown and reduction of power supply. On the Nilgiris, several estates have been notified restricted hours of power supply.

Again, the London tea market is moving toward the end of the current season in excellent shape. Stocks in the UK were about 35 million pounds smaller as the New Year opened and the tea trade there cannot look forward to the smaller production and export from the East during the early months without showing their concern in the sales room. Provided world production does not rise sharply, the outlook is regarded in London trade circles as promising.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 56,592 packages. After a hesitant opening with rates 6 nP to 10 nP per pound below last levels, the market showed some improvement; but later eased again and prices generally showed a decline of 4 nP to 8 nP as compared with last week. Selected lines of PFs came in for keen competition and there was a better enquiry for medium orthodox BOPs, while any bright liquoring sorts with improved quality were well supported.

There was a good demand for CTC teas at or a little below last rates and the best were sometimes dearer, there being a little more interest shown in Fannings than in broken grades. Non-wither legg-cut teas shared in the general decline and were irregular 4 nP to 6 nP easier.

The lower-priced Whole Leaf grades showed little change; but the better sorts came in for less competition and generally tended

easier. There was a very limited and selective enquiry for Darjeelings and Tippy teas were practically neglected. Following were the rates (per pound):—Clear Black Pekoe Rs 2.18 to Rs 2.22; Plain BP Rs 1.98 to Rs 2.02; Plain Fannings Rs 2.00 to Rs 2.08; Medium BP Rs 1.92 to Rs 2.00; Medium Fannings Rs 2.06 to Rs 2.16; Best Assam CTC BP Rs 2.40 to Rs 2.60 and Best Assam CTC Fannings Rs 2.45 to Rs 2.65.

In the Internal Sale, offerings were 22,376 packages of Dusts and 899 packages of Leaf grades. The sale opened to a strong and active demand, which quietened somewhat toward the close although prices still remained at or above valuations. Orthodox dusts, particularly the grainy sorts, met with keen competition; but prices were very irregular and ranged from valuation upto 10 nP per pound dearer and sometimes more. Legg-cut Dooars also met with good competition at irregular rates.

CTC types shared in the demand with prices for the better sorts ruling fully firm to dearer. Poorer descriptions in this category met with keener competition and were generally firm and sometimes dearer. The few Darjeeling teas, on offer, were irregular with quality. Following were quoted:—Medium Dooars Dust Rs 2.20 to Rs 2.32; Medium Assam Dust Rs 2.14 to Rs 2.26; Medium Assam CTC Rs 2.24 to Rs 2.30 and Best Assam CTC Dust Rs 2.55 to Rs 2.85.

In the Colombo market, offerings were 7,438,016 pounds. There was less demand than of late and high-grown broken were irregularly easier by 10 nP to 15 nP per pound except for a few selected best Dimbula/Dickoya broken orange pekoes. Mediums were also easier by 5 to 10 cents. Low-grown encountered a strong demand at fairly firm rates. Common teas were easier.

According to trade sources from Colombo, tea shipments from Ceylon in the January/November 1959 period declined to 350.16 million pounds from 379.04 million pounds in the corresponding period of 1958. The UK was mainly responsible for the decline in exports with its offtake falling from 154.07 million pounds in January/November 1958 to 127.15 million pounds during the period under review. Shipments to Continental countries, too, fell from 17.52 to 14.27 million pounds as did those to Canada from 15.96 to 14.78 million pounds.

In Mincing Lane, 24,930 packages, including 17,104 packages from Northern India, were offered. The opening demand was good. But, as the sale progressed, there was a noticeable falling away in the bidding and, toward the close, prices were very irregular and ruled easier for most descriptions. Very little of plain teas were on offer and prices for these grades showed little change.

RESERVE BANK OF INDIA

Applications are invited for the posts of Probationary Assistants in the Department of Banking Operations of the Reserve Bank of India.

(A) SCALE OF PAY: Rs. 250-25-450 E. B. 25-650.

In addition to pay, the selected candidates will be eligible to draw local pay, house allowance and dearness allowance at the rates prescribed by the Bank from time to time. A higher starting pay upto Rs. 350.00 may be given to well-qualified and well-experienced candidates.

(B) AGE LIMITS: Candidates should be between 21 and 25 years age as on the 1st February 1960. The maximum age limit is relaxable but not beyond 30 years, in the case of (i) candidates with approved war service, (ii) ex-employees of banking institutions whose services had to be terminated for reasons of economy or as a result of the banks going into liquidation, (iii) personnel retrenched from Government offices after at least one year's service, applying through Employment Exchanges, (iv) candidates possessing special qualifications and experience of value to the Bank and (v) candidates belonging to the Scheduled Castes or Scheduled Tribes.

(C) QUALIFICATIONS: Applicants should have a brilliant academic record with a first or high second class Master's degree of a recognised Indian or Foreign University in Economics, Commerce, Banking, Accountancy or Law as a special subject. Educational qualifications may be slightly relaxed in the case of candidates who have passed the Institute of Bankers Examination and possess practical experience of commercial banking and/or of foreign exchange business in a supervisory capacity in a good commercial bank.

THE SELECTION BOARD WILL INSIST ON A VERY HIGH STANDARD OF SUITABILITY IN MAKING SELECTIONS FOR THE POSTS AND ONLY THOSE CANDIDATES WHO POSSESS GOOD ACADEMIC QUALIFICATIONS AND ADEQUATE EXPERIENCE OF THE TYPE SPECIFIED ARE ADVISED TO APPLY.

2. Applications should be in the candidate's own handwriting and in the prescribed form obtainable from the Bank's offices at Bombay, Calcutta, Kanpur, New Delhi, Madras, Bangalore, Nagpur, Lucknow and Trivandrum. All applications should be accompanied by copies of certificates regarding age and educational qualifications, marks lists in respect of graduate and post-graduate degree examinations and two testimonials (originals should not be sent; the Bank does NOT accept responsibility for returning the originals if sent through oversight) and should be forwarded to the Secretary, Central Recruitment Board, Reserve Bank of India, Central Office, Post Box No. 406, Bombay-1, so as to reach him on or before the 29th February 1960. Candidates already in service must submit their applications through their employers. Candidates belonging to the Scheduled Castes/Scheduled Tribes should mention this fact prominently in their applications and also enclose a copy of a certificate to that effect from a competent authority.

3. Applicants must remit along with their applications an application fee of Rs. 7.50 (Rs. 1.75 in the case of Scheduled Castes/Scheduled Tribes candidates) by Postal Order, Cheque or Bank Draft on a Scheduled Bank payable at Bombay. The application fee is in no case refundable. Bonafide unemployed refugee candidates applying through any Employment Exchange are exempted from payment of the application fee.

4. Selected candidates must be prepared to serve in any office of the Bank in India and to undertake tours when required.

5. Appointments will be subject to the candidates being found medically fit for service in the Bank by the Bank's Medical Officer.

6. If any candidate desires to have his application acknowledged he should send it by "Registered Post—Acknowledgment Due". Apart from those who may be specially called, interviews will not be granted to candidates nor will the Bank enter into any correspondence with them.

7. Canvassing will be regarded as a disqualification.

PANDYAN BANK LIMITED

STATEMENT OF CONDITION AS AT 31-12-'59

(Subject to Audit)

Corresponding figures for 1958 (in Rs.)	LIABILITIES.	Rs.	Corresponding figures for 1958 (in Rs.)	ASSETS.	Rs.
10,00,000	Capital	15,00,000	1,21,85,723	Cash and Banks	1,13,07,628
10,50,000	Reserves	12,00,000	95,53,460	Investments	1,25,48,766
3,89,30,595	Deposits	5,64,08,614	1,93,62,452	Advances	3,46,18,484
22,56,210	Bills, Acceptances etc.	35,04,448	22,56,210	Bills, Acceptances etc.	35,04,448
17,65,094	Other Liabilities	21,73,329	3,89,441	Furniture and Fixtures	7,30,529
			13,85,041	Other Assets	23,01,804
4,18,925	PROFIT	Rs.			
33,503	1959	7,14,840			
4,52,428	B/F 1958	30,428			
		7,45,268			
	Less:				
3,22,000	Appropriations for tax, General & Contingency Reserve	5,20,000			
1,30,428		2,25,268			
4,51,32,327		6,50,11,659	4,51,32,327		6,50,11,659

This is only an announcement for information and not a Prospectus and applications are invited on the basis of the Prospectus copies whereof are available from the Company's Underwriters, Managing Brokers and Bankers mentioned hereinunder.

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

The Central Government has granted licence for the establishment of this new industrial undertaking under the Industries (Development and Regulation) Rules 1952 (as revised).

A copy of the Prospectus having attached to it the documents required by Section 60 of the Companies Act, 1956, has been delivered for registration to the Registrar of Companies, Bombay.

Applications will be made to the Stock Exchange of Bombay, Calcutta and Delhi, for permission to deal in and for official quotations of the shares of the Company.

The subscription list will open at the commencement of Banking Hours on 8th February, 1960 and will close at the close of the Banking Hours on 18th February, 1960 or earlier but not before the Mid-day of 15th February, 1960 at the discretion of the Directors.

HINDUSTAN ALUMINIUM CORPORATION LTD.

(Incorporated on 15th December, 1954 at Bombay under the Companies Act, 1956).

AUTHORISED CAPITAL: Rs. 20,00,00,000/-

Divided into:

- | | | |
|---|-----|--------------------|
| (1) 1,00,00,000 Equity shares of Rs. 10/- each | ... | Rs. 10,00,00,000/- |
| (2) 2,50,000 6.3% (Free of tax) Redeemable cumulative Preference shares of Rs. 100/- each | ... | Rs. 2,50,00,000/- |
| (3) Balance to be classified at the time of issue | ... | Rs. 7,50,00,000/- |

Rs. 20,00,00,000/-

ISSUED SHARE CAPITAL:

- | | | |
|--|-----|-----------------|
| 1,50,000 Equity shares of Rs. 10/- each including 39,000 Equity shares taken by Kaiser Aluminum & Chemical Corporation | ... | Rs. 15,00,000/- |
|--|-----|-----------------|

PRESENT ISSUE:

- | | | |
|---|-----|-------------------|
| (1) 58,50,000 Equity shares of Rs. 10/- each | ... | Rs. 5,85,00,000/- |
| (2) 2,50,000 6.3% (Free of tax) Redeemable cumulative Preference shares of Rs. 100/- each | ... | Rs. 2,50,00,000/- |
| | | Rs. 8,35,00,000/- |

OUT OF THE PRESENT ISSUE:

- | | | |
|---|--|-------------------|
| (1) Kaiser Aluminum & Chemical Corporation, Oakland, will be allotted for consideration other than in cash | 4,80,000 Equity shares of Rs. 10/- each | Rs. 48,00,000/- |
| (2) Kaiser Aluminum Technical Services Inc., Oakland, will be allotted for consideration other than in cash | 1,20,000 Equity shares of Rs. 10/- each | Rs. 12,00,000/- |
| (3) Kaiser Aluminum & Chemical Corporation, Oakland, who are amongst the promoters and their associates will subscribe for and will be allotted | 9,61,000 Equity shares of Rs. 10/- each | Rs. 96,10,000/- |
| (4) Birla Gwalior Private Ltd., Gwalior, also one of the promoters and/or their Directors, associates, friends, and/or nominees will subscribe for and will be allotted | 21,33,000 Equity shares of Rs. 10/- each | Rs. 2,13,30,000/- |

NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION:

- | | |
|---|-------------------|
| 21,56,000 Equity shares of Rs. 10/- each | Rs. 2,15,60,000/- |
| 2,50,000 6.3% (Free of tax) Redeemable cumulative Preference shares of Rs. 100/- each | Rs. 2,50,00,000/- |
| | Rs. 8,35,00,000/- |

*Out of the above shares offered to the public the Life Insurance Corporation of India have agreed to take 35,000 Preference shares of Rs. 100/- each and allotment will be made to that Corporation accordingly.

The entire issue to the Public including the aforesaid 35,000 Preference Shares has been underwritten.

TERMS OF PAYMENT OF ABOVE SHARES:

(Except in regard to Equity shares to be issued for consideration other than in cash).

	EQUITY SHARES:
On application	Rs. 25/- per share
Balance	Rs. 75/- per share on call or calls to be made not earlier than 4 months after allotment
	Rs. 100/- per share
	PREFERENCE SHARES:
On application	Rs. 25/- per share
Balance	Rs. 25/- per share on a call to be made not earlier than 6 months after allotment
	Rs. 50/- per share on call or calls to be made not earlier than 12 months after allotment
	Rs. 100/- per share

DIRECTORS:

Name	Address	Occupation and Description
1. Shri G. D. Birla (Chairman)	Birla House, Marg, 5, Tees January, New Delhi.	Industrialist and Businessman
2. Mr. Edgar F. Kaiser	Oakland, California, U.S.A.	Industrialist and Chairman and Director, Kaiser Aluminum and Chemical Corp.
Mr. Charles O. Thompson is Alternate for Mr. Edgar F. Kaiser	193, Golf Links, New Delhi.	Engineer, Businessman and Representative, Kaiser Engineers Overseas, Corp.
3. Mr. Thomas K. McCarthy	Oakland, California, U.S.A.	Attorney and Vice-President, Kaiser Aluminum and Chemical Corp.
Mr. Cyril A. Groves is Alternate for Mr. Thomas K. McCarthy	29, Netaji Subhas Road, Calcutta.	Solicitor and member of Messrs. Orr, Dignam & Co., Solicitors, Calcutta.
4. Shri M. P. Birla	8, India Exchange Place, Calcutta.	Industrialist and Businessman.
5. H. H. Maharaja Jam Shree Digvijaysinghi Ranjitsinghi of Navanagar.	The Palace, Jamnagar.	Landowner and Maharaja of Jamnagar.
6. Shri Arvind Navinchandra Mafatal	Mafatal House, Reclamation, Bombay 1.	Backbay Industrialist and Businessman.
7. Shri Debi Prasad Goenka	9, Brabourne Road, Calcutta.	Industrialist and Businessman.
8. Shri N. K. Petigara	21, Pali Hill, Bombay 20.	Solicitor and Partner of Messrs. Mulla and Mulla & Craigie Blunt & Caroe, Solicitors, Bombay.

REGISTERED OFFICE:

Industry House, 159, Churchgate Reclamation, Bombay 1.

HEAD OFFICE:

8, India Exchange Place, Calcutta 1.

MANAGING AGENTS:

Birla Gwalior Private Ltd., Baijal's, Kothli, Morar, (Gwalior).

BANKERS FOR THE ISSUE:

- The United Commercial Bank Ltd., Petit Building, Dr. Dadabhai Naoraji Road, Bombay 1.
- The Central Bank of India Ltd., Central Bank Building, Mahatma Gandhi Road, Bombay 1.
- The Bank of Baroda Ltd., Bank of Baroda Building, Apollo Street, Bombay 1.

- The Union Bank of India Ltd., Union Bank Building, Apollo Street, Bombay 1.
- The Bank of India Ltd., Bank of India Building, Mahatma Gandhi Road, Bombay 1.

SOLICITORS:

Messrs. Mulla & Mulla & Craigie Blunt & Caroe, 51 Mahatma Gandhi Road, Bombay 1.

AUDITORS:

Messrs. Singhi & Co., Chartered Accountants, 1/B, Old Post Office Street, Calcutta 1.

UNDERWRITERS:

- The Industrial Credit and Investment Corporation of India Ltd., Union Bank Bldg., Apollo Street, Bombay 1.
- The Central Bank of India Ltd., Bombay.
- Life Insurance Corporation of India, Jeewan Kendra, Jamshedji Tata Road, Bombay.
- The Bank of India Ltd., Bombay.
- The Bank of Baroda Ltd., Bombay.
- The United Commercial Bank Ltd., 2, India Exchange Place, Calcutta 1.
- The Union Bank of India Ltd., Bombay.
- Hindustan Investment Corporation Ltd., 8, India Exchange Place, Calcutta 1.
- Produce and Share Brokers Ltd., Jaipuria Mansion, Tholia Circle, Jaipur.

MANAGING BROKERS TO THE ISSUE:

- Messrs. Navalchand T. Shah & Co., 102, Stock Exchange New Building, Dalal Street, Bombay 1.
- Messrs. Chimanlal J. Dalal & Co., Stock Exchange New Building, Dalal Street, Bombay 1.
- Messrs. Batilvala & Karani, Union Bank Building, Apollo Street, Bombay 1.
- Messrs. Devkaran Nanjee & Co., 5, Hamam Street, Bombay 1.
- Messrs. Dhirajlal Maganlal Purshotamdas, Stock Exchange New Building, Dalal Street, Bombay 1.
- Messrs. Place, Siddons & Gough (Private) Limited, 6, Lyons Range, Post Box No. 592, Calcutta.
- Messrs. Harbans Singh Mehta & Co., 33, Regal Buildings, Post Box No. 300, New Delhi 1.

CONSENT:

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

DIVIDEND AND CAPITAL:

The Company in General Meeting may declare a dividend to be paid to the members according to their right and interest in the profits of the Company and may, subject to the provisions of the Companies Act, 1956 or

any statutory modification or re-enactment thereof, fix the time of payment.

No dividend shall be payable except out of the profits of the Company during the year or any other undistributed profits and no dividend shall carry interest as against the Company.

Preference share: Preference Shares will confer upon the holders thereof the right out of the profits of the Company determined to be divided to a fixed cumulative preferential dividend to accrue from date of allotment at the rate of 6.3% (free of tax) per annum on the capital for the time being paid up (payable on the day specified in the declaration of dividend and in case a dividend is not declared then the dividend to be deemed to be payable on the sixtieth day after the Annual General Meeting which considers the accounts for the relevant period), and in winding up, to a payment of such capital and arrears of such fixed dividend accrued up to the commencement of the winding-up (whether earned or declared or not) in priority to the Equity Shares, but shall not confer the right to any further participation in either profits or assets.

VOTING RIGHTS:

So far as Equity shares are concerned every member present in person or if a body corporate through a representative or by proxy, is entitled to have one vote. On a poll, the voting right of such member whether present in person or by representative or by proxy is to be in proportion to his share of the paid-up Equity share capital of the Company.

So far as Preference shares are concerned, every member of the Company holding such Preference share capital will in respect of such capital have a right to vote only in resolutions or questions placed before the Company which directly affect the rights attached to the Preference shares. A resolution for winding up of the Company or for repayment or reduction of its share capital is to be deemed directly to affect the rights attached to Preference shares. Every member of the Company holding any Preference share capital is also entitled to vote on every resolution or question placed before the Company at any meeting if the dividend due on such capital or any part of such dividend has remained unpaid, in the case of cumulative Preference shares in respect of an aggregate period of not less than 2 years preceding the date of the commencement of the meeting.

Where the holder of a Preference share has a right to vote, he shall, if present in person, have one vote upon a show of hands and upon a poll, he shall whether present in person or by proxy have a voting right in the same proportion as the capital paid up in respect of the Preference shares bear to the total paid up Equity share capital of the Company.

HINDUSTAN ALUMINIUM CORPORATION LTD., ANNOUNCEMENT—(Contd.)**BORROWING POWERS:**

The Board of Directors of the Company is by Resolution of the company passed on 4th September 1959 permitted to borrow monies from time to time for and on behalf of the Company so that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate paid-up capital of the Company and its free reserves, that is, reserves not set apart for any specific purpose, provided the amount of the monies so borrowed at any particular time shall not exceed in the aggregate Rs. 15,00,00,000/-

OBJECTS OF THE COMPANY:

The Company was incorporated on 15th December 1958 with objects mentioned in the Memorandum of Association of the Company and in particular to undertake the manufacture or production of alumina, aluminium, aluminium products and by-products.

HISTORY OF THE COMPANY:

This Company is the result of collaboration between the Kaiser Organisation of the United States of America and the House of Birlas of India, and the personal interest taken in by Mr. Edgar F. Kaiser and Mr. G. D. Birla, both of whom are leading industrialists in their respective countries.

It has long been known that there are in India large deposits of bauxite, which is the principal raw material required in the manufacture of aluminium, and that India's requirements of aluminium are such that existing indigenous manufacturing capacity is unable to meet them, with the result that large amounts of foreign exchange are spent in the importation of this metal.

The formation of the Company is the result of this Indo-American collaboration. The decision to establish an integrated alumina and aluminium plant near the Rihand Dam in District Mirzapur in the State of Uttar Pradesh was taken after Kaiser Engineers Overseas Corp., a subsidiary of Henry J. Kaiser Company, the well-known American consulting engineers and contractors had prepared a confidential study of the feasibility of the project which was found satisfactory.

MANUFACTURING LICENCE:

The Government of India has issued under the Industries (Development & Regulation) Rules 1952 (as revised) a Licence No. L-1B(1)/N-3/59, dated the 26th September 1959 for an integrated plant of an installed capacity of 20,000 metric tons per annum on continuous working for the manufacture of aluminium ingots at least one-third of which is to be of electrolytic grade suitable for making conductors.

PLANT SITE AND POWER

The Plant will be located near the Rihand Dam where there is ample land available as well as attendant facilities. A railroad to serve the Rihand Dam site is under construction to the Plant site area. Agreement has been signed with the Govt. of Uttar Pradesh for supply of Power.

LAND:

It is proposed to acquire 2,000 acres or more of land in the vicinity of Rihand Dam site for the factory housing, etc. on suitable terms.

WATER SUPPLY:

Adequate water supply for the factory is available in the Rihand area.

BAUXITE:

Good commercial grade Bauxite deposits are to be found in Lohardaga area in Bihar and agreement has been concluded with Minerals & Minerals Ltd., Calcutta, for supply of the same. Good commercial Bauxite is available in Amarkantak area of Madhya Pradesh and the M. P. Govt. has granted a lease for mining Bauxite over 1236.20 Acres of land in that area.

MARKETABILITY:

The Plant is expected to go into operation in 1962 when it is estimated that the requirements of primary Aluminium in India will be some 52,500 tons. Existing manufacturing capacity of Aluminium in India is approximately 17,500 tons per annum and the existing concerns may expand their organisations to produce another 12,500 tons annually. It, therefore, appears reasonable that a market will exist in India for the absorption of the full output of this Company's proposed 20,000 tons Plant when it is able to work to capacity.

COLLABORATION AGREEMENTS:

The Company has entered into agreements with the following:—

1. **Kaiser Aluminium & Chemical Corporation.** This agreement provides for the assignment and sale of Know-How to the Company. In consideration of transfer and assignment of Know-How the Company is to allot to the said Corporation 4,80,000 Equity shares of Rs. 10/- each credited as fully paid up.

2. **Kaiser Aluminum Technical Services, Inc.** Under this agreement provision is made that qualified technicians and engineers will be supplied to the Company and provision is also made to train Company's employees in the operation of Plant. Qualified technicians and engineers will also be supplied to the Company to render technical advice to the Company and assist it in operating the plant including aluminium fabrication whenever the Company undertakes the operation of fabricating facilities. Provision is also made for the supply of information for a period of 20 years on all technical matters. This Company has to allot in consideration of what it gets to Kaiser Aluminum Technical Services Inc. 1,20,000 Equity shares of Rs. 10/- each credited as fully paid up and has also to reimburse Kaiser Aluminum Technical Services Inc. for all its expenses incurred in rendering the assistance as set forth in the agreement.

3. **Henry J. Kaiser Co.** For such design, engineering procurement and related services with regard to the construction of the plant at Rihand as are to be performed outside the Union of India, The fee to be paid to Henry J. Kaiser Co. is \$1,083,000 payable in U.S.A. Over and above this fee, the Company has agreed to reimburse Henry J. Kaiser Co. for all costs and expenses of every kind incurred by it in the performance of work and services under the contract.

4. **Kaiser Engineers Overseas Corp.** This agreement is in regard to engineering, procurement and construction services to be rendered within the Union of India. The fee payable for these services by the Company is U.S. Dollars 217,000 payable in U.S.A. Besides the fee, all costs and expenses of every kind incurred by Kaiser Engineers Overseas Corp. in the performance of the work and services under the contract are to be reimbursed to them.

INTEREST OF DIRECTORS:

(1) Mr. G. D. Birla is a Director and Chairman of the United Commercial Bank

Ltd., which is one of the Underwriters of this Issue and one of the Bankers of the Company.

(2) Mr. Edgar F. Kaiser is President of Henry J. Kaiser Company, President of Kaiser Engineers Overseas Corp. and Chairman of the Board and a stockholder in Kaiser Aluminum & Chemical Corporation. He is therefore interested in the transactions with these Corporations and such other Corporations as are described in the Prospectus.

(3) Mr. Thomas K. McCarthy is Vice-President and Counsel of Kaiser Aluminum & Chemical Corporation and a stockholder of that Company and a Vice-President of Kaiser Aluminum Technical Services Inc., and is therefore interested in the Agreements with those Corporations and with other Associated or Subsidiary Corporations.

(4) Mr. M. P. Birla is a Director of Birla Gwalior Private Limited, the Managing Agents of the Company.

(5) Mr. D. P. Goenka is a Director of Industrial Credit & Investment Corporation of India Ltd., which is one of the Underwriters of this Issue.

(6) Mr. Arvind N. Mafatlal is a Director of the Bank of Baroda Ltd., which is one of the Underwriters of this Issue and one of the Bankers of the Company.

(7) Mr. N. K. Petigara is a partner in the firm of Messrs. Mulla & Mulla & Craigie Blunt & Caroe, the Solicitors of the Company who will be paid the professional charges payable to Solicitors. He is also a Director of the Bank of India Ltd., which is one of the Underwriters of this Issue and one of the Bankers of the Company.

(8) All the Directors will be interested to the extent of the shares subscribed for by and allotted to them in the Company.

PRELIMINARY AND OTHER EXPENSES

Rs. 53,619.14 n.p. is the amount shown in the Statutory report as preliminary expenses. These have been incurred in connection with the formation of the Company and the first issue of Capital. A further sum of Rs. 11,07,494.20 has been expended towards fees for the Feasibility Report, stamp duty on Know-How Agreement, Prospecting, Drilling and Operating expenses, expenses for chemical analysis and Bauxite analysis and travelling and other expenses.

UNDERWRITING COMMISSION

The entire 2,50,000 Preference Shares and 21,56,000 Equity Shares now intended to be issued and offered to the Public have been underwritten for a commission of 2½ per cent. on Preference Shares and 1 per cent. on Equity Shares as set out hereafter.

In the opinion of the Directors, the resources of the underwriters are sufficient to discharge the underwriting obligations. The usual arrangements have been entered into with the underwriters for underwriting the shares.

BROKERAGE

Brokerage will be paid by the Company to members of the recognised Stock Exchange and to Banks at the rate of One per cent on the nominal value of the aforesaid 2,50,000 Preference Shares and at the rate of 18 n.p. per Share in respect of the aforesaid 21,56,000

HINDUSTAN ALUMINIUM CORPORATION LTD., ANNOUNCEMENT—(Contd.)

Equity Shares allotted in respect of applications bearing their stamps.

Brokerage on the same basis will be payable to the Underwriters in respect of applications made or procured by them provided that the relative forms of application bear their respective stamps and in such case no brokerage will be payable to any other party.

Brokerage will also be paid by the Company to the Managing Brokers referred to in this Prospectus, at the rate of 7 n.p. per Equity Share on all the 21,56,000 Equity Shares

PAYMENT TO PROMOTERS AND COMPANIES IN WHICH THEY ARE INTERESTED.

(1) **Amounts paid to Kaiser Engineers Overseas Corp.**

(A) Pursuant to agreement dated 30th March, 1959, for the study of the feasibility of the project.

(i) Amount paid in India in Rupees (through Birla Gwalior Private Ltd.)

Rs. 1,50,000.00

(ii) Amount paid in Dollars \$55,000 equivalent to

Rs. 2,61,900.00

(B) Reimbursement of expenses amounting to \$15,716.65

Rs. 74,841.18

Equivalent to

4,86,741.18

(2) **EXPENSES INCURRED THROUGH BIRLA GWALIOR PRIVATE LIMITED.**

i) Preliminary expenses regarding the first Issue and formation of the Company.

Rs. 53,619.14

ii) Prospecting & Drilling Operating expenses.

Rs. 1,33,262.00

iii) Chemical Analysis & Bauxite Analysis.

Rs. 1,27,472.00

iv) Travelling expenses.

Rs. 1,06,217.00

v) Other Expenses.

Rs. 1,40,551.35

5,61,121.50

Total Rs. 10,47,862.05

CAPITAL OUTLAY & MINIMUM SUBSCRIPTION

The minimum subscription in respect of the public issue on which the Directors will proceed to allot is Rs. 4,65,60,000/-

The capital required to reach the stage of production of 20,000 Metric tons a year based upon the feasibility report is estimated to be as follows:

(a) Land, buildings and cost of engineering acquisition and construction of plant and facilities as estimated in 1958-59

Rs. 15,51,11,000

(b) Cost of "Know-How" and Technical Services (by issue of Equity Shares)

Rs. 60,00,000

(c) Expenses of the issue.

(i) Brokerage and underwriting

Rs. 17,92,100

(ii) General Expenses

Rs. 3,50,000

(d) Working Capital

2,00,00,000

(e) Pre-Operating Expenses

83,64,000

19,16,17,100

The capital structure of the Company as envisaged is as follows:—

Equity Shares

6,00,00,000/- (Six Crores)

Preference Shares

2,50,00,000/- (Two Crores)

Fifty Lakhs

8,50,00,000/- (Eight Crores)

Fifty Lakhs

Applications have been made for long term Loans from the Export-Import Bank, both in Dollar currency as well as in Rupee currency as follows:—

(a) Loan to the extent of Rs. 650 lakhs equivalent to U.S. Dollars 13,650,000/- and

(b) Rupee Loan under Public Law 480 of the United States to the extent of Rs. 1,00,00,000/- equivalent to \$2,100,000.

offered to the public, the Managing Brokers being entitled thereto in equal shares.

Brokerage will also be paid by the Company at the rate of 25 n.p. per Equity Share to members of the recognised Stock Exchanges against applications bearing their stamps in respect of the 6,50,000 Equity Shares which are agreed to be taken up by the nominees of Birla Gwalior Private Limited out of the 21,33,000 Equity Shares which have been allocated to Birla Gwalior Private Limited and its nominees.

DECLINE TO REGISTER ANY TRANSFER OF SHARES TO A TRANSFEREE OF WHOM THEY DO NOT APPROVE.**INSPECTION OF DOCUMENTS**

Documents mentioned in the prospectus can be inspected at any time during the usual business hours at the Registered Office of the Company until fourteen days after the opening of the subscription lists.

APPLICATION FOR SHARES AND ALLOTMENT:

Applications for Equity shares must be for 50 shares or multiples of 50 shares. Applications for Preference shares must be for 5 shares or multiples of 5 shares. All applications must be made on the form accompanying the prospectus which can be had from the Company's Bankers and Managing Brokers. All application forms properly completed must be lodged together with the amount payable on application with any of the following Banks, namely:

1. The United Commercial Bank Ltd., Bombay.
2. The Central Bank of India Ltd., Bombay.
3. The Bank of India Ltd., Bombay.
4. The Bank of Baroda Ltd., Bombay.
5. The Union Bank of India Ltd., Bombay.

or with any of their existing Branch Offices at the following places:

Ahmedabad	Gwalior	Patna
Baroda	Kanpur	Varanasi
Delhi	Nagpur	Bombay
Jaipur	Trivandrum	Coimbatore
Madurai	Amritsar	Indore
Surat	Calcutta	Madras
Allahabad	Hyderabad	Rajkot
Bangalore	Lucknow	

The remittance should be made by cheque or draft which, if it is desired to avoid payment of Bank charges, must be drawn either upon any of the above Banks to which the application form and cheque or draft are being sent or upon a Branch of any of the above Banks situated in any of the aforesaid towns.

All cheques or drafts drawn on Banks situated at places other than those mentioned above should include a sum at the rate of 25 n.p. per cent. (minimum 62 n.p.) of the amount remitted to cover all the commission and bank charges; otherwise, the application is liable to be rejected.

Cheques or drafts should be drawn in favour of "Hindustan Aluminium Corporation Ltd." and should bear the words "A/c. Equity Issue" in the case of application for Equity Shares and the words "A/c. Pref. Issue" in the case of application for Preference Shares. For the applicant's protection, cheques or drafts should be crossed "Account Payee Only". A separate cheque or draft must accompany each application.

Allotment will be notified by the despatch of an allotment letter, but the Directors reserve the full uncontrolled right of accepting or rejecting any application in whole or in part, in either case without assigning any reason. Where an application is rejected or not accepted in full, the whole or any balance of the application money received will be refunded to the applicant in which event Bank Commission, if any, will be payable by the applicant.

SHARE CERTIFICATES:

The share certificates will be issued within nine months of the date of allotment.

Bombay,

Dated 19th January 1960

AUDITORS' REPORT

The Auditors' Report has been attached to the copy of the prospectus filed with the Registrar.

MANAGING AGENTS:

The Govt. has approved the appointment of M/s. Birla Gwalior Private Ltd., Gwalior, as the Managing Agents of the Company. They are appointed Managing Agents of the Company for a period of 10 years on the remuneration of 4% commission on the net profits of the Company with such minimum remuneration for each financial year as Govt. may decide at a later date. No compensation is payable to the Managing Agents for loss of office.

POWER OF BOARD TO REFUSE REGISTRATION OF TRANSFER:

The Directors may, subject to the right of appeal conferred by the companies Act, 1956,

THIS IS ONLY AN ANNOUNCEMENT FOR INFORMATION AND NOT A PROSPECTUS

A formal Prospectus, dated 21st January, 1960 has been delivered to the Registrar of Companies, Bombay, for registration and copies thereof, along with application forms, are obtainable from the Banks and Brokers mentioned hereunder.

The consent of the Government of India has been obtained to this issue of Capital by an Order No. R. 145-CCI/59-828 dated 9th June, 1959 issued by the Ministry of Finance, a complete copy of which is open to public inspection at the Registered Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed with regard to them.

Licences have been obtained from the Government of India for effecting substantial expansions to the Company's existing industrial undertaking at Bhandup, Bombay-78, as described in the Prospectus. Copies of these licences are open to public inspection at the Registered office of the Company. It must be distinctly understood that in granting these licences the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.

An application is being made to the Bombay Stock Exchange for permission to deal in and for an official quotation of the Equity Shares of the Company.

AUTOMOBILE PRODUCTS OF INDIA LIMITED

(Incorporated under the Indian Companies Act, 1913).

SHARE CAPITAL

AUTHORISED		Issued, Subscribed and Paid Up
Rs. 50,00,000	Equity Shares of Rs. 10/- each	Rs. 17,00,000
Rs. 28,00,000	5% Redeemable Cumulative Preference Shares of Rs. 100/- each	Rs. 28,00,000
Rs. 22,00,000	6% Tax-free Redeemable Cumulative Second Preference Shares of Rs. 100/- each	Rs. 5,00,000
Rs. 1,00,00,000		Rs. 50,00,000

LOAN CAPITAL

The Company has no debentures. It has a mortgage loan for Rs. 50 lacs from the Industrial Finance Corporation of India under two mortgage deeds, one for Rs. 30 lacs and the second for Rs. 20 lacs. The full amount of Rs. 30 lacs under the former has been drawn and a sum of Rs. 6 lacs still remains to be drawn against the second mortgage deed. The Company has repaid the first instalment of Rs. 2 lacs against the first mortgage deed. Thus the amount outstanding as on date to the Industrial Finance Corporation of India is Rs. 42 lacs. Messrs. Innocenti S. G. Milan, Italy, and Messrs. Cimat S.P.A., Torino, Italy have agreed to supply machinery for manufacture of Lambretta Scooters on deferred payment basis to a value of Rs. 17½ lacs and Rs. 4 lacs respectively. The repayment of these deferred payments, both principal and interest, will be guaranteed to the extent of Rs. 28 lacs by the Industrial Finance Corporation of India and in consideration thereof the Company has created a further charge by way of an equitable mortgage by deposit of title deeds.

ISSUE OF

2,50,000 Equity Shares of Rs. 10/- each at par payable Rs. 250 nP. on application and Rs. 250 nP. on allotment and the balance of Rs. 5/- as and when called.

However no call shall exceed Rs. 250 nP. per share or be made payable within 3 months after the last preceding call was payable.

Of the shares now being issued, His Highness The Maharajah Fatehsingh Gaekwar of Baroda has agreed to take up 50,000 Equity Shares of Rs. 10/- each for cash and 25,000 Equity Shares of Rs. 10/- each will be issued at par to Messrs. Innocenti S. G. of Italy, against supply of machinery.

REMAINING 1,75,000 EQUITY SHARES OF Rs. 10/- EACH ARE OFFERED AT PAR FOR PUBLIC SUBSCRIPTION.

Applications for Shares from the public must be for a minimum of 50 Shares or for multiples of 50 shares.

The shares now being issued will not confer any right to any dividend that may be declared on the Equity Shares in respect of the Company's Financial Year ending on 31st July, 1960.

The Shares now being issued will rank pari passu in all other respects with the existing Equity Shares of the Company.

DIRECTORS

MR. MUTHIAH ANNAMALAI CHIDAMBARAM, Adyar House, Madras-25. Industrialist & Chairman of the Company. Director: State Bank of India, Madras, South India Insurance Co. Ltd. Indian Aluminium Co. Ltd. Machinery Manufacturers Corporation Ltd. Mandya National Paper Mills Ltd. etc. etc.

H. H. THE MAHARAJAH PRATAP SINGH OF NABHA, Hira Mahal, Nabha. Indian Prince.

H. H. THE MAHARAJAH SIR PRATAP SINHA GAEKWAR, Laxmi Vilas Palace, Baroda. Indian Prince.

H. H. THE MAHARAJAH SIR JIWAJIRAO MADHAVRAO SCINDIA, Jal Vilas Palace, Gwalior. Ex-Ruler of former Gwalior State. Director: Central Bank of India, Bombay. National Newsprint & Paper Mills Ltd. Gwalior Rayon Silk Manufacturing (Wvg.) Co. Ltd. Gwalior Sugar Limited. The British Burmah Petroleum Co. Ltd. Air-India International, etc.

PRINCE KHANDERAU RAJE GAEKWAR, Kamal Mahal, Carmichael Road, Bombay-26. Company Director. Director: Auto Accessories (India) Private Ltd. The Motor Manufacturers & Importers Association Ltd.

DR. JAYANAND MORESHWAR RANE, Shree Pant Bhawan, Sandhurst Bridge, Bombay-7. Company Director. Director: The Motor Manufacturers & Importers Association Ltd. Recondo Private Limited. Dadajee Dhackjee & Co. Private Ltd. Tyresoles Concessionaires Private Ltd. Hickson & Dadajee Private Ltd. etc.

MR. POULOSE MATTHEW, (Ex Office Director—Director and General Manager of Managing Agents), Devonshire House, 3, Westfield Estate, Bhulabhai Desai Road, Bombay-26. Company Director.

MANAGING AGENTS:

Technical Services (Private) Limited, Bombay/Agra Road, Bhandup, Bombay-78.

BANKERS:

STATE BANK OF INDIA, BOMBAY.
THE CHARTERED BANK, BOMBAY.
THE UNION BANK OF INDIA LIMITED, BOMBAY.
THE INDIAN BANK, LIMITED, BOMBAY.
THE INDIAN BANK, LIMITED, NEW DELHI.

UNDERWRITERS:

MESSRS. P. R. SUBRAMANYAM, 70A, Stock Exchange Building, Bombay-1.
MESSRS. A. B. PANDIT & Co., 32, Apollo Street, Bombay-1.

MANAGING BROKERS:

MESSRS. PLACE, SIDONS & GOUGH (Private) Ltd., 6, Lyons Range, Calcutta-1.
MESSRS. PATERSON & Co., 22, Errabalu Chetty Street, Madras-1.
MESSRS. P. R. SUBRAMANYAM, 70A, Stock Exchange Building, Bombay-1.
MESSRS. A. B. PANDIT & Co., 32, Apollo Street, Bombay-1.

AUDITORS:

MESSRS. A. F. FERGUSON & Co., Allahabad Bank Building, Apollo Street, Bombay-1.

SOLICITORS:

MESSRS. CRAWFORD BAYLEY & Co., State Bank Building, Bank Street, Bombay-1.

REGISTERED OFFICE:

Bombay/Agra Road, Bhandup, Bombay-78.

HISTORY, BUSINESS & PROSPECTS:

The Company was incorporated in September 1949 by Rootes Limited for the phased manufacture of Hillman Cars and Commer Trucks. After the report of the first Tariff Commission Enquiry on Automobiles, Rootes had to submit a revised programme of manufacture before the time stipulated by Central Government, viz. September 1953. For various reasons, they could not do so and the manufacturing licence was withdrawn. Rootes Motors sold out their interest in May 1954 and thereafter the Company secured manufacturing licences under the Industries (Development & Regulation) Act, 1951 for the following products:—

1. Lambretta Motor Scooters and Three-wheelers.
2. Henry Meadows Automotive Diesel Engines.
3. Borg & Beck Clutch Assemblies.
4. Lockheed Brake System.
5. Firestone Brake Linings.

The Company has also a concessionaire licence from Rootes Motors Limited for the manufacture of Hillman Cars and Commer commercial vehicles and for distribution of Rootes Group vehicles and spare parts in this country.

Under the First and Second Five Year Plans, the Government of India has given considerable attention to the development of road transport. The

February 6, 1960

AUTOMOBILE PRODUCTS OF INDIA LIMITED—Contd.

accent on road transport will be further heightened in the Third Five Year Plan period both from its employment potential and the necessity to open out the interior of the country. This Company which has been granted licences for the manufacture of Automotive Diesel Engines to be fitted on motor trucks and other essential ancillary parts and accessories has a very important place in the automotive industry. In addition, with its Lambretta Two-wheelers and Three-wheelers, the Company caters to the needs of the personal transport of the common man and the small trader. It is intended to carry out substantial expansion of its business.

Lambretta Scooters & Three-wheelers: There is a great demand for these vehicles. The Company has a sanctioned and installed capacity of 12,000 units per annum. The demand for these vehicles has been estimated to reach 20,000 units a year by the end of the Second Five Year Plan and treble itself to 60,000 units per annum in the Third Five Year Plan. The Company, if considered advisable, will apply for expansion of capacity in due course.

Meadows Diesel Engines: This Company is one of the two units licensed to manufacture Automotive Diesel Engines for fitment to commercial vehicles and for industrial purposes. The demand for commercial vehicles is expected to reach 40,000 units by the end of the Second Five Year Plan of which a large majority will be fitted with diesel engines. The requirements of the two vehicle manufacturers who have no diesel engines of their own thus will be over 12,000 units per annum. This demand is confidently expected to go up further during the Third Five Year Plan period of which a large majority will be fitted with diesel engines. The Company expects to increase the installed and sanctioned capacity of 3,000 engines in a couple of years to 6,000 units per annum and will be taking necessary steps in this connection in due course if considered advisable.

Borg & Beck Clutch Assemblies: Borg & Beck Clutch Assemblies being standard equipment for very many of cars and trucks running in this country, the demand for these is expected to rise to about 1,00,000 units per annum during the Third Five Year Plan period. If considered advisable steps will be taken in due course to raise the present installed and sanctioned capacity of 15,000 units per annum.

Lockheed Brake System: Lockheed Brakes are also standard equipment on very many of the vehicles running in this country, and demand for these is also likely to expand to about 1,00,000 units per annum before long against the installed and sanctioned capacity of 15,000 units. Steps in this connection also will be taken in due course to raise the present installed and sanctioned capacity if considered advisable.

Firestone Brake Linings: With the increase in the number of vehicles running in this country, the demand for Brake Linings is also expected to expand. Here again, the Company will have to increase its present installed and sanctioned capacity of 3,12,000 running feet per month.

Spare Parts: In addition, the Company's sale of Spare Parts in the above lines is likely to go up with the increase in the number of vehicles running in the country.

Thus, each of the above five projects on which the Company is engaged shows excellent potentialities for the future as there is a growing demand for the articles manufactured.

TECHNICAL FACILITIES:

The standard of production required in the automotive industry is of a high degree of precision and skill. The Company is fortunate in having secured the technical collaboration of the following leading firms in the industry in foreign countries:—

- (i) World Bestos Division of the Firestone Tire & Rubber Co. of Akron, U.S.A.
- (ii) Henry Meadows Limited, Wolverhampton, England.
- (iii) Innocenti S.G., Milano, Italy.
- (iv) Borg & Beck Co. Ltd., Leamington Spa, England.
- (v) Borg-Warner International Corporation, Chicago, U.S.A.
- (vi) Fichtel & Sachs, A.G., Schweinfurt Am Main, West Germany.
- (vii) Automotive Products Co. Ltd., Leamington Spa, England.
- (viii) Alfred Teves, Frankfurt Main, West Germany.
- (ix) Fiat S.P.A., Torino, Italy.

These firms have also been sending to the Company technicians from time to time to set up the plant and train its personnel.

LAND, PREMISES, PLANT AND MACHINERY:

The factory is situated on 30 acres of land within the city limits of Greater Bombay on the main Bombay/Agra Road with a second road frontage on its southern boundary connecting Bhandup Railway station to the Bombay/Agra Road. The Company has also an assisted Railway Siding.

The administrative office and the Plant are located in these premises. The factory has over 2,00,000 sq. ft. of first-class covered accommodation. The Company proposes to extend buildings by further 20,000 sq. ft. in the next two years to accommodate the plant and machinery expected to be imported under its present expansion schemes.

Heavy machinery, presses etc. to a value of about Rs. 60 lakhs have been added in the course of the last three years and the Company hopes to add further plant and machinery to an extent of about Rs. 40 to Rs. 50 lakhs in the course of the next two years.

The cost of the fixed assets of the Company as at 31st July 1959 was about Rs. 125 lakhs and the written down value about Rs. 98 lakhs.

MANAGEMENT AND STAFF:

The Company has in its staff an Engineer with considerable experience in the Automotive Industry in the U.K. Representatives from Henry Meadows Ltd., Innocenti S.G., and Borg & Beck Co. Ltd., Automotive Products Co. Ltd., are working with the Company. The Company has developed a well-trained management Engineering and Sales staff with extensive experience in all aspects of automotive industry.

The total number of employees including the management staff and operatives employed by the Company is 1100 approximately. The efficiency and continuity of management at all levels are maintained by the Company's practice of promotion wherever possible and within the organization. Labour relations have, in general, been satisfactory.

OBJECT OF THE ISSUE

The object of this issue is to enable the Company to purchase machinery to expand the various programmes mentioned above.

FINANCING AND FINANCIAL INFORMATION

The amount required for the expansion programme undertaken by the Company amounts to about Rs. 52½ lakhs which will be financed as under:—

	Rs.
Balance of Mortgage Loan to be drawn from Industrial Finance Corporation of India	6,00,000
Deferred Payment from Innocenti & Cimat	21,50,000
Fresh Capital (including Rs. 2,50,000 to be issued to Innocenti S.G., in lieu of supply of machinery)	25,00,000
Total	52,50,000

The Directors are satisfied that adequate working capital will be available by means of normal borrowings from Banks.

The following is a condensation of the Auditors' Report by the Company's Auditors, Messrs. A. F. Ferguson & Co., as published in the Prospectus.

	Sales of Vehicles and Parts	Net profits/losses after depreciation and taxation	Net profits/losses after depreciation and taxation
	Rs.	Rs.	Rs.
Year ended 31st July 1955	77,54,433	6,95,969	2,80,557
Year ended 31st July 1956	1,33,92,472	8,65,029	2,85,805
Year ended 31st July 1957	1,74,03,915	3,55,493	(1,08,443)
Year ended 31st July 1958	1,68,07,181	(70,512)	(6,31,975)
Year ended 31st July 1959	1,99,02,874	(2,48,469)	(10,07,994)

Note: The figures in brackets denote losses.

Assets and Liabilities as at 31st July 1959:

	Rs.	nP.
Fixed Assets—at original cost less depreciation	98,63,372.40	
Current Assets	1,03,44,989.35	
Total Assets	2,02,08,361.75	
Less: Liabilities and other provisions	1,66,23,804.47	
Net Assets as at 31st July 1959	35,84,557.28	

DIVIDENDS ON PAID-UP CAPITAL:

	1955	Years ended 31st July 1956	1957	1958	1959
	Rs.	Rs.	Rs.	Rs.	Rs.
Ordinary Shares	Nil	Nil	Nil	Nil	Nil
28,000 5% Redeemable Cumulative Preference Shares of Rs. 100/- each	*1,40,000	*1,40,000	Nil	Nil	Nil
6% (Free of Tax) Redeemable Cumulative Second Preference Shares			Nil	Nil	Nil

*5% p.a. (Without deduction of tax due to the Company having no tax liability) sanctioned at the Annual General Meeting held on 17th April 1957.

The period covered by the Auditors' Report includes the five years ending 31st July 1959.

FUTURE PROSPECTS AND DIVIDENDS:

The Company was originally started for assembly of the well-known Rootes products, viz., Hillman cars and Commer commercial vehicles. The business so carried on was more or less in the nature of trade and since then the various manufacturing programmes have been taken up and the Company has converted its activities from trade into that of industrial manufacture. It had to develop the Lambretta which was a vehicle practically unknown in the country by establishing a series of service and dealer cally throughout the country. It had to introduce and popularise a new diesel engine in the three years. Consequently, the Company had to spend a lot of its revenue towards developmental and sales promotion purposes. Net Block which was about Rs. 40 lacs on 31st July 1955 has increased to about Rs. 98 lacs on 31st July 1959. Sales have gradually progressed from about Rs. 72 lacs in 1954 to nearly Rs. 2 crores on 31st July 1959. The Company expects to increase its turnover in the current year to about Rs. 3 to 3½ crores. Based on the previous operating costs, the Company expects to make a profit in the current year of say about Rs. 15 lacs on a turnover Rs. 3 to 3½ crores assuming present conditions of trade and industry (including foreign exchange allocations) continue. This would wipe out the carried forward losses. With the profits for the year ending on 30th July 1961 on the same assumption the Company hopes to resume payment of dividends on its Equity Shares.

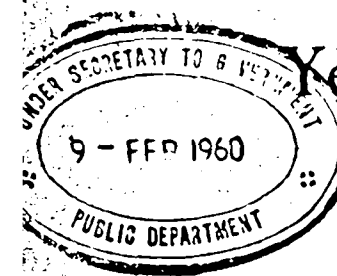
PROSPECTUS AND APPLICATION FORMS:

Copies of Prospectus, on the terms of which alone applications will be considered and Application Forms may be obtained from the Registered Office of the Company or from the office of any of the Company's Brokers or Bankers and Underwriters named in the Prospectus.

SUBSCRIPTION LIST:

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON THE 15TH FEBRUARY 1960 AND WILL REMAIN OPEN UNTIL THE CLOSE OF BANKING HOURS ON THE 18TH FEBRUARY 1960.

The Associated Cement Companies, Limited



Year of Mixed Fortunes for Cement Industry

Error of Tariff Commission's Approach to Costs

Speech Delivered by the Chairman, Mr Dharamsey M. Khatau

PRODUCTION AND PROFITS

Speaking at the 23rd Annual General Meeting of the Associated Cement Companies Limited, the Chairman, Shri Dharamsey M. Khatau, said: "The year under review has been one of mixed fortunes for the cement industry. While the pace of expansion of installed capacity was maintained, the industry was confronted with a sudden drop in the demand for cement, particularly for Government requirements, with the result that despatches failed to keep pace with increasing installed capacity. In the case of your Company, the installed capacity of our factories in India increased during the year from 31.27 lakh tons to 34.42 lakh tons; but the despatches amounted only to 31.47 lakh tons compared with 30.69 lakh tons during the previous year. Though the situation improved somewhat in the latter half of the year, it is unlikely, despite the most intense and sustained sales efforts, that demand will catch up with installed capacity in the very near future."

"The turnover of cement and other products showed an increase of about Rs. 133.00 lakhs. A substantial part of this was accounted for by the price increase of Rs. 3.50 per ton ex-Works which was operative throughout the year under review. As this price increase was merely designed to counteract the cost increases already established by the end of 1957, there was naturally no increase in the profits. On the contrary, the ratio of gross profit to turnover after payment of all expenses other than depreciation and taxation was actually lower, and the amount of gross profit was also down by about Rs 13 lakhs due mainly to lower income under other heads. The provision for depreciation increased by about Rs. 33 lakhs and the statutory Development Reserve absorbed about Rs 53 lakhs more than last year. Consequently, despite the lower incidence of direct company taxation, the net distributable profits after providing for depreciation, development rebata, taxes and other charges, were considerably lower than in the previous year."

"Your Directors sincerely regret that due to these and other circumstances beyond their control, it has been necessary to lower the rate of dividend from slightly over Rs. 12/- per share (subject to tax)

declared last year to Rs. 11/- per share (subject to tax) proposed this year. They also deeply regret that for the same reason, it was necessary to scale down the rate of bonus payment to employees."

TARIFF COMMISSION

Commenting on the meagre price increase of Rs. 3.50 per ton allowed to the Company by the Government on the recommendations of the Tariff Commission, the Chairman observed: "In the industry's representations to Government it was pointed out that the price increase granted was quite inadequate, particularly as it ignored various elements of cost such as the commission to stockists, the annual bonus payments to employees and the remuneration payable to Managing Agents; but these representations were summarily rejected. Moreover, simultaneously with the price increase, Government imposed a ban on the use of second-hand bags for packing cement, which item alone has put your Company to a loss of as much as Rs. 1.50 per ton. Furthermore, subsequent to the completion of the Tariff Commission's enquiry into costs, there have occurred several increases in specific items of cost during the year under review, such as the upward revision of railway freight, rise in the pit-mouth price of coal, rise in wages consequent upon wage settlements and adjudications, new levies and increases in the rates of duty on power, revision of Electricity Tariff, etc."

Pointing out the major basic error in the Tariff Commission's approach to the problem of costs, Shri Khatau stated that while computing the Company's manufacturing costs, the Commission proceeded on the assumption that despatches, and therefore production, would be equal to the installed capacity. "Even apart from market considerations resulting from slackness of demand, the Company had strongly urged the Commission not to equate attainable production with installed capacity, since experience had shown, that over a period of time actual production was technically incapable of being maintained at a sustained level of 100 per cent of installed capacity. Taking the performance of all the factories of the Company into account, it was a virtual certainty that production could not be continuously sustained at the maximum level

for any appreciable length of time. And this technical situation was re-inforced during the year under review by commercial considerations, because the poor offtake due to slackening of demand did not, in any event, warrant full capacity production. All this has been borne out by the fact that the Company's total output in India was only 95 per cent of the effective rated capacity, resulting in a production of only 32.11 lakh tons during 1958-59 as against an estimated 34.71 lakh tons assumed by the Tariff Commission. Consequently, the cost of production 'per ton' was naturally higher than it would have been, had production and despatches been fully up to installed capacity."

"In the circumstances, your Company was compelled to make a fresh representation to Government urging them to allow an increase in the retention price of cement sufficient to offset the various post-1957 increases in costs to which I have referred. Government's attention has also been pointedly drawn to the present unsatisfactory position of the industry generally and of your Company, in particular. It has been made clear to Government that unless the retention price is suitably increased,

- It would not be possible for the Company to earn even the meagre 'return on capital' which was recommended by the Commission and accepted by Government as a fair return;
- the capacity of the Company to maintain dividends even at present low levels would be gravely impaired; and
- there would hardly be any 'surplus' left to be ploughed back into the business to finance, at any rate partly, the further expansion of installed capacity so necessary for the Third Five-Year Plan.

It is hoped that Government will take early action in the matter. Their decision is anxiously awaited."

TAXATION

Turning to the fundamental changes in the structure of Corporate Taxation introduced by the Finance Act, 1959, the Chairman welcomed it as a long overdue change in the right direction.

Commending it both for its simplicity and for the logicity of its main conceptions, Shri Khatau observed that judging by the experience of its incidence upon the Company—a not untypical case in the field of basic industry—there were at least two directions in which second thoughts were necessary.

"The first concerns the aggregate rate of Income-tax and Corporation Tax. While this has been reduced from 51.5 per cent to 45 per cent and the Wealth Tax and Excess Dividend Tax on Companies have now been abolished, the shareholders have lost the benefit of "tax-credit" hitherto enjoyed by them in respect of Income-tax paid by the Company. As a consequence, every Company is now obliged to declare a considerably higher "gross" dividend under the new system than the "net" dividend under the old system, so that after deducting tax at the prescribed rates from such gross dividend at the time of payment, the shareholders may get a net (tax-free) dividend more or less on the same basis as under the old system. So far as your Company is concerned, the resultant gross burden on the Company under the new system, that is to say the combined burden of Income-tax and Corporation Tax at the new rates on its own profits, together with the provision of the "tax credit" for the shareholders in the new form on the net dividend paid to them under the new system, considerably exceeds the aggregate burden under the old system. In other words, the saving to the Company resulting from the lowering of the rates of Income-tax and Corporation Tax and the abolition of the Wealth Tax and Excess Dividend Tax, falls short of the amount required to make good the loss of tax credit to the shareholders. This means, in effect, that the net yield to Government, at a given level of income of your Company, under the new system will be more than under the old system, even though this was explicitly not desired by the Finance Minister. It is interesting to note here that the same conclusion emerged from a study carried out by the Associated Chambers of Commerce of India concerning the net incidence of taxation under the new system upon a large number of representative companies chosen at random. When these findings are

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considered in the light of the undoubted fact that "profit ratios", especially in basic industries, have shown a downward trend since 1957, the conclusion is inescapable that the aggregate rate of Income-Tax and Corporation Tax under the new system ought not to exceed 40 per cent at the most if the declared objective of the Finance Minister, namely, not to get a higher net yield merely by the change in the system of Corporate Taxation, is to be fulfilled."

"The second major defect in the new system concerns the virtual confiscation of tax credit on the taxed reserves of companies. This has already affected your Company with special severity in the year under review because of the operation of the new system of Corporate Taxation, of having to draw heavily upon Reserves to pay anything like a reasonable rate of gross dividend this year compared with that paid last year. It seems to me plain that where Reserves have to be drawn upon in circumstances such as these, the Company concerned ought to get credit in some form, preferably in its own assessment, for the tax credit already accrued in the past upon the amount of reserves so utilised, subject of course to an upper limit set by the extent of taxed reserves available with it. What matters, however, is not so much the mechanics of the relief operation as the need for the unquestioned acceptance of the principle that tax credits of this kind should not be confiscated. Any other course would be indefensible on grounds of public policy, for it would spell bad faith with the shareholders of precisely those companies whose managements have followed sound conservative financial policies by building up reserves in the past, reserves which would normally remain deployed in industry, but which could be drawn upon in lean years."

EXPANSION AND REHABILITATION

Despite the adverse conditions under which the Company had to operate, the Chairman reported that the Company had gone ahead with its planned expansion and had spent during the year considerably more on expansion, rehabilitation and modernisation than the Rs. 31.49 lakhs net received as rehabilitation allowance in the price of cement. Giving details Shri Khatau mentioned that the expectations that the Dry Process plant at Mencherial would be more economical in operation than the conventional Wet Process plant had been justified in spite of the fact that optimum conditions of production have yet to be reached. The duplication of the Mencherial plant as well as the extensions at the Company's Kymore and Shahabad Works were progressing satisfactorily, while work on the slag cement project at Chaibasa and on the slag processing plant at Jamshedpur was proceeding according to schedule.

The Chairman also announced that the Company's new firebricks plant at Katni was now also manufacturing two special refractory cements marketed under the trade names of ACCOSET-50 Refractory Cement and ACCOCID Acid-proof Cement. The Company's white cement, currently being produced at the Porbandar factory, and marketed under the trade name of SILVICRETE, was becoming increasingly popular with consumers.

THIRD FIVE-YEAR PLAN

Discussing the problem of setting an achievable target for the cement industry in the Third Plan, Shri Khatau continued: "I should like to take this opportunity to express our appreciation of the more realistic way in which the Government and the Planning Commission are tackling the problem of setting the cement target for the Third Plan compared with the manner in which it was approached for the Second Plan. On this occasion, all aspects of the problem have been discussed at a meeting held in November last between the Planning Commission and the Industry, at which the Ministry of Industry was also represented; and a target of 15 million tons has been tentatively fixed as a result of these deliberations."

"This, in my judgment, is an achievable target, both financially and technically. It is unlikely to lead us into the unfortunate position of excessive capacity in which the Industry found itself during 1958 and 1959. In saying this I am not unmindful of the possibility that recent disturbing developments on India's northern frontiers may give rise to a situation of national emergency in which *inter alia* the demand for cement may suddenly shoot up. Should such a contingency unfortunately arise, I should like to assure the Government, without qualification, that we in the A.C.C. shall again readily shoulder the primary responsibility for expanding cement production as fast as we possibly can, to the utmost of our financial and technical resources. We shall be ready and willing, if so required, once again to shoulder the responsibility for ensuring the fair distribution of cement throughout the country. I do not say these things in any boastful way, but merely to reiterate our humble duty."

ACC-VICKERS-BABCOCK LTD.

Continuing, the Chairman stated that the work on the design and construction of the ACC-Vickers-Babcock Heavy Engineering Project at Durgapur was proceeding according to schedule. "The land for the factory site and the housing colony has been acquired; and contracts for a substantial portion of the structural steelwork for the Shops have been placed. The requirements of plant, machine tools and equipment have been finalised and orders are to be placed very short-

ly. The Works is expected to be ready during the latter half of 1961 enabling pilot production to commence. Full-scale production will start from early 1962."

LABOUR-MANAGEMENT RELATIONS

Commenting on labour-management relations, Shri Khatau observed:

"This year, while the labour situation at the Collieries unfortunately continued to be unsatisfactory, our efforts to maintain good relations with the workmen at our Cement Works have been subjected to great strain at the Kymore and Banmor Works by factions and internal rivalries for the control of the Labour Unions. There was also unrest at Mancherial. Despite these shortcomings, I may state with some pleasure that there was no major stoppage, strike or lock-out at any of our factories to mar the good employer-employee relations which your Company has so assiduously endeavoured to cultivate over the years."

"I would on the whole like to congratulate the workers and their leaders for their goodwill and co-operation which have enabled the management to enter into long-term settlements at practically all our Works. This is a notable achievement and is bound to have beneficial effects on the future relations with our workmen. It should certainly lead to greater prosperity for the Company as well as for its employees."

Referring to the Central Wage Board for the Cement Industry constituted by the Government of India, the Chairman mentioned that the Wage Board had now submitted its report to Government and the publication of the report as well as the Government's decision on the recommendations made were awaited.

Shri Khatau also stated that in the bonus dispute with the Company's employees for the year 1953-54, the Industrial Tribunal's decision awarding one month's additional bonus was reversed by the Supreme Court in the Company's favour. "The Supreme Court's judgment had laid down certain major guiding principles for the determination of bonus and is, therefore, important not only for our industry but also for other industries. While this decision will not, of course, obviate disputes regarding payment of bonus for subsequent years, it should act as a deterrent against unreasonable demands and will make the resolution of such disputes easier in future by restricting their scope."

ACC VILLAGE IMPROVEMENT SCHEME

The Chairman also mentioned the Company's efforts to assist the people who live in the villages near its factories from where it draws the major portion of its labour force to improve their living conditions through self-help, with the Company providing free

advice and guidance. Started in a few villages around Balasor, the Company's Village Improvement Scheme now served nearly 100 villages at seven centres at Sevalia, Balasor, Chaibasa, Shahabad, Khalaria, Kymore and Lakheri, and has received enthusiastic response from the villagers.

The Chairman concluded with an expression of warm appreciation of the hard work and unstinting co-operation of all the Company's employees.

Note: THIS DOES NOT PURPORT TO BE A REPORT OF THE PROCEEDINGS OF THE ANNUAL GENERAL MEETING WHICH WILL BE SENT SEPARATELY TO SHAREHOLDERS ON REQUEST.



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Prospects for Spices

THE Central Spices and Cashewnut Committee has made several recommendations to augment production, home consumption and export of spices. The question of price stabilisation in regard to pepper and other spices has been discussed by the Committee and some of the members have urged the setting up of a machinery similar to the one set up in the case of coffee in order to give the necessary incentives to growers.

With a view to checking adulteration and enhancing the prestige of Indian goods abroad, quality control is also proposed to be introduced soon for cashew kernel and pepper. A separate export promotion body is now being formed for pepper and other spices. The Cashew and Pepper Export Promotion Council, which has been functioning in Cochin for the past four years, will be rededicated to a promotion body for cashew alone.

The progress so far made in the development of pepper has been reviewed by the Committee, which has approved of the proposal to increase the export target of pepper from 15,000 tons to 20,000 tons during the Third Plan period. Meanwhile, Indian pepper is now selling at prices three times higher than the prices prevailing at this time last year. The peak price realised, since the beginning of the new season, is Rs 2,150 per candy for ungarbled variety.

The trade attributes this unusual leap in prices to continuous buying by the largest consumer of pepper, the USA, even at steadily increasing prices. It offered as much as 84 cents a pound, although the rate has subsequently come

down to 79 cents. Russia has recently lifted about 1,000 tons. Its allies in Eastern Europe also are showing interest in Indian pepper. With strong buying trend in favour of India, and commitments extending up to May, the immediate outlook for Indian pepper is considered to be bright.

Rubber

The increase in production of Rubber has been very slow, rising from 17,148 tons in 1951 to 24,327 tons in 1958. Output, last year, is estimated around 25,000 tons. But, according to the estimate made by the Rubber Board, consumption in the country is expected to rise to 55,000 tons in 1961 from 44,000 tons last year.

The cost of natural rubber and similar gums, imported in the first ten months of 1959, rose sharply to Rs 4.21 crores from Rs 2.55 crores in the corresponding period of the previous year. This was due to the marked increase in consumption of rubber, which was running about 3,500 tons a month last year against a monthly average production of 2,000 tons only.

Gur

On Wednesday last week, the Hapur Chamber of Commerce decided to fix a ceiling of Rs 16.50 per maund for Gur futures, subject to the approval of the Forward Markets Commission. And on Thursday came the Commission's directive suspending trading in gur futures in all the five principal markets of the country, viz., Delhi, Hapur, Meerut, Muzaffarnagar and Agra. Business was suspended to enable the traders to reassess the market situation. These developments reflected the serious concern with which the market authorities seemed to view the trend in gur prices.

The lowest price recorded by ready gur, last season, was Rs 13.62 per maund. The highest ready price touched, during the season, was Rs 23.50. Again, over the past two years, ready gur prices have ruled above Rs 20 per maund for most of the time except perhaps for a month or so when the mar-

ket was depressed by the pressure of arrivals. Under the circumstances, gur traders are of the opinion that anxiety on the part of the authorities about the prevailing gur prices is unwarranted.

According to the latest news, the FMC have approved a ceiling price of Rs 16.50 a maund for gur futures at Hapur; and the ceiling has come into force from the 1st February. The Commission have also issued a fresh directive, enhancing the special margin from Rs 800 to Rs 1,500 per unit at or above the price of Rs 16.25 and to Rs 1600 at or above the price of Rs 17.75. Further, the limit of outstanding transactions is fixed at 40 units for an individual.

In the Muzaffarnagar market, trading has been resumed after remaining suspended for two days. The FMC have made some amendments to special margins which were imposed in the middle of January. According to the latest order, longs having closing open positions of 11 units and above shall pay a special margin at Rs 675 per unit. Whenever the rate of Gur Fagun 2016 delivery is or exceeds Rs 16.40 and when the closing price is or exceeds Rs 17.80, longs having closing open position of 11 units and above shall pay a special margin at the rate of Rs 725 per unit. The Commission have further directed that no member shall be allowed to increase its long position beyond 70 units during 2016 delivery and those having short open positions may acquire long open position up to 70 units.

Sugar

Despite better supply position, Sugar prices are ruling steady in the Hapur market. Production of crystal sugar is reported to be higher than in the corresponding period of last year. The Union Government, in consultation with the Punjab and Uttar Pradesh Governments, are taking steps to ensure regular cane supplies to the factories. The rate is quoted around Rs 120 a bag.

When prices in India are developing a steadier tendency, world

prices remain weak. In the past fortnight, the New York market, which sets the price pattern throughout the world, has slipped back again to 2.90 cents a pound —0.25 cents below the minimum of 3.15 cents at which the International Sugar Council aims.

Khandsari

After registering sharp gains in the previous week, the Khandsari market has since turned quiet. There is, however, brisk demand from the consuming areas of Gujarat, Saurashtra and Rajasthan.

Production of khandsari is reported to be in full swing and is expected to touch a new high this year. Dry quality is quoted at Rs 40 to Rs 48 a maund, according to quality.

Foodgrains

In the Hapur market, prices of Foodgrains have developed a slightly firm tendency on reports of adverse weather conditions and lack of adequate winter rains and hailstorms in some areas which have affected "rabi" crop prospects. Demand has, therefore, been on the increase on fears that the new grains will not reach the market before the middle of March.

Wheat prices have gained about Re 1 a maund, to be quoted at Rs 19 for the average quality and up to Rs 20.25 for the farm variety. Rice prices, too, have recorded gains in sympathy with the rise in the prices of other cereals. Firmer advices from Madras and the Punjab have induced fractional rise in Gram prices. Maize and Bajra have continued to attract good consumer support, resulting in prices recording further gains over last week. In the Pulses section, Peas and Arhar have advanced by about 75 nP a maund on reports that the crop has been adversely affected by heavy frost.

Oils & Oilseeds

THOUGH it was announced last week that the forward position dealings in groundnut oil would recom-

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mence today, it was not resumed. Reason for this seems to be the that, since forward contracts remain unfulfilled, ready market quotations are still high and have scared the buyers. Market continued inactive though, in a few cases, inevitable spot dealings had to be done.

Today's rates. Groundnut oil per candy of 500 lbs ex-Madras godown expeller ready 3% F.F.F. Rs 393. (No quotations for forward positions).

Kernels per candy of 531 Coromandel Rs 206/207.

UPPER GANGES VALLEY ELECTRICITY SUPPLY COMPANY, LIMITED.

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Shareholders of the above-named Company will be held at its Registered Office at 12, Mission Row, Calcutta, 1, on Tuesday, the 1st March, 1960 at 11-0 A.M. to consider and, if thought fit, to pass the following subjoined resolutions:

As Special Resolutions

1. "That UPPER GANGES VALLEY ELECTRICITY SUPPLY COMPANY, LIMITED be wound up voluntarily as a members' voluntary winding-up and that Messrs. A. B. Bhattacharyya and L. H. Das of 12, Mission Row, Calcutta, be and they are hereby appointed Liquidators for the purpose of such winding-up with joint and several powers at a remuneration of Rs. 1,000/- each, exclusive of actual expenses".

2. "That the Liquidators be and are hereby authorised to exercise all or any of the powers given by clauses (1) to (iv) (inclusive) of sub-section (2) of Section 457 of the Companies Act, 1956".

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

12, Mission Row,
Calcutta.
4th February, 1960.

NOTE: (1) The Share Transfer Books of the Company will be closed from the 23rd February, 1960 to the 1st March, 1960, both days inclusive.

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

(3) An Explanatory Statement is annexed to the Convening Notice issued to Members of the Company.

Castor oil per candy of 500 lbs. Tirupattur Rs 325.

Coconut oil per tin Rs 21/25; Gingly oil per tin Rs 20/12.

Ground oil cake Rs 27/8 per bag.

Quotations for foreign countries: United Kingdom remained at £119 per ton and Burma Rs 1,650 per ton.

Arrival of groundnut in local market was better at 60/70 tons daily.

Last Wednesday, the groundnut oil and seed market was in great confusion with an impending closure. The next day, all forward transactions were closed with the intent apparently to bring down prices. The Oil Exchange found that closure had some effect in changing the price levels suitably. Only on account of this closure, the Exchange claims, prices of oil and seeds were brought down to the day's level as reported above. It was quite possible the spiralling would have taken oil go beyond Rs 400 per candy and seeds Rs 215 per candy.

Madras market closure also affected sentiment in other centres. The Forward Markets Commission's imposition of heavy special margins on outstanding long positions in groundnuts February and May voided at Bombay should have helped Madras negotiations to a good extent. Bulls' activities were restricted by this margin.

Even at the level of Rs 205 or Rs 206 for groundnuts, buyers were not forthcoming. The rate of Rs 208 per candy was rather stiff. Small crushers had inevitably to buy at the rate of Rs 208 per candy. Today, groundnut naturally opened at Rs 208/207. The market trend was quite subdued.

In groundnut oil, sellers were willing to unload at prices around Rs 390/391 per candy. Bazar interests feel they could not usefully operate at today's closing of Rs 393 per candy and are willing to offer only Rs 383 per candy. But sellers were firm at Rs 386 last week-end. With transactions steadily gaining volume, the price level went up. Offerings at Calcutta and Hyderabad were heavy. Spot goods there were quoted at a slightly higher rate than Madras.

Since there was no transaction in forward positions, there is nothing to report in this front.

Groundnut oil cake was firm and early quotation of Rs 27 per bag increased to Rs 27/12 per bag ex-mill, with gunny.

In the upcountry markets, arrivals were small in both North and South Arcat districts. In these places, groundnut price level is reported at Rs 200/202, per candy pucca basis and oil at Rs 385 per candy at Vriddhachalam. Villipuram and Tindivanam. At Guntur, groundnut is quoted around 207 per candy while oil was quoted around Rs 385 per candy.

There was no change in other seeds and oils prices in the market today.

The following are the foreign markets ruling today, but the quotations for Indian stock remained nominal.

	per ton
Groundnuts	£ 77
Castor seed	£ 61/ 10
Niger seed nominal	£ 59 1/2
Groundnut oil spot (Indian)	£119/120
Groundnut oil African Feb.	
March	£122/
Castor oil bulk BSS Jan.	
February	£126 1/2
Castor oil Commercial	£120
Coconut oil Straits	£135
Coconut oil Colombo	£141

The following prices ruled today in the upcountry market in seeds and oil:

	Kernels per 531 lbs.	G. Nut oil per candy of 500 lbs.
Guntur/Bezawada	207	385
Vriddhachalam	202	385
Nandyal	200	385
Villipuram	202	386
Cuddappah/Yerraguntla	198	380
Pollachi superior nominal	202	388
Tanjore	198	385
Tiruvannamalai	198	384
Salem	200	390

Hides and Skins

With good arrivals in tanned cow hides, prices remained firm. In ordinary marks 5/5 1/2 lb some negotiations were done at 71/75d. 8/8 1/2 lb, however, were dealt with at 55/57d. In premium marks 5/5 1/2 lb average were negotiated at 82/84d. and 8/8 1/2 lb at 60/62d. Semi-premium was in good demand at 78/80d. per 5/5 1/2 lb and 8/8 1/2 lb average fetched 56/58d.

In fiths there was good local demand as also in inferior. United Kingdom offered 47/48d. for 5/5 1/2 lb averages.

There was no change in tanned buff hides with fair arrivals.

Tanned cow calf met with good inquiry with small arrivals. Local prices given below remained unchanged.

In tanned buff calf, the premium mark was offered and absorbed at 96/97d.

In the c.l.f. section, there is much speculation resulting in high prices which could not be followed by buyers.

In tanned sheepskins, 87,000 pieces were cleared, indicative of the good activity in the market. There were still 42,000 pieces left for clearance. There was an increase of 25 to 35 nP for best marks while in other sections the increase in prices was 12 nP.

Raw skins prices were not stable, and no quotations could be relied upon since prices went up steadily.

Quotations for tanned skins: Tanned cow prime 5/5 1/2 lb Rs 3.37; 6/6 1/2 lb Rs 2.81 to Rs 3; 8/8 1/2 lb Rs 2.31 to Rs 2.50; 10/12 lb Rs 1.94 to Rs 2.06; Buffalo 12/13 lb Rs 1.56 to Rs 1.75; Cow calf 14/2 lb Rs 5.00 to Rs 5.37; buff calf 14/2 lb Rs 3.25 to Rs 3.62; Goat prime 8/9 lb Rs

9.25 to Rs 9.37; 5 1/6 lb Rs 10/50 to Rs 10.75; Goat prime 8/9 lbs Rs 9.25 to Rs 9.37; 5 1/6 lb Rs 10.50 to Rs 10.75; Sheep ordinary 6/7 lb Rs 8.25 to Rs 8.62; Prime 6/7 lb Rs 10.75 to Rs 10.87.

Bangalore Silk

It was noticed that the prices for silk and silk products in the Bangalore Silk market registered a distinct rise during the week ended January 28, particularly so in respect of Kisan Filature silk and Reeling as well as Seed Cocoons. Filature raw silk produced in Government Filatures is not reached in the market from January 25. Kisan filatures, however, quoted at Rs 43.00 per lb as against Rs 41.00 per lb during the previous week.

According to market circles, the offtake of Charka and Cottage Basin silk was reported to be moderate during the week although the Charka silk prices continued to rule steady during the week under review.

With regard to Reeling Cocoons, in Channapatna area, the price was quoted at Rs 2.75 per lb. There was a similar rise in the prices for cocoons in Siddlaghatta and Mugar areas too.

In general, prices of seed cocoons also tended to rise. Foreign Seed Cocoons were sold at prices ranging from Rs 10.00-20.00 per 1000 cocoons as against Rs 9.00-16.00.

THE TATA IRON AND STEEL COMPANY LIMITED

Bombay House, 24, Bruce Street, Fort, Bombay 1

NOTICE

Issue of 511,628 Ordinary (Bonus) shares of Rs. 75/- each credited as fully-paid up.

Delivery of Share Certificates.

Shareholders are hereby advised that the certificates for the shares of the above issue will be delivered within fifteen days from the date of presentation to the Company of the Allotment Letter duly discharged.

As no intimation will be sent to the shareholders individually, delivery may be taken of the certificates by presenting the Allotment Letters duly discharged at the Registered Office of the Company between 10.00 a.m. and 1.00 p.m. and 2.30 p.m. and 3.30 p.m. on any working day other than Saturday.

Dated the 3rd day of February 1960.

For and on behalf of
The Tata Iron and Steel Company Limited,
Tata Industries Private Limited,
Managing Agents,
J. J. Bhabha
Agent.

SOUTH EASTERN RAILWAY

TENDER NOTICE

Sl. No.	Tender No.	Brief Description.	Specification.	Quantity.	Due date of opening.	Earliest money.	Cost of Tender Form.
1.	CON/COS/7/Gb1/60	Bolt Hex: Head M. S. Black with Nuts 1" x 1 1/4"	BSS. 916/53	260 Cwts.	25-2-60 at 12 noon.	Rs. 400/-	Rs. 2/-
2.	CON/COS/8/P&M/EC1/60	Material Trolleys Broad Gauge.	CE's Drg: No. 13548	8 Nos.	26-2-60 at 12 noon.	Rs. 400/-	Rs. 2/-
3.	CON/COS/9/Gb10/60	High pressure combined sterilizer electrically operated as per specification shown in the schedule.		1 set	29-2-60 at 12 noon.	Rs. 600/-	Rs. 2/-
4.	OT/PA/4/CS/GB10	Khus Khus Tatties complete with ropes and pulleys.		35,000 Sq. ft.	22-2-60 at 12 noon.	Rs. 225/-	Rs. 2/-

Tender forms are obtainable from Controller of Stores, South Eastern Railway, Garden Reach, Calcutta-23 on remittance of cost SES-94/29-1.

of tender form (not refundable) by Money Order direct to him in case of outside firms and on production of cash receipt from the

Chief Cashier, S.E.Ry., Garden Reach, Calcutta-23 by local firms. Firms not on the Railways list of approved contractors must enclose

a valid Income Tax Clearance Certificate along with the Earnest Money receipt with the tender.

CONTROLLER OF STORES



Outlook for Equities

Investment Gossip:

With Government faced with the necessity of mobilising enough resources to provide funds for the implementation of schemes under the Second Plan, which enters its final stretch in the coming financial year, stock marketmen have perforce to pay special attention to what the Finance Minister is going to produce from out of his bag on the last day of February. In this task, they have already certain unmistakable leads. The Planning Commission have long ago noted that, since foreign assistance has been more or less forthcoming in the required measure, it is incumbent on the people to fill the gap in internal resources. Since then a very important new element has entered the picture. I refer to the Chinese aggression and the consequent consensus in the country that our defence must needs be kept in fine fettle to meet any possible aggression. This in effect means increased outlay on defence.

As against the insatiable Government need for funds and more funds, we have an already overtaxed economy. That taxation in our country is heavier than in most countries of the world is not merely the interested businessmen's view. Prime Minister Nehru himself has admitted it to be a fact. And there are very few in our country, or elsewhere for that matter, who think that the corporate sector can bear further tax and still continue to work profitably and efficiently. It is also the declared aim of our Government,

NOTICE

STATE BANK OF INDIA, Calcutta, the 22nd January 1960.

The Fifth Annual General Meeting of the Shareholders of the State Bank of India will be held at the Local Head Office of the Bank, Apollo Street, Bombay, on Friday, the 4th March 1960, at 4 P.M. (Standard Time) for the transaction of the following business:—

To receive the Central Board's Report, the Balance Sheet and Profit and Loss Account of the Bank made up to the 31st December 1959 and the Auditors' Report on the Balance Sheet and Accounts.

P. C. Bhattacharyya,
CHAIRMAN.

their socialistic bias notwithstanding, that private enterprise should continue to have a very important place in the economy and by this token should be enabled to function efficiently if only for the national good.

It would appear that the Central Government, fully appraised of the present position of private enterprise as they should be, are unlikely to clamp any further throttling taxes on the corporate sector. Speaking in Calcutta the other day, Mr. Morarji Desai has said that he finds nothing wrong in the profit motive. He has further declared that foreign investors will find the investment climate in India quite attractive since Government are to do everything in their power to attract foreign capital. It is a legitimate expectation that he will not hesitate to apply the same principle to the needs of indigenous investors also.

But new levies may be in the offing, largely in the shape of excise duties. Although these so-called indirect taxes will become direct in the shape of demands for higher wages from labour, it is expected that the general investment climate will not be unduly affected by this kind of levy. Optimists go to the extent of expecting some minor but significant concessions to the corporate sector.

To the many silver linings in the investment horizon in our country today must be added the resounding victory of the United Front in the mid-term elections in Kerala. This will impart further strength to the ruling party which is giving us a stable government these past twelve years—no mean achievement, considering the state of affairs around us in this subcontinent. Secondly, there is the report in this week's press about American aid. President Eisenhower is reported to have asked Congress for increased aid to India and it is said that such increase may amount to 50 per cent of what we have been getting so far.

But all this does not mean that the Budget can be ignored. Then, there is the growing stringency in the money market and what may be termed the giant new issues that will be in the market this week and early next week. It would appear that investors will take some time to revert to "old" shares. By the time this happens, the Budget will be out of way. In view of the further growth prospects that many of the existing companies offer, buyers may once again throng the market places around the first week of March. If Mr. Morarji Desai springs no nasty surprises, there may verily be a buying spree immediately after the Budget.

ERs

Hindustan Aluminium: The Biggest New Issue

Investment Special: One

THE response to new capital issues has been enthusiastic for quite sometime now. This is perhaps due to a feeling that new companies have an assured future and that the prospects for capital appreciation by 25 to 30 per cent

in the next few years will more than offset the loss of current income in the case of equity shares.

The issue, totalling Rs 8.35 crores in equity and preference shares, by the Hindustan Aluminium Corporation Limited, is one of the biggest of its kind. The special attractions of this issue are that it relates to an industry, viz., aluminium, the growth potential of which is considerable; it has the advantage of being associated with the Kaiser Aluminum and Chemical Corporation of the US which is a leader in the industry and which, besides placing its technical resources at the disposal of Hindustan Aluminium, is also participating appreciably in the capital; and the Uttar Pradesh Government have taken up an active interest in the setting up of the plant in that State and extended all the necessary facilities.

The capital now offered to the public amounts to Rs 4.63 crores, comprising 21,56,000 equity shares of Rs 10 each (Rs 2.15 crores) and 2,50,000—6.3 per cent (free of tax) Redeemable Cumulative Preference shares of Rs 100 each (Rs 2.50 crores). Of the balance of equity capital of Rs 3.69 crores, the company's American collaborators, Kaisers and their associates, will subscribe Rs 96.10 lakhs and will be allotted six lakh shares of Rs 10 each, amounting to Rs 60 lakhs, credited as fully paid-up for consideration other than cash for the "know-how" and for rendering technical and consultative services, making a total of Rs 1.56 crores. The managing agents, Birla Gwalior Private Limited, Gwalior, and its associates and friends will subscribe for 21,33,000 equity shares of Rs 10 each for cash amounting to Rs 2.13 crores. Out of the shares to be offered to the public, the LIC has agreed to take up 35,000 preference shares of Rs 100 each.

It is of interest to note that Indo-American collaboration in Hindustan Aluminium represents the largest single US private investment in this country. While the Export-Import Bank has already sanctioned the dollar loan for Rs 6.50 crores (\$13.65 million), the approval for the rupee loan to the extent of Rs 1 crore (\$2.1 million) under the US Public Law 480 from Cooley Amendment funds is expected shortly. Together with this, the total amount available to the company will be Rs 16 crores against the estimated capital requirement of Rs 19.16 crores to reach the stage of production of 20,000 metric tons a year. The balance of Rs 3.16 crores or more, if there is an increase in the actual cost of the plant and facilities, is intended to be raised by loans from the company's bankers and, if necessary, other sources.

The subscription list for the issue will open on the 8th February and close on the 18th February or earlier, but not before the 15th February. The entire public issue has been underwritten by a

number of prominent banks and the Industrial Credit and Investment Corporation of India. With Mr G. D. Birla as the Chairman of the Board of Directors, Hindustan Aluminium has also the further advantage of being promoted by one of the leading business houses in this country.

ERs

Automobile Products' New Issue for Expansion

Investment Special: Two

The Automobile Products of India Limited has undertaken a substantial expansion of its existing lines covering the manufacture of motor scooters and three-wheelers, diesel engines, brake linings, clutch assemblies and hydraulic brakes. The company has been permitted to increase the installed capacity in respect of Lambretta motor scooters and three-wheelers from 6,000 to 12,000 units a year.

This company is now coming out with the issue of Rs 25 lakhs equity capital in the form of 2.50 lakh equity shares of Rs 10 each with a view to financing the expansion programme. The shares will be issued at par, payable Rs 2.50 on application and Rs 2.50 on allotment and the balance of Rs 5 as and when called.

Of the shares now being issued, His Highness The Maharajah Fatehsingh Gaekwar of Baroda has agreed to take up 50,000 equity shares of Rs 10 each for cash and 25,000 equity shares of Rs 10 each will be issued at par to Messrs Innocenti S. G. Milano, Italy, against supply of machinery. The remaining 1.75 lakh equity shares of Rs 10 each are offered, at par, to the public.

The working of the company, for the year ended 31st July 1959, has resulted in a loss of Rs 10.07 lakhs against Rs 6.31 lakhs in the preceding year after raising the provision for Depreciation from Rs 5.61 lakhs to Rs 7.59 lakhs. The company now expects to make a profit in the current year of about Rs 15 lakhs on a turnover of Rs 3 crores, assuming present conditions of trade and industry continue. This will wipe out the carry-forward losses. With the profits for the year ending 31st July 1961, on the same assumption, the company hopes to resume payment of dividends on its equity shares.

The demand for the company's products is expected to reach 20,000 units by the end of the Second Five-Year Plan and 60,000 units in the Third Plan. The company may also apply for further expansion of capacity in due course. It expects to increase the installed capacity in a couple of years to 6,000 units per annum and will take necessary steps in this connection.

The shares now being issued will not confer any right to any dividend that may be declared on the

equity shares in respect of the company's financial year ending 31st July, 1960. The equity shares, now being issued, will rank pari passu in all other respects with the existing equity shares. Applications for shares from the public must be for a minimum of 50 shares or for multiples of 50 shares. The subscription list will open on the 15th February and will be closed on the 18th February.

Following are the directors of the company:—Mr Muthiah Annamalai Chidambaram; H. H. The Maharajah Pratap Singh of Nabha; H. H. The Maharaja Sir Pratap Sinha Gaekwar; H. H. The Maharajah Sir Jiwajirao Madhavrao Scindia; Price, Khanderao Raja Gaekwar; Dr Jayanand Moreswar Rane and Mr Pouloué Matthen.

ERs

New Issue Notes

The West Bengal Financial Corporation is offering Bonds for public subscription, to augment working funds. The Bonds are being issued in an amount of Rs 50 lakhs and carry interest at 4½ per cent. The issue price is Rs 100 per cent and they are redeemable, at par, on 1st March, 1972.

In view of the increasing industrial developments in the company, Jayashree Tea Gardens Limited has decided to offer right equity shares of the face value of Rs 10 each in the ratio of one right equity share for every five existing fully paid-up equity shares to these shareholders registered as on the 10th March 1960.

Transfer Books will remain closed from the 25th February to the 18th March, 1960. Meanwhile, the directors have declared an interim dividend of Rs 1.40 per share for 1959, subject to deduction of tax, payable on or after the 10th March, 1960. This will also be the final dividend for the year under review.

Dyer Meskin Breweries Limited has decided to issue 1,62,060 Ordinary shares of Rs 5 each to meet the extension programme of the company. These shares will be offered to the existing shareholders, as on the 26th February 1960, in the proportion of two for every five existing ordinary shares, at a premium of Rs 2 per share.

It is learnt that the issue of Rs 80 lakhs worth of equity shares of the nominal value of Rs 10 per share at Rs 15 per share to the public by the Associated Battery Makers (Eastern) Limited has been substantially oversubscribed. The subscription list was closed on the 22nd January.

ERs

Investment Notes:

National Rubber Manufacturers Limited has proposed to start a new company to produce automobile tyres in West Bengal in technical collaboration with Techno-Export of Czechoslovakia. The entire plant and machinery for the project, costing about Rs 80 lakhs, will be supplied by Techno-Export in non-convertible Indian rupees. It has also been agreed that, for a period of four years after commencement of produc-

tion, Techno-Export will take 5,000 tyres worth about Rs 10 lakhs for export to Czechoslovakia or elsewhere. The total capital outlay is estimated at Rs 1.60 crores against which ordinary and preference shares will account for Rs 75 lakhs and Rs 25 lakhs respectively. The balance of Rs 60 lakhs will be met by loans for which the company is understood to have approached the Industrial Finance Corporation of India. The managing agents are expected to take up Rs 10 lakhs of ordinary shares.

According to the figures released by the Indian Iron & Steel Company Limited, production of saleable steel amounted to only 59,108 tons (semis 21,498 tons and finished steel 37,610 tons) in January 1960 as against 62,237 tons in December, 1959. Production of Steel Ingots has declined to 77,043 tons from 77,323 tons. Pig Iron production has, however, risen to 91,790 tons from 82,295 tons. Despatches of saleable steel are lower at 58,328 tons against 59,789 tons.

ERs

Investment Briefs:

The following jute mills in the Bird-Hellgers group have announced interim dividends (subject to tax) for the year ended 31st March 1960:—Auckland Rs 7 per share; Kinnison Rs 7; Lawrence Rs 7; Union Rs 7 and Northbrook 75 p.p. Dividends are payable on or after the 15th March 1960. Transfer Books are closed from the 18th to the 29th February, 1960. India Jute has recommended an interim dividend of 75 p.p. and Megna 60 p.p. per share.

Voltas Limited has recommended a dividend of 13 p.p. subject to deduction of tax. This works out at a net dividend of 9.1 p.p. for the year ended 31st August, 1959 as against 9 p.p. paid for the previous year.

Investment Corporation of India Limited has proposed to pay a dividend of Rs 9.25 per share, subject to tax, for the year ended 30th June 1959. The net dividend works out at Rs 6.475 against Rs 6.50 per share in the preceding year.

Nellampathy Rubber has recommended 10 per cent (taxable) for the year ended 30th June 1959 against 15 per cent (net) for the previous year.

Pandyan Bank Limited has recommended a dividend of 14 2/7 per cent (taxable) for 1959 as against 10 per cent (net) for 1958.

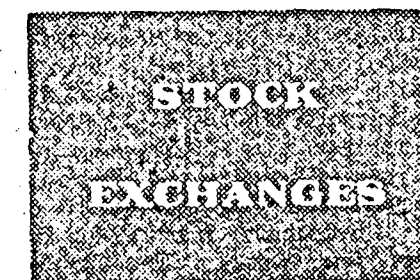
Canara Bank has decided to pay 15 per cent (taxable) for 1959. This works out to a net dividend of 10.50 per cent against 10 per cent for 1958.

Bank of Mysore Limited has recommended a final dividend of 14 1/2 per cent (taxable) for 1959 against 16 per cent (net) for 1958.

ERs

Balance-Sheet Briefs:

Madura Mills Company Limited has reported a net profit of Rs 40.51 lakhs for 1959 as against a loss of Rs 53.99 lakhs for the previous year. A dividend of 12½ per cent (gross) is recommended. There was no dividend for 1958.



Lull in Activity

Watch-Dog Writes:

THERE have been no new developments in stock markets during the week under review. There is a fresh break in equity values and a shrinkage in the volume of business. The spate of new issues, which have already been made and which are yet to be offered, has also contributed, to some extent, to the downward trend in prices. Thanks to some replacement buying on reports of US decision to increase foreign aid, the markets staged smart recovery at the close.

Conditions on the Calcutta Stock Exchange showed little change and, in the absence of any incentive, price movements were confined to narrow limits.

The Bombay Stock Exchange failed to consolidate its recent gains owing to lack of follow-up support and profit-taking.

The encouraging trend of results of the elections in Kerala had a salutary effect on the buying pattern in the Plantation shares on the Madras Stock Exchange.

The London Stock Exchange finished the week on a subdued note.

Wall Street closed heavy with losses ranging to two points or so.

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Calcutta

Calcutta, Friday Evening

TRADING on the local Stock Exchange was devoid of any particular feature last week. With interest lacking, price movements were confined to a narrow range in restricted activity.

Although the encouraging trend of results for non-Communists in the Kerala elections caused a slight improvement in prices in mid-week, it was proved short-lived, as operators were inclined to be rather cautious and investors' attention was directed toward the new capital issues. Added to this, Budget uncertainties restrained the prudent in the market to take a holiday till the Budget Day.

Some of the operators, however, held the belief that, despite the possibility of increased taxation, necessary incentives might be provided. It was also felt that there would be a further increase in foreign aid in view of the end of the Communist rule in Kerala. Had it not been for these factors, the downward would not have been interrupted too often by a rallying tendency.

The Gilt-edged section continued to remain dull with the volume of

business reduced to small dimensions. With monetary conditions stringent, institutional investors kept out of the market and prices tended to sag on small offerings. Only short-dated issues evoked a little enquiry. 3 per cent 1966 Conversion Loan, after being marked up to Rs 74.75 from Rs 74.10, receded toward the close to Rs 74.85.

Bank shares were rather quiet in view of the satisfactory results of most of the banks for last year. Punjab National moved narrowly between Rs 21.12 and Rs 21.25, while United Commercial remained steady at Rs 70, thanks to increased dividend.

Jute shares continued to remain depressed. The absence of any foreign enquiry for jute goods and the consequent possibility of an increase in stocks at the end of last month were responsible for the complete lack of buying interest in the section. Howrah were on offer at Rs 23.94 to Rs 24.12; National at Rs 30.87 to Rs 31 and New Central at Rs 22.50 to Rs 23.00. Thanks to the announcement of satisfactory interim dividends for the year ended 31st March 1960, the shares of the Bird-Hellgers group of jute mills maintained a steadier tendency with Kinnison having support up to Rs 172; Lawrence up to Rs 143 and Union up to Rs 208. Ganges met with some enquiry at Rs 8.81 to Rs 9.06.

Coal shares were subdued on rumours of reimposition of the ban on coal exports in an attempt to overcome the existing shortage. Anxiety was also shown with regard to the transport situation. East Indian changed hands at Rs 25.12 to Rs 25.37; New Beerbhoom at Rs 22.50 to Rs 22.75 and Western Bengal at Rs 6.62 to Rs 6.75. Equitable were well maintained at Rs 30.50 with Burrakur moving irregularly between Rs 18.37 and Rs 18.50 on alternate buying and selling.

Only limited interest was shown in the Tea section where dealings were few and far between. Lower prices obtained at this week's export auction coupled with the reports of the downward trend in UK consumption induced the operators to go in for selective buying. Banarhat changed hands at Rs 322.50 to Rs 324; Brooke Bond at Rs 17.44 to Rs 17.62; East India at Rs 24.50 to Rs 25.12; Grob at Rs 13.81 to Rs 14.12; Hasimara at Rs 22.50 to Rs 23; Methdil at Rs 23.50 to Rs 23.75 and Jayshree at Rs 18.12 to Rs 18.31.

Sugar shares came in for selective enquiry although there was a general reluctance to extend commitments in view of the fears with regard to the possibility of the mills meeting with shortage of cane supplies due to the continued diversion to gur and khandsari units. Balaramore were a steady feature at Rs 4.12, while Carew hardened to Rs 12.44 from Rs 12.37 and Cawnpore to Rs 18.25 from Rs 15.75. Raza Buland were, however, quiet at Rs 12.69 against

Rs 12.75 and Ramnugger at Rs 20.69 against Rs 21.

Fears of an increase in the wage burden on the textile industry appeared to have depressed Textile shares. It was felt that the industry might not be able to pass on the increase to the consumer. The only exceptional features were Kesoram, which met with sustained support from influential quarters up to Rs 22.06 from Rs 21.75. Jayshree turned quiet at Rs 12.19 against Rs 12.31 and Cawnpore at Rs 6.12 against Rs 6.50.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to stray liquidation following the news of lower production in January. Some of the operators also seemed to be apprehensive of the future capacity of the steel units in the private sector to maintain their profitability to distribute dividends at even the present rates. Against the week-end closing of Rs 22.20, Indian Irons opened better at Rs 22.24 and, after improving further to Rs 22.27, receded gradually to Rs 22.08, to recover again at the close to Rs 22.34 on higher Bombay advices. TEXMACO touched at one time a low of Rs 25.35 from Rs 25.60, to close better at Rs 25.45. G. K. Williams were firm feature at Rs 44.37 with Indian Standard Wagon changing hands at Rs 91 to Rs 94.50. Jessop were on offer at Rs 23.37 against Rs 23.75 and so also Braithwaite at Rs 28.75 against Rs 29.

Miscellaneous issues ruled generally quiet on lack of fresh support. Following were the price movements of a few selected scrip:

	Week's High	Week's Low	Week's Closing
Orient Paper	37.80	37.45	37.80
Shree Gopal	22.50	22.31	22.37
Rohas	27.44	27.06	27.37
Dunlop	36.37	36.12	36.25
A. Chemical	23.56	23.00	23.37
I. Cable	29.58	29.37	29.56
I. Aluminium	25.06	24.69	24.87
I. Oxygen	30.37	29.12	30.00
I. Copper	3.86	3.82	3.84
I. Steamship	11.75	11.62	11.66
BIC	5.81	5.69	5.81

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Bombay

THE Bombay Stock Exchange, during the week under review, endeavoured to stage a rally, but the attempts did not quite succeed, despite the triumphant victory of the United Front in the Kerala elections. General feeling remained diffident, in view of the Budget uncertainties. Moreover, apprehensions were held that Railway freights might be raised in the Railway Budget, which is to be presented on the 17th February. If these fears turn out to be true, it will mean an increase in production costs, as well as higher prices for manufactured goods,

which will provide a somewhat disquieting feature in the light of the prevailing economy and the inflationary tendencies. Anyway, more than the Railway Budget, the general Budget will have a decisive effect on the pattern of the investment market in the next few weeks. The Chinese situation continues to exercise a restraining influence, as defence expenditure in 1960-61 will be stepped up considerably. In the meanwhile, the professional operators are playing a hide-and-peek game, taking quick turns, despite the feeling that the overall outlook does not appear to be bearish at the prevailing levels.

Production at the Tata Steel Works for the month of January has turned out to be satisfactory all round, with pig iron at 140,700 tons, steel ingots at 140,100 tons and saleable steel at 109,800 tons. The aggregate production for the ten months compares very favourably with output in the previous year. Comparative figures:

	10 months 1959-60	10 months 1958-59	1959-60	1958-59
Pig Iron	1,310,900	901,900	1,131,000	
Steel				
Ingots	1,256,300	918,000	1,148,000	
Saleable				
Steel	986,500	697,200	885,000	

Steel shares did not react favourably to be higher production as general sentiment for this group is still not friendlier, despite the low prices. This is mainly due to the view that the steel industry would not be able to render a good account of the profit performance in view of the fact that the retention prices are not being fully compensated for the rise in the various items of cost of production as well as the excise duty.

Cotton mill shares staged some improvement, but the gains were not fully maintained due to lack of follow-up support as well as some profit-taking. However, India United Mills, Morarji Mills, Mafatlal Fine and Standard Mills provided bright features.

Cement shares were sluggish with ACC meeting with scattered selling pressure as the Chairman of the company did not strike an optimistic note. Engineering shares met with selective buying. Larsen & Toubro were prominent in the rise on buying induced by various expansion plans. Voltas have declared a dividend of Rs 13 subject to tax which comes to Rs 9.10 net against Rs 9. Motor shares were steadier. National Rayon rebounded to meet with some profit-taking, but again forged ahead on optimistic outlook. Tata Chemicals were easy. Bombay Burmah attracted a good deal of support, but reacted to a small extent. Hindustan Aluminium is placed at a premium of 25 nP. Allotment of the equity shares of Premier Tyres Ltd. will be made next week. Applications for the public issue amounted to well over eight times

The week's movements in prices of a few representative scrip are as follows:

	High	Low	Close
	Rs.	Rs.	Rs.
B. Dyeing	66.50	65.50	68.10
Century	447.75	438.50	444.20
Indu. Ord.	12.00	12.24	12.88
Kohinoor	311.50	306.25	308.00
Svadeshi	258.50	253.25	256.50
Standard Mills	789.00	745.00	788.00
ACC	148.00	145.00	147.00
Belapur	317.00	310.50	315.50
	xd	xd	xd
B. Burmah	542.00	524.50	536.50
National Rayon	373.00	349.50	372.00
Premier Construction	338.00	327.50	331.00
Scindia	16.92	16.44	16.72
Tata Chemicals	15.44	15.16	15.32
Tata Locomotives	207.00	204.00	205.00
Tata Steel	147.25	144.25	146.25
Voltas	197.00	191.00	197.00

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Madras

Thursday.

IN the absence of buying support, the stock exchange was quiet today. A few planting shares were prominent, while industrials proved of little interest. There was practically no turnover in textiles.

Government Securities: All papers in this list remained at the market rates. Madras Government 4% 1967 was quoted at Rs 100.40, 1968 at Rs 100.35 and 1971 at Rs 100.20. 4% 1970 was available at Rs 102.00. 4% 1969 Mysore loan was available at Rs 102.00, 1970 at Rs 102.00 and 4% 1971 remained at Rs 100.10. 4% Kerala 1971 was quoted at Rs 99.90.

Banks: Bank of Mysore rose to Rs 373.00. Rs 100 paid Indian Bank was quoted at Rs 181.00 and Rs 80 paid share of the same bank was available at Rs 148.00. Pandyan Bank (12-2/7% tax-free cum dividend) was quoted at Rs 35.25, Punjab National Bank was available at Rs 21.40. Travancore Forward Bank remained at Rs 6.20.

Electrics: There was no change in this section. Cochín was marked at Rs 10.25, Karakkal at Rs 9.95. Kumbakonam at Rs 10.70, Negapatam at Rs 10.00, Salem-Erode at Rs 12.50, South Madras at Rs 10.15. Tinnevely-Tuticorin at Rs 12.25 and Vellore at Rs 13.00. West Coast was also the same at Rs 12.50.

Sukars & Breweries: Andhra was unchanged at Rs 23.90, Cauvery at Rs 12.40, Deccan shed some points at Rs 12.78 as also EID at 43.50. India rose in value to Rs 12.25. KCP at Rs 17.00 was unaltered and Kirlampudi was at Rs 69.00. Mysore Sugars remained stationary at Rs 56.75. Travancore increased to Rs 10.20. United Breweries was quoted at Rs 46.00.

Plantings: This was a very quiet section today. Anandam was available at Rs 15.50, Bababudin at Rs 9.55. Balanoor went down to Rs 17.65. Balmadies was quoted at Rs 2.95. Blue Mountain did not change at Rs 335. Chandramalai (with 12% taxable cum dividend) was quoted at Rs 3.00. Chembra showed better at Rs 4.23. Cochín Malabar also was lower at Rs 7.10. Coffee Lands was unaltered at Rs 22.90, while Consolidated lost 8 nP from previous

quotation and was sold at Rs 22.20. Devashola remained quiet at Rs 32.00, Haileyguria was available at Rs 16.10. Highland at Rs 14.65 was the same as the last closing. Kalpetta went down to Rs 12.60 and Karikode was unchanged at Rs 9.45. Kil Kotagiri was also the same at Rs 4.75 and Kurchimala at Rs 8.75. Lucky Valley was quoted at Rs 13.00, Malankara was unchanged at Rs 18.12. Mercara, however, improved to Rs 12.25. Mysore Amalgamated and Mysore Coffee was respectively available at Rs 6.00 and Rs 5.05. Neelamalai was unaffected at Rs 4.90. Nelliampathy was quoted at Rs 2.90, lower than the last closing, which was Rs 3.00. Nilgiri was at Rs 7.35, Nonsuch at Rs 25.80 and Ouchterlony at Rs 5.75. Panchur went up by 10 nP at Rs 4.50 but Peermade went down to Rs 25.10. Periakaramalai was unaltered at Rs 3.78. Savamalai improved to Rs 4.10 and also Stanes Amalgamated to Rs 15.25. TR&T went up to Rs 8.15. Waterfall was lower at Rs 3.60 and Woodcote at Rs 1.67.

Textiles: Anglo-French gained one rupee in value at Rs 99.50. Bangalore Woollen and Buckingham were respectively at Rs 199.00 and Rs 200. Cauvery Spinning was the same at Rs 14.25. Dhanalakshmi was quoted at Rs 233.00. Hemalata at Rs 8.05, Janardana at Rs 64.00, Jawahar at Rs 9.45, Kadri at Rs 120, Kasthuri at Rs 24.75 and Kothari at Rs 11.80. Lakshmi did not change at Rs 149. Madura was lower at Rs 31.65. Mettur kept the same trend at Rs 422.00. Radhakrishna was at Rs 29.25. Rajalakshmi was unaltered at Rs 69.50. Tirumurti was quoted at Rs 95.00. Travancore Rayon went down today to Rs 25.35. Vijayakumar was quoted at Rs 127.00.

Miscellaneous: Aluminium Industries was quoted lower at Rs 21.80. Andhra Cement went up by 5 nP to Rs 9.30. Ashok Leyland too was better at Rs 6.90. Bangalore Printing at Rs 15 was quiet. Hiny proved to be stable at Rs 163.00. Dalmia Cement was quoted at Rs 11.10. FACTS was lower at Rs 9.65. Hindustan Lever went up to Rs 35.50. Mettur Chemicals improved by a small margin at Rs 12.05. Mysore Lamp was unaltered at Rs 20.52 and Mysore Paper shed a few points to be quoted at Rs 23.80. Orissa Cement improved to Rs 12.75. Parrys Confectionery was available at Rs 435. Railis improved to Rs 84.50. Ruby Rubbers was the same at Rs 10.00. Sen-Raleigh at Rs 21, Singareni at Rs 16.55, Spencer at Rs 20.10 were unchanged. Standard Motors was a little lower at Rs 14.47. Textool gained one rupee at Rs 145.

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London

TRADING on the London Stock Exchange remained dull. With the persistent decline on Wall Street, there was a general reluctance to enter into commitments. Nevertheless, a selective demand persisted in Industrials as a result of favourable statements. Imperial Tobacco shares responded to the company's new sales expansion move. Fine cotton spinners were a good market following a property deal and Watney Mann showed useful gains on favourable Press comment.

COMPANY REPORTS

Impressive Rise in Profits of Indian Oxygen

Balance-Sheet Reviews:

A FURTHER improvement in the demand for the company's products, as a result of the continuing increase in the industrialisation of the country is fully reflected in the working results of the Indian Oxygen Limited for the year ended 30th September, 1959. Total sales for the year have recorded a further increase of Rs 68 lakhs to Rs 5.54 crores, while the net profit, after providing for Depreciation and Taxation, is substantially higher at Rs 53.07 lakhs against Rs 37.97 lakhs in the previous year.

It is encouraging to note that these results have been achieved despite shortages of steel and delays in the implementing of development plans of the company's customers. A further factor has been a progressive increase in the local manufacture of items previously imported, thereby mitigating the effect of continuing import restrictions.

In respect of allocations, the Depreciation amount is raised to Rs 31.69 lakhs from Rs 24.93 lakhs and Taxation provision to Rs 34.63 lakhs from Rs 28.90 lakhs, apart from providing a sum of Rs 9.50 lakhs for General Reserve and Rs 22.695 for Fixed Assets Replacement Reserve. The Development Rebate Reserve is, however, reduced to Rs 9.80 lakhs from Rs 13.20 lakhs.

The directors have recommended a dividend of 15 per cent, subject to deduction of tax, as against 10 per cent in the previous year. The present dividend of 15 per cent (gross) will fully compensate the shareholders for any loss they might suffer as compared with the previous year as a result of the abolition of the system of gossing up of dividends consequent on the revision in the corporate tax structure.

The balance-sheet, as at 30th September 1959, shows a paid-up capital of Rs 2 crores in shares of Rs 10 each. Against this, General Reserve is shown at Rs 70.50 lakhs; Capital Reserve at Rs 6.42 lakhs and Development Rebate Reserve at Rs 23 lakhs. Loans secured are at Rs 49.97 lakhs and unsecured at Rs 75.13 lakhs. The gross block at Rs 5.26 crores is depreciated by Rs 2.15 crores to show a net block value of Rs 3.12 crores.

According to the directors' report, the replacement and expansion programme, which was taken in hand in 1957, is expected to be completed on schedule in 1960. In connection with the formulation of the Third Five-Year Plan, an assessment is being made by the company of the likely demand for its products in the next Plan period and consideration is being given to the necessary arrangements for further expansion and the financing thereof.

Fresh capital expenditure, including capital projects in progress, during the year, amounted to Rs 64.28 lakhs and related mainly to further progress on the new Oxygen and Dissolved Acetylene factory at Bumpur, provision of additional Oxygen and Dissolved Acetylene capacity at Jamshedpur and additional Cylinders.

Indian Oxygen, it may be recalled, was converted into a public limited company hardly two years ago; and it was only thereafter that the investing public became, as it were, part owner of this successful industrial enterprise. It is figures such as these, and a performance as good as the one in the year ending September 1959, which have swiftly raised Indian Oxygen to the status of an investor's blue-chip.

INDIAN OXYGEN LIMITED.				
Chairman:—Mr. John Douglas Keith Brown.				
Year ended Sept.	1959	1958	1957	
	Rs.	Rs.	Rs.	Rs.
Sales	56,418,015	48,590,859	41,774,429	
Stocks	5,631,471	5,747,835	6,565,770	
Raw Materials	4,681,767	5,104,927	5,074,519	
Works in progress	403,850	220,085	202,227	
Net profit	8,938,684*	8,319,598	8,922,351	
Taxation	3,462,755	2,889,865	4,135,813	
Wealth Tax	—	140,000	268,000	
Depreciation	3,169,459	2,492,675	2,136,029	
Reserve Fund	650,000	—	1,050,000	
Development Rebate Reserve	990,000	1,320,000	—	
Other Funds	22,695	—	—	
Div. Amount Ord.	3,000,000	2,000,000	1,320,000	
Carry Forward	972,583	617,828	140,772	
Div. % Ord.	15	10	10	

(Annual General Meeting on 25-2-60 at 4 p.m.)				
*After transferring Rs 1,000,000 from General Reserve and writing off Goodwill Rs 150,000.				
Synopsis of balance sheets as on the last day of Sept.				
Liabilities	1959	1958	1957	
	Rs.	Rs.	Rs.	Rs.
Capital Paid-up	20,000,000	20,000,000	13,200,000	
Capital Reserve	641,972	619,277	619,277	
Reserve Fund	7,050,104	6,537,349	6,947,484	
Other Funds	2,300,000	1,320,000	—	
Loans Secured	4,908,555	7,500,000	2,923,333	
Loans unsecured	7,512,945	4,766,000	2,481,343	
Taxation Provision	5,235,266	4,458,498	6,074,274	
Debits	15,986,762	14,526,916	21,338,999	
Carry Forward	972,583	617,828	140,772	
Total	64,696,187	60,345,964	53,725,481	

The company was converted into a public limited company on January 15, 1958.

Scindia Steam's Higher Dividend

Despite lower earnings, the Scindia Steam Navigation Company Limited has recommended a slightly higher dividend of Rs 1.30 per share for the year ended 30th June 1959 as against Rs 1.25 in the previous year. Carry over is shown higher at 24.54 lakh tons against 20.73 lakh tons and freight earnings at Rs 16.87 crores against Rs 13.96 crores. The increase in these two items is mainly due to additional ships employed during the year.

But unremunerative freight rates, coupled with the continued increase in the operating costs, have reduced the profit margin to a very narrow limit. The net profit, after providing for Depreciation and Taxation, works out to Rs 51.12 lakhs against Rs 91.21 lakhs in the previous year.

In respect of allocations, the Depreciation amount is raised to Rs 2.44 crores from Rs 2.34 crores and Taxation provision to Rs 4.40 lakhs from Rs 24 lakhs. The Debenture Sinking Fund is maintained at Rs 10 lakhs, while a sum of Rs 95,338 is transferred to Capital Reserve. The surplus realised on sale of assets and investments comes to Rs 24.77 lakhs. Due to inadequate profits for the year, the directors have considered it advisable to take this amount directly to Profit and Loss Account, and not to Reserve as was being done so far.

The balance-sheet, as at 30th June 1959, shows a paid-up capital of Rs 11,27,98,680 in shares of Rs 20 each. The Share Premium Account stands at Rs 10.38 lakhs; Fleet Reserve at Rs 2.16 crores; General Reserve at Rs 80 lakhs; Special Depreciation Reserve at Rs 3.21 crores; Dividend Equalisation Reserve at Rs 37 lakhs and Annual and Special Survey Reserve at Rs 50 lakhs. The gross block of Rs 32.02 crores is depreciated by Rs 8.36 crores to show a net block value of Rs 23.66 crores.

Out of the two ships on order with the Lubeck Yard, one ship has been delivered. The other ship is expected to be delivered in July, 1960. A preliminary contract with the Kobe Shipyard has been signed for building another vessel under the Yen Loan Scheme, subject to the approval of both the Government of India and the Government of Japan.

SCINDIA STEAM NAVIGATION COMPANY, LIMITED.

Secretary:—Mr. N. N. Vakil.				
Year ended June	1959	1958	1957	
	Rs.	Rs.	Rs.	Rs.
Freight	168,675,780	130,556,434	124,603,026	
Agency Commn.	656,422	439,872	909,382	
Interest, Dividends & Misc. Incomes	7,350,404	4,723,717	2,623,392	
Net profit	36,512,703*	39,639,281	35,681,365	
Taxation	4,000,000	2,400,000	3,100,000	
Depreciation	24,400,486	23,418,000	18,719,000	
Res. for Defd. Taxn.	—	3,600,000	2,400,000	
Other Funds	1,095,338	8,000,000	4,400,000	
Div. Amount Ord.	7,321,954	7,040,314	7,040,283	
Carry Forward	359,994	605,069	584,102	
Div. % Ord.	61	61	61	

(Annual General Meeting on 24-2-60 at 4 p.m.)

*After transferring Rs 2,000,000 from Dividend Equalisation Reserve.

Synopsis of balance sheet as on the last day of June				
Liabilities	1959	1958	1957	
	Rs.	Rs.	Rs.	Rs.
Capital Paid-up	112,798,680	112,798,680	93,998,080	
Forfeited shares	20,613	20,613	21,613	
4% Debentures	37,478,000	38,823,000	40,128,000	
Share Premium	1,037,965	1,037,965	19,837,585	
Capital Reserve	21,572,538	21,477,200	20,536,057	
Reserve Fund	8,000,000	8,000,000	8,000,000	
Other Funds	75,718,492	77,240,735	50,038,468	
Bad Debt Reserve	661,914	639,214	639,214	
Staff Gratuity and Amelioration Fd.	1,550,000	1,550,000	1,550,000	
Loans Secured	115,712,402	108,095,157	45,063,200	
Loans unsecured	—	—	700,000	
Taxation Provision	4,190,181	6,649,735	5,771,547	
Debits	71,461,221	77,831,143	67,660,606	
Carry Forward	359,994	605,069	584,102	

Total	450,621,800	454,828,511	363,528,470
Assets			
G. Block	320,228,378	294,057,537	249,665,542
Depreciation	83,584,307	69,473,743	57,899,812
Block (net)	236,644,071	224,583,794	191,765,730
Cap. Exp. in progress	7,812,347	6,479,135	26,982,729
Deb. Trustees A/c	7,379,713	7,379,706	7,379,602
Stores	3,310,396	3,125,020	2,564,948
Outstandings	29,079,551	27,840,262	21,072,534
Do. More than 3 months	7,167,109	4,155,665	6,934,137
Mis. Deposits and Advances	17,285,332	20,734,310	12,252,543
Investments	88,593,053	71,567,332	56,497,584
Deposits in Banks	38,068,055	83,450,000	28,241,687
Cash	16,284,123	5,512,487	7,537,384
Total	450,621,800	454,828,511	363,528,470

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Banks			
Allahabad 5% 100	104.00	112.00	
Behar 5% 50	21.00	19.75	
Coal			
Asso. K'pura 4 1/2% 100	50.50	50.50	
Bharat 5 1/2% 100	50.00	47.50	
Borree 6% 100	90.50	83.50	
Burrakur 7% 100	91.75	98.50	
Burrakur 6% 100	6.50	6.88	
Equitable 6% 100	94.00	100.00	
Ghushuck 5% 100	100.00	100.00	
Gourangdi 5% 100	40.00	40.00	
K'pura 5 1/2% 100	58.00	55.00	
Khas Kajora 5% 100	9.00	7.25	
J. Beerthoom 7% 100	11.62	10.00	
N. Churulia 5% 100	2.56	2.50	
N. Huntodih 5% 100	45.00	60.00	
Ondal 6 1/2% 100	88.50	91.50	
Parasea 5 1/2% 100	50.00	42.50	
Unl. Colliery 5% 100	78.00	83.00	
Cotton			
Basanti 6 1/2% 100	8.56	8.56	
B-Nagpur 7% 100	75.00	75.00	
Bowreah 8% 100	130.00	128.00	
Bowreah 7% 100	60.00	65.00	
Elgin 8% 100	113.00	105.00	
Elgin 6% 100	7.75	8.25	
Jagatjit 5% 100	38.75	43.75	
Jalpaiguri 5 1/2% 100	90.00	87.00	
J. K. Cotton 6% 100	93.00	90.00	
Kasaram 7% 100	105.50	101.50	
Muir 8% 100	84.00	66.00	
N. Victoria 6% 5	3.50	3.00	
Orissa 5% 100	80.00		
Shree Madhusudan 100	76.00		
S. Sudan 4 1/2% 100	54.00	58.00	
S. Nivas 4 1/2% 100	104.00	100.00	
Shree Bhawanji 5% 100	61.00	74.50	
Swadeshi 6% 100			
Jute			
Agarpara 7% 100	93.00	104.50	
Alexandra 7% 100	97.50	98.00	
Alliance 6% 100	84.00	85.00	
Anglo-India 7% 100	95.50	102.00	
Auckland 5 1/2% 100	75.25	77.50	
Auckland 4 1/2% 100	68.00	61.00	
Bally 7 1/2% 100	98.00	100.00	
Barnagore 5% 100	28.50	40.50	
Belvedere 7% 100	102.00	101.50	
Bengal 5 1/2% 100	69.00	77.00	
Birla 7 1/2% 100	91.00	87.50	
Birla 5 1/2% 100	92.00		
Budge-Budge 7% 100	103.50	102.00	
Calcutta 6 1/2% 100	77.00	78.00	
Caledonian 7% 100	67.50	77.50	
Cheriot 7% 100	101.00	99.00	
Chitavalash 7% 100	105.50	100.00	
Clive 6% 100	74.75	67.50	
Clive 6% 100	78.00	73.50	
Dalhousie 7% 100	101.00	73.37	
Delta 5% 100	89.25	72.00	
Empire 7% 100	98.50	100.00	
F. Gloster 7% 100	110.00	109.00	
F. Gloster 5% 100	74.50	71.00	
F. William 7% 100	111.50	64.50	
Ganges Mfg. 7% 100	125.00	100.00	
Gouropore 6% 100	82.00	68.00	
Hastings 6% 100	91.00	83.00	
Hooghly 1 10	10.62	10.31	
Howrah A. Pref. 100	103.00	101.00	
Howrah 6% 100	105.00	102.00	
Richmond 7% 100	98.00	100.00	
R'hatty 6% 100	93.00	95.00	
R'narrab 6% 100	89.00	71.00	
Kedarnath 6% 110	68.00	68.00	
Kedarnath 7% 100	85.00	85.00	
Kelvin 7% 100	101.00	103.00	
Khardab 6% 100	99.00	72.25	
Kinnison 7% 100	101.00	102.50	
Landsdowne 7% 100	104.50	100.00	
Lawrence 7% 100	91.50	94.00	

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Lawrence 5 1/2% 100	70.00	74.00	
Nahat 7% 100	101.00	78.25	
Nahat 4 1/2% 100	68.00	64.50	
National 7% 100	100.00	102.00	
Nellmaria 6% 100	92.00	88.00	
N. Central 7% 100	96.00	100.50	
Northbrook 5 1/2% 100	80.50	74.00	
Rameshwara 6% 100	12.44	9.44	
Rellance 7% 100	89.50	70.00	
S. Ambica 7 1/2% 100	95.00	88.00	
Scorah 7% 100	88.00	95.00	
Standard 6% 100	97.00	89.00	
Union 7% 100	100.50	103.50	
Waverley 5% 50	41.50	44.00	
Minings			
Asso. Mining 5% 50	33.50	29.75	
Ch. Mica 5 1/2% 100	47.00	56.57	
Metal Corp. 5% 100	79.00	50.00	
Cement			
Dalmia Bharat 6% 100	8.87		
Jalpur Udyog 3% 100	37.00	40.00	
K'pur Lime 6% 100	80.00	80.00	
K'pur Lime 6% cp 100	100.50	100.50	
K'dhubi Fire 7% 100	101.00	101.00	
K'dhubi Fire 5 1/2% 100	54.50	54.50	
Orissa Cement 4% 100	35.06	35.06	
Chemicals			
Alkali 5% 100	102.50	102.00	
Bathgate 4 1/2% 100	29.50	19.00	
Beng. Chem. 7 1/2% 100	12.31	11.75	
Beng. Chem. 4 1/2% 100	72.00	76.50	
Frank Ross 4 1/2% 100	41.00	38.50	
Smith Stanl 10% 50	66.00	62.00	
Electric			
Calcutta 5% 100	10.09	9.81	
Dishargarh 5% 100	78.50	69.50	
Dishargarh 4 1/2% 100	75.00	78.50	
Jorhat 6% 100	105.00	105.00	
Kurseong 6% 100	90.00	90.00	
Engineering			
Arthur Butler 7% 100	10.75	9.50	
Br. Bldg. 6% 100	80.00	73.00	
Br. Engg. 7% 100	100.00		
Burr. & Co. 7% 100	122.50	121.50	
Burr. & Co. 7% 100	115.00	112.00	
I. Iron 5% 100	102.50	101.00	
L. Machinery 7% 100	21.00	23.00	
Ind. St. Wagon 7% 100	123.00	123.00	
Jesop & Co. 5% 100	91.50	79.00	
K. Steel 7% 100	102.00		
K'dhubi 5% 100	91.00	89.50	
R. Cruddas 5 1/2% 100	54.00	54.00	
S. Products 5% 100	2.19	2.50	
Termaco 5 1/2% 100	93.00	86.50	
Termaco 7 1/2% 100	63.00	60.00	
Miscellaneous			
Alum. Corp. 5% 100	75.00	63.00	
Alum. Corp. 6% 100	100.50	84.25	
Amal. Dev. 5% 100	42.00	42.00	
Asso. Hotel 7% 100	50.50	50.00	
Bharat Nidhi 6% 100	50.00	51.00	
Birds Invt. 5 1/2% 100	69.00	63.00	
Br. Biscuits 8% cp 100	9.30	10.10	
Br. Cey. Corp. 6% 100	8.20	8.20	
B. L. Corp. 8% 100	106.00	98.00	
Cal. Cr. Corp 6% 100	51.00	50.00	
Cal. Cr. Corp 5 1/2% 100	84.50	40.00	
Cal. Gas 5 1/2% cp 100	63.00	48.50	
Cal. Silk 6% cp 100	49.12	40.00	
Cal. T. Rm. 5% cp 100	8.10	8.12	
Punjab Bros. 4% 100	56.00	55.75	
Dunlop 6% 100	111.00	111.50	
Dunlop 6% 100	67.00	81.50	
Eastern Invt. 5% 100	72.50	75.00	
Gillanders 5% 100	55.50	51.50	
Godfrey Phil. 5 1/2% 100	63.00	58.00	
Greaves Cot. 5% 100	40.00	45.00	
Greaves Cot. 6% 100	37.00	43.00	
Hindustan Motors 6% 100	139.00		

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
TEA			
Assam			
Amluckie 7% 100	37.06	42.00	
Bormah Jan 6% 100	62.00	74.00	
Brooke Bond 6% 100	65.00	66.00	
Dhunsari 7% 100	3	2.94	3.02
Dumakushi 8% 100	8.90	9.70	
Kingsley Cola 6% 100	80.00	86.00	
Moheema 6% 100	9.44	8.18	
Tezpur 2% 100	11.19	9.98	
Darjeeling			
Glelle 6% 100	68.00	75.00	
Okayti 7% 100	79.00	93.00	
Puseimbing 7% 100	93.00	93.00	
Singtom 5% 100	5.25	6.62	
Dooars			
Banarhat 6 1/2% 100	105.00	106.50	
Birpara 9% (Pref.) 100	109.00	105.00	
C'bhutti 6 1/2% 100	104.50	105.50	
Hantapara 8% 100	109.00	103.00	
Hasimara 7% 100	106.00	101.00	
N. Dooars 6 1/2% 100	102.50	109.00	
Cachar			
Sonal River 5% 100	93.00	93.00	
Sylhet			
N. Samanbagh 8% 100	91.50	101.50	
S. Indian			
Kotamulali 6% 25	14.00	16.50	
Teral			
Atal 4 1/2% cp 100	5.80	5.00	
Tirunilam 0% 100	12.00	13.00	
Ordinary Shares			
CALCUTTA			
GOVERNMENT OF INDIA LOANS			
(Non-Terminal Loans)			
8% Govt. Paper 100	73.60	71.80	
(Terminal Loans)			
3% Loan (1986) 100	74.20	74.12	
2 1/2% Loan (1981) 100	98.35	97.20	
2 1/2% Loan (1982) 100	98.05	96.97	
2 1/2% Loan (1976) 100	63.30	63.20	
2 1/2% Loan (1960) 100	99.65	99.97	
3% Loan (1964) 100	98.30	96.90	
3% Loan (1959-61) 100	99.70	99.70	
3% Loan (1963-65) 100	98.06	97.12	
3% Loan (1966-68) 100	95.95	93.98	
3% Loan (1970-75) 100	92.90	91.00	
3 1/2% Loan (1962) 100	99.80	99.30	
3 1/2% Loan (1961) 100	99.50	100.05	
3 1/2% Loan (1963) 100	100.20	100.00	
3 1/2% Loan (1964) 100	100.10	99.75	
3 1/2% Loan (1965) 100	100.02	99.60	
3 1/2% Loan (1967) 100	99.85	99.15	
3 1/2% Loan (1968) 100	99.60	98.85	
3 1/2% Loan (1969) 100	99.33		
3 1/2% Loan (1967) 100	100.80	100.75	
3 1/2% Loan (1968) 100	100.65	100.65	
3 1/2% Loan (1974) 100	99.70	98.63	
4% Loan (1966-70) 100	100.55	100.65	
4% Loan (1972) 100	101.65	100.98	
4% Loan (1973) 100	101.65	100.98	
4% Loan 1979 100	100.20		
BANKS			
Allahabad 100	844.00	358.00	
Alahabad 50	172.00	173.50	
Bank of Bihar 100	31.00	80.00	
Bank of Baroda 25	48.50		
Bank of India 50	118.00	126.00	
Hindustan Comm. 50	18.00	8.25	

NAME	Paid-up per Share.	Quotation as on	
		29-1-60 Rs NP	29-1-59 Rs NP
Hindust. Mercan.	50	17.87	13.00
Punjab National	10	21.59	23.50
United D	10	5.16	4.87
United Comm.	50	70.00	68.50
RAILWAYS			
Ahmedpur-Kutwa	100	39.00	50.00
Arrah-Sasaram	100	45.00	47.00
Bankura-Damodar	100	45.00	49.50
Burdwan-Cutwa	100	47.31	51.00
Buxidpur	100	27.75	11.12
Chapar-Sligat	100	31.00	37.00
Dehri-Rohas	10	18.62	10.37
Futwah-Islampur	100	32.50	37.36
Howrah-Amra	100	44.00	51.95
How-Sheakhala	100	35.50	34.90
Kate-Lalabazar	100	56.13	59.88
Mahadara (Delhi)			
Saharanpur	100	66.75	98.00
COAL			
Amalgabated	10	21.69	22.25
Asso. K'pura	10	4.75	4.75
Asso. Lalidih	10	3.60	2.94
Baidighi Kujama	10	9.00	3.61
Bengal	100	300.00	284.00
Bengal Bhatdee	10	3.48	4.08
Bengal-Nagpur	10	12.50	12.75
Bhalsora	10	6.63	6.31
Bharat	10	7.12	6.56
Bhowra Kankanee	10	11.12	
Bhulanbarree	10	5.87	7.75
Bhurnagore	10	1.81	2.00
Bokaro & Ramgur	10	14.50	14.00
Borra	10	19.25	18.37
Burrakur	10	18.50	17.69
Buxidpur	10	25	6.12
Buxidpur	10	26.00	19.31
Budge-Budge	100	124.00	150.00
Calcutta	10	25	6.12
Calcutta	10	26.00	19.31
Central India	10	8.87	7.37
Central Kurkend	10	11.25	11.31
Churulla	4	4.00	2.12
Dheroi Main	10	9.94	9.75
East India	1	24.87	23.50
Equitable	10	30.50	30.00
Ghusick & Musila	10	13.00	16.00
Goudari	10	7.00	7.00
Guzrat Kajora	10	6.00	8.00
Hurrilidih	10	14.37	14.37
Jainty Central	24	0.43	2.00
Jogta	10	2.00	1.50
Kalappahari	10	28.50	22.50
Karapur	100	148.00	115.00
Katras Jheriah	10	62.50	68.00
Khas Kajora	10	12.00	9.00
Khas Champore	10	1.06	1.00
Kuardi	10	3.81	2.00
Lakurka	10	14.87	15.00
Mababir	10	12.25	12.25
Mundulore	10	0.50	1.00
Nazira	10	8.31	7.75
New Beerthoom	10	22.50	20.00
New Churulla	10	2.28	2.00
New Huntodih	10	4.00	4.00
New Jalrapur	10	3.50	3.50
New Manbhoom	10	12.31	11.12
North Damuda	24	1.16	1.12
North-West (F.F.)	10	23.12	24.00
North-West (F.F.)	74	20.75	19.31
Oriental	10	8.12	8.00
Ondal	10	11.50	12.00
Paracca	10	18.56	15.00
Pench Valley	10	19.62	24.00
Pure Sitapore	10	5.75	6.00
Raneegrung	10	17.25	14.00
Rewa	10	19.66	18.12
Samia	10	12.00	12.00
Searole	24	2.69	5.68
Seebore	7	27.12	26.25
Sendra	10	12.75	11.31
Shree Mahakali	10	3.50	4.00
Singareni	10	16.25	13.00
S Karapurra	10	12.50	12.75
Standard	10	18.00	13.31
United	10	14.00	14.00
United Collieries	10	12.25	10.87
Western Bengal	10	6.62	5.88
West Ghusick	10	14.06	13.00
West Jamuria	10	5.50	5.00
West Lalidih	10	3.25	2.94
COTTON			
Basanti	10	7.25	6.25
Bengal Fine Spg.	10	8.00	8.00
Bengal Laxmi	40	33.00	32.00

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Mahindra and Mahindra	10	25.50	17.25
Marwar Trading	100	200.00	200.00
McLeod & Co.	100	225.00	187.50
Metal Box	10	32.44	31.63
Moradabad Water	10	5.35	4.00
N. I. Cables	10	25.94	29.12
National Pipes & Tubes	10	17.19	15.37
National Rolling	10	15.00	12.97
Nat. Rubber Mfg.	10	13.06	13.94
Nat. Tanneries	10	0.30	0.30
Nat. Tobacco	10	17.69	12.31
Nav Bharat	10	4.00	...
Vaniya	10	46.00	35.50
New I. Invest.	75	4.00	1.25
Pearl Invest.	10	25.00	16.81
Phillips India	100	202.00	180.00
Phosphate Co.	4	13.50	9.19
Pulchit Society	10	1.50	1.50
Prem. Trans.	10	83.50	52.00
Rail	100	5.00	4.89
R.B. Rodda & Co.	10	27.31	19.06
Rohas	10	3.06	3.03
Sahu Properties	10	19.87	15.00
Sen Raleigh	10	19.37	15.12
Shaw Wallace	10	0.75	1.06
Spencer's Hotel	2	19.40	19.00
Spencer & Co.	100	79.00	81.00
Star Co.	25	8.00	8.00
Star Trading	10	12.25	14.00
Straw Products	10	7.75	...
Suslik	100	73.20	75.00
Union Co.	10	42.50	27.12
Union National	10	0.87	0.31
Carbide	10	2.00	2.00
Union Tobacco	10	3.37	1.94
Union Tobacco	10	3.12	1.44
Defd.	10	1.75	1.34
Walford	10	...	...
Walford (Po)	10	...	...
W. Stockholder	10	...	...

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Dilaram	100	102.00	95.00
Gleile	10	12.31	8.87
Jayshree	10	15.94	12.37
Lingia	10	20.25	18.00
Longview	10	10.00	7.00
Margaret's Hope	10	14.08	13.50
Mim	100	226.00	220.00
Nagri Farm	10	24.25	24.87
Okayti	100	600.00	600.00
Pashok	10	30.00	18.62
Poobong	10	9.00	7.00
Puamling	10	10.50	10.25
Runglee Rungliot	100	360.00	385.00
Seeyok	10	10.50	11.00
Singell	100	26.75	22.00
Singtom	10	7.25	4.81
Soom	10	39.50	29.87
Sungma	10	15.50	15.87
Teesta Valley	10	17.00	22.00
Tukvar	10	8.00	8.50

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Canara Bank	50	40.00	...
Canara Bkg. 5%	50	50.00	50.00
Canara B'ing 4%	50	47.75	45.00
Canara I. & B. 6%	100	97.00	103.00
Canara I. & B. 8%	10	9.85	10.00

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Alageswar	2	2.85	2.45
Amalgamated	10	13.75	12.50
Anandam	10	15.50	14.77
Anapara	2	5.18	4.25
Arthala	5	4.00	4.00
Athimattam	2	1.15	0.91
Babarudin	5	9.55	12.75
Badra	2	3.97	4.40
Balanoor	10	17.75	17.62
Balmadies	2	2.95	3.15
Be Be	5	3.63	3.62
Blue Mountain	2	3.35	3.23
Chandramalai	2	3.03	2.85
Chembra	2	4.20	3.45
Cochin Malabar	3	7.00	6.43
Coffee Lands	10	23.00	22.75
Cons. Coffee	10	21.75	19.75
Coonoor	10	28.50	25.75
Coorg	2	5.20	5.05
Cottanad	10	14.87	15.25
Cowcoody	2	6.10	7.08
Devashola	10	32.00	24.12
Devon	10	17.50	16.82
Emerald Valley	5	8.12	6.65
Gokul	2	1.58	1.53
Halleybury	10	16.10	17.00
Highland	10	14.65	11.55
Kadur	2	2.84	2.95
Kallias	2	4.90	4.68
Kalissa	2	4.10	3.35
Kalpetta	10	12.60	11.73
Karikode	10	9.45	10.00
Kilkotagiri	2	4.62	6.58
Kurmergode	2	6.10	6.20
Kurchemala	10	8.75	6.00
Lingapur	2	6.90	...
Lucky Valley	10	6.90	...
Malabar Agr.	10	12.75	12.10
Malabar Indial.	10	13.75	14.56
Malankara	10	18.12	18.25
Manar	2	2.58	2.90
Manimala	10	8.75	8.75
Mercara	5	9.85	7.70
Midland	10	12.10	10.94
Minamalai	25	40.87	38.25
Mysore Amalgam	5	6.00	5.33
Mysore Coffee	2	5.03	3.68
Mys. Plantations	2	1.93	1.55
Neelamalai	5	4.90	5.03
Nellampathy	2	3.00	2.75
Nellithanam	10	12.05	13.25
Nenmeny	10	16.25	15.65
Niambar	10	17.50	15.00
Nilgiri	10	7.35	7.15
Nonsuch	10	25.80	24.35
Osoor	2	3.68	...
Ochterlony	2	5.75	4.60
Panchura	1	4.20	3.55
Parkide	10	24.70	19.12
Permeade	10	20.25	19.00
Perinsular	10	22.75	18.80
Periakaramalai	2	3.72	3.93
Pondum	2	1.40	1.40
Pullangode	2	1.85	1.62
Puthuthotam	2	2.77	2.95
Rajagiri	10	20.10	16.90
Rajendra	5	16.25	12.70
Sangameswar	2	8.00	2.50
Savamalai	2	4.00	3.45
Shivaroy	2	1.68	1.90
Shankar Amalgam	10	15.58	13.80
Swinton	2	2.50	2.40
Talayar	2	1.73	1.62
Teakoy	10	7.90	6.67
Thamrapally	10	26.62	27.00
Thirumalai	1	1.98	1.73
Trav. Rubber	10	15.62	17.25
T. R. & T. Co.	10	7.90	7.35
Tropical	25	22.80	21.75
Tyrford	10	12.85	16.65
Udaygiri	10	13.00	11.15
Un. Nilgiri	10	22.10	17.00
Valkundam	10	27.75	23.12
Vayitri	2	1.57	1.80
Vellimal	5	6.10	5.70
Warythully	2	8.60	...
Waterfall	2	3.70	3.65
Woodcote	1	1.70	1.50
Woodland	10	8.00	8.00

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Adoni 6%	10	10.00	10.00
Adoni 'B' 6%	10	10.00	...
Ab. Adv. 5%	100	81.50	63.50
B. R. Cotton 6%	100	48.00	37.50
Bhawani Cotton	100	100.00	100.00
Bradbury 7%	100	53.00	53.00
Central India 5%	500	401.25	341.00
Century 6%	100	100.00	104.50
Elphinstone 7%	100	65.00	64.50
Hindustan	1000	650.00	...
Hindustan	250	175.00	...
Indian Mfg.	1000	630.00	...
Indian Mfg.	500	315.00	...
Jyajeero 5 1/2%	100	95.00	97.00
Khatou 4%	100	74.00	70.00
Kothari 6%	10	10.00	10.00
Kothari B. 6%	10	10.00	10.00
Laxmi 5%	250	170.00	158.75
Mafatal 1st 4 1/2%	100	86.00	86.00
Mafatal 2nd 4 1/2%	100	92.00	92.00
Mahendra 6 1/2%	100	99.00	99.00
Morjee 4 1/2%	100	70.00	...
Mysore 4 1/2%	50	27.00	28.00
Navari Cotton 5%	100	91.00	91.00
New Great 5 1/2%	200	114.50	130.00
N. Kaiser-Hind	100	74.50	74.50
Podar 4%	100	64.00	72.00
Shreenivas 4%	100	61.00	67.00
Standard 5 1/2% 1st	100	70.00	70.00
Standard 6 1/2% 2nd	100	70.00	70.00
Swadeshi 5%	100	95.00	85.00
Swadeshi (Kan.)	100	86.00	86.00
Vishnu 7%	500	435.00	422.50
W. India 4 1/2%	1000	610.00	...

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Amalgam. 5 1/2%	100	92.50	84.00
Amalgam. 5%	100	86.50	76.50
Anand 6%	50	50.00	50.00
Andhra Valley	1000	1065.00	1078.25
Nadiad 6%	50	45.00	42.75
Nagpur 6 1/2%	25	18.52	...
Nasik Deolai 7%	100	81.50	100.00
Poon 7%	100	101.00	101.00
Surat 6 1/2%	100	108.00	111.00
Tata Hydro. 7%	100	99.00	104.50
Tata Power 7 1/2%	1000	1065.00	1108.75

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
Andhra 7%	100	100.00	100.00
Andhra 6%	10	8.44	...
Digvijay 5%	100	90.50	84.30
India Cement 7 1/2%	100	95.00	95.00

Preference Shares

BOMBAY

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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TEXTILES

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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ELECTRICS

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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CEMENT

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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STEEL

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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SHIPPING

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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SUGAR

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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PLANTATION

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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MISCELLANEOUS

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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ORDINARY SHARES

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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MADRAS

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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BANKS

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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ELECTRICS

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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CEMENT

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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STEEL

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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SHIPPING

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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SUGAR

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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PLANTATION

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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MISCELLANEOUS

NAME	Paid-up per Share	Quotation as on 29-1-60	Quotation as on 29-1-59
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NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
PLANTATION			
Highland ... 10	8.40*	9.20*	
Midland ... 10	8.40	7.80*	
Nellampathy 6% ... 10	9.20*	8.80*	
Rajagiri 6% ... 10	8.24	8.24	
Waterfall 6% ... 10	8.80*	8.80*	

NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
MISCELLANEOUS			
Alumic Chem 6% ... 100	86.00	71.40	
Alumic Chem 5% ... 100	79.00	85.50	
Alumic Chem 6% ... 100	73.00	72.00	
Alumic Chem 5% ... 100	75.00		
Alumic Corp. 6% ... 100	100.00		
Alumic Corp. 5% ... 100	100.00		
Amar Dye 6% ... 100	102.00	98.30	
Anil Hardboard ... 100	110.50		
Asso. Rubber 6% ... 100	100.00*		
Asso. Stone 6% ... 100	100.00*	100.00*	
Bom. Pott. 6% ... 100	76.00	76.00	
Bom. Pott. 4% ... 100	68.00	60.50	
Bom. Silk 5% ... 100	47.60	47.60	
B. I. Corp. 8% ... 100	110.00	96.50	
Brunton Eng. 6% ... 10	7.00*	7.00*	
Dehl Saf. 6% ... 100	100.00*		
Dhanga Chem. ... 100	95.00	66.50	
Digvijoy Woollen ... 100	127.50		
East I. Hotels 5% ... 100	100.00*	100.00*	
Estrela 5% ... 50	36.50	34.50	
Verro Alloys. 6% ... 100	100.00	100.00	
Gwallor Rayon 6% ... 100	103.25		
Hind. Const. ... 100	68.60	76.20	
Hind. Const. ... 100	65.00*	65.00*	
Hind. Cycles 5% ... 100	75.00*	75.00*	
Hind. Cycles 5% ... 25	25.00*	25.00*	
Hind. Cycles 6% ... 100	120.00		
Hindus. Elec. 6% ... 100	82.00	81.00	
Hindus. Motor 6% ... 50	136.00	63.00	
Hingir Rampur ... 50	32.00	32.00	
Indian Dye 6% ... 100	115.25	112.25	
L. Hume Pipe 5% ... 100	67.00	61.60	
Indian Rayon ... 374	37.50		
Japur Metals 6% ... 100	55.50	56.70	
Kamini Eng. 6% ... 100	56.50	50.50	
Khandewal Ferro ... 50	52.50		
Alloys. 7% ... 50	52.50		
L. & Toubro 5% ... 100	98.00	86.80	
Madhusudan 4% ... 124	7.60	7.50	
Madhya Pradesh ... 100	106.00		
Ind. 6% ... 100	101.25	101.00	
Mahindra 6% ... 100	107.50		
Mahendra 6% ... 100	86.00*		
Mackenzie 5% 1st ... 100	100.00*		
Mackenzie 5% 2nd ... 100	86.00*		
Motor & G. Fin. ... 25	86.00*	86.00	
Nat. Elec. 4% ... 100	80.00*	80.00*	
Nat. Rayon 5% ... 100	72.00	73.50	
Nat. Rubber 6% ... 100	82.00	100.00*	
M. Cen. Jute 7% ... 100	107.00*	100.00*	
N. I. Fisheries 6% ... 100	101.00	101.00	
Orient Paper 1st ... 100	93.20	89.00	
Orient Paper 2nd ... 100	68.50	68.50	
Parshuram Port ... 25	25.00		
Parshuram Port ... 4%	25	16.00	
Poly Chem. 6% ... 50	60.00	60.00	
Palson 6% ... 100	60.00	80.00	
Prem. Const. 1st ... 100	85.50	86.50	
Prem. Const. 2nd ... 100	83.50	83.00	
Prem. Const. 3rd ... 10	6.68	6.60	
Radio Lamp 5% ... 100	74.00	65.00	
Rohas 7 to 9% ... 100	110.00	110.00	
Rohas 4% ... 100	64.00	69.00	
Sathe Biscuits 7% ... 100	94.20	90.00	
Sen Raleigh 5% ... 100	148.00	100.00	
Sirpur Paper 6% ... 100	68.80	100.00*	
Standard Motor ... 100	103.00*		
Standard Motor ... 6% A	100	103.00*	
Standard Motor ... 6% B	100	103.00*	
Stanvac 6% ... 100	95.00	97.00	
Star Paper 5% ... 100	73.00*	70.00*	
Star Paper 6% ... 100	100.00*	92.00	
Structural Eng. ... 5%	100	105.50*	100.00*
Structural Eng. ... 6%	100	106.50	100.00
Sundatta Foods 8% ... 50	50.10	50.10	
Supreme Ind. ... 100	71.80	72.00	
Tata Chem. 5% ... 100	98.00	91.00	
Tata Oil 4% ... 100	59.00	65.00	
Texmaco 1st 5% ... 100	62.00	62.00	
Texmaco 2nd 5% ... 100	114.50	96.30	
W. Coast Paper ... 100	90.00*	90.00*	
W. I. Plywood 6% ... 100			

NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
BANKS			
Baroda ... 50	95.00	121.00	
Baroda B. ... 25	45.00	56.70	
Central ... 25	48.00	58.70	
Central (P.P.) ... 25	49.50	61.30	
Devk. Nanjee ... 50	54.80	50.50	
Hind. Mercantile ... 50	12.00	11.78	
India A. ... 50	106.00	140.25	
India A. ... 50	111.00	141.00	
Jodhpur Com. ... 5	2.00	1.40	
Maharashtra ... 40	54.00	48.00	
Punjab National ... 25	21.52		
State Bank ... 100	351.50		
Union ... 5	7.00	7.60	
United Comm. ... 50	69.00	68.00	

NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
INSURANCE			
All-India Genl. ... 8	2.50	3.20	
British India ... 10	14.16	13.80	
Devakran Nanjee ... 50	32.25	35.30	
Empire of India ... 100	208.78	212.50	
Indian Globe ... 25	8.00	8.00	
Ind. Mercantile ... 40	46.25	46.00	
Jupiter ... 15	6.96	7.12	
Neptune ... 10	1.46	1.00	
New Asiatic ... 6	2.76	3.00*	
New Great ... 20	23.12	20.48	
New India ... 15	58.40	53.70	
New India A. ... 15	58.50	53.70	
Sentinel ... 50	50.00	50.00*	
Universal Fire ... 10	12.00	13.00	
Vulcan ... 10	20.24	19.76	

NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
ELECTRICS			
Amalgamated ... 10	10.88	11.00	
Anand ... 50	64.00	64.00	
Basseln ... 10	8.50*	8.50*	
Broach ... 10	7.00	7.60	
Dharwar ... 50	81.00	81.00	
Nadiad ... 50	61.50	65.00	
Nagpur ... 25	25.00		
Nasik Deolali ... 100	105.00	72.00*	
Poona ... 100	112.25	111.00	
Sura ... 100	99.00	112.75	

NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
CEMENT			
Ashoka ... 10	8.56	8.48	
Bagalkot ... 10	8.84	8.52	
Dalmia ... 10	11.00	9.80	
India Cement ... 5	6.00	5.40	
Indian ... 10	25.00	26.00	
Jalpur Udyog ... 10	11.36	10.04	
STEEL			
Mukund Deft. ... 10	111.00*	70.00*	

NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
SHIPPING			
Bharat Line ... 10	10.08	12.76	
Great Eastern New ... 5	12.00	20.52	
Malabar Steamship ... 10	11.68	13.82	
SUGAR			
Cauvery ... 100	107.50	87.00*	
Hindusthan ... 100	241.25	237.50	
Kear ... 40	66.00	55.50	
Kr. Gyanoday ... 10	14.00	10.08	
Maharashtra ... 50	229.50	171.50	
New Swadesh ... 100	290.00	237.50	
Oudh ... 100	158.50	150.00	

Ordinary Shares (Non-Cleared)

BOMBAY

TEXTILES

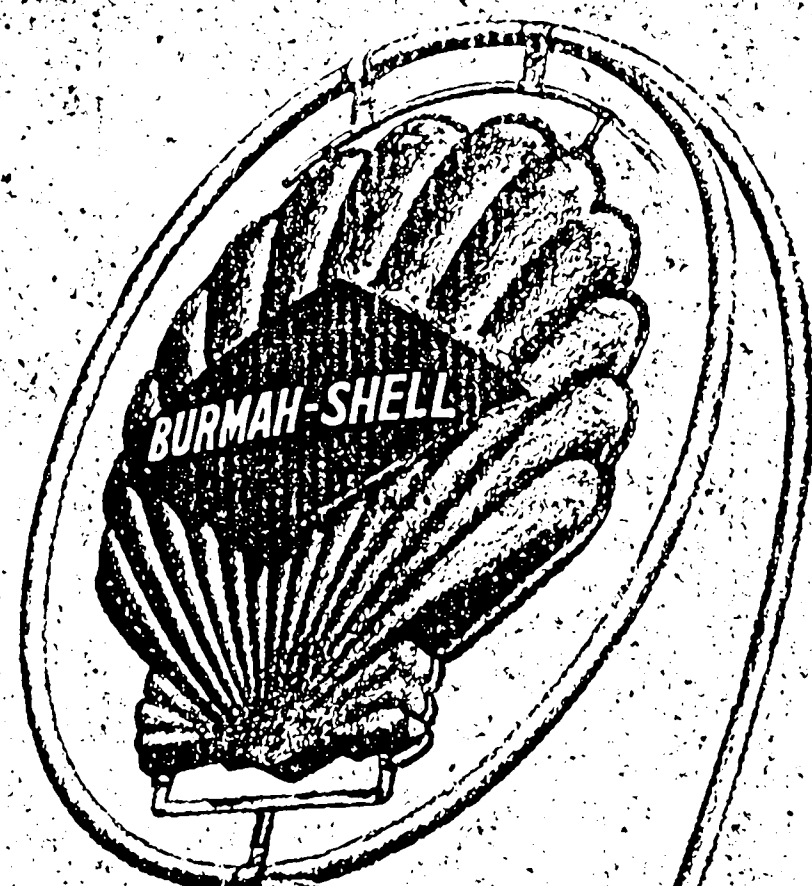
Adoni ... 10 8.20* 10.40

Ahmed. Adv. ... 100 150.00 145.00

NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
PLANTATIONS			
Ravalgaon ... 50	140.00	135.00	
Ravalgaon Deft. ... 50	30.00	80.00	
South Behar ... 10	1.00*	1.00	
South Behar Deft. ... 74	0.23*	0.25	
Ugar ... 100	100.00*		
Vishnu ... 100	235.00	235.00	

NAME	Paid-up per Share	Quotation as on 29-1-60 Rs nP	29-1-59 Rs nP
MISCELLANEOUS			
Alumic Chem 6% ... 100	208.00	156.28	
Alumic Chem 5% ... 100	16.36		
Amar Dye ... 100	237.50	110.00	
Amkila Silk ... 100	165.00		
Anil Hardboards ... 100	330.00	120.00	
Associated Stone ... 10	22.56	15.80	
Baroda Rayon ... 50	65.00		
Bom. Burma (P.P.) ... 60	162.00	170.00	
Bombay Cycle ... 20	21.00	19.24	
Bombay Pottery ... 100	144.00	116.25	
Bombay Safe ... 200	405.00	500.00	
Bombay Silk ... 50	6.00	5.00*	
Bom. Swadeshi ... 5	7.24		
Bom. Uganda ... 80	49.00	47.00	
Brady. Eng. ... 80	75.00	64.70	
B. I. Corp. ... 5	5.60	3.80	
Brunton Eng. ... 10	4.00	6.00	
Ceat Tyres ... 100	167.00	60.80	
C. I. Coal ... 10	6.36	6.34	
C. I. Machinery ... 10	10.00*	10.00*	
C. P. Railway ... 100	50.00	62.00	
Chemo. Pharma. ... 100	290.00	20.00	
Colour Chem. ... 10	17.00	23.00*	
Commerce (1935) ... 10	17.24	11.00	
Deshi-Rohas Rly. ... 25	11.48	11.00	
Dena Inv. ... 10	10.00*	10.00*	
Delhi Safe ... 7	7.00*		
Delhi Safe ... 10	7.00*		
Dharamal Chem. ... 50	120.00	80.50	
Dharamal Chem. ... 100	148.50	89.00	
Digvijay Woollen ... 10	14.36		
East India Hotel ... 5	10.00*	10.00*	
Empire Dyeing ... 15	60.00	47.50	
Entella ... 50	46.00	36.50	
Ferro Alloys ... 100	100.00	96.50	
G. Claridge ... 100	200.00	170.00	
Greaves Cotton ... 100	133.00	100.50	
Gujarat Inv. ... 50	11.00	25.00	
Gujarat Safe ... 75	120.00	120.00	
Gwallor Rayon ... 10	25.25	13.76	
Har & Sakapathy ... 500	365.00	415.00	
Hind Cycles ... 100	99.00	107.00	
Hindustan Elec. ... 100	111.50	105.50	
Hindustan Lever ... 10	25.00		
Hindustan Lever ... 10	35.75	27.90	
Hingir Rampur ... 50	23.00	19.00	
Indian Dyeust ... 100	425.00	170.25	
Indian Rayon ... 25	37.50		
Indian Tool ... 100	110.00	105.25	
Indian Veg. ... 100	161.00	114.00	
Ind. Cr. & Inv. ... 100	85.00	78.00	
Ind & Prudential ... 10	29.75		
Inv. Corp. ... 100	139.50		
Japur Metals ... 100	98.00	57.00	
Jalpur Metal Deft. ... 10	24.48	5.56	
Joel. Eng. ... 50	60.00	60.50	
Jyoti (Old) ... 100	176.00	137.00	
Kamari Eng. ... 10	10.80	5.60	
Kemp ... 200	288.75	215.00	
Killick Indus. ... 100	115.50	153.25	
Kirloskar Bros. ... 25	53.00*		
Kirloskar Oil Eng. ... 10	17.24	13.48	
Khandewal Ferro ... 50	67.50		
Alloys ... 100	81.00	97.50	
Madhusudan A ... 20	13.52	20.00*	
Madhusudan B ... 10	18.52		
Madhya Pradesh ... 10	24.52	18.24	
Man Indus. Corp. ... 100	95.00	90.00	
McKenzie ... 100	80.00	80.00	
Motor & Gen. Fin. ... 10	40.00*	40.00*	
Mys. Kirloskar ... 100	123.00	130.00	
Nat. Elec. Indus. ... 50	75.00	75.00	
National Rubber ... 100	22.36	13.52	
N. Central Jute ... 100	80.00	100.00	
N. I. Fisheries ... 100	37.75	240.00	
N. I. Industries ... 100	37.10	35.80	
Orient Paper ... 10	65.00		
Punshuram Pottery ... 25	65.00		
Polychem ... 50	175.00	70.00	
Radio Lamp ... 100	114.00	109.00	
Raymond Woollen ... 100	97.00		
Rohas Indus. ... 10	27.75	23.84	

MISCELLANEOUS				W. Cosar Paper	100	156.00	111.50
				W. Bengal Coal	10	6.40*	6.40*
				W. I. Plywoods	100	236.00	140.00*
				W. India Veg. ...	100	100.00	100.00*
				W. H. Brady ...	150	330.00	300.00
				Zandu Pharma	100	112.00	114.00



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CONDITIONS in the stock markets remained subdued during January. Apart from a feeling that most shares had already been pushed up to unprofitable levels, there was the general apprehension that the Central Budget would impose more taxes. The expectations about additional levies sprung from the belief that Government would have to plan for increased outlay on defence in order to cope with the situation created by the Chinese incursions on our northern borders. Even so, operators were not unduly perturbed because the scope for new taxation on the corporate sector seemed to be extremely limited as the existing level of taxation was admitted to be very high. Further, there was the hope that Authority would not be unmindful of the need for fostering capital formation in the country if industrialisation was to progress rapidly. But it was generally agreed that some amount of additional levies was inevitable and that it would come in the shape of indirect taxation.

The stringency in the money market where demand for funds had been steadily increasing during the month was another important restraining influence. It would appear that much of the funds seeking investment was taken up by the new issues or was reserved for the issues in the offing. It was evident that investors were pre-occupied with new issues. For, almost all new issues that were placed in the market during the month and earlier had been heavily over-subscribed. Even at the end of the month interest continued to centre round them as some of the big new issues like Hindustan Aluminium were yet to come.

Toward the close of the month, there were indications that operators were slowly regaining confidence in equities as the belief gained that the corporate sector might not be put to undue hardship by the Central Budget. Optimists believed that far from imposing new burdens, the corporate sector might be given some relief atleast from some of the restrictive tax measures. Indications of increased foreign aid to India were also responsible for the improved tone.

Sectionwise, textile shares were an irregular market although the undertone was steady. Thanks to effective steps taken by Government the cotton textile industry was assured of adequate supplies of new cotton. At one time it was feared that mills would have to curtail working due to shortage of the raw material. It was argued that if the consumer demand was to be met in full the organised sector of the industry should be allowed to increase its production

Subdued Trend in January

beyond the stipulated level. As a result of the measures taken both by Government and the industry, however, the confidence was slowly restored that there would be adequate supplies of mill cloth. As exports were also running at a satisfactory level, textile shares appeared to be becoming popular with investors. Toward the close of the month, sentiment was rather

depressed on the report that cotton textile Wage Board has recommended an increase in wages.

Jute shares generally ruled steady but buyers' interest considerably diminished toward the close of month. In earlier dealings selected shares were in request following a fall in raw jute prices. Moreover, the fact that burlap

Expectations were that provided Indian goods prices were economic, prospects for exports in the current year were good. The jute industry had commenced the New Year with a very satisfactory statistical position and sacking were very low. In view of the small stocks of heavy goods, the IJMA had earlier decided that the question of resealing the 2½ per cent looms unsealed in last August should be deferred to 1st February from 2nd January as originally fixed. Although there had been a fall in raw jute prices, there was a feeling that even at prevailing raw jute prices mills would not be able to make a sufficient margin of profit. Presumably because of the high prices ruling in the previous month overseas buyers evinced little interest during January and consequently jute shares were also neglected.

Selected coal shares met with keen demand in earlier dealings on expectations of good demand for the commodity. Toward close, however, interest in the section somewhat slackened on reports of lower production last year coupled with the anxiety about the transport situation.

In the Engineering section, Indian Irons continued to rule subdued as operators were reluctant to extend commitments in view of the confused outlook for the scrip. Despite the fact that output in December had touched a record level, the share met with selling pressure as there were apprehensions about a glut in steel supplies in the country in coming months as a result of the steady increase in production from the public sector steel units.

Tea shares maintained a steady trend in the first half of the month following the optimistic outlook for the industry during the current season. It was also expected that the entire output of Northern Indian tea in 1959 would be sold at remunerative prices. Following the declining trend in auction prices for tea, interest in the section slackened in later dealings and by close of the month sellers predominated.

Several firm features were noticeable in the sugar section on indications of an increase in production in the current season. The undertone turned cautious toward close as operators were inclined to await further developments in the sugar situation.

Although the miscellaneous section reflected the general trend of the market, selected shares in this sector witnessed considerable activity. The automobile group was prominent with wide fluctuations in Hindustan Motors.

PRICE TRENDS DURING JANUARY, 1960.

	Opening Rs nP	Highest Rs nP	Lowest Rs nP	Closing Rs nP
GILTEDGED:				
3% 1986 Conversion	73.56	74.35	73.40	74.10
BANKS:				
Punjab National	21.00	22.06	21.00	21.50
UCO	66.25	72.50	66.25	70.00
TEXTILES:				
Kesoram	23.69	24.00	21.69	21.81
Elgin	18.41	18.50	17.06	17.19
COAL:				
Bengal	303.00	306.00	300.00	300.00
Burrakur	19.00	19.12	18.00	18.44
JUTE:				
Anglo-India	210.00	213.00	210.00	211.00
Howrah	24.87	24.87	23.75	24.00
National	27.00	33.50	26.81	31.50
TEA:				
Brooke Bond	18.12	18.69	17.00	17.37
Hasimara	23.25	24.56	22.94	23.69
Methoni	23.69	24.00	23.44	23.62
Tezpor	18.00	19.37	18.00	18.75
SUGAR:				
Carew	11.50	12.87	11.50	12.37
Cawnpore	14.31	15.81	14.31	15.75
Champaran	19.50	20.44	19.50	20.25
ENGINEERING:				
Indian Iron	23.40	23.42	21.92	22.20
Jessop	24.81	25.19	23.75	23.75
TEXMACO	27.25	27.25	25.45	25.50
Guest, Keen, Williams	48.25	48.50	44.00	44.25
MISCELLANEOUS:				
Orient Paper	37.20	38.00	36.10	37.70
Titaghur	40.06	40.37	39.62	39.62
Shree Gopal	22.37	23.00	22.12	22.50
Dunlop	36.12	37.25	35.75	36.25
H. Motor	15.50	16.37	14.19	16.25
Rohtas	27.12	28.09	25.56	27.31
Indian Cable	31.00	31.12	29.37	29.56
Indian Aluminium	24.62	25.81	24.31	25.06
Indian Copper	4.03	4.03	3.80	3.85
India Steamship	12.12	12.12	11.62	11.62
National Carbon	40.87	43.37	40.87	42.67
NICCO	27.19	27.37	25.62	25.62

consumption in US during 1959 post-war period contributed to touched an alltime high for the an improvement in sentiment.

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up Ra. 000	Reserve & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Ra. 000	Gross Block Ra. 000	Deprecia- tion Ra. 000	LIQUID ASSETS				
	January 1959 Ra. np.	January 1958 Ra. up.			General	Others	Carry for ward Ra. 000				Invest- ments Ra. 000	Stocks and Stores Ra. 000	Out- standings Ra. 000	Cash Balances Ra. 000	Others Ra. 000
Agarpara ...	11 62ad	11 00	10	6,000	4,922	930	25	2,478	11,727	4,527	405	5,819	2,534	592	35
7% Cum. preference ...	93 00ad	104 50	100	1,000											
51% Debentures ...	920 00	905 00	1000	1,200											
Alexandra ...	172 00	182 00	100	600	400	772	193	5,596	6,839	4,034	70	5,082	1,247	127	...
7% Cum. preference ...	97 50	96 00	100	900											
51% Debentures ...	455 00	455 00	500	600											
Alliance ...	115 00	125 00	100	3,000	...	279	-188	3,950	12,670	9,941	210	4,721	719	161	...
6% Cum. preference ...	84 00	85 00	100	1,500											
Anglo India ...	211 00	217 50	100	4,921	5,000	2,261	216	14,252	30,977	22,693	4,133	14,136	3,794	294	9
7% Cum. preference ...	95 50	102 00	100	4,000											
Auckland ...	170 00	183 00	100	4,000	1,138	2,596	43	5,568	15,140	7,019	334	6,901	1,969	17	5
51% Cum. preference ...	75 25	77 50	100	1,000											
41% R. Cum. preference ...	68 00	61 00	100	1,500											
4% Debentures ...	780 00	770 00	1000	1,500											
Bally ...	217 00	203 00	100	2,000	2,000	702	4	4,950	10,752	7,106	644	4,867	1,506	993	...
7% Cum. preference ...	93 00	100 00	100	2,000											
Barnagore & ...	148 00	137 00	£5	275	215	412	68	449	1,578	990	17	765	228	21	...
5% Cum. preference ...	35 50	40 50	£5	200											
Belvedere ...	144 00	166 00	100	2,800	1,249	1,649	16	2,563	9,777	5,482	73	3,894	687	28	...
7% Cum. preference ...	102 00	101 50	100	700											
Bengal ...	11 37	11 62	10	4,500	1,424	1,185	205	11,846	6,087	3,697	5	5,886	3,541	10,336	4
51% R. C. P. ...	69 00	77 00	100	1,000											
51% Debentures ...	900 00	900 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
41% Debentures ...	900 00	900 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Birla ...	26 00	19 44	10	9,126	4,750	21,445	29	19,781	64,330	18,415	7,690	9,887	3,391	611	...
71% C. P. T. ...	91 00	87 50	100	2,364											
51% R. C. P. ...	92 00	...	100	10,000											
Budge Budge ...	124 00	150 00	100	3,600	1,196	740	33	2,439	11,796	7,059	93	3,637	439	2	...
7% Cum. Preference ...	103 50	102 00	100	900											
Calcutta ...	176 00	197 00	100	1,800	2,369	277	36	1,550	8,440	4,652	63	2,834	347	...	...
7% Cum. preference ...	67 50	77 50	100	1,000											
Champdany ...	168 00	127 00	100	5,916	...	7,658	92	3,700	11,145	2,071	205	5,868	1,817	53	28
Cheviot ...	101 00	196 00	100	1,595	1,301	831	18	850	8,351	5,861	84	2,540	459	5	...
7% Cum. preference ...	14 00	15 31	10	3,015	1,900	1,750	72	3,471	8,914	5,494	1,231	3,946	2,251	775	154
Chitavalah ...	105 50	100 00	100	500											
7% Cum. preference ...	442 50	442 50	500	1,069											
5% Debenture ...	12 37	14 00	10	2,400	...	900	-312	2,005	8,189	6,173	8	3,299	1,787	22	...
Clive ...	74 75	67 50	100	800											
6% Cum. preference ...	78 00	73 50	100	800											
Dalhousie ...	144 00	136 00	100	3,149	836	3,778	-642	3,896	13,988	6,131	464	4,744	1,319	...	7
7% Cum. preference ...	101 00	73 37	100	1,500											
51% Debentures ...	900 00	900 00	1,000	1,873	...	...	...	...	...	...	...	...	...	...	...
Delta ...	144 00	170 00	100	2,800	1,488	2,370	7	1,931	10,358	5,084	49	3,417	334	21	...
5% Cum. preference ...	68 25	72 00	100	500											
Empire ...	15 87	19 44	10	1,500	2,450	1,244	26	2,876	10,188	6,599	937	2,960	2,316	181	...
7% Cum. preference ...	98 50	100 00	100	1,000											
5% Debentures ...	450 00	450 00	500	886											
Fort Gloster ...	381 00	217 00ad	100	4,200	6,127	1,305	194	13,985	26,127	15,943	209	10,591	4,418	402	3,669
7% Cum. preference ...	101 00	109 00	100	1,400											
5% Cum. preference ...	74 50	71 00	100	700											
51% Debenture ...	98 00	96 00	100	1,561	...	...	...	...	...	...	...	...	...	...	...
Fort William ...	23 69	23 75	10	2,100	1,900	23	167	7,572	12,775	6,881	132	4,784	1,769	172	10
7% Cum. preference ...	111 50	84 50	100	1,000											
Ganges ...	8 94	...	10	8,432	...	...	-877	13,268	22,372	14,432	198	10,594	2,464	226	...
8% Cum. preference ...	125 00	103 00	100	600											
General Indupl Society ...	28 00	...	10	1,080	2,550	400	151	5,231	6,922	4,380	78	40,88	1,145	539	1,081
Debentures ...	...	...	300	2											
Gowapore ...	442 00	387 00	100	2,400	3,300	1,113	86	15,423	24,102	16,619	4,412	10,717	2,021	195	142
6% Cum. preference ...	82 00	88 00	100	2,650											
Hastings ...	99 00	105 00	100	4,000	2,950	3,833	298	6,574	13,825	7,598	3,390	7,106	3,073	158	...
6% Cum. preference ...	90 00	83 00ad	100	2,500											
Hooghly ...	11 77ad	10 31	10	1,630	160	1,723	14	2,118	7,237	5,150	83	3,775	920	8	...
10% Preference [A] ...	10 62ad	20 50	10	1,176											
Hewrab ...	23 87	102 00	100	875											
7% Cum. preference ...	105 08	101 50	100	1,750	...	...	...	...	...	...	...	...	...	...	...
7% 'A' C. P. ...	103 60	94 00	...	3,000											
51% Debentures ...	95 00	21 00	74	5,250	2,500	620	108	17,139	30,267	16,742	1,460	10,164	4,049	419	...
Hukumchand ...	22 37	180 00	100	4,000											
7% Cum. preference ...	93 00	...	...	...											
India ...	16 12	15 50	124	8,730	...	2,035	62	6,960	15,285	9,326	3,338	5,336	2,903	251	...
Kamarhatti ...	168 80ad	177 00	100	2,400	1,200	645	2,320	12,058	19,772	12,402	200	9,974	2,059	227	1,300
R. Ordinary ...	181 00ad	160 00	100	1,920											
6% Cum. preference ...	90 00ad	95 00	...	1,600	...	...	...	...	...	...	...	...	...	...	...
51% Debentures ...	89 00	90 00	...	1,304	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents, Agents/Secretaries	Loans		Parachutes	Sales	Stock	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	Dividend %		
		Hessian	Sacking								Latest	First previous	Second previous
				Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
Kankarrah...	Jardine Henderson Ltd. ... B. Ordry ... 6% C.P. ... 4% R.C.P. ... 5% Debentures ...	1,239	288	21,907	34,940	8,217	50	12-58	1,891	-1,021	Nil	nil	nil
Kelvin ...	McLeod & Co. Ltd. ... 7% C.P. ... Anderson Wright Ltd. ... 6% C.P. ... F.W. Heilgers & Co. Pri. ... 7% C.P. ... 5% Debentures ...	394	309	8,926	15,248	4,738	144	6-59	1,683	1,742	14	12 1/2	9
Khardah ...	...	914	616	19,464	32,092	8,424	73	3-58	1,048	843	8	8	10
Kinnison ...	...	672	578	21,880	35,162	8,530	109	3-59	1,978	(a11)1,400	10	5	nil
Lansdowne ...	Bird & Co. Private ... 7% C.P. ... Bird & Co. Private ... 7% C.P. ... 5 1/2% B.C.P. ...	579	352	14,246	20,758	4,808	45	3-59	749	(a12)569	nil	nil	nil
Lawrence ...	...	484	356	2,114	5,280	90	40	3-59	1,793	(a13)619	2	7	3 1/2
Mahabir ...	Agrawal Brothers & Co. ... Directors ... 7% C.P. ... 4 1/2% R.C.P. ... 5 1/2% Debentures ...	28	123	3,286	5,494	997	30	9-57	(b)267	434	nil	nil	nil
Megna ...	...	612	396	24,363	37,823	12,265	...	3-59	2,942	3,368	10	1 1/2	5
Nailhati ...	...	493	322	9,236	15,847	2,226	19	3-58	(i) 442	(u)-4,37	Nil	nil	nil
Naskarpura ...	Howrah Trading Co. Private ... 5 1/2% Debentures ...	333	92	6,733	10,668	443	40	10-58	272	233	2 1/2	2 1/2	nil
National ...	Andrew Yule & Co. ... 7% C.P. ...	573	279	7,921	12,945	7	50	10-57	(a20) 658	(b) 474	7 50	7 45	12 1/2
Nallimarla ...	McLeod & Co. Ltd. ... 6% C.P. ... 4 1/2% Deb. ...	100	216	8,458	13,256	2,704	113	7-58	1,149	689	10	9	10
New Central ...	Sahu Jain Ltd. ... 7% C.P. ...	10,39	7,26	98,873	159,633	6,067	135	3-58	(i) 4,674	3,828	15	15	15
Northbrook ...	Bird & Co. Private Ltd. ... 5 1/2% C.P. ... 4 1/2% Deb. ...	214	353	11,327	18,141	4,537	105	3-59	1,504	(a32)385	12 1/2	7	nil
Nuddea ...	Macneill & Berry ...	644	448	16,399	25,914	715	109	3-59	1,707	1,412	6	5	nil
Orien ...	Andrew Yule & Co. ...	551	50	5,521	8,611	507	50	11-58	209	(a21)117	2 1/2	nil	3
Premchand ...	R. J. Roy Broe, Private Ltd. ... McLeod & Co. Ltd. ... 4% Deb. ...	364	240	...	8,850	1,122	...	4-56	(a30)358	205	Nil	nil	Nil
Presidency ...	...	238	162	6,638	14,297	2,204	62	7-58	778	594	7 1/2	6	6 1/2
Rameshwara ...	Birle Bros Private Ltd. ... 6% C.P. ...	...	305	5,290	9,651	2,219	80	3-59	795	260	Nil	Nil	Nil
Reliance ...	Jardine Henderson ... 7% C.P. ... 5% Deb. ...	924	352	...	1,433	...	50	3-59	758	-528	Nil	Nil	Nil
Shree Ambica ...	Bagarla More ... 7 1/2% C.P. ...	703	208	15,802	24,973	3,901	77	3-58	1,024	957	5	5	2 1/2
Soorah ...	Hind Inv. Corpn. ... 7% C.P. ...	201	200	7,899	10,503	2,888	66	12-58	1,039	1,005	7 1/2	7 1/2	7 1/2
Standard ...	Bird & Co. Private Ltd. ...	367	283	6,243	7,509	219	40	3-59	(a)683	(a33)1,531	2 1/2	5	nil
Union ...	Bird & Co. Private Ltd. ... 7% C.P. ... 4 1/2% Deb. ...	758	568	11,690	18,049	4,010	192	3-59	2,412	(a16)3,258	20	15	nil
Waverley ...	McLeod & Co. Ltd. ... 5% C.P. ... 3 1/2% Debenture ...	306	159	...	711	...	35	5-59	423	(y)607	25	10	nil

(a) After transferring Rs 275,000 from General Reserve.

(b) After writing back Rs 107,889 being excess provision for taxation and including Rs 28,880 being refund of taxes.

(c) After transferring Rs 420,000 from General Reserve.

(d) After transferring Rs 200,000 from Stores and Spare Parts Reserve and Rs 100,000 from Debenture Redemption Reserve.

(e) After transferring Rs 112,500 from Dividend Equalisation Reserve and Rs 34,643 from Investment Realisation Surplus.

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

(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.

(h) After transferring Rs 573,265 from General Reserve.

(i) After writing back Rs 223,804 from Depreciation written off in respect of Machinery sold.

(j) After transferring Rs 31,000 from General Reserve.

(k) After writing back Rs 1,21,302 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,181 being provision against anticipated loss on jute contracted for; Rs 14,000 being excess provision for taxation and Rs 1,95,000 from Dividend Equalisation Fund.

(l) After transferring Rs 1,571,250 from General Reserve No. 1.

(m) After transferring Rs 103,000 from General Reserve and Rs 70,000 from Dividend Equalisation Reserve.

(n) After transferring Rs 120,000 from General Reserve.

(o) After writing back Rs 59,017 from Taxation Reserve.

(p) Includes Rs 971,500 being Refund of Contribution to Pension Fund and interest and Rs 93,317 being refund of I.T. and B.P.T.

(r) After writing back Rs 56,600 being Development Rebate.

(t) Preference shares carry a dividend of 10 per cent of which only 5 per cent is cumulative.

(u) After transferring Rs 38,026 from Jute Stock Reserve.

(w) After writing back Rs 63,282 being excess provision and adjustments and Rs 11,588 being sundry balances.

(x) After transferring Rs 150,000 from Contingency Reserve.

(y) After transferring Rs 115,000 from General Reserve.

(z) After transferring Rs 2,70,000 from General Reserve; Rs 25,000 from Dividend Equalisation Reserve and Rs 34,500 from Investment Realisation Surplus.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capit. paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends	Gross Block	Deprecia- tion	LIQUID ASSETS				
	January 1960	January 1959			General	Others	Carry forward				Investments	Stocks and Stores	Out- standings	Cash Balance	Others
	Ra. np.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Kankarrah ...	101 50	91 00	100	3,000	600	285	-3,178	13,639	17,562	10,504	1,86	9,664	2,152	212	1,165
B. Ordinary ...	99 00	48 00	100	2,400	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Cum. preference ...	89 00	71 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	423	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	90 00	90 00	...	1,269	...	...	...	...	...	...	...	...	...	...	...
Kelvin ...	144 00xd	251 00	100	2,800	4,550	360	164	3,500	14,371	9,871	866	5,718	1,091	199	...
7% Cum. preference ...	101 00xd	103 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Khardah ...	181 00	167 00	100	5,400	2,333	6	46	12,256	20,053	12,698	153	10,072	2,651	711	...
6% C. P. ...	99 00	72 25	100	908	...	...	...	...	...	...	...	...	...	...	...
Kinnison ...	171 00	195 00	100	5,759	2,502	5,584	51	9,923	24,109	11,728	2,101	10,239	3,077	22	...
7% Cum. preference ...	101 00	102 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	900 00	900 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Lansdowne ...	137 00	138 00	100	2,448	1,085	2,601	-758	7,840	13,028	6,362	330	5,917	1,664	68	8
7% C. Preference ...	104 50	100 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Lawrence ...	137 00	115 00	100	2,800	104	2,265	60	988	8,989	3,914	411	1,472	543	215	...
7% Cum. preference ...	91 50	94 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% 'B' cum. preferen ...	70 00	74 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Mahabir ...	85 00	85 00	100	1,078	...	...	-108	1,944	2,086	1,501	40	2,024	186	79	...
Megna ...	12 87	14 75	19	8,165	...	2,813	282	15,021	23,462	14,589	26	11,664	5,059	659	...
Naibati ...	82 00	77 00	...	2,999	1,200	2,237	-1,435	3,554	16,397	8,979	154	3,316	1,844	27	45
7% cum. preference ...	101 00	78 25	100	750	...	...	...	...	...	...	...	...	...	...	...
4 1/2% R. C. P. ...	66 00	64 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	900 00	900 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Naskarpura ...	12 50	14 25	10	2,000	1,299	15	5	4,177	3,684	2,427	5	1,749	1,114	3,871	...
5 1/2% Debentures ...	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
National ...	31 50	26 50	10	3,500	2,170	1,781	20	1,577	4,849	1,231	203	3,053	920	1,754	...
7% C. P. ...	100 00	102 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Nellimarla ...	12 06	12 06	10	2,625	1,775	1,144	91	4,762	3,774	2,334	703	3,439	4,561	481	772
6% Cum. preference ...	92 00	86 00	100	500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	460 00	460 00	500	500	...	...	...	...	...	...	...	...	...	...	...
New Central ...	22 56	13 31	10	8,550	11,480	9,680	3	48,096	40,877	11,961	1,853	18,174	8,742	977	22,448
7% Cum. preference ...	96 00	100 00	100	3,300	...	...	...	...	...	...	...	...	...	...	...
Northbrook ...	19 94	19 75	10	1,630	1,575	3,320	35	4,988	13,611	6,954	440	5,623	2,049	4	26
8 1/2% Cum. pref. ...	83 50	74 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	850 00	800 00	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Nuddea ...	57 50	59 50	50	6,680	2,300	144	16	10,504	22,221	11,701	440	6,695	1,744	244	...
Orient ...	159 00	179 00	100	2,491	1,797	505	20	735	7,667	5,440	71	2,829	268	36	...
Premchand ...	...	...	100	3,996	...	...	-2,623	2,568	5,872	4,426	76	1,933	453	34	...
Presidency ...	5 94	6 25	5	2,500	...	500	419	3,044	9,303	7,004	112	2,562	1,194	292	78
4% Debenture ...	...	...	1000	61	...	...	...	...	...	...	...	...	...	...	...
Rameshwara ...	8 62	5 87	10	2,000	...	20	3	2,436	3,175	997	72	2,721	78	106	...
6% Cum. preference ...	12 44	9 44	10	700	...	...	...	...	...	...	...	...	...	...	...
Reliance ...	7 69	7 87	10	4,950	...	20	-3,896	1,904	12,461	6,673	191	1,071	554	54	...
7% C. P. ...	89 50	70 00	100	2,030	...	...	...	...	...	...	...	...	...	...	...
5% Debenture ...	820 00	850 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	13 50	11 37	10	3,000	665	189	18	9,817	12,327	8,855	1,056	4,753	5,522	57	...
7 1/2% Cum. preference ...	95 00	88 00	100	1,170	...	...	...	...	...	...	...	...	...	...	...
Soorah ...	20 06	19 50	10	1,400	1,080	64	69	3,548	7,131	5,003	1,360	3,238	405	31	...
7% Cum. pref. ...	88 00	95 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Standard ...	112 50	115 00	70	1,764	405	...	66	2,118	918	388	291	...	1,180	2,152	...
Union ...	206 00	236 00	100	3,599	2,235	3,335	76	3,435	10,668	4,679	672	4,849	2,903	74	2
7% C. P. ...	101 00	103 50	100	600	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debenture ...	950 00	900 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	4 06	4 00	1	250	185	335	104	392	5,515	4,449	60	409	393	1,088	...
5% Cum. P. P. ...	41 50	44 00	50	750	...	...	...	...	...	...	...	...	...	...	...
3 1/2% Debenture ...	400 00	400 00	500	1,000	...	...	...	...	...	...	...	...	...	...	...

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents' Allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Previous	Second Previous
WESTERN AND CENTRAL INDIA												
Alambic Chemical	Bhailal Amin & Sons Private Ltd.	3,141	13,558	22,395	4,039	284	12-58	3,085	2,670	12	12	10
	64% 1st Cum. Prof.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
	5% 2nd R. C. P.	...	...	...	...	...	...	...	...	5	5	5
	6% 3rd Cum. Prof.	...	...	...	...	...	...	...	...	6	6	6
Amar Dye-Chem	Amritlal & Co. Private	649	6,736	10,628	5,074	...	12-58	1,602	97	nil	nil	nil
	6% R. C. P.	...	...	...	...	...	...	...	...	6	6	6
Anil Sarch products	Kasturbhai Lalbhai & Co.	1,058	9,243	19,518	1,572	84	12-58	(n)2,272	(c)2,314	20	20	10
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Associated Cement Cos.	Cement Agencies Private Ltd.	45,155	126,873	257,706	12,969	3,714	7-59	(a)21,59,602	53,001	11	8 1/2	9
Associated Stone Industries.	Rajaputana Mining Agen. Pri. Ltd.	...	4,510	1,000	129	9-58	...	652	635	35	15	30
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Atul Products	Lalbhai Sons & Co.	1,223	15,340	28,952	7,626	400	12-58	5,329	5,065	10	8	6
Automobile Products	Directors	2,111	12,392	16,914	6,481	...	7-58	145	342	nil	nil	5
	5% R. C. P.	...	...	...	...	...	...	...	...	nil	nil	5
	6% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Bagalkot Cement	Tendulkar Indus. Private Ltd.	937	4,363	7,332	432	80	12-58	1,403	1,521	7	6	6
Bharat Line	Dinshaw Private	3,013	...	18,666	...	84	12-58	(v)3,887	6,455	12	12	6
Bombay Burma Trading	Wallace & Co.	1,414	...	42,800	5,255	322	5-58	7,506	15,140	18	32	30
	Old Shares	...	...	...	...	...	...	...	...	...	...	...
	New shares	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas	Directors	616	5,436	9,405	...	...	12-57	1,261	(a)11,006	4	12 1/2	6
Bombay Potteries & Tiles	Directors	569	500	2,242	137	...	9-58	765	628	10	9	6
	64% C. P.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
	41% C. P.	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.	...	...	134	...	6	9-58	63	76	13	13	15
Bombay Uganda Co.	Directors	134	5,021	4,529	2,139	...	12-58	287	211	24	nil	nil
W. H. Brady & Co.	Directors	2,332	15,763	20,898	6,219	...	12-58	2,074	2,730	16 1/2	15	15
Bernak Shell	Directors	11,772	32,976	193,271	...	...	12-58	73,481	73,476	15	15	...
	54% Debiture	...	...	...	...	...	...	...	...	...	...	...
Calcutta Oil	Directors	5,598	5,167	39,727	1,276	...	12-58	25,910	12,925	nil	nil	...
	54% Debiture	...	...	...	...	...	...	...	...	...	...	...
C. Claridge & Co.	W. H. Brady & Co. Ltd.	1,066	1,983	3,378	147	30	12-58	318	184	15	15	15
C. G. Dandekar Machine Works	Dandekar Engineers	321	615	1,327	11	20	6-58	211	176	10	9	8
	Partly Paid Ordinary	...	...	...	...	...	...	...	...	10	9	8
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Delhi Safe Deposit	Directors	...	162	...	28	...	12-58	86	69	7 1/2	7 1/2	7 1/2
	Ordry, P. P.	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Dena Investment	Directors	8	...	184	...	...	3-59	134	121	3 1/2	5 1/2	3 1/2
Dharamsi M. Chemical	D. Moraji & Co.	1,492	5,603	9,079	146	155	12-58	1,778	1,023	12	10	6
Digvijay Cement	Shree Laxmi Agents Ltd.	2,043	17,097	24,189	2,070	162	12-58	(m)4,907	4,755	9	9	8 1/2
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Eastern Shipping Corp.	Scindia Steam Navigation	2,431	17,467	25,537	...	...	3-58	4,138	6,361	nil	nil	nil
Estrela Batteries	Chunilal Manilal Ltd.	14,19	23,27	57,54	18,84	33	3-56	4,79	2,70	6	4	6
	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Great Eastern Shipping	A. H. Bhiwandiwala & Co. Private	720	...	31,282	...	359	6-59	(d)9,817	(l)12,073	15	18	15
	54% R. C. P.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Greaves Cotton & Co.	Directors	3,419	36,776	45,098	9,038	...	3-59	3,864	3,309	7 1/2	10	7 1/2
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	6% R. C. P.	...	...	...	...	...	...	...	...	6	6	6
Gwalior Rayon	Bir's Gwalior Private	4,900	44,878	71,776	4,140	1,195	3-59	22,960	6,731	10	nil	nil
	6% R. C. P. "A"	...	...	...	...	...	...	...	...	nil	nil	nil
	6% R. C. P. "B"	...	...	...	...	...	...	...	...	nil	nil	nil
Hindustan Electric Co.	Dharamsinh & Co.	2,524	16,934	18,926	8,276	91	4-59	1,269	1,286	7	7	6
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Hindustan Lever	Directors	24,155	307,092	367,299	68,410	...	12-58	35,067	28,385	15	14	12 1/2
Indian Cement	Directors	...	...	...	...	...	3-58	94	61	25	25	30
Indian Plastics	Directors	1,436	4,705	7,121	1,766	...	3-59	284	287	nil	nil	3 1/2
	54% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Indian Vegetable Products	F. F. Campbell & Co. Pri.	699	21,834	26,051	1,736	52	9-58	514	670	10	10	10
Indus. Cr. & Invest. Corp.	Directors	378	...	5,722	...	...	12-58	4,922	4,551	4	4	5 1/2
Industrial Investment	Prechand Roychand & Sons	24	...	739	...	52	12-58	640	637	6	5 1/2	5
Jyoti	Adgem Services	1,834	6,934	9,168	2,798	83	12-57	1,200	529	12	10	...
Kemp & Co.	Directors	701	5,005	6,904	1,014	...	3-58	259	245	7 1/2	7 1/2	7 1/2
Killick Industries	Managing Director	...	7,233	6,948	...	...	11-58	3,564	2,995	13	11	11
Machinery Manfrs. Corp.	Mahindra & Mahindra	2,457	2,231	6,287	3,578	...	3-59	499	1,000	nil	nil	nil
	4% Cum. preference	...	...	...	...	...	...	...	...	nil	nil	nil
	44% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Malwa Vanaspati & Chem.	Mohatta Bros.	286	12,395	15,735	1,436	30	12-58	529	450	nil	nil	nil
	6% Debiture	...	...	...	...	...	...	...	...	...	...	...
National Elect. Industries	Navin Kumar Hansraj Pri. Ltd.	1,321	4,853	7,495	4,084	62	3-58	605	564	9	9	9
	41% C. P.	...	...	...	...	...	...	...	...	4 1/2	4 1/2	4 1/2
National Machinery Manfrs.	Directors	7,014	17,881	23,992	6,775	...	12-57	4,041	3,384	nil	nil	nil
National Newsprints & Paper	Directors	...	286	...	...	...	3-58	7,679	7,679	nil	nil	nil
National Rayon Corp.	Chinai & Co. Private Ltd.	7,704	33,247	63,936	4,971	1,601	12-58	19,064	13,674	14	14	14
	Ordry, Partly Paid	...	...	...	...	...	...	...	...	...	...	...
	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
	54% Debiture	...	...	...	...	...	...	...	...	...	...	...
Palampur Veg. Products	Investa Industrial Corp.	...	...	...	...	...	12-57	104	123	nil	nil	nil
	54% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Pioneer Magnesia Works	N. Pestonjee & Co.	141	...	1,030	186	20	12-57	102	80	31	2	4 1/2
	Ordry, Partly Paid	...	...	...	...	...	...	...	...	31	2	4 1/2
Polson Ltd.	Polson Agencies Pvt. Co. Ltd.	960	6,781	10,782	1,751	101	12-58	1,138	1,281	10	10	12 1/2
	6% C. P. T.	...	...	...	...	...	...	...	...	6	6	6
Polychem	Directors	471	6,666	10,781	3,722	...	3-59	2,197	718	6	nil	nil
	74% T. R. C. P.	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2
Radio Lamp Works	Jammal Sons Private	1,590	10,079	11,269	4,935	71	3-58	688	...	9	...	...
	5% C. P.	...	...	...	...	...	...	...	...	5	...	...
	Debitured	...	...	...	...	...	...	...	...	...	...	...
Sanites Chem. Industries	M. B. Amin & Co.	592	1,773	3,170	643	20	12-58	190	81	20 1/2	nil	nil
	5% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Saihe Biscuits	Saihe Food Industries pri. Ltd.	239	2,427	4,080	615	30	3-59	226	403	6	6	6
	Partly Paid	...	...	...	...	...	...	...	...	6	6	6
	7% R. C. P.	...	...	...	...	...	...	...	...	6	6	6

(a) Traffic Revenue. (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income. Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1960 Rs. np.	January 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Alambic Chemicals ...	208 00	156 25	100	6,500	2,800	2,058	53	9,862	14,747	5,635	2,424	7,636	2,577	23	...
64% 1st C. P. ...	86 00	71 40	100	500	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P. ...	79 00	85 50	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P. ...	73 00	72 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Amar Dyechem ...	237 50	110 00	100	5,998	...	110	30	6,047	7,467	1,127	421	5,890	1,684	213	38
6% R.C.P. ...	102 00	98 30	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products ...	...	...	100	2,988	101	2,117	1	7,646	10,760	4,039	6	3,924	2,627	124	...
5% C. P. ...	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement ...	145 50	153 75	100	190,586	21,250	89,691	92	144,736	403,085	146,678	7,672	116,331	19,869	14,589	15,600
Associated Stones Indust ...	22 56	15 60	10	850	1,450	40	33	1,188	1,306	713	91	1,336	1,597	1,143	...
6% C. P. ...	100 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...
Atul Products ...	...	...	100	19,950	...	2,550	38	29,876	32,704	8,568	10,245	10,468	4,902	2,018	...
Automobile Products ...	...	...	10	1,200	...	113	-571	14,666	10,742	1,968	...	8,136	1,340	10	336
5% R. C. P. ...	...	...	100	28,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	388	...	...	...	...	...	...	...	...	...	...	...
Bagalkat Cement ...	8 84	8 52	10	8,414	...	42	1	12,476	19,040	2,457	8	2,270	1,412	87	574
Bharat Line ...	10 08	12 60	10	10,000	6,826	4,337	318	15,614	39,909	17,762	878	2,506	7,921	1,532	2,119
Bombay Burma Trading... Old Shares	...	...	2500	250	6,392	27,983	50	23,720	52,819	22,041	8,365	10,412	14,472	9,92	1,873
New Shares	182 00	170 00	50	4,200	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas ...	...	...	£1	4,000	665	2,375	1	3,329	8,320	3,930	2,945	1,358	1,439	238	...
Bombay Potteries & Tiles	144 00	116 25	100	1,418	40	389	5	918	2,744	1,329	10	566	215	1,569	...
64% C. P. ...	76 00	76 00	100	113	...	...	...	...	...	...	...	...	...	...	...
41% C. P. ...	58 00	60 50	100	863	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit ...	405 00	500 00 N	200	240	...	64	1	168	584	427	261	...	17	37	...
Bombay Uganda Co. ...	49 00	47 00	80	1,596	...	200	31	613	266	148	1	2,110	59	14	...
W. H. Brady & Co. ...	330 00	300 00	150	4,500	2,150	3,942	84	6,479	1,133	539	3,499	6,572	4,845	1,630	...
Burma Shell ...	...	...	100	138 200	80,000	26,560	5,397	68,179	258,284	61,024	...	28,553	164,247	2,429	5,844
24% Debentures	...	...	100	43,000	...	13,254	15,223	57,600	141,377	13,307	...	17,597	812	1,598	...
Caltex Oil ...	...	...	100	20,000	...	...	...	...	...	...	...	...	...	...	...
54% Debenture	...	...	100	800	600	721	3	904	2,332	1,584	1	1,446	780	54	...
G. G. Claridge & Co. ...	200 00	170 00	100	399	105	118	1	543	1,088	599	278	169	311	270	...
G. G. Dandekar Mce. Works	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...
Partly Paid Ordry	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	...	...	10	194	82	29	5	388	446	102	424	2	119	46	...
Dalhi Safe Deposit	10 60	10 00	7	37	...	...	...	...	...	...	...	...	...	...	...
Ordry P.P. ...	7 00	...	100	200	...	...	...	...	...	...	...	...	...	...	...
6% C.P. ...	100 00	...	25	2,500	85	...	1	504	...	...	...	...	...	...	105
Dena Invt. ...	11 48	11 00	50	1,369	1,020	304	7	3,206	4,856	3,254	21	2,449	1,341	5	...
Dharamsi M. Chemical ...	120 00	80 50	100	13,410	3,500	2,142	58	21,557	39,845	14,932	5,234	10,488	6,699	155	1,212
Digvijay Cement ...	141 06	130 50	100	7,994	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	90 50	84 30	100	55,000	1,450	6,015	30	20,699	68,251	14,026	6,017	57	10,345	8,045	4,505
Eastern Shipping Corpn.	46 00	36 50	50	1,497	3,15	7	22	15,50	28,61	1,941	3	17 66	12,81	70	3,50
5% C. P. ...	36 50	33 50	50	997	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping ...	17 88	24 08	10	9,000	7,500	12,975	334	57,918	87,620	17,430	274	116	4,187	15,510	...
51% R. C. P. ...	98 00	96 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co. ...	133 00	110 50	100	13,500	2,700	1,516	25	20,079	1,740	589	15,867	9,115	29,368	3,186	...
5% C. P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gwalior Rayon ...	25 25	13 76	10	25,030	...	6,335	1,263	14,522	62,030	36,854	45	17,293	8,53 3	11,149	...
6% R.C.P. 'A' ...	103 25	...	100	15,000	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. 'B' ...	...	...	100	76	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co. ...	111 50	105 50	100	4,000	300	114	57	12,342	6,224	2,193	236	8,743	5,518	290	...
6% C. P. ...	82 00	81 00	100	1,998	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever ...	35 75	28 00	10	55,700	4,132	7,917	13,502	49,105	52,761	16,648	4	75,830	15,217	2,291	...
Indian Cement ...	25 00	26 00	10	152	100	50	2	124	142	178	...	52	57	...	...
Indian Plastics ...	...	...	10	2,988	10	19	2	4,512	4,920	1,593	...	4,364	1,955	91	...
54% Cum. preference	...	...	100	2,250	...	...	...	...	...	...	...	...	...	...	...
Indian Vegetable Products	161 00	114 00	100	2,117	276	465	5	1,796	2,714	2,030	79	2,300	1,530	67	...
Indus.Cr. & Invest. Corp.	65 00	78 00	101	50,000	2,000	120	177	84,172	143	73	49,901	25,507	60,576	...	...
Industrial Investment ...	73 00	85 00	100	9,999	2,022	192	...	805	20	16	12,686	235	94	...	...
Jyoti ...	176 00	137 00	100	2,000	100	1,131	31	3,536	3,715	1,280	120	2,851	1,386	7	...
Kemp & Co. ...	288 75	215 00	200	1,200	350	274	26	1,782	2,597	1,303	12	1,113	1,156	57	...
Killick Industries ...	115 00	153 50	100	10,624	500	2,934	9	9,518	4,350	1,445	16,523	1,126	2,334	38	459
Machinery Manfrs. Corpn.	...	...	100	3,626	488	-2,438	...	9,459	13,643	...	21	5,082	750	398	63
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...
44% C. P. ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspathi Chems.	...	...	10	3,134	...	...	-1,381	2,716	5,155	1,631	29	2,157	131	127	...
6% Debentures	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
National Elec. Industries	76 00	75 00	100	542	125	647	22	3,622	2,449	1,036	299	2,377	1,633	24	...
44% C. P. ...	80 00 N	80 00 N	100	...	...	...	30	18,743	27,078	7,081	234	19,649	3,850	292	...
National Manchy. Manfrs.	...	...	10	12,748	...	74	-17,321	64,225	49,495	7,871	3	4,936	4,687	6,177	2,300
National Newsprint & Paper	...	...	100	16,062	4,600	11,022	97	20,382	109,432	43,200	110	19,693	2,946	1,981	...
National Rayon Corpn. ...	385 50	244 50	81	6,331	...	...	...	...	...	...	...	...	...	...	...
Ordry Partly Paid	...	...	100	17,425	...	...	...	...	...	...	...	...	...	...	...
54% Cum. Preference	72 00	73 50	100	150,00	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	101 50	101 50	10	1,500	...	...	-2,617	3,051	2,727	...	10	165	3	...	28
Palampur Veg. Products...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
51% C. P. ...	...	...	100	1,189	11	66	2	749	1,455	708	480	456	305	17	2
Pioneer Magnesia Works...	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...
Ordry. Partly Paid	...	...	100	2,695	966	1,440	48	1,377	6,553	1,635	3	2,356	628	620	...
Polson Ld. ...	141 50	80 07	101	2,000	...	733	18	3,289	5,913	840	5	4,034	1,712	1,214	...
6% C. P. T. ...	80 00	69 70	50	4,000	...	...	...	...	...	...	...	...	...	...	...
Polychem ...	175 30	50 00 N	50	3,997	...	...	...	...	...	...	...	...	...	...	...
71% T.R.C.P. ...	50 00	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Radio Lamp Works ...	114 00	109 00	101	2,500	94	144	12	9,108	1,262	346	2,934	5,360	3,566	186	7
5% C.P. ...	74 00	65 00	100	738	...	...	...	...	...	...	...	...	...	...	...
Deffered ...	...	...	10	173	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus. ...	...	...	50	1,362	...	25	9	1,665	1,865	276	...	1,341	599	42	...
5% C. P. ...	...	...	50	511	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits ...	100 00 N	100 00 N	100	473	...	219	29	1,559	3,110	926	1	637	402	66	...
Partly Paid	50 00 N	50 00 N	50	511	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P. ...	94 20	90 00	100	506	...	...	...	...	...	...	...	...	...	...	...

INDUSTRIALS—Contd.

NAME	Managing Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit		Dividend per Cent		
								Latest	Previous	Latest	Previous	Previous
								Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Scindia Steam ...	Directors	20,185	117,260	176,653	...	...	6-59	36,513	39,539	6 1/2	6 1/2	6 1/2
Shangrila Food Products ...	4 1/2% Debentures	323	788	2,018	123	...	3-58	287	432	nil	nil	nil
Shivrajpur Syndicate ...	Directors	4,491	...	13,09	2,319	292	11-58	3,717	3,297	80	80	80
Sirpur Paper ...	Birla Bros. Private	4,614	11,805	27,921	671	4.33	6-58	5,854	3,151	6 1/2	5	5
Supreme Industries ...	6% R. C. P.	168	2,159	1,743	1,025	8	3-59	220	141	9	7 1/2	6
Tata Chemicals ...	Mody & Co.	5,538	10,178	35,227	...	445	6-59	6,438	(a)24,557	7 1/2	7 1/2	8
Tata Oil Mills ...	5% Cum. Pref.	9,777	39,651	65,108	1,276	455	3-59	4,865	3,137	13	10	10
United Salt Works & Indus.	5% Debentures	521	...	3,528	247	30	9-57	124	26	4 1/2	4 1/2	4 1/2
Volta Ltd.	Tata Industries Private	16,492	164,838	196,649	3,046	898	8-58	7,941	7,821	9	9	11
Western India Match ...	Salt & Industry Agency Pr. Lt.	18,064	116,604	156,872	...	...	12-58	9,546	8,605	11	11	11
West Coast Paper ...	Directors	1,305	4,514	6,859	1,741	54	3-58	586	428	7	7	7
Zandu Pharmaceutical Works	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
NORTHERN INDIA												
Alkali & Chemical ...	Imp. Ch. Industries Private	2,872	12,517	26,310	6,630	...	9-58	6,132	5,111	8	8	8
All India Finance & Commerce	5% Cum. preference	30	...	1,69	...	20	5-56	96	88	7 1/2	8	8
Aluminium Corpn.	Kayell Sival & Co.	3,650	3,157	12,578	3,555	295	3-59	3,590	2,720	10	9	9
Amrit Banaspati ...	Ordinary	2,06	354.43	367.26	66.68	18	3-55	22.07	19.54	nil	nil	nil
Anderson Wright ...	J. K. Industries Private Ltd.	94	...	10,162	39	...	12-57	279	(a)732	3 1/2	4	4 1/2
Anglo Brothers ...	6% Cum. preference	718	14,935	17,190	...	134	8-59	1,228	1,126	20	15	18
Ashoka Cement ...	5% Debentures	865	3,004	10,756	1,820	...	3-59	1,204	52	4 1/2	nil	nil
Assam Bengal Cement	61% Debentures	672	3,221	6,246	624	1	3-57	953	1,444	nil	nil	nil
Assam Match Co.	Eastern Corporation Private	1,663	13,133	17,744	692	...	12-58	1,179	1,225	12 1/2	12 1/2	12 1/2
Assam Saw Mills	Deferred	521	...	3,125	791	...	9-57	172	174	nil	nil	nil
Assam Sillimanite	4% Debentures	322	276	2,002	294	36	3-58	411	311	nil	nil	nil
Associated Hotels	5% Cum. preference	1,463	1,627	6,397	227	93	3-58	956	1,067	6	6	12
Associated Mining	7% Cum. preference	25,612	100	114	9	...	12-57	123	324	4 1/2	11	11
Ballarper Paper	61% Debentures	1,475	5,895	15,199	374	339	6-57	4,500	4,579	nil	nil	nil
Balmer Lawrie & Co.	Directors	8,811	107,975	128,705	6,138	...	12-59	4,908	3,054	20	15	15
Bararoe coke	5% R. C. P. P.	802	1,975	3,459	507	30	3-58	206	327	5	8 1/2	13
Bathgate & Co.	Jardine Henderson	319	795	1,619	545	...	12-57	31	17	nil	nil	nil
Bihar Rice Mills	Directors	932	1,814	3,629	...	53	6-54	36	33	nil	nil	nil
Bengal Chemicals	Andrew Yule & Co. Ltd.	28,02	82,42	145,99	38,70	...	4-54	15,12	14,44	6	6	6
Bengal Flour	7% Cum. preference	627	18,305	21,623	651	157	12-58	1,464	2,178	25	25	25
Bengal Paper	4 1/2% Debentures	4,341	8,872	26,331	481	276	12-58	3,813	2,156	22	12 1/2	10
Bengal Potteries	7% Cum. preference	3,299	1,957	12,066	1,221	130	12-58	1,554	1,391	10	10	10
Bengal Timber	6% 'B' R. C. P. T.	10	...	13	5	...	6-58	15	142	nil	nil	nil
Bhagwati Pressing	Ord. P. Paid	8	...	1,57	7	...	12-57	114	172	5	5	5
Bharat Carbon & Ribbon	8% Cum. preference	481	4,910	4,531	1,955	26	12-58	285	210	9	9	7
Bharat Commerce	5% Cum. preference	584	3,298	3,118	479	...	12-57	(a)138	130	nil	nil	...
Bharat Nedbi	7% C. P.	...	...	2,903	577	...	12-58	2,743	1,863	6	5	5
Bharat Starch & Chemical	6% C.P.T.	403	4,847	6,009	1,402	28	1-58	509	56	6	6	6
Bharat Company	Directors	...	...	713	...	12	3-54	2,68	(a)365	5 1/2	5 1/2	5 1/2
Birds Investments	Loveclark & Lewis	5,536	...	11,256	637	155	3-59	1,629	1,130	18 1/2	17 1/2	17 1/2
Biers Stone Lime	Bird & Co. Private Ltd.	...	...	20,435	4,800	...	3-59	3,580	2,904	14	12	10
Britannia Biscuits	Directors	...	...	...	...	...	...	...	...	8	8	8

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1960	January 1959			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
	Rs. np.	Rs. np.													
Scindia Steam	16 84	21 40	20	112,799	8,000	100,600	360	191,384	320,226	83,584	88,593	3,310	53,532	53,352	15,192
4 1/2% Debentures	99 60	98 00	...	37,478	...	...	...	...	...	...	...	...	...	...	...
Shangrila Food Products	...	...	100	1,700	...	...	1,299	3,672	4,047	616	32	544	323	30	13
5% C. P.	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Sripur Paper Syndicate	83 00	88 00	10	700	2,000	5,922	58	5,544	9,216	3,375	302	4,282	2,335	1,357	107
6% R.C.P.	13 44	13 28	10	21,855	4,815	309	19	30,230	39,385	11,056	75	8,947	3,928	170	19,826
Supreme Industries	88 00xd	100 00 N	100	4,048	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	140 00	120 00	100	622	...	272	2	1,327	1,457	379	130	1,062	395	20	...
Tata Chemical	71 80	72 00	100	462	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	15 24	15 28	10	25,172	526	2,508	7	28,857	49,541	18,653	1,878	19,797	6,431	886	5,690
5% Debentures	98 00	91 00	100	5,997	...	...	...	...	...	...	...	...	...	...	...
Tata Oil Mills	98 25	99 00	...	2,500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	60 00	44 75	25	7,007	1,842	2,295	12	35,371	23,911	14,584	1,175	25,394	10,832	2,215	574
United Salt Works Ind.	59 00	60 00	100	2,989	...	...	...	...	...	...	...	...	...	...	...
Volta	...	...	250	1,335	2,125	1,231	18	954	7,384	4,014	255	725	234	1,063	...
Western India Match	191 50	139 50	100	25,500	1,300	267	109	93,591	7,650	1,644	260	53,837	57,937	2,486	241
West cost Paper	240 00	187 00	100	27,500	9,500	6,227	163	21,700	44,223	17,637	71	18,680	11,048	7,381	1,371
6% C.P.	156 00	111 50	100	9,993	...	...	...	26,603	34,469	...	...	1,966	2,145	849	3,930
Zandu Pharmaceutical W.	114 50	96 30	100	5,999	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	112 00	114 00	100	1,500	504	397	4	1,980	2,527	1,083	412	1,741	1,221	69	...
NORTHERN INDIA															
Alkali & Chemical	22 81	18 12	10	30,997	2,800	5,770	109	21,124	44,567	7,302	...	12,077	4,392	5,036	5,130
5% Cum. Preference	102 50	102 00	100	3,100	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	300	53	18	...	13,21	36	8	73	10,66	7,76	68	...
Ord.	...	...	10	128	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. P.	...	...	10	5,750	...	17,996	52	5,647	38,999	11,044	798	5,121	1,914	3,399	...
Aluminium Corpn.	14 75	11 12	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	100 00	85 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	75 80	63 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	6 69	5 25	2 1/2	250	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	920 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debenture	...	...	1000	3,500	...	...	...	...	...	...	...	...	...	...	...
Amrit Banaspati	...	...	10	5,325	19,25	3,83	14,14	152,86	160,85	53,32	36,36	85,91	25,33	1,40	...
6% C. P.	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	100	...	...	...	...	...	...	...	...	...	...	...
Anderson Wright	...	...	10	2,000	350	1,100	8	7,074	84	49	5,336	39	3,910	16	4,194
4 1/2% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Anglo Brothers	21 81	19 37	10	5,990	2,530	1,414	225	2,578	3,606	2,556	1,025	2,169	3,473	2,020	...
Ashoka Cement	8 44	8 06	10	4,750	322	3	11,233	17,294	673	2	4,225	1,326	28	96	...
6 1/2% Debentures	...	...	2 1/2	4,314	1,054	259	844	7,450	14,159	6,785	5,34	1,945	3,451	3,588	...
Assam Bengal Cement	5 75	3 31	10	471	...	...	...	...	...	...	...	...	...	...	...
Deferred	1 06	0 72	1	2,498	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	3,000	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	125
Assam Match Co.	17 75	17 31	10	1,400	720	2,059	4,90	1,430	3,279	1,361	...	2,107	1,010	60	24
Assam Saw Mills	3 19	4 56	3	3,000	...	...	...	1,489	2,863	1,113	821	220	201	...	...
Assam Sillimanite	11 37	10 31	10	2,167	1,000	2,685	155	3,030	10,572	4,222	4,279	794	1,545	788	...
Associated Hotels	6 00	50 00	100	2,200	...	...	...	...	...	...	...	...	...	...	...
7% C. P. T.	50 80	50 00	100	520	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	850 00	920 00	1000	892	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	920 00	8 75	10	500	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	7 85xd	29 75	50	410	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	33 50xd	5 22	5	...	...	...	...	...	...	...	...	...	...	...	...
Deferred	4 98xd	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bellapur Paper	41 75	25 50	25	5,708	...	428	2,602	12,247	24,208	16,269	1,000	4,169	2,374	1,276	894
5% R.C.P.P.	117 00	...	100	1,809	...	...	...	...	...	...	...	...	...	...	...
Belmer Lawrie & Co.	200 00	143 00	100	8,001	6,564	1,077	503	19,342	7,447	3,877	11,377	7,068	12,049	1,725	...
Benares coke	16 69	11 81	10	1,200	800	50	57	3,514	3,347	6	1,163	1,071	501	...	...
Balgate & Co.	1 00	...	10	2,000	...	17	48	820	2,313	1 169	2	1,047	567	27	...
6% C. P.	29 50	19 00	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 00	1 50	10	1,692	...	...	4,34	3	7,69	4,95	9,60	1	13	2	...
Bengal Assam Steamship.	88 50	109 00	100	2,000	825	9,106	89	1,820	12,259	2,072	256	26	841	2,831	...
7% C. P.	60 00	58 00	60	300	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	107 00	95 00	100	4,533	19,50	21,55	11,44	54,56	104,59	47,91	16,62	46,92	63,31	4,79	...
7 1/2% C. P.	12 31	11 75	10	900	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	72 00	76 50	100	1,191	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	36 12	30 45	10	1,200	1,700	260	219	1,022	3,487	2,867	35	846	1,954	946	...
Bengal Paper	90 50xd	87 50	25	4,500	3,800	325	93	7,039	22,092	16,354	129	6,863	3,883	489	1,319
7% C. P.	43 25xd	46 75	50	200	...	...	...	...	...	...	...	...	...	...	...
7 1/2% A. C. P.	95 50xd	103 50	100	400	...	...	...	...	...	...	...	...	...	...	...
6 1/2% B' R. C. P. T.	66 90xd	62 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	500	84	...	...	...	...	...	...	...	...	...	...	...
Bengal Potteries	5 37	4 06	2 1/2	5,523	293	716	...	11,669	14,747	4,132	...	3,504	3,870	212	...
Ord. P. Paid	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	15 25	10 00	100	300	...	...	961	395	567	567	64	5	358	9	...
8% C. P.	30 40	30 00	100	400	162	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	4 10	4 00	100	300	...	...	...	227	1,018	253	75	...	165	84	...
5% C. P.	35 00	...	10	250	...	102	3	3,312	1,267	445	83	2,079	1,791	16	...
Bharat Carbon & Ribbon	...	...	100	340	...	...	...	...	...	...	...	...	...	...	...
B. Ord.	...	...	100	380	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
7 1/2% B' C. P.	...	...	10	5,000	...	...	4,119	1,774	4,171	86	...	769	739	62	...
Bharat Commerce	12 50	5 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	10	14,777	...	1,673	36	11,211	70	45	16,692	577	13,641	872	...
Bharat Nidhi	8 12	5 31	100	5,357	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	53 00	51 00	100	1,000	378	69	1,601	6,008	3,581	2,052	38	3,635	687	26	33
Bharat Starch & Chemical	8 06	8 06	10	2,100	50	...	9	79	...	...	...	12,92	8,59	69	...
Bhartia Company	34 75	44 75	100	2,600	227	622	15	1,435	...	...	...	...	...	...	...
Birds Investment	15 94	13 00	10	2,400	...	...	...	...	...	...	6,518	...	138	43	...
5 1/2% C. P.	59 00	53 60	100	1,000	300	3,568	36	5,085	8 122	3,830	6	2,014	3,248	133	293
Bisra Stone Lime	38 00	27 00	10	4,597	2,600	2,005	216	4,003	11,785	4,856	200	2,864	2,233	2,578	31
Britannia Biscuits	25 81xd	20 12	10	15	...	...	...	...	...	...	...	...	...	...	...
9 30xd	...	10 10	10	...	...	...	...	...	...	...	...	...	...	...	...
8% Cum. preference	99 0%	96 00	...	1,400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit		Dividend per cent.		
								Latest	Previous	Latest	Previous	Second previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Dr. Burma Petroleum & Br. Ceylon Corp.	A. T. C. Invt. Co. Directors	...	...	842	...	...	3-59 12-57	13 509	31 1,482	nil 6	2 15	nil 15
British India Corp.	6% Cum. Part preference Directors	178.72	428.71	79,095	37,754	...	12-57	(1)1,857	(1)9,542	nil 2	15 15	15 15
Brahmawar	8% Cum. preference Begs Sutherland & Co. Pri. Ld.	145	142	515	188	1	11-58	14	23	5	74	8
Burma Line	S. C. Chunder & Co. Partly Paid	18	70	2,44	24	...	9-54	31	30	nil	10	10
	6% Debentures	...	...	...	...	...	...	...	...	nil	nil	nil
Calcutta Chemical	Directors	2,003	7,889	13,138	2,235	...	6-58	772	760	12	12	...
	6% C.P.	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Calcutta Credit Corp.	Jainarain Ram Chander	638	...	9,288	1,927	63	6-58	836	889	40	20	10
	5 1/2% I. C. P.	...	...	...	...	...	...	...	...	6	6	6
	6% C. P.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Calcutta Gas Co.	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Soorajmull Nagarmull	...	...	1,093	...	120	9-57	811	7.8	5	6	6
	5 1/2% R.C.P.T.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic	Andrew Yule & Co.	...	...	81	...	...	6-58	95	47	5	3	nil
Calcutta Investment Co.	Ramduitt Ramkissendass	...	...	343	...	3	12-54	7.11	3.95	2	1	1
Calcutta Landing & Shipping	Gladstone Lyall	755	348	1,778	...	59	10-57	590	586	15	15	8 1/2
Calcutta Safe Deposit	Amritlal Ojha & Co.	89	...	332	...	9	3-58	105	106	5	5	5
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Calcutta Steam Nav'g	Hoare Miller & Co.	1,183	...	2,505	...	...	6-58	636	654	10	13	12 1/2
Cambay Invt.	Cambay Trading Co.	...	...	8,124	5,120	3	10-58	957	1,091	10	10	10
Camberdown Pressing	Pyne & Co.	2	...	60	...	12	7-57	15	34	3	4	3
Central Hydraulic	Andrew Yule & Co.	13	...	161	...	123	6-58	58	137	6	10	6
Chatter Chhatrak Ropeway	Tantia Bros. Private	...	...	1,192	123	15	3-59	...	99	nil	5	10
Chartered Mica Indus	Ram Kumar Agarwala & Bros.	...	10,503	14,269	4,037	163	12-57	1,575	1,735	7 1/2	7 1/2	6 1/2
	5 1/2% Cum. preference	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
	Deferred share	...	...	...	...	...	...	...	...	10	10	7 1/2
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Clive Buildings	Gillanders Arbuthnot & Co.	97	...	643	...	36	12-58	278	243	3 1/2	2 1/2	3 1/2
	Management Shares	...	...	...	...	...	...	...	...	30 1/2	26 1/2	35
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Clive Row Invt.	Andrew Yule & Co., Ld.	...	...	1,546	...	90	3-59	1,306	1,227	8 1/2	7 1/2	7 1/2
Dalmia Cement (Bharat)	Hari Brothers Private Ld.	...	...	19,684	1,998	...	12-58	(a20)4,622	6,379	10	12 1/2	12 1/2
	6% Cum. preference	...	...	...	...	...	...	...	...	6	7	7
	Deferred	...	...	...	...	...	...	...	...	10	12	12 1/2
Darjeeling Properties	Goenka & Co.	...	...	12	...	...	3-58	—16	—3	nil	nil	nil
	6% preference	...	...	...	...	...	...	...	...	nil	nil	nil
Darjeeling Ropeway	Goenka & Co.	...	...	161	...	11	3-58	85	65	7 1/2	7 1/2	5
Dalhi Flour Mills	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
	Directors	432	23,322	24,110	595	...	10-58	282	388	10	10	10
	7% Cum. preference	...	...	...	...	...	...	...	...	7	7	7
	7% Debentures	...	...	...	...	...	...	...	...	...	...	...
	7% Debentures	...	...	...	...	...	...	...	...	...	...	...
Dhruvachitra Chem. Works...	Sahu Bros. Private	3,570	8,206	12,874	1,460	...	3-58	920	1,828	6	7 1/2	9
	8% R. C. P.	...	...	...	...	...	...	...	...	6	6	6
Duncan Brothers	Directors	...	...	26,203	441	...	12-58	3,112	3,774	10	11	11
	4% Cum. preference	...	...	...	...	...	...	...	...	4	4	4
Dunlop Rubber Co.	Directors	24,426	135,917	223,216	...	...	12-58	20,204	19,468	16 1/2	16 1/2	15
	6% Cum. preference	...	...	...	...	...	...	...	...	6	6	6
	6% Cum. preference Tan	...	...	...	...	...	...	...	...	6	6	6
	6 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
East India Hotel	Oberoi Hotels Private	125	228	639	...	...	3-59	80	16	nil	nil	nil
	6% Cum. preference	...	...	...	...	...	...	...	...	nil	nil	nil
Eastern Investments	Bird & Co. Private Ld	...	...	1,520	...	6	12-58	(1)1,551	1,186	9	9	9
	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
Eastern Manfg. Co.	McLeod & Co. Ld.	19,22	19.19	78.33	3.73	1.10	12-54	10.44	2.25	7 1/2	3	3
	6% Cum. preference	...	...	...	...	...	...	...	...	6	6	6
Electric Construction	Directors	1,326	5,866	8,124	5,121	...	11-58	957	1,092	10	10	10
Frank Ross	Directors	215	3,145	3,699	1,012	...	2-58	64	66	nil	nil	nil
	4 1/2% Cum. preference	...	...	...	...	...	...	...	...	nil	nil	nil
Fraser & Co.	Kilburn & Co	...	...	1,297	...	20	3-59	271	—323	nil	nil	7 1/2
French Motor	Mg. Director	1,819	33,816	39,096	5,634	...	3-58	1,268	1,330	12 1/2	12 1/2	12 1/2
Ganges Rope	Macneill & Barry Ld.	1,541	4,836	7,557	1,517	87	3-59	867	8.34	17	15	12 1/2
General Invt. & Trust	Bird & Co. Private	...	...	42	...	3	2-59	30	10	3 1/2	2 1/2	7 1/2
	5% Cum. preference	...	...	...	...	...	...	...	...	5	5	5
	6% Cum. preference Tan	...	...	...	...	...	...	...	...	6	6	6
Gillanders Arbuthnot	Directors	3,335	15,187	23,816	3,377	...	3-59	2,555	2,170	10	10	10
	5% R. C. P. T.	...	7.86	...	...	...	...	...	...	5	5	5
Gladstone Lyall & Co.	Directors	12,30	...	...	...	...	12-54	3.00	3.08	3 1/2	3 1/2	5
	6% C. P. T.	...	...	52,684	264	...	12-58	2,984	2,139	6	6	6
Godfrey Phillips	Directors	1,742	10,971	...	...	...	...	...	...	20	15	20
	5 1/2% C. P. T.	...	...	7,357	362	40	3-59	...	...	5 1/2	5 1/2	5 1/2
Great Eastern Hotel	B. P. R. Syndicate	...	...	...	...	...	...	725	754	6	6	6
Hindusthan Building	Directors	...	...	288	60	...	7-58	291	121	4	4	2 1/2
	4% C. P.	...	...	...	...	...	...	...	...	4	4	4
Hindusthan G. E. Corpom.	K. C. Thapar & Brothers	...	...	2,849	861	...	7-57	233	—372	nil	nil	nil
	5% c. p. p.	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
Hindusthan Housing	Jainarayan Ramchander	8	...	...	...	26	3-53	33	49	1 1/2	1 1/2	1 1/2
	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Ice	R. N. Jhunjhunwala	40	1.21	2.69	...	18	9-54	65	37	nil	nil	nil
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1960 Rs. np.	January 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Out Standing Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Continued)															
Dr. Burma Petroleum (£)	1 80	1 81	40	562	2,500	182	2	205	8,925	3,680	761	37	158	...	
Br. Ceylon Corporation ...	7 00	6 12	10	3,500	6,185	163	2,306	...	1,685	7,657	1,233	585	...		
0% Cum. Part Pref.	8 20	8 20	10	1,750	4,000	10,213	-1,136	49,158	35,140	24,721	14,163	46,827	22,263	8,745	418
British India Corporation ...	5 75	4 12	5	32,500	170	151	6	60	243	241	129	230	123	1	...
8% Cum. preference	106 00	98 00	100	100	10	...	6	96	4,81	1,09	2	66	63	7	...
Brushware ...	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...
Burma Lime ...	8 25	7 50	5	63	...	...	...	...	...	...	...	...	...	...	...
Partly Paid	...	...	1000	135	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Chemical ...	16 00	15 00	10	963	901	1,750	111	4,255	3,042	1,339	1,968	2,235	1,874	766	...
6% C. P.	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	...	...	10	337	...	...	...	...	...	...	...	...	...	...	...
Calcutta Credit Corp.	9 44	4 12	10	500	1,250	66	129	5,885	892	402	65	2,028	5,761	121	...
6% C. P.	51 00	50 00	100	200	...	...	...	...	...	...	...	...	...	...	...
51% T. C. P.	34 50	40 00	100	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	100	335	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	5 06	8 25	10	6,500	100	...	37	2,658	1	1	11,616	...	2,725	853	100
51% R. C. P. T.	63 00	45 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00N	810 00N	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic	...	...	100	830	...	52	4	78	14	14	893	...	2	39	...
Calcutta Investment Co.	43 70Nad	47 35xd	100	5,500	19 00	4 12	95	24 40	17 50	4 10	...	45 95	43 91	22	...
Cal. Landing & Shipping	12 31	13 87	10	625	290	175	36	1,650	1,910	1,310	142	50	1,314	670	...
Calcutta Sales Deposit	7 87	7 81	10	742	14	105	3	467	1,406	199	46	...	128	15	...
1/2% Debentures	...	...	1000	65	...	...	...	...	...	...	...	...	...	...	...
Calcutta Steam Nav'n.	13 37	12 62	10	1,260	524	673	105	1,815	7,611	4,261	...	197	828	4	...
Cambsay Inv't.	100 00	101 00	100	2,000	...	2,130	85	6,477	1	1	4,242	63	2,368	18	...
Camperdown Pressing	163 00	118 00	100	430	85	2	13	50	689	491	165	33	183	...	...
Central Hydraulic	...	...	100	500	...	125	5	81	843	698	506	...	22	33	...
Cherra Chhatak Ropeway	6 25	6 25	5	475	470	2	-19	442	1,248	1,050	11	211	924	27	...
Christian Mica Indusa	9 61	10 31	100	3,000	1,000	4,084	247	11,262	7,409	1,649	4,675	5,071	9,955	132	...
51% Cum. preference	47 00	56 57	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Deferred share	5 64	...	1000	1,500	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	830 00	830 00	150	1,500	...	...	...	...	...	...	...	...	...	...	...
Clive Building	...	...	15	15	261	961	118	536	4,887	795	414	...	52	430	...
Management Shares	...	...	500	1,598	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	410 00	410 00	10	13,880	1,000	330	334	5,361	...	...	19,357	...	698	20	...
Clive Row Inv't.	9 05	11 69	...	...	...	...	...	...	...	...	...	...	...	...	...
Dalmia Cement	11 12	9 62	10	14,422	2,595	2,424	22	24,963	13,621	5,018	18,814	9,812	3,213	1,489	9,158
6% Cum. preference	8 87	...	10	6,158	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 00	2 44	10	500	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties	5 06	1 00	10	532	...	7	-116	54	528	55	1	...	32	3	2
6% preference	4 00	4 00	10	34	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Ropeway	7 73	5 87	10	248	33	15	1	87	413	198	15	25	113	6	10
1% Debentures	...	...	500	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills	15 00	16 00	10	560	1,000	...	3	1,725	3,964	2,655	521	768	1,516	95	...
7% Cum. preference	...	...	100	90	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	330	...	...	...	...	...	...	...	...	...	...	...
Thranagachia Chem. Works	160 00	108 00	100	6,425	4,900	1,431	10	11,162	14,865	5,790	...	5,578	5,655	2,075	5,749
6% R. C. P.	...	...	100	4,204	...	...	...	...	...	...	...	...	...	...	...
Dunlop Brothers	117 00	122 00	100	9,000	6,750	3,265	390	10,621	2,794	1,033	18,174	441	10,935	5,215	...
4% Cum. preference	56 00	55 75	100	4,500	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co.	36 25	29 87	100	30,000	35,410	11,101	2,246	37,112	87,740	29,757	1,371	50,330	33,348	290	...
6% Cum. preference	111 00	111 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	87 00	81 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax	105 50	104 60	100	20,455	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	10	4,655	...	...	-9	542	2,950	39	...	27	41	147	3,296
East India Hotel	...	...	100	1,249	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	...	...	100	5,126	...	...	325	2,687	...	...	16,231	...	74	...	...
Eastern Investments	144 00	152 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	72 50	75 00	100	850	5,00	3,70	10	16,10	28,71	19,24	1	17,29	5,21	1,09	35
Eastern Manufacturing Co.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
4% Cum. preference	12 87	11 25	10	2,538	650	36	30	5,986	2,190	1,030	20	5,272	2,762	25	2
Electric Construction	...	...	6	495	...	55	1	657	199	125	...	1,012	310	38	...
Frank Ross	2 75	1 87	100	275	...	...	...	...	...	...	...	...	...	...	...
41% Cum. preference	41 00xd	36 50	100	605	200	461	-331	308	1,432	526	1	...	342	3	...
Fraser & Co.	13 25	11 56	10	3,000	400	1,544	226	7,742	2,945	1,492	939	5,634	3,509	377	...
Franch Motor	24 38	24 38xd	20	...	...	...	...	...	...	...	...	...	...	...	...
Ganges Rope	208 00	175 50	100	1,400	200	939	23	3,223	3,747	2,170	3	2,270	1,920	15	...
General Inv't. & Trust	...	...	75	225	18	38	16	57	...	...	544	...	4	5	...
5% Cum. preference	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	11 31	11 25	10	6,500	2,000	1,920	157	23,489	2,997	1,424	11,482	3,619	16,680	1,411	1,800
6% R. C. P.T.	35 50	54 50	100	2,500	...	...	7	53,51	10,57	4,44	30,96	14,19	39,44	4,42	17,80
Gladstone Lyall & Co.	...	...	10	3,827	3,80	3,16	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	160	1,415	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	10	4,000	...	1,107	1,035	7,347	6,842	3,678	...	9,018	4,130	115	69
Godfrey Phillips	20 75	19 25	100	3,000	...	...	17	1,287	8,667	4,092	2	479	816	172	...
61% C. P. T.	63 00	58 00	100	3,000	1,000	740	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	250 00xd	250 00	250	...	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Building	5 00	4 62	10	1,500	12	...	1	596	8	3	1,471	...	356	33	1,194
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindusthan C. E. Corp.	...	...	10	1,900	...	...	-3,658	8,897	4,905	879	...	3,731	742	48	732
5% C. P.	...	...	100	845	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	175	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Housing	...	...	75	1,500	...	...	2	6,38	23,87	1	2,50	...	4,67	38	...
4% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Ice	1 05	0 90	5	1,000	45	1,00	-3,57	1,73	22,57	10,00	...	31	1,33	26	13
5% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
Hindusthan Pilkington ...	Talukder Law & Co Private ...	355	2,940	6,045	176	...	10-57	1,159	1,238	6	nil	nil
Hindusthan Woollen ...	Directors ...	6	...	182	...	...	3-58	135	96	1	11	11
Hoare Miller ...	Directors ...	1,154	88,701	91,673	1,534	...	12-58	499	499	5	5	nil
Hooghly Flour ...	Shaw Wallace & Co. ...	560	10,181	11,604	774	64	12-58	634	732	40	45	261
Hooghly & Ganges Hyd. ...	B. N. Elias & Co. ...	78	42	1,53	...	...	6-54	43	1,08	nil	21	5
	4 1/2% R. C. P. ...	...	...	...	...	...	...	...	...	41	41	41
	4% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Imperi Tobacco ...	Directors ...	...	...	344,605	100,702	...	3-59	33,334	35,680	6	7	...
India Genl. Navigation & ...	Kilburn & Co. Private ...	...	...	3,523	...	...	12-57	56	(i)-10	nil	nil	5
	6% C. P. ...	...	...	...	...	...	...	...	...	nil	nil	6
India Linoleum ...	Hindusthan Investment ...	2,76	12,01	23,83	9,07	...	3-56	6,19	2,01	nil	nil	nil
India Paper Pulp ...	Andrew Yule & Co. Ltd. ...	...	...	15,103	1,102	202	3-59	(u)3,358	(u)1,578	10	10	14
India Steamship ...	Lionel Edwards Private ...	6,821	45,920	81,392	...	659	3-59	(a)15,623	23,434	10	10	10
	5% R. C. P. ...	...	...	...	...	...	...	...	...	5	5	5
India Aluminium ...	Directors ...	10,147	41,718	74,297	...	...	12-58	13,706	8,683	7	6	10
	5% C. P. T. ...	...	...	...	...	...	...	...	...	5	5	5
Indian Cable ...	Directors ...	10,458	5,190	72,670	23,176	...	3-59	(g)12,695	11,577	15	15	15
	6% C. P. P. ...	...	...	...	...	...	...	...	...	15	15	15
	5 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Indian Copper & ...	Gillanders Arbuthnot & Co. ...	...	1,911	2,521	436	72	12-58	991	1,125	18	13	20
Indian Oxygen ...	Directors ...	9,661	14,018	55,418	10,720	...	9-59	8,940	9,320	15	10	10
Indian Rubber Manfrs. ...	C. S. Moulton & Co Private ...	...	...	...	...	34	3-56	3,68	1,80	6 1/2	5	7 1/2
	5% C. R. P. ...	...	...	...	...	...	...	...	...	5	5	5
Indian Wood Products ...	Gill. Arbuthnot & Co. ...	785	...	4,958	...	163	9-58	1,504	1,487	25	27 1/2	30
Indo Burma Petrol ...	Steel Bros. & Co. Limited ...	3,304	14,285	30,174	...	557	12-58	(y)6,663	(a7)5,848	20	20	20
	7% C. P. T. ...	...	...	...	...	...	...	...	...	7	4	7 1/2
Investment & Finance ...	Bired & Co. Private ...	...	...	123	...	6	2-59	66	62	5	5	5
	5% C. P. ...	...	...	...	...	...	...	...	...	6	6	6
	6% C. P. ...	...	...	...	...	...	...	...	...	...	...	...
J. K. Comm. Corp. Ltd. ...	Directors ...	...	...	4,54	...	...	6-55	5,69	2,22	5	8	8
J. K. Investment Trust ...	Directors ...	...	...	6,93	...	...	6-55	5,86	4,47	nil	nil	nil
	B. Ordinary ...	...	...	...	...	...	...	...	...	8	8	8
Jaipur Udyog ...	Sahu Jan Ltd. ...	2,691	23,506	30,904	4,104	1,22	3-58	5,697	4,081	12 1/2	12 1/2	12 1/2
	3% C. P. T. ...	...	...	...	...	...	...	...	...	3	3	3
	6% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
James Wright ...	Directors ...	127	4,345	6,848	457	...	12-57	(h)31	23	nil	nil	5
	6% C. P. ...	...	...	...	...	...	...	...	...	6	6	6
	Deferred ...	...	...	...	...	...	...	...	...	nil	nil	nil
Jardine Henderson ...	Directors ...	2,206	153,580	162,618	3,915	...	3-59	2,752	(w)1,714	5	2 1/2	2 1/2
	5 1/2% C. P. T. ...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Jeewanlal (1929) Ltd. ...	Directors ...	2,285	15,817	22,870	7,553	...	12-59	542	901	nil	nil	nil
Jenson & Nicholson ...	Directors ...	3,490	19,823	6,193	...	...	12-57	1,521	1,118	6	6	6
	7 1/2% R. C. P. ...	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2
John Paterson ...	Khaitan Corp. Private ...	28	458	747	12	...	3-58	(a)18)195	102	nil	2 1/2	2 1/2
Kalimpong Ropeway ...	Directors ...	49	32	94	...	...	3-54	14	32	nil	nil	nil
Kalyanpur Lime & Cement ...	Directors ...	665	3,207	934	...	...	12-57	-91	13	nil	nil	nil
	7% P. T. ...	...	...	...	...	...	...	...	...	nil	nil	nil
	6% 2nd Pref. ...	...	...	...	...	...	...	...	...	6	5	5
Kongra Valley Slate ...	Directors ...	13	50	1,92	10	18	6-52	1,37	1,57	18	18	18
Kanarpura Development ...	Bird & Co. Private Ltd. ...	...	...	1,299	73	43	12-58	360	271	nil	nil	nil
	Founders ...	...	...	...	...	...	...	...	...	6	5	5
Kettlewell Bullen & Co. ...	Directors ...	...	...	948	...	...	12-58	795	735	6 1/2	5 1/2	5 1/2
	5 1/2% C. P. T. ...	...	...	...	...	...	...	...	...	4	4	4
	4% C. P. ...	...	...	...	...	...	...	...	...	2	3 1/2	3 1/2
Kishore Trading Co. ...	Directors ...	...	...	1,87	...	...	12-54	1,73	1,37	2	3 1/2	3 1/2
Kumardhubi Fireclay ...	Bird & Co. Private Ltd. ...	5,438	...	15,336	826	178	12-58	2,355	2,039	12 1/2	12 1/2	10
	5 1/2% R. C. P. T. ...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
	5 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Kusum Products ...	East India Development Co. ...	631	32,723	38,447	2,951	67	3-58	766	442	nil	nil	nil
	5 1/2% R. C. P. T. ...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
	4 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co. ...	James & Co. Ltd. ...	243	1,288	2,055	669	...	3-57	180	1	nil	nil	nil
	7% C. P. ...	...	...	...	...	...	...	...	...	7	7	11
	Deferred ...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Macneill & Barry ...	Directors ...	9,879	9,966	21,326	...	...	3-59	4,766	4,838	7	8	11
	5 1/2% C. P. T. ...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
	5% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Martin Burn ...	Directors ...	8,445	68,540	101,066	12,677	...	9-58	(k)11,681	9,099	21 1/2	21 1/2	21 1/2
	5% C. P. ...	...	...	...	...	...	...	...	...	5	5	5
	4% Convertible Notes ...	...	...	...	...	...	...	...	...	...	...	...
Marwar Trading Corp ...	Directors ...	...	...	35,970	4,453	...	12-57	(a)19)213	53	nil	5 1/2	8
McLeod & Co. ...	5% 1st C. P. T. ...	...	...	...	...	...	12-58	1,955	1,845	12 1/2	12 1/2	5
	5% 2nd C. P. ...	...	...	...	...	...	...	...	...	5	5	5
	Deferred ...	...	...	...	...	...	...	...	...	7 1/2	7 1/2	3
Metal Box Co. ...	Convertible Notes ...	...	...	...	...	...	...	...	...	...	...	...
	Directors ...	33,669	71,144	18,495	...	...	3-59	11,159	8,616	17 1/2	17 1/2	17 1/2
	6% R. C. P. T. ...	...	...	...	...	...	...	...	...	6	6	6
Metal Corporation ...	Eastern Smelting & Refining Pri. ...	...	7,435	8,000	3,204	35	3-58	326	924	nil	nil	nil
	5% C. P. T. ...	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred ...	...	...	...	...	...	...	...	...	nil	nil	nil
	5 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary ...	Andrew Yule & Co. ...	67	...	169	...	9	4-58	-124	-491	nil	nil	nil
Mordabad Water Supply ...	Notnulla Ghazanfarulla ...	...	...	183	...	...	10-58	54	53	5	5	5
C. & E. Morton India Ltd. ...	Cotton Agent. Private ...	469	1,658	3,819	686	4	6-58	142	298	nil	6	nil
Motor & Genl. Finance ...	Gupta & Sval Ltd. ...	78	...	1,346	...	...	6-55	7,88	3,94	40	15	15
	10% 1st C. P. ...	...	...	...	...	...	...	...	...	10	10	10
	7% 2nd C. P. ...	...	...	...	...	...	...	...	...	7	7	7
	7% 3rd C. P. ...	...	...	...	...	...	...	...	...	7	7	7
National Insulated Cables ...	Asso. Indust. Development Co. ...	1,948	14,724	28,496	1,147	656	3-56	6,096	(a)7,096	20	20	20
	5 1/2% Debentures ...	...	...	...	...	...	...	...	...	...	...	...
National Pipes & Tube ...	Asso Indust. Dev. Co. ...	1,022	4,632	8,240	1,886	166	9-58	1,662	1,492	12 1/2	20	20
	5 1/2% R. C. P. ...	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATENT ALLOCATIONS				Sundry Liabilities	Green Block	Depreciation	LIQUID ASSETS				
	January 1960	January 1959			General	Others	Carry Forward	Investments				Stocks & Stores	Outstandings	Cash	Others	
	Rs. n.p.	Rs. n.p.			Rs. 000	Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	
NORTHERN INDIA (Continued)																
Hindusthan Pilkinton ...	17 81	10 56	10	8,000	100	5	22	2,199	9,506	2,160	1,268	761	946	...	...	
Hindusthan Woollen ...	...	...	10	3,497	...	51	8	733	...	...	...	3,129	29	...	...	
Hoare Miller ...	8 19	4 03	10	3,520	2,000	...	73	8,972	1,550	843	2,237	1,551	8,285	19	1,766	
Hooghly Flour ...	21 91ad	36 37	10	600	590	103	22	1,162	1,642	1,322	846	1,123	188	...	...	
Hooghly & Ganges Hyd. ...	5 62	5 87	10	800	...	86	7	1,62	15,50	4,70	5,92	10	1,21	6	...	
4% R. C. P. ...	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...	
4% Debentures ...	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...	
Imperial Tobacco ...	10 75	11 37	10	151,600	46,500	43,373	2,464	27,079	109,389	24,739	3,778	108,151	44,006	30,432	...	
India Genl. Navigation & ...	66 00	70 50	£ 10	656	170	959	-193	2,213	5,811	3,539	28	697	991	59	2	
6% C. P. ...	70 50	58 00	£ 10	244	...	...	...	...	...	...	...	...	...	...	...	
India Linoleum ...	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
India Paper Pulp ...	18 50	20 94	10	6,300	1,055	5,492	55	9,435	31,15	3,31	10,15	5,15	29	...	...	
India Steamship ...	11 62	13 94	10	22,500	14,000	18,453	209	133,350	187,741	40,093	780	368	17,970	26,497	...	
5% R. C. P. ...	97 50	90 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
Indian Aluminium ...	25 00	17 25	10	38,806	1,500	11,402	1,526	52,682	92,460	24,887	13	29,391	10,955	1,171	614	
5% C. P. T. ...	72 00	71 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...	
Indian Cable ...	29 56	29 67	10	23,578	8,095	10,385	4,000	22,942	27,617	12,013	76	32,593	26,319	5,475	...	
6% C. P. P. ...	28 50	25 75	10	1,288	...	...	...	...	...	...	...	...	...	...	...	
5 1/4% Debentures ...	...	...	...	10,000	...	...	...	...	...	...	...	...	...	...	...	
Indian Copper & ...	3 85	3 58	2 1/2	1,371	1,473	494	71	1,503	2,925	1,742	643	1,354	1,476	258	...	
Indian Oxygen ...	29 62	23 56	10	20,000	7,050	2,942	973	33,731	52,628	21,478	446	14,843	12,386	2,582	3,386	
Indian Rubber Manfrs. ...	18 25	18 00	100	828	5,00	53	63	4,1	16,75	9,50	4	6,15	7,94	5,85	...	
5% C. R. P. ...	78 00	75 00	100	828	...	...	...	...	...	...	...	...	...	...	...	
Indian Wood Products ...	31 00ad	43 37ad	10	2,000	1,600	450	106	1,725	2,145	1,670	2	4,313	450	641	...	
Indo Burma Petrol ...	24 25	27 14	100	10,000	3,244	11,774	329	14,472	9,960	5,131	24,185	2,764	7,587	5,454	...	
7% C. P. T. ...	86 50	83 50	100	5,000	...	...	...	...	...	...	...	...	...	...	...	
Investment & Finance ...	...	...	100	200	149	117	33	1127	...	...	1,314	...	7	5	...	
5% C. P. ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...	
6% C. P. ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...	
J. K. Conml. Corp. Ltd. ...	...	...	10	2,080	822	3	...	48,15	29	17	41,67	...	35,46	4	...	
J. K. Investment Trust... B. Ord. ...	...	...	700	7,008	25,50	46	7	40,23	2	1	115,02	...	15,78	8,03	...	
Jaipur Udyog ...	11 50	10 00	10	15,000	145	40	93	41,310	67,292	12,470	58	11,466	7,298	230	...	
3% C. P. T. ...	37 00	40 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...	
6% D. bentures ...	...	...	...	9,726	...	...	...	...	...	...	...	...	...	...	...	
James Wright ...	2 62	2 75	5	588	38	53	...	877	300	73	581	458	530	7	...	
6% C. P. ...	25 25	23 00	50	130	...	...	...	...	...	...	...	...	...	...	...	
Deferred ...	0 69	0 62	1	117	...	...	...	...	...	...	...	...	...	...	...	
Jardine Henderson ...	68 00	80 50	100	20,000	6,700	502	540	54,361	4,109	1,460	46,229	3,915	31,693	113	2,505	
5 1/4% C. P. T. ...	58 75	56 50	100	5,000	...	...	...	...	...	...	...	...	...	...	...	
Joewallal (1929) Ltd. ...	8 37	6 00	10	7,200	808	...	170	6,687	3,887	2,631	6	7,899	4,756	598	12	
Jenson & Nicholson ...	...	...	10	2,500	1,750	687	714	10,532	5,444	2,992	88	6,545	10,211	74	...	
7 1/4% R. C. P. ...	...	...	100	2,458	...	...	...	...	...	...	...	...	...	...	...	
John Paterson ...	4 50	2 00	10	529	...	17	36	345	512	98	13	38	458	4	...	
Kalimpong Ropeway ...	2 25	3 12	10	450	65	...	-1,28	1,58	5,97	2,63	19	1,34	33	13	...	
Kalyanpur Lime & Cement ...	103 00	105 00	100	5,425	...	2,929	-514	9,806	15,469	1,775	52	2,885	2,338	149	502	
6% P. T. ...	80 00	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...	
6% 2nd Pref. A. ...	100 50	100 50	100	5,425	...	...	...	...	...	...	...	...	...	...	...	
Kangra Valley Slate ...	95 00	95 00	100	158	183	157	25	1,72	1,95	68	63	10	27	459	8	
Karamnasa Development Founders ...	13 57	11 25	10	1,500	1,900	598	314	3,761	4,470	1,308	1,904	128	798	2,582	...	
Kottelwell Bullen & Co. ...	137 00	143 00	100	4,000	951	1,840	205	3,492	224	126	6,010	...	5,371	10	...	
5 1/4% C. P. T. ...	58 25	57 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...	
4% C. P. ...	59 00	50 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
Kishore Trading Co. ...	75 00	75 00	100	2,000	175	24,15	53	4,03	...	...	...	...	...	...	...	
Kumardhubi Fireclay ...	22 75	22 75	10	3,000	502	8,020	30	5,747	16,187	5,448	131	4,007	4,676	87	59	
5 1/4% R. C. P. T. ...	54 50	54 50	100	400	...	...	...	...	...	...	...	...	...	...	...	
5 1/4% Debentures ...	101 00	101 00	...	2,600	...	...	...	...	...	...	...	...	...	...	...	
Kusum Products ...	4 80ad	5 75	10	500	...	41	88	3,570	4,211	2,690	13	3,471	1,165	127	...	
5 1/4% R. C. P. T. ...	64 00ad	69 50	100	800	...	...	...	...	...	...	...	...	...	...	...	
4 1/4% Debentures ...	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...	
Macfarlane & Co. ...	4 00	3 00	5	634	...	13	94	866	734	556	151	892	743	17	...	
7% C. P. ...	...	...	100	309	...	...	...	...	...	...	...	...	...	...	...	
Deferred ...	0 87	0 75	1	66	...	...	...	...	...	...	...	...	...	...	...	
Macneill & Barry ...	98 50	...	100	15,000	3,700	4,982	304	8,521	5,408	1,575	25,562	1,306	13,175	132	6,000	
5 1/4% C. P. T. ...	58 00	...	100	10,000	...	...	...	...	...	...	...	...	...	...	...	
5% Debentures ...	855 00N	840 00N	1000	7,500	...	...	...	...	...	...	...	...	...	...	...	
Martin Burn Limited ...	26 81	29 62	100	14,53	7,000	3,492	245	47,102	2,917	1,577	19,619	14,096	40,940	771	2,518	
4% C. R. P. ...	100 00	99 00	100	6,000	...	...	...	...	...	...	...	...	...	...	...	
4% Convertible Notes ...	650 00	550 00	100	890	...	...	...	...	...	...	...	...	...	...	...	
Marwar Trading Assocn. ...	200 00	200 00	100	2,400	...	51	5	325	...	...	...	...	...	...	...	
McLeod & Co. ...	225 80	187 50	100	4,000	5,200	3,387	250	21,969	2,970	1,195	26,409	4,478	10,297	346	1,500	
5% 1st C. P. T. ...	53 25	51 25	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
5% 2nd C. P. ...	72 00	70 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...	
Deferred ...	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...	
Convertible Notes ...	410 00	465 00	...	4,500	...	...	...	...	...	...	...	...	...	...	...	
Metal Box Co. ...	32 44ad	31 00	10	11,500	8,500	6,100	1,934	18,760	30,915	11,273	369	19,865	8,265	1,704	...	
6% R. C. P. T. ...	86 50	79 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...	
Metal Corporation ...	11 09	9 00	10	4,000	...	935	-1,597	5,986	11,595	5,125	15	5,239	569	27	...	
5% C. P. T. ...	79 00	50 00	100	700	...	...	...	...	...	...	...	...	...	...	...	
Deferred ...	2 00	2 00	1	300	...	...	...	...	...	...	...	...	...	...	...	
5 1/4% Debentures ...	...	...	1000	1,800	...	...	...	...	...	...	...	...	...	...	...	
Midnapore Zamindary ...	19 50	...	92 1/2	9,400	...	4,247	-1,862	2,314	154	61	51	...	9,906	4,048	...	
Moradabad Water Supply ...	5 35	4 20ad	10	446	...	214	1	123	733	286	1	36	55	29	9	
C. & E. Morton (India) Ltd ...	...	...	10	885	822	5	2	1,540	2,520	1,412	70	1,389	609	86	...	
Monorail - General Finance ...	...	...	10	400	11,00	4,00	10	70,63	63	24	11,42	26	82,39	1,60	...	
10% C. P. ...	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...	
7% 2nd C. P. ...	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...	
7% 3rd C. P. ...	...	...	10	275	...	...	...	...	...	...	...	...	...	...	...	
National Insulated Cable ...	23 62	29 12	10	5,997	7,000	4,526	61	15,753	9,633	4,483	8	11,283	16,916	680	...	
5 1/4% Debentures ...	...	...	2,000	1,000	...	...	...	...	...	...	...	...	...	...	...	
National Pipes & Tubes ...	17 19	...	10	3,000	1,500	6	116	2,692	4,519	2,156	2	3,427	2,245	177	...	
4 1/4% R. C. P. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...	

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT				
								Latest	Previous	Latest	Pre- vious	Second Previous		
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	
NORTHERN INDIA (Continued)														
National Rubber	Directors 6% C. P.	2,851	13,222	16,486	4,426	...	12-58	886	719	6	10	20		
National Tobacco	B. N. Elias & Co. Private 5% R. C. P. 4% R. C. P. 4% Debentures	22,378	64,611	86,050	5,983	751	12-58	5,712	6,383	11	9	7	5	4
Nav Bharat Vanijya	Directors 4% C. P.	6	3,256	3,282	3,509	...	5-58	208	-278	nil	nil	nil	nil	nil
New India Investment	Ramdutt Ramkissondas	4	842	888	3,577	21	12-58	258	61	5	5	5	5	5
Octavius Steel & Co.	Directors 6% C. P. T.	1,368	...	4,610	...	...	12-57	2,476	2,255	8	7	10	6	4
Orient Paper	Birla Brothers Private Ltd. 5% C. P. 5% C. P. T. 5% Debentures	8,195	33,012	61,065	8,089	1,070	3-59	14,742	12,680	15	15	15	51	51
Orissa Cement	Dalasia Agencies Private 4% C. P.	...	...	27,212	3,300	578	12-58	7,926	6,882	15	15	15	12	12
Orissa Minerals	Bird & Co. Private Ltd.	3,669	...	12,814	880	407	6-58	3,817	1,720	25	20	20	20	20
Philips India	Directors	6,140	...	45,304	...	...	12-58	(a) 6,458	5,504	8	20	...	...	...
Port Shipping	Andrew Yule & Co.	1,907	1,129	2,943	...	20	12-58	-210	(a) 394	nil	12	15	15	15
Publicity Society	Directors	262	233	1,005	...	...	3-58	330	210	50	37	50	37	50
Punjab Minerals	Bird & Co. Private Ltd.	4	33	48	...	...	9-58	182	199	1	nil	nil	nil	nil
R. B. Rodda	Director 5% R. P.	117	1,041	2,047	681	...	3-59	182	199	6	6	5	5	5
Rail India	Directors 6% C. P. T.	5,491	162,078	173,777	21,136	...	8-58	1,820	(b) 1,210	5	5	5	5	5
Reliance Firebrick	Directors	1,872	1,846	5,338	354	...	2-57	1,080	743	40	20	10	10	10
Rohas Industries	Sahu Jain Ltd. 7 to 9% C. P. 4% C. P. 4% Debentures 6% Debentures	13,573	114,194	151,074	37,159	11,550	3-59	24,725	(a) 24,329	15	20	15	15	15
Sahu Properties	Directors	3	...	170	...	...	12-57	123	92	5	5	3	...	...
Scientific Instrument Co.	Directors	...	...	38,20	5,77	...	3-55	1,91	...	8	8	...	...	...
Shaw Wallace & Co.	Directors 6% C. P. T.	6,545	43,153	60,705	11,469	...	12-58	4,971	3,774	10	18	10	10	10
Shiva Jute Press	Kedarnath Mohanlal	50	...	...	...	6	6-55	Ra. 3,07	40	6	6	1	...	...
Shree Gopal Paper	K. Ch. Thapar & Bros. pri. 6% C. P. P. 7% R. C. P. 5% Debentures 6% Debentures	3,663	15,860	31,039	1,410	528	12-57	5,494	4,533	12	12	12	12	12
Smith Stanistreet	Directors 10% Prof. Cum. as to 7%	1,566	10,162	14,269	4,129	...	6-58	1,011	784	16	20	20	20	20
Sonakunda Baling	Bird & Co. (Pak) Ltd. 8% C. P. 5% C. P.	344	186,39	200,88	52,00	6	2-55	-2,50	-2,32	nil	nil	7	...	...
Sono Valley Port Cement	Directors	...	...	19,372	957	...	12-58	1,106	1,038	6	6	3	...	...
Star Co.	Directors	7	...	1,12	...	...	3-54	-49	-44	nil	nil	2	...	...
Star Paper Mills	Bayana & Co. 5% C. P. 5% Debentures	3,35	19,83	33,24	11,10	52	9-55 H	3,59	3,47	7	5	5	5	5
Star Trading & Inv.	Bayana & Co.	7	...	26	...	3	6-53	-32	-14	nil	nil	...	...	...
Straw Products	J. K. Agents Private Ltd.	1,026	3,498	6,333	2,015	93	12-58	(a) 1,216	1,161	12	12	12	12	12
Sutna Stone & Lime	Directors	687	985	2,265	3	...	12-58	438	334	17	17	17	17	17
Tide Water Oil	Andrew Yule & Co. Ltd. F. W. Heigens & Co. Private Freid. Ordinary	791	5,105	6,235	3,064	25	10-58	239	281	15	12	12	12	12
Tilashur Paper Mills	Freid. Ordinary 8% C. P. 4% C. P. 5% Debentures	14,624	38,289	94,583	1,176	1,214	3-59	13,763	11,664	25	23	23	23	23
Tungbhadra Industries	Cotton Agents Private Debentures	733	24,421	32,221	3,637	66	9-58	676	520	nil	nil	...	...	...
Union Co.	Directors	6	...	1,58	...	...	3-54	12	-1,31	nil	nil	...	...	...
Union Carbide	Directors	9,927	31,796	60,507	20,363	...	12-58	10,553	8,927	14	14	15	15	15
United Flour	Shaw Wallace & Co. Ltd.	446	8,121	9,577	589	56	11-58	525	664	37	45	45	45	45
Walford Transport	Directors Freid. Ordinary	1,161	12,959	14,292	2,279	...	12-58	505	844	14	14	14	14	14
SOUTHERN INDIA														
Aluminium Industries	Seshasayee Brothers Pri.	2,178	21,707	33,589	4,023	271	3-59	3,355	3,239	12	12	12	12	12
Amrutnjan	R. N. Brothers 7% C. P.	94	1,473	2,543	23	38	3-58	350	532	35	60	50	50	50
Andhra Cement	Andhra Engineering Co. Pri. 6% C. P.	1,202	4,591	9,083	188	65	12-58	(a) 1,670	(a) 1,698	7	7	7	7	7
Andhra Scientific Co.	Srinanth Industrials Pri. Ltd. 5% C. P.	530	693	1,732	769	29	6-57	293	179	nil	nil	...	...	...
Aspinwall & Co. (Trav.)	Directors	793	3,027	6,660	977	...	12-57	10	148	nil	nil	...	...	...
Aspinwall & Co.	Directors 6% C. P.	1,872	6,501	10,717	1,691	...	12-58	(a) 486	684	6	6	6	6	6
Asso. Industrial Engg.	Gannon Dankerley	68	...	4,944	1,378	55	3-59	524	412	9	9	9	9	9
Bangalore Printing	Directors Second Ordinary	194	161	496	223	...	12-58	84	79	10	10	10	10	10
Binny & Co.	Directors	1,536	3,881	9,812	439	...	12-58	2,384	2,840	10	10	10	10	10
Central Scientifics	Guru Agencies Private 6% C. P. P.	88	630	1,054	178	11	3-59	112	100	10	10	10	10	10
Coimbatore Chem. & Fert.	Venus & Co.	...	...	8,92	...	5	3-55	11	15	5	7	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	January 1960	January 1959			General	Others	Carry Forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
	Ra. np.	Ra. np.			Ra. 000	Ra. 00	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)															
National Rubber ...	13 06	13 06	10	4,990	400	322	97	8,517	7,258	3,103	10	8,167	2,611	219	105
6% C. P. ...	27 00	...	100	945	...	...	...	...	...	...	...	...	...	...	...
National Tobacco Co. ...	17 69	12 31	10	7,997	213	2,837	960	14,897	13,038	7,143	79	24,055	5,339	2,234	...
5% R. C. P. ...	74 00	69 25	100	2,500	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P. ...	67 00	59 25	100	1,998	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	810 00	810 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
New Bharat Variasiya ...	4 00	...	5	1,500	...	...	172	1,396	4	2	...	3,509	149	3	61
4% C. P. ...	66 00	...	50	1000	...	...	...	...	...	...	...	...	...	...	...
New India Investment ...	46 00	35 50	75	2,332	725	102	21	543	5	4	3,577	...	122	24	...
Octavius Steel & Co. ...	...	...	100	5,000	3,300	2,321	299	5,317	766	262	8,359	...	8,185	228	...
6% C. P. T. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Orient Paper ...	37 70	30 80	10	14,682	1,700	27,439	169	41,139	96,523	23,615	2,357	17,356	15,184	769	...
5% C. P. ...	87 00	89 50	100	7,445	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T. ...	62 00	58 50	100	6,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	920 00	915 00	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement ...	12 75	12 69	10	15,000	...	3,374	1,870	33,386	47,301	14,989	3,022	11,399	4,623	195	5,175
4% C. P. ...	35 06	35 06	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Minerals ...	36 12	26 25	10	2,000	854	4,069	142	6,601	5,652	2,918	1,852	1,883	4,272	2,704	211
Phlips India ...	25 00	16 56	10	22,000	346	4,297	36	22,777	11,735	3,812	229	18,266	21,358	925	755
Pen Shipping ...	11 25	12 75	10	1,408	625	1,865	368	1,258	5,023	1,103	101	122	738	9	...
Publicity Society ...	13 50	9 19	4	191	150	217	43	1,673	194	180	56	2,120	84	...	...
Punjab Minerals ...	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
R. B. Road ...	5 00	4 68xd	10	650	100	92	5	312	137	61	43	791	600	89	...
5% R.C.P. ...	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
Rallis India ...	83 50	52 00	100	22,500	...	1,094	3,248	18,198	8,513	4,627	1,106	22,528	13,148	5,352	25
6% C. P. T. ...	94 50	70 75	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick ...	20 00	24 62	10	600	319	922	51	2,801	3,453	2,460	383	921	1,220	986	...
Rohas Industries ...	27 31	19 00	10	22,800	18,200	3,945	4	81,995	145,458	53,272	6,270	50,163	14,209	304	668
7 to 9 C. P. ...	117 00	119 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P. ...	62 00	58 50	100	6,476	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	990 00	910 00	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
Sahu Properties ...	3 06	3 03	5	750	10	355	2	173	15	10	1,660	61	32	32	...
Scientific Instrument Co. ...	...	...	100	999	1,45	1,29	4	14,91	1,71	...	72	5,80	18,27	1,16	...
Shaw Wallace & Co. ...	19 37	15 12	10	7,500	1,250	1,762	487	35,121	8,330	1,826	16,349	12,461	17,724	342	239
6% C. P. T. ...	69 50	63 75xd	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Shree Jute Press ...	53 00	65 00	100	450	1,10	10	42	50	9,69	4,96	32	1,53	3	...	...
Shree Copal Paper ...	22 50	15 62	10	12,549	3,775	3,648	20	12,503	18,524	11,142	5,032	10,360	7,044	2,109	10,602
8% C. P. P. ...	103 00	104 00	100	750	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P. ...	104 00	...	100	5,214	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	950 00	950 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	960 00	950 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet ...	12 75	10 31	5	500	500	806	87	3,755	2,005	1,448	1	4,366	1,312	414	...
10% Pref. cum. a. to 7	66 00	62 00	100	600	5,02	16,73	5,67	60,25	38,53	13,27	...	54,01	7,79	77	...
Sonakunda Baling ...	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
5% C. P. ...	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
Some Valley Port Cement	5 59	5 22	5	7,500	1,415	435	28	6,440	22,478	15,997	521	5,439	2,515	657	214
Star Co. ...	79 00	81 00	100	1,040	7,25	2,33	85	7,26	14	5	16,74	...	6,21	...	5,41
Star Paper Mill ...	12 00	11 62	10	3,000	3,00	3,50	14	37,07	65,85	31,03	23	32,25	25,47	89	...
5% C. P. ...	78 50	73 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Star Trading & Inv. ...	8 00	8 00	25	500	40	6,766	57	6,14	2	1	9,39	...	1,54	2	...
Straw Products ...	12 31	14 00	10	1,500	2,700	6,766	5	3,781	11,570	2,422	954	2,633	1,414	230	...
Sutna Stone & Lime	17 50	19 25	10	484	65	371	31	539	1,518	605	17	154	240	166	...
Tide Water Oil ...	16 81	13 69	10	600	450	486	71	4,084	238	175	2	3,098	1,986	341	200
Trasgar Paper Mills ...	39 62xd	41 87	10	11,205	4,805	35,431	101	45,753	72,692	40,288	1,607	26,985	27,204	795	19,986
Prefd. Ordinary ...	3 93xd	3 87	24	437	...	...	...	...	...	...	...	...	...	...	...
8% C. P. ...	120 00xd	140 00	100	1,150	...	...	...	...	...	...	...	...	...	...	...
4% Cum. preference ...	84 50xd	59 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	10	81,00	...	30	590	7,816	6,869	1,209	25	4,396	1,596	201	...
Tungabhadra Industries	...	...	10	3,059	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	100	1,509	...	4,62	93	25,16	14	10	23,15	...	25,64	...	...
Union Co. ...	73 20	73 00	100	1,250	7,50	6,306	3,381	22,482	28,279	7,878	303	22,243	5,139	3,564	3,000
Union Carbide ...	42 37	27 50	10	20,803	228	355	19	957	807	528	18	628	947	144	...
United Flour Mills	45 00	29 87	10	500	...	...	...	...	...	...	...	...	...	...	...
Walford Transport	3 37	2 03	1	841	1,000	1,002	141	1,785	1,238	875	127	2,536	1,560	348	...
Prefd. Ordinary	3 12	1 44	1	210	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminium Industries ...	21 70	18 15	10	7,999	2,000	6,306	49	14,782	11,899	4,370	...	7,575	9,142	770	2,165
Amruvahan ...	...	...	100	250	125	156	20	883	794	82	189	147	432	252	...
7% C. P. ...	128 00	131 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Andhra Cement ...	9 30	9 40	100	7,102	235	397	6	9,571	15,825	6,115	576	5,010	2,282	20	...
6% Cum. preference ...	106 00	100 00	100	249	...	...	...	...	...	...	...	...	...	...	...
Andhra Scientific Co.	9 50	4 85	10	800	...	...	487	1,588	926	534	...	838	842	28	...
5% C. P. ...	11 50xd	6 00	10	200	...	365	9	705	625	337	95	1,128	519	30	...
Aspinwall & Co. (Trav.)	5 25	6 50	10	1,000	44	934	1	4,653	3,336	1,810	596	1,997	5,025	289	...
Aspinwall & Co. ...	7 00	7 25	10	3,588	...	...	...	...	...	...	...	...	...	...	...
6% c. p. ...	7 83	8 80	10	214	35	2	5	837	313	170	433	2,081	674	28	...
Asoo. Indul. & Engg.	85 50	96 00	100	2,480	...	...	...	...	...	...	...	...	...	...	...
Bangalore Printing	15 00	9 80	10	316	195	107	6	165	758	443	70	224	189	23	...
Second Ordinary	...	...	10	31	...	...	...	...	...	...	...	...	...	...	...
Binny & Co. ...	160 00	170 00	100	10,000	3,650	753	427	6,449	3,964	2,019	16,240	511	2,272	311	...
Central Scientifics	6 75	6 00	5	150	165	70	7	158	128	66	10	180	255	92	...
6% C. P. P. ...	5 65	5 50	5	150	...	...	...	3,39	1,45	29	1	3,11	21	...	...
Coimbatore Chem & Fert	...	...	25	139	...	...	...	...	...	...	...	...	...	...	...

**Indian Finance
MISCELLANEOUS**

February 13, 1960
INDUSTRIALS—Contd.

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second previ- ous
SOUTHERN INDIA (Continued)												
Enfield India	Directors 6% C. P.	584	6,017	6,801	2,442	...	12-58	492	106	nil	nil	nil
Fertilisers & Chemicals	Seshasayee Bros. Private	4,013	9,259	24,727	927	355	12-58	5,983	(a) 63,634	6	nil	nil
Forest Industries	Seshasayee Bros.	107	1,175	2,489	153	...	3-58	871	1,159	nil	nil	nil
General Papers Ltd.	Gany & Co.	52	2,385	2,980	879	41	3-59	365	303	12 1/2	12 1/2	8
Hyderabad Invt. Synd.	M. Amolakchand Bros. Ltd.	...	...	1,58	...	17	9-55	54	67	2 1/2	2 1/2	ni.
Indur Cements	Essen Pri. Ltd. 74% C. P.	1,828	6,033	17,690	1,611	378	3-59	3,669	3,591	18	9	8 1/2
Investment Trust of India	Kothari Mohita & Co., Pri. Ltd.	...	...	70	...	6	9-59	54	60	7 1/2	7 1/2	7 1/2
Jeypore Mining	R. S. Indus'l Corp.	64	1,14	5,76	7,17	9	6-55	1,08	1,00	10	6	51
Madras Indust. Invt. Corp.	Directors	...	...	6,37	...	...	6-54	5,43	5,29	3	3	3
Madras Safe Deposit	Kothari & Sons	12	...	56	...	1	6-59	21	31	5	5	5
Madras Vanaspathi	Kubera Vanaspathi	...	...	...	4	...	4-58	141	153	nil	nil	nil
	Ordinary	...	...	...	...	...	...	...	...	nil	nil	nil
	54% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri.	207	5,622	6,239	672	13	3-59	153	130	9	9	9
McDowell & Co.	Directors 6% C. P.	173	3,588	3,871	825	...	12-57	337	235	24	11	11
Mettur Chem. & Indus. Corp.	Seshasayee Bros. private Ltd. 6% C. P.	1,228	6,865	12,137	623	208	3-59	2,099	2,068	8 1/2	8 1/2	7 1/2
	5% Debentures	...	...	...	...	...	...	...	...	6	6	6
Modern Housing	Directors 6% C. P.	...	...	...	...	...	6-58	2	...	nil	nil	nil
Mysore Chem. & Fert.	Directors	461	1,697	3,173	573	...	3-59	867	451	5	5	5
Mysore Chem. Manfr.	Directors 6% C. P.	127	1,481	2,985	417	...	3-59	625	303	20	20	20
	...	...	...	...	...	...	...	...	...	6	6	6
Mysore Chrome	Directors	...	...	464	165	...	6-58	25	37	6	6	6
Mysore Coffee Curing	Directors	93	319	95	76	...	12-58	373	144	12 1/2	10	10
Mysore Elec. Industries	Directors	677	2,949	5,155	276	...	3-59	659	556	15	11	8
Mysore Glass & Enamel	Directors	...	...	...	4	...	3-59	7	...	...	...	...
Mysore Indus. & Test Lab.	Directors	304	523	1,536	185	...	3-58	325	244	12	11	8 1/2
Mysore Lamp	Directors 4% C. P.	272	387	1,777	296	...	3-59	312	297	16	15	12 1/2
	...	...	...	1,20	8	...	6-56	3	10	nil	nil	nil
Mysore Match	Directors	...	...	...	...	...	...	...	...	...	...	...
Mysore Paper	Directors	2,068	7,673	12,535	402	...	3-59	1,648	1,801	12 1/2	10	10
Mysore Stone Ware Pipes	Mysore Indust. Develop. Co.	...	...	1,188	96	28	3-59	368	356	10	10	10
Mysore Tobacco	Directors	455	1,067	1,989	246	...	3-59	313	190	12 1/2	12 1/2	15
Mysore Veg. Oil	Directors	38	...	2,200	332	...	6-57	34	119	nil	nil	nil
National Chemicals	Murthy & Co. 5% C.P.	...	...	...	...	...	6-54	89	95	nil	nil	nil
Ogale Glass Works	S. P. Ogale & Co.	1,387	2,761	6,302	296	24	12-58	323	512	4	nil	nil
Parry & Co.	Directors 5% C. P.	7,919	56,231	72,784	14,726	...	9-58	1,868	2,413	5	nil	15
	44% Debentures	...	...	...	...	...	...	...	...	5	5	5
Parry's Confectionary	Parry & Co.	1,101	5,305	8,872	2,266	87	3-59	850	897	20	20	20
Punalur Paper	A. & F. Harvey	1,593	5,148	9,372	383	167	6-58	1,922	1,020	10	7 1/2	5
Radio & Electricals	Directors	47	1,421	1,950	2,169	...	12-58	259	306	7 1/2	9	9
Radio & Electricals Manfr.	Directors	918	...	6,341	376	...	3-59	2,242	1,643	16	16	13
Rane (Madras)	Iyer & Co. Ltd. 7% 'A' C. P.	183	6,524	7,583	1,937	41	3-59	395	238	18	6	10
	6% C. P.	...	...	...	...	...	...	...	...	7	7	7
Ruby Rubbers	Ruby Industries Private 64% C. P.	88	1,375	1,743	833	18	6-58	226	192	9	9	...
	...	...	...	...	...	...	...	...	...	6 1/2	6 1/2	...
Simpson & Co.	Directors	1,731	48,485	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Spencer & Co.	Directors 64% 'A' C. P. 84% 'B' C. P.	4,616	19,190	30,407	7,655	...	6-58	2,412	2,876	15	15	15
	...	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
Stanes & Co. T.	Directors 74% C. P.	456	4,695	6,474	779	...	9-58	542	671	20	20	...
Stanes Motors	Directors	882	5,765	8,714	1,265	...	3-58	567	591	7	7	7
Thomas & Co. A. V.	Directors "B" Ordinary	292	446	1,345	95	...	12-53	233	236	20	15	12 1/2
	6% Cum. Preference	...	...	...	...	...	...	...	...	25	15	15
A.V. Thomas & Co., (Indus) Ltd.	Directors 5% Cum. Preference	29	262	575	210	...	6-58	20	66	6	6	6
Travancore Cements	Easel Ltd.	1,111	2,134	4,802	452	56	12-58	996	963	6	6	6
Trav. Chem. & Manfr. Co.	Directors 64% R. C. P.	106	1,734	2,115	425	...	3-59	315	213	10	7	6
Travancore Ogale Glass	Ogale Bros. Private Ltd.	359	425	1,066	10	10	12-58	177	108	6 1/2	6 1/2	6 1/2
United Coffee Supply	Directors	452	3,883	5,364	802	...	6-58	...	...	...	...	...
United Elec. Industries	Asso. Engg. Corp. Private Ltd. 5% Cum. Pref.	150	2,030	3,068	197	6	12-57	205	193	11	10	15
	...	...	...	...	...	...	...	...	...	29	5	10
Vanjinad Matches	Directors 64% C. P.	85	4,24	5,43	1,36	...	12-54	18	31	5	5	5
Vasant Soap Works	Ramkrishna & Sons 54% C.P.	20	197	240	9	6	12-57	11	20	nil	nil	nil
	...	...	...	...	...	...	...	...	...	...	...	...
W. I. Plywood	Directors 6% C. P.	585	2,429	5,922	705	...	3-59	1,524	1,569	10	10	10

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.
(b) After transferring Rs 1,404,391 from Property Reserve and Rs 525,000 from provision for taxation and taxation contingencies.
(c) After transferring Rs 895,246 from General Reserve.
(d) After transferring Rs 1,500,000 from General Reserve.
(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.
(f) After writing back Rs 50,00,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax, and Rs 10,850 being expenses and Rs 8,85,028 profit on realisation of Investments, Rs 8,45,830 surplus on realisation of stores, and Rs 34,500 surplus on sale of machinery.
(g) After transferring Rs 1,300,000 from provision for Bad and Doubtful debts.

(h) After transferring Rs 62,000 from General Reserve.
(i) After writing back 678,804 being over provision in previous years.
(j) After writing back Rs 150,000 from provision for taxation.
(k) After writing back Rs 1,315,749 from provision for taxation and Rs 1,000,000 from provision for contingencies.
(l) After writing back Rs 8,39,726 from provision for taxation.
(m) After transferring Rs 800,000 from General Reserve.
(n) After transferring Rs 508,000 from General Reserve and Rs 23,000 from Dividend Equalisation Reserve.
(o) After writing back Rs 981,978 from provision for taxation and Rs 26,867 from excess provision made in previous years.

(p) After transferring Rs 300,000 from General Reserve.
(q) Bonus shares in the ratio of one fully paid ord. share for every five ord. shares will be issued in lieu of Dividend.
(r) Includes Rs 17,99,170 being indemnity recoverable from the Government of India.
(s) After transferring Rs 700,000 from Repair and Replacement Reserve and Rs 64,000 from Taxation Reserve.
(t) Includes Rs 1,773,324 being profit on realisation of Investments; Rs 16,970 being surplus on sale of Machinery Rs 66,826 being provisions no longer required, and Rs 125,779 being items relating to previous years.
(u) After transferring Rs 175,000 from Dividend Equalisation Reserve and Rs 64,000 from Taxation Reserve.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	REVENUE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1960 Rs. np.	January 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 0				Investments Rs. 000	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
SOUTHERN INDIA (Continued)															
Enfield Industries	14 15	10 00	10	1,455	...	200	4	4,508	3,940	359	...	2,756	410	137	42
6% C. P.	100 00	100 00	100	759	...	...	...	...	...	...	...	...	...	...	...
Fertilisers & Chemicals	9 77	7 25	10	34,598	...	1,126	438	23,065	49,337	25,836	2,575	9,181	7,826	2,401	13,748
Forest Industries	2 95	2 90	2 1/2	1,992	...	...	210	1,627	613	438	...	374	1,163	1,747	...
General Papers Limited	13 25	12 33	10	750	300	166	6	493	121	43	46	878	616	89	4
Hyderabad Invt. Synd.	...	...	50	2,142	1,00	...	1	2,65	...	...	11,52	...	9,65	3,91	...
India Cements	6 15cd	5 25	5	14,532	...	3,041	70	21,221	22,308	8,480	865	7,417	7,911	490	11,488
74 Cum. preference	96 00cd	94 00	100	2,985	...	...	...	...	...	...	...	...	...	...	...
Invt. Trust of India	70 50	65 00	100	1,009	40	196	8	99	...	...	1,209	...	12	1 1/2	...
Jeypore Mining	...	...	100	400	2,40	31	46	10,94	6,35	1,63	36	8,83	4,10	4	...
Madras Indust. Invt. Corp.	47 50	50 00cd	1000	12,756	...	2,75	7	5,98	...	...	16,48	9	93,58	6,22	...
Madras Safe Deposit	15 00	15 00	100	1,500	...	...	...	...	...	...	97	...	6	47	...
Madras Vanaspathi (a.s.)	...	...	10	193	...	...	...	2,817	3,943	...	...	58	9	1	61
Ordinary	33 00	33 00	100	794	...	...	...	...	...	...	...	...	...	...	...
54% C. P.	43 00	36 00	50	436	400	...	2	1,300	247	...	89	686	930	395	...
Marikar (Motor)	50 00	42 50	50	209	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
McDowell & Co.	27 15	...	190	324	324	...	21	945	1,262	862	61	901	504	58	...
6% C. P.	100 00	...	100	330	...	...	...	...	...	...	...	...	...	...	...
Mettur Chem. & Indus. Corp.	12 10cd	11 90cd	10	4,050	2,42	1,644	19	3,910	12,192	6,682	1,430	3,435	2,434	1,31	...
6% C. P.	101 00cd	93 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	83 00	83 00	100	1,400	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	...	...	10	1,792	...	...	...	307	577	227	249	666	740	130	5
6% C. P.	...	...	100	1,272	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem. & Fert.	9 90	7 75	10	2,491	623	343	11	1,959	5,535	3,742	336	1,850	560	476	...
Mysore Chem. Manfr.	24 50	21 90	10	600	400	234	41	1,063	1,013	577	35	421	1,110	38	...
6% C. P.	8 40	9 03	10	200	...	...	...	...	...	...	...	...	...	...	...
Mysore Chrome	...	...	10	494	90	...	...	405	634	169	...	265	42	9	...
Mysore Coffee curing	16 30	10 50	10	785	52	177	1	2,824	708	451	62	575	1,911	36	...
Mysore Electric Indus.	140 00	107 00	...	903	130	239	5	2,023	1,215	519	...	1,074	1,547	3	...
Mysore Glass & Enamel	7 50	6 90	5	938	60	257	4	800	653	437	436	576	819	198	24
Mysore Indus. & Test. Lab.	20 52	17 25	10	556	535	494	3	469	1,219	685	...	928	778	77	...
Mysore Lamp	6 30	6 50	10	250	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	...	...	10	499	...	...	...	...	...	...	...	...	...	...	...
Mysore Match Co.	...	...	10	...	...	...	...	...	...	...	...	...	...	...	...
Mysore Paper	23 85	17 40	10	2,500	900	2,029	44	5,742	15,202	9,637	57	3,457	1,537	595	...
Mysore Stoneware Pipes	15 10	13 00	10	600	300	223	8	676	1,081	720	159	317	451	528	...
Mysore Tobacco	13 45	12 05	10	1,000	180	176	...	737	1,930	1,127	188	626	401	77	...
Mysore Veg. Oil	...	...	8	1,080	213	74	...	355	129	...	312	655	465	110	...
National Chemicals	...	...	10	670	...	...	...	4,68	6,44	7,97	54	10	1,91	67	2 40
5% C. P.	...	...	10	208	...	...	...	...	...	...	...	...	...	...	...
Ogale Glass Works	2 50	...	5	1,487	...	275	5	3,945	5,100	2,081	8	1,943	620	122	...
Ferry & Co.	...	...	10	4,000	4,300	1,879	219	29,765	4,936	2,597	2,546	4,954	20,605	1,987	...
5% C. P.	8 90	8 25	10	3,000	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	...	...	1	268	...	...	...	...	...	...	...	...	...	...	...
Ferry's Confectionery	4 38	3 85	1	750	400	282	87	3,182	1,121	504	12	2,507	1,427	55	...
Punsulur Paper	...	25	1,503	750	2,679	156	...	3,931	9,640	4,375	1	2,200	1,449	126	...
Radio & Electricals	4 40	5 65	5	1,500	100	9	3	1,900	940	293	11	2,203	741	7	...
Radio & Electricals Manfr.	20 60	16 90	10	2,457	150	78	43	5,913	3,381	1,822	...	2,421	4,390	273	30
Rene (Madras)	6 05cd	6 00	5	919	340	13	8	2,440	782	438	225	1,939	1,454	113	...
7% 'A' C. P.	4 65	4 90	5	175	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	4 70	4 70	5	190	...	...	...	...	...	...	...	...	...	...	...
Ruby Rubbers	10 12	9 70	10	854	...	...	1	1,504	1,110	166	...	854	250	19	30
61% C. P.	9 10	5 75	10	239	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	...	...	10	7,500	2,500	10	1,887	20,422	14,009	7,263	16,355	7,778	1,175	265	...
Spencer & Co.	20 00cd	19 30cd	10	4,000	3,609	4,295	913	5,198	12,883	7,331	2,545	4,025	5,350	4,490	82
61% 'A' C. P.	9 32cd	8 03cd	10	2,320	...	...	...	...	...	...	...	...	...	...	...
61% 'B' C. P.	11 70cd	11 00cd	10	3,680	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T.	24 10	24 00	10	1,156	136	920	46	1,913	1,152	647	1,352	883	1,199	380	...
7% C. P.	83 00	95 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	...	...	10	691	400	1,433	7	944	931	477	208	1,318	832	649	...
Thomas & Co. A. V. (Allap.)	22 25	15 50	10	209	300	308	6	750	686	356	152	118	1,012	182	...
B. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Preference	64 80cd	69 09	100	121	...	...	...	...	...	...	...	...	...	...	...
A. V. Thomas & Co India	4 00	3 62	10	300	...	...	9	116	41	31	6	253	285	72	...
5% Cum. Pref.	6 50cd	6 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	10 09	8 90	10	5,000	...	941	268	5,331	10,504	5,238	21	2,634	450	256	...
Trav. Chem. & Manfr. Co.	15 81	12 00	10	700	...	69	22	1,559	1,541	505	25	1,274	313	2	...
61% R. C. P.	10 00	9 00	10	300	...	...	...	...	...	...	...	...	...	...	...
Travancore Ogale Glass	7 80	4 10	10	998	...	...	...	465	1,556	595	...	273	96	144	...
United Coffee Supply	...	...	15	600	314	419	8	1,086	1,050	590	356	857	545	215	...
United Elec. Industries	9 50	9 50	10	936	20	...	...	1,624	623	115	...	1,504	341	145	...
5% C. P.	13 00	10 00	10	15	...	...	...	...	...	...	...	...	...	...	...
Vaninad Matches	...	...	6	270	...	...	...	2,43	7,72	3,94	9	3,66	1,63	23	9
61% Cum. preference	...	...	10	450	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	...	...	100	225	...	49	...	413	454	168	...	92	25	4	8
5% C. P.	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
W. I. Plywood	252 00	138 00	100	2,700	250	1,243	17	4,417	3,563	2,358	1	835	2,096	805	60
6% C. P.	100 00	88 00	100	618	...	...	...	...	...	...	...	...	...	...	...

COAL

NAME	Managing Agents, Agents, Secretaries	Colliery expenses Ra. 000	Coal		Sales Ra. 000	Stock Ra. 000	Managing Agents' Commission and allowances Ra. 000	Year ended	Net Profit		DIVIDEND %		
			Raisings	Despatches					Latest	Previous period	Latest	Pre- vious	Second Pre- vious
			(000) Tons	(000) Tons					Ra. 000	Ra. 000			
Amalgamated Associated Karanpura	Shaw Wallace & Co. Ltd. K. L. Dutt & Co. Private 44% R. C. Preference	15,845 290	916 42	919 38	19,182 742	215 5	173 13	3-59 3-58	(d) 2,464 145	1,659 79	15 11	121 Nil	121 Nil
Associated Laidih	K. L. Dutt & Company Pri. 5% Debenture	137	24	21	411	25	3	3-58	60	46	Nil	Nil	Nil
Bagdigi Kujama Bengal	Purshotam Co. Andrew Yule & Co. Ltd. 44% C. P. T.	2,94 15,723	58 2,862	60 3,071	1,014 62,655	39 1,583	30 643	9-53 10-58	2,31 (b) 9,416	2,03 (m) 9,705	5 171	4 171	5 171
Bengal Bhatdeo Bengal Nagpur Bhargora Bharat	Kalyanji Marji & Co. Andrew Yule & Co. Ltd. H. V. Low & Co. Privt. Sahu Jain Ltd. 51% C. P. T.	1,247 100 1,883 7,140	89 6 132 455	86 5 95 442	1,665 114 2,412 9,108	153 14 243 457	6 10 29	12-58 12-58 9-57 6-58	120 41 358 (i) 1,162	236 -15 271 (a) 757	74 Nil 5 54	9 nil nil 54	74 nil nil 54
Bhulanbarao Bhuranga	Directors Ram Saran Das & Rathor Pri	508	149 30	142 27	2,733 544	174 6	...	12-58 3-59	-79 -135	-259 95	Nil Nil	Nil Nil	Nil Nil
Borra	F. W. Heilgers Private 64% C. P.	...	171	174	3,702	19	37	12-58	362	220	71	71	15
Burrakur	Bird & Co. Privt 7% C. P. 6% 2nd C. P. T.	...	1,037	1,019	30,677	1,196	413	6-58	4,030	(i) 3,992	64 64 64	64 64 64	64 64 64
Central India Central Kurkend Churulia	Hindustan Inv. Corporation Directors F. W. Heilgers Pri. Macneil & Barry	4,195 1,618	310 89	297 86	5,728 1,769	190 84	75	3-58 12-58	950 102	771 167	5 5	5 5	5 5
Dhomo Maio East Indian (E) Equitable	Macneil & Barry Jardine Henderson Ltd. Macneil & Barry 6% C. P.	...	2,74 525 1,763	2,71 469 1,758	5,351 4,58 36,561	1,57 1,322	31 158	12-58 4-58 12-53	3,65 39 (p) 2,512	-40 50 2,334	Nil Nil 15	Nil Nil 15	Nil 181 15
Ghusick and Muslia	51% Debentures Bhatia's Agency 5% C. P.	2,332	143	137	2,594	225	...	3-58	-131	65	nil	nil	24
Gourangdi	Bhatia's Agency 5% R. C. P.	134	19	16	284	...	...	3-58	31	34	Nil	Nil	Nil
Guzdar Kajora Hurriladib Jainity Central Jogta	Ojha Brothers Macneil & Barry Villiers Baipale Trust Private	...	39 112 3 176	35 100 2 149	553 1,865 24 ...	26 299 15	12 30	12-56 12-57 12-54 12-58	17 (c) 41 56 153	59 216 -23 63	Nil Nil Nil Nil	Nil Nil Nil Nil	Nil Nil Nil Nil
Kalapahari Karanpura Collieries	Andrew Yule & Co. Ltd. Bird & Co. Private 51% C. P. T.	497	93	85	1,634	285	17	2-59	184	163	nil	Nil	Nil
Katra Jherriah Khas Kajora	Andrew Yule & Co. Ltd. Directors	1,765 3,53	345 35	354 36	7,368 5,54	119 76	109	1-59 12-55 H	1,127 1,25	1,373	65 15	54 65	54 65
Khas Shampora Kuardi Lakurka Mahabir	Ramsaran Das & Rathor P. Ltd H. V. Low & Co. H. V. Low & Co. Daulat Rawatmull 44% R. C. P.	481 1,285 3,57	24 99	23 86	422 4,703 6,21	22 51 40	...	10-58 4-58 12-53	-78 -179 273 1,65	-65 65 (i) 37 1,36	nil nil 14 14	nil nil 14 14	nil 14 14 14
Mundupoor Nzira New Beerblaoon	Directors Tantia Brothers Private Andrew Yule & Co. Ltd. 7% C. P.	464 434 3,379	14 15 622	15 519 626	5,05 519 12,932	1,41 108	...	6-54 H 12-58 10-58	-79 62 (o) 1,053	...	nil 166 (i) 956	nil 71 10	nil 71 71
New Churulia	Business Development 5% C. P.	...	15	15	249	290	...	9-57	-51	37	Nil	Nil	Nil
New Huntodib	Daulatram Rawat Mull 5% Cumulative Preference	3,42	...	...	4,95	1,30	12	3-53	25	11	Nil	Nil	Nil
New Joyrampora New Manbhoom North Damuda	R. S. Das & Rathor Private Octavian Steel Directors	1,723 861 2,461	130 78 137	122 69 137	2,439 961 2,659	65 46	40	6-58 3-59 1-56 3-59	-10 126 63 103	-17 100 -172 119	Nil Nil Nil 15	Nil Nil Nil 15	Nil Nil Nil 15
North West	Andrew Yule & Co. Ltd. Partly Paid Ord F. W. Heilgers Private 64% C. P.	...	...	...	...	...	23	12-58	167	87	5	5	71
Ondal	K. C. Thapar & Bros. Private 5% Debentures	3,725	211	203	4,454	88	...	12-58	339	453	24	34	34
Oriental	Deepchand Kishanall 51% R. C. P.	2,059	145	138	2,574	84	30	12-57	385	133	5	5	10
Parasa	6% Debentures Shaw Wallace & Co. Ltd. Amritlal Ojha	...	503	503	10,255	70	77	3-59	1,151	(a) 1,208	10	20	20
Pench Valley Pure Sitalpur	Amritlal Ojha Directors	1,69	22	16	2,50	37	5	6-55 H	36	36	24	24	Nil
Raneungoo Rawa	B. N. Elias & Co. Privt. Ltd. Shaw Wallace & Co. Ltd.	6,342	414	411	8,323	1,387	165	3-58	1,559	1,355	10	74	74
Samia Sarsula	Directors Directors	5,704	348	340	6,673	142	47	12-58	379	(m) 949 (e) 579	10	10	15
Sasporo	Andrew Yule & Co. Ltd. 5% Cum. Preference	360	78	81	1,614	27	36	1-58 12-58	-5 393	50 383	Nil 25	15 25	15 32-21
Sendra	Directors Amritlal Ojha & Co. Pri.	479	38	36	716	3	...	12-58 12-57	20 20	(k) 53 37	Nil Nil	5 Nil	5 Nil
Singoreni South Karanpura Standard Talcher	Indus. Dept. Govt. of Andhra Bird & Co. Private Ltd. F. W. Heilgers Private Villiers Debentures	2,116 2,043 4,92	2,023 193 55	53,590 3,443 232 8,44	915 148 5	313 47	...	12-58 8-53 12-58 9-53	6,746 507 (h) 346 15	5,912 (i) 386 (g) 107 23	74 24 121 Nil	15 71 10 Nil	15 71 10 Nil
Union United Collieries	Directors K. C. Thapar & Bros. 5% C. B. P.	1,245 10,7	84 2,15	82 2,13	1,514 31,60	58 62	16	12-57 12-54	163 10,38	110 9,98	33 Nil	nil Nil	nil Nil
West Ghusick West Jamuria West Laidih Western Bengal	Bhatia's Agency Macneil & Barry & Co. Ltd. K. L. Dutt & Co. Private Hindustan Inv. Corporation	1,11 277 32 2,532	19 278 32 255	13 279 29 249	1,83 5,504 560 4,504	1,76 161 26 23	...	3-54 12-58 12-58 3-59	-21 23 61 826	...	nil 150 69 673	5 Nil Nil 4	5 Nil Nil 5

(a) After writing back Rs 162,341 from provision for liabilities, Rs 57,838 being items relating to previous years, Rs 13,065 from provision for taxation and after providing Rs 134,136 for Labour Award.

(b) After writing back Rs 2,00,000 from Taxation Reserve.

(c) After transferring Rs 4,00,000 from General Reserve; And Rs 75,000 from Reserve for Reduction in valuation of Stores.

(d) After writing back Rs 500,861 being provision for liabilities.

(e) After transferring Rs 1,00,000 from General Reserve.

(f) Includes Rs 60,180 being Refund of Income-tax.

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

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	Liquor Assets				
	January 1960	January 1959			Reserves	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Ra. n.p.	Ra. n.p.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Amalgamated	21 69	22 25	10	2,550	2,400	836	39	5,739	10,935	7,739	...	3,464	3,835	358	665
Asso. Karanpura	4 75	4 75	10	900	...	14	-64	342	1,177	115	...	31	224	1	24
44% R. C. preference	50 50	50 50	100	150	...	...	...	...	...	...	...	...	...	...	...
Asso. Laidih	3 50	2 94	10	800	...	2	-28	208	1,194	241	...	48	161	5	15
5% Debenture	...	...	500	201	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujama	9 00	3 51	10	2,000	...	90	1	3,21	21,72	4,51	...	68	3,94	2,29	...
Bengal	300 00	285 00	100	10,000	11,200	5,816	1,043	26,997	66,804	45,371	1,310	14,727	3,321	1,071	...
44% C. P. T.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Bengal Bhatdeo	3 48	4 08	10	449	30	100	4	807	1,084	646	15	403	458	77	...
Bengal Nagpur	12 50	12 75	10	225	383	132	-106	125	2,441	2,216	354	...	71	100	...
Bhargora	6 63	6 31	10	1,597	114	373	-21	1,581	4,845	2,518	...	381	914	64	...
Bharat	7 12	6 62	10	4,000	...	61	391	3,984	14,887	8,027	2,065	1,598	4,026	88	...
51% C. P. T.	50 00	47 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
44% Debenture	900 00	900 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Bhulanbarao	5 87	7 75	10	715	662	771	-645	1,773	5,524	3,844	64	463	1015	53	...
Bhuranga	1 81	2 00	10	1,000	...	3	-1,327	1,716	1,882	855	31	59	245	10	18
Borra	19 25	18 37	10	750	643	1,845	20	888	4,961	2,835	791	177	1,041	304	105
64% C. P.	90 50	83 50	100	400	...	...	...	...	...	...	...	...	...	...	...
Burrakur	18 44	18 00	10	9,092	1,827	15,610	99	11,205	44,178	20,854	3,016	4,597	11,105	99	342
7% C. P.	91 75	98 50	100	2,300	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	6 50	6 88	10	450	...	...	...	...	...	...	...	...	...	...	...
44% Debentures	870 00	870 30	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Central India	8 87	7 37	10	4,997	...	82	11	1,421	5,520	1,760	170	766	1,566	249	...
Central Kurkend	11 25	11 30	10	800	6	1,292	...	720	5,304	3,435	...	302	548	98	...
Churulia	4 00	3 12	4	600	154	...	...	229	...	...	675	...	178	131	...
Dhomo Main	9 94	9 12	10	1,600	...	...	...	3,013	5,447	3,185	...	5,22	1,696	66	...
East Indian (E)	25 44	23 62	£ 1	240	100	263	19	244	1,071	727	238	155	167	13	...
Equitable	30 50	29 75	10	2,964	3,400	6,833	33	20,603	45,953	32,276	1,586	8,871	13,902	6,61	...
6% C. P.	94 00	100 00	100	400	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	1000 00	1000 00	...	4,835	...	...	...	...	...	...	...	...	...	...	...
Ghusick & Muslia	13 00	16 50	10	1,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	100 00	100 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Gourangdi	7 00	7 00	10	375	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	40 00	40 00	100	125	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Guzdar Kajora	6 00	8 25	10	650	...	...	...	...	...	...	...	...	...	...	...
Hurriladib	14 37	14 87	10	800	2,50	...	...	6,44	2,458	1,967	49	3,94	3,88	3,72	...
Jainity Central	0 43	2 00	24	242	...	...	...	5,03	16,24	12,08	...	51	19	...	...
Jogta	2 00	1 50	10	2,200	...	500	-483	412	3,054	1,175	...	19	1	611	110
Kalapahari	28 50	22 00	10	350	431	140	-30	403	1,525	779	...	358	172	26	...
Karanpura	146 00	115 00	100	2,000	...	347	20	1,105	3,793	894	4	349	836	164	269
51% C. P. T.	58 00	55 00	100	990	...	...	...	...	...	...	...	...	...	...	...
Katras Jheriah	62 50	66 75	10	500	1,860	114	127	2,238	5,222	3,991	329	662	1,933	704	...
Khas Kajora	12 00	9 50	10	138	...	...	...	11,03	13,53	6,93	...	2,35	3,55	1	...
8% Preference (a)	9 10	7 25	10	193	...	...	...	...	...	...	...	...	...	...	...
Khas Kajora	1 05	1 06	10	900	...	...	...	587	1,139	424	4	76	178	1	...
Kuardi	3 81	2 75	10	1,100	68	...	...	182	1,696	1,118	295	65	203	3	...
Khas Kajora	14 87	15 50	10	900	573	450	7	980	2,904	2,341	570	90	1,597	90	...
Lakuria	12 25	12 25	10	400	1,80	...	...	4,30	6,18	3,88	1,36	51	6,81	21	...
Mahabir	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
44% R. C. P.	...	...	10	566	...	...	...	...	...	...	...	...	...	...	...
Mundulpoor	0 50	1 05	10	748	230	...	...	33,13	18,81	7,96	...	2,67	4,73	10	...
Nazira	8 31	7 56	10	1,276	...	...	...	5,37	1,373	1,021	701	63	406	17	...
New Beerboom	22 50	20 19	10	200	1,990	...	...	5,234	14,015	9,789	4	1,242	3,631	183	...
7% C. P.	11 62	10 00	10	710	...	...	...	...	...	...	...	...	...	...	...
New Churulia	2 23	2 00	10	200	...	...	...	869	1,218	541	...	398	193	17	...
5% C. P.	2 56	2 50	100	200	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	...	...	10	400	...	...	...	...	...	...	...	...	...	...	...
New Huntodih	4 00	4 03	100	200	...	...	...	6,02	7,54	1,96	...	1,39	2,57	25	13
5% Cum Preference	45 00	60 00	10	455	...	...	...	...	...	...	...	...	...	...	...
New Joyramore	3 50	3 50	10	600	125	...	...	1,129	3,287	2,315	2	360	594	36	...
New Manbhoma	12 31	11 47	24	250	...	...	...	2,043	2,080	812	2	372	420	33	...
North Damuda	1 10	24 62	10	115	310	76	47	459	1,300	941	...	116	518	169	...
North West	23 12	24 62	74	158	...	...	...	...	...	...	...	...	...	...	...
Partly Paid Ord	20 75	12 00	10	750	624	957	42	171	398	278	2,152	...	252	311	...
Ondal	11 50	12 00	100	200	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	86 50	91 50	10	1,000	110	112	51	3,553	5,886	2,591	23	700	1,425	29	354
Oriental	8 12	8 00	1000	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	834	30	61	8	1,525	2,469	1,057	634	212	1,011	28	160
Parasoa	18 56	15 10	100	800	...	...	...	...	...	...	...	...	...	...	...
51% R. C. P.	50 00	42 50	100	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	1,575	1,506	1,533	33	3,466	6,860	4,484	245	2,003	2,129	168	139
Pench Valley	19 62	24 00	10	250	10	...	...	2,00	7,80	2,80	60	64	1,51	7	...
Pure Sitalpur	5 75	6 25	...	250	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	2,400	731	2,148	4	4,589	14,352	9,670	17	2,084	2,992	97	...
Raneegunge	17 25	18 75	10	1,350	870	158	32	3,707	4,846	3,423	319	1,519	2,453	350	...
Rewa	19 56	12 94	10	3,750	350	3,462	66	4,246	10,253	2,638	169	882	3,813	23	...
Sarni	12 00	5 87	24	250	...	...	...	531	1,563	1,283	340	75	112	12	...
Searola	2 69	26 25	7	800	163	...	...	997	2,963	2,019	327	121	1,087	206	...
Seebore	27 12	...	100	400	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	...	...	10	800	463	18	...	55	52	...	175	...	187	956	...
Sendra	12 75	11 31	10	550	...	...	...	238	890	...	431	...	152	38	...
Sera Mahakali	3 50	4 12	100	300	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	6,321	5,154	5,471	55	40,681	61,030	29,093	842	15,074	8,925	1,805	...
Singaria	16 25	13 44	10	1,750	332	243	14	1,267	4,352	1,816	32	350	1,045	...	...
South Karanpura	12 50	12 87	10	800	847	715	15	410	169	...	29	2,501	38	107	31
Standard	18 00	13 31	24	1,000	...	13	-3,70	8,34	31,30	15,44	1	1,60	2,25	4	...
Talcher	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	350	230	50	178	338	1,915	1,479	...	80	593	37	...
Union	14 00	10 94	10	2,758	...	75	39	11,63	55,42	22,01	...	4,32	4,50	9,73	95
United Collieries	12 25	10 94	100	1,256	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	78 00	83 00	100	800	...	...	...	6,82	10,82	...	...	2,14	90	9	...
West Chusick	14 06	13 50	10	700	...	...	...	4,557	5,974	2,916	...	2,17	1,444	53	2
West Jamuria	5 50	7 75	10	600	...	6	13	447	948	213	...	49	255	25	...
West Laidih	3 25	2 94	10	4,998	...	166	8	2,671	7,861	2,999	150	739	2,034	60	...
Western Bengal	6 56	5 84	10	...	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private ... 5% Cum. preference ... 51% Debentures	49,144	1,016	11,474	18,894	5,611	50	6-59	(a3)1,436	(a10)529	7	5	5
Ahmed Mfg. & Calico	Karamchand Frenchand Pri. 41% 1st Cum. preference ... 41% 2nd Cum. preference ... 41% 3rd Cum. preference ...	139,120	2,372	21,643	91,565	22,020	1,088	3-59	12,810	12,787	171	171	24
Aja Mills	Chinubhai Naranbhai ... 41% 'B' R. C. preference ... 5% 'C' R. C. preference ... 41% 'D' R. C. preference ...	25,376	513	5,035	11,855	2,300	50	12-58	(a33)706	(a13)736	121	14	16
Apollo Mills	Rajputana Textiles Pvt. & Co. Narottam Lalabhai ... 5% Cum. preference T. ... 41% Cum. preference T. ... 41% R. C. preference T. ...	56,468 60,412	898 1,216	7,566 7,846	15,358 35,863	3,291 4,498	25 780	12-58 12-58	-2,475 8,323	-1,739 6,710	nil 28	nil 35	91 35
Asoka Mills	Lalbahai Dalpatbhai ... 5% C. P. T. ... 41% R. C. P. T. ...	37,368	914	9,653	20,308	2,010	103	12-57	1,594	3,601	30	30	30
Azam Jabi Mills	Government of Andhra Directors ... 6% Cum. preference ... 41% Debentures	36,136 50,596	716 1,021	10,017 8,986	12,474 14,647	5,125 2,996	...	9-58 3-59	30 -693	807 -624	nil nil	nil nil	5 nil
Binod Mills	B. Ram. Balchand ... Newrojee Wadia & Sons Private	60,640 223,552	1,338 3,984	141,15 47,644	203,58 90,563	28,53 29,160	6,69 503	12-55 12-58	24,54 (a25)10,267	6,30 (a9)13,178	101 10	6 10	6 10
Central India	Tata Industries Private ... 5% Cumulative preference ... Birla Brothers Ltd. 6% R. C. P.	115,188 126,752	2,062 2,752	11,206 41,100	24,613 82,868	6,592 23,706	...	6-58 12-58	-4,261 (a)14,648	-2,079 (a)8,893	nil 22	nil 22	5 22
Century Spg. & Mfg.	Cowajee Jehangir & Co. Ramarain Sons Ltd.	24,848 40,962	680 ...	4,316 90,98	14,379 134,77	1,061 10,42	42 1,65	3-59 12-55	(n)1,060 14,70	(a)4,1459 6,01	71 30	121 12	121 12
Edward Textiles	P. Buba Sons ... Director ... 7% C. P.	48,718 41,300	928 886	7,804 ...	22,525 7,572	3,000 7,572	36 ...	12-58 12-58	-54 -453	(a)7-201 150	71 nil	71 nil	8 10
Empire Dyeing & Mfg.	W. H. Bady & Co. Ltd.	...	...	1,074	3,734	87	37	12-58	(a26)495	317	20	20	20
Finlay	James Finlay & Co. Ltd. F. F. Campbell & Co. pri. 6% Debentures	49,528 74,286	784 ...	7,393 17,360	23,004 25,466	4,677 6,920	135 151	12-58 12-57	(a36)2,581 (a16)1,631	(a15)1,901 1,884	16 8	20 13	20 15
Gold Mohur	James Finlay & Co. Hind Agents Private 5% C. P.	45,268 71,596	1,108 1,387	8,565 165,72	19,163 324,27	6,479 115,33	133 2,80	12-57 6-56	1,452 22,77	2,109 15,63	15 6	15 4	15 4
Hindustan Spg.	Directors ... 41% R. C. P. T.	49,448	1,122	11,420	15,158	4,603	...	3-59	(a37)1,651	(a17)1,536	35	35	35
India United	Agarwal & Company Deferred ...	244,300	6,278	44,666	77,097	48,523	34	12-57	-3,852	6,399	nil	181	181
Indore Malwa	Directors ...	51,180	1,420	...	24,665	7,524	...	12-58	284	-289	5	6	11
Jaipur Spg. & Wvg.	Shree Laxmi Traders 51% R. C. P.	...	...	3,484	6,166	2,944	...	12-58	-221	-55	nil	nil	nil
Khatav Makani	Khatav Makani & Co. Private 41% Cum. preference ...	92,852	1,489	16,105	49,000	7,503	482	6-59	5,814	2,738	16	10	10
Kohinoor Mills	Killick Industries Limited	120,504	1,846	24,991	49,019	13,423	44	12-58	(a27)1,914	(a3)2,553	10	18	13
Lakshmi Cotton	Directors ... 5% Cum. preference T.	48,996	1,219	7,746	19,457	5,149	...	12-58	(a32)2,504	(1)385	6	5	5
Malatal Fine Spg.	N. C. Purbhadas & Co. 41% 1st R. C. P. 41% 2nd R. C. P.	51,996	896	5,922	22,561	2,505	374	12-58	4,287	(a18)3,215	18	15	18
Marden Spg. & Mfg.	Marden Agents Co. Pri. N. Sirur & Company Private B. A. Dadabhai & Co. N. Sirur & Company Private 5% Debentures	23,508 39,896 52,408 49,200	482 704 952 644	6,660 7,69 89,83 9,575	14,445 3,234 141,66 17,517	4,239 36,34 6,005	...	12-57 12-58 6-55 10-58	(a19)851 -765 -485 (a)866	1,365 (w) 4 -772 801	nil nil nil 6	41 6 3 10	41 6 3 16
Monogram Mills	M. Bakubhai & Sons, Private Piramal Sons Private Ltd. 41% Cum. preference	27,460 70,416	528 1,652	6,751 14,508	15,126 37,457	6,703 10,782	...	12-57 6-59	618 3,300	1,346 (1)3,466	6 211	7 15	7 14
Mysore Spinning	N. Sirur & Company Private 41% Cum. preference T.	50,480	500	9,630	19,764	3,835	48	2-59	387	(a8)724	10	10	18
New City of Bombay	W. H. Brady & Co. Ltd. Tricunlal Bhogilal 4% 2nd R. C. P.	45,944 45,836	432 866	6,988 10,937	13,159 21,686	2,150 4,085	...	12-58 12-57	(m)15 (a20)2,354	(e)136 2,835	nil 10	5 10	10 8
New Great Eastern	W. H. Brady & Co. Ltd. 51% Cum. preference T. Directors ... 5% C. P.	49,012 54,052	1,018 12,67	8,326 13,135	19,842 24,405	3,900 12,874	...	12-58 3-58	(p)101 -2,181	(f)74 702	nil 51	4 51	10 51
New Shorrock Spg	Malatal Chandulal & Co.	51,100	907	12,319	25,651	2,695	462	12-57	(a21)5,549	6,230	24	32	28
Omanahahi Mills	Bennilal Bisesardas Private Pedar Sons Private 4% Cum. preference 1% C. (Bon.) private 5% C. P.	37,788 32,600	902 930	8,567 8,247	12,145 10,651	5,601 3,807	20 24	9-58 12-58	(a34)45 (a38)1,271	(-1)13 265	nil 10	5 10	3 12
Raymond Woollen	1% C. (Bon.) private 5% C. P.	15,080	...	9,540	20,147	9,403	148	12-58	3,001	1,031	4	4	4
Robit Mills	Directors ... 51% Cum. preference T. 4% R. C. P. (2nd) 4% R. C. P. (5th)	33,156	648	9,050	22,117	7,028	...	12-57	1,235	3,108	51	51	51
Sassoon & Alliance	Directors ...	9,520	277	2,653	4,559	2,498	...	12-58	-73	-285	nil	nil	21
Sassoon Spinning	M. G. Irv. Corporation Pri.	94,884	2,127	24,510	49,669	4,326	50	12-58	(a28)2,464	(a29)3,897	nil	20	20

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital Rs. 000	Reserve & Surplus including latest allocations			Sundry Liabilities Rs. 000	Gross Block Rs. 000	Depre- ciation Rs. 000	LIQUID ASSETS				
	January 1960 Rs. np.	January 1959 Rs. np.			General	Others	Carry Forward				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Ahmed Advance	150 00	145 00	100	4,000	1,362	1,200	11	17,365	19,497	7,903	889	12,224	2,552	501	178
8% Cum. Preference	81 50	83 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
51% Debenture	955 00	950 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Ahmed Mfg. & Calico	...	...	125	20,625	2,589	25,840	314	51,348	68,844	30,448	303	30,198	33,025	1,770	...
41% 1st. cum. preference	...	...	125	200	...	...	...	...	...	...	...	...	...	...	...
41% 2nd. cum. preference	...	...	50	800	...	...	...	...	...	...	...	...	...	...	...
41% 3rd. cum. preference	...	...	50	1,933	...	...	...	...	...	...	...	...	...	...	...
Aja Mills	...	...	200	1,100	1,763	1,063	8	5,476	6,388	3,866	125	4,476	2,375	437	...
41% 'B' R. C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% 'C' R. cum. pref.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
41% 'D' R. cum. pref.	...	...	25	125	...	...	...	...	...	...	...	...	...	...	...
Apollo Mills	1 36	1 24	2	5,000	38	515	-3,755	10,968	11,186	4,403	932	4,006	862	13	...
Arvind Mills	...	...	100	6,000	18,050	10,641	128	9,257	23,446	12,421	11,687	8,097	7,437	8,454	...
5% cum. preference T.	...	...	100	525	...	...	...	...	...	...	...	...	...	...	...
41% cum. preference T.	...	...	100	1,050	...	...	...	...	...	...	...	...	...	...	...
41% R. cum. pref. T.	...	...	100	1,050	...	...	...	...	...	...	...	...	...	...	...
Asoka Mills	...	...	100	1,200	10,000	4,047	1	6,182	9,992	6,729	3,224	6,129	7,690	2,331	...
5% Cum. preference T.	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
41% R. C. P. T.	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
Azam Jabi Mills	63 00	59 00	100	7,200	1,212	607	61	15,605	18,974	6,827	2,379	9,102	889	113	...
B. R. Cotton	29 00	17 52	100	4,000	1,600	800	-1,301	4,231	11,821	7,724	456	4,223	2,338	18	...
5% C. P.	48 00	37 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
41% Debenture	...	...	100	800	...	...	...	...	...	...	...	...	...	...	...
Binod Mills	...	...	100	60,000	12,60	22,34	1,81	103,12	150,46	61,57	8,25	69,20	28,38	5,16	...
Bombay Dyeing	65 80	56 80	25	25,098	19,563	15,025	50	38,188	90,144	44,294	3,840	31,484	7,331	1,419	...
Central India	115 00	89 00	100	4,687	1,407	1,088	...	37,990	35,544	15,186	3,290	14,022	1,307	441	6,493
5% cum. preference	401 00	341 25	500	5,000	...	...	...	...	...	...	...	...	...	...	...
Century Spg. & Mfg.	441 75	434 00	100	12,276	17,527	15,134	953	35,211	81,108	31,275	1,127	36,573	5,616	1,453	...
6% R. C. P.	100 50	104 50	...	12,500	...	...	...	...	...	...	...	...	...	...	...
Coorla Spg. & Wvg.	153 75	137 50	100	2,600	1,173	2,013	61	3,529	12,143	7,338	84	4,123	346	19	...
Dawn Mills	108 00	78 00	50	1,600	12,63	13,31	2,17	37,92	69,11	52,46*	90	28,73	19,18	16,57	...
Edward Textiles	290 00	215 50	200	3,400	3,496	...	-1,635	3,696	8,542	6,450	1,374	4,383	993	116	...
Elphinstone Spg.	40 00	31 00	50	3,000	1,000	671	-552	9,902	14,344	8,121	53	9,108	1,101	36	...
7% C. P.	65 00	64 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Empire Dyeing & Mfg.	...	...	15	900	400	462	8	904	2,135	1,578	219	223	544	1,130	...
Finlay	308 00	261 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	...
Golak Mills	163 00	131 75	100	4,881	3,313	727	4	7,679	13,600	7,714	209	8,149	2,563	40	3,750
6% Debentures	100 50	100 25	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Gold Mohur	240 00	182 50	10	5,000	4,27	5,46	28	127,39	144,07	82,06*	10	10,708	1,624	2	...
Hind Mills	...	...	100	2,000	...	...	...	...	...	...	...	124,26	20,36	65	...
5% C. P.	...	...	1000	1,200	4,993	7,508	-627	5,322	19,491	14,031	1,369	9,421	2,866	279	...
Hindustan Spg.	4700 00	4800 00	1250	1,200	...	...	...	...	...	...	...	...	...	...	...
41% R.C.P.T.	650 00	...	10	200,00	7,019	867	-5,883	46,796	50,512	36,818	2,84	57,228	1,500	354	...
India United	12 50	8 92	1	5,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	1 54	1 10	...	3,000	...	...	...	...	...	...	...	...	...	...	...
Indore Malwa	115 00	99 00	100	5,000	1,622	110	-1,253	13,025	16,445	12,108	2,606	9,232	1,999	331	...
Jaispur Spg. & Wvg.	...	...	100	2,500	...	139	-366	686	4,203	2,281	...	3,231	112	194	...
51% R. C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Khamra Maknaji	245 00	153 75	100	5,985	3,647	2,462	24	20,093	35,300	25,417	1,948	16,364	6,272	743	...
4% Cum. preference	74 00	70 00	100	2,992	...	...	...	...	...	...	...	...	...	...	...
Kohinoor Mills	307 50	234 50	100	10,000	1,700	10,157	68	11,181	57,523	29,025	720	22,459	1,364	62	...
Lakshmi Cotton	500 00	400 50	250	3,200	5,071	1,925	1	6,821	19,817	14,439	100	8,393	2,676	69	1
5% cum. preference T.	170 00	158 75	250	1,600	...	...	...	...	...	...	...	...	...	...	...
Malatal Fine Spg.	662 00	405 00	100	5,800	9,613	3,495	17	4,689	20,322	13,939	7,852	5,018	3,713	3,059	...
41% 1st. R. C. P.	86 00	86 00	100	1,450	...	...	...	...	...	...	...	...	...	...	...
41% 2nd. R. C. P.	92 00	92 00	200	1,450	...	...	...	...	...	...	...	...	...	...	...
Maraden Spg. & Mfg.	...	...	100	2,731	2,661	862	30	6,503	7,777	5,013	92	6,521	2,789	479	...
Minerva Mills	64 00	64 09	250	2,960	1,149	183	-773	9,774	9,766	5,102	846	6,476	1,230	48	...
Model Mills	60 00	176 50	50	9,314	392	21,99	-2,59	84,32	169,26	78,82	25	99,68	789	272	...
Modern Mills	68 00	46 00	500	4,647	1,750	1,254	32	8,180	14,123	7,057	124	9,261	570	62	...
5% Debenture	...	...	200	1,200	...	...	...	...	...	...	...	...	...	...	...
Monogram Mills	...	...	100	2,600	3,000	463	12	7,575	7,427	4,899	75	8,402	2,482	162	...
Morarjee Coculdas	300 00	230 50	100	5,175	4,000	518	238	14,263	28,453	20,523	14	16,531	1,405	40	...
41% cum. preference	70 00	...	100	1,725	...	...	...	...	...	...	...	...	...	...	...
Mysore Spinning	67 00	83 00	50	2,484	3,195	868	34	7,497	11,767	7,186	2,792	6,600	764	85	...
41% cum. preference	27 00	28 00	50	745	...	...	...	...	...	...	...	...	...	...	...
New City of Bombay	140 00	93 00	100	2,400	1,377	899	...	2,110	8,293	4,870	8	3,114	92	403	...
5% Commercial	...	...	100	6,300	1,363	1,489	21	12,330	14,438	10,262	1,243	9,262	7,196	151	...
4% 2nd. R. C. P.	...	...	100	525	...	...	...	...	...	...	...	...	...	...	...
New Great	172 00	218 50	100	3,000	235	466	...	3,979	10,927	6,337	10	5,424	361	252	...
51% C. P.	114 50	130 00	200	800	...	...	...	...	...	...	...	...	...	...	...
New Kaiser-I-Hind	66 00	58 70	100	4,500	...	40	-1,077	16,536	12,454	9,733	1,164	13,658	5,401	281	...
5% C. P.	74 50	74 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
New Shorrock Spg.	...	...	125	5,200	5,434	3,720	93	9,728	15,549	10,788	3,613	7,423	6,526	1,358	493
Osmanshabhi Mills	40 50	42 75	100	8,723	2,840	98	...	7,750	17,686	6,786	204	8,053	535	212	...
Padar Mills	141 50	130 00	100	4,000	3,231	1,148	20	4,614	7,633	2,716	3,218	4,576	930	70	...
4% Cum. Preference	64 00	72 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Raymond Woollen	...	...	100	7,500	980	448	221	14,958	15,492	7,275	2,049	13,126	2,357	290	5,58
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Rohit Mills	...	...	100	4,875	1,504	1,652	10	16,267	13,375	7,360	141	12,009	6,726	333	...
5% C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P. [2nd.]	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
41% R. P. [Sub.]	...	...	100	250	...	...	...	...	...	...	...	...	...	...	...
Sassoon & Alliance	10 00	9 76	10	1,000	...	...	-183	3,714	2,920	1,712	...	2,669	6,51	2	...
Sassoon Spinning	49 00	41 25	10	3,770	6,544	5,322	3	10,646	23,188	14,972	198	10,703	4,429	512	...

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	DIVIDEND PER CENT		
										Latest	Pre- vious	Seco- ndary
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000		
WESTERN AND CENTRAL INDIA (Contd.)												
Sholapur Spinning	Morarka & Co.	95,332	2,234	106,34	127,51	92,54	28	3-55	-23.04	-60.15	nil	nil
	Half. Ord.									20	30	25
Shorrock Spinning	3% R. Cum. preference	36,648	720	7,865	18,268	1,518	230	12-57	(a22)3,115	3,511	20	30
Shree Nivas Cotton	Marfatil Chaudhul Ahmed	69,070	1,640	21,120	28,994	10,235	50	12-57	964	2,923	8	12
	4% R. Cum. preference									4	4	4
Shree Saijan Mills	G. Likhari & Co.	17,880	440	25,75	60,56	13,77	22	3-55	1,81	42	nil	nil
Shri Ambica	H. Kalidas & Company	94,128	1,790	18,786	47,321	9,774	970	12-58	10,264	7,351	30	25
	5% Cum. preference									5	5	5
	4% Cum. preference (2nd)									4	4	4
Simplex	F. F. Campbell & Co. Pri.	34,846	1,274	15,092	23,126	5,838	82	3-58	(a23)1,811	(a24)1,335	17	17
Sir Silk	Birla Brothers private			2,923	21,671	4,942	12	9-58	1,500	49	nil	nil
	6% C. P.									22	22	20
Standard	Marfatil Gopalbhai & Sons	97,588	2,409	26,028	57,926	6,059	678	12-57	(a24)8,838	11,125	4	4
	4% 1st R. C. P.									10	9	14
	4% 2nd R. C. P.									5	5	5
Swadeshi Mills	Tata Industries pri. Ltd.	72,236	2,000	15,118	31,355	7,867	115	12-58	2,769	2,298	10	9
	5% Cum. preference									25	25	25
Swan Mills	James Finlay & Co. Ltd.	39,328	551	6,864	21,480	4,080	219	12-58	3,352	1,874	6	6
Tata Mills	Tata Industries Pri. Ltd.	65,445	1,800	13,328	25,033	7,496		12-58	200	1,246	25	25
	5% Debentures									20	20	
Victoria Mills	Manigalad Mehta	50,056	958	8,559	21,097	3,394	50	12-58	1,326	(a39)1,341	4	4
	4% R. Cum. preference									8	10	4
Vijaya Mills	H. Acharya & Co.	36,176	780	7,960	19,487	3,697	73	12-57	1,432	2,090	4	4
	4% 2nd Cum. Preference T.									4	4	4
	4% 3rd R. Cum. Pref. T.									4	4	4
Vishnu Cotton	Directors	47,240	1,331	7,575	18,107	4,130		12-58	(a)1,050	(b)909	nil	nil
	7% Cum. preference T.									7	7	7
NORTHERN INDIA												
Basanti Cotton	Calcutta Agency	13,044	356	26,320	7,418		47	12-57	543	613	6	6
	6% C. P.									6	6	6
Bengal Luxmi Cotton	5% Debentures	6,601		6,247	11,264	3,641		3-58	(a30)369	570	nil	10
	Directors											
	Ordinary Partly Paid											
	Ordinary Partly Paid											
	5% R. C. P.											
Bengal Nagpur	Directors	29,936	810		7,154	5,578		12-57	(a)671	(a)171	nil	nil
	7% C. P.										15	15
Birla Cotton	Birla Brothers Private	39,896	1,088	26,910	38,434	5,821	99	3-58	1,312	2,859	7	7
Bowrah Cotton	Kettilewell Bullen & Co. Ltd.	42,960	841	9,646	17,764	6,694	45	12-58	152	116	nil	15
	8% 'A' C. P.										nil	nil
	7% 'B' Pref.										nil	nil
Cawnpore Textiles	Begs Sutherland & Co. Private		591	11,649	1,851			12-58	-850	412	nil	nil
Delfi Cloth	Bharat Ram Ch. Ram & Co. Pri.	141,180	2,352	139,422	300,800	39,104	1,626	6-59	23,378	21,636	4	4
	Ordinary										4	4
	4% 1st 2nd C. P.										5	5
	4% 3rd C. P.										5	5
	5% 4th C. P.										10	10
	5% Debenture										100	100
Dunbar Mills	Kettilewell Bullen & Co.	42,944	518	9,607	18,399	5,791	50	12-58	281	-337	nil	nil
	Debentures										10	10
Elgin Mills	Begs Sutherland	48,452	1,198	17,440	29,828	6,991	177	9-58	2,596	5,486	7	10
	8% C. P.										8	8
	5% C. P.										5	5
Jagatjit Cotton	K. C. Thapar & Bros. Pri.	26,560	530		24,927	2,045	405	1-58	4,450	4,120	11	5
	5% C. P. p.										6	5
	Debentures											
Jay Shree Textiles	Birla Brothers Private Ltd.			3,999	8,680	3,004		12-58	1,865	1,150	6	5
	5% Debentures											3
Kesoram Cotton	Birla Brothers Ltd.	74,672	1,992	25,766	48,630	13,079	50	3-58	920	4,557	2	7
	7% C. P.										7	10
Mahini Mills	Chakravarti Sons & Co.	23,484	435	9,012	18,792	6,043	213	12-57	2,261	3,052	12	12
	Ordinary										12	12
	5% R. C. P.										5	5
Miner Mills	Indian Tex. Syndicate	88,640	1,834	145,19	218,01		60	12-55	-5,06	-10,24	nil	nil
	6% C. P.										nil	nil
New Victoria	J. P. Srivastava & Sons Pri.	70,072	1,333	12,938	23,797	10,887		12-57	-635	-2	nil	nil
	Deferred										nil	nil
	6% C. P.										nil	nil
Orissa Textiles	B. Patnaik & Co. Private	47,728	864	13,642	24,120	7,907	38	3-58	-134	-2,156	nil	nil
	4% R. C. P.										nil	nil
Rena Textiles	J. P. Srivastava & Sons.	34,532	600	6,617	11,409	7,736		12-57	-440	401	nil	nil
	6% 'A' C. P.										nil	nil
	6% 'B' C. P.										nil	nil
Saraj Cotton	Birla Brothers Private	27,340	992	11,567	31,029	6,154	530	3-59	5,158	5,728	60	60
Swadeshi Cotton	Directors	112,216	2,081	46,756	100,510	25,679		12-58	759	5,083	nil	nil
	Prefd. Ord.										6	6
	6% C. P.										6	6
SOUTH INDIA												
Adoni Spinning	Kothari & Sons	24,000		2,746	4,180	282		12-58	374	269	nil	nil
	6% C. P.										nil	nil
Ashar Textiles	Setna & Co.	20,900		5,017	7,401	1,961	15	6-59	335	293	6	6
Bangalore Woollen	Bunny & Co. (Madras) Ltd.	49,608	1,157	20,734	55,418	8,715	635	12-58	6,448	4,930	10	10
	6% C. P.										6	6
Peabodyham & Carnatic	Bunny & Co.	120,288	2,762	31,490	100,140	10,910	751	12-58	(a28)6,774	(a)9,859	10	10
	7% C. P.										7	7
	5% Debentures										10	10

Includes Stock on hand.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	January 1960 Rs. np.	January 1959 Rs. np.			General	Others	Carry Forward Rs. 000				Invest ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Rs. 000	Others Rs. 00
WESTERN AND CENTRAL INDIA (Contd.)															
Sholapur Spinning	...	...	1000	1,590	126,86	29,53	-1,70,07	253,16	293,66	204,66	19,76	118,88	55,09	1,72	...
Half. Ordinary	...	...	500	10	...	...	...	...	...	...	...	...	...	...	...
3% R. C. P.	...	...	100	3,196	...	...	...	...	...	...	...	...	...	...	...
Shorrock Spinning	...	...	100	2,925	5,411	1,550	18	4,988	10,070	7,348	579	3,917	3,678	3,904	...
Shree Nivas Cotton	242 00	139 50	100	8,000	3,870	600	59	19,627	12,766	6,773	7,211	14,719	3,974	36	63
4% R. C. P.	61 00	67 00	100	480	...	...	...	...	...	...	...	...	...	...	...
Saree Saijan Mills	...	...	100	2,615	...	27	-66	34,83	36,43	17,73	94	38,81	1,85	27	...
Shri Ambica	...	...	100	6,376	22,828	7,316	57	9,520	23,218	13,223	4,894	15,326	12,681	5,460	...
5% cum. preference	...	...	100	560	...	...	...	...	...	...	...	...	...	...	...
4% cum. preference (2nd)	...	...	100	700	...	...	...	...	...	...	...	...	...	...	...
Simplex	153 00	168 50	50	4,200	2,810	270	8	15,540	19,586	7,984	110	7,860	3,251	6	...
Sir Silk	...	...	10	9,427	...	...	-1,810	45,239	57,038	1,000	21	9,504	5,977	1,320	...
5% C. P.	...	...	100	20,000	...	...	...	...	...	...	...	...	...	...	...
Standard	752 00	419 00	100	8,780	5,865	19,161	156	011,29	29,616	18,799	557	13,444	5,939	13,570	...
4% 1st R. C. P.	70 00N	70 00N	100	500	...	...	...	...	...	...	...	...	...	...	...
4% 2nd R. C. P.	254 00	209 50	100	10,000	9,102	492	29	11,680	30,249	15,354	698	12,862	3,351	733	88
Swadeshi Mills	95 00	85 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	480 00	349 00	100	3,600	6,409	764	26	5,348	15,987	10,292	72	7,618	2,755	8	...
Swan Mills	47 00	34 50	25	6,518	3,403	1,525	18	15,464	24,099	9,195	365	12,394	2,492	394	37
Tata Mills	93 25	93 25	1000	3,951	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	370 00	245 00	100	1,600	4,396	1,785	28	5,709	9,718	5,932	64	3,960	4,431	77	...
Victoria Mills	...	...	25	800	...	...	...	...	...	...	...	...	...	...	...
4% R. Cum. preference	...	...	500	3,500	1,762	2,038	23	8,411	12,890	9,020	560	6,303	3,402	230	...
Yamuna Mills	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
4% 2nd C. P. T.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
4% 3rd R. C. P. T.	...	...	100	280	...	...	...	...	...	...	...	...	...	...	...
Vishnu Cotton	116 50	94 50	100	5,200	1,240	2,106	-1,482	8,102	19,448	13,003	367	7,313	2,363	98	14
7% Cum. preference T.	435 00	422 50	500	1,566	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 00%	96 00%	...	3,000	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Basanti Cotton	7 25	6 25	10	1,500	115	296	115	2,361	3,828	2,404	1,155	2,563	219	115	...
6 1/2% C. P.	8 56	8 56	10	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	425 00	425 00	500	700	...	...	...	...	...	...	...	...	...	...	...
Bangal Luzumi Cotton	33 00	32 00	40	711	1,350	13	22	5,498	8,351	5,915	20	4,213	709	41	...
Ordry, partly paid	...	...	20	170	...	...	...	...	...	...	...	...	...	...	...
Ordry, partly paid	...	...	40	523	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	10	2,700	...	...	-812	6,840	8,045	6,024	37	6,634	681	55	...
Bangal Nagpur	4 34	3 81	10	300	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	75 00	75 00	100	400	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	85 00	89 00	...	400	...	...	...	...	...	...	...	...	...	...	...
Birla Cotton	20 00	33 75	10	3,500	5,923	1,557	104	14,393	14,125	11,021	2,051	12,830	5,945	596	...
Bowraah Cotton	170 00	105 00	100	2,400	150	...	-35	14,327	12,017	4,703	53	8,716	1,770	166	23
8% 'A' C. P.	130 00	126 00	100	600	...	...	...	...	...	...	...	...	...	...	...
7% 'B' Pref.	65 00	63 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Cawnpore Textiles	6 50	4 23	5	3,000	600	2,863	-1,294	2,964	8,100	6,288	986	3,865	1,431	97	...
Delhi Cloth...	...	...	25	338,36	12,853	28,283	285	91,594	155,090	78,057	2,639	88,793	24,276	11,135	...
Ordinary	...	...	25	2,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 1st & 2nd C. P.	...	...	25	3,735	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 3rd C. P.	...	...	10	1,195	...	...	...	...	...	...	...	...	...	...	...
2 1/2% 4th C. P.	...	...	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	200 00	141 00	100	1,900	2,537	83	12	9,707	14,294	7,089	58	7,417	1,880	89	89
Dumbar Mills	...	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	6,300	300	10,520	65	11,972	17,356	14,869	8,649	19,681	5,315	525	...
Elgin Mills...	17 19	11 75	100	1,100	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	113 00	105 00	100	420	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	7 25	8 25	10	3,055	250	1,613	87	15,343	17,515	10,919	1,724	11,651	3,734	890	7,99
Jagatji Cotton	14 00	8 88	100	1,545	...	...	...	...	...	...	...	...	...	...	...
5% C. P. P.	38 75	43 75	...	3,000	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	4,917	...	714	133	3,266	8,132	3,032	19	4,085	1,184	173	...
Jayshree Textiles	12 51	8 56	1000	1,371	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	1000	68	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	10	160,00	5,400	15,945	5	19,117	40,600	13,872	3,990	15,999	11,782	2,887	2,081
Kesaram Cotton	21 81	11 75	100	2,000	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	105 50	101 50	100	600	5,00	3,045	73	9,899	11,191	9,664	1,558	6,996	5,753	3,768	...
5 1/2% R. C. P.	...	...	25	3,399	...	...	...	...	...	...	...	...	...	...	...
Mohini Mills	...	...	10	1,997	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	10	3,000	25,00	25,00	-51,31	105,33	164,51	115,59	1,05	105,64	7,36	1,05	...
5% R. C. P.	80 00	50 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Muir Mills	83 00	66 00	100	2,742	...	...	-1,807	17,071	12,305	7,649	121	13,579	2,513	51	...
6% C. P.	...	...	...	307	...	...	...	...	...	...	...	...	...	...	...
New Victoria	1 44	...	...	5	2,605	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	...	5	4,740	...	-2,874	21,543	23,571	11,020	10	11,442	1,855	142	...
8% C. P.	3 50	5 00	10	2,500	...	...	...	...	...	...	...	...	...	...	...
Oryssa Textiles	8 56	...	100	6,000	...	661	-954	8,979	11,019	5,139	1,778	9,790	2,487	146	...
5% R. C. P.	80 00	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Raza Textiles	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
6 1/2% 'A' C. P.	...	...	10	1,500	28,200	8,134	3,106	9,109	11,552	8,802	18,952	14,344	4,656	9,347	...
6 1/2% 'B' C. P.	...	...	10	1,750	6,000	17,528	3	68,197	63,382	19,698	...	32,668	14,589	2,206	64
Sutlej Cotton	10 25	10 25	10	157,50	...	...	...	...	...	...	...	...	...	...	...
Swadeshi Cotton	9 56	10 90	10	3,500	...	...	...	...	...	...	...	...	...	...	...
Prefd Ordry	61 00	74 50	100	...	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Adoni Spinning	8 40	7 12	10	2,996	...	...	23	3,016	7,091	622	40	889	312	138	182
6% C. P.	10 30	9 80	10	1,996	...	...	...	...	...	...	...	...	...	...	...
Ahler Textiles	212 80	...	100	1,199	82	59	...	3,383	4,699	2,374	35	2,177	177	8	...
Banachore Woollen	199 00	158 00	100	12,150	13,300	12,224	298	9,884	36,974	29,209	855	20,114	3,322	5,192	1,209
6% C.	117 00	110 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	201 00	174 00	100	17,848	7,206	23,293	183	18,070	76,367	45,051	1,073	32,772	6,472	611	3,280
7 1/2% C.	136 50	120 00	100	2,130	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	1010 00	995 60	1,000	6,754	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents/ Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA—(Contd.)													
Cambodia ...	Peiro Leslie & Co. Ltd. ...	37,356	4	6,331	6,875	2,225	22	12-58	-1,464	(v)-50	nil	5	5
Cannanore Spg. ...	7% C. P. ...	20,000	...	4,845	7,277	398	37	3-59	684	559	15	7	7
Caverry Spg. ...	Directors ...	17,600	...	4,596	8,262	1,243	...	3-59	590	498	9	9	9
	61% C. P. ...	...	...	...	...	...	...	...	...	...	52	62	62
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
	61% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	R. Bhoama Naidu & Co. ...	28,864	...	5,784	8,290	1,893	50	12-58	788	1,032	6	9	25
Coimbatore Kamala	Directors ...	17,264	24	2,703	4,355	908	...	12-58	-84	89	nil	nil	nil
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Moreogan	T. A. Ramalingam Chettiar	23,660	100	2,979	4,590	1,784	30	12-58	-137	(a)284	nil	72	12
Coimbatore Pioneer	6% C. P. ...	28,194	...	7,396	11,495	2,649	153	12-57	(a)2,077	1,824	20	20	20
	R. G. S. Naidu & Co. ...	...	...	...	...	...	...	...	...	...	62	62	62
Coimbatore Spinning	R. Hanumanthappa & Son	72,188	407	14,318	1,248	2,46	50	12-58	-167	-421	nil	nil	20
Davanagere Cotton	M. Nanjappa Chettiar & Sons	25,216	300	79.81	29.61	2,46	56	3-56	13.90	8.59	9	9	12
Dhanalakshmi Mills	V. C. V. Gounder & Bros.	38,052	201	6,070	12,669	4,052	96	12-58	(a)11,660	1,603	10	10	25
Ganambikai Mills	61% Cum. Pref.	17,248	...	31,458	...	...	...	12-54	2.84	1.91	10	6	6
	Sudarsanam Private	...	...	3,467	5,055	288	9	6-59	279	281	62	62	62
Homalatha Textiles	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
Jenardana Mills	C. Venkataswami Naidu & Co.	23,784	...	65.11	6.19	97	12-56	3.57	4.93	20	20	10	10
Jawahar Mills	Umayambika & Co.	33,472	...	5,216	8,117	2,092	35	12-58	606	935	15	15	25
Kapila Textile Mills	C. P. C. & Co.	15,184	250	20.13	27.74	2.59	42	6-54	62	89	nil	nil	nil
	74% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Kashuri Mills	C. N. V. Naidu & Co.	19,940	...	1,463	3,024	318	30	3-58	-23	547	nil	12	72
Kothari Textiles	Kothari & Sons	41,040	300	7,702	15,872	2,759	...	12-58	(a)1,343	1,137	nil	10	10
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% B. Preference	...	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	G. Kuppaswamy Naidu & Co.	93,160	201	20,758	32,987	612	398	3-59	4,743	3,854	12	12	20
	A. Class Ord.	...	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	Thirupathi Chetty & Sons Private	24,242	224	5,599	8,299	1,057	2	6-58	59	857	nil	12	20
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	A. & F. Harvey Ltd.	485,296	...	91,719	132,200	8,423	...	12-58	-3,108	6,255	nil	15	17
Malabar Spinning	Directors	22,592	100	147	2,917	1,736	...	12-58	-412	(d)2,600	nil	4	17
Mettur Industries	Beardsell & Co. Private	23,656	603	5,898	15,560	164	388	3-59	(a)7,625	3,327	75	20	20
Mysoore Silk Filature	Directors	...	...	...	...	...	...	3-58	11	-47	nil	nil	20
Mysoore Spun Silk	Directors	...	...	...	...	...	...	3-57	3.50	42	nil	nil	20
Palamalai Ranganathar	S. K. R. Naidu & Co.	10,016	...	2,324	3,769	558	...	3-58	-200	(b)234	nil	6	6
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	Bazhralakshmi & Co.	41,200	...	6,628	9,693	1,526	50	12-58	(a)5,536	629	20	12	30
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	Directors	27,980	...	3,927	6,629	182	...	12-58	-812	-133	nil	nil	7
Premier Mills	K. N. Swami Naidu & Co.	...	...	7,746	11,809	1,871	87	3-59	1,375	766	12	9	15
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Radha Krishna Mills	A. C. Gurusamy Naidu & Co.	55,664	300	7,397	11,692	2,129	54	12-58	875	1,091	6	12	20
	'B' Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills	Ramco Agencies Private	24,996	...	5,649	8,035	2,001	50	3-59	(a)3,336	345	6	12	20
Rajawari Mills	Gudiyatham Textiles Pri	8,400	...	23.50	...	...	48	12-55	5.47	4.51	15	12	2
	Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
	Ordinary	...	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	P. S. G. Naidu & Sons	32,128	88	3,093	5,440	1,591	49	12-58	-537	190	nil	10	14
Rajalaxmi Mills	Rajalaxmi Develop. Co.	14,800	...	3,298	5,919	377	...	12-58	682	456	nil	4	10
Sivananda	S. R. P. P. Chetty & Sons	...	...	3,586	6,733	6,155	90	12-58	1,112	633	15	12	12
Sri Kr. Rajendra	Directors	30,744	292	5,466	13,421	2,713	...	3-59	969	(a)1,182	8	9	14
Sri Sarada Mills	V. S. Sengottai & Bros.	20,472	208	62.94	5.42	...	57	12-55	(a)7.48	3.32	10	6	7
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
Thirumathi Mills	G. Ramaswamy	...	...	3,198	5,080	1,155	18	12-57	92	493	6	16	15
Thirupati Cotton	P. S. Narayana & Sons	...	...	3,617	4,915	1,152	15	3-59	350	1	nil	nil	10
	61% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayona	Emcote & Sons private	...	...	9,134	32,829	1,823	666	12-58	8,948	5,724	121	10	10
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	4% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	Mooslee Ramjee & Sons	18,000	...	1,530	2,898	7,456	20	12-58	273	353	72	9	112
Vasanthi Mill	R. K. S. Chetty & Bros.	44,424	...	7,207	14,129	2,641	50	12-58	(a)1,892	1,127	12	12	20
	64% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills	C. V. C. Naidu & Co.	44,660	268	7,219	13,524	2,123	123	12-58	2,224	1,613	16	20	25
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Vijayalakshmi Mills	Balakrishna & Co.	26,536	...	28.48	43.25	...	71	12-56	3.50	3.17	10	10	10
Vijayawari Textile	N. V. Naidu & Sons	...	...	1,668	2,082	132	6	12-58	164	108	6	nil	10
Vijaynagar Textile	Thiragarai Chetty & Sons Pri	...	2,00	2,391	3,995	557	50	12-58	529	540	6	42	3
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...	...
	Do. P. P.	...	...	...	...	...	...	...	...	...	...	...	...

(a) After transferring Rs 6,26,601 from Depreciation, Renewal and Extension Fund and Rs 80,000 from Reserve Fund.
(b) After transferring Rs 45,153 from General Reserve; Rs 35,000 from Machinery Replacement Reserve and Rs 6,000 from provision for taxes.
(c) After transferring Rs 625,000 from General Reserve and Rs 500,000 from Dividend Equalisation Reserve.
(d) After transferring Rs 50,000 from General Reserve.
(e) After transferring Rs 120,000 from Reserve Fund Rs 268,000 from Reserve for Taxation and Rs 25,890 from excess provision not required.
(f) After transferring Rs 120,179 from Reserve for Taxation and Rs 299,043 from General Reserve.
(g) After transferring Rs 2,656,522 from General Reserve.
(h) After transferring Rs 80,000 from Reserve Fund.
(i) After transferring Rs 319,687 from General Reserve.
(j) After transferring Rs 841,193 from General Reserve.

(m) After transferring Rs 3,02,261 from General Reserve.
(n) After transferring Rs 120,000 from Dividend Reserve.
(o) After transferring Rs 2,978,000 from General Reserve and Rs 1,000,000 from Dividend Equalisation Reserve.
(p) After transferring Rs 5,27,612 from General Reserve.
(q) After transferring Rs 400,000 from General Reserve.
(r) After transferring Rs 2,50,000 from Income-tax Reserve and Rs 3,70,712 from Raw Materials Fluctuation Reserve.
(s) After transferring Rs 3,22,599 from General Reserve and Rs 75,000 from Depreciation Reserve.
(t) After transferring Rs 9,50,000 from General Reserve.
(u) After transferring Rs 200,000 from General Reserve.
(v) After transferring Rs 100,000 from General Reserve.

(w) After transferring Rs 670,000 from General Reserve and Rs 76,805 from Excess Provision for taxation.
(x) After transferring Rs 1,814,832 from General Reserve and Rs 592,584 from Dividend Equalisation Reserve.
(y) After transferring Rs 255,000 from General Reserve.
(z) Includes Rs 668,325 being amount drawn from extra excess provision made for depreciation on plant and machinery for the year ended 31-3-53.
(a1) After transferring Rs 9,00,000 from Reserve for taxation.
(a2) After transferring Rs 331,426 from General Reserve.
(a3) After transferring Rs 350,000 from General Reserve and Rs 165,000 from Machinery Rehabilitation Reserve.
(a4) After transferring Rs 4 lakhs from Reserve for fall in price.
(a5) After transferring Rs 100,648 from General Reserve.
(a6) After transferring Rs 268,000 from General Reserve.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreci- ation	Liquor Assets				
	January 1960	January 1959			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. np.	Rs. np.													
SOUTH INDIA (Contd.)															
Cambodia ...	9 70	7 75	10	2,600	1,900	19	-1,860	3,608	5,125	2,615	31	2,580	613	32	...
7% C. P. ...	108 00	110 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Cannanore Spg. ...	110 00	135 00	100	1,500	511	5	15	2,662	5,265	3,155	22	2,136	387	39	...
Caverry Spg. ...	14 25	10 80	10	937	...	536	10	1,821	6,128	2,980	32	1,536	275	40	...
61% C. P. ...	97 00	85 75	100	652	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	...	...	100	475	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	165 00	131 50	100	3,597	900	1,249	1	3,671	8,198	3,622	215	2,072	1,849	8	...
Coimbatore Kamala	102 00	102 00	100	341	...	...	-477	3,226	2,863	1,547	12	1,083	958	45	...
Partly Paid	50 00	50 00	50	72	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	500 00	500 00	500	250	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Murugan	95 00	91 00	100	1,750	306	100	-137	3,259	4,504	2,602	140	2,014	1,255	36	...
6% C. P. ...	88 00	88 00	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer	365 00	263 00	100	2,600	...	1,828	1	6,464	8,021	4,409	2,410	2,917	1,320	134	...
3% C. P. ...	85 25	91 75	100	100	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	54 50	45 00	50	2,077	...	5	-1,578	12,758	13,750	8,679	13	7,182	937	60	...
Davangere Cotton	...	...	100	2,440	12 00	33	18	44 09	67 23	34 91	13 16	34 68	13 81	20	...
Dhansalakshmi Mills	223 00	170 00	100	4,859	1,700	9 5	1	4,184	9,847	5,514	478	4,573	1,273	1,063	...
Gnanambikai Mills	...	...	100	927	2 76	...	...	11 70	16 99	8 06	...	11 49	3 04	48	...
61% Cum Preference	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
Hemalatha Textiles	8 05cd	8 60	10	1,500	125	52	21	1,466	2,903	1,624	...	2,055	131	130	...
5% Cum Preference	73 00cd	80 00cd	100	431	...	...	...	...	...	...	1 20	8 21	4 12	5 35	...
Jenardana Mills	64 00	68 50	50	890	8 56	2 10	...	10 75	31 40	19 97	...	2 498	1 145	74	...
Jawahar Mills	9 45	11 50	5	890	1,060	1,091	-221	4,890	7,756	3,750	37	...	...	...	...
Ordinary	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
Keptala Textile Mills	...	...	100	2,699	...	...	...	27 88	43 67	1 24	...	15 65	2 05	16	3 57
6% C. P. ...	...	...	100	699	...	...	...	...	...	...	...	...	...	...	...
74% R. C. P. ...	...	...	10	105	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...
Kasturi Mills	24 75	24 75	25	780	...	311	-251	1,170	3,206	1,937	18	611	104	9	...
Kothari Textiles	11 90	9 90	10	6,710	800	1 025	32	6,659	14,172	4,050	415	3,962	1,803	240	583
6% Cum Preference	10 00	8 63	10	1,200	...	...	...	...	...	...	...	...	...	...	...
6% B. Cum Preference	...	...	10	600	...	...	...	...	...	...	...	...	...	...	...
Lakshmi Mills	147 25	94 50	50	7,100	1,400	6 186	155	10,666	27,735	13,248	2,009	6,455	5,815	290	...
A. Class Ordinary	73 50	47 50	25	3,550	...	...	...	...	...	...	...	...	...	...	...
Loyal Textile Mills	32 00	25 25	50	3,152	...	255	-401	4,547	8,656	3,133	24	3,127	544	35	...
3% Cum Preference	63 50	66 50	100	1,499	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Madura Mills	31 00	25 25	15	17,502	12,093	24,382	...	21,854	59,975	41,759	3,807	39,259	13,906	642	...
Malabar Spinning	...	...	200	1,200	350	17	-502	1,853	29 08	1,964	60	1,808	111	2	...
Mettur Industries	422 00	328 00	100	6,000	825	2,117	12	5,763	6,814	4,952	2,811	4,808	2,383	2,863	...
Mysore Silk Filature	...	...	10	972	...	...	-8 63	451	2 30	...	...	...	3 15	14	...
Mysore Spun Silk	...	...	10	1,362	...	...	4	14 13	29 12	17 83	8	15 22	78	41	...
Palanalai Ranganathar	103 00	103 00	100	240	...	...	-198	1,630	1,549	523	10	611	126	6	...
Partly Paid	...	...	50	109	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	160 00	126 00	50	400	100	1,062	...	4,414	7,629	3,197	16	1,829	348	151	...
B. Ordinary	223 00	180 00	75	600	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	92 00	55 00	50	206	...	...	...	...	...	...	...	...	...	...	...
Pankaja Mills	55 00	38 50	100	1,500	...	...	-2,120	3,824	3,730	1,970	...	772	631	29	...
Premier Mills	208 00	127 50	100	2,500	350	475	2	6,162	11,015	4,533	206	2,137	535	129	...
Redha Krishna Mills	...	...	100	1,681	1,496	...	4	2,610	10,779	6,227	1,412	3,546	617	157	...
B. Ordinary	...	...	50	841	...	...	...	...	...	...	...	...	...	...	...
C. Ordinary	29 25	...	25	...	...	...	...	...	...	...	...	...	...	...	...
Rajapalayam Mills	131 00	117 00	100	1,614	403	901	...	3,926	6,367	2,332	31	2,112	501	97	...
Rajawari Mills	...	...	100	593	1,01	1 89	3	12 55	22 90	7 74	2 00	4 63	1 96	1 68	...
Ordinary	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Sri Ranga Vilas Ginning	47 00	49 00	50	1,502	534	563	-527	2,763	5,466	2,881	333	1,819	489	49	...
Royalsooma Mills	119 00	103 00	100	2,232	750	380	6	1,915	5,665	2,587	119	1,261	807	18	...
Sivananda	20 00	13 00	10	1,000	500	144	3	3 055	5 157	2 399	215	1 118	422	388	...
Sri Kr. Rajendra	72 50	60 50	50	3,670	800	1,520	23	4,274	9,950	6,687	750	4,550	1,432	31	...
Sri Sarada Mills	...	...	100	635	...	...	1	25 15	27 24	9 11	11	13 60	3 44	19	...
7% C. P. ...	...	...	100	876	330	95	-133	2,819	4,665	2,339	...	1,304	342	13	...
Tirumuri	95 00	114 00	100	1,276	...	...	2	3,474	4,330	350	60	1,278	99	32	45
Tirupati Cotton	9 30	9 50	10	743	...	...	...	...	...	...	...	...	...	...	...
61% Cum Preference	10 00	10 00	10	10,000	6,000	3,686	193	6 126	41 724	23 017	37	6 447	2 295	5 432	2 674
Tiruvore Rayona	24 95	17 00	10	5,001	...	...	...	...	...	...	...	...	...	...	...
5% Cum Preference	9 81	9 05	10	1,900	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	...	...	5000	1,900	...	...	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	11 00	11 62	10	1,399	250	625	...	402	2 072	1 438	12	1 027	598	404	...
Vasanta Mills	250 00	201 00	100	2,100	1,800	1,884	...	3,362	6 772	5 503	752	4 217	1 019	324	...
61% C. P. ...	105 00	101 00	100	300	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	105 00	90 00	100	150	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	126 00	116 00	100	3,366	150	1,092	6	6 324	14 040	7 587	60	2 716	1 739	23	...
Sri Venkatesa Mills	47 00	50 00	100	1,000	2 00	1 00	5	20 71	39 37	17 65	33	14 72	3 06	22	...
6% C. P. ...	90 00	81 00	100	1,600	...	36	4	1 639	2 813	1 31	...	490	101	9	...
Vijayalakshmi Mills	122 00	79 00	50	1,214	...	396	-453	900	2 485	1 754	...	896	66	402	...
Vijayawada Textiles	41 50	30 75	100	241	...	...	...	...	...	...	...	...	...	...	...
Virudhunagar Textile	60 00	55 00	10	...	...	...	...	...	...	...	...	...	...	...	...
5% Cum Preference	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents' Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. & P.	Mds.	Rs. & P.	Rs. 000		Rs. 000	Rs. 000			
Amalackie	McLeod & Co. Ltd.	9,989	2'48	9,106	2'23	40	12-58	441	293	15	10	50
Ananda (Assam)	7% C. P. P.	9,075	2'64	8,112	2'09	26	12-58	395	87	36'71	26'81	106'04
Anandabag	Directors	8,424	2'37	5,533	2'52	26	12-58	293	79	10	10	20
Arcuttipore	Gill Arbuthnot & Co. Ltd.	4,059	1'62	3,421	1'61	8	12-58	57	104	nil	nil	12
Atal	Goenka & Co.	6,039	1'48	5,266	1'73	8	12-57	106	134	5	5	24
	41% C. P.									4	4	4
	6% Debentures											
Baghmati	McLeod & Co.	9,018	2'29	10,153	2'20	25	12-58	210	288	15	15	25
Baitakhal	Ramduitt Rankinsendass	5,790	1'72	4,412	1'69	7	12-58	88	60	2	2	15
Banarhat	Andrew Yule & Co. Ltd.	38,911	2'00	37,127	1'84	81	12-58	(x)1,080	(p)847	20	20	40
	64% C. P.									6	6	6
Baradighi	Jardine Henderson Ltd.	18,781	1'91	19,547	2'23	44	12-57	556	1,019	15	20	30
Basmatia	Andrew Yule & Co. Ltd.	7,439	2'62	8,593	2'08	28	12-58	309	299	20	17	20
Bateli	National Tea Corp.	9,918	2'10	9,965	1'87	40	12-58	406	415	30	30	60
Belgachi	National Tea Corp.	5,870	1'51	6,122	1'29	22	12-58	223	175	25	20	40
Betun	Gill Arbuthnot & Co. Ltd.	10,802	2'55	9,574	2'61	38	12-58	404	334	15	15	25
Bhatkawa	McLeod & Co. Ltd.	14,048	1'98	15,648	1'95	30	12-58	95	309	nil	15	30
Bijoynagar	D. C. Ghose & Co. (Private)	19,760		20,409		33	12-58	668	610	8	8	16
Birpara	Duncan Bros. & Co. Ltd.	15,843	2'06	13,832	2'04	38	12-58	419	339	12	7	25
	8% C. P.									8	8	8
Bishnauth	Williamson Magor	48,796	2'44	45,442	2'58	30	12-58	476	824	nil	10	20
Bloomfield	Goenka & Co.	2,037	2'31	1,943	2'49	9	12-57	-60	-1	nil	nil	nil
	Debentures											
Bokakhat	Octavius Steel & Co. Ltd.	4,493	3'02	4,556	2'59	15	12-58	170	40	5	nil	5
Bormahian	McLeod & Co. Ltd.	7,816	2'40	4,319	2'16	29	12-58	431	-116	7	7	15
	6% C. P.									6	6	6
Borpukhuri	Williamson Magor	7,518	2'25	6,342	2'39	6	12-58	102	-7	6	nil	15
Brooke Bond	Directors	3,199	2'29	3,001	2'10		6-59	1,621	984	12	10	17
	6% C. P. T.									6	6	6
Carron	Duncan Bros. & Co. Ltd.	5,813	1'72	7,103	1'72	15	12-58	(x)31	81	nil	5	10
Central Cachar	Jardine Henderson Ltd.	9,292	1'97	9,946	2'30	20	12-57	-144	322	nil	5	nil
Chamong	Williamson Magor	1,819	3'51	1,959	3'30	2	12-58	-2	-6	nil	nil	7
Chandypore	Jardine Henderson	8,904		9,718		3	12-57	50	62	10	10	4
Choonabutti	Andrew Yule & Co.	14,667	2'07	14,951	1'91	51	12-58	564	566	22	20	35
	64% C. P.									6	6	6
Chundecherra	Octavius Steel & Co. Ltd.	8,357	2'13	7,835	1'95	58	12-58	563	479	nil	nil	nil
Clevedon	Duncan Bros. & Co. Ltd.	6,386	2'15	5,537	2'00	20	12-58	407	243	10	10	30
Dauracherra	Duncan Bros. & Co. Ltd.	5,309	2'32	3,924	2'15	19	12-58	454	208	10	7	15
Deajo Valley	McLeod & Co. Ltd.	5,179	2'49	4,045	2'42	25	12-58	271	140	30	20	30
Dessa & Furbitia	Jardine Henderson Ltd.	13,313	2'65	14,033	2'69	20	12-57	-119	(a)300	nil	10	10
Dhelakhat	James Warren & Co. Ltd.	8,418		8,32		67	12-57	832	942	25	25	25
Dhunerri	Directors	9,752	2'14	9,210	2'14		12-58	380	391	20	20	12
	7% C. P.									7	7	7
Dibrugarh	McLeod & Co. Ltd.	8,315	2'80	6,832	2'73	64	12-58	612	413	30	25	30
Dilaram	Dooluwalla & Sons	1,651	2'76	1,824	2'75	12	12-57	22	50	nil	5	nil
Dumakusi	Williamson Magor and Co.	8,536	2'63	8,564	2'82	33	12-58	374	533	25	30	30
	8% C. P.									8	8	8
Dudlaghar	Williamson Magor and Co.	13,229	2'52	12,251	2'76	68	12-58	695	765	45	30	40
East India	Williamson Magor & Co.	14,415	2'47	14,785	2'48	15	12-58	217	269	5	5	10
Eastern Cachar	Octavius Steel and Co. Ltd.	4,913	1'82	4,127	1'74	10	12-58	-185	-190	nil	nil	nil
Ellenbarrie	Duncan Bros and Co. Ltd.	5,632	1'75	5,633	1'74	10	12-58	31	(q)27	nil	nil	5
Engo	Andrew Yule and Co. Ltd.	3,348	1'89	2,944	1'67	5	12-58	19	-17	nil	nil	nil
Ethelbari	Directors	6,255		5,945				-4	105	nil	7	10
Gairkhat	Gill Arbuthnot and Co. Ltd.	13,288	1'94	12,128	1'88	30	12-58	97	-22	nil	nil	10
Gelle	Davenport and Co. Private Ltd	2,783	2'86	2,918	2'68	13	12-58	-41	-27	nil	nil	nil
Gillapukuri	Directors	9,374		8,202			12-58	363	358	25	25	30
Gopur	Williamson Magor and Co. Ltd.	7,943	2'46	7,618	2'9	22	12-58	250	344	5	20	25
Gopelpur	Secretary	14,232		14,306			12-50	5,72	5,34	12	10	12
Grob	Octavius Steel and Co. Ltd.	22,205	2'46	23,650	2'18	137	12-58	1,490	1,126	50	25	25
	'B' Ordinary									32	20	50
Gungarom	Duncan Bros and Co. Ltd.	15,164	1'72	16,331	1'68	30	12-58	(a)156	(j)236	nil	7	10
Hanagur	Duncan Bros and Co. Ltd.	6,503	1'74	6,348	1'71	15	12-58	70	136	nil	10	10
Hantapara	Duncan Bros and Co. Ltd.	31,701	1'84	32,853	1'77	35	12-58	227	(y)221	nil	nil	7
	8% C. P.									8	8	8
Hasmara	Davenport and Co. Private	67,524	2'69			69	12-58	949	755	7	7	22
	7% C. P.									7	7	7
Hattikura	Octavius Steel and Co. Ltd.	22,163	1'70	16,239	1'67	36	12-58	484	-55	5	nil	5
Hoograjuli	Andrew Yule and Co. Ltd.	5,288	2'01	5,730	2'34	8	12-57	101	176	10	15	5
Hoongoorie	Andrew Yule and Co. Ltd.	15,259	2'32	13,519	2'29	38	12-58	447	254	17	12	15
Haldibari	Davenport and Co. Ltd.	25,107	1'72	21,710	1'59	42	12-58	475	311	15	12	25
Jaybirpara	Andrew Yule and Co. Ltd.	6,362	1'85	6,425	1'87	10	12-58	24	-40	nil	nil	6
Jayshree	Birla Bros Private Ltd.					275	12-58	3,288	2,829	10	10	10
	6% R.C.P.									6	6	6
	6% R.C.P.									6	6	6
Joontollee	Kettwell Bullen & Co.	11,495	2'06	10,715	2'01	34	12-58	377	452	22	22	115
Julibari	Gill Arbuthnot and Co. Ltd.	12,815	2'42	11,377	2'50	34	12-58	359	306	10	17	10
Kaliti	Octavius Steel and Co. Ltd.	3,901	1'12	4,390	2'12	6	12-57	-36	-3	nil	nil	nil
Kallinugger and Khoreo	Bullion Co. Ltd.	12,634	1'85	13,495	1'78	24	12-58	245	434	7	15	20
Killcoet	Directors	14,373	2'04	13,989	2'56		12-57	384	654	25	25	25
Kingley Golaghat	6% preference									6	6	6
Kotamullai (m)	Duncan Bros. & Co. Ltd.	17,288	1'84	16,584	1'72	25	12-58	133	(a8)-126	nil	nil	nil
	6% Pref.									6	6	6
Krishanbehari	Directors	3,593	2'29	3,133	2'10		12-58	78	37	6	6	10

February 13, 1960

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1960	January 1959			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Rs. n.p.	Rs. n.p.													
Amaluckie	27 12	28 62	10	446	671	482	...	911	2,030	748	15	944	180	41	122
7% C. P. P.	37 06	41 09	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	19 00	20 00	10	277	450	251	7	1,435	1,297	482	508	919	137	43	...
Anandabag	25 19	18 00	10	700	250	441	45	1,215	1,472	423	...	935	445	226	...
Arcuttipore	7 00	7 00	10	300	...	...	-198	478	536	195	1	217	24	3	...
Atal	6 00	5 06	10	450	...	65	2	947	1,536	430	36	453	327	126	17
41% C. P.	5 30	5 00	10	300	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Baghmari	22 37	19 44	10	550	862	516	22	783	2,416	897	53	937	151	10	...
Baitakhal	7 69	7 00	10	400	270	14	43	247	927	318	64	328	77	45	...
6% Debentures	950 00	950 00	1000	150	...	...	...	...	...	...	...	...	...	...	...
Banarhat	320 00	273 00	100	2,700	2,826	6	81	3,288	5,746	2,487	81	3,569	1,329	1,063	...
64% C. P.	105 08	106 50	100	400	...	...	...	...	...	...	...	...	...	...	...
Baradighi	27 69	18 75	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	21
Basmatia	27 94	28 25	10	510	1,070	6	41	1,086	1,539	631	77	355	289	482	...
Bateli	23 37	18 25	5	493	240	151	60	1,015	1,559	997	...	716	532	196	...
Belgachi	26 00	48 00	10	250	250	196	41	603	430	246	925	152	58	16	...
Betun	23 62	22 00	10	640	470	493	34	1,929	1,432	488	...	1,202	606	714	62
Bhatkawa	22 94	19 87	10	900	900	893	-22	942	2,560	1,206	54	1,181	735	206	...
Bijoynagar	207 10	161 00	100	869	1,650	928	170	1,159	3,231	1,006	483	1,517	250	282	...
Birpara	109 00	105 00	100	100	625	916	39	1,223	2,687	917	...	1,350	279	319	...
6% C. P.	20 37	19 00	10	3,300	700	818	550	5,770	8,208	3,299	326	4,802	1,010	92	...
Brahmauth	2 50	3 06	10	400	...	...	-384	568	803	102	8	121	24	30	...
Bloomfield	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Bokakhat	14 87	14 87	10	600	200	126	52	620	1,357	317	...	303	53	1	...
Bormahian	18 62	15 75	10	750	454	352	51	617	1,335	391	53	652	201	64	...
6% C. P.	62 00	74 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Borpukhuri	16 62	19 00	10	450	150	33	86	924	1,321	509	2	406	210	12	...
Brooke Bond	17 37	16 50	10	3,500	535	745	440	3,396	9,094	3,287	509	1,753	639	3,206	281
4% C. P. T	65 00	63 00	100	3,500	...	...	...	...	...	...	...	...	...	...	...
Carron	200 00	128 50	100	600	370	360	6	352	1,438	454	15	562	99	27	...
Central Cachar	73 50	50 50	100	1,000	525	240	-195	1,891	2,785	1,017	3	1,103	423	149	14
Chamrong	10 31	10 50	10	280	75	50	11	182	429	84	1	189	58	5	...
Chandypore	...	...	100	250	...	...	47	47	58	...	2	9	277	...	...
Choonabhatti	310 00	260 00	100	900	1,320	14	114	1,411	2,777	944	599	1,009	494	424	...
64% C. P.	104 50	106 50	100	200	...	...	...	...	...	...	...	...	...	...	...
Chundeecherra	15 00	27 50	10	300	450	358	558	2,034	1,290	461	2	696	503	1,445	225
Cleveland	...	...	10	400	400	313	20	890	918	268	1	521	199	567	...
Dauracherra	9 69	9 93	10	120	610	394	58	555	991	248	103	364	231	777	...
Dejao Valley	69 00	72 00	100	160	325	382	17	535	1,088	348	1	501	109	29	...
Desai & Purbuttia	170 00	152 00	100	840	650	127	-118	2,187	4,104	1,856	...	1,013	1,365	18	42
Dhelaikhat	22 12	15 75	10	1,753	975	83	30	2,032	2,678	692	872	776	741	498	...
Dhunerri	18 87	17 12	10	469	400	159	9	664	1,414	513	2	621	194	113	...
7% C. P.	2 94	3 02	3	120	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	28 44	26 12	10	450	577	528	63	1,124	1,423	343	59	786	234	364	213
Dihraon	102 00	93 00	100	200	107	62	-1	793	1,602	706	149	759	46	313	...
Dimalayi	29 12	26 23	10	473	560	160	166	...	...	...	...	...	...	...	...
8% C. P.	8 90	9 70	10	70	...	...	...	...	...	...	...	...	...	...	...
Dufflaghur	40 00	34 25	10	701	100	150	462	1,792	2,541	1,418	207	1,105	202	1,348	...
East India	24 50	20 20	10	1,000	500	350	116	1,915	3,034	1,108	117	1,455	384	1	...
Eastern Cachar	1 56	3 81	10	700	...	...	-566	1,684	873	133	1	359	78	42	...
Ellenbarrie	149 00	155 00	100	300	100	277	6	460	986	439	...	472	96	28	...
Engo	215 00	400 00	100	120	264	...	-60	315	499	285	2	326	63	35	...
Ethelbarrie	10 19	10 81	10	490	33	23	-31	963	1,002	277	290	379	61	28	...
Gairkhat	165 08	140 00	100	750	270	355	-13	1,345	914	1,136	2	1,376	441	110	...
Gielle	12 31	8 87	10	200	176	124	-121	238	844	319	48	155	71	17	...
6% C. P.	68 00	75 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Gillapukri	27 75	30 25	10	504	533	69	20	2,000	1,603	577	869	514	688	28	...
Gohpur	20 12	21 50	10	676	300	175	143	966	2,118	957	146	792	119	42	...
Gopulpur	22 62	20 00	25	1,050	500	4,98	1,32	7,66	17,66	7,49	3,12	8,26	3,94	3,96	...
Grob 'A'	...	...	10	1,192	900	2,319	45	3,822	5,903	1,755	8	2,779	1,010	80	...
Grob 'B'	13 87	14 25	5	361	...	...	...	...	...	...	...	...	...	...	...
Gungoram	148 00	148 00	100	1,344	760	1,280	8	691	2,745	1,035	458	1,513	259	113	...
Hanasque	19 50	16 50	10	500	510	547	17	331	1,451	446	124	669	89	8	...
Hantapara	157 00	123 00	100	3,600	1,025	2,159	19	2,637	6,882	2,120	508	3,560	365	294	...
8% C. P.	109 00	103 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Hansara	23 69	20 87	10	3,200	2,175	3,619	248	4,095	11,068	5,491	869	5,395	1,307	446	...
7% C. P.	106 00	101 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Hatikhira	14 00	11 87	10	1,260	550	250	75	949	3,045	1,329	2	1,527	172	26	...
Hogrojni	25 32	28 75	10	500	576	...	6	477	985	403	52	569	92	264	...
Hoolungooia	212 00	170 00	100	870	1,280	65	91	1,234	2,935	1,404	9	1,221	465	313	...
Hulibari	24 25	21 25	10	825	700	1,291	134	1,163	2,533	1,115	190	1,808	371	334	...
Jaypurpara	16 56	18 12	10	700	512	...	-61	312	1,120	511	2	617	64	171	...
Jayshree	16 12	12 37	10	5,357	4,930	496	91	5,979	16,370	5,470	790	3,538	2,002	145	...
6% R. C. P.	...	...	100	195	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	50	38	...	...	...	...	...	...	...	...	...	...	...
Joankollon	18 37	20 62	10	600	741	443	112	1,151	1,733	860	27	755	206	976	...
6% C.P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
Julibari	19 62	19 00	10	900	525	274	53	1,712	1,728	517	1	1,272	207	774	...
Kali	5 37	8 18	10	246	381	...	-10	1,007	...	...	...	...	1,240	382	...
Kalinugger & Khoroel	102 00	96 00	100	450	200	163	36	759	307	6	406	328	497	84	...
Kilcott	20 50	17 75	10	900	750	911	34	941	2,367	696	1,307	1,771	191	65	...
Ningsley Golaghat	160 00x	100 00	100	360	1,000	302	91	2,353	1,653	779	200	1,618	583	53	...
6% Preference	80 00x	86 00	100	240	...	...	...	...	...	...	...	...	...	...	...
Kotamullai (m)	14 75	11 69	25	180	...	...	-232	3,657	2,457	35	3	1,231	164	266	50
6% Pref.	14 00	16 50	10	218	...	...	...	...	...	...	...	...	...	...	...
Krishnabehari	10 22x	13 82	10	500	230	25	1	493	1,153	231	3	752	6	6	...

NAME	Managing Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	Net Profit		Dividend Percent		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. a. p.	Mds.	Rs. a. p.	Rs. 000		Rs. 00	Rs. 000	Rs. 00	Rs. 00	Rs. 00
Kunchanpore	Duncan Bros and Co. Ltd.	4,497	1.71	3,602	1.68	10	12-58	(g)20	(h)8	nil	nil	nil
Kyang Tea Seeds	Shaw Wallace and Co. Ltd.	12,612	1.92	12,139	2.23	1	12-57	13	22	5	74	5
Lackatoorah	Directors	5,962	1.80	5,641	2.03	15	12-58	881	1,130	30	30	10
Ledo	Duncan Bros and Co. Ltd.	8,163	3.16	8,096	2.79	34	12-58	353	(a)241	174	20	30
Lingia	6% C. P.	9,568	...	9,536	...	39	12-56	186	120	24	5	20
Longview	Daga and Co. Private Ltd.	4,229	1.58	3,836	1.59	20	12-57	-23	2	nil	nil	nil
Loobah	Octavius Steel and Co. Ltd.	15,266	2.57	15,042	2.63	54	12-58	553	668	25	25	35
Lukwah	Tania Bros. Private	13,525	1.78	11,447	1.66	33	12-58	4.06	220	10	5	20
Malhati	D. C. Ghose & Co. Private	7,011	...	7,062	...	25	12-58	29	141	5	15	20
Manabbarie	Gill, Arbutnot and Co. Ltd.	4,958	1.13	4,363	1.0	25	12-53	2.06	-494	nil	nil	nil
Manipur	McLeod and Co. Ltd.	4,535	3.36	4,281	3.06	20	12-58	186	94	10	74	10
Margareta Hope	Lohia Bros Private Ltd.	2,126	...	2,016	...	3	12-56	-26	22	nil	nil	nil
Marionbarie	Lohia Bros. Private Ltd.	5,818	...	5,484	...	16	12-56	1.96	715	124	25	40
Mawd	Octavius Steel and Co. Ltd.	10,362	2.93	10,584	2.54	70	12-58	705	510	22	15	20
Methoni	Andrew Yule and Co. Ltd.	1,978	3.93	2,062	3.45	5	12-58	46	-20	nil	nil	10
Mim	Directors	4,628	2.5	4,560	1.11	7	12-56	36	(111)	nil	nil	nil
Moheema	6% C. P.	6,957	2.21	6,620	2.12	25	12-58	(a)2191	81	40	40	60
Mothola	Kettlewell Bullen & Co.	5,171	2.75	5,344	2.45	31	12-58	331	275	20	174	20
Murphulani (Assam)	Andrew Yule & Co. Ltd.	7,506	1.66	9,248	1.78	...	12-57	-1.75	211	nil	30	20
Naga Hills	Directors	10,858	1.85	10,565	1.82	24	12-58	(a)146	(v)167	5	74	15
Nagaurree	Duncan Bros.	4,889	3.44	4,993	3.01	32	12-58	303	224	30	25	35
Nagri Farm	Williamson Magor	7,565	1.96	7,391	2.29	...	12-57	171	184	15	15	10
Nambumadi	Directors	10,683	2.65	9,752	2.76	...	12-58	661	556	25	25	30
New Assam Valley	Macneill Barry	7,066	1.86	6,085	1.77	14	12-58	146	91	10	124	25
New Chumta	Davenport & Co. Private Ltd.	5,430	2.72	5,209	2.17	10	12-58	21	(1)-24	nil	nil	ni
New Cinnatollah	Duncan Bros. & Co. Ltd.	22,413	1.98	19,432	1.84	77	12-58	815	(a)10532	25	20	35
New Doora	Andrew Yule & Co. Ltd.	12,168	2.05	12,503	1.93	48	12-57	482	(b)554	30	574	25
New Samanbagh	Shaw Wallace & Co. Ltd.	3,010	1.88	3,035	2.23	6	12-57	85	159	20	30	40
Nilpur Tea	Williamson Magor & Co. Ltd.	10,543	1.69	8,829	1.71	...	12-58	380	158	20	15	15
N. W. Cachar	Directors	2,246	4.80	1,857	3.90	20	12-58	287	11	324	7	7
Okayti	Duncan Bros. & Co. Ltd.	7,354	1.75	7,476	1.53	...	12-58	166	148	74	10	15
Oodlabari	Directors	6,159	1.70	5,815	1.66	20	12-58	41	-45	nil	10	25
Pathemara	Octavius Steel & Co. Ltd.	50,325	...	41,375	3.20	...	12-58	(d)3,768	2,022	20	10	25
Patrakola	Duncan Bros. & Co. Ltd.	3,219	1.76	3,130	1.75	10	12-58	(1)115	10	nil	nil	74
Phakowa	Duncan Bros. & Co. Ltd.	1,518	3.27	1,419	2.86	10	12-58	(1)-3	(1)14	nil	nil	15
Poobong	Duncan Bros. & Co. Ltd.	2,346	2.53	1,656	2.58	...	12-58	31	-84	nil	nil	nil
Pussimbing	Directors	2,306	1.50	2,733	1.81	...	12-58	-11	96	nil	6	nil
Putinbarre	Directors	9,459	2.06	6,235	1.99	29	12-58	43	-284	nil	nil	124
Rajabhat	McLeod & Co. Ltd.	5,755	2.19	5,597	2.16	8	12-58	112	135	25	25	40
Rajgarh	Andrew Yule & Co. Ltd.	4,818	2.18	4,701	1.97	23	12-58	222	101	nil	11	10
Rainagar	Shaw Wallace & Co. Ltd.	12,748	1.99	11,606	1.91	30	12-58	336	209	74	25	20
Ranicherra	McLeod & Co. Ltd.	6,657	1.93	6,795	1.83	20	12-58	56	-66	nil	nil	5
Roopacherra	McLeod & Co. Ltd.	6,918	1.75	8,715	1.72	20	12-58	45	(a)7,137	21	74	20
Rungamatie	Duncan Bros. & Co.	2,451	3.45	1,962	3.49	11	12-58	140	59	30	25	35
Runglee Rungliot	Duncan Bros. & Co. Ltd.	26,141	...	25,416	...	77	12-57	867	1,365	20	30	50
Rydat	Jardine Henderson Ltd.	15,712	...	15,981	...	...	12-58	437	432	15	15	25
Sapoi	Directors	9,273	1.97	7,809	1.78	...	12-58	419	251	50	20	30
Sarugan	Directors	5,489	2.74	5,253	2.91	20	12-58	218	237	224	224	15
Seajuli	Williamson Magor & Co.	2,344	3.09	2,405	2.91	...	12-58	132	131	15	10	nil
Seeyok	Directors	2,164	3.59	2,285	3.33	10	12-58	22	-35	nil	nil	nil
Salimbong	Gill, Arbutnot & Co. Ltd.	3,407	3.08	2,680	2.75	6	12-58	95	-116	nil	nil	nil
Singell	Hoare Miller & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	176	(c)134	74	5	5
Singom	Goenka & Co. Ltd.	4,520	1.63	4,967	1.97	...	12-57	-1.50	50	nil	nil	nil
Sonai River	Directors	3,905	3.49	3,768	3.26	36	12-58	331	279	50	35	40
Soom	Williamson Magor & Co.	4,580	4.29	4,418	3.49	57	12-58	564	246	15	74	15
Sungma	McLeod & Co. Ltd.	5,242	1.89	5,206	1.82	17	12-58	35	40	nil	nil	5
Taipoo	Gill, Arbutnot & Co. Ltd.	8,020	2.42	7,735	2.60	39	12-57	397	474	25	30	20
Ten Ali	Octavius Steel & Co. Ltd.	4,153	2.89	4,321	2.83	15	12-58	601	(f)361	124	6	15
Tecsta Valley	Davenport & Co. Private Ltd.	11,778	2.17	9,753	2.04	38	12-58	423	449	25	30	35
Telapara	Duncan Bros. & Co. Ltd.	9,945	2.35	10,300	2.25	41	12-58	378	220	15	15	10
Teloipn	McLeod & Co. Ltd.	8,507	2.80	7,494	2.76	36	12-58	373	178	124	nil	124
Tengpani	Gill, Arbutnot & Co. Ltd.	35,023	1.92	30,308	1.81	71	12-58	758	178	124	nil	124
Terpore	Shaw Wallace & Co. Ltd.	...	...	...	...	...	12-58	-1.40	5.80	nil	nil	nil
Tilkah	Daga & Co. Private Ltd.	8,010	1.89	8,084	2.22	25	12-57	218	512	30	25	30
Turibarra	McLeod & Co. Ltd.	...	...	...	...	...	12-56	67	123	nil	10	10
Tungani	10% C. P.	9,866	...	9,186	...	...	12-57	11	-25	nil	nil	nil
Tukvar	Daga & Co. Private Ltd.	15,467	2.47	16,082	2.16	46	12-58	562	423	15	30	15
Tysoon	Directors	...	...	...	...	...	...	...	...	...	...	...

(a) After writing back Rs 60,000 from provision for Taxation.

(b) After transferring Rs 1,08,000 from Dividend Equalisation Reserve and Rs 19,068 from Provision for taxation.

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

(d) After writing back Rs 375,257 from Depreciation Reserve.

(e) After transferring Rs 125,000 from Reserve.

(f) After transferring Rs 50,000 from Building and Machinery Reserve.

(g) After transferring Rs 60,000 from Revenue Reserve.

(h) After transferring Rs 35,000 from Revenue Reserve; Rs 72,597 from Depreciation Reserve and Rs 48,784 from Building and Machinery Reserve.

(i) After transferring Rs 25,000 from Revenue Reserve; Rs 121,000 from Building and Machinery Reserve and Rs 15,000 from Hall Reserve.

(j) After transferring Rs 71,795 from Building and Machinery Reserve.

(k) After transferring Rs 55,000 from Revenue Reserve; Rs 96,181 from Depreciation Reserve and Rs 23,283 from Building and Machinery Reserve.

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

(m) After transferring Rs 30,000 from Revenue Reserve; Rs 71,688 from Building and Machinery Reserve; Rs 27,445 from Replanting Reserve and Rs 10,000 from provision for taxation.

(n) After transferring Rs 68,450 from General Reserve and Rs 60,000 from Tax provision.

(o) After transferring Rs 40,000 from Building and Machinery Reserve.

(p) After transferring Rs 60,000 from Revenue Reserve and Rs 45,000 from Building and Machinery Reserve.

(q) After transferring Rs 79,539 from Depreciation Reserve and Rs 5,000 from Development Reserve.

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

(s) After transferring Rs 151,220 from Depreciation Reserve; Rs 80,000 from Replanting Reserve; Rs 25,000 from Development Reserve and Rs 20,000 from General Reserve.

(t) After transferring Rs 53,223 from Building and Machinery Reserve and Rs 18,000 from provision for taxation.

(u) After transferring Rs 145,000 from Revenue Reserve and Rs 5,000 from Development Reserve.

(v) After transferring Rs 30,000 from General Reserve and Rs 50,000 from provision for taxation and including Rs 88,623 being dividends forfeited.

(w) After transferring Rs 298,782 from Building and Machinery Reserve and Rs 175,000 from Revenue Reserve.

(x) After transferring Rs 110,000 from Revenue Reserve.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	January 1960	January 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Outstanding	Cash	
	Rs. up.	Rs. A.													Rs. 000
Kunchanpore	8.00	7.75	10	360	55	55	4	232	644	268	...	302	62	20	
Kyang Tea Seeds	5.25	5.12	10	200	35	...	1	38	183	2	42	8	39	4	
Lackatoorah	20.00	19.00	10	400	501	296	192	2,181	1,157	393	5	883	540	1,576	
Ledo	18.25	18.31	10	650	140	726	10	527	1,389	389	188	620	243	...	
Lingia	20.25	18.00	10	700	150	61	31	705	1,535	686	387	686	197	27	
6% C. P.	...	...	100	506	...	...	32	...	...	...	...	...	...	...	
Longview	10.00	7.00	10	1,032	600	568	...	1,032	2,623	623	209	871	165	18	
Loobah	2.31	3.12	10	469	58	...	...	718	664	107	2	232	247	189	
Lukwah	...	...	...	800	600	391	441	2,228	1,604	493	1,981	1,140	304	39	
5% Cum Pref.	...	...	...	475	...	...	...	...	...	...	...	...	...	...	
Malhati	17.00	15.00	10	900	1,505	605	106	638	2,813	916	422	962	146	329	
Manabbarie	65.62	66.50	10	200	486	86	3	1,031	705	325	...	321	846	46	
Manipur	...	...	100	420	210	40	-6.20	8.82	7.31	1.80	...	326	32	22	
Margareta Hope	14.06	13.50	10	400	200	205	...	4.54	823	387	2	349	247	304	
Marionbarie	...	...	10	154	...	...	-1.93	1,054	1,049	163	2	110	55	3	
Maud	14.12	14.75	10	800	90	100	7	1,031	1,384	388	194	540	137	160	
Methoni	23.62	20.25	10	1,000	700	550	62	1,233	2,265	699	95	1,014	306	564	
Mim	226.00	226.00	100	159	335	16	5	204	498	220	1	252	101	89	
Moheema	13.31	12.87	10	480	...	30	2	5.00	1,004	2.32	...	4.74	30	16	
6% C. P.	9.44	9.19	10	320	...	...	...	...	...	...	...	...	...	...	
Moehola	510.00	395.00	100	150	720	641	50	553	11	...	150	310	136	1,459	
Moehola	25.87	27.87	10	175	281	...	40	677	1,244	621	2	638	195	416	
Murphulani (Assam)	25.87	28.62	10	200	...	...	...	...	...	...	...	...	...	...	
Prefd. Ord.	22.50	29.00	10	400	311	61	-209	1,136	806	431	...	412	289	18	
Naga Hills	205.00	126.00	100	960	965	864	20	565	2,635	909	583	912	230	100	
Nagavore	24.25	24.87	10	300	250	175	124	510	698	201	114	322	121	315	
Nagi Farm	13.25	12.37	10	535	175	30	3	691	1,679	509	...	493	275	5	
Nambouradi	...	...	225	675	850	151	45	1,169	1,678	503	183	1,274	242	16	
New Assam Valley	36.25	38.37	10	300	200	618	60	1,415	95	358	150	512	171	167	
New Chumta	135.00	103.00	100	500	...	20	-59	758	906	312	...	500	48	76	
New Ginnatollah	304.00	266.00	100	1,400	2,000	27	86	1,917	2,776	1,130	649	1,622	733	980	
New Doonars	102.50	109.00	100	200	...	...	...	1,441	1,231	527	1	507	299	1,416	
5 1/2% C.P.	23.00	20.00	100	400	400	508	78	...	...	...	...	...	...	...	
New Samanbagh	91.50	101.50	100	100	...	...	...	264	292	132	1	262	18	83	
8% C. P.	...	...	100	149	60	...	50	845	1,254	320	159	567	633	26	
Nilpur Tea	154.00	94.00	100	700	500	172	140	237	471	249	...	111	39	240	
North Western Cachar	600.00	500.00	100	100	60	152	13	...	...	...	...	...	...	...	
Okayti	79.00	93.00	100	50	...	...	...	...	...	...	...	...	...	...	
7% C. P.	...	...	100	...	...	...	...	...	...	...	...	...	...	...	
Dadlabari	15.75	15.00	10	640	330	247	10	268	1,238	303	2	382	100	76	
Pathemara	7.00	7.19	10	259	...	...	-223	1,205	654	94	1	619	60	...	
Patrakola	171.00	132.00	100	3,600	4,525	1,460	184	9,170	6,424	2,585	100	3,947	2,934	8,121	
Phakowa	146.00	115.00	100	250	185	192	7	149	571	210	...	266	50	68	
Paobong	9.00	7.00	10	300	...	4	-15	143	612	241	...	107	57	2	
Pussimbong	10.50	10.25	10	205	113	95	87	173	540	97	48	140	57	15	
7% C. P.	93.00	95.00	100	205	...	...	...	...	...	...	...	...	...	...	
Patinbarra	48.00	50.09	10	100	60	135	-13	173	376	168	1	198	38	10	
Rajabhat	18.81	15.75	10	600	577	530	-332	328	1,521	656	54	778	156	50	
Rajgarh	42.50	42.25	10	200	844	2	39	620	1,138	492	2	553	204	294	
Rajnagar	9.56	9.56	10	320	100	43	141	638	810	433	1	339	187	338	
Ranicherra	21.31	14.31	10	765	700	751	31	764	926	1,443	54	1,081	306	83	
Roopacherra	16.37	12.37	10	260	281	117	-81	1,221	959	319	1	926	145	-31	
Rungamattre	80.00	68.00	50	525	455	577	2	429	1,511	435	99	551	231	30	
Runglee Runglie	360.00	385.00	100	140	270	231	23	265	444	207	224	210	55	204	
Rydak	37.50	28.87	10	1,493	1,804	881	50	2,619	5,520	3,112	4	2,225	396	1,775	
Sapoi	21.12	24.00	10	900	203	49	22	2,666	3,172	1,212	560	685	640	55	
Sarugoon	32.00	29.50	10	346	600	234	9	1,249	1,318	635	27	759	894	73	
Seajuli	25.62	26.00	10	249	300	85	110	455	1,239	665	2	530	41	53	
Seeyok	10.50	11.00	10	300	125	202	4	149	551	196	...	173	54	198	
Salimbong	...	...	10	300	105	10	28	353	600	239	1	295	121	17	
Singell	27.75	22.00	100	625	...	1	-762	1,034	696	106	...	148	147	22	
Singtom	7.25	5.00	10	900	...	19	7	341	1,323	294	207	145	90	102	
5% C. P.	5.25	6.62	10	300	...	...	...	...	...	...	...	...	...	...	
Sonei River	9.12	12.50	10	400	32	304	-109	339	1,111	378	3	285	31	15	
8% C. P.	93.00	93.00	100	100	...	...	...	...	...	...	...	...	...	...	
Soom	39.50	29.67	10	300	300	115	183	665	763	382	260	293	91	597	
Sungnia	15.50	15.57	10	625	670	351	32	658	1,694	469	2	361	90	515	
Taipoo	...	...	10	500	205	58	-28	629	1,125	478	1	516	135	26	
Teen Ali	...	...	10	450	600	250	72	924	1,311	517	197	836	256	207	
Teesta Valley	17.00	22.00	10	320	400	454	-8	630	896	166	309	564	124	335	
Teliapara	122.10	131.60	100	598	1,525	584	22	1,173	2,080	656	49	1,074	320	1,336	
Teloiyan	28.06	29.31	10	854	854	449	47	1,135	1,686	555	56	805	405	457	
Tengpani	35.87	37.37	10	800	275	287	50	1,546	1,311	453	...	974	417	709	
Terporo	18.75	14.81	10	1,983	1,350	17	41	1,676	4,808	2,065	82	1,915	684	79	
4% Pref. Cum. upto 5	11.19	9.95	10	205	...	...	...	...	...	...	...	...	...	...	
Tilkh	10.00	10.00	10	375	375	56	-30	17.50	16.15	1.94	...	8.77	1.70	85	
Tirihannah	40.00	32.75	10	220	400	575	34	858	1,361	552	2	720	216	440	
10% C. P.	12.00	13.00	10	600	390	...	...	6	1,170	1,528	307	...	734	114	
Tongani	7.31	7.56	10	801	...	...	-48	1,396	1,679	459	2	688	175	32	
Tulvar	8.03	8.53	10	520	1,050	1,260	61	2,162	4,158	1,488	53	1,516	287	251	
Tyoon	39.50	40.50	10	...	...	...	...	...	...	...	...	...	...	378	

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed	Sugar Produced	Sales	Stock	Managing Agents allowances and Commission	Year-ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Pre- vious	Second year
		Mds. 000	Mds. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
Andhra	Ranga Rao. & Co.	5,481	537	16,442	2,198	126	9-58	2,332	2,068	15	12 1/2	10
Balampur	Directors	5,688	...	20,500	5,736	...	...	(a) 596	(b) 766	5	5	...
Basti	Narang Bros.	...	...	11,055	9,422	47	4-57	468	727	10	10	10
Ordinary 'B' Class	...	...	...	...	...	...	...	...	...	10	10	10
Belapur Co.	Ord. B. Class	...	...	147,07	47,68	7,44	9-57	70,43	52,24	36	32	32
Beland	W. H. Brady & Co.	2,491	260	7,525	3,259	79	9-58	782	796	131	131	131
Bharat	Bangur Bros. Ltd.	1,875	...	7,140	2,253	44	6-59	674	(b) 429	15	10	15
Bhopal	Cotton Agents Private	12,29	1,11	24,98	12,13	43	9-55	4,40	(a) 7,21	10	10	6 1/2
...	5% R. C. P. T.	...	...	...	...	...	...	...	...	5	5	5
...	Bhiwandiwalla & Co.	...	...	...	...	...	...	...	...	5	5	5
...	5% C. P.	...	...	32,460	7,498	...	6-58	2,394	318	21	nil	24
...	Gladstone Lyall & Co. Ltd.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
...	6 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
...	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
...	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
...	Pary & Co.	...	...	...	...	...	...	...	...	...	...	...
...	6% C. P.	10,194	983	36,149	4,373	...	10-58	-696	-53	nil	nil	8
...	Begg Sutherland & Co. Private...	...	...	...	...	...	...	...	...	...	...	...
...	8% C. P.	5,789	570	20,309	7,128	130	6-59	1,355	995	15	10	7 1/2
...	Begg Sutherland & Co. Pri. Ltd.	...	...	32,819	11,927	355	5-58	3,535	3,100	18	14 1/2	15
...	Perry & Co. Ltd.	...	...	...	...	...	...	...	...	7	7	7
...	7% preference	2,706	...	7,869	2,897	...	8-57	89	129	nil	5	5
...	K. C. Thapar & Bros.	...	...	...	...	...	...	...	...	...	...	...
...	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
...	Directors	28,85	2,99	70,36	18,31	...	8-54	9,94	16,78	15	15	7 1/2
...	Darbhanga	...	...	20,467	2,596	...	3-58	4,451	2,825	15	12	11 1/2
...	Dyer Meakin Breweries	...	...	10,851	...	...	9-58	831	829	20	15	15
...	East India Distillery (E)	...	...	...	...	...	...	...	...	7	7	7
...	Perry's Holding Private Ltd.	...	...	...	...	...	...	...	...	10	nil	10
...	7% R. C. P.	2,956	310	9,693	1,441	...	10-58	573	-410	10	nil	7
...	Directors	...	...	19,298	15,066	...	3-58	2,039	1,970	12 1/2	17 1/2	20
...	Ganesh	...	...	8,689	2,125	...	6-58	558	1,075	nil	nil	...
...	Ganga Sugar	...	...	...	...	...	...	...	...	...	...	...
...	Gobind	1,880	...	...	...	...	...	...	...	...	...	...
...	5 1/2% R. C. P.	...	...	14,456	3,821	161	6-58	1,647	1,461	10	10	6
...	Sir J. P. Srivastava & Sons Pri.	3,124	...	...	...	...	...	...	...	7	7	7
...	7% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
...	7% Cum. preference	...	...	126,91	33,01	1,07	9-53	9,36	7,28	7 1/2	7 1/2	7 1/2
...	Narayanlal Banilal	...	...	...	...	...	...	...	...	...	...	...
...	Ordinary	10,324	...	38,553	15,569	371	6-58	5,037	4,831	15	15	15
...	Bachraj & Co.	...	...	...	...	...	...	...	...	...	...	...
...	5% C. P.	1,378	...	13,333	2,255	58	9-58	(p) 1,699	(n) nil	10	10	11 1/2
...	India	...	...	...	...	...	...	...	...	7 1/2	7 1/2	7 1/2
...	India Sugar Agencies	...	...	3,128	54,99	60	4-55	4,28	4,25	10	10	10
...	7 1/2% C. P. T.	28,18	...	22,365	8,512	...	5-58	2,378	2,080	15	15	15
...	Narang Bros & Co.	5,357	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
...	Directors	...	...	...	...	...	...	...	...	6	6	6
...	5 1/2% R. C. P.	...	...	5,856	2,956	36	6-58	854	...	6	6	6
...	R. S. Indus. Corp.	...	...	...	...	...	...	...	...	6	6	6
...	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	7% C. P.	2,15	20	...	...	...	6-56	29,01	14,73	7 1/2	7 1/2	7 1/2
...	V. Ramakrishna Sons Pri. Ltd.	...	...	...	...	...	...	...	...	...	...	...
...	5% R. C. P.	...	...	...	...	...	...	...	...	100	100	100
...	Deferred	...	...	12,937	6,242	24	6-58	624	748	nil	nil	nil
...	Kubera Sugar Managers Private	...	...	...	...	...	...	...	...	...	...	...
...	5 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	5% Debentures	...	...	5,610	981	...	7-58	758	551	2 1/2	nil	nil
...	Pandia Rajan & Co. Private	551	...	54,021	4,362	189	10-58	2,178	1,666	9	7	6
...	R. B. Multanilal & Sons	4,220	...	...	...	...	...	...	...	...	...	...
...	Madura Sugar	...	...	...	...	...	...	...	...	...	...	...
...	Modi Sugar	1,711	...	6,782	1,230	15	11-57	-332	-215	nil	nil	nil
...	K. C. Thapar & Bros.	...	...	...	...	...	...	...	...	...	...	...
...	Founders	...	...	...	...	...	...	...	...	...	...	...
...	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	Murree Brewery	...	...	...	...	...	8-51	-1,25	...	...	...	...
...	Directors	...	...	38,006	5,033	...	6-58	3,458	1,095	30	20	20
...	Mysore	...	...	13,564	153	25	10-57	345	47	nil	nil	6
...	Nawabganj	4,407	...	...	...	...	...	...	...	6	10	6
...	Narang Bros. & Co. Private	...	...	...	...	...	...	...	...	...	...	...
...	'B' Class	...	...	...	...	...	...	...	...	...	...	...
...	5% Debentures	...	...	13,622	3,367	125	6-59	1,333	1,392	36 1/2	25	25
...	Cotton Agents Private	3,283	...	...	...	...	...	...	...	...	...	...
...	5 1/2% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
...	7 1/2% C. R. P. P.	...	...	...	...	...	...	...	...	...	...	...
...	7 1/2% C. R. P. P.	1,695	230	...	...	6	5-58	102	238	2 1/2	3 1/2	3 1/2
...	K. C. Thapar & Bros.	...	...	58,858	29,161	799	6-58	7,853	6,434	18	18	18
...	Hyd. Court Indust. Trust Fund	...	...	...	...	...	...	...	...	5	5	5
...	5% C. P.	...	...	12,346	3,688	271	9-58	2,806	3,389	4	4	4
...	4% C. P.	1,298	...	9,313	2,238	25	10-58	183	25	6	nil	nil
...	Mafatal Apte & Kantilal	2,764	...	7,515	1,829	6	10-57	(b) 185	(b) 670	nil	7 1/2	7 1/2
...	Narang Bros Private	2,475	232	...	...	...	...	...	...	...	...	...
...	Begg Sutherland & Co. Private	...	...	6,805	2,274	13	8-58	(a) 385	863	15	15	10
...	10% C. P.	1,615	...	...	...	...	...	...	...	6	6	6
...	Anderson Wright Ltd.	...	...	...	...	...	...	...	...	...	...	...
...	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
...	5 1/2% Debentures	...	...	6,225	2,619	2	6-58	145	372	3 1/2	6	nil
...	Ratna Agents	2,201	...	...	...	...	...	...	...	9	9	9
...	9% C. P.	...	...	132,56	42,66	3,01	9-56	26,46	13,26	24	18	4
...	Walchand & Co. Private	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
...	5 1/2% Cum Pref.	...	...	...	...	...	...	...	...	7	7	7
...	Deferred	...	...	...	...	...	...	...	...	...	...	...
...	Debentures	8,592	885	32,839	2,997	198	10-58	(a) 255	2,763	12 1/2	15	15 1/2
...	Govan Bros. (Rampur)	2,229	222	9,216	3,528	...	6-58	425	476	15	15	15
...	Directors	...	...	...	...	...	...	...	...	6	6	6
...	6% C. P.	2,091	287	4,535	2,828	...	6-58	(i) 436	(c) 74	2 1/2	nil	nil
...	Samotipur	...	...	27,398	7,425	...	9-57	2,389	2,120	18	8	20
...	Shadilal	8,798	888	...	...	...	...	...	...	8	8	8
...	H. R. Sarup & Bros	...	...	3,621	954	...	9-58	157	7	3 1/2	nil	2 1/2
...	8% C. P.	1,361	137	...	...	...	...	...	...	...	...	...
...	Shree Anand	...	...	15,505	3,172	73	9-58	1,770	2,450	18	18	40
...	Debentures	...	...	11,434	2,719	52	9-57	957	546	6	7 1/2	8 1/2
...	A. H. Bhiwandewalla & Co.	2,394	...	...	...	...	...	...	...	5	5	5
...	D. Rameshwarlal	...	...	...	...	...	...	...	...	...	...	...
...	5% C. P.	...	...	35,438	8,789	105	7-58	1,474	1,580	10	10	10
...	6% Debentures	...	...	...	...	...	...	...	...	6	6	6
...	Sahu Jain Ltd.	...	...	...	...	...	...	...	...	5	5	5
...	6% 'A' Pref.	...	...	...	...	...	...	...	...	...	...	...
...	5% 'B' Pref.	...	...	...	...	...	...	...	...	...	...	...
...	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	January 1960 Rs. ap.	January 1959 Rs. ap.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others
Andhra	23 90	18 50	10	3,000	1,650	690	22	5,277	8,459	2,423	210	3,295	916	182	...
Balampur	4 12	7 40	5	1,400	120	1,540	59	9,356	4,348	3,235	1,178	6,730	1,621	154	10
Basti	120 50	120 50	100	1,200	358	2,268	983	6,420	5,581	3,785	2,286	11,193	365	70	...
Ordinary 'B' Class	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Belapur	324 50	262 50	50	7,050	75 19	43 24	3 00	9,014	150 48	108 77	22 79	116 52	14 02	87 02	...
Belund	14 62	11 75	7 1/2	1,949	725	100	67	6,600	3,356	2,571	718	4,166	3,183	102	...
Bharat	12 75	17 00	10	1,500	650	756	5	2,529	2,344	1,491	1,366	2,719	945	45	...
5% R.C.P.T	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bhopal	25 30	25 05	10	1,750	8 87	37	5	8 22	33 04	21 37	3 34	20 58	9 89	1 96	...
5% C.P.	84 50	85 00	100	1,250	...	...	...	...	...	...	...	...	...	...	...
Carew	12 37	9 00	10	3,200	950	1,388	12	12,576	14,971	10,202	28	12 343	3,949	183	3
6 1/2% R.C.P.	85 50	86 00	100	800	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	980 00	920 00	1000	1,950	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	900 00	100	400	...	...	...	...	...	...	...	...	...	...	...
Cauvery	124 00	105 00	100	3,983	...	...	...	6,038	1,177	...	...	860	1,466	658	7889
6% C.P.	116 00	95 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	15 75	11 80	10	3,000	2,050	4,252	-2,224	8,961	16,483	9,860	264	7,005	2,456	283	427
8% C.P.	102 00	104 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Champaran	20 25	17 1/2sd	10	1,800	1,440	2,805	17	6,440	8,499	6,338	37	8,342	1,578	355	29
Deccan	12 60	9 75	5	3,984	2,100	2,461	150	14,700	11,944	6,695	395	14,528	2,218	1,315	310
7% Preference	5 83sd	5 92	5	700	...	...	...	...	...	...	...	...	...	...	...
Deoria	7 25	9 56	...	958	145	1 37	-40	5,328	2,648	1,727	1,077	3,707	606	31	203
5% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	18 69	19 94	10	2,600	31 00	2 36	1 12	19 18	57 53	37 24	2 58	36 93	12 89	6 97	...
Dyer Meakin	21 25	15 04sd	5	1,620	3,500	2,274	26	4,137	4,341	1,518	264	3,950	3,762	1,043	116
E.L.D.(E)	43 75	30 50	£1	550	1,000	1 75	56	1,275	1,451	781	609	915	800	247	...
7% C.P.	17 12	16 12	£1	200	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 87	19 75	10	2,000	150	3,480	25	3,840	6,972	2,235	2,136	2,067	536	18	...
Ganga Sugar	7 50sd	8 75	10	5,492	1,202	515	20	23,939	13,906	3,509	2,149	15,754	2,772	60	16
Gobind	...	...	...	500	160	57	5	2,792	2,911	1,240	24	2,665	123	91	...
5 1/2% R.C.P.	...	...	...	1000	...	...	...	...	...	...	...	...	...	...	...
Gwalior	...	...	100	1,594	...	761	9	6,091	4,568	2,788	170	4,956	2,250	473	...
7% R.C.P.	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Harnagar	...	...	10	250	10 00	1 50	14	63 39	37 63	30 49	4 86	44 81	27 49	74	...
Ordinary	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Hindustan	241 25	237 50	100	6,000	4,662	1,850	43	20,229	21,144	8,621	284	18,201	2,156	121	...
5% C.P.	90 00	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
India	12 30	12 25	10	6,397	337	573	25	9,892	7,860	2,377	3,138	3,148	6,471	84	...
7 1/2% C.P.T	88 25	93 00	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	...	...	100	1,109	11 54	5 37	9 81	50 08	16 18	15 41	13 75	59 97	2 81	58	...
Jaswant	5 25	5 25	10	2,000	1,200	353	73	12,079	12,850	7,379	62	9,825	1,120	93	134
5 1/2% B.G.P.	69 50	69 50	100	1,030	...	...	...	...	...	...	...	...	...	...	...
Jeyapore	14 00	15 00	10	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	32
6% C.P.	100 00	100 00	100	200	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	106 00	100 00	...	1,000	...	...	...	...	...	...	...	...	...	...	...
K.C.P.	17 00	...	100	1,052	57 50	23 00	27	195 11	179 03	35 20	25 90	95 18	24 95	2 70	...
5% R.C.P.	95 00	100 00	10	329	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	287	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	69 00	47 00	100	1,197	...	1,449	-19 96	9 083	7 260	2 657	1 913	6 679	462	254	...
5 1/2% C.P.	132 00	98 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	101 50	100	3,400	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	10	2,000	...	...	...	...	...	...	...	1,193	49	19	...
Modi Sugar	...	...	100	7,339	1,240	896	83	6,546	12,360	5,689	44	6,766	2,133	490	...
Mohini	3 06	2 56	10	1,000	...	216	-2 846	8 769	5 516	1 831	20	2 117	1 476	23	44
Founders	...	...	1	25	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	70 00	70 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Murree Brewery	...	...	10	2,400	613	2 00	-7 88	5 52	7 56	39	4 84	6 87	4 28	4 56	2 05
Myasore	56 75	43 25	10	2,179	6,250	3,023	144	13,313	15,731	9,618	4,018	9,790	4,149	636	204
Nawabganj	60 00	60 00	100	1,200	350	910	789	3,524	3,622	3,052	1,660	1,537	1,619	434	433
'B' Class	...	...	1	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	50	1,000	...	...	...	...	...	...	...	...	...	...	...
New India	30 00	28 62	10	789	2,150	709	6	5,441	5,291	3,083	1,684	4,202	1,957	109	...
5 1/2% R.C.P.T	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C.R.P.P.	125 00	101 00	100	49	...	...	...	...	...	...	...	...	...	...	...
New Savan	4 19	5 51	10	1,100	2 75	178	3	561	4 909	2 920	57	...	50	21	...
Nizam Sugar	...	...	25	10,997	5,252	3,305	102	47,825	29,270	17,639	343	39,872	16,404	2,162	681
5% C.P.	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
4% C.P.	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
Phaltan Sugar	174 00	141 00	50	5,000	4,974	1,793	150	11,343	11,877	7,042	207	8,503	4,720	4,003	23
Punjab Sugar	80 00	80 00	100	1,200	270	957	11	4,161	3,642	2,166	1,251	2,977	580	81	251
Purtalporo	12 25	13 00	10	900	200	1,764	16	2,414	4,388	3,294	35	2,711	1,703	39	312
10% C.P.	13 75	13 00	10	600	...	...	...	...	...	...	...	...	...	...	...
Rannugger Cane	21 00	18 75	10	1,660	1,825	2,008	20	3,701	7,292	3,626	...	5,050	330	12	556
5% C.P.	92 00	89 50	100	400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	500	595	...	...	...	...	...	...	...	...	...	...	...
Rana Sugar	...	...	10	1,175	...	114	-285	3,148	3,242	2,324	10	3,073	155	34	...
5% C.P.	...	...	100	39	...	...	...	...	...	...	...	...	...	...	...
Ramdasan Sugar	140 00	135 00	50	2,000	11 00	25 27	68	41 30	95 61	56 01	14 35	84 38	2 71	1 21	...
5 1/2% Cum Pref.	64 00	67 90	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00	30 00 N	10	400	...	...	...	...	...	...	...	...	...	...	...
Debenture	495 00	625 00	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	12 69	12 94	10	6,359	1,840	902	7	6,200	8,710	3,413	1,697	5,152	2,895	255	...
Ryam	16 44	17 06	10	800	150	500	1	3,937	2,927	2,393	2 10	4,252	653	539	...
6% C.P.	9 00	8 44	10	800	...	...	...	...	...	...	...	...	...	...	...
Samastipur	13 00	12 00	10	1,199	345	1,347	21	3,489	4,813	2,603	...	3,527	500	126	39
Shadilal	...	...	100	857	1,109	1,319	228	14,901	12,580	5,554	816	8,749	1,986	58	513
8% C. preference	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	11 00	10 25	10	2,000	...	2,239	4	3,712	4,819	1,682	1,545	1,299	908	16	...
Debentures	...	...	...	500	...	...	...	...	...	...	...	...	...	...	...
Shree Chandoo	28 25	29 50	12 1/2	3,750	1,500	165	2	5,821	7,912	5,351	1,396	6,051	992	129	108
Shree Hanuman	16 00	14 63sd	10	2,500	50	1,050	12	5,080	6,446	3,441	64	4,765	1,524	331	...
5% C.P.	55 00	60 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	14 25	10 06	10	3,999	1,900	621	1	11,634	13,671	7,464	860	10,576	3,384	117	511
6% A' Pref.	85 50	81 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	65 00	65 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...													

SUGAR

NAME	Managing Agents' Agents/Secretaries	Cane Crushed Mds. 000	Sugar Produced Mds. 000	Sales Ra. 000	Stock Ra. 000	Managing Agents' allowances and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Ra. 000	Previous Ra. 000	Latest %	Previous %	Second Previous %
Shree Sitaram	Directors	2,651	...	8,785	3,302	...	8-58	(q)262	257	5	5	10
Sitalpur	Directors	23,98	...	43,06	34,35	...	6-56	2,03	-72	nil	nil	nil
South Behar	Directors	...	...	10,425	1,367	...	10-58	177	-190	nil	nil	nil
Standard Refinery & Distill.	9% pref. cum as to 7	...	...	...	...	...	...	...	...	nil	nil	nil
	Deferred	...	...	...	...	...	...	...	...	nil	nil	nil
	6% Debentures	...	...	...	...	...	...	...	...	nil	nil	nil
Standard Refinery & Distill.	K. C. Thapar & Bros.	8,15	...	65,83	7,13	18	12-54	1,54	3,39	5	10	10
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Trevancore	Parry & Co. Ltd.	133	11	13,052	4,927	103	4-59	943	1,539	7	10	10
United Breweries	Directors	...	...	3,642	97	...	3-58	1,482	(b)886	60	20	20
	Directors	2,953	321	9,998	2,055	...	9-58	6,54	736	10	78	6
United Provinces	R. Lal Debi Prasad & Bros.	...	...	168,22	37,97	1,50	9-53	14,86	22,22	12	15	2
Upper Doab Sugar	Cotton Agents Private	6,070	...	32,529	5,245	246	6-59	2,960	3,666	74	50	50
Upper Ganges	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Upper India	5% C. P. T.	...	...	...	...	...	...	...	...	5	5	5
	Mitra Mandal Private	6,151	...	20,452	12,284	136	4-58	(r)2,205	1,642	15	15	15
Vizagapatam	'B' Class Ord.	...	...	...	...	...	...	...	...	15	15	15
	Kantilal & Sheth	...	...	...	...	12	6-54	-2,06	-2,30	nil	nil	5
Walchandnagar Industries	Walchand & Co. private	2271	...	50,561	7,031	487	9-58	5,570	6,573	21	21	21
Walchandnagar Industries	7% C. P.	...	...	...	...	...	...	...	...	7	7	7
	41% Debentures	...	...	...	...	...	...	...	...	...	...	...

(Tons)

(a) After transferring Rs 2,039,237 from General Reserve.
 (b) After writing back Rs 1,30,000 from taxation, Rs 50,000 from contingencies and Rs 36,639 from Gratuity. (c) After writing back Rs 85,000 from contingencies for stock realisation Rs 12,506 from provision for taxation. (d) After writing back Rs 2,80,018 being provision for liabilities no longer required. (e) After writing back Rs 100,000 from Reserve for book debts and advances.

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowances and Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Second Pre- vious
		000's	Ra. 000	000's	Ra. 000			Ra. 000	Ra. 000	Ra. 000		
Agra Electric Supply ...	Martin Burn Ltd. ... 41% Debentures ...	36,283	4,229	31,513	3,876	115	3-58	(f)1,083	(a)1,123	10	10	10
Ahmedabad Electricity Co....	Killick Industries Ltd. ... 41% Debentures ...	548,693	326,45	485,981	269,18	6,60	9-56	(b)113,46	77,54	61	5	61
Aligarh ...	Jan. & Co. ...	...	...	...	...	31	3-54	1,70	1,68	91	10	91
Amalgamated Elec'ty Co. ...	N. C. Javeri & Co. ... 51% C. P. ... 5% C. P. ...	40,481	8,154	43,589	7,211	319	3-59	1,939	1,664	9	8	8
Andhra Valley Power ...	Tata Hydro Elec. Agencies Pri. 7% C. P. ... 4% Debentures ...	...	19,026	...	17,420	426	3-59	(i)6,878	(h)7,153	8	8	5-62
										7	7	5-25
Barielly Elec'ty Supply ...	Martin Burn Ltd. ... 41% Debentures ...	12,787	2,142	13,482	2,420	61	3-58	413	(d)590	10	121	10
Banaras Electric ...	Martin Burn Ltd. ... 41% Debentures ...	38,063	4,414	38,063	4,912	115	3-58	(i)1,048	1,234	10	121	121
Barrampur Electric Supply...	Directors ... 6% C. P. ...	2,029	625	1,778	570	...	3-59	113	134	3	6	6
										6	6	6
Bombay Elec. Supply ...	Octavius Steel & Co. ...	4,833	1,253	4,316	1,316	32	3-58	189	269	5	81	61
Bombay Suburban Elec. ...	Killick Industries Ltd. ...	99,869	10,143	87,581	8,690	261	3-59	(m)3,384	2,863	71	7	7
Braach Elec. Supply ...	Rajputana Textiles Agencies ... 6% Debentures ...	2,068	588	1,917	550	27	3-59	191	146	6	5	nil
										...	...	...
Calcutta Elec. Supply ...	Directors ... 5% C. P. ... 5% Debentures ...	1,099,400	5,292	13,027	4,996		12-54	19,00	16,17	6	6	6
										5	5	5
Chandrie & Co. ...	Chandrie & Co. ...	45,12	3,71	44,20	5,49		3-54	1,83	1,99	10	10	5-6
Chandrie & Co. Supply ...	Octavius Steel & Co. Ltd. ...	4,695	1,205	4,246	1,352	46	3-58	276	274	61	8	61
Chauri ...	Directors ... 5% C. P. ...	371	...	339	...	...	3-59	140	118	7	7	7
										5	5	5

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	January 1960	January 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Outstand- ings	Cash	Others
	Rs. np.	Rs. np.			Ra. 000	Ra. 009	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Shree Sitaram	10 19	9 00	10	1,589	854	470	18	6,421	3,804	2,175	3,101	4,097	383	56	88
Sitalpur	6 06	2 37	10	1,000	...	27	-4.25	51.11	24.21	13.52	23	36.39	5.28	53	...
South Behar	1 00	1 37	10	650	45	...	-1.777	9,090	5,171	1,147	1,497	2,502	2,605	29	...
9% Pref. Cum. as to 7	20 50	20 50	100	915	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 25	0 25	24	440	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery	...	...	10	964	4.33	39	12	44.27	8.36	3.34	91	17.17	36.89	3.73	4
5% C. P	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Trevancore	10 25	10 15	10	3,000	350	1,717	107	4,444	6,737	3,050	...	5,742	1,376	282	29
5% C P	9 00	7 35	10	1,500	...	...	...	...	...	...	...	...	...	...	...
United Breweries	46 00ad	...	10	600	960	...	9	1,820	3,095	2,685	1,562	1,246	171	31	...
United Provinces	18 00	15 00	10	1,600	356	422	50	3,269	3,564	2,787	70	3,166	1,628	270	...
Upper Doab Sugar	...	...	100	2,000	12.50	...	1.26	68.91	66.46	40.07	5.36	48.93	21.59	41	...
Upper Ganges	48 00ad	65 00	10	800	2,200	2,167	44	10,911	18,328	9,743	652	7,243	2,032	116	...
5% C. P.	70 00ad	64 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T	70 00ad	64 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Upper India	127 00	127 00	100	350	1,700	1,376	23	17,939	9,869	3,931	101	13,072	3,395	40	...
B' Class Ordinary	15 00	15 00	25	2,162	...	...	...	...	...	...	...	...	...	...	...
Vizagapatam	...	...	10	747	42	...	-4.83	39.40	29.22	8.99	25	14.44	7.00	55	...
Walchandnagar Indra.	301 25	266 25	100	10,100	2,800	9,239	174	18,789	29,528	11,768	921	22,573	1,859	2,016	...
7% C. P.	115 25	118 75	100	350	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	93 00	94 00	...	2,500	...	...	...	...	...	...	...	...	...	...	...

(f) After transferring Rs 50,000 from Dividend Equalisation Reserve.
 (g) After transferring Rs 1,58,128 Div. Equal. Fund. (h) After writing back Rs 56,578 from provision for taxation. (i) After transferring Rs 225,000 from General Reserve.
 (j) After transferring Rs 1,00,000 from Renovation and Renewals Reserve. (k) After transferring Rs 1,07,000 from provision for taxation.
 (l) After transferring Rs 150,000 from provision for contingencies no longer required. (m) After transferring Rs 65,000 from provision for taxation and including Rs 58,837 being Railway claims recovered. (n) The entire loss of Rs 388,405 has been wiped off by transfer from Reserve Fund. (o) After transferring Rs 650,000 from General Reserve.
 (p) After transferring Rs 675,000 from General Reserve. (q) After transferring Rs 79,450 from Dividend Equalisation Fund. (r) After transferring Rs 400,000 from General Reserve. (s) After transferring Rs 175,000 from General Reserve.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	January 1960	January 1959			General	Other	Carry Forward				Invest- ments	Stocks and Stores	Outstand- ings	Cash	Other
	Rs. np.	Rs. np.													
Agra Elec. Supply. ...	132 00	144 00	100	1,999	1,857	2,563	49	5,669	11,231	3,325	455	2,146	2,031	239	362
41% Debentures	90 00	90 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Ahmedabad Elec'ty Co	91 90	95 00	100	87,472	9,39	65,65	...	94,83	134,66	248,28	15,41	54,00	59,33	6,88	13,59
41% Debentures	985 00	1000 00	1000	20,000	...	...	...	...	...	...	...	...	...	...	...
Aligarh	10 00	9 10ad	10	459	53	72	1	6,17	11,30	5,68	68	2,13	3,39	21	...
Amalgamated Elec'ty Co.	10 88	84 00	100	2,415	55	2,151	1,595	5,303	21,823	5,204	216	1,753	1,293	296	624
51% C. P.	92 50	76 50	100	2,031	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	86 50	1122 50	1000	30,276	3,887	5,321	21	39,426	94,652	26,477	2,248	4,917	7,029	539	9,963
Andhra Valley Power	1035 00	1076 25	1000	4,934	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	1065 50	1002 50	1000	9,823	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	1010 00	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Jareilly Elec'ty Supply ...	14 44	14 50	10	800	550	910	17	2,056	5,097	1,872	150	612	253	535	18
41% Debentures	88 00	86 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Benares Elec'ty	14 94	14 19	10	1,700	1,650	2,366	41	7,464	13,323	4,012	338	1,398	1,860	710	805
41% Debentures	90 00	90 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
Berhampur Elec. Supply	6 65	6 70ad	10	738	123	7	17	647	1,747	620	262	117	121	8	...
5% C. P.	8 15	8 63ad	10	100	...	...	...	...	...	...	...	...	...	...	...
Bhopalpur Elec. Supply ...	7 47ad	8 37	8	591	258	382	24	1,216	2,201	1,040	60	608	232	464	73
Bombay Suburban Elec'ty	99 30	109 50	100	17,500	242	6,833	4	8,652	36,655	8,753	839	1,395	2,110	248	73
Breach Elec. Supply	7 00	7 60	10	707	...	115	4	441	1,669	811	61	92	109	176	12
6% Debentures	...	...	...	151	...	...	...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply & ..	15 44	15 12	£ 1	4,262	19,00	...	1,53	32,91	279,88	91,58	2,43	7,03	5,25	33	2,5
5% Com Preference	10 03	9 61	...	1,900	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	98 50	98 00	...	4,445	...	12	...	...	...	...	...	...	...	...	...
Cochin State Power	10 23	9 90	10	787	1,33	4,60	1,66	4,30	13,37	3,31	8	1,55	1,72	1,77	...
Catnach Elec. Supply	8 03	7 41ad	10	660	426	86	61	1,781	2,905	833	34	435	252	129	9
Chaurwar	51 00	51 00	50	499	56	467	85	311	1,483	294	14	202	117	28	4
5% C. P.	...	...	100	178	...	...	...	...	...	...	...	...	...	...	...

ELECTRIC

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allotments and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second
		000's	Rs. 000	000's	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
Dishergarh Power	Andrew Yule & Co. 5% 'A' C. P. 4 1/2% 'B' C. P.	...	6,625	...	5,603	118	3-59	1,222	1,056	7 1/2	7	6 1/2
Ellore Elec. Supply	Chandrie & Co.	1,608	3,20	14,65	2,91	14	3-54	68	63	7 1/2	7 1/2	6 1/2
Gouropore Elec. Supply	Macneill & Barry 4% Debentures	...	6,679	...	6,151	91	3-59	1,106	1,245	10	10	7 1/2
Gudivada Elec. Supply	Mechelec Engineering Co.	...	1,66	...	1,18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Mo. nna Lal & Sons 6% Debentures	27,23	9,42	21,85	7,82	32	12-53	1,47	1,38	6 1/2	8 1/2	8 1/2
Jarhat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1,37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	Martin Burn Ltd	32,169	3,488	28,076	2,869	140	3-58	(a) 958	(b) 604	9 20	9 20	9 25
Kanadukathan	Directors	...	1,93	...	2,14	...	3-56	82	88	3	3	3
Karalkal Elec. Supply	A. S. Ahilamand	958	1,87	883	1,75	13	3-59	49	41	8	8	7
Kumbakonam Elec. Supply	India Company Private 6% Cum. Pref.	7,657	1,254	7,343	1,186	24	3-59	460	426	9	10	12 1/2
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36,50	10,02	34,22	9,37	42	3-56	2,36	1,44	10	10	10
Mirzapur Elec. Supply	Octavius Steel & Co. 5% Debentures	2,047	577	1,777	577	14	3-58	105	117	8	10	5 1/2
Mozafferpore Elec. Supply	Octavius Steel & Co. 5% Debentures	3,531	1,162	3,108	1,220	42	3-58	275	311	10	10	nil
Muttra Elec. Supply	Directors	36,26	6,41	31,87	5,39	...	3-56 H	1,62	1,23	7	6	6
Nasik Deolali	Rajputana Textiles Agency 7% Cum. Pref.	7,019	1,689	6,563	1,622	54	3-59	436	361	8 1/2	6 1/2	...
Nigapatam Elec. Supply	India Co. Private Ltd. 6% C. P. 4 1/2% Debentures	5,431	535	4,993	560	12	3-59	156	157	7 1/2	8	...
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	32,980	4,456	32,296	4,919	149	3-58	1,456	1,596	7 1/2	10	7 1/2
Poona Electric	Rajputana Textiles Agencies pri. 7% Cum. Pref. 6% Debentures	73,202	5,677	76,754	6,324	144	3-59	(r) 1,397	(s) 1,127	8	7 1/2	nil
Saharanpur	Directors	...	5,87	...	781	...	3-59	113	96	6	5	...
Salom Erode Elec'ty	Partly Paid	25,596	2,254	23,172	2,002	74	3-58	452	455	10	10	10
Saugor Elec'ty Supply	Octavius Steel & Co. 6 1/2% R. C. P.	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
Shabahanpur Elec. Supply	Martin Burn Ltd.	1,678	547	1,906	621	36	3-58	98	101	5	6 1/2	5
Shilong Hydraulic	Octavius Steel & Co. Development of Industries	2,845	773	2,424	1,007	38	3-58	188	177	5	nil	5
Sijua (Jheriah) Elec. Supply	Partly Paid	...	6,392	...	5,927	96	3-59	543	566	7 1/2	6 1/2	7 1/2
South Arcot Elec'ty	Bird & Co. pri. Ltd. 5% Debentures	21,265	1,786	17,425	1,427	...	1-254	366	272	6 1/2	6 1/2	6 1/2
South Madras Electric	Directors 6% C. P. 5 1/2% C. P.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Surat Elec'ty Co.	Seshasayee Bros Private Ltd. 5 1/2% 1st C. P. 5 1/2% 2nd Pref. 4% Debentures 5% Debentures 5 1/2% Debentures	61,763	6,929	83,689	6,660	80	3-59	m) 1,983	1,625	9	8 1/2	12
Tata Hydro Electric	Killick Industries Ltd. 6 1/2% C. P.	...	7,551	...	7,106	143	3-59	1,483	1,271	7	7	7
Tata Power Co.	Tata Hydro. Elec. Agencies Pri. 7 1/2% C. P. T.	...	32,144	...	30,293	678	3-59	(p) 13,251	(q) 10,971	8	8	5 1/2
Tinnevely Tuticorin Elec.	Tata Hydro. Elec. Agencies Pri. 7 1/2% C. P. T. 4% Debentures 4% Debentures	18,220	1,708	16,844	1,488	53	3-58	389	337	10	10	10
United Provinces Elec.	Octavius Steel & Co. 6 1/2% R. C. P.	80,042	9,715	75,694	9,098	155	3-58	(e) 2,224	2,142	10	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,902	1,943	11,960	2,076	57	3-58	284	287	10	12 1/2	9 1/2
Upper Jumna Valley	Martin Burn Ltd.	16,685	2,706	13,602	2,244	...	3-58	400	310	12 1/2	12 1/2	12 1/2
Vellore Elec. Corpn.	Chandrie & Co. Private 6% C. P.	106,03	9,24	87,02	7,68	37	3-56	2,77	1,95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5 1/2% C. P.	116,22	10,92	120,77	11,89	58	3-53	2,60	2,51	10	10	7 1/2

(a) After transferring Rs. 69,000 from Deferred Taxation Reserve.
 (b) After transferring Rs. 1,09,848 from Tariff and Dividend Control Reserve and Rs. 44,000 from Defd. Taxation Reserve.
 (c) After transferring Rs. 9,814 from General Res. (d) After transferring Rs. 8,80,000 from Dividend Control Reserve.
 (e) After transferring Rs. 90,000 from provision for other contingencies no longer required and Rs. 30,000 from Deferred Taxation Reserve.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID AMOUNT				
	January 1960	January 1959			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Rs. np.	Rs. np.													
Dishergarh Power	67 00	74 50	100	4,320	2,000	163	377	2,173	8,009	3,586	3,575	1,644	711	71	8
5% 'A.C.P.	78 50	69 50	100	1,600											
4 1/2% 'B.C.P.	75 00	79 50	100	1,200											
Ellore Electric Supply	10 35	11 00	10	300		37	4	2,33	6,26	1,73	18	75	61	67	1
Gourepore Electric Supply			100	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,009	1,583	51	
4% Debentures	850 00	840 00	1000	2,500											
Gudivada Electric Supply			100	118		3	3	1.03	2.01	62	6	23	38	18	1
Jhansi Electric Supply	6 62	7 23ad	10	535		29	3	9.71	21.44	9.16	5	2.98	4.18	25	
6% Debentures	850 00 N	850 00 N	1000	380											
Jarhat Electric Supply	11 62	11 62	10	250		8	-17	1.48	5.88	2.44		32	82	17	1
6% Cum. Preference	105 00	103 00	100	50											
6% Debenture				35											
Jubbulpore Electric Supply	13 56	13 75	10	2,250	1,175	1,352	29	4,083	9,831	3,584	169	890	1,312	145	127
Kanadukathan			500	500		1	10	2.14	8.92	4.35	57	81	62	11	56
Karalkal Electric Supply	9 95	9 50	10	210		54	27	353	538	152		137	98	23	
Kumbakonam Elec. Supply	10 70	12 12	10	1,500	75	455	2	2,009	4,804	1,486	85	390	246	253	
5% Cum. Pref.	9 60	9 45	10	250											
Mangalore Electric Supply			10	560	28	3.09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	
5% Debentures			500	137											
Mirzapur Electric Supply	7 61ad	8 38ad	9	495	125	97	22	444	1,278	602	20	255	126	105	
Mozafferpore Elec. Supply	7 62ad	8 12	10	582	183	152	39	2,140	3,264	1,147	28	350	343	168	91
Muttra Electric Supply	9 12	9 14	10	700	60	1.06	15	5.92	14.28	6.97	1.33	1.62	1.63	2.77	
Nasik Deolali	105 00		100	1,168		1,000	1	1,424	4,237	1,460	222	394	286	348	28
7% Cum. Pref.	91 50	100 00 N	100	100											
6% Debenture				1,000											
Negapatam Electric Supply	10 00	10 50	10	498		170	1	368	1,436	520	53	107	158	103	
6% C. P.	9 50	9 00	10	100											
4 1/2% Debentures			100	200											
Patna Electric Supply	10 69ad	11 25	10	3,507	2,300	1,451	191	3,362	13,215	5,166	763	1,798	1,793	407	
5% Debentures	450 00	450 00	500	2,000											
Poona Electric	112 25	111 00	100	4,889	17	962	3	7,000	14,803	5,738	2,289	466	1,103	1,001	148
7% Cum. Pref.	101 00	101 00	100	400											
6% Debentures				800											
Saharanpur			100	469		93	4	872	1,415	570	181	158	227	6	
Partly Paid			10	28											
Salom Erode Electricity	12 50	13 00	10	880	580	511	24	2,040	4,705	1,572	237	493	357	207	
6 1/2% R. C. P.	9 24	9 90	10	400											
Saugor Electric Supply			10	300	142	69	2	971	1,431	329	24	248	51	52	7
Shahjahanpur Elec. Supply	6 62	8 81ad	10	910	165	29	41	624	1,190	511	154	418	368	134	14
Shillong Hydraulic	4 96	5 50	2	773	1.66	1.56	60	911	2,161	9,00	21	53	3,02	88	3,40
Partly Paid															
Sijua (Jheriah) Elec. supply	9 62ad	10 32ad	10	1,680	224	980	7	1,393	6,693	4,376	312	1,151	926	387	522
5% Debentures	910 00	910 00	1000	1,200											
South Arcot Electricity			100	1,674	1.10	88	15	36,27	53,94	13,65	3,19	5,57	2,91	1,01	6,15
6% Cum. Preference			100	200											
5 1/2% C. P.			100	200											
South Madras Electric	10 15	11 93	10	5,600		1,140	5	8,652	19,603	6,106	1,196	2,182	1,830	19	
5 1/2% 1st Cum. Preference	9 97	9 15	10	2,205											
5 1/2% 2nd Cum. Preference	9 42	8 39	10	800											
4% Debentures	90 00	90 00	100	200											
5% Debentures	93 50	93 50	100	100											
5 1/2% Debentures	95 00	95 00	100	200											
Surat Electric Co.	99 00	112 75	100	6,062	454	1,880	5	3,835	14,351	4,680	375	1,231	1,049	340	72
6 1/2% Cum. Preference	108 00	111 00	100	500											
Tata Hydro Electric	109 50	119 00	100	23,999	5,221	3,775	25	30,148	68,399	17,569	4,342	3,010	5,895	197	7,824
7% C. P. T.	99 00	104 50	100	8,928											
Tata Power Company	1080 00	1192 50	1000	51,536	10,360	12,282	29	60,243	167,307	36,050	3,600	8,733	10,121	1,272	15,938
7 1/2% C. P. T.	1095 00	1108 75	1000	8,697											
4% Debentures	667 00	862 50		4,773											
5% Debentures	1000 00	1001 00		25,000											
Tinnevely Tuticorin Elec.	12 25	12 50	10	970	268	457	21	1,743	4,129	1,462	231	472	373	145	
6% R. C. P.	9 57	9 02	10	450											
United Provinces Electric	132 00	135 00	100	5,600	2,190	4,898	83	12,375	32,303	12,897	974	3,665	2,972	813	316
4 1/2% Debentures	90 00	90 00	100	3,000											
Upper Ganges Valley	14 00	12 12	10	598	243	224	9	1,800	2,109	936	92	464	522	415	10
Upper Jumna Valley	18 75	16 75	10	500	500	489	34	2,080	3,055	986	115	469	590	341	20
Vellore Elec. Corporation	13 00	13 60	10	400	48	1.57	1.45	16.94	24.17	6.57	63	2.46	2.16	2.76	9
6% Cum. Preference	6 75	7 04	10	125											
West Coast Electric	12 50	13 50	10	1,000		1.67	52	15.16	26.59	6.42	45	3.25	2.68	1.41	1.00
5 1/2% Cum. Preference	7 00	6 89	10	250											

SOUTH INDIA

NAME	Managing Agents Agents/Secretaries	Crop Harvested			Sales Ra. 000	Stock Ra. 000	Managing Agents allowance and Commission Ra. 000	Year ended	Net Profit		Dividend Per Cent			
		Tea 000 lbs.	Coffee 000 Cwts.	Rubber 000 lbs.					Latest Ra. 000	Previous Ra. 000	Latest %	Previous %	2nd Previous %	
Malamalay ...	Directors 74% C. P.	541	...	...	878	91	...	3-59	198	162	20	15	18	
Mysore Amalgated	Prakash Agencies Private 6% C. P.	...	...	...	290	...	...	5	3-59	53	46	10	10	10
Mysore Coffee	Pavan & Co. (Private)	...	...	...	882	...	...	24	6-59	212	157	15	15	15
Mysore Plantations	Mg. Director 6% C. P.	120	2	...	434	179	...	3-59	61	84	6	nil	nil	
Neelamalai	A. V. Thomas & Co. 5% C. P.	1,548	3	...	3,889	1,209	78	6-58	8.89	9.45	7 1/2	7 1/2	7 1/2	
Nelliampathy	A. V. Thomas & Co. Ltd. 6% C. P.	1,137	...	85	2,213	4,30	53	6-58	4.92	8.19	15	20	10	
Nellithanam	Directors 7% C. P.	225	5*	67	...	...	...	3-52	57	65	7 1/2	7 1/2	6 1/2	
Nenmeny	A. V. George & Co. 7% C. P.	...	...	5.34	7.59	2.45	21	12-58	2.00	1.61	15	7 1/2	15	
New Glen Morgan	Ramu & Co. Private	4.15	...	...	5.86	78	23	12-55	94	2.21	nil	nil	nil	
Nilambur	Associated Planters (Private) 6% C. P.	...	...	235	393	64	9	12-58	96	80	20	15	15	
Nilgiri Tea	Debtures A. V. George & Co. 6 1/2% C. P.	3.45	...	...	7.87	1.29	12	3-53	1.49	2.58	12 1/2	15	15	
Nonsuch Tea	6% Debentures Harrisons & Crosfield	1,020	...	...	3,300	805	55	6-59	1,097	1,557	20	35	20	
Ouchterlony	Peirce Leslie & Co.	1,219	10	...	5,452	1,188	40	10-58	(b)336	(1)1,615	10	30	10	
Panchura	Directors	162	13†	...	98	159	...	6-59	125	68	40	30	20	
Parkside	Math. Bosanquet & Co.	655	...	...	2,202	330	58	6-59	837	914	27 1/2	25	17 1/2	
Peermade	Aspinwall & Co. (Trav.) Ltd. 6% C. P.	2,093	...	...	3,505	43	...	12-58	(g)608	901	16 1/2	6	6	
Peninsular	Directors	...	16*	342	637	244	...	2-59	378	208	20	15	25	
Periakaramalai	Peirce Leslie & Co. Ltd.	4,874	2	...	10,718	1,837	145	3-59	2,017	2,133	12 1/2	10	35	
Periyar & Pareekanni	E. I. Agencies Private Ltd. 7 1/2% R. C. P.	...	...	3.23	5.11	1.46	15	12-56	1.64	...	12	...	...	
Ponmudi Rubber	6 1/2% Debentures Directors	...	...	57	102	15	...	7-59	39	38	nil	5	6 1/2	
Pullangode	61% C. P. Aspinwall & Co. Ltd.	...	...	648	892	140	14	3-59	243	186	5	14	5	
Puthutottam	6% C. P. Ruby Co. Private	2.65	...	14†	1,910	62	51	3-59	514	624	10	10	10	
Rajagiri	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	1,435	2,099	196	93	6-59	859	927	20	20	20	
Rajendra Coffee	6% C. P.	...	...	...	...	...	...	...	...	...	6	6	6	
Rajendra Coffee	Associated Planters Private 6% Cum. Pref.	...	3	...	...	...	18	3-59	174	166	50	40	25	
Sangameswar	5 1/2% Redeem Cum. Pref. Patco Agencies	...	5	...	312	559	...	3-59	288	449	9	9	5 1/2	
Savarnalai	7% Cum Preference 7% Debentures	...	...	...	...	...	14	11-58	193	137	12 1/2	15	15	
Shervary	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd.	...	4	490	4.50	7.47	10	6-58	3.00	2.09	7 1/2	7 1/2	10	
Stanes Amalgamated	T. Stanes & Co. Ltd. 5 1/2% Debentures	653	...	...	1,437	150	16	6-59	222	328	6	8	14	
Swinton	61% Debentures Directors	...	...	...	104	...	...	3-59	9	6	7 1/2	7 1/2	...	
Talayar Tea	6 1/2% Debentures Srinivas Agencies	733	...	...	1,273	366	24	3-59	(n)201	(k)191	5	6	10	
Tankoy	6% C. P. East India Agencies Private	...	...	431	660	68	12	3-59	173	186	6	6	6	
Thamarapally	6% C. P. 6 1/2% Debentures	...	...	...	...	...	...	...	...	...	6	6	6	
Thirumbadi	A. V. George & Co. 61% C. P.	...	...	241	3.62	65	15	12-58	1.43	1.66	30	30	30	
Travancore Rubber	61% C. P. Peirce Leslie & Co.	...	...	710	1,160	3.42	28	9-58	3.86	1.95	10	5	12 1/2	
Trav. Rubber & Tea	7 1/2% Debentures Directors	...	...	417	6.97	1.12	...	12-57	1.83	2.20	15	20	30	
Tropical Plantations	Aspinwall & Co. (Trav.) 6% C. P.	1,180	...	1,058	...	...	16	12-58	780	(a)261	5	4	7 1/2	
Twyford	Directors Parkins Private Ltd.	562	...	592	1,803	148	...	12-58	391	252	6	4	12	
Udayagiri	1,213 A. V. George & Co. 7% C. P.	304	...	...	4.38	50	5	12-58	35	31	7 1/2	6	7 1/2	
United Nilgiri	6 1/2% Debentures T. Stanes & Co.	1,427	...	...	4,045	2.88	101	3-59	1,334	1,087	19 1/2	16	17 1/2	
Vaikundam	Directors	...	...	4.67	6.41	1.14	...	12-58	(1)4.57	4.04	30	35	35	
Vayitri	Padinjareka Brn. 5 1/2% Debentures	74	...	2	181	7	4	3-59	40	29	6	6	6	
Valimalai	6% Debentures Oppoottill Kurien & Co. (Pri.)	44	...	416	547	190	19	2-59	201	246	10	10	12 1/2	
Vaterval	7% C. P. 6% Debenture	...	...	...	...	...	...	...	...	...	7	7	7	
Woodcote	Kothari Mehta & Co. Private 6% R. C. P.	1,130	...	...	4,453	139	121	6-59	1,203	1,420	12 1/2	12 1/2	12 1/2	
Woodlands	Goodall & Co. 6 1/2% C. P.	...	...	...	152	8	6	6-59	1	16	nil	6	9	
Woodlands	6% Debenture Directors	221	...	234	777	129	...	3-59	184	171	5	5	10	
Woodlands	6 1/2% C. P. 6 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2	
Woodlands	6% Debentures	...	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2	

(†) Cardamom (in lbs.).

(a) After transferring Rs 82,000 from Dividend Equalisation Fund.
(b) After transferring Rs 64,583 from General Reserve.

(c) After writing back Rs 100,000 being estimated surplus provision of previous years.
(d) After writing back Rs 80,000 being excess provision in previous years.

(e) Includes Rs 60,388 being surplus provision and Refund of Income-tax written back.
(f) Includes Rs 270,000 being estimated surplus provision of previous years written back.

February 13, 1960

PLANTINGS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital Ra. 000	REVENUE & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities Ra. 000	Gross Block Ra. 000	Depreciation Ra. 000	LIQUID ASSETS				
	January 1960 Ra. np.	January 1959 Ra. np.			General Ra. 000	Other Ra. 000	Carry- forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Out Standings Ra. 000	Cash Ra. 000	Others Ra. 000
Malamalay	40 87	36 25	25	300	...	617	3	220	1,177	263	77	116	67	265	...
11% C. P.	25 12	24 50	25	300	...	...	...	...	...	...	...	...	...	...	...
Mysore Amalgamated	6 00	5 33	5	225	45	15	8	141	335	27	...	210	6	26	...
6% C. P.	7 00	6 40	10	117	...	...	...	...	...	...	...	...	...	...	...
Mysore Coffee	5 03	3 65	2	600	100	150	18	978	1,207	114	...	166	550	36	...
Mysore Plantations	1 93cd	1 55	2	500	95	55	2	375	1,139	159	...	194	92	10	...
6% C. P.	7 60cd	7 85	10	250	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	4 90cd	5 03cd	5	3,600	675	1,303	78	1,813	8,014	1,204	45	1,175	642	598	...
5% C. P.	7 26cd	7 00	10	1,800	...	...	...	...	...	...	...	...	...	...	...
Nelliampathy	3 00cd	2 67	2	1,200	230	2.80	33	1,194	2,705	501	12	536	267	368	...
6% C. P.	8 70	8 55	10	450	...	...	...	...	...	...	...	...	...	...	...
Nelliethanam	12 05	13 25cd	10	190	...	...	19	4.42	4.40	11	1.03	24	50	54	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nenmeny	16 25	15 65	10	335	400	6	35	552	1,586	249	...	282	10	8	...
7% C. P.	9 70	9 25	10	300	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	...	2	650	2.60	3.02	4	3.48	11.68	1.30	82	1.09	1.51	1.11	...
Nilambur	17 50	15 00	10	200	120	208	2	280	955	68	...	73	56	93	...
6% C. P.	6 90	7 46	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	98 00	98 00	...	100	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	7 35	7 15	10	563	1.50	1.50	13	2.14	15.16	1.96	1	1.86	71	2.90	...
64% C. P.	4 72	4 40	5	280	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	501 00	497 50	500	500	...	...	...	...	...	...	...	...	...	...	...
Nonsuch Tea	25 80	24 55	10	4,310	...	922	35	1,587	3,215	364	449	922	67	594	...
Ouchterlony	5 75	4 80	2	1,946	1,094	1,225	5	641	4,693	1,575	...	1,440	175	177	...
Panchura	4 20cd	3 55	1	150	150	2	65	310	261	19	128	160	140	6	...
Parkside	24 70	19 12	10	1,354	450	1,197	50	1,096	3,158	472	...	406	119	936	...
Peermade	20 25	18 26	10	1,700	...	784	63	1,159	3,921	1,311	150	551	155	392	...
6% C. P.	92 00	95 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Peninsular	22 75	18 80	10	600	2.40	6	124	438	848	63	45	256	16	309	...
Periakaramala	3 72	3 93	2	5,795	2,600	101	146	2,020	10,678	3,157	65	2,611	258	199	...
Periyar & Pareekanni	...	...	10	500	...	40	4	2.99	10.09	33	15	1.55	9	2.86	...
71% R. C. P.	...	...	5	203	...	...	...	...	...	...	...	...	...	...	...
61% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Ponmudi Rubbers	1 40	1 40	2	165	48	...	1	43	314	11	...	18	2	5	...
61% C. P.	8 70	9 35	10	70	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 95	1 60	2	1,650	200	29	72	304	2,156	552	201	221	13	446	...
6% C. P.	8 65	8 65	10	150	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 77	2 93	2	2,100	1,200	965	82	584	3,363	312	195	175	665	245	...
Rajagiri	20 10	16 90	10	1,350	300	600	45	1,469	4,774	448	...	283	113	1,230	72
6% C. P.	7 60	8 10	10	2,260	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	16 25	12 70	5	208	154	12	42	396	350	35	100	358	116	114	...
6% Cum. Prof.	7 75	8 46	10	100	...	...	...	...	...	...	...	...	...	...	...
51% Redeem Cum. Prof.	6 65	7 00	10	100	...	...	...	...	...	...	...	...	...	...	...
Sangameswar	3 00	2 50	2	1,200	25	110	16	378	1,824	68	...	641	4	278	...
7% C. P.	10 30	9 90	10	350	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	560 00	500 00	500	600	...	...	...	...	...	...	...	...	...	...	...
Savarnalai	4 00	3 37	2	550	194	50	1	182	406	107	4	77	25	118	438
Shervary	1 68	1 90cd	2	1,350	1.70	2.80	54	5.66	9.80	86	3.22	4.12	3.53	2.66	...
Stanes Amalgamated	15 58cd	13 80	10	900	198	1,105	4	389	2,735	763	208	222	248	46	...
51% Debentures	450 00	460 00	500	200	...	...	...	...	...	...	...	...	...	...	...
Swinton	2 50	2 40	2	125	12	...	1	63	187	5	...	9	60	3	21
64% Debentures	505 00	505 00	505	75	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	1 73	...	2	1,250	110	982	1	1,040	3,356	303	2	664	196	217	...
6% C. P.	7 50	7 98	10	750	...	...	...	...	...	...	...	...	...	...	...
Tankoy	7 90	6 67	10	1,000	...	248	14	457	2,250	179	...	89	72	387	...
6% C. P.	8 25	7 35	10	600	...	...	...	...	...	...	...	...	...	...	...
64% Debentures	108 00	108 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Thamarapally	26 62	27 00	10	250	75	200	32	1.73	5.98	42	45	69	...	135	...
64% C. P.	4 60	4 62	5	175	...	...	...	...	...	...	...	...	...	...	...
Thirumbadi	1 93	1 70	1	915	450	50	30	862	2,293	158	...	430	48	195	...
71% Debentures	493 75	495 25	500	500	...	...	...	...	...	...	...	...	...	...	...
Travancore Rubber	15 52	15 35	10	600	...	14	1	304	781	...	...	140	22	117	...
T. R. T. & Co.	7 90	7 35	10	4,100	750	671	24	1,097	8,555	1,644	200	590	265	274	...
6% C. P.	7 85	7 81	10	1,600	...	...	...	...	...	...	...	...	...	...	...
Tropical Plantations	22 50	21 75	25	2,000	...	96	9	571	3,128	827	...	216	12	152	...
Twyford	12 85	15 35	10	1,125	1,543	101	1	871	2,682	288	1	701	202	542	...
Udayagiri	13 00	11 15	10	220	148	282	1	225	973	95	1	67	5	2	...
7% C. P.	9 60	10 30	10	80	...	...	...	...	7.71	...	...	...	...	...	...
64% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
United Nilgiri	22 10	17 00cd	10	2,193	300	1,169	102	1,095	4,415	1,568	520	438	171	882	...
Vaikundam	27 75	23 00	10	880	165	119	...	519	976	32	250	133	49	297	10
Vayitri	1 57	1 50	2	400	75	30	29	54	559	57	2	12	52	19	...
51% Debentures	...	...	...	32	...	...	...	...	5.01	...	...	...	...	...	...
Valmalai	6 10	5 70	5	600	375	81	6	385	1,746	102	1	220	133	95	...
7% C. P.	8 85	8 80	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	580 00	500 00	500	397	...	...	...	...	...	...	...	...	...	...	...
Waterfalls	3 70	3 75	2	3,150	2,000	1,078	118	2,504	6,041	778	27	521	2,091	1,450	...
6% C. P.	6 69	8 00	10	500	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 70	1 50	1	500	...	33	3	30	326	84	5	8	10	2	...
64% C. P.	3 46	3 79cd	5	60	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	500	50	...	...	...	...	...	...	...	...	...	...	...
Woodlands	8 60	8 00	10	695	42	205	2	1.86	1,419	71	1	196	162	92	49
64% C. P.	7 80	8 15	10	100	...	...	...	...	...	...	...	...	...	...	...
64% R.C.P.	7 67	8 32	10	132	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	582 50	502 50	500	415	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Shareholders	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up per Share	Paid-up Capital	Reserve Income		Depreciation	Fixed Assets		Liquid Assets		
			Latest	Previous Period	Latest	Previous Period	January 1960	January 1959			Other	Carry forward		Investments	Stocks and Bonds	Outstanding	Cash	Other
CALCUTTA																		
Arthur Butler	N. Bhatia Trading Co., 7% C.P.	10-54	-3.45	-1.71	nil	nil	12 75	9 50	10	6,000	4,000	-4.75	9.57	6	11.99	4.68	82	
Baner Engineering	5% Debentures K. C. Thapar & Brothers	3-55	-5	-15	nil	nil	...	...	900	3,500	...	-2.61	2.61	...	1.74	1.49	1.86	
Bharat Elec.	3.264 Directors	12-58	4,025	4,025	12 1/2	12 1/2	14 75	15 00	10	50,000	2,500	54	8,527	36	7,135	3,884	94	
Brickbat	4,223 Directors	12-58	4,223	4,223	20	20	29 00	32 00	10	5,600	2,400	175	9,466	1,846	1,292	1,454	9336	
Bridge & Road	(m) 2,571 5% Debentures	12-58	1,735	1,735	20	20	25 00	27 00	10	1,200	2,431	499	3,643	5	2,525	3,460	3,987	
Bth Building	419 Holmes Wilson & Co., 6% Redeem Cum. pref.	3-58	531	531	5	5	7 19ad	6 00	10	1,988	500	23	1,180	261	3,680	2,709	36	
Bth Engg.	1,224 McLeod & Co.	12-58	962	962	6	6	12 12	11 00	10	4,000	2,100	1,348	4,256	2	13,043	6,147	34	
B.L.E. Cons. Burn & Co.	872 Bharat Lamin & Co. Ltd.	12-58	715	715	20	20	31 81	21 25	10	2,000	550	15	1,304	2	2,366	1,311	11	
Chhatra Moors	12,845 Bharat Lamin & Co. Ltd.	4-58	13,778	13,778	7	7	43 50ad	36 00	100	8,000	1,701	18,245	27,168	806	12,551	22,079	38,032	
Chhatra Moors	(m) 14,959 (a) 16,149 7% C.P.	12-58	16,149	16,149	6	6	115 00ad	112 00	100	15,000	10,026	11,278	18,934	603	28,158	21,517	237	
Chhatra Moors	11,686 8% Debentures	3-59	8,354	8,354	5	5	16 25	7 62	10	49,813	...	1,951	28,653	1,448	37,566	8,990	18,638	
Chhatra Moors	552 6% R.C.P.	12-57	618	618	18	18	104 00	118 00	50	28,304	1,250	6	3,880	...	1,065	2,381	27	
Chhatra Moors	95 7% C.P.	6-54	1,011	1,011	nil	nil	25 00	23 00	100	2,112	...	21	12,861	...	7,115	11,341	29	
Chhatra Moors	(b) 557 6% C.P.T.	12-58	645	645	nil	nil	21 56	16 62	10	3,695	...	-274	2,861	13	2,571	1,125	150	
Chhatra Moors	(a) 86,318 5% C.P.	3-59	137,617	137,617	10	10	22 20	26 21	10	124,409	26,400	155,524	122,585	24,398	147,603	164,966	35,583	
Chhatra Moors	131 4% First Dab.	3-58	132	132	6	6	4 50	4 14	5	385	...	13	817	149	1,587	1,279	18	
Chhatra Moors	5,314 4% Debentures	3-58	5,869	5,869	20	20	91 50	86 00	100	3,000	750	4,714	...	...	...	...	...	
Chhatra Moors	6,988 7% C.P.	3-58	8,663	8,663	40	40	38 62	39 25	10	32,000	10,445	20,658	13,716	5,135	6,677	9,135	17,964	
Chhatra Moors	28,60 8% Debentures	3-55	23,76	23,76	12	12	19 00	14 59	100	20,200	39,110	15,535	48,036	...	79,535	51,500	4,671	
Chhatra Moors	0,6872 5% C.P.	10-58	7,657	7,657	5	5	23 25	25 19	100	42,000	7,382	597	7,258	7,516	7,904	21,883	222	
Chhatra Moors	1,303 5% C.P.	11-58	1,658	1,658	10	10	6 89	8 63	3	1,843	290	5,360	8,722	46	5,588	4,883	14	
Chhatra Moors	527 4% Debentures	6-58	681	681	20	20	420 00	400 00	500	1,000	1,850	454	1,791	126	11,108	6,762	316	
Chhatra Moors	1,355 Directors	3-59	1,247	1,247	61	61	8 81	9 06	10	4,996	250	1,328	13,033	305	5,127	2,580	241	
Chhatra Moors	1,808 6% C.P.	6-58	1,370	1,370	6	6	15 00	13 00	10	4,000	2,000	510	2,223	3	2,681	1,812	20	
Chhatra Moors	3,302 S.B. Indus. Dev. Co.	12-58	3,911	3,911	15	15	8 19	8 19	100	10,000	10,000	17,011	118,532	...	2,581	1,214	437	
Chhatra Moors	505 5% C.P.	3-59	635	635	64	64	7 19	7 19	4	6,000	30	874	2,351	50	1,716	830	123	
Chhatra Moors	1,958 5% C.P.	9-58	2,164	2,164	5	5	160 00	83 00	100	3,000	...	1,000	4,76	...	2,47	6,71	4	
Chhatra Moors	49 5% C.P.	4-52	17	17	Nil	Nil	3 12	3 69	30	3,000	...	...	3,78	...	...	...	...	
Chhatra Moors	10,040 5% C.P.T.	12-58	10,252	10,252	15	15	25 50	21 10	10	15,000	2,575	2,999	17,191	304	27,735	7,006	135	
Chhatra Moors	...	...	...	...	51	51	93 00	60 00	100	3,000	...	...	...	...	...	...	...	

BOMBAY

Acme Manfg.	Waldland & Co. Private 4% C.P.	6-56	3.51	1.81	nil	nil	...	...	10	240	18	...	7.80	9	14.72	6.42	10
Alcock Ashdown	Turner Morrison	12-58	(a) 662	958	12 1/2	12 1/2	253 00	267 00	100	3,342	3,090	24	4,060	1,059	2,116	4,955	890
Brady Engineering	W.H. Brady & Co., Walchand & Co., Pn. Ltd.	12-58	294	308	3	3	75 50	64 80	60	1,500	245	23	282	188	443	99	415
Cooper Engineering	...	6-56	8,111	6,06	7	7	156 00	130 00	100	2,520	1,000	10,28	43,25	1,22	43 14	16,88	2,26
Hind cycles	5% R.C.P.T. 51% R.C.P.T. 51% R.C.P.T. 6% R.C.P.T.	3-59	(a) 439	(a) 961	5	5	99 00	107 00	100	3,018	702	694	11,673	4	7,772	3,904	524
Inves. Machine Tools	Invest Industrial Corp. 4% C.P.	12-55	-1.21	-71	nil	nil	...	...	100	1,500	...	...	2.78	...	18.63	1.77	10
Jaipur Metals	Poonamchand & Bros. Pn. 6% C.P.	12-58	841	449	6	6	98 00	57 00	100	1,132	50	692	1,558	250	2,605	797	169
Joat's Engg.	4% Debentures	3-59	121	143	10	10	5 56	5 56	10	1,000	200	215	5	9	639	884	50
Kamani Engineering	4% Debentures Kamani Bros. Private	9-58	1,392	559	51	51	61 40%	60 50	100	1,500	275	38	11	188	4,866	10,221	1,291
Kamani Metals	5% C.P. 51% R.C.P.T. 51% R.C.P.T.	6-59	1,501	2,128	51	51	10 80	6 00	100	2,000	60	65	3,759	503	2,329	1,179	136
Kirloskar Bros.	5% C.P. 51% R.C.P.T. 51% R.C.P.T.	7-56	11,663	8,553	6	6	53 00arts	17 08	25	6,500	58,31	14,61	31,98	11,12	51,72	29,45	5,29
Larsen & Toubro	5% C.P. 51% R.C.P.T. 51% R.C.P.T.	3-59	3,321	(a) 2,593	12 1/2	12 1/2	98 00	85 50	100	5,000	1,400	499	37	903	10,479	9,435	384
Mackenzies	5% C.P. 51% R.C.P.T. 51% R.C.P.T.	7-55	2,29	2,69	nil	nil	80 00	80 00	100	1,000	1,09	1,75	31,69	2,62	15,58	15,04	4,09
Mahindra & Mahindra	5% C.P. 51% R.C.P.T. 51% R.C.P.T.	10-58	(a) 781	4,309	12 1/2	12 1/2	18 24	10 24	100	1,200	2,500	1,051	99	2,428	34,163	42,909	1,884
Mahund Iron	6% R.C.P. 5% R.C.P.	3-59	3,424	2,240	10	10	101 25	101 25	100	3,500	1,200	2,280	34	899	3,446	3,246	204
Mysore Kirloskar	5% R.C.P. 5% R.C.P.	6-58	1,544	1,128	7 1/2	7 1/2	12 00	12 00	100	1,000	2,472	845	3	1	2,365	2,216	79
Praga Tools	Indus. Trust Fund 4% C.P.	12-54	-309	72	nil	nil	...	...	50	6,981	...	75	13,02	...	36,09	6,24	22
Premier Automobiles	Aero. Auto Private Ltd. Walchand & Co. Ltd.	6-58	4,745	6,705	4	4	149 75	83 70	100	21,733	1,972	4,146	479	...	10,558	2,529	4,705
Premier Construction	5% C.P. 51% R.C.P.T. 51% R.C.P.T.	12-55	18,78	17,25	28 1/2	28 1/2	331 00	235 50	300	2,250	6,80	118,17	94	227,38	51,52	1,47	82
Tata Iron	5% C.P. 51% R.C.P.T. 51% R.C.P.T.	3-59	(a) 1,496 (a) 20,346	9,07	11	11	85 50	86 50	100	1,000	...	...	470,056	59,423	262,928	135,232	14,628
Tata Locomotive	6% C.P.T. 7% C.P.T. 5% C.P.	3-59	26,759	(a) 27,059	9	9	140 00	135 00	100	69,382	4,383	10,389	77,984	272	120,208	41,006	1,893
	5% C.P.	...	...	...	5	5	205 00	163 00	100	75,934	...	...	...	...	...	...	...

MADRAS

Ashok Leyland	Directors A.V. Thomas & Co.	12-58	3,941	1,858	6	6	6 80	4 10	5	18,710	650	1,023	28	1	13,230	7,020	232
Brunton & Co.	6% C.P.	12-55	23	87	nil	nil	4 75	6 25	10	7,517	36	56	5,78	...	6,23	1,76	11
Indian Steel Rolling	Directors	12-58	360	435	7	7	12 40	14 10	10	3,708	3	237	1	4	2	2,637	76
Standard Motor P.	51% C.P. 51% C.P.	12-58	1,203	1,530	54	54	8 30	8 30	10	500	600	1,348	51	...	17,162	530	65
T. I. Cycles	5% C.P. 5% C.P.	6-58	...	...	nil	nil	102 00	97 50	100	3,000	2,450	5,997	64	476	9,349	3,340	277
Tatool Co.	Directors	4-58	749	2,060	12	12	...	...	100	1,992	500	731	30	16	4,860	3,185	11

(a) After writing back Rs 30,000 being provision for taxes made in previous years not required. (b) After transferring Rs 435,000 from General Reserve. (c) Includes Rs 1,50,000 being excess provision for sales tax made in previous years. (d) Includes Rs 61,973 being unclaimed dividend for 1954 and 1955. (e) Includes Rs 20,714,912 transferred from General Reserve No. 1. (f) An additional dividend at 5 5/16 per cent has been paid for the year ended 31-12-54 under Section 23(A). (g) Includes Rs 2,733,894 being excess provision for taxes made in previous years. (h) After transferring Rs 4,185,000 from General Reserve. (i) After writing back Rs 102,967 being profit on sale of Fixed Assets. (j) After writing back Rs 2,00,000 from provision for taxation. (k) Includes Rs 102,967 being profit on sale of Fixed Assets. (l) After writing back Rs 2,00,000 from provision for taxation. (m) After writing back Rs 2,00,000 from provision for taxation. (n) Dividend for the year ended 31-10-1954. (o) After transferring Rs 17,00,000 from Tax Contingencies Reserve and writing back Rs 10,00,000 from Reserve for works and Ore Mines Fund Extension. (p) After transferring Rs 22,707,942 from General Reserve No. 1. (q) After transferring Rs 17,00,000 from Taxation Equalisation Reserve. (r) After transferring Rs 576,788 from Taxation Equalisation Reserve. (s) After transferring Rs 46,234 from Dividend Equalisation Reserve. (t) After transferring Rs 262,803 from Dividend Equalisation Reserve.

GILTDEDGED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-1-60	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-1-60	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30-1-60						
GOVERNMENT OF INDIA LOANS																							
Rupee Loans																							
NON-TERMINABLE LOANS.																							
8.93 34.300	3	1896-97	3 Months' notice	30-6/31-12	73-60																		
TERMINABLE LOANS.																							
57,00,69,000	21	1946	1961	1-2/1-8	98-35	3,00,00,000	3 1/2	1937	1956-61	1-6/1-12	98-00	149,30,000	5	1928	1958-88	15-3/15-9							
45,63,97,000	21	1946	1960	15-1/15-7	99-65													100,00,000	3	1949	1959	15-2/15-8	
75,89,72,000	21	1947-48	1962	15-5/15-11	98-05													50,00,000	3	1949	1959	20-2/20-8	
14,77,48,000	21	1946	1976	16-3/16-9	83-30													100,00,000	3	1950	1960	15-6/15-12	
116,17,46,000	3	1932	1963-65	1-6/1-12	98-30													100,00,000	3	1950	1960	15-6/15-12	
32,33,10,000	3	1950	1964	15-6/15-12	98-30													100,00,000	3	1951	1961	1-6/1-12	
110,11,78,000	3	1943	1966-68	1-4/1-10	95-95													50,00,000	4	1953	1963	14-2/14-8	
115,05,83,000	3	1945	1970-75	15-4/15-10	92-90													25,00,000	3	1938	1963-68	1-6/1-12	
248,91,37,000	3	1946	1986	16-3/16-9	74-20													60,00,000	3	1935	1965	15-3/15-9	
87,27,36,000	3 1/2	1956	1962	16-1/16-7	99-80													76,90,100	4	1914	1974	8-2/8-8	
75,29,00,000	3 1/2	1953	1961	1-6/1-12	99-30													50,00,000	3	1945	1975	1-4/1-10	
58,54,92,000	3 1/2	1958	1963	12-5/12-11	100-20													50,00,000	3	1946	1976	15-3/15-9	
158,17,90,000	3 1/2	1954	1964	19-4/19-10	100-10													50,00,000	2 1/2	1947	1977	31-3/30-9	
103,67,92,000	3 1/2	1955	1965	1-1/1-7	100-02													50,00,000	3	1948	1978	15-1/15-7	
63,81,83,000	3 1/2	1956	1967	16-1/16-7	99-85													50,00,000	3	1950	1980	15-4/15-10	
30,00,00,000	3 1/2	1958	1968	26-2/26-8	99-60													68,02,300	3	1921	1981	1-10/1-4	
66,63,54,000	3 1/2	1959	1969	1-1/1-7	99-33													50,00,000	6 1/2	1921	1981	1-1/1-7	
56,99,30,000	3 1/2	1957	1967	16-1/16-7	99-70													50,00,000	3	1951	1981	20-2/20-8	
34,33,89,000	3 1/2	1958	1968	12-5/12-11	100-65													50,00,000	4	1953	1983	14-2/14-8	
49,17,27,000	4	1926	1960-70	15-3/15-9	100-35													80,00,000	4	1931	1991	15-4/15-10	
63,30,26,000	4	1958	1973	12-5/12-11	101-65													50,00,000	3	1945	2005	1-2/1-8	
49,51,44,000	4	1959	1979	1-1/1-7	100-20													50,00,000	3	1946	2006	15-3/15-9	
STATE GOVERNMENT LOANS																							
WEST BENGAL.																							
1,75,00,000	3 1/2	1951	1962	17-3/17-9	98-25	25,00,000	3 1/2	1936-37	1967	1-2/1-8		892,600	5	1923	1953-83	1-1/1-7							
3,60,23,300	4	1953	1963	15-1/15-7	100-40	69,00,000	4	1938	1968	1-3/1-9		50,00,000	5	1924	1954-84	1-1/1-7							
2,00,00,000	4	1952	1964	1-2/1-8	100-45	30,00,000	3	1939	1969	1-3/1-9		835,100	5 1/2	1932	1962	1-4/1-10							
7,00,00,000	4	1955	1967	1-3/1-9	100-35	64,00,000	3 1/2	1940	1970	1-3/1-9		90,00,000	4	1935	1985	1-3/1-9							
7,00,00,000	4	1956	1968	3-3/3-9	100-35	48,00,000	3 1/2	1940-41	1971	1-3/1-9		151,00,000	4	1956	1986	1-4/1-10							
5,00,00,000	4 1/2	1958	1970	15-1/15-7	102-05	135,00,000	4	1941-42	1972	1-3/1-9		124,00,000	4 1/2	1957	1987	26-2/26-8							
BOMBAY.																							
2,92,30,300	3	1950	1960	31-1/31-7	99-60	20,00,000	3 1/2	1943-44	1974	1-6/1-12		100,00,000	4 1/2	1959	1989	17-2/17-8							
5,63,12,200	3	1949	1962	1-2/1-8	97-25	20,60,000	4	1943-45	1975	1-3/1-9													
2,97,86,300	3 1/2	1951	1962	17-9/17-3	99-30	22,00,000	3 1/2	1944-45	1976	1-3/1-9													
5,50,35,400	4	1953	1963	15-1/15-7	101-00	54,00,000	3	1945-46	1976	1-3/1-9													
5,61,30,900	4	1952	1964	1-2/1-8	100-90	75,00,000	3 1/2	1947-48	1977	1-2/1-8													
9,00,00,000	4	1955	1967	1-3/1-9	101-00	61,00,000	3	1949	1979	1-3/1-9													
7,50,00,000	4	1956	1970	3-3/3-9	100-90	88,14,500	5	1949	1989	15-3/15-9													
6,00,00,000	4 1/2	1957	1969	16-3/16-9	102-45	10,00,000	5	1920	1980	1-5/1-11													
18,00,00,000	4 1/2	1958	1970	15-1/15-7	102-60	80,00,000	3 1/2	1950-51	1980	1-3/1-9													
10,00,00,000	4 1/2	1958	1970	15-1/15-7	102-60																		
MADHYA PRADESH																							
1,01,44,700	3	1950	1960	31-1/31-7	98-40	10,00,000	5 1/2	1932	1962	1-4/1-10													
2,01,28,800	3	1948	1964	1-3/1-9	98-00	33,91,000	3 1/2	1935	1965	1-1/1-7													
1,02,18,100	3 1/2	1951	1962	17-3/17-9	98-75	60,00,000	3 1/2	1936	1966	1-4/1-10													
1,02,18,100	4	1953	1963	15-1/15-7	100-45	47,50,000	3	1938	1968	1-6/1-12													
1,50,00,000	4	1955	1967	1-3/1-9	100-40	17,64,400	3 1/2	1942	1959	1-5/1-11													
1,50,00,000	4	1956	1968	3-3/3-9	100-30	21,10,000	3 1/2	1942	1972	1-4/1-10													
2,00,00,000	4 1/2	1958	1970	15-1/15-7	101-80	15,49,000	3 1/2	1951	1960	1-2/1-8													
UTTAR PRADESH																							
2,20,93,600	2 1/2	1946	1961-66	1-3/1-9	92-75	16,33,000	3 1/2	1951	1961	1-2/1-8													
2,17,89,700	3	1945	1960	14-3/14-9	99-50	66,88,000	3 1/2	1951	1966	1-4/1-10													
1,57,42,600	3	1950	1960	31-1/31-7	99-75	87,36,000	4	1952	1962	1-5/1-11													
1,94,11,700	3 1/2	1951	1962	17-3/17-9	98-90	72,50,000	4 1/2	1954	1979	1-3/1-9													
5,65,15,500	4	1953	1963	15-1/15-7	100-55	2,22,72,000	4	1955	1985	1-6/1-12													
4,11,45,200	4	1952	1964	1-2/1-8	100-50	1,67,32,000	4 1/2	1958	1970	1-7/1-1													
8,50,00,000	4	1955	1967	1-3/1-9	100-35	1,60,36,000	4 1/2	1958	1968	1-9/1-3													
8,50,00,000	4	1956	1968	3-3/3-9	100-35																		
7,00,00,000	4 1/2	1958	1970	15-1/15-7	102-05																		
MADRAS.																							
5,81,77,200	2 1/2	1946	1961	1-3/1-9	98-35																		
2,78,44,000	3	1945	1960	14-3/14-9	99-30																		
4,38,25,400	3	1950	1960	31-1/31-7	99-30																		
5,01,49,000	3 1/2	1951	1962	17-3/17-9	99-10																		
1,03,309,100	4	1953	1963	15-1/15-7	100-43																		
8,24,81,200	4	1952	1964	1-2/1-8	100-60																		
7,00,00,000	4	1955	1967	1-3/1-9	100-45																		
12,50,00,000	4	1956	1968	3-3/3-9	100-48																		
5,00,00,000	4 1/2	1958	1970	15-1/15-7	102-03																		
...	4	1959	1971	...	100-20																		
MYSORE GOVERNMENT.																							
5,99,72,900	3	1936	1956-61	20-10/20-4	99-80																		
2,95,83,200	4	1933	1953-63	1-6/1-12	101-75																		
3,31,47,200	4	1953	1963	15-1/15-7	100-40																		
3,25,00,000	4	1955	1967	1-3/1-9	100-43																		
4,10,00,000	4	1956	1968	3-3/3-9	100-40																		
3,00,00,000	4 1/2	1957	1969	16-3/16-9	102-00																		
5,00,00,000	4 1/2	1958	1970	15-1/15-7	102-00																		
...	4	...	...	...	100-10																		
COCHIN.																							
30,00,000	3 1/2	1937	1956-61	1-6/1-12	98-00																		
TRAVANCORE.																							
300,00,000	4	1953	1963	15-1/15-7	99-82																		
...	4 1/2	1956	1968	3-3/3-9	100-85																		
...	4 1/2	1958	1970	15-1/15-7	100-97																		
...	4	...	1971	...	99-90																		
MUNICIPAL LOAN																							
BOMBAY MUNICIPAL LOAN.																							
25,00,000	5	1928	1958	1-1/1-7																			
26,21,000	5	1929	1959	1-2/1-8																			
17,97,000	3	1950	1960	1-6/1-12																			
110,00,000	4	...	1963	1-3/1-9																			
215,00,000	4	...	1964	1-3/1-9																			
244,14,500	4	...	1964	1-3/1-9																			
200,00,000	3 1/2	1950	1965	15-2/15-8																			
10,00,000	3 1/2	1951	1965	16-2/16-8																			
9,00,000	3 1/2	1956	1966	14-3/14-9																			
125,34,000	3 1/2	1951	1966	3-4/3-10																			
33,00,000	3 1/2	1952	1966	3-4/3-10																			
60,00,000	3 1/2	1952	1966	16-2/16-8																			
24,50,000	3	1936-37	1967	1-2/1-8																			
69,00,000	4	...	1967	1-3/1-9																			
30,00,000	3	1938	1968	14-3/14-9																			
30,00,000	3	1939	1969	1-3/1-9																			
64,00,000	3	1940	1970	1-3/1-9																			
48,00,000	3 1/2	1940-41	1971	1-3/1-9																			
25,00,000	3 1/2	1941-42	1972	1-3/1-9																			
135,00,000	4	...	1973	1-3/1-9																			
20,00,000	3 1/2	1943-44	1974	1-6/1-12																			
20,60,000	4	1943-45	1975	1-3/1-9																			
22,00,000	3 1/2	1944-45	1976	1-3/1-9																			
25,00,000	3 1/2	1945-46	1976	1-3/1-9																			
54,00,000	3	1947-48	1977	1-2/1-8																			
75,00,000	3 1/2	1947	1977	1-2/1-8																			
61,00,000	3	1949	1979	1-3/1-9																			
88,14,500	5	1949	1989	15-3/15-9																			
10,00,000	5	1920	1980	1-5/1-11																			
80,00,000	3 1/2	1950-51	1980	1-3/1-9																			
CALCUTTA MUNICIPAL LOANS.																							
10,00,000	5 1/2	1932	1962	1-4/1-10																			
33,91,000	3 1/2	1935	1965	1-1/1-7																			
60,00,000	3 1/2	1936	1966	1-4/1-10																			
47,50,000	3	1938	1968	1-6/1-12																			
17,64,400	3 1/2	1942	1959	1-5/1-11																			
21,10,000	3 1/2	1942	1972	1-4/1-10																			
15,49,000	3 1/2	1951	1960	1-2/1-8																			
16,33,000	3 1/2	1951	1																				

Registered No. (B449, Bombay)
(C1616, Calcutta)

Indian Finance

Khandelwal Ferro Alloys 7 1/2% ... 50	52.50	Indian Mercantile ... 40	45.25	Highland ... 10	12.60	Digvijay Woollen ... 10	14.36
Madhusudan 4% ... 12 1/2	7.50	Jupiter ... 15	5.96	Kalpotta ... 10	12.28	East India Hotels ... 10	10.00
Madhya Pradesh Ind. 6% ... 100	106.00 N	Neptune ... 10	1.46	Midland ... 10	12.12	Empire Dyeing ... 15	50.00
Motor & Genl. Fin. 10% ... 25	36.00	New Asiatic ... 5	2.76	Nellampathy ... 2	2.88	Ferro Alloys ... 100	100.00
National Rubber 6% ... 100	82.00	New Grease ... 20	23.12	Rajagiri ... 10	13.92	Gujarat Investment ... 50	11.00
New Central Jute 6% ... 100	107.00	New India 'A' ... 15	58.10	Twysford ... 10	12.24	Gujarat Safe ... 75	120.00
N. I. Fisheries 6% ... 100	101.00	Sentinel ... 50	50.00 N	Waterfall ... 2	3.80	Harvey & Sabapathy ... 500	965.00
Orient Paper 5 1/2% ... 100	93.20	Universal ... 10	12.00			Hindustan Motors ... 10	16.24
Orient Paper 5 1/4% ... 100	58.50	Vulcan ... 10	20.24			Hindustan Housing ... 25	25.00 N
Parshuram Pott. 6% ... 25	25.00 N					Hindustan Coal ... 50	23.00
Parshuram Pott. 4% ... 25	18.00 N					Indian Dyestuffs ... 100	426.00
Rohtas Indus. A. Pref. ... 100	110.00					Indian Copper ... 25	37.50
Rohtas Indus. B. Pref. ... 100	64.00					Indian Rayon ... 100	110.00
Sen Raleigh 5% ... 100	148.00					Indian Tool ... 100	139.50
Standard Motors 6 1/2% 'A' ... 100	103.00 N					Inv. Corp. ... 100	139.50
Standard Motors 6 1/2% 'B' ... 100	102.00 N					Khandelwal Ferro Alloys ... 50	67.50
Star Paper 5% ... 100	95.00					Kirloskar Oil Eng. ... 10	17.24
Star Paper 5 1/2% ... 100	73.00 N					Madhusudan A ... 100	81.00
Star Paper 6 1/2% ... 100	100.00 N					Madhusudan B ... 20	13.82
Structural Eng. 5% ... 100	105.50					Madhya Pradesh Ind. ... 10	18.62
Structural Eng. 6 1/2% ... 100	106.50					Man. Indus. Corp. ... 100	95.00
Sundatta Foods 6% ... 50	50.10					Motor & Genl. Fine ... 10	40.00 N
Texmaco 1st 5 1/2% ... 100	85.00 N					National Rubber ... 10	13.96
Texmaco 2nd 5 1/2% ... 100	62.00					New Central Jute ... 100	22.36
W. L. Plywood 6% ... 100	90.00 N					N. I. Fisheries ... 100	82.00
						New India Indus. ... 100	378.75
						Orient Paper ... 10	37.10
						Parshuram Pottery ... 25	65.00
						Raymond Woollen ... 100	97.00
						Rohtas Industries ... 10	27.75
						Sardar Carbonic ... 100	320.00
						Sen Raleigh ... 10	20.24
						Standard Batteries ... 100	150.00
						Standard Motors ... 10	16.24 N
						Star Paper ... 10	12.40 N
						Star Paper A ... 10	12.40 N
						Straw Products ... 10	18.00
						Structural Eng. ... 100	225.00
						Sundatta Foods ... 50	53.00
						T. Maneklal Mfg. Old ... 100	125.00
						Taxmesco ... 10	25.35
						Thacker ... 50	41.00
						Tractors (India) ... 100	28.00
						United Motors ... 20	15.00
						W. B. Coal ... 10	6.40 N
						W. I. Plywood ... 100	236.00
						W. I. Veg. ... 100	100.00 N

Calcutta Stock Exchange

PRICE TRENDS DURING JANUARY, 1960

	4th	5th	6th	7th	8th	9th	11th	12th	13th	14th	15th	16th	18th	19th	20th	21st	22nd	23rd	24th	25th	26th	27th	28th	29th	30th
3% 1986	73.61	73.60	73.50	73.80	73.75	73.80	73.80	73.65	73.73	73.93	73.93	73.93	74.10	73.80	74.15	74.05	74.05	74.10	74.23	74.20	74.10	74.10	74.10	74.10	74.10
United Commercial	68.75	68.75	69.25	68.50	68.50	68.25	68.50	69.00	69.75	71.50	71.50	71.50	72.00	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50
Kesoram	23.81	23.81	23.87	23.75	23.50	23.87	23.12	22.62	22.19	23.12	23.12	23.06	22.44	22.12	22.87	22.12	21.69	21.69	21.69	21.69	21.69	21.69	21.69	21.69	21.69
Bengal Coal	303.00	303.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00	306.00
Burrakur	18.87	19.00	19.00	18.87	18.82	18.62	18.31	18.12	18.00	18.50	18.81	18.31	18.31	18.31	18.50	18.62	18.44	18.50	18.31	18.37	18.50	18.44	18.44	18.44	18.44
Howrah	24.75	24.62	24.62	24.50	24.50	24.50	24.25	24.37	24.56	24.75	24.69	24.37	24.37	24.44	24.12	24.00	24.00	23.87	23.87	23.87	23.87	23.87	23.87	23.87	23.87
National	27.00	27.00	27.12	28.00	31.50	32.00	31.50	32.00	31.50	32.00	31.50	32.00	31.50	32.00	31.50	32.00	31.50	32.00	31.50	32.00	31.50	32.00	31.50	32.00	31.50
New Central	24.00	23.75	23.87	23.87	23.44	22.94	23.31	22.87	24.00	23.87	25.06	24.00	23.87	23.31	23.06	23.06	22.75	22.56	22.25	22.56	22.56	22.56	22.56	22.56	22.56
Brooke Bond	18.12	18.12	18.12	18.69	18.37	18.25	18.37	18.25	18.37	18.25	18.37	18.25	18.37	18.25	18.37	18.25	18.37	18.25	18.37	18.25	18.37	18.25	18.37	18.25	18.37
Hasimara	18.12	18.12	18.56	19.25	19.31	19.25	19.31	19.25	19.31	19.25	19.31	19.25	19.31	19.25	19.31	19.25	19.31	19.25	19.31	19.25	19.31	19.25	19.31	19.25	19.31
Tezpur	25.06	24.19	25.19	24.62	24.00	23.81	24.00	24.00	24.12	24.12	24.06	23.94	24.00	23.81	23.75	23.75	23.75	23.75	23.75	23.75	23.75	23.75	23.75	23.75	23.75
Jessop	23.26	23.10	22.86	22.76	22.70	22.35	22.24	22.12	22.24	22.23	22.58	22.58	22.08	22.09	22.25	22.34	22.15	22.03	21.92	22.00	22.14	22.20	22.14	22.20	22.14
Indian Iron	27.15	27.05	26.70	26.40	26.10	25.65	25.60	25.60	25.95	26.05	26.40	26.20	25.80	25.80	25.80	25.80	25.55	25.65	25.60	25.50	25.55	25.50	25.55	25.50	25.50
TEXMACO	3.97	3.98	3.90	3.92	3.88	3.88	3.81	3.80	3.83	3.88	3.92	3.91	3.85	3.85	3.88	3.88	3.88	3.82	3.82	3.84	3.85	3.85	3.85	3.85	3.85
L. Copper	36.95	36.95	36.90	36.85	36.70	36.15	36.35	36.10	36.25	36.95	37.90	37.70	37.20	37.20	37.25	37.80	37.40	37.65	37.50	37.70	37.65	37.70	37.65	37.70	37.65
Orient Paper	22.37	22.75	22.50	22.50	22.50	22.25	22.12	22.12	22.81	22.81	22.87	22.81	22.44	22.37	22.50	22.62	22.44	22.44	22.44	22.44	22.50	22.50	22.50	22.50	22.50
Shree Gopal	30.81	30.69	30.50	30.44	30.00	29.81	29.81	29.62	29.87	30.12	30.44	30.31	29.94	29.75	29.87	29.81	29.75	29.50	29.37	29.44	29.66	29.66	29.66	29.66	29.66
I. Cable	12.09	12.00	11.97	12.03	11.87	11.87	11.78	11.75	11.69	11.69	11.69	11.81	11.69	11.72	11.62	11.62	11.72	11.75	11.78	11.78	11.62	11.62	11.62	11.62	11.62
I. Steamship	27.31	27.50	27.37	27.25	27.12	26.37	26.25	26.25	26.62	27.00	27.50	27.25	27.37	27.81	27.87	27.87	27.66	27.37	27.19	27.19	27.31	27.31	27.31	27.31	27.31
Rohtas	36.50	37.00	36.75	36.75	36.50	36.00	35.75	35.87	36.00	36.37	36.37	36.37	36.37	36.37	36.37	36.37	36.12	36.00	36.12	36.12	36.25	36.25	36.25	36.25	36.25
Dunlop	24.50	24.75	24.81	24.94	24.94	24.50	24.81	24.62	24.81	25.12	25.19	25.10	24.69	24.81	24.87	24.81	24.62	24.75	24.81	24.94	24.94	24.94	24.94	24.94	24.94
I. Aluminium	15.50	15.31	15.37	15.44	15.19	14.94	14.50	14.44	14.69	15.31	16.00	16.25	15.50	15.69	15.69	15.69	15.44	15.62	15.75	16.00	16.31	16.25	16.25	16.25	16.25
H. Motor	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50
L. Oxygen	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50	31.50

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HIGHLIGHTS OF THIS ISSUE

The President's Address—Profits—Paper—Oil—Excise Duties—All these are subjects covered in the Leading Articles section.

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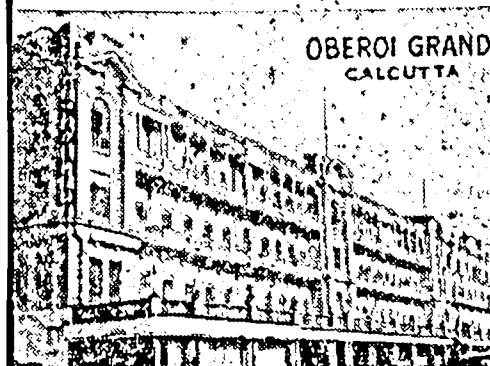
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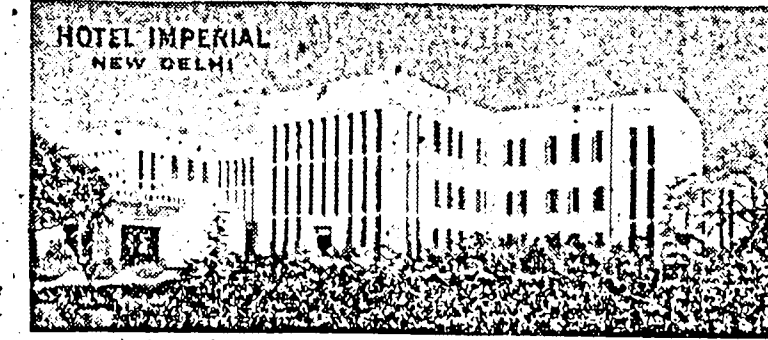
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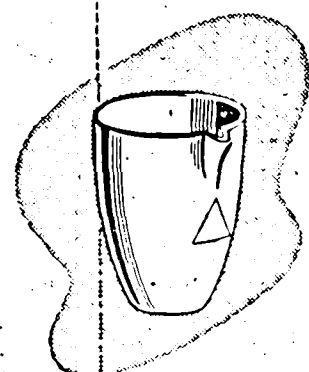
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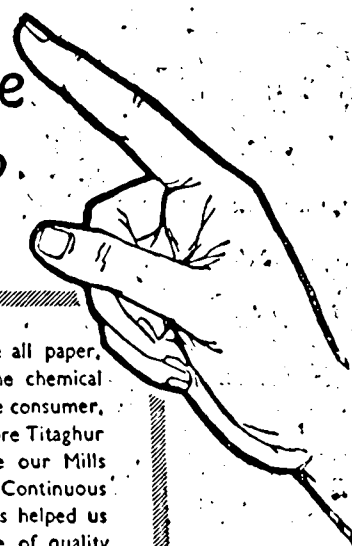
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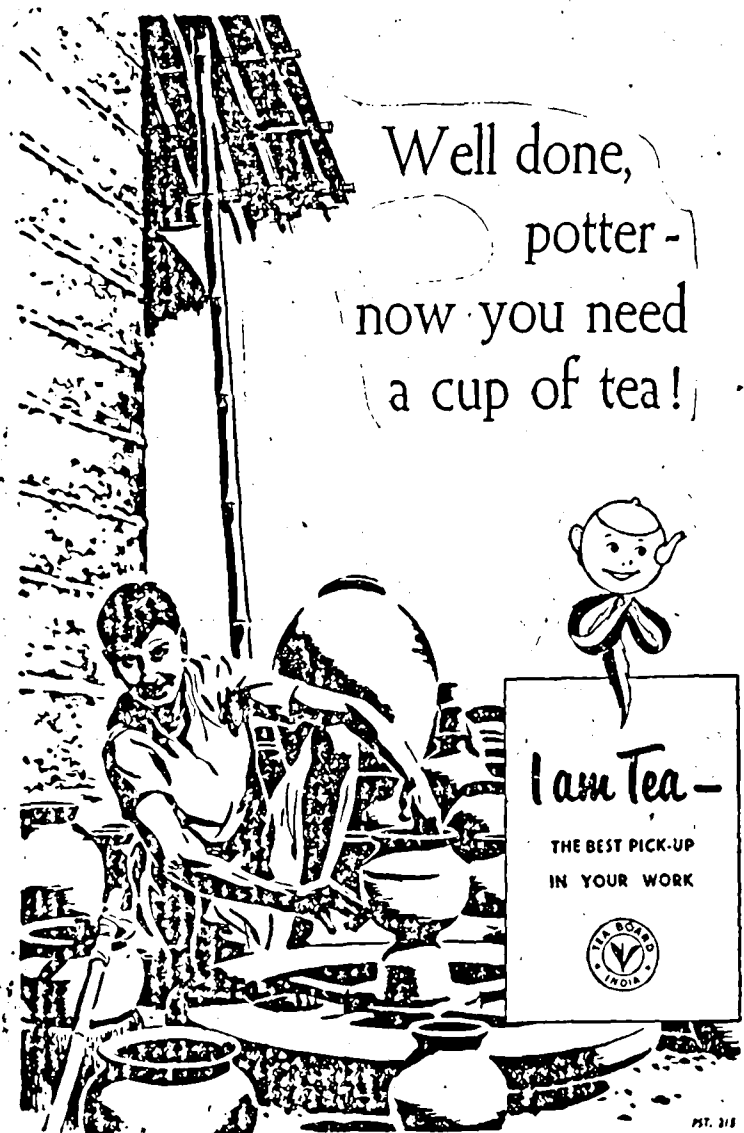
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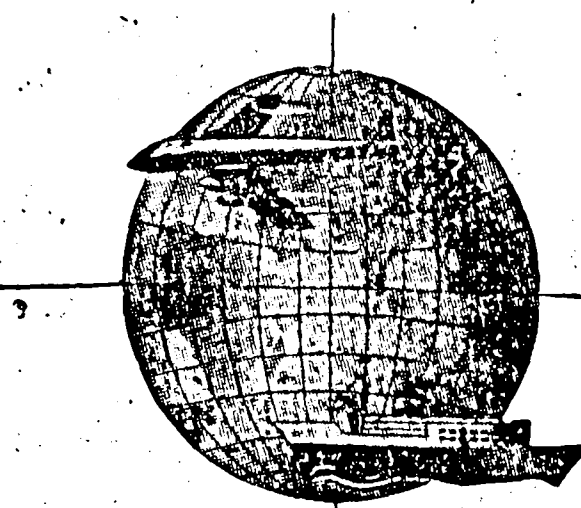


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WORLD OF FINANCE

The Significance of the 1959 Banking Profits

A MONG the big nine Scheduled Banks, for
such of those as have published their
summarised results for 1959, one alone has
been able to keep intact the effective return
to the shareholder; this exception is United
Commercial, which indeed has somewhat
increased its payment to the investor. In
varying degree, the other banks in this cate-
gory have sought partly to offset the impact
of the system of deduction of tax on dividends,
and consequently the amount utilised for
dividend has gone up. Thus, Bank of Baroda
has utilised Rs 2½ lakhs more for dividend;
and the State Bank Rs 2½ lakhs more. Finally,
there are some among the Big Nine which
have not even tried to increase the rate of
dividend, and in this class belong Bank of
India and Punjab National. A nominal increase
in profit has been disclosed by Bank of Baroda;
and a spectacular rise by United Commercial;
others frankly confess to some element of
decline in earnings. Without exception, the
provision for tax has been reduced, with
United Commercial joining the ranks of State
Bank, Allahabad Bank and United Bank in
the matter of showing its profit as net of
taxation. What are the lessons to be learnt
from the foregoing?

In the first place, the reduced charge of
taxation may be attributed to the fact that
credit in respect of tax deducted on the inter-
est on Government securities has, with the
raising of the rate of deduction as from
April 1959, so risen as to lessen the liability
that needed to be shown in the appropriation
account. Indeed, it may have been possible
for most banks to have provided fully for tax
from such tax deducted at source; and the
reason why this was not perhaps universally
done may have been that the balance of profit
as shown would then have revealed a cala-
mitous fall. If there should be, during 1960,
even some small improvement in banking
profits, and if the rate of deduction of tax is
unchanged, it is likely that more banks will
henceforth choose to show their balance of
profit as net of taxation.

In the second place, the decline in banking
earnings during 1959 generally is clear and
uncategorical. But we will have to wait for
the balance-sheets to discover whether it is
gross income which is placed lower, or whether
it is the heads of expenditure which have
eaten more deeply into the gross income,
thereby reducing the balance of profit. For
reasons that we have advanced from time to
time in this column, we believe that gross
income as such would have increased; but, to
the extent that income from investments in
gilt-edged may be shown in the profit and loss
account as net of taxation, it is possible that
the published figures of gross income may be
unchanged, or even somewhat lower. On the
other hand, there can be no doubt at all that
the two main heads of expenditure would
have been marked higher. In the one case, a
larger quantum of higher-costing Deposits
would have raised the charge of interest paid
on Deposits. In the other case, the branch
expansion programme, on which banks were

embarked in strident manner during the last
year, would have put up establishment costs.

In the third place, it is not to be doubted
that, relatively disappointing though the
banking profits may be, the banks will have
found it possible to add to their inner reserves
by virtue of the rise in prices of gilt-edged;
and our feeling is that some banks may find
it necessary to take credit for such surplus on
gilts for causing the profit figure to make
respectable showing. Where profit on invest-
ment does not figure in the profit and loss
account, it may safely be assumed that inner
reserves have been strengthened.

In the fourth place, though expansion in
Advances during 1959 will not have amounted
to a considerable figure, banking earnings
may conceivably bear the favourable impress
of the increase in the export trade during the
last year. Such of the exchange banks and
Indian Scheduled Banks as were able to
"acquire" a piece of this improved export
trade may have shown a particular increase in
gross earnings.

In the fifth place, as we stated last week,
the smaller banks have come off much better.
We wonder whether this is symptomatic of the
development of small and medium industry,
which was able to obtain its greater needs of
banking finance from the smaller and the
medium banks.

As pointing to trends in banking profits in
1959 brief analyses of other results which
have since been published are presented on
page 292.

Mid-way Mark of the 1959-60 Busy Season

WHILE the explosive expansion in active note
circulation in the first week of February is a
pointer to the severity of the current busy
season, figures for the first half, now available,
indicate important differences as compared
with the 1958-59 busy season. It will be seen
that the rise in Active Notes is somewhat
smaller this season, as also the increase in the
Other Loans and Advances of the Reserve
Bank. What is of particular interest is the
manner in which the task of providing the
busy season finance has so far been accom-
plished by the banking system. For, save in
this respect, the 1959-60 busy season seems to
be closely patterned after the preceding one.

The expansion in the Advances of the State
Bank is Rs 3 crores lower, but the rise in the
accommodation given by the other Scheduled
Banks is, though by a fraction, higher. In
broad terms, therefore, it is very likely that
the total expansion in bank credit during the

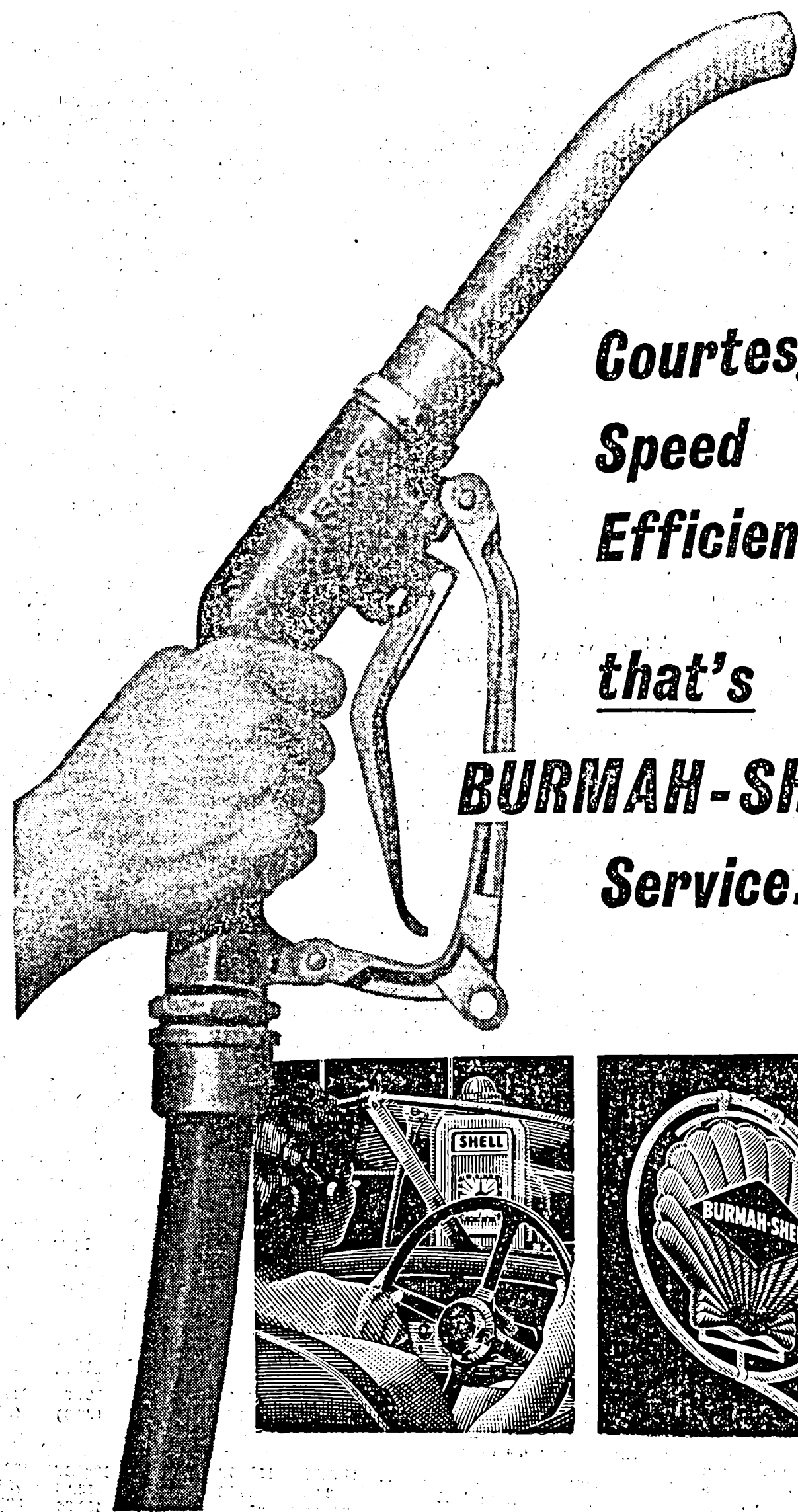
current busy season will be of the same order
as was the case in the last one. While, if
figures for all Scheduled Banks are taken to-
gether, it appeared that the banking system,
on the busy season's eve, was better equipped
to handle the demand that might be thrown
up, the separation of the State Bank figures
more than somewhat changes the picture. For,
the State Bank started the 1959-60 busy sea-
son with a volume of Advances slightly lower
than on the corresponding date of the previous
year; and, meantime, Deposits had mounted.
So, in the first half of the current busy season,
the ratio of State Bank Advances to Deposits
has risen only from 28.3 per cent to 29.8 per
cent, whereas the rise over the same period in
1958-59 was from 33.8 per cent to 38.2 per cent.
In fact, therefore, the Other Scheduled Banks
commenced the 1959-60 busy season from a
slightly less comfortable position, with Advan-
ces standing at 60.7 per cent of Deposits on the
last Friday in October 1959 against 58.2 per
cent of Deposits as on the last Friday in
October 1958.

However, while the banking system experi-
enced a decline in Deposits over the first half
of the 1958-59 busy season, the reverse is true
of the current one. The State Bank's increase
in Deposits more than covers the expansion in
its Advances. In the case of the other Sched-
uled Banks, though there was a rise of Rs
21.59 crores against a fall of Rs 6.53 crores in
Deposits, this was not sufficient to take care
of the rise in Advances. Borrowings from the
Reserve Bank were stepped up by Rs 10.77
crores. (In the previous busy season, the in-
crease in the recourse to central bank credit
was even higher, because Deposits, instead of
showing a rise, had moved down). Secondly,
there was disinvestment in gilt-edged in the
considerable amount of Rs 17.51 crores. How-
ever, because of the accretion to Deposits, the
Advances/Deposits ratio of the Scheduled
Banks has moved up only from 60.7 per cent
to 64.5 per cent (as compared with a rise from
58.2 per cent to 63.9 per cent in the corres-
ponding period of 1958-59), in spite of the
fact that quantum of rise in Advances in both
periods has been roughly the same.

It is reasonable to assume, on the basis of
the first half, that the 1959-60 busy season will
prove to throw up as large a demand for funds
as was the case in 1958-59. To the extent
that, in the meanwhile, Deposits also rise, the
problem of finding the money will be easier
for the banking system. Nevertheless, it is to
be expected that, in order to finance the
balance of over Rs 100 crores in busy season
demand for funds, Scheduled Banks, in the
next two months or so, will be compelled to
borrow more extensively from the Reserve
Bank and/or disinvest in gilt-edged.

BUSY SEASON—FIRST HALF

	30.10.58	30.1.59	Change	30.10.59	20.1.60	Change
Reserve Bank						
Active Notes	1534.44	1624.43	+89.99	1686.20	1767.44	+81.24
Banks' Deposits	110.68	75.74	-34.94	73.44	73.75	+0.31
Other Loans and Advances	53.35	93.86	+40.51	92.47	107.80	+15.33
Of which against Usance Bills	0.92	5.11	+4.19	1.70	4.31	+2.61
State Bank						
Deposits	476.29	473.26	-3.03	569.66	593.32	+23.66
Borrowings		15.00	+15.00		2.40	+2.40
Gilt-edged Investments	257.13	276.03	+18.90	385.84	393.88	+8.04
Advances	162.08	180.76	+18.70	161.30	177.00	+15.70
Advances/Deposits Ratio	(33.8)	(38.2)		(26.3)	(29.8)	
Other Scheduled Banks						
Deposits	1163.26	1156.73	-6.53	1283.16	1304.75	+21.59
Borrowings from RBI	2.26	24.56	+22.30	13.85	24.62	+10.77
Gilt-edged Investments	361.30	359.24	-2.06	408.26	390.75	-17.51
Advances	676.79	739.58	+62.79	778.74	841.92	+63.18
Advances/Deposits Ratio	(58.2)	(63.9)		(60.7)	(64.5)	

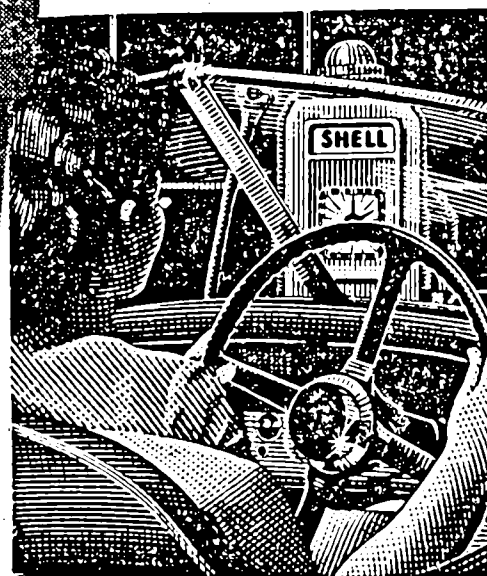


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February 13, 1960

Need for Easier Loans from Refinance Corpn.

THE question of enlarging the activities of the Refinance Corporation has been engaging the attention of the Government of India for some time past. But it is not yet clear when and in what directions it is proposed to extend the Corporation's sphere of work. The Corporation, it will be recalled, came into existence in June, 1958 and up to March 1959 the amount of loans sanctioned by it was Rs 2.43 crores, of which only Rs 0.29 crores was actually drawn. Perhaps, in the early stages, the Corporation had certain difficulties in undertaking its work in a big way. But now the time has come when the Corporation should play a more active role in industrial development. We are entering a phase of intensive industrialisation and the need for funds by industrial units is being keenly felt. The amount of money available with the Corporation at present is about Rs 38 crores and it is necessary that the terms and conditions should be liberalised so as to enable industries to make better use of its resources.

The high rate of interest charged by the Corporation appears to be an important reason for the slow utilisation of its funds. The interest charged is 5 per cent on loans granted to member banks. The rate charged by the banks, in turn, on loans granted by them to industrial concerns is 1½ per cent higher than the rate charged by the Corporation. Thus, the rate of interest payable by borrowing industrial units is usually 6½ per cent. This is considered to be rather excessive and the Ministry of Finance should examine seriously whether this rate cannot be reduced to more reasonable levels.

The Corporation's rules require that loans to be eligible for refinance must be for (i) a concern whose paid-up capital and reserves (other than reserves for the payment of taxes and normal depreciation reserves) are not less than Rs 5 lakhs and do not exceed Rs 2½ crores; (ii) amount not in excess of Rs 50 lakhs to any one party and (iii) periods between 3 and 7 years. In every one of these respects, liberalisation is necessary. Industrial units whose total paid-up capital and reserves do not exceed Rs 5 crores may also be made eligible for the Corporation's loans. Similarly, the upper limit for loans to any one party may also be raised substantially. Further, the period for which loans are given should be increased from 7 to 10 years.

The Corporation has been set up for providing re-lending facilities to industries included in the Second Five Year Plan and the succeeding Plans. But it is reported that the Corporation does not entertain applications for loan assistance against capital expenditure on expansion which has already been incurred. This difficulty should be removed and loans should be given even in such cases. It is also stated that the Corporation does not accept property when the assets of the concern asking loans are mortgaged with the Industrial Finance Corporation or similar institutions. There is no justification for the procedure. The Corporation should work in close co-operation with the Industrial Finance Corporation and similar bodies so that their combined resources can be effectively used for the country's economy. The Federation of the Indian Chambers of Commerce & Industry has suggested to the Union Ministry of Finance that the Refinance Corporation should even consider granting loans without having the property mortgaged if the Corporation is satisfied that the financial position of the company is otherwise sound. In any

case, according to the Federation, the Corporation should be satisfied with a second mortgage.

With the commencement of the Third Five Year Plan and the receipt of a steady inflow of foreign aid, the Indian economy will be in a position to make rapid progress in the coming years. But, to facilitate this process, it is necessary that the various financial institutions set up under official auspices should suitably liberalise their terms and conditions so that industries will be able to take the fullest advantage of their facilities and resources.

Steep Expansion in Active Notes: Outflow of Rupee Coin

IN the week ended February 5, with the super-imposition of beginning of the month disbursements on busy season needs, active note circulation has risen steeply by Rs 29.35 crores to Rs 1796.80 crores; and Rupee Coin has gone into circulation in the sizable amount of Rs 2.79 crores. Currency has been expanded against Rupee Securities for Rs 30 crores, half of this by transfer from Investments in the Banking Department and half representing recourse to deficit financing by the Central Government in the week under review. Foreign Securities are unchanged, and, as a result, the Reserve Bank's cash in the till is Rs 2.16 crores lower at Rs 18.51 crores.

By dint of the transfer to the Issue Department, Investments are lower by Rs 15 crores. Notwithstanding the created money, the Centre's balances are lower by Rs 0.52 crores at Rs 49.25 crores, indicating thereby the pressure upon the Centre of the beginning of the month disbursements. There may also have been some element of payment to the State Governments, since the latter's balances are marked higher by Rs 4.47 crores at Rs 25.74 crores. The ways and means advances of the Reserve Bank to the State Governments are, however, higher by Rs 1.48 crores at Rs 21.75 crores.

The strain felt by the banking system during the week is suggested by the fall of Rs 7.46 crores to Rs 66.29 crores in the Reserve Balances of member banks, with only Rs 5 crores of this being traceable to the State Bank. Moreover, the Other Loans and Advances of the Reserve Bank are substantially higher by Rs 13.24 crores at Rs 121.04 crores, and a quarter of this is ascribable to the State Bank's increased borrowings from the central banking institution. Lastly, Balances Held Abroad have improved by Rs 0.36 crores to Rs 44.34 crores.

The State Bank's return for February 5 shows that busy season pressure and month early disbursements have had a combined impact on both Deposits, which have declined, and on Advances, which have been marked up. Deposits are shown to be lower by Rs 4.69 crores at Rs 588.63 crores, while Advances have gone up by Rs 4.47 crores to Rs 181.47 crores. Cash balances have moved down by Rs 5.05 crores. In consequence, the State Bank has increased its borrowings from the Reserve Bank by Rs 3.90 crores to Rs 6.30 crores. The Giltedged portfolio is unchanged at Rs 393.88 crores.

Scheduled Bank Deposits are now in sight of the Rs 1900 crore mark, though it may be another two weeks before the "break-through" is in fact recorded. In the week ended January 29, a further rise of Rs 4.35 crores takes

gross Deposits to Rs 1898.07 crores. But the rise in Advances has been sharper still, with an increase during the week of Rs 12.19 crores to Rs 1018.92 crores. Consequently, borrowings from the State Bank and the Reserve Bank in the aggregate have risen by more than Rs 4 crores. The rise of Rs 5.76 crores to Rs 784.63 crores in the investment portfolio is directly ascribable to the State Bank. So, cash balances have also been drawn down by Rs 4.37 crores to Rs 159.51 crores.

Mercantile Bank's New Madras Branch

The opening of a branch of the Mercantile Bank in Sowcarpet on February 18 is a clear indication that the Exchange banks are now putting their best foot forward. The Mercantile Bank, now under the wing of the Hongkong and Shanghai Banking Corporation, which has presumably completed its acquisition of the British Bank of the Middle East, will certainly be in the City of Madras and give an extra-cosmopolitan tinge to an area in which Gujaratis, Marwaris, Arya Vysias and latterly Nadars, have combined to make a polyglot pocket in which brokers contrive to speak in a mixture of English, Hindi, Telugu and Tamil. All major Banks have long striven to get and keep a foothold in Sowcarpet—the part of Madras City where the Gujarati bankers in the 18th century maintained financial and trade links with distant Poona as well as nearby Arcot as the diary of Anandaranga Pillai indicates. Among banks that have lately started operations in Sowcarpet are the Dena Bank and the Bank of India, and present indications are that there is enough business for the new concerns as well as the old stagers. And the Mercantile Bank, which has shed "of India", will perhaps get its share of business to prove that it is in India's life and part of it, as the advertisements say. Whatever be the fall in import trade, there is perhaps good reason for the Mercantile Bank to follow National and Grindlays and Lloyds in maintaining more than one office in a City that is still growing.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, the 9th February 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.355 were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.580 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 15th February 1960. Successful tenders should make payment on Friday, the 19th February 1960. Other conditions are as usual.

During the week ended the 5th February 1960 Government of India Treasury Bills for Rs 84,60,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 10th to 13th February 1960 at Rs 99.371 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 3rd to 6th February 1960.

By
Paul Einzig

Admittedly it is no easy decision for manufacturers to cut their prices on the eve of another substantial wage demand. It would increase the difficulty of meeting the wage demands and would increase the chances of costly wage disputes. Even so the realisation that the profit margin has become narrower might go a long way towards moderating wage claims. For this reason Mr Amory is right in pressing forward with his campaign in favour of lower prices.

Unfortunately price reductions are still rare exception, while the prices of many essential goods continue to creep up. Most people feel that, even though the cost of living index has remained stable since the middle of 1958, their personal cost of living has never stopped rising. There can be no doubt that this is correct to a large degree. In many instances price stability has been maintained at the cost of some slight deterioration of quality of the units.

On the other hand there can be no doubt that to a large extent the upward trend in the prices of consumer goods has been fictitious. Goods cost more because more expensive packing materials are used. Cardboard containers have replaced the old paper bags in which sugar is sold. This more sophisticated packing material must represent a much higher proportion of the price. Cellophane bags are now used for the sale of vegetables and fruit. All this costs money and the consumer has to pay for it in the form of higher prices. If only it would be possible to publish the extent to which the increase in the cost of living up

to 1958 was due to the use of more expensive packing materials, and to which the stability of the index since 1958 conceals a decline in prices if we allow for the higher cost of packing materials, the case against wage increases would gain in strength.

There has been some publicity recently about the accumulation of considerable fortunes by a few individuals since the war. Beyond doubt such examples do not help towards inducing workers to practice restraint in their wage demands. What should be made clear that to a very large degree the creation of new fortunes has been the result of the contrast between wage inflation and the practice of firms to plough back a very large proportion of their profits instead of distributing them in the form of higher dividends. Since dividends in general have not kept pace with the wage inflation, the Stock Exchange prices of equities are, or were until recently, undervalued compared with the intrinsic value of the assets they represent. Hence the opportunities for take-over bids and the building up of big fortunes.

Moreover, while much publicity is given to the isolated instances of wealth creation, little attention is paid to the decline in the wealth of the overwhelming majority of pre-war wealthy classes. Very few of the pre-war stately homes are still in private hands, and the pre-war wealthy families have been taxed out of existence. Generally speaking it is true that in Britain the contrast between riches and poverty is much less pronounced today than it was before the war. The standard of living of the lower income groups has increased very considerably and is still increasing. But the millions of wage-earners are not satisfied with the pace at which their real wages have been rising and are determined to speed up pace.

Even if Mr Amory succeeded in bringing about a perceptible lowering of prices it is doubtful whether the trade unions would moderate their wage demands to any noteworthy degree. They would want to benefit by higher wages in addition to the benefit they would derive from the lower cost of living. And in doing so they would check and reverse the lowering of prices.

It is therefore highly probable that the stability of prices will not continue for much longer. Wage demands have been stepped up, and in face of such demands the exhortations of the Chancellor of the Exchequer are not likely to prevent a resumption of price increases. Even so the fight he is putting up is well worth while, and even a limited success tends to slow down the upward trend to which our generation seems to be fated.

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Indian Finance

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The Budget Session

THE President's address to Parliament last Monday provided not only a comprehensive survey of last year's events and trends, but also an indication of the tasks of coming year. Reference to Sino-Indian disputes could hardly have been avoided in such a survey, and the President's was both firm and dignified. He did not hesitate to describe the Chinese action as "breach of faith"—a characterisation that appears to have pained Communist spokesmen in Parliament. What make these wanton provocations so exasperating is not only their implications of territorial aggression but their repercussions on our plans of economic development. The President pointed out the serious diversion of effort and concentration from our principal tasks that this new development involves. One cannot entirely escape the suspicion that the Chinese actions have as their purpose precisely such an interference. However that may be, it cannot be denied that the fortunes of our future plans have become inextricably bound up with the necessity for meeting these new challenges to our nationhood.

new challenges to our nationhood. It is no use pretending, as is done in some quarters, that this does not constitute a setback. For, though the defence needs may impart an urgency to the principal aim of basic industrialisation, there is no denying that, in so far as such needs use up funds and productive resources, satisfaction of the purely economic needs of the people are either denied or postponed. Mr Nehru is reported to have informed the Parliamentary Congress Party that it is no longer possible to impose the psychology of economy in defence expenditure. This compulsion, unevidable as it undoubtedly is, is unfortunate. In the first place, there is a tragic irony in the fact that India should be obliged to spend more on its defence at a time when disarmament on a world-scale is being seriously discussed by the super-powers. Secondly, one of our principal hopes all these years for greater funds for the Plan was a reduction of defence expenditure. When last year's Budget allocation for defence showed a downward trend, it was hoped that it was but the beginning. But such hopes are entirely forlorn now. This means that serious inroads will be made into our meagre resources (both indigenous and foreign) for defence purposes.

At a time when we have, after a good deal of effort, succeeded in rousing serious international interest in our developmental plans, fresh demands on our foreign exchange resources for defence purposes is depressing. Likewise, even minimum military preparedness would involve sizable increase in domestic expenditure, much of it not productive. All these are sure to add to the strain of finding the resources of the order of Rs 10,000 crores for the Third Plan, however ingenious we show ourselves to be in dovetailing at least part of the defence requirements within the Plan allocation itself. It is this gratuitous forcing of such a situation on us that makes Chinese aggression so reprehensible.

Members of Parliament no less than the rest of the country are sure to be wondering how the Finance Minister is going to perform

his unenviable task of accommodating these fresh demands on his slender resources. Budgeting for the last year of the Second Plan is certainly going to be a ticklish business. Apart from the new demands from defence, the Finance Minister has to find an extra Rs 31 crores (and not Rs 17 crores, as originally hoped) as a consequence of Government's acceptance of the recommendations of the Central Pay Commission. Thus, another hope for increasing the resources for the Plan has been extinguished. Reduction in non-Plan expenditure is more of a will-o-the-wisp now than ever before. And considering that there is little room for further taxation, it will be interesting to see how the Finance Minister proposes to tackle his task.

The session will also probably see the first draft of the Third Plan. The Third Plan will have the same set of problems, but it will have a larger perspective in which to place them. The President had some pertinent things to say on the shape of the Third Plan, and there is little difference of opinion on the broad approach to it. That an economy about to "take off" requires that extra bit of momentum to keep it in the air is not denied. Nor can it be a matter for argument that greater attention should be paid to agricultural production and food requirements, to heavy machine-building and to the development of basic resources like steel, fuel and power. But there is much scope for discussion on detail, and such discussion would include an assessment of the efficient use of existing resources no less than the scope for expansion. What is perhaps even more important is the need for coordinated development and quickness of execution. The time-lag in the progress of various related projects—like the one between coal and steel, for example—is a more serious failure of planning than a simple deviation from targets.

Among particular legislative preoccupations of Parliament will be the bill to bifurcate the Bombay State. The decision of Government to review the question was undoubtedly sound. For, beneath surface acquiescence lay easily stirred sullen discontent. The original bilingual formula was a compromise devised by a sudden accord among various parties, and was something that the people of

Excises in the Next Budget

ADVICE tendered by the Planning Commission in regard to additional taxation is by no means new. In recent months, suggestions have been frequently made for an early increase in Indirect taxation on the ground that the people at large must make their proper contribution to the big outlay required for the Third Plan. It is now clear that official thinking will be guided less by the AICC's Ooty seminar than by the advice tendered by experts, including those coming from abroad, about the financing of big plans for both agriculture and industry. While Professor [Name] offered no advice except as regards

the State had no time seriously to repudiate. The uneasy peace that has since been subsisting was not stable enough to support the theory of democratic acceptance; and, therefore, despite considerable administrative success of the Chavan Government, the decision has now been taken to split the State into two. On the principle, there is near-unanimity among the parties as such, but local opposition, as in Vidarbha, and minor quarrels over details are likely to create some unpleasantness. But, by and large, the bill brought forward is a true reflection of the largest consensus and is sure to find general acceptance.

Another bill proposed that has roused wide interest is the one that seeks to remove the secrecy clause in the Income-tax Act. We do not have before us the actual method by which this amendment is sought to be effected, but the idea has dangerous implications. The motivation behind it also seems somewhat muddled. Exposure and ostracism of the tax-evader, who now smugly enjoys the social advantages of such secrecy, is probably a desirable aim. But this could be better served by the device of publishing the names of known tax-evaders periodically. Such a procedure will spare the honest taxpayer the embarrassing curiosity of his neighbour. If, on the other hand, this decision is obscurely connected with much inchoate worry about corruption in public life, it is not seen how public access to the income-tax file of a person is going to help. Such access may conceivably give free play to all manner of anti-social impulses, and some of the privacies still allowed the citizen will be invaded by people whose motives may not be worth a moment's scrutiny. Corruption can be tackled only by patient investigation and ceaseless vigilance, and not by devices that look perilously like stunts.

Indeed, in the light of such readiness for desperate remedies, Authority's aversion to Sir Chintaman Deshmukh's idea of an administrative tribunal sounds curious. The danger of a general atmosphere of unsubstantiated accusation is greater when information is to be made available, not to a judicial body, but to all and sundry. We would suggest to Government, to reconsider their decision on the matter.

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The extension of both excise and sales taxation in order to increase revenue steadily was frankly recommended by the Matthai Commission, and it has been pointed out that a systematic scheme of taxation of necessities of life is an admirable alternative to inflation. There is no point in fixing a precise ratio between indirect and direct taxation, and a comprehensive study of indirect taxes undertaken in the Tata Quarterly, the last issue of which deals with the history of excises at some length, affords some guidance to those in charge of the Exchequer. It is fairly clear at present that the limit of direct taxation, including that on unearned incomes, has been reached, and the theoretical justification for an additional dose of indirect taxation is obvious, because the customs revenue has become inconsiderable under the present regime of restricted imports. The growth of Central Excise revenue in the last decade contains a clear hint in relation to the deepening and widening of taxation and the apportionment of indirect revenue to the States, although limited by the liberal Award made by the Second Finance Commission, gives the States a definite interest in the upward adjustment of excise duties which, being collected from producers, are less onerous than sales taxes.

It may be noticed that suggestions made by the Matthai Commission for excise duty on locally manufactured articles have been implemented, and, so far only sewing machines, biscuits, aerated waters, glass and glass-ware and ceramics are now outside the scope of excise duties. Since 1954, the list of excisable articles has been extended and intermediate products like rayon and synthetic fibres as well as vegetable oils now come within the purview of excise duties. Whether the net will be cast wider to include amenities like bicycles and raw materials like pig iron or copper remains to be seen. But it might be claimed that the revenue from luxury goods like motor-cars is inconsiderable as compared with the revenue derived from an article of general consumption like tobacco. After last year's increase in excise duties on diesel oil and tyres, it is almost certain that what are called intermediates will be exposed again to taxation. The Government will be on strong ground in extending excises, because many industries which have benefited long from generous tariff protection are now enjoying additional advantages, through the rigorous import control adopted to defend the country's balance of payments. How far the cost of production, for instance, of rayon fabrics will be raised by an increase in excise duty will appear debatable; but the capacity to export might be reduced in some cases.

The growth of internal consumption in regard to tea and coffee alike may warrant a fresh approach toward the subject of commodity taxation which, in all countries under a federal system of government, has begun to play an important part, not least because financial relations between the federal Centre and the States require regular and recurring grants. Excises are now well established in the USA, Canada and Australia, protectionist to the core. Since the States are already collecting taxes on motor spirit, motor vehicles and entertainments, it is obvious that a division of the field of taxation has already been accepted, and inter-state relations need not be affected to any extent if an assurance is given that a share in the additional excise revenue will be made available to the States. The imposition of excise does not seem to have hampered the growth of companies engaged in manufacturing batteries, electric fans and lamps; and the expansion of radio manufacture in recent years may well justify the imposition of a similar duty on local manufactures. This will, of course, be passed on to the consumers, who are at present enjoying the advantage of relatively low prices for Swadeshi radios. Such a suggestion made in Radio Week may strike a discordant note.

One further point may well be put forward, namely, the virtual elimination of export duty. The public has come to accept Central excises as the counterpart of import duties while export duties were widely regarded as a necessary brake on any advance in prices, although India is not in a position like Malaya, which is able to make the most out of its large and regular exports of tin and rubber to many countries. The imposition of a tax on salt has long been canvassed and the weight of expert opinion is certainly in favour, although the Taxation Enquiry Commission argued that the political implications of the restoration of the salt tax are not irrelevant. On the other hand, it may be argued that the price of salt has not varied, and there is a substantial surplus for the use of industry as well as the general public, and there is no reason at all summarily to reject the reimposition of a tax that can produce a few crores because the administrative framework already exists and the manufacture of salt is, to a large extent, subject to official supervision. A further point that requires to be dealt with is the exemption of small-scale manufacturers of soap, vegetable oils and footwear from excise. There is perhaps no justification for specific preference, since small scale manufacturers have derived reasonable advantage already and are now assured of financial facilities from both official and private agencies.

What Are Reasonable Profits?

INAUGURATING the annual meeting of the Indian Electrical Manufacturers' Association in Calcutta last week, Mr Morarji Desai, the Union Finance Minister, made some important observations regarding the role of profits in the country's economy. He admitted that there was nothing wrong with the profit motive in businessmen. But he added that the profit should be "reasonable" and "what is reasonable would be decided by the large majority of people in a democracy".

It is true that, in a democratic country, the people's will is supreme and that all major issues of policy should be approved by them through the legislatures. But, at the same time, it should be realised that questions involving technical matters and vitally affecting the future of the nation should be decided

dispassionately and by people who are fully conversant with the relevant facts. Particularly in an underdeveloped country like ours, where the vast majority of the people are illiterate, and where even the educated persons are not generally well acquainted with economic problems, it will not be prudent to allow the masses to decide issues connected with high finance.

So far as the profit motive is concerned, it is well known that, since the Government of India announced their intention to establish a socialist pattern of society, the official approach to this question came to be influenced by political ideology rather than by economic considerations. The vital role played by profits in an industrial economy was underestimated or distorted, and an impression was

sought to be created that it was something wrong and unpatriotic for anybody to think in terms of profits. Profit-making was considered to be synonymous with profiteering, which the State, in the interests of the society, should effectively curb by all the means at its disposal. It is only recently that change in the official attitude is noticeable. It is now realised that the profit motive as such is not bad and that what is essential is that it should be kept at a reasonable level.

This change in outlook is welcome, but it does not go far enough. There seems to be no clear recognition yet on the part of the authorities of the fact that the profit motive is the very basis of economic activity in all countries which cherish individual initiative and enterprise. It is the profits made by individuals and companies that swell the savings of the community and release funds for further investment. The larger the profits, the greater is the revenue derived by the Exchequer in the form of taxes. Indeed, a modern democratic Government cannot find adequate resources for its multifarious tasks unless it gets a steadily increasing revenue from taxes. Nor is it possible to give workers better wages, bigger bonus and higher living standards unless the industry or the undertaking concerned makes substantial profits. Similarly, in the interests of the consumers also, profits are essential because, without the latter, industries cannot modernise their machinery from time to time and reduce the costs of production and lower the prices. In fact, in a free economy, the success of an enterprise depends on the extent to which it is able to make profits. Although it is the reward for the risk and initiative shown by the entrepreneur, in reality it is the society as a whole which stands to gain by the profits made by individuals or corporations. The tremendous progress made by America, Britain, West Germany, Japan and other nations has been made possible only because these countries realised long ago the powerful part played by the profit motive and accordingly devised measures which, while checking tendencies to profiteering, positively encouraged the people to earn profits.

It will now be worth while to consider the implications of what constitutes reasonable profits. The report of the Congress Planning Sub-Committee reveals some light on this matter. The report says: "In a planned economy, high profits are not required as a return for risk and uncertainty; nevertheless, substantial profits are bound to accrue in the private sector, the bulk of which would really be due not to the special efforts of private enterprise but due to social conjuncture and the pressures of a developing economy. It is, therefore, but right for the State to appropriate a substantial portion of such excess profits."

It should be realised that the State already takes away a substantial portion of the profits earned by trade and industry. Moreover, is it possible to demarcate clearly how much of the profits is due to the "special efforts" of the entrepreneur and how much is due to "social conjuncture and pressures of a developing economy"? The Congress says that high profits are not required in a planned economy. But what exactly constitutes "high" profits? Who will determine it?

The report of the Congress adds, "It is also important to realise that profits, after making allowance for cost of production and normal profits and dividends, etc., constitute a surplus which is essentially social in character and really belong to the society as a whole rather than merely to the workers or the shareholders. The claims of labour for higher wages and bonus have to be recognised. The claim of

reinvestment within industry has also a certain precedence. Further, a part of the surplus should be available for meeting the increasing development expenditure of the State. Finally, the consumer also is entitled to a share in the form of reduction in price."

The Congress, of course, is right in saying that profits should benefit not merely the shareholder and the worker but the society as a whole. This is already the case, as we have pointed out in an earlier paragraph. What the Congress, however, forgets is that the society can benefit only when, in the first place, profits are actually made and this will be possible only when people are actively encouraged to work harder and save more.

The recent studies made by the Reserve Bank clearly show that, on account of high taxation and other adverse factors, the industrial sector is unable to earn enough profits to plough back into business. It is pointed out that, in the UK, approximately 50 per cent of the total finance required by the corporate business sector was in the last few years found from internal sources, i.e., from retained profits and depreciation. It has been much higher in the USA, the average over the last few years being over 60 per cent. In Japan, it has been of the order of 33 per cent. In India, during the years 1951-55, it was 60 per cent; it slumped to 37 per cent in 1956 and to 27.6 per cent in 1957.

The financial condition of many industries in India today is far from comfortable. Industries like cotton textiles, cement, tea and coal, which occupy a prominent place in our economy, are in need of vast sums for modernisation or expansion. But the analysis recently made by the Reserve Bank of India about the trend of profits in 1001 public limited companies shows that the picture is

Development of Oil in Assam

RANKED as a major discovery, oil has, with the growing use being made of it as a fuel, become the main basis of industrialisation all over the world. For our own country, the correlation between industrial backwardness and the low per capita consumption of oil is obvious and significant and points to the prominent role which oil has to play for the country's industrial progress. Recognition of this role of oil by the Government led to the setting up of a separate Ministry for Fuel and Oil to undertake planning in respect of prospecting and exploration. The work done by this Ministry covers one of the most expansive facets of industrial activity in recent times. This has been reflected in the intensive exploration carried out in various parts of the country to discover possible oil-bearing areas. Most importantly, a new body, the Oil and Natural Gas Directorate, was created with responsibility for prospecting and exploration. On the distributional side, the efforts of the Ministry were bent to achieve a measure of rationalisation through price reductions.

The manner of birth of the industry, which came as a result of accidental discovery of oil in Assam, provides a sharp contrast to the intensive and purposive planning that now characterises the oil industry today. Oil seepages occurring in Assam had long been an object of curiosity with foreign visitors and had been reported as early as 1828. But the idea of drilling did not take shape until 1866 when the first well was drilled near Nahorkatiya. However, drilling remained sporadic till 1888 when the Assam Railway and Trading Company entered the field. In its search

not at all satisfied. The Reserve Bank study says: "The cotton textile industry suffered a loss of Rs 1.8 crores in 1957 in contrast to a profit of Rs 3.7 crores in 1956. It may be mentioned, that in 1956 itself, profits after tax of the cotton textile industry had recorded a decline of 8.1 per cent as compared to 1955, while profits after tax in respect of all industries had recorded a rise of 4.5 per cent. Profits earned during the year were lower in the case of many other industries like tea, mineral oils, cement and trading, the fall in these, however, being partially counterbalanced by the improvement recorded, among others, by jute textiles, shipping, electricity, coal, paper and sugar groups. The fall in profits was particularly marked in tea, where profits after tax declined from Rs 4.1 crores in 1956 to Rs 1.4 crores in contrast to the increase of Rs 2.1 crores recorded in 1956. Fairly sizeable declines were also recorded under matches (55.6 per cent), mineral oils (34.3 per cent) other plantations (33.3 per cent), trading and cement (17.1 per cent)."

It should be noted that because of the fall in profits, the Exchequer, too, lost a great deal. The provision for taxation by these companies was Rs 51 crores in 1957 against Rs 58 crores in 1956—a loss of Rs 7 crores.

The Third Five Year Plan is being drawn up on a vastly bigger scale than the preceding plans. The private sector will have a very important part in its implementation. It is necessary, therefore, that fiscal policy should be suitably adjusted so as to enable the private sector to function effectively. Arbitrary limitations on profits based on ideological considerations will definitely harm the economy by discouraging the flow of capital, both Indian and foreign, into productive enterprises and by slowing down the rate of economic expansion.

for coal, the company stumbled on oil and was attracted by it. Oil was struck at Digboi at a depth of 662 feet. Further drilling proved the existence of more oil reserves. To look after their oil interests, the AR&T Company formed a separate company, the Assam Oil Company. The latter built the first refinery at Digboi in 1899 with a capacity of 17,000-20,000 gallons a day. The assumption of control of the Assam Oil Company by the Burmah Oil Company in 1921 marked an important turning point in the production of oil at Digboi.

Digboi is the only current source of crude petroleum in the country. So far, about 1006 wells have been drilled at Digboi, of which about 600 wells are on production. Daily production averages about 3,700 barrels a day. A remarkable feature of the Digboi refinery is the production of a wide range of petroleum products which include special boiling point solvents, mineral turpentine for the paint industry, jute batching oil, tea drier oil, lubricating oil, bitumen for road making, wax for home and export markets, coke for aluminium companies, etc.

The enterprise of the Assam oil Company has given the country two more prospective sources in Nahorkatiya and Moran. At Nahorkatiya, oil was struck in 1953 at a depth of 10,000 feet, while at Moran oil was struck in 1956 at a depth of 13,739 feet. Both of them have been proved to be satisfactory producers. At Nahorkatiya, over 50 wells have been drilled so far, while at Moran some dozen wells have been drilled.

The discovery of oil in these two places has heralded a new development in that a

new company with joint participation by the Government and the Burmah Oil Company has been formed to produce oil from Nahorkatiya and Moran. Oil India Ltd, which is the new Company, has an authorised capital of Rs 50 crores which is owned by the Burmah Oil Company and the Government of India in the ratio of 2:1.

The refinery side of the industry is also poised for expansion. Two refineries in the public sector have already been planned and will be located at Noonmati in Assam and Barauni in Bihar. The anticipated throughput in these two refineries, which will operate on the basis of the crude oil supplied from Nahorkatiya and Moran, is 2.75 million tons a year. With the three refineries set up in the private sector, the total refining capacity will go up to 7 million tons by 1963.

While these are no doubt remarkable developments, the dominant feature of the situation in respect of oil is the extreme inadequacy of present production, which is hardly of the order of 0.5 million tons. Against this, imports have averaged more than 3.5 million tons. The total import bill traceable to oil and oil products is of the order of Rs 100 crores annually. In the face of the growing demand for oil, even the prospective production from Nahorkatiya and Moran will not be adequate to meet requirements. While internal production is expected to be of the order of 4 million tons by the end of the Third Plan, demand would have gone up to 14 million tons. Intensification of drilling is the only answer to this unhappy prospect.

A hopeful vista has been opened by the discoveries of oil at Nahorkatiya and Moran. By proving the possibilities of oil reserves in alluvial areas it has lifted the veil that obscured a realistic assessment of the country's oil reserves. Before Nahorkatiya and Moran, Assam was supposed to be the only oil-bearing area. Cambay and Jwalamukhi have confirmed what Nahorkatiya has revealed. Cambay has shown evidence of oil at a depth of 5,000-6,000 feet. At Jwalamukhi, natural gas has been struck at a depth of 2,500 feet. On the basis of these developments, an area of nearly 40,000 sq miles would seem to need surveying to ascertain the existence of oil. Growing demand and the new possibilities opened up are the two factors that should be taken into account in planning for oil.

In the Oil and Natural Gas Commission, the country has a planning machinery which has already shown itself to be quite competent to handle the multifarious problems involved in the development of the oil industry. The setting up of the Commission was a step that was necessary to streamline the work relating to oil exploration and prospecting. The conferment of autonomous status to the Commission should further tend to expedition in their work of prospecting and exploration.

Oil has been accorded high priority in the industrial policy of the Government and this provides a measure of the anxious interest evinced by the Government to step up internal production. However, in the face of the growing demand for oil, a basic consideration for policy should be that it should ensure quick results. In the oil industry, this involves work of stupendous dimensions and calls for colossal capital. Drilling a test well itself is a tremendous undertaking and involves great quantities of machinery and equipment. Exploration is conditioned by the uneven distribution of oil underground which generally does not collect in large pools but is found with a quantity of salt water. The application of even the best geological and geophysical methods and instruments has not eliminated the element of uncertainty that surrounds oil exploration. The cost of successful exploration is also forbidding. An average

exploratory well is estimated to entail an expenditure of Rs 30 lakhs, considering that several barren wells have to be drilled before a successful strike is made, the amount involved would reach a rather high figure. In the circumstances, nothing would conduce to progress so much as foreign collaboration and participation of the private sector. This would enable the country to bring to bear on oil exploration the technical experience that it lacks. The saving in foreign exchange that would result is another important considera-

Future Demand for Paper

A COMPARATIVELY young industry which has nearly trebled its production since 1950, the paper and paperboard industry is now poised for some very dynamic expansion during the Third Plan period. What will impart the dynamism will be as much the demand generated by expanding education as that generated by the growth of industries in general and the newspaper industry in particular. Noteworthy in this context is a recent projection study carried out by the Economic Intelligence Unit of the Indian Institute of Public Opinion to estimate the most likely demand for paper by 1966. According to this valuable and timely study, the demand for paper and paperboard will increase from the 3.6 lakh tons actually consumed in 1958-59 to 12 lakh tons (made up of 3.8 lakh tons of printing and writing paper, 3.4 lakh tons of wrapping paper, 2.0 lakh tons of newsprint and 2.9 lakh tons of paperboard and miscellaneous types of paper) by the end of the Third Plan and their per capita consumption from 2 lbs in 1958 to 4.9 lbs in 1966. Considering the fact that the Institute's estimate has been worked out, with scientific care, in the light of long-term (1923-58) and short-term (1955-58) growth trends, it would appear that it is more likely to be nearer the mark than what is suggested by the Government's target of 7 lakh tons production for the paper industry in the Third Plan. In which case, there will be a gap of 5.0 lakh tons between domestic production and expected demand of 12 lakh tons in 1965-66 as against the 1958-59 gap of 0.8 lakh tons.

It is not theoretically inconceivable that the expected gap can be covered by a higher target capacity than 9 lakh tons proposed by the Commerce and Industry Ministry for the Third Plan. Such a higher target capacity would have to be 15.3 lakh tons as against the present capacity of 5.3 lakh tons covering schemes already in operation and those for which import licences for plant and machinery have been issued. Since, however, the total capacity of the industry is expected to reach 6.9 lakh tons by the end of the Second Plan, an additional capacity of 8.4 lakh tons will have to be created during the Third Plan period, involving a capital investment of around Rs 150 crores on plant and machinery alone. The question is whether such a heavy outlay on one industry alone can be fitted into the Third Plan's structure of investments. That it may not be possible to do so is obvious.

But, at the same time, it is also obvious that the expected demand for paper will be much more than the Commerce and Industry Ministry seems to have estimated it to be. This, incidentally, underlines the need for greater reliance on the small industries sector for obtaining more production at less capital cost. The official proposal that a large number of small units of 5 to 10 tons per day capacity be set up throughout the country is, therefore, a worthwhile proposition. The only difficulty here, according to

tion. A policy which would provide for such participation is the prime requirement for the development of the industry. Though Government's policy tended at one time to be needlessly doctrinaire, a welcome change was inaugurated a few months ago. The decision of the Government to invite foreign oil companies for exploration work was announced by Mr K. D. Malaviya in November. The crystallisation of such a policy holds the most hopeful prospect for the oil industry in the country.

The President of the Indian Paper Mills Association, is that such small units cannot be run as integrated plants since they will have no pulp plants attached to them. If a few large pulp mills are established, the small-scale paper units will not have to depend imported pulp. Where a large number of small paper making units and a few large pulp units may, together, involve a considerably less capital outlay than a certain number of large-scale units, it is not difficult to see the economic justification for greater encouragement to the small industries sector of the paper industry.

Whatever be the estimated demand for paper and the ways and means of obtaining greater production, the more crucial problem facing the industry would appear to be on the score of raw material availability. If the paper industry is estimated to consume 12 lakh tons of bamboo a year by the end of the Second Plan, it will require upwards of 25 lakh tons of that raw material by the end of the Third Plan. On present indications, the availability of bamboo will, however, be no more than 18 lakh tons a year. It is by no means clear how this difficulty can be overcome. If, as the President of the Paper Mills Association has suggested, the forest areas are leased to the mills for a longer period than at present, they could be properly developed both by way of economic exploitation and planned afforestation. But afforestation, if there is to be any, is not a short-term affair in the case of bamboo which takes a number of years to grow. If the country's existing bamboo resources are considered vast, they are vast enough to supply only 18 lakh tons at the most a year, and this fact should not be forgotten.

As for bagasse, which is a substitute raw material, its availability on any substantial scale cannot be taken for granted for the simple reason that it is now largely burnt away as fuel in the sugar mills themselves. To the extent it is used as fuel, it reduces the coal requirement of sugar factories. Whether a much larger quantity of bagasse than at

present can be released from the sugar mills is, therefore, a moot question. As for the other substitute raw materials like "Selai", sabai grass, rags, waste paper sweepings, etc., their availability will only be in relatively limited quantities. So, in the ultimate analysis, what will set the limits to the expansion of the paper industry in both the sectors—large-scale and small-scale—is the availability of raw materials unless, of course, it is decided to spend foreign exchange on imported pulp. Since the foreign exchange requirement of imported pulp will be substantially less than that of imported paper, pulp imports would be preferable to paper imports if the gap between expected demand and planned production is to be bridged.

Such pulp imports may be particularly necessary in the case of the newsprint section of the paper industry. The present notoriously inferior quality of Indian newsprint would appear to underline the need for importing good quality pulp to produce newsprint comparable in quality to the imported one. If, as Mr Manubhai Shah has recently stated at the first meeting of the Development Council for Paper, Pulp and Allied Industries, "the raw materials used in the manufacture of newsprint at NEPA are not similar to those used in foreign countries as we have no fir, spruce or coniferous wood in our country in large quantities for a newsprint mill", how "the experience gained therefrom (from the use of imported pulp) should put them (NEPA mills) in a better position to produce newsprint from indigenous raw materials of the quality equivalent to the imported one" is anybody's guess. Perhaps, it would be more advantageous, from the point of view of quality, which is all important in the case of newsprint, to develop that section of the paper industry on the basis of imported pulp and to utilise the indigenous raw materials exclusively in the manufacture of other types of paper and paperboard.

PRODUCTION AND CONSUMPTION OF PAPER AND PAPER BOARD.

Year.	(In '000 tons).			
	Indigenous production of paper and paper board	Consumption of paper and paper board	Indigenous production of newsprint	Consumption of newsprint
1949-50	104	148	45	45
1950-51	114	144	75	75
1951-52	135	165	51	51
1952-53	137	176	54	54
1953-54	137	178	71	71
1954-55	169	208	80	80
1955-56	200	250	78	78
1956-57	197	267	81	81
1957-58	219	259	72	72
1958-59	261	274	85	85

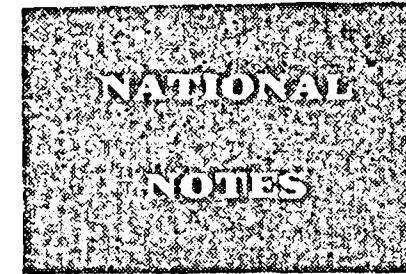
New IBRD Bonds

Mr Eugene R. Black, President of the International Bank for Reconstruction and Development, announced in New York last week the Bank's proposal to offer, during the second week of February 1960, a new issue of 100,000,000 principal amount of 5 per cent twenty-five year Bonds of 1960 due February 15, 1985, through an underwriting group of dealers and commercial banks under the joint management of Morgan Stanley & Co and The First Boston Corporation.

The Bonds will be non-callable for the first ten years and will have a sinking fund commencing from August 15, 1970, calculated

to retire 50 per cent of the issue prior to maturity. In addition to offering Bonds for regular delivery, the Bank will extend to certain institutional purchasers the privilege of making delayed payments, giving them the selection of specified quarterly delivery dates upto February 15, 1962.

It is anticipated that, in order to broaden the market, the managers of the underwriting group will reserve a portion of the bonds for subscription by underwriters and dealers to sell to institutions which have not previously bought World Bank securities.



Steel Prices

By a strange coincidence, the firm rejection by the Union Minister of Steel, Mines and Fuel, of suggestions for reducing the selling prices of iron and steel has almost synchronised with the announcement of price cuts of iron and steel products in the United Kingdom. But the circumstances in the two countries are radically different, so that it cannot be reasonably argued that price cuts in Britain should be treated as a precedent in India.

The problem in the one case is to find outlets for all the steel that the British Steel Industry is able to produce, especially since the adoption of new practices, like sintering in blast furnaces and use of oxygen in open hearths, has made it possible to increase output without adding to the existing equipment. The problem in India, on the other hand, is to build up productive capacity to meet the overall demand likely to develop in the course of the next few years and, in the meantime, to direct the available supplies for essential uses.

Despite apprehensions entertained by spokesmen of the private producers, there is no reason to anticipate that the country will, in the near future, be faced with a surplus of iron and steel which it cannot utilise. The recent investigation by the National Coun-

cil of Applied Economic Research of the demand for steel during the Third Five Year Plan should be enough to exorcise such fears. But this does not mean that temporary maladjustments are not likely to manifest as a result of either lapses in control or lack of correspondence between the pattern of production and demand. It is in this aspect that steel control in future should be increasingly directed.

The plea for reduction in prices that was made with influential backing has also contributed to the dislocation of the market. Expectation of price reduction has apparently induced dealers to postpone their purchases of sections of which there is no shortage. This is another reason why the Minister found it necessary to make a firm statement rejecting the suggestions for price cuts at the meeting of the Iron and Steel Advisory Council.

The discussions at the Council contain more than a suggestion that even if prices are slashed, the benefit will not go to the consumers. The representative of the All India Manufacturers' Organisation, as well as a member from the South, pointed out that steel processing industries and consumers were very often at the mercy of the black-market. In these conditions, neither the producer nor the consumer nor Government could hope to derive any benefit from price reductions which would only go to swell the illegal profits of the old bandicoots of the black market. But the decision to maintain prices at the existing levels strengthens the case for increasing retention prices, so that the industry may be enabled to build up resources for further expansion of productive capacity.

Practical Approach

The programme for increasing agricultural output and for price regulation, announced by Mr S. K. Patil at a Press Conference last week, has the merit of a practical approach toward the solution of a problem that has been bedevilling the economic progress of the country for a decade and a half. The factual basis for the targets of production proposed for the major crops as well as the programmes of action has been provided by the investigation conducted by the Ford Foundation Team.

The measures that should be taken both for increasing output, as well as for dealing with marginal shortages, have been clear as early as 1943 when the spectre of food shortage began to haunt the country. The proposal for building up a buffer stock was one of the important recommendations of the Gregory Committee. But, so far, no Minister of Food has been able to implement that recommendation. Food Administration has been mostly limited to a "ship to mouth" programme, which gave little scope for broad views or long term policies. To Mr Patil must go the credit of lifting it out of the rut in which it had got stuck.

Not only has he made the buffer stock the corner-stone of his food policy, but he has also increased its size ten-fold. It may be conceded that circumstances are also now more favourable than they have been, till the very recent past, for building up an adequate buffer stock without straining our limited resources of foreign currencies. But the capacity to recognise the opportunity is the hall mark of effective administration.

As regards agricultural policy, something similar to the package programme, under which facilities and resources will be concentrated in promising areas, has been tried during the Grow More Food campaign of the war years. It is expected to double the output in the 5.8 million acres to be covered by the programme in the seven districts that have been selected for the purpose. While the package programme has its own value, there is also need for investigating the reasons for the large disparities in the yields per acre among the different States and among the different districts in the same State.

Indo-USSR communique

The joint Indo-Soviet communique issued on the conclusion of the Soviet Goodwill mission consisting of President Voroshilov, Mr F. R. Kozlov and Madame Furtseva, underlines the similarities in the approach of the two countries to problems like disarmament and suspension of nuclear tests. This was only to be expected. But it is more interesting that the communique should have noted that the prospects for international agreement on disarmament seemed at the present time more favourable than ever before, and that it has also reaffirmed the conviction of Soviet Russia, as of India, that disputes between nations must be solved by peaceful means alone and not by recourse to arms. The political thinking of Indians at present is dominated by the fact of Chinese aggression, and future developments will inevitably be influenced by the manner in which it is found possible to induce the Chinese to respect the integrity of the territories of their neighbours. In this context, the joint statement's emphasis on the solution of disputes "by peaceful means alone" is not without its significance, though the Russian leaders naturally were unwilling to be drawn out by press correspondents. The visit has strengthened the cultural relations between the two countries as evidenced by the decision to conclude a scientific and cultural agreement. It has also enabled the Russians to see for themselves the fruitful results of Russian financial and technical aid in the economic development of the country. It has also cleared the ground for Mr Nehru's discussions with the Soviet Premier, Mr N. S. Khrushchev, who has now arrived in our country on a five-day visit in the course of a tour of Asian capitals.

Swatantra Mysteries

The central organising committee of the Swatantra Party, which held a three-day meeting in Bangalore last week, is reported to have finalised, among other things, the draft constitution of the party, a draft statement of policy, and the party flag. Of these three items, more information is available about the party flag than about either its policy or constitution. The public has been informed that the Swatantra Party flag will consist of a white, five pointed star on a sky-blue background. Detailed specifications regarding the dimensions of the flag, and of the star in the centre, are also available; but there is no indication of how the twenty-one cryptic principles adopted at Bombay last August have been amplified, a subject in which the public is far more interested than in what Mr Masani himself described as just a party flag. For, it is the content of the policy statement still to be approved at Patna, and not the flag, which will determine whether the Swatantra Party develops into a convincing alternative to the party in power, or merely serves as a platform for all and sundry to let off steam against the Congress Governments. To judge by the uninhibited statements of the founder of the party, the outlook is not very encouraging. It is possible to sympathise with Mr Masani, who was cagey when asked about the party's policy. He, along with others entrusted with the amplification of the original principles, has the unenviable task of reconciling the run-away enthusiasm for primitive free enterprise displayed by the party's founder with the facts of economic life in the twentieth century.

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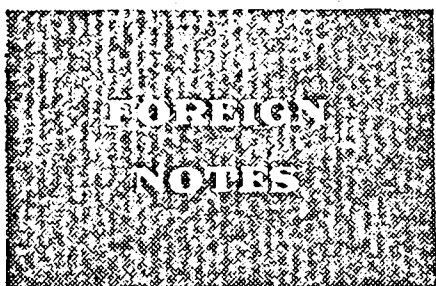
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De Gaulle's Triumph

In bringing about the collapse of the insurrection of the French settlers against his policy of self determination for Algiers, General de Gaulle has acquired tremendous prestige which should facilitate the pursuit of his chosen policies in the domestic sphere as well as on the international stage. The circumstances in which de Gaulle, as the Army's choice, put an end to the Fourth Republic twenty months ago, gave rise to the legitimate feeling that his regime under the thin veneer of constitutionalism was nothing but an army dictatorship. By the firm stand he has now taken, the President has shown that he is not the Army's playboy. The immense moral strength he has shown in the crisis should consolidate support for his Algerian policy.

Hitherto, the two parties most closely concerned, the French settlers and the Moslem Nationalists, have refused to fall in line with his plans for self-determination, which has been recognised by objective observers as a just and reasonable policy deserving a fair trial. While the former staged an abortive revolt in a desperate bid to reverse the policy, the Nationalists have been standing out for negotiations to settle the terms for calling off their struggle. This, General de Gaulle has consistently refused, and it is not clear that the latest turn in events will induce him to modify his stand or make his offer more acceptable to the Nationalists. Unless the counsels of moderation of well-wishers like Bourguiba weigh with the FLN, the indications are that the tempo of the war in Algeria may be stepped up in a bid to bring it to a speedy end.

U Nu's Comeback

The results of the elections in Burma will be received with general satisfaction in India where U Nu, who has staged a resounding comeback, is well known and widely respected. The impartial conduct of the elections is a signal tribute to General Ne Win, who has honourably discharged the mandate under which he was inducted to office by his country's Parliament. From the very beginning, there were features which set apart the Burmese experiment in handling a crisis of democracy from the military dictatorships which had seized power elsewhere in similar circumstances. The appointment of the army leader as head of Government was made within the terms of the Constitution and with the unanimous approval of the elected representatives of the people. Though there were reports at that time of pressure from the Army, what happened had none of the features of an army coup. The crisis was precipitated by the split in the AFPFL,

which placed U Nu in a dilemma. To maintain his parliamentary majority against the opposition led by his erstwhile colleagues, the Premier had to lean increasingly on the support of the Communist-sponsored National United Front. But this weakened the administration of law and order. U Nu displayed rare foresight and understanding of national interest by deciding to step down and ask the army to take charge of the Government and to conduct the elections. By all accounts, the Army has done a good job of house cleaning. The question now is whether the "clean" AFPFL, which has now been returned in an overwhelming majority, will be able to maintain the same standards of cleanliness. The eclipse of the Stable faction of U Ba Swe has also raised doubts whether, without the restraining influence of an effective opposition, the history of the recent past may not be repeated.

Freedom for the Congo

The act or fact of liberation announced from Brussels leaves the nationalist leaders now free to shape the destiny of the Congo. The round table talks produced no agreement, and a snap decision was forced on Belgium, whose King toured the Congo only to find the natives hostile. The general boycott made an impression and the rulers have only to depart with grace. The parallel with India in 1947 can scarcely be pressed, but it is open to assume that the remodelling of the French empire last year by de Gaulle made Brussels sensitive to the winds that blow over black Africa. Congolese leaders still obsessed with tribal memories have to prepare for freedom soon, and the world will see how the largest colony fares—whether it can hold its own with Nigeria, promoted to self-government by stages, or sink to the state of Liberia.

The economic implications can only be glimpsed. A lot of foreign capital is in the Congo, and the biggest and richest mining enterprise in the world—the Union Minière—will have to adjust itself to drastic political changes. The Congo has everything from uranium to diamonds and Britain, too, will have to see if the copper belt in North Rhodesia is affected by the transformation of the neighbour. If the legacy of King Leopold has been suddenly surrendered, there is no problem of Colons to complicate matters, but Belgium minus its empire will certainly lose much of its present financial power, and it is even possible that the French Congo—grimly pictured by Andre Gide—will be drawn toward its big neighbour with its new Atlantic ports, plus the River. Maintenance of the Open Door under the Congo Basin treaties might be attempted under the new order which will perhaps lead to a big thrust by US capital into the heart of Africa. Mr Nixon has secured the promise of vast open spaces containing many minerals and still underpopulated on current reckoning.

Windsor-Mountbatten

A change of royal title is contemplated in the UK. The House of Windsor, which shed its Hanoverian complexion in 1917, is to link up with Mountbatten (originally Battenberg). The Act of Settlement passed in 1702 is being further modified, though Prince Philip is not raised to the rank of Prince Consort like Queen Victoria's consort Albert—an immigrant from Coburg. The hyphenation proposed may seem strange in a royal family that has links with the Stewarts as well as the Danish dynasty transplanted into Greece by the Concert of Europe in the last century. The Privy Council's consent to the change of title means that the Tory Government, too, are ready to let the dynasty in the next century acquire a double-barrelled title and the mixture will only reflect the altered character of the Commonwealth. The aura of Mountbatten will help what may be called a Combined Operation which commands the support of the Seven Nations or more today. South Africa may not relish the change, but India perhaps will approve the happy inclusion of Mountbatten with Windsor—the place will remain a Royal Borough with tradesmen prizing warrants of appointment far above the possession of super-market facilities.

"Century of Economic Hopes"

ONE of the most penetrating pieces written on the subject of private foreign investment appears in what normally would be considered a most unlikely place—that citadel of cultural commentary, the Saturday Review. Yet every once in a while the Review devotes an issue largely to economic matters, on the theory no doubt that they are part of civilization and culture.

The article in question is a "guest editorial" by New York stock exchange President G. Keith Funston. It bears a little both apt and stimulating—"The Century of Economic Hopes."

As Mr Funston points out, "it is the world-wide emergence of economic hope—the vision of realizable material progress—which more than anything else gives our age its particular importance in world history."

Let us examine his reasoning.

"If this vision of economic advance is to be translated into a world reality," he says, "it will have to come about in large part by transferring capital from our more advanced economies to those which have been crippled by its absence."

One important part of this transfer, of course, is government-to-government aid such as loans, grants and technical assistance. But, as virtually all economists acknowledge, public capital cannot do all, nor perhaps even most of the job. This leaves, says Mr

Funston, a "dynamic opportunity" for private capital.

Mr Funston looks at this opportunity from every angle.

First of all, private capital goes abroad for the same healthy reason for which it is invested at home—the promise of a reasonable profit. This at once places on the realm of the "economically fruitful"—a term used to convey something larger than mere "profit"—the job that private capital sets out to do. This is essential to real economic advancement, even though and because not all the tasks of development capital—such as the building of roads and hospitals—can be weighed on the profit-and-loss scale.

Second, private capital can provide a relatively large boost to the well-being of developing areas. Here, Mr Funston cites the example of South America. He notes that on that continent the total direct investment of US corporations stands at about \$6,000 million. It is responsible for approximately 10 per cent of all the goods and services produced in South America, and the taxes it pays provide nearly 13 per cent of all South American revenues. What is more, the industries in which American investment is concentrated are the fastest growing in South America—indicating, in the author's words, that "private capital tends to be high growth-promoting capital."

Finally, Mr Funston says, private capital investment helps to dispel any lingering image of an exploitative capitalism. That, in fact, has long been outmoded.

While the accomplishments of the modern US economy and the personal benefits which Americans derive from them, it may some times be difficult to understand abroad—the plants which American companies build abroad, the goods they produce, the employment they offer are tangible evidence of the social and economic progress enlightened free enterprise can bring in its wake.

Private investors in capital-exporting nations should realize, of course, that some restrictions on the use of their capital may be unavoidable in a nation that needs capital. With this, Mr Funston readily agrees. But he also emphasizes that investors have a right to expect these regulations to be intelligently devised, to be kept to a necessary minimum, and not to be subject to arbitrary change without notice. For on their part, capital-importing nations should recognize that undue restrictions will inevitably choke off the contribution which foreign investment can make to their economic growth.

It is only natural that, as head of the largest stock exchange in the United States, Mr Funston also should stress the role which US capital markets can play in enlarging the world-wide flow of needed private capital. He notes that more than 300 foreign governments and corporations use the resources of the New York stock exchange to attract American in-

Indian Finance

February 13, 1960

vestors, that trading in foreign shares on the exchange has jumped 247 per cent in the last six years and now accounts for four per cent of the exchange's total volume.

One notion Mr Funston is particularly eager to dispel is an unfounded capital seeks to "impose" American ways and policies on its host nations. He sees the world inevitably made up of many systems, as it is of many peoples. He characterises the primary aim of the United States as that of spurring the "healthy development" of other countries—of helping to close the gap between "aspirations and actualities."

It is in this light that Mr Funston sees our times as a "century of economic hope." In it, he believes, private capital can play a decisive role. It is this, he says, "that makes the thoughtful and creative flow of capital across international boundaries so very vital."

UK Economic Developments

ACCORDING to the Trade and Navigation Accounts issued by the Board of Trade in London, exports of UK electrical equipment, in spite of stiff competition from abroad, reached a record figure of £285,000,000 in 1959. India was the biggest customer of these goods, its purchases during the year under review totalling £20,700,000. After India, leading buyers were Australia, South Africa, the United States, Canada, New Zealand and Rhodesia. The items exported included rotating electric machinery, batteries and electric lamps, radio electronic and nucleonic equipment, television, telegraph and telephone equipment, domestic appliances, cables and wires and water turbines.

Britain's industrial production during 1959 showed a marked increase by about 6 per cent compared with the previous year. This rise in output, according to the estimates of the London Treasury, is the largest since 1954. The increased momentum of production, which gathered pace particularly in the closing stages of the year, is illustrated by the fact that, in the fourth quarter, output was between 2 and 3 per cent up on the third quarter, and was between 8 and 9 per cent up on the fourth quarter of 1958.

Weekly wage rates in the United Kingdom recorded a slight increase of about one per cent in 1959 as against the 3½ per cent increase in 1958. The movement in wages during the period under review was lower than in recent years, mainly due to the absence of general increase in many of the important industries. However, the average weekly earnings of workers in manufacturing industries reached a record level. This has been facilitated by the increased output and rising productivity.

British aero-engines and spares in 1959 earned nearly £64,500,000 in overseas business. This, as re-

vealed by the Society of British Aircraft Constructors, showed an increase of 30 per cent as against the figures in 1957. The £300,000,000 mark for the sale of spares and aero-engines and parts since the end of the war is expected to be reached in April or May. There are today 55 types of overseas aircraft and missiles powered by engines manufactured by six British manufacturers, namely, Alvis, Blackburn, Bristol Siddeley, Napier, Rolls-Royce and de Havilland.

The London Treasury in a recent announcement, disclosed a decline in the gold and convertible currency reserves of the sterling area by about £18,000,000, in January, bringing down the level of the reserves to £959,000,000. The two special payments made in January—£7,000,000 paid in respect of European Payments Union bilateral debts and £5,000,000 utilised for the outstanding balance of the December 1956 drawing from the International Monetary Fund—were mainly responsible for this fall in the reserves, for, without these special payments, the fall would have been only £6,000,000. However, this is contrary to the usual result in January, when the tide of commercial payments is normally flowing in favour of the central reserves. This is probably due to the fact that, up to January 21, when the Bank rate was raised to 5 per cent, credit was more easily available in London than abroad, and international short term funds were still moving to other financial centres to take advantage of the higher interest rates offered.

According to the latest issue of the Economic Review published by the British National Institute of Economic and Social Research, total demand in the UK is likely to rise by 4 per cent in 1960 if there is a no-change Budget and no further change in the Bank rate or credit policy. The capacity of the UK economy is adequate for the expected rise and the balance of payments prospects are also favourable. The Review also pointed out that the rise in investment in the country will be to the tune of 8 to 9 per cent. Investment in the manufacturing industry is also expected to rise substantially this year. The recent increase found in the industrial capacity is also quite favourable to permit a four per cent rise in national product. The United Kingdom has come out as the world's biggest exporter of tractors during 1959, its exports totalling £105,000,000. British tractor exports during the year under review recorded an increase by 16 per cent, and its exports exceeded total export of the rest of the world.

Representatives of the industry give three reasons for British superiority in the tractor market.

The British tractors are designed to suit all climates and conditions. The second reason given for the worldwide success of the British tractors relates to the recent advances in Diesel engine and hydraulic design. The third reason can be attributed to the fact that, with rationalisation of production, there is the comparative cheapness of UK vehicle and spares.

The British aircraft industry, as revealed by the Society of British Aircraft Constructors in London, has reached a record export total of £156,056,000 in 1959. This has brought total earnings from aviation exports since the war to £942,000,000. Of these totals, spare aero-engines and parts accounted for £282,000,000 and £205,000,000 respectively.

The figure in 1959 exceeded the previous record, achieved in 1958, by nearly £2,000,000. India was the biggest customer for aircrafts and parts in the year under review while the other leading customers were Switzerland, Canada, the United States, the Federal Republic of Germany and Argentina.

Good Year for France

1959 has turned out to be a good year for the French economy, which has registered marked gains in both the industrial and financial sectors. With an increase of 8 per cent over October's index, French industrial output touched an alltime high in November when the general index for industrial output, calculated on the base of 100 in 1952, rose to 181. As compared with November 1958, the increase in industrial production works out to 11 per cent.

Reflecting this increase in industrial production, automobile production also went up, the total number of vehicles manufactured at the end of November being estimated at 1,157,598 against 1,023,515 during the same period last year. Growing export demand

provided the chief stimulus for this rise in production. During the first eleven months of 1959, 514,135 automobiles were exported compared with 337,991 during the corresponding period of last year.

The financial recovery was also marked and rapid. While, in December 1958, French foreign currency reserves had dropped to 73.5 million dollars, 1959 has ended with an increase of 670.2 million dollars worth of foreign currency. Including the repayment abroad of 1,008.6 million, the total financial gain aggregates 1,678.8 million dollars during 1959.

Swedish Trade in 1959

The 1959 trade figures for Sweden, published by the Swedish Board of Trade, reveals a narrowing of the country's trade deficit by Kr 400,000,000. While imports went up by Kr 200,000,000 to Kr 12,449,000,000, exports recorded an increase of Kr 618,000,000, reaching a total of Kr 11,417,000,000.

Most of the major items have contributed to this rise in exports. Shipments of timber rose from 821,200 stds to 973,000 stds while pulp exports were up from 2,358,000 tons to 2,679,000 tons. Other articles which participated in this increase were newsprint, iron ore, machinery and apparatus. But the most notable rise occurred in respect of automobiles, which went up by nearly 30 per cent.

On the side of imports, rises were recorded in oil, iron and steel as well as machinery. Against this, a decline was noted in respect of imports of car, ships and aircraft.

The capital exports of Sweden during 1959 totalled Kr 179,400,000. Sale of securities rose from Kr 145,400,000 in 1958 to Kr 160,600,000 in 1959 while purchases went up from Kr 160,500,000 to Kr 179,400,000.

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STATES NOTES

More Problems for Cotton Textiles

A feature of the working of our cotton textile industry in recent years is that it is continuously claiming urgent public attention. The imposition of the heavy excise duties on cloth in 1956 proved the last straw on the camel's back and soon after started a period of acute trouble for the industry. Unsold stocks began to accumulate in mill godowns, and, with exports also showing a declining trend, the situation deteriorated into a veritable crisis. Various explanations were given for the sorry state of affairs, but all seemed to be agreed that the heavy excise duties clamped on cloth were one of the main causes of the textile crisis. And when, thanks to the improvement in domestic offtake and exports, there were indications that the industry was at long last on the way to recovery, it began to be plagued by a shortage of raw material. Domestic production of cotton during the current season is sizably lower than in the previous season and the only hope for the continued full working of the mills, seems to be larger imports. Government, too, although they have taken considerable time to size up the needs of the situation, have been quite helpful once they have found that raw cotton was in short supply. The position at present is that the industry is assured of adequate supplies of raw cotton for maintaining or even increasing production, if need be.

In the meantime, the public have been the worst sufferers, having been made to pay daily increasing prices for their requirements of mill-made cloth. But the industry and Government are doing their best to dispel the scarcity scare; but the position as far as the consumer is concerned is yet to show a marked improvement. The remarkable pick-up in domestic consumption in recent months has led some to advocate the plea that immediate steps should be taken to increase production in the organised sector. The Government rejoinder is that, if need be, the mill sector even with its present installed capacity can step up its production to meet any further increase in demand.

But the consumer's hope of getting his requirements easily and at reasonable prices may yet remain unfulfilled as the reported recommendations of the Textile Wage

Board have brought strong protests from a section of the mill owners. It is said that, as a result of the increase in wages recommended by the Board, the industry may have to bear an additional expenditure of Rs 8 crores per annum. Labour is unlikely to yield, especially as the Wage Board recommendations are said to be unanimous, and also since there have been representatives of the industry on the Board. It will not be surprising if, ultimately, the new burden is passed on to the consumer.

Engineers and Costs

Inaugurating the annual general meeting of the Institution of Engineers at New Delhi, Prime Minister Nehru spoke on the role which engineers have to play in the development of the country. Mr Nehru minced no words in stressing the need for rapid technological and scientific advance and observed that India's poverty was not soluble except on the basis of progress made along technological and scientific lines. From the point of view of development, engineering constitutes the most important line of the scientific and technological progress in which the country has been lagging.

The massive development schemes initiated by the Government have considerably enlarged the demand for engineering resources and personnel. Growing demand has set a premium on engineering education. Though engineering education has witnessed considerable expansion, current facilities are short of the country's requirements. Shortage of engineers is a current bottleneck in the way of the progress of many development schemes.

In his presidential address, Dr K. L. Rao suggested that engineers in the country should try to reduce the cost of construction. This should go to relieve the problem of building and construction which absorb a substantial share of total developmental outlay. This could be achieved only if, as suggested by Mr Nehru, the engineers cast off their foreign methods and evolve methods suitable for India. The designing and construction will have to be undertaken in the context of the Indian conditions and, toward this, research on the basis of specialisation should be intensified. Dr Rao made an important suggestion for the setting up of a designs organisation in the country. This should be acted upon without delay.

Comparative Cost and Industry

Delivering a lecture on the "Role of Industry in Economic Growth" in Calcutta last week, Dr John Perry Miller, Professor of Economics, Yale University, made some interesting points which have relevance to the problems involved in industrialisation. According to

Dr Miller, the basic problem in choosing industries for development is choosing those industries in which the country has a long-run comparative advantage. To quote him, "the rationale for choosing an industry such as steel—other than considerations of national defence—is to be found not in the fact that the industrialised countries normally consume large amounts of steel, but in the fact that a country has the resources which should enable it in the long run to produce steel more cheaply than it can import it." In making this point, Dr Miller was but restating the doctrine of comparative cost popularised by classical economists on international trade. As applied between countries, this should result in international specialisation. Free flow of international trade follows as a natural assumption. However, in the tangled international politics of the present day, and in conditions of growing domination by the State in economic activities, there seems to be little room for the application of this principle. Within a particular country, however, the principle should be valuable for selecting industries for development. Even here, there are definite limitations placed by inter-industrial relations.

Another point Dr Miller made was that there should be an appropriate relation between the agricultural and industrial sectors for effective growth. In a developing economy, this implies a mutually expensive relationship, industry providing employment opportunities for the underemployed population on land, and agriculture supplying raw materials and food for the urban population.

Dr Miller also underlined the need for stimulating private enterprise and observed that the existence of a large and viable private sector would contribute to induced investment in the wake of Governmental activities at selected points in the industrial front.

Gujarat's Problems

That the new Gujarat State will not be financially viable for a considerable time after its formation is not a new finding. For, one of the main reasons for the ruling party's earlier opposition to unilingual States in the Bombay Region was the calculation that unilingual reorganisation would place Gujarat in a financially unfavourable position. But a bilingual state has been found to be to nobody's liking, whatever may have been the economic advantages. So the idea has to be given up and bifurcation of the Bombay State will soon be a reality.

The people of Gujarat are also aware that their State will be in an unenviable position as far as its finances are concerned. It would appear that the annual deficit may be in the environs of Rs 9.5 crores. This is the estimate said to have been arrived at

by the committee set up by the State Government to report on the division of the assets and liabilities of the bilingual State between the two new States. The Committee is reported to have further suggested that the Maharashtra State should make an annual payment to Gujarat for the next ten years to meet the latter's budget deficit. As Gujarat has no city suitable to be made into its capital, a sum of Rs 10 crores may have to be set apart for the construction of a capital from the cash reserves of the old State.

But these disabilities do not seem to cause much worry to the Gujaratis. The people of Gujarat are well-known for their enterprise not only in agriculture but in trade and industry. Speaking at the Gujarat Businessmen's Convention held at Ahmedabad early last month, Mr G. L. Mehta mentioned an interesting fact to illustrate the entrepreneurship of Gujaratis in the field of investment: "There is perhaps hardly any company in the country whose shares are not held by citizens of Gujarat." This is not, however, to belittle the task facing the new State. Many of the problems to be tackled have been noted by Mr Mehta in his speech. In the sphere of transport and communication, for instance, there is the question of adequate port facilities to be tackled. At present, Gujarat has only one major port in Kandla, but even this is yet to be properly linked with cities like Ahmedabad. The finding of oil at Lunej has improved the economic prospects of this region, but there is still need for much more systematic investigation. Perhaps one of the problems that have to be solved expeditiously is the provision of cheap electricity to the backward region of the State. But at least here Gujarat may not have to worry over much because of the Centre's proposal to set up an atomic plant in this region.

MP's Third Plan

If the proposals that are being put forward to the Planning Commission by the Madhya Pradesh Government in regard to projects under the Third Plan are accepted, activity in all spheres in the State will have to be greatly accelerated to achieve the targets. A Rs 400 crore Third Plan as against the outlay of Rs 130 crores only in the current plan may at first sight appear very ambitious. But it is to be noted that the Central Third Five Year Plan, as officially envisaged, will involve an outlay of Rs 10,000 crores. The second and the most important reason for setting the sights high both in the National Plan and the States' Plans is evidently the pressure from the people for a sizable improvement in their standard of living within a short time. In a State like Madhya Pradesh, the need for a large outlay springs also from the fact that it has vast untapped re-

sources waiting to be put to productive use.

With the establishment of Bhilai, the State's industrial potential has greatly increased. The existence of extensive iron ore deposits has encouraged the State Government to think in terms of another steel plant in the State. In the present controversy regarding a large increase in the steel production potential, and in view of the fact that Government have already decided to double the production at Bhilai, the request for another big steel plant may not find favour with the Planning Commission, but the proposal for a small plant, which the State Government are said to have advanced, may have better luck. Apart from steel production, the State Government are expected to bestow considerable attention on the development and expansion of a number of industries in the Gwalior region. Among the new industrial units that are likely to get a good deal of attention during the Third Plan are two proposed paper mills, a hardboard manufacturing factory and an aluminium factory.

It is gratifying to note that top priority in the Third Plan is to be given to agriculture. By the end of the current plan, food production in the State is expected to reach 86 lakh tons. This is to be increased to 106 lakh tons by the end of the Third Plan. One of the Second Plan's lessons is that, so long as food production in the country is running below requirements, other plan projects will inevitably be made to feel the repercussions of a large food import. The Union Food Minister has recently issued a warning to the State Governments that the responsibility of meeting the food needs of the people is, primarily that of the States. Therefore, it is incumbent on the States to try their utmost to increase food production and approach the Centre for assistance only when all their efforts to meet the demand in full from their own production have failed.

An indication of the quickening tempo of planned activity in the State is the large-sized expenditure programmed for the final year of the current Plan. An outlay of Rs 37 crores has been approved for the annual plan for the year 1960-61 by the State Government after a discussion with the Planning Commission. Irrigation, and power gets about one third of the total outlay. But nearly half of the expenditure under this head is to be incurred in connection with the multi-purpose Chambal project. Power projects will absorb Rs 4 crores, but this amount again includes a provision of Rs 1 crore for the scheme to supply power for Bhilai from Korba. Finances permitting, the State Government propose to take up a scheme for the supply of power to Central India coalfields from Korba during the next year. There is hard work ahead in the coming year and

in succeeding years for the State Government in the sphere of irrigation. As the total area under irrigation in the State is much less than the cultivated area—in this regard, the State is very much behind the all India average—it is but natural to expect that a rapid extension of irrigation facilities will be one of the main aims of the development programmes of the State. Considerable work has, however, been done in this direction and recently the organisational work to implement

irrigation schemes has been completed. Other important provisions in the annual plan are Social Services with Rs 9.06 crores, Community Development with Rs 3.23 crores, transport with Rs 1.81 crores and industry with Rs 1.39 crores.

UP's Plan for 1960-61

The general pattern of the annual plan for Uttar Pradesh is more or less similar to those of

the other States, reviews of whose plans for 1960-61 have appeared in this column in the past two weeks. The total outlay decided upon for UP after discussion with the Planning Commission for next year is Rs 55 crores. As in most other States, the bulk of this expenditure is to be incurred in connection with the development of power and irrigation facilities. The allotment under the head is Rs 16.18 crores subdivided as follows: Power Rs 11.18 crores and Irrigation Rs 5 crores. The higher allot-



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ment under Power is because considerable expenditure is to be incurred (about Rs 600 lakhs) next year on the Rihand Hydro-electric Project, which is the biggest project in the State. It may be noted that a big aluminium plant has been planned in this region based on the power supply from this project.

Next to Irrigation and Power, Agriculture received special attention with a planned expenditure in the next year for Rs 11 crores. When the schemes included in the programme are completed, an additional foodgrains production potential of 2.8 lakh tons will have been created. Development of fisheries is also to be given considerable importance, especially in the eastern districts of the State. The Community Development Programme is to receive sustained attention, as will be evident from the provision of a large sum of Rs 7.5 crores in the annual plan. Under Cooperative Development, plans are drawn up for the establishment of 1,500 new cooperatives and the reorganisation of 3,500 existing village cooperatives. Health and education schemes are to get prominence, absorbing nearly Rs 8 crores under Social Services, which get a total allotment of Rs 11 crores. The emphasis is to be on the development of village and small industries in the final year under Industries and Minerals which get an allocation of Rs 2.50 crores. The two other important items of expenditure in

this section are a provision of Rs 57 lakhs for the expansion of the Government Cement Factory and Rs 4 lakhs for the expansion of the Government Precision Instruments Factory.

Jobs Still Wanted

The Report of the Directorate of National Employment and Service, West Bengal, reviewing the employment situation in the state in 1959, provides disappointing reading in so far as the rate of creation of employment lagged behind expectations or requirements. The tempo of growth of employment in the private sector remained more or less unchanged while that of the public sector slowed down.

The rate of creation of employment in the public sector, in the second and third quarter of the year under review, as revealed by the report, was not more than 2 per cent, while in the private sector it was above 5 per cent. The number of vacancies notified by and the number of employments secured in the private sector recorded a slight increase. This is in striking contrast to the fall in the public sector.

The shortage of foreign currency leading to, drastic import control had a dampening effect on trade and commerce in the state and on the expansion schemes of existing industries. This also caused considerable delay in establishing new industrial undertakings in the state.

The problem of educated unemployment continues to be baffling. The number of job seekers in the state is estimated to be more than one lakh at the end of the current year. As opportunities for employment in the state are few and far between, it is apprehended that these educated job hunters will only swell the live registers of the Employment Exchanges.

More Nuclear Power?

The Atomic Energy Commission, in its report submitted to the Planning Commission, have recommended the installation of three to six atomic power stations in the country by the end of the Third Five Year Plan. The second power station will be set in the Delhi Bhakra Nangal area, while another will be located in the Bombay-Ahmedabad region. Other areas found suitable for the establishment of similar stations are Western UP and the Madras State.

The nuclear power development programme in the country, according to the original report of the Atomic Energy Commission, will cost about Rs 250 crores. The mining operations for uranium and thorium, the establishment of power stations and plants and other development activities are also included in the proposed programme. This estimate is likely to be revised in keeping with the country's overall plan targets.

The Atomic power station at Trombay has already started the manufacture of a small prototype nuclear power station designed by its scientists. An attempt has also been made to use water as a moderator and to extract heat by organic liquid. If the experiment in producing the prototype is proved successful, the country will be in a position to develop a new type of nuclear power station.

East German Investments?

India's huge development programme provides ample scope for other nations to help in its industrial progress. The general attitude of foreign countries to help solve India's innumerable problems has been both encouraging and favourable. The preparedness of the German Democratic Republic to help establish new industries in Madras and other places was brought to light by Mr. Heinrich Rau, Deputy Prime Minister and Minister for Foreign Trade, in his address to the members of the Southern India Chamber of Commerce in Madras. Mr. Rau spoke at length on the improved scope for expansion of trade between India and East Germany, especially after the conclusion of the Trade Agreement between the two countries. He also added that, in future, East Germany would be ready to import goods from India as much as they exported.

It will be appropriate, in this connection, to recall that, in recent years, a host of industries has been set up in India with the collaboration of other countries. It can reasonably be anticipated that the visit of the East German delegation led by Mr. Rau, on the eve of the Third Five Year Plan, will result in the installation of a number of industries in India in collaboration with the industrialists of Germany.

Bihar Sugar in Crisis

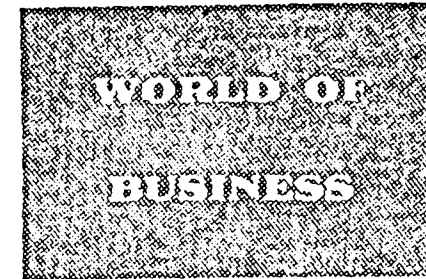
The sugar industry in Bihar seems to be passing through a crisis. The Government have expressed grave concern at the growing competition that the industry has been facing from other sugar producing States like Bombay, Madras and Mysore. The authorities have decided to set up a committee to conduct a probe into the working of the sugar industry and to recommend measures to save the industry from the present stress and strain.

It may be recalled that Bihar stood second only to UP in the production of sugar in the country. But it has recently been pushed down to the third place. The prolongation of crushing periods in the 28 factories of the State led to a fall in average sugar recovery during the last three or four years. It can be reasonably hoped that the suggestions of the Committee which is going to be appointed will help the Government to adopt adequate measures for assisting the industry to get over the present difficulties.

Fertiliser Factory in Rajasthan

The Union Government's Fertiliser Technical Committee has recommended the establishment of a 347,000 ton capacity ammonium sulphate plant at Hanumangarh in Rajasthan at a cost of Rs 25.7 crores. The abundant supply of raw materials, the easy accessibility to the place by water and the availability of power are the main factors which led the Committee to select this place for the installation of the plant. The daily output of the factory will be 1052 tons and the annual production will be worth about Rs 10 crores. The Committee has suggested that additional funds be invested to manufacture about 40 tons of ammonia per day during the initial stage.

The other recommendations of the Committee, which need immediate attention are the conversion of the metre gauge line connecting Hanumangarh and Bhandinda into broad gauge to facilitate transport of raw materials to the factory site, the construction of a large reservoir for providing water during canal maintenance periods and the speeding up of mining of gypsum at Nagpur.



Paper's Dynamic Development

In common with most industries, the paper industry also witnessed dynamic development under the Second Plan. The entry of new units together with the expansion of old ones has considerably added to the production capacity of the industry. The Second Plan target for capacity fixed at 450,000 tons has already been exceeded and current capacity stands at 530,000 tons. Similarly, production target fixed at 350,000 tons is also expected to be fulfilled in time. However, in the face of growing demand, the growth of the industry under the Second Plan has not availed in easing the position in respect of supplies. Development has, therefore, to be expedited to ensure self-sufficiency.

The task involved in reaching this stage of self-sufficiency was set in clear light by Mr. Manubhai M. Shah when he addressed the meeting of the Development Council for Paper, Pulp and Allied Industries held in New Delhi last week. As shown by M. Shah, the problem, which is essentially one of increasing production capacity for various items of the industry, has various aspects. In respect of ordinary writing paper, it is creation of capacity for production of pulp which is the crying need. The paper industry now imports about 10,000 tons of imported pulp grade pulp for meeting its requirements and spends nearly Rs 75 lakhs toward this. Newsprint production is characterised by extremely meagre capacity and is handicapped by lack of conventional raw materials. Lack of rayon grade pulp required for the production of viscose yarn staple fibre and cellophane is another glaring gap in the paper industry.

In all these sectors, developments are afoot which promise a material improvement of the present situation. For paper grade pulp, an additional capacity of nearly 75,000 tons is expected to be created in the course of the next few years. The Assam Pulp Mill, with a capacity of 30,000 tons a year, is already under implementation. In respect of rayon pulp production, one scheme has already taken shape in Kerala with a capacity of 100 tons a day. Another scheme based on the bamboo resources of the North Canara forests of Mysore State has been approved by the Government. Three more schemes for rayon grade pulp manufacture are under negotiation. Self-sufficiency in this is expected

to be reached by 1963. In the field of newsprint manufacture also, a spurt in activity has been witnessed. There are 3 or 4 proposals for newsprint mills with an output of 100 tons a day being considered by the Government.

Manufacture of machinery for the paper industry has also made headway. In this connection, Mr. Shah disclosed that six schemes for the manufacture of large-scale paper plants of 50 to 100 tons a day capacity have been approved by the Government.

The prospects for the industry, which thus appear bright, is marred by exhausting supplies of bamboo, which is the main raw material used in the paper industry. This sets the need for looking for alternative materials which could replace bamboo. Mr. Shah has in this connection referred to the value of bagasse, a by-product of the sugar industry. Experiments conducted in other advanced countries have confirmed the utility of bagasse as a raw material for paper manufacture. The utility of bagasse has, however, to be examined in the context of the use currently being made of bagasse by the sugar industry for which it is the primary source of fuel.

Normalcy in Cotton Textiles?

RIISING prices would seem to be giving the cotton textile industry no respite from problems of which the industry has had more than its share in recent years. Coming after the long spell of depression into which the industry was thrown consequent on overproduction and accumulation of stocks, the new development should be viewed with concern.

The Government have reacted with extreme alacrity by importing large and unprecedented quantities of foreign cotton. This was necessary for the reason that it was the serious shortfall in the production of cotton within the country that lay at the root of the present troubles of the industry. The measures taken by the Government have not failed of effect, and a downward trend in cotton textile prices is already discernible. Further improvement should follow the arrivals of foreign cotton in the next few months.

The Cotton Textiles Consultative Board, meeting at New Delhi, has expressed satisfaction with the improvement already recorded in respect of prices. Normal conditions are expected to be restored in the near future. But normalcy would not be considered to have been reached until the speculative elements, which are now active in the cloth and yarn markets, are eliminated. The reported assurance of the textile industry spokesmen that they would, if the situation warrants, institute measures for stamping fair prices on textiles and open depots for supplies of yarn is therefore welcome.

Adaptations of production levels and patterns to the new situation caused by shortage of Indian cotton should also prove useful in bringing down prices.

Wheat for Ore

An Indo-US barter deal involving exchange of American wheat against Indian Manganese ore and ferro-manganese is scheduled to be concluded this week. Under the terms of the deal, India will acquire 450,000 tons of US surplus wheat and in turn would part with 100,000 tons of ferro-manganese and 175,000 tons of manganese ore. The State Trading Corporation will sign the agreement on behalf of India while, on the other side, the contracting party is the US Commodity Credit Corporation.

The conclusion of this agreement mark a significant success in the negotiations for obtaining US surplus wheat which date back to 1949. Protracted negotiations met with qualified success in 1951 when the US Government sanctioned a wheat loan for an amount of 90 crores dollars. That India should have been able to obtain American wheat on the basis of barter deal is a sign of the improved American outlook toward Indian problems.

The new deal is advantageous to India from many points of view. First of all, it does not involve the expenditure of foreign exchange which has to be incurred if American wheat were to be obtained in the way of ordinary trade. Considering the need for conserving foreign exchange reserves needed for financing major developmental schemes, the barter deal represents an important gain for India.

The other advantage is that it enables India to dispose of manganese ore, which has been meeting with considerable resistance in foreign markets. This should stimulate production of manganese ore which has been adversely affected consequent on the setback in export. The opportunity afforded for disposal of Indian manganese ore should be taken advantage of to improve the quality of the Indian finished product. One of the main deterrents to Indian export of manganese ore has been the lack of consistency in grades and quality.

Coal in Assam and Andhra

The Coal Price Revision Committee, appointed by the Government of India to study the price structure of coal in the collieries of Assam and Andhra, has submitted its report to the Government. The Committee's recommendation for the continuation of the existing price of soft coal in these collieries has been accepted, while the recommendation on the price structure of hard coal is under the consideration of the Government.

It has been reported that, making allowance for a reduction in expenditure incurred under the heads "salaries and administration", "stores" and "repairs and maintenance", the current F.O.R. price of Rs 28.44 per ton in the case of the Margherita collieries of the Assam Railways and Trading Company is sufficient, and the Committee found no reason for revision.

As regards the Dilli, Joypore, Kollajan, and Nazira collieries, if the element of road transport from pit-head to rail-head was excluded, the existing price of Rs 25.94 could be regarded as reasonable and fair. The Committee, however, recommended a revision of the F.O.R. price, as the element of transport cost appeared to be too high. For this purpose, the Committee has taken the transport charge as 50 nP per ton, barring the Nazira colliery, where a ropeway is used and where the transport charges will be fixed at Rs 3 per ton. The Committee suggested the revision of the transport charges, if any of the collieries was able to convince the Coal Controller that the transport charges fixed by the Committee were inadequate.

Another recommendation of the Committee was that grading of coal, on the lines of that in the case of the outlying fields of Madhya Pradesh, Bombay and Orissa, should be introduced in Singareni also. The coal from these collieries was being marketed in seven sizes, and as customers have become accustomed to these different sizes, the Committee expressed the need for fixing a price for the different sizes. The Committee also suggested a grade-wise price structure which would provide an average sales realisation only 2 nP more than the existing realisation. The profit margin of other collieries can also be improved upon by the companies taking advantage of the scope for increased output of the largest sizes and by effecting economy in operations, especially in the context of expansion.

Lord Tedder on the Small Car

Lord Tedder's remarks about the Jha Committee's industry into the possibility of making cheap small cars in India may strike some as discordant, but it is clear that the Standard-Triumph merger last year justifies his view that one company cannot go it alone, when it comes to making economical cars. Only when output is raised can costs be reduced and unit costs really rest on sales in volume as proved by the example of Volkswagen and of Citroen much earlier. The Government of India, which have to decide on the information assembled by the Jha Committee about plans and prospects, will have to take note of the judgment that it is not realistic to let one company or factory get special preference on the basis of future connections. The Standard Motor Products of India has already offered its own version of a cheap car. But what matters now is the success in making locally components and spares on a large scale, and Standard's associates have already entered the field of ancillary manufacture. The South has certainly not lagged behind in producing automobile spares and expert witnesses last year told the Jha Committee that there has been substantial progress in light engineering, and that the automobile industry, like cycle manufacture, has established itself. It may be mentioned that Lord Tedder as

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Half-year Accounts of IBRD

According to the statement issued by the International Bank for Reconstruction and Development, its Reserves had risen by \$42 million in the first six months of the current financial year to a total of \$462 million. The addi-

tions to reserves, in the six-month period ending 31st December 1959, are made up of net earnings of \$28.8 million, which were placed in the Supplemental Reserve against losses on loans and guarantees, and loans and commission of \$13.2 million which were credited to the Special Reserve. Thus, the Supplemental Reserve totalled \$310.9 million and the Special Reserve \$151.1 million. Gross income, exclusive of loan commissions, was \$71.4 million, while expenses totalled \$42.6 million.

During the period, the Bank made 15 loans totalling \$349.1 million, bringing the total number of loans to 249 in 51 countries and raising the gross total of commitments to \$4,871 million. Disbursements on loans were \$213.8 million, making total disbursements \$3,591.2 million as on December 31.

The funded debt of the Bank amounted to \$1,989.8 million, reflecting a net increase of \$84.6 million over the past six months. Outstanding debt increased by a

further \$23.8 million. Pursuant to the increase in the Bank's authorised capital from \$10 billion to \$21 billion on September 15, 1959, the subscribed capital had been increased to \$18,614.4 million by December 31, 1959.

Troubled Oil

The disaster which occurred at Cambay in the early hours of a Monday morning last week, resulting in the tragic death of four expert technicians—two Rumanians and two Indians—is indeed shocking. It is reported that the technicians who lost their lives were repairing a damaged wall of the test well when the wall blew off under terrific pressure of the gas emanating from the well, causing instantaneous death to the technicians and seriously injuring another expert who was standing nearby. Even though similar accidents are not uncommon in the country, the unfortunate incident in the well site, which, according to the Director of Drilling Operations, is a rare occurrence, clearly symtomises the insecure conditions under which many employees will have to work in such undertakings. Mr K. D. Malaviya, the Union Minister for Oil and Mines, has ordered a top level enquiry into this accident, and the findings will be of immense help to the authorities to adopt relevant precautionary measures to avert such accidents in the oil sites and other undertakings in future.

The strike of the employees of the Burmah Shell Refineries at Trombay and the threatened strike of the employees of the State Bank are also quite distressing. The main demands of the workers of the Shell Refineries are, among other things, the payment of 4 months' bonus, increase in wages and dearness allowances and the recognition of the Union by the management. The threatened strike of the State Bank employees, according to Mr S. M. Joshi, the President of the All India State Bank of India Staff Federation, is the direct result of the failure of their talks with the authorities and the unwillingness of the management to refer the charter of demands to voluntary arbitration. Whatever may be the reasons for these strikes, it is high time that such unhealthy practices are eschewed for the general progress of the nation.

No License for Small Industries

In order to encourage the development of small and medium-scale industries and reduce the formalities with which they have to comply, the Government of India have decided that industrial undertakings, which employ less than 100 persons and whose fixed assets will be less than Rs 10 lakhs in value, can proceed without applying for a licence. This

will apply to new units as well as schemes of expansion of the existing units. If the undertakings concerned want to import either plant and machinery or raw materials, they should, unless they are small-scale industries, apply to the Development Wing of the Ministry of Commerce and Industry of the Government of India. Small-scale industries will continue to approach the State Director of Industries or the Development Commissioner, Small-scale Industries as in the past.

The Licensing Committee, set up under the Industries (Development and Regulation) Act, has further decided to place a number of industries on the list of free licensing. The most important industries on this list are Industrial Machinery and Machine Tools. The intention is to give the maximum possible encouragement to the development of machinery industries in the country. The effect of this decision is that the production of industrial machinery, in general, including components and parts thereof, can be undertaken from existing installed plant and equipment as well as indigenous machinery without any sanction at all. Where the import of plant is required, an application for that purpose will have to be made.

Industrial Disputes

According to figures released by the Government of India, there were 93 fresh industrial disputes in November 1959, bringing the total number of disputes, current at any time during the month, to 139 as against 131 fresh disputes and 168 disputes current in the previous month. The average duration of disputes current was 5.3 days as compared with 4.0 days in October. Out of 96 disputes, which terminated during the month, 73 lasted not more than 5 days each and 6 lasted more than 30 days each.

During the month under review, time-loss of 189,372 man-days, out of a total of 254,426, was accounted for by the "Manufacturing Industry" group. In "Mining and Quarrying" and "Transport and Communication (other than workshops)", time-losses were 24,427 and 24,175 man-days respectively. Time-loss in other major groups of industries was comparatively low. West-Bengal recorded the highest time-loss of 130,770, followed by Rajasthan (39,598); Bombay (34,039) and Bihar (22,778).

Random Notes

The Dow Chemical International Limited SA, which is one of the world's leading manufacturers of chemicals, plastics and magnesium, has announced the formation of a new company, Dow Chimica Italiana S.P.A., and the construction of a multimillion dollar manufacturing plant in Italy. Though the details of the manufacturing plan are yet to be worked out, it is known that a number of products

are being considered for production, one of which is the entire Styron line (Dow Polystyrene). While the opening of the production plant will bring to Italians the benefits of faster delivery and better technical service, it would also enable the company to participate in the growing West European Market.

Union Carbide International Company, whose branches are also located in India, has reported completion of its expansion plan which covers both the technical and production wings. On the side of

production, a new Epoxy Chemical unit has been erected at the Institute, West Virginia, plant with facilities for producing more than 10 million pounds (4,500,000 kg) a year of epoxides and other oxygenated chemicals. The new epoxy chemicals planned to be produced include Epoxide-201, Epoxide-206, Epoxide-207 and Flexil Flexol plasticizer EPO.

The creation of a new technical centre marks a major link in the chain of facilities available at the Chemicals Technical Centre of Union Carbide Corporation. The

scope of activities at the centre ranges from theoretical studies on molecular structure and basic research in chemical reaction mechanisms, to pilot-scale production of new products and the subsequent engineering and design of commercial production facilities.

At the world Agricultural Fair now being held at New Delhi, one of the most attractive and educational sections is covered by the US show on "Atoms on the Farm." The exhibits in this section, which number many, have provided a visual demonstration of the differ-

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A MEMBER OF THE ISCON CONSORTIUM

rent ways in which nuclear energy could be utilised for improving agricultural production. By far the most important exhibit in the American section is the TRIGA, a reactor conceived and developed by General Dynamics Corporation's General Atomic Division. It shows how nuclear energy could be harnessed for the improvement of crop strains and for controlling pests and plant and animal diseases. For this, a variety of radio-isotopes, including potassium and

sodium, are being produced daily in the TRIGA.

Aviation Notes

Following negotiations with the Egyptian Authorities, permission has now been obtained for BOAC to again to operate services through Egypt. This permission will allow service to return to Cairo after a lapse of three and a half years. It is planned initially, to operate a total of four return services a week by Comet 4 aircraft through Cairo

from London to points in India and the Far East. The first services will transit Cairo on 10th April next. BOAC will, as a result, be able to offer to the travelling public of the Arab countries in the Middle East the most comprehensive network of First Class and Tourist services of any international carrier operating through that important area.

Air France by using Caravelles became the first European Company

to use jet aircraft for transportation. From Sunday 31st January, 1960, it brought into service the four reactor Jet Boeing 707 on its long distance routes. Its order for such aircraft totals seventeen.

Everyday commencing from Sunday, the Boeing of Air France flies non-stop Paris/New York at approximately 600 miles an hour transporting 189 passengers in conditions of comfort never before matched.

This aircraft weighing 140 tons is destined to serve all the large Capitals of the world across Continents and oceans. With its greater range and tremendous power, these aircraft inaugurate a new age of reaction for millions of passengers, and on this first route they fly Paris/New York in 8 hours and New York/Paris in 6 hours 45 minutes.

TWA now offers twice daily service from Europe to New York with daily jet flights departing through both the Paris and London gateways.

TWA's jet flights originate in Rome and Frankfurt. The service will be extended to other cities and frequencies will be increased as more of the new Boeing intercontinental jets join the Company's fleet, according to Robert E. Montgomery, International Sales Vice-President.

Operating experience with the long range Boeing has exceeded expectations according to Mr Montgomery. "Every TWA flight, both eastbound and westbound has crossed the Atlantic non-stop with one exception when a flight elected to stop enroute to wait for more favourable weather in New York", Mr Montgomery said.

On January 11, a TWA jet became the first airliner to fly from Paris to New York in less than seven hours. The non-stop flight from Orly Field to Idlewild Airport took 6 hours and 46 minutes. TWA's best time eastbound between the two cities the direction favoured by prevailing winds was 5 hours 53 minutes.

According to Trans World Airline statisticians, TWA's present transatlantic passenger carrying capacity in jet aircraft alone is greater than the combined capacity of the ocean liners Queen Mary and United States.

TWA had daily jet service to New York from both the London and Paris Gateways. The big Boeings fly non-stop in both directions with a capacity of 142 passengers. The combined capacity of the ocean liners Queen Mary and United States is 3,875 passengers per crossing, and one round trip takes the ships 14 days. In 14 days TWA's winter jet schedules provide 3,976 seats in each direction across the Atlantic.

TWA will increase its jet lift to three times this figure before the summer travel rush. Total TWA lift across the Atlantic at the season's peak will be 22,000 seats in each direction per month, an increase of 58 per cent over last year's offering.

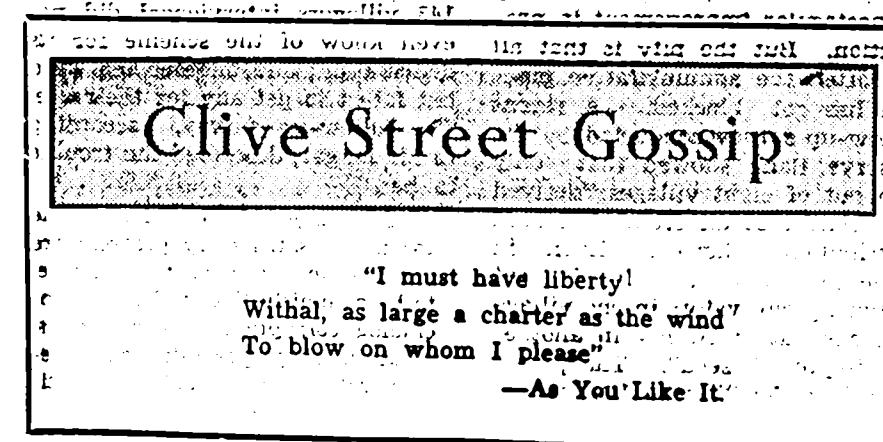
Indian Finance

February 13, 1960

I HAVE had occasion previously to remark on Mr H. V. R. Iengar's happy knack of being able to put his finger on the economic question that, at the moment, might be agitating students of economics. Some six weeks ago or so, it was agriculture that was considered by the Governor of the Reserve Bank as being necessary and deserving of his special attention; and the other day, in Calcutta, it was the price situation which succeeded in provoking him to comment. In both cases, Mr Iengar's thinking is crystal clear; and, perhaps, what he said may serve as the basis for the undoubtedly more detailed treatment that these two topics will receive at the hands of the Finance Minister on the last day of this month. But this, I am afraid, may prove to be no more than wishful thinking. For, Mr Iengar also possesses the knack, if I may say so, of thinking slightly ahead of his time. As such, he provides a lead to discussion, a lead that need not necessarily be followed immediately or even in the near future. I shall presently have something to say, after I summarise the substance of Mr Iengar's remarks, on the attitude that the Reserve Bank Governor brings to bear on these two burning topics. First, however, I should like, if I may, to think aloud.

As far as agriculture is concerned, it seems to me that Mr Patil is being blessed with the same kind of good fortune that made of Rafi Ahmed Kidwai a memorable Indian Food Minister. This is partly because Mr Patil's sense of timing is so right. For him to have advanced earlier any scheme for the building of buffer stocks in India, out of surplus US food-grains, would have been futile; indeed, the time perhaps is only ripe at the present juncture. Circumstances, like favourable weather in the late Mr Kidwai's time, can be seen to be conspiring to make a success of Mr Patil's stewardship of the Food portfolio. But this should not be allowed to detract from the capability, as it were, of Mr Patil. He saw the opportunity, and he seized it; and for this alone, we need properly to be thankful to him. But, then, the creation of a buffer stock is not "going to solve India's food problem. Production, and more production, is the only solution to India's perennial food quandaries."

It was at the nineteenth Conference of the Indian Society of Agricultural Economics that Mr Iengar, in his inaugural address, focussed attention on the really important sector of agriculture. So



taken was he with his subject, that he began with gently-worded personal reminiscences about the time, thirty years earlier, when he first was brought to face with problems of rural economics. But, in those days, it was no part of the duty of the revenue officer "to examine the manner in which the cotton cultivator financed his production, the fairness of the price he obtained from his financiers when the crop was ready, or the effect on his economic status of the whole set up for the ginning and marketing of cotton." Not that this was callousness, indifference; only that the administration of the time was not preoccupied with such matters, and did not consider that it had to do any more than cause the least possible disturbance. Today, says Mr Iengar, "a basic change is evident".

He then goes on conscientiously to record the history of agricultural administration, and the extent of his study is revealed by his references to the Pringle survey of the districts in 1827. Mr Iengar's point is that the British Government set themselves a limited administrative task, that of ensuring that, whether in respect of law and order or of taxation, policy would swiftly be communicated to the remotest village; but this itself was no mean task, and Mr Iengar adds, the British "succeeded in building up what, from their limited point of view, was a magnificent administrative machine." In current-day India, indeed, the objective is really no different; it is a question of ensuring that policy is again transmitted expeditiously to the furthest-flung villages. The question before us is "whether we can achieve an equal degree of success in the task of fashioning a machine that will respond to the new impulses of a national Government dedicated to the task of improving the lot of the common man." It is in such terms and in this wise that Mr Iengar hints at the agricultural problem being mainly an administrative task. But first, he says, the facts have to be ascertained.

The trouble is, according to the United Nations Technical Assistance Administration, which sent out a mission to this country, that there exists "a widespread confusion in India between what is intended and what in fact exists." The remarks made by the Mission

on administration are worth quoting in full:

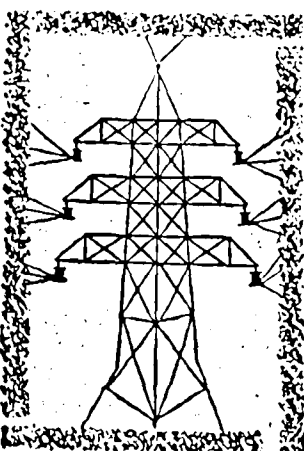
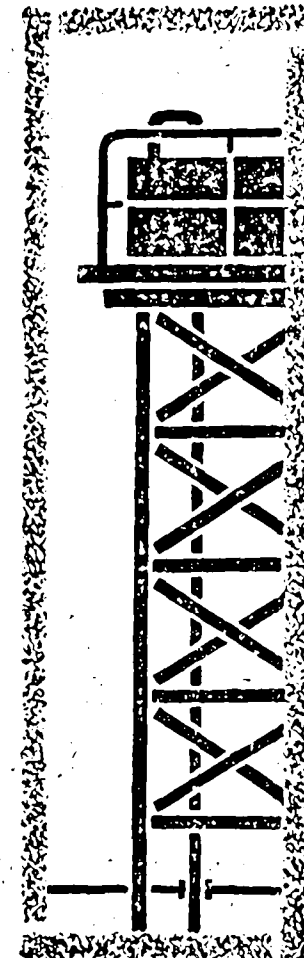
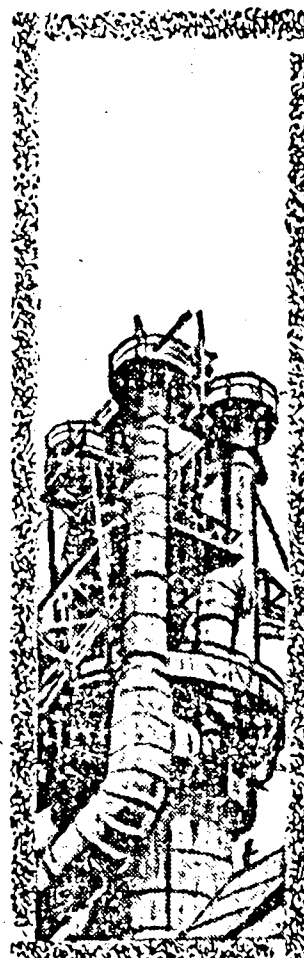
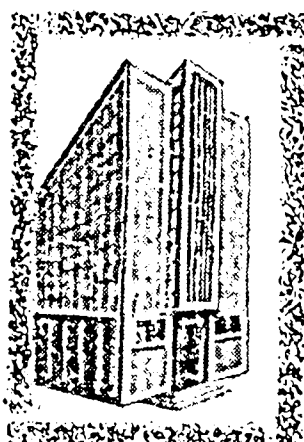
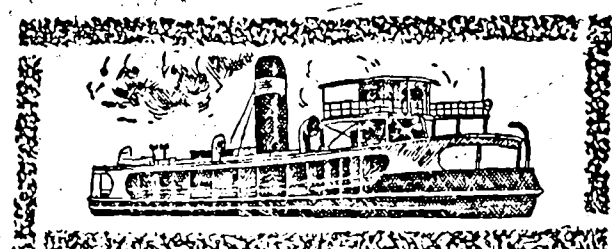
"As regards the lines of communication between the top level and the village level, they exist administratively, in the ordered hierarchy of official responsibility for action, worked out in detail—in far too great detail—at every level. There may, however, be some lack of understanding among the top level officials about how to transmit their new thinking about community development to all the officials below them, or the very size of the official community development machine may make this particular kind of communication difficult; at any rate, the existing lines of communication seem to be blocked. Officials regard their function as being mainly to instruct and to 'organize', and seldom to sit patiently and listen until the slowly-formulated realistic thoughts of the villagers come to the surface. This patience and capacity for listening to villagers is brilliantly demonstrated by some of the very top level officials.

But while they sit quietly and wait for the villagers to speak, a flock of minor officials buzz around, waiting to demonstrate their activities, to push plans and figures under the eyes of the high official and prove that they have been 'on the job'."

So, the first requisite is that these "lines of communication" be opened up. This is both to ensure that the policy laid down at the top is conveyed to and implemented in the villages and to make possible the flow-back of information about the realistic problems that may be faced by the farmer. Viewed in this light, the real task in the agricultural sector would boil down to the sort of picture painted by Mr Iengar.

As distinct from the programme of community development, in which the kind of work to be done might be complex, the immediate task of increasing foodgrains production should normally be a simple one, especially since, in Mr Iengar's words, "one would imagine that the need for additional food supplies is so manifest that not only would there be no resistance but active cooperation on the part of the farmers". Unfortunately, here, too, the prime

AIDING INDIA'S PROGRESS



IN COMMERCE AND INDUSTRY

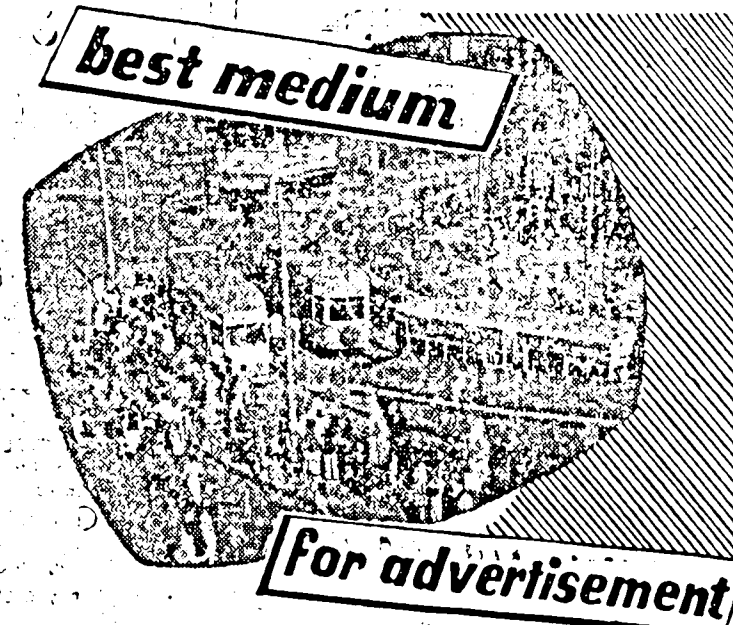
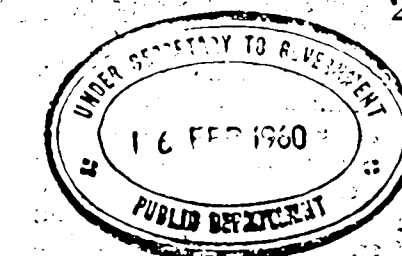
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requirement is in the sphere of administration, and here, too, lapses are evident. All that needs to be done to raise foodgrains production can be simply stated; better seeds, and more of them; fertilisers being made available, and this in timely fashion; wells and tanks being put into working order; and better agricultural implements being provided and used. These are concrete steps that can be taken, and it has repeatedly been proved that they can yield

a spectacular improvement in production. But the pity is that all too often the administrative pipeline has got blocked. A recent follow-up survey conducted by the Reserve Bank showed that only two out of eight villages "derived any benefit at all from the seed distribution scheme". Even in these two villages, "only nine out of twenty cultivators in one village and one out of twenty in another got improved seed". Then, in regard to fertilisers, 115 out of

143 villagers interviewed did not even know of the scheme for its distribution; and another ten tried but failed to get any for their use. The follow-up survey, according to Mr Iengar, described the trouble to be:

"The major factors responsible for this unsatisfactory progress are reported in this particular sample, to be administrative inefficiency, including corruption at some points, inadequate propaganda and demonstration and insufficient parti-

cipation on the part of the agriculturists."

In another area selected for study, the fly in the ointment was not either of character or of competence but merely of "faulty administrative arrangements." Against this background, the situation in the agricultural cooperative sector is even more intriguing—the right word might perhaps be distressing. For, at a time when it is the stated objective of Government to spread the cooperative sector, the existing societies are by no means competent enough. I may use figures given by Mr Iengar in this regard. The financing of cooperative societies by the Reserve Bank, through State Cooperative Banks, has risen from but lakhs of rupees in 1946-47 to nearly Rs 70 crores in 1958-59. But... many of the State Cooperative Banks have not drawn in full on their limits... the monthly unutilized credit limits rose from Rs 12 crores in 1957-58 to Rs 16 crores... one State Cooperative Bank has drawn nothing from the Reserve Bank... out of 418 Central Banks, 67 have failed to touch the one lakh figure in Deposits, while another 9 have no Deposits at all... of the primary cooperative credit societies, only 16 per cent were held to be well run in 1956-57, another 16 per cent were hopeless and on the verge of liquidation, the balance being "mediocre" societies. Mr Iengar has remarked that "there is little doubt that the situation in India has been aggravated by failure, at both official and non-official levels, to pay adequate attention to the need for administrative competence and quality."

So: we come back to this question of administration. It is in quite a different context that Mr G. D. Birla saw signs of it cracking up. And the picture painted by Mr Iengar is one to show us that, in the agricultural sector, the first and foremost problem that we have to address ourselves to is administration. Is it really at the present time that we should be preoccupying ourselves with such matters as land ceilings and extension of cooperation? It seems to me we should rather concentrate on the consolidation and strengthening of the administrative machinery for agriculture. The rest can follow, later: our immediate task is to increase foodgrains production, and the requirements for achieving that are, as I have stated, simple enough. But the thing basically to be done, and I will end this piece on agriculture by quoting Mr Iengar, is "to see that the administrative machine is really capable of doing its job, in letter and in spirit."

I shall leave over for the next week Mr Iengar's remarks on the price situation, which were made at the function that marked the Golden Jubilee of the Calcutta University Department of Economics.

EAVESDROPPER

GATEWAY GOSSIP

US Foreign Policy

PERHAPS the most significant development in world affairs in the decade just past is the widespread realisation that war can no longer be the means of settlement of disputes between nations. It is true, this idea has yet to percolate into the minds of all world leaders, but it is a fairly safe presumption that, given freedom of speech, an overwhelming majority of the people in the world will unhesitatingly vote for the banning of war. It may not be correct, however, to say that man has, all of a sudden, shed all prejudices against man. A more correct interpretation would be that the knowledge that World War III may well see the beginning of the end of all mankind is the main operative factor in the new world opinion.

The situation, that is the situation created by world politicians, that obtains today in the world is still far from secure for peace. Notwithstanding the knowledge that nuclear warfare can be embarked upon only by a people who have gone stark mad, the race for nuclear supremacy has been going on apace and more are joining the race even when prospects of the total ban of nuclear weapons are becoming brighter than ever before in the past ten years or so. It is still too early to say whether sanity will prevail in the world. There have, no doubt, been considerable achievements during the last year toward agreement on the urgent need to make the atom subserve man and to avert for ever the possibility of the atom becoming the master of man. But mutual suspicion among the big nuclear powers of today constitutes a big obstacle in the road to lasting world peace. The first year of the sixties may well go down in the history of mankind as a period when man has come into his own again, if the long awaited summit meeting, which is scheduled to take place next May, produces the result devoutly wished for.

According to Mr Ellsworth Bunker, American Ambassador to India, the great challenge of the present decade is whether humanity will be sensible enough to remove the causes of world tension. In an address to the luncheon meeting of the Bombay Rotary Club early this month Mr Bunker, after briefly outlining the achievements and failures of the last decade, has arrived at the conclusion that prospects of mutual understanding among the nations of the world in the present decade are indeed bright. He has incidentally referred to the foreign policies of both the US and India with the plea that there is a fuller understanding of each country's standpoint by the other.

The US foreign policy, avers Mr Bunker, has the same aims as that of India or, for that matter, that of any other country's. But if it differs from those of some countries, it is to be recognised that it is according to the light of the people of US. In this view, there can be no room for misunderstanding because, so long as the ultimate aim is the same, it is only proper to concede that each country has a right to its own way of conducting its foreign affairs. Moreover, the present US foreign policy is the outcome of the realisation brought about by the Korean War and confirmed later by armed conflicts elsewhere in the world. For some considerable time after the end of World War II, the tendency in the US was toward reduction of its military force and this was based on the assumption that the world was returning to the ways of peace after its harrowing experience. It was to learn soon enough that the expectation was unlikely to be fulfilled and that there was need for the continued maintenance of a powerful military force. As a consequence of the activity of aggressive forces, collective security agreements have been entered into by the US with nearly 40 nations all over the world. At the same time, US foreign policy has not ignored the possibility of securing world peace by negotiation and the need for extending its helping hand to the underdeveloped nations in their task of economic development. This will be evident from the fact that some 20 of the uncommitted countries are receiving economic aid. We, in India, know that our foreign policy of non-alignment has not stood in the way of the US coming to our assistance. The sizable aid received so far by India bears eloquent testimony to the American people's broad-minded approach to world problems.

The United States' readiness to examine all concrete proposals aimed at reducing world tension is clearly brought out in President Eisenhower's recent State of the Union Message. In this message, he said: "Over the past year the Soviet Union has expressed an interest in measures to reduce the common peril of War. While neither we nor any other free world nation can permit ourselves to be misled by pleasant promises until they are tested by performance, yet we approach this apparently new opportunity with the utmost seriousness. We must strive to break the calamitous cycle of frustrations and crises which, if unchecked, could spiral into nuclear disaster; the ultimate insanity."

Apart from the natural desire to go to the aid of underdeveloped countries, US interest in India also springs from the manner in which we have been conducting ourselves since the winning of independence. By any reckoning, our record is impressive; and, what is much more important, we have demonstrated without any shadow

of doubt both by word and deed that we have abiding faith in democratic principles. Faced with the need for quickly raising the standard of the people, we have adopted a socialistic pattern of society as our aim. Planned progress with the emphasis on the expansion of the public sector has been the order of the day. But all this has not militated against the basic principles of democracy. In the sphere of foreign policy, we have firmly adhered to non-alignment. We are still stoically holding on to this wholesome principle, even after having been attacked by our powerful neighbour, China. Yet there is no ambiguity about our attitude to this unprovoked aggression. We are for ever ready to settle disputes, if any, on an equitable basis, but the aggressor can be in no doubt about our reaction to any of his further incursions.

Our foreign policy in the context of the Chinese aggression has met with considerable criticism within our own country. A prominent political leader of our country has recently pointed out that the fear, that use of force by India against China would lead to world conflagration, is unfounded, for, the number of armed conflicts in various parts of the world that had been witnessed in the post war period had not led to any widespread disturbance. Some other prominent men in our public life advocate the view that

arrangements for joint defence of our northern borders will be quite in order. There is also support for the view that we have to take arms aid from foreign countries to meet the Chinese threat. But the vast majority of the people in the country are for the continuance of the principle of non-alignment and, at the same time, they stand for the strengthening of our defence. Accordingly, we are now planning for increased outlay on defence.

World opinion on our singular lack of emotion in the face of the Chinese aggression has at first reacted in diverse ways and there was general scepticism about our continued faith in settlement by negotiation. There is, however, now a deeper appreciation of our determination to give the aggressor a chance to realise his folly and retrace his steps. As President Rajendra Prasad said the other day in his address to the joint session of Parliament, the weight of world opinion is beginning to tell on Peking. I prefer to think that, by our attitude to the Chinese aggression, we have in a large measure aided the forces that are now working with some success toward reducing world tension. An armed conflict on the Asian subcontinent between two big countries like India and China, even if it does not lead to a world conflagration, will have dealt a serious blow to the cause of world peace.

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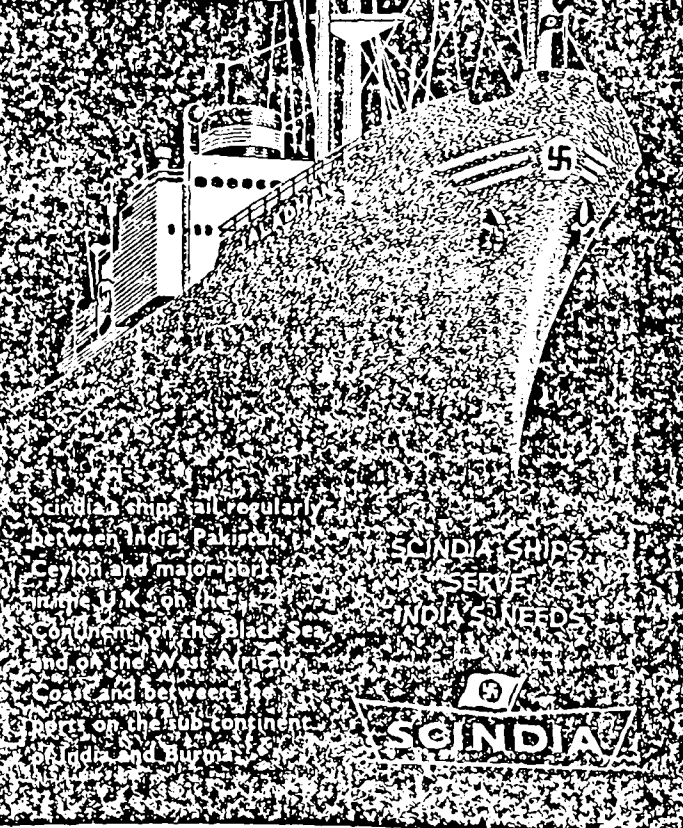
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OLYMPUS

Japanese Advice on Small Industries

IT is heartening to know from the summary of the report of a Japanese Team of Experts that "the Government of India's policy in regard to the development of small scale industries has been worked out with thoroughness and that the steps taken by them compared favourably with those taken by the Japanese Government." More valuable than this finding is the advice that the Government should "guide and encourage" rather than "protect and foster" small scale industries. Coming as it does from a team of experts belonging to a country with its massive experience and pre-eminence in modern small scale industries, this advice would need to be seriously pondered. That "protection and fostering" of small industries provoke forces of resistance on the side of big industries and that the complementarity between them is all too forgotten in the resulting climate of "competition" are probably implied in the advice. Surely, "guidance and encouragement" can be given to small industries in the same way as they are given to big industries or to any other sector for that matter. That should put the thing in a new light.

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Apart from this general, though pregnant advice, there are to be found in the Japanese Team's report a number of specific suggestions for encouraging the development of small scale industries. The most important of these suggestions are calculated to bring about a bolder and more liberal policy of financial assistance. These particular suggestions are:

- (1) Adoption of a Credit Guarantee System whereby a Credit Guarantee Fund under each State Financial Corporation should be created for guaranteeing the obligations of small scale units to financing institutions.
- (2) Creation of a Credit Insurance System whereby a Credit Insurance Fund, mainly contributed by the Central Government, should be established in the Reserve Bank of India; under this scheme, the sole insurer of the Credit Insurance Scheme would be the Credit Guarantee Fund and the scheme would become applicable only when the Credit Guarantee Fund, after repaying the money on behalf of the borrower, cannot collect it from him.
- (3) The establishment of a State Cooperative Bank or Apex Cooperative Bank in each State for providing finance to small scale industrial co-operatives.
- (4) Routing of Government loans through State Financial Corporations.
- (5) Utilisation of the branch offices of the State Bank of

India as agencies of the State Financial Corporations. (This suggestion, it may be recalled here, has been under Government's serious consideration.)

In commending the Industrial Estates scheme, the Japanese experts have suggested that the proposed new estates be organised, if possible, on cooperative lines; the mixing up of industrial units of various trades in one Estate be avoided; and the rents charged from the tenants in Industrial Estates be progressively increased and the sheds be sold on an easy instalment basis. The Team has also suggested that industrial co-operatives be strengthened and that new co-operatives consisting of proprietors of small firms be organised. These co-operatives, it is further suggested, should take up joint activities like common purchase of raw materials, common sale, storage and transportation and quality test of finished products. Besides co-operatives, Trade Associations for each industry in a State should be organised. These associations are to have among its functions matters of common interest like research on products, collection and dissemination of technical information, guidance in business administration, public relations activities and liaison with Government.

As regards the National Small Industries Corporation and its activities, the Japanese experts have recommended the following measures:—Establishment of a "State Small Industries Corporation" in each State for dealing with the hire-purchase of indigenous machinery; the simplification and liberalisation of the hire-purchase procedure, the running of raw material depots for the benefit of small scale units; purchase of stores by Government Departments in the States; and increase in the number of items now purchased by some Departments of Government exclusively from small scale units and their extension to Departments like Railways, Defence, Printing, etc.

Incidentally, it is interesting to know from the latest Annual Report of the National Small Industries Corporation that, under the hire-purchase scheme introduced early in 1956, orders have been placed for 3,596 machines valued at Rs 3.24 crores and deliveries effected in the case of 2,234 machines valued at Rs 1.84 crores up to 31st March, 1959, to various small scale units dispersed all over the country. It is further seen from the report that the hire-purchase scheme has been greatly liberalised so as to charge earnest money at the uniform rate of 20 per cent (as against the previous rates of 20 per cent of the value of general purpose machines and 33-1/3 per cent of the value of special purpose machines) for all machines irrespective of whether these are for special or general

purposes. Similarly, in respect of the period of repayment, which used to vary from three to eight years depending upon the type of machine, a fixed period of seven years has been decided upon for graded indigenous machines and imported machines. At the same time, it has been decided to collect the first instalment only after one year (as against the previous six months) from the date of execution of a hire-purchase agreement.

Again, in the matter of stores purchase on behalf of Government Departments, it is seen from the Corporation's Report that the small scale units, through the assistance of the Corporation, were able to secure orders worth Rs 2.6 crores in 1958-59 as against Rs 0.6 crore in 1957-58. With this increase in the value of contracts obtained by small scale units with the assistance of the Corporation, the value of total purchases made by the Directorate-General of Supplies & Disposals from the small scale sector has risen from Rs 1.97 crores in 1957-58 to Rs 4.13 crores in 1958-59. Following the success of this stores purchase scheme, the State Governments have also started thinking in terms of introducing a similar procedure as has been accepted by the Central Government for purchase of stores from the small scale sector. The Railway Board has also recently agreed to introduce a more or less similar scheme for the purchase of stores from the small scale sector. Further, the search for additional items which could be entirely reserved for procurement from the small scale sector has continued, with 11 new items having been added in 1958-59. This list now contains 27 items of stores which are as under:

Brass padlocks; G. I. padlocks; brass dampers; boxes made of metal; sign board, painted; buttons, metals; postal seals, all badges, cloth embroidered and metal (not for Defence); belt leather (apparel); cash bags; dust shield leather; chappals and sandals; leather boxes (not army type); laces, leather; leather bags; boots and shoes of types required by civil indents only; glass ampoules; handles, wooden and bamboo, soap, washing or laundry soap (against civilian indents only); metal wotish; scissors, cutting (ordinary scissors); coir fibre and coir yarn; postal weighing scales; cotton hosiery (against civil indents only); woollen hosiery (against civil indents only); keys, wooden; and stone curry and stone curry roller.

The National Small Industries Corporation is continuing the search for additional items of stores for exclusive purchase from the small scale sector. The Japanese Experts have gone a further step by suggesting that new public sector units should be required to purchase their requirements of parts and accessories from small scale units.

PENINSULA

The Oilseeds Situation

THE 13th annual meeting of the Indian Central Oilseeds Committee was held at Hyderabad last week, at which the problems faced by the industry came for examination. The most striking thing about the oilseeds situation over recent years has been the decline in importance which vegetable oil has suffered as a foreign exchange earner. From Rs 37.12 crores in 1955-56, the foreign exchange earnings attributable to exports of groundnut oil, linseed oil and castor oil fell to Rs 10.90 crores in 1957. Though a slight improvement was registered to the tune of Rs 3 crores in the following year, as compared to the 1955 level, the margin is still great. Exports have to be more than trebled to recapture lost ground. When foreign exchange needed for accelerating development schemes is running scarce, stepping up of oilseeds and vegetable oil exports should suggest itself as the best available means for adding to the country's foreign exchange earnings. As the Government spokesman interested in availing of all the possible means of increasing foreign exchange reserves, it was on this aspect of the problem that Mr S. K. Patil, Union Minister for Food and Agriculture, laid emphasis in his inaugural speech at the meeting.

Export promotion in respect of vegetable oil is presently conditioned by the growing demand for vegetable oil within the country arising from growth of population and improved standards of living. In fact, in the decline that had occurred in foreign exchange earnings from oilseeds, the rise in internal demand was an important factor. A sizable increase in production of oilseeds and oil has to be achieved to meet growing internal demand and to step up exports. The rise in internal demand should have been of a pronounced order, considering that, side by side with the fall in exports, production within the country has also been on the upgrade. For, while, in 1955-56, the total area under oilseeds was at 29.85 million acres, this had gone up to 31 million acres in 1958-59. In terms of actual production, there was an increase from 64 lakh tons to 69.19 lakh tons.

In the circumstances, the decision of the Indian Central Oilseeds Committee to draw up well coordinated and country-wide schemes for the improvement of the oilseeds crops such as groundnut, linseed, sesamum, mustard

and castor has to be welcomed as timely and appropriate. Extensive implementation of such schemes is the most important measure required for lifting agriculture to higher levels of productivity. The scope for such schemes in improving oilseeds production is evident from continuing low per acre yields. Mr Patil highlighted this fact by pointing out that, while India accounted for 41 per cent of the total world groundnut acreage and 35 per cent of total production, it occupied a backplace in per acre yield.

However, it is to the manner in which schemes are put through that attention will have to be directed. That this aspect of planning has not received the consideration it deserves is clear from the existing gap between target and actual production. The Second Five Year Plan target for oilseeds production was 75.5 lakh tons against which production in 1958-59 was only of the order of 69.19 lakh tons, which gives a figure of 6.3 lakh tons as arrears to be wiped out in the course of the next two years. As Mr Patil pointed out, this demands intense effort on the part of the State Departments of Agriculture. To ensure timely implementation of schemes, it is important that, as suggested by the Central Committee, there should be regular and adequate review of the working of the schemes already in operation. This would also avoid wastage of resources.

The Committee has put forward several suggestions for improving oilseed crops. These include setting up of regional and sub-regional stations for tackling different problems of oilseeds production, popularisation of improved methods through pictorial posters, distribution of better seeds, etc. That the Committee has recommended different methods for the different States is to be appreciated in view of the different problems affecting oilseeds production in the States. For Madras, the Committee has recommended intensive breeding of groundnut; for Mysore, multiplication and distribution of improved groundnut; and, for Andhra Pradesh, evolving of suitable varieties for rice follows.

The Committee's recommendations reveal a bias toward the problems involved in increasing groundnut production. This is understandable in the light of groundnut's pre-eminence among oilseeds produced in the country. Of the 31 million acres under oilseeds, nearly half the area is accounted for by groundnuts. A major part of the foreign exchange earnings from vegetable oil also comes from groundnuts. In 1955-56, export of groundnut oil alone fetched about Rs 22 crores in foreign exchange against a total of Rs 37.12 crores which covered contributions from other items also. For earning more foreign exchange through exports of vegetable oil also, it is on groundnuts that the country has to rely.

For increasing groundnut production, Mr Patil has suggested supply of improved seed to cultivators. The importance which the Government attach to this as the most effective means for stepping up output is evident from the subsidy that is now being paid to the cultivators for purchase of improved seeds. The work done in this respect should be reflected in increasing use made of such subsidy. So far, only Orissa, Punjab, Andhra Pradesh and Madhya Pradesh have sought the assistance available under the scheme.

Side by side with internal production, export promotion has also to be intensified. Though increase in production should be the main basis for such export promotion schemes, there is also need to check the element of waste in present utilisation

of edible vegetable oils in the country. In this connection, Mr Patil pointed to the utilisation of edible oils for non-edible purposes. This could be done by exploiting the potential resources for non-edible oils.

The waste involved in utilising the major portion of the 17 lakh tons of cotton seed as food for cattle should also be avoided by diverting the entire production for extraction of oil which, as pointed out by Mr Patil, could be used as a good medium for cooking either in the liquid form or after hydrogenation as Vanaspathi. At present only about 6 per cent of the total cotton seed production is crushed. A special committee constituted by the Ministry of Commerce had recommended that the production of cotton seed should be stepped up to yield 60,000 tons of oil by the end of the Second Plan period.



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WORLD OF JUTE

Stocks Rise: Production Down

When figures pertaining to stocks of jute goods as at the end of January were released by the IJMA early this week, marketmen were cheerful, although stocks were higher than at the end of the previous month. This was because it was generally expected that there would be very heavy accumulation of stocks in January in view of the poor foreign enquiry received during the month. There has actually been an increase of only 12,900 tons, bringing the total stocks to 71,800 tons against 58,700 tons as at the end of December 1959. The

January total is made up of 27,200 tons hessian, 31,900 tons sacking and 12,700 tons other varieties. Apart from the fact that the rise in stocks has been lower than expected, January stocks cannot be deemed to be very heavy. The position this time last year was that mills were carrying total stocks of 113,800 tons.

But the earlier cheerfulness yielded place to depression on Wednesday with the publication of the production figures. Mills' output during last month has totalled 86,700 tons as against 93,600 tons in the previous month. Of this total, hessian amounts to 36,700 tons and sacking to 42,900 tons. Production of other varieties of goods has, however, increased to 7,100 tons from the December output of 6,900 tons. Of the December production, hessian comprised 38,800 tons and sacking 47,900 tons. During the corresponding month of last year, total production amounted to 92,100 tons comprising 40,000 tons of hessian, 45,200 tons of sacking and 6,900 tons in other varieties.

The decline in output last month is due to the fact that mills have

worked in January only 197.5 hours as against 217.5 hours in December 1959 and 206 hours in January 1959. It is evident that, apart from the intervention of holidays, there has been some loss of working time due to other factors.

The stock figures, if taken with the figures of production, will show that the rise in January stocks would have been much higher had it not been for the lower production during the month. If January output has been at a low level, it is because mills have had an unusually short month.

One need not take any special effort to find out the reasons for the disappointing performance of the industry and trade during last month. It is now clear that despatches during January have been much below the level reached in December. The question why overseas buying has been at a low ebb is easily answered. In the first place, the first quarter of the year is usually a lean period for exports, especially to countries like the U.S. This year, it was, however, expected that offtake would continue to be satisfactory during this

usually lean period in view of the fact that the normal pattern of U.S. burlap offtake had been disturbed last year by the steel strike. If, in spite of the favourable indications like the sizable rise in burlap consumption in US in 1959, offtake last month has been low, it is largely because our marketmen have in the past one or two months done their utmost to make price levels as unstable as possible. It is not surprising if foreign buyers have rightly decided to stop purchasing their requirements till prices come to reasonable levels.

It is time that those who are at the helm of affairs in the Indian World of Jute realised that our jute goods industry cannot afford to keep its overseas customers in a state of uncertainty and suspense. For, competition from Pakistan is increasing every day. Latterly, there is discernible in Pakistan a new determination to win new and fresh markets overseas both for its raw jute and manufactured goods. It will be readily accepted that, provided prices are equal, it is very likely that buyers will prefer Pakistani goods to our goods. This is because jute goods in Pakistan are manufactured in modern factories with superior quality raw material. Pakistan has now removed the ban on jute acreage and concerted attempts are to be made to make Pakistani jute both popular and cheap in world markets. An ambitious programme for the development of the jute goods industry under the country's Second Plan has been drawn up. In the meantime, some mills have already started working three shifts in order to meet the growing demand for Pakistani jute goods. In our country, too, both Government and the industry are one in wanting to increase exports of jute goods. This has not remained a pious wish, and concerted action has been taken. In a remarkably short time, we have attained self-sufficiency in raw jute and, today, our jute production is on a par with Pakistan, though only in quantity. Problems of modernisation and rationalisation of the industry have also been receiving the earnest attention of both Government and the industry with commendable results. In short, almost all the necessary conditions for efficient and economic working of the industry have been created. And yet, the essential prerequisite for gaining the goodwill of our overseas customers has not been created.

	Feb'y.	Week's	Feb'y.
	4th	High	10th
	Ra	Ra	Ra
Hessian:			
40" x 10 ozs Ready	41.05	41.20	40.90
" March	41.20	41.25	40.95
" Apr/June	41.40	41.40	41.06
" July/Sep	41.20	41.50	40.90
40" x 8 ozs	33.10	33.20	33.15
40" x 7 1/2 ozs	30.95	31.00	30.85
Sackings:			
B. Twills Ready	112.80	113.50	113.00
" March	110.65	111.25	111.20
" Apr/June	109.00	110.00	109.75
" July/Sep	107.40	108.60	108.00
Hy. Coes (Green)	112.25	113.25	113.00
Corn sacks	112.75	113.25	112.65
Cubans	133.00	134.00	134.00
A. Twills	135.75	135.75	135.50
L. Twills	128.00	128.00	126.25
D. W. Flours	133.75	136.00	136.00
Sugar Twills	127.00	128.00	127.50
Futures:			
Hessian—Feb'y.	41.26	41.28	40.72
Sacking—Feb'y.	112.45	112.85	111.90
Raw Jute—March	29.20	29.34	28.62

WORLD OF TEA

Reversal in Price Trends

THE possibility of the price gap between plain and quality tea widening once more is being discussed in trade circles. Should this happen, it will mean that the price trend, which has been prevailing since the spring of 1959, will be reversed. The fact that, in the UK auctions, during the past fortnight, the plainest sorts of tea on offer tended to be cheaper, while some of the better teas have shown more price stability, appears to have supported this belief.

It is thought that the drop in plain tea rates may be due, firstly, to the unwillingness of buyers to take extra quantities on to their books immediately and, secondly, to the possibility of a surplus of supply over demand during the 1959-60 season if consumption within the producing countries falls below that of the previous season. It is argued that, since low plain tea prices in 1958-59, were the main force for the rise in consumption during that season, the higher prices so far in the current season might well be responsible for a fall in consumption this season.

As a matter of fact, buyers in Mincing Lane are unwilling to pay recent levels for the plainer sorts. With the result, the price range over the week is slightly wider at 3sh 10d to 5sh 6d per pound as compared with 3sh 11d to 5sh 6d. It appears, as some quarters feel, that buyers have covered most of their requirements of these grades for the time being. Moreover, the recent higher level of the plainer teas has reportedly reduced the profit margin for the lower-priced retail packet.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 75,987 packages. There was a fair demand and the enquiry was a little more general than in the last week's sale; but the plainer liquoring Broken and some Fannings showed a further decline of 2 nP to 6 nP a pound. Selected Fannings grades were, however, very strong and sometimes dearer. Medium BOPs were irregular and easier and there were some withdrawals. The brighter liquoring types were sold readily, particularly any with autumnal character.

There was a good enquiry for CTC teas, which were a little irregular and prices for the best tended slightly easier as the sale progressed. The lower-priced sorts were sold readily and were often dearer. Non-wither legg-cut teas

came to a ready market at prices which were generally 4 nP below last rates. There was a useful enquiry for Whole Leaf grades, which were about steady.

The demand for Darjeeling teas was again limited and selective. Following rates were quoted (per pound):—Clean Black Pekoe Rs 2.18 to Rs 2.22; Plain BP Rs 1.96 to Rs 2.00; Plain Fannings Rs 2.00 to Rs 2.10; Medium BP Rs 1.92 to Rs 1.98; Medium Fannings Rs 2.06 to Rs 2.16; Best Assam, CTC BP Rs 2.40 to Rs 2.60 and Best Assam CTC Fannings Rs 2.45 to Rs 2.65.

In the Internal Sale, offerings consisted of 23,045 packages of Dusts and 1,778 packages of Leaf grades. There was a strong and active demand for Dusts, which increased as the sale progressed. Grainy orthodox descriptions, suitable for export, were a feature of the sale. These opened at about 10 nP per pound dearer, but later sold at 15 nP to 20 nP and sometimes more. Legg-cut Dooars teas

were well supported at irregularly dearer rates.

CTC teas were irregular and generally up to 6 nP easier at the start, but also strengthened as the sale progressed. Toward the close, these were firm and sometimes dearer. The very best, in this category, generally followed this trend. Following were the rates (per pound): Medium Dooars Dust Rs 2.26 to Rs 2.46; Medium Assam Dust Rs 2.20 to Rs 2.40; Medium Assam CTC Dust Rs 2.26 to Rs 2.34 and Best Assam CTC Dust Rs 2.35 to Rs 2.85. There was a good demand for Leaf grades at generally dearer rates. The few chests of Green Teas, on offer, were well supported at considerably dearer rates.

An Agreement between the Tea Association of India, Calcutta, and the Indian National Trade Union Congress (Assam Branch), has been signed in Dibrugarh on the 6th February, 1960, for payment of Bonus for the years 1957 and 1958 to workers of the tea gardens in

Assam Valley in the membership of the Tea Association of India.

According to the Agreement, 'Basic Bonus' shall be deemed to mean the following for each of the Zones specified:—

	(1)	(2)
Assam Zone I	Rs 90	Rs 45
Assam Zone II	Rs 85	Rs 42 1/2
Assam Zone III	Rs 80	Rs 40
(1) Gardens of 300 acres and above		
(2) Gardens below 300 acres		

The Bonus will be paid on the basis of the following formula, i.e., the profit of the company for the bonus year divided by the average profit of the company for the years 1954, 1955 and 1956, and then multiplied by Basic Bonus.

A minimum of Rs 10 is to be paid per adult worker even by the gardens which have made no profit during the bonus year, the amount to be adjusted against bonus entitlement of the worker in subsequent year or years. The Bonus for the year 1957 is to be paid by March, 1960, and for the year 1958, by March, 1961.

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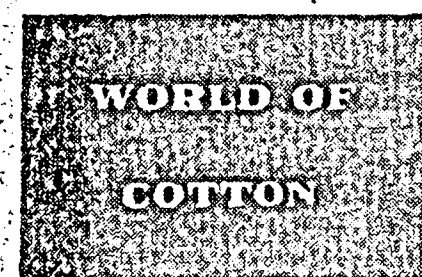
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Strong Statistical Supply Position

THE Cotton market, after early setback, once again firmed up on reports of fresh allocation of indigenous raw cotton to mills. More than anything else, the strong statistical supply position as well as the renewed firmness in oilseeds bolstered up sentiment. The sharp upswing was also attributed to reports that trading in May contract might not be permitted by the Forward Markets Commission. However, certain trade circles do feel that there might be delay in the grant of permission. But reports go to indicate that the

EICA has not formally asked for permission till the 10th February. Renewed buying in the spot section, however, imparted a distinctly bullish slant. It might be here noted that ICC March, which had gone up to Rs 780 early in January, touched as low as Rs 740 on the 30th January—the lowest since 23rd November 1959—but recovered during the week up to Rs 767.50 before settling down at Rs 762.

SPOT MARKET:

In the Sewri market for spot, mills were in a mood to renew their buying, specially for such varieties as Laxmi old and new, 197/3, 0394, Rajpalayam, Western Farm and Moglal varieties. Prices consequently are ruling firm. According to a section of the trade, quality control seems to have only partially succeeded in its objective. Similarly, the issuance of large import quotas has not brought about any special change in the price structure of usually popular varieties of Indian cotton though it should be stated that, but for the import quota, the

price rise in indigenous varieties would have been still steeper.

Among foreign cottons, mill demand for Sudan has broadened lately in preference to Egyptian, in which prices have advanced further. The firmness in Egyptian cotton has been wholly attributed to excellent demand from world spinners and the consequential tightness of its statistical position. The mill demand for Sudan and Egyptian is presumably due to the fact that mills spinning over 60s have now obtained pretty large shares out of the recent import allocation of cotton stapling 1 3/16" and above. As a matter of fact, some mills seem to have received more allocations than they need. Heavy arrivals of foreign cotton are expected in the next three or four months. Some quarters feel that these might cause severe strain in the finances of particularly weak mills.

CLOTH MARKET:

The Cotton Piecegoods market appears to be still in a subdued mood and the speculative bullish fervour,

which had been in evidence a month ago, appears to have subsided. At the meeting of the Cotton Textile Consultative Board held last week, the representatives of the industry have assured the Government that there would be no cloth shortage while ensuring fair prices. However, it is felt that active steps should be taken to raise the cloth production if apprehensions of any shortage developing are to be set at rest.

Exports of cotton piecegoods from India during 1959 have been provisionally placed at 782 million yards and have thus recorded a rise of nearly 200 million yards over those in the previous year. There has generally been a sharp rise in the exports of practically all categories of piecegoods and more especially in the medium category.

The table below shows the variety-wise exports of cotton piecegoods from India in 1959 together with the comparison figures for the last five years:

Year	(In Million Yards)			
	Coarse	Medium	Fine	Total
1954	185	634	78	921
1955	187	631	36	854
1956	203	545	23	771
1957	234	591	12	837
1958	196	366	7	569
1959	283	476	9	768

NEW YORK COTTON MARKET:

The New York cotton futures market remains in a listless state with narrow movements. The Egyptian cotton crop is estimated at 1,385,245 bales (of 730 lbs), according to the second crop report. With the carry-over of 286,798 bales, the supply position, for the current season, is estimated at 1,671,993 bales. Export sales to January 15 1960 amount to 773,250 bales, which constitute an all-time record. During the corresponding period of the last season, sales amounted to 505,694 bales. Actual exports, up to 27th January 1960, are placed at 414,500 bales and local consumption at 125,205 bales.

The raised estimate of the Sudan cotton crop for 1959-60 is placed at 759,000 bales. However, shipments of raw cotton from Sudan to various countries, in the calendar year 1959, are placed at 947,303 bales, against which UK accounted for 298,057 bales; India for 139,948 bales; West Germany for 106,902 bales; France for 98,678 bales; Italy for 91,184 bales and the USSR for 33,230 bales.

According to the reports now available, there is a growing belief that a crop of 325,000 bales of Uganda cotton, during the current season, is almost a certainty. This will consist of about 310,000 bales of AR and 15,000 bales of BR varieties. Out of this, about 2 lakh bales have already been sold. No further sales will take place till this month-end; the future programme will depend on the crop progress. It appears that India is unlikely to purchase more than 150,000 bales during the present season, though the chairman of the Uganda Lint Marketing Board indicated that India would buy 2 lakh bales.



Competition in Sugar Industry

BIHAR is expected to produce 90 lakh maunds of Sugar this year against 84.32 lakh maunds produced in 1958-59. Although the quantity of cane crushed has shown an upward trend during the past few years, the total sugar output has remained the same, because of lower sugar recovery than before. The industry, which has survived the threats of imported sugar, is now faced with equally serious competition from the other States of India, viz., Bombay, Madras and Mysore, where the sugar industry is developing fast.

Bihar, which used to be the second largest sugar producing State in the country until recently, has now gone down to the third place, being displaced by Bombay which produced 3.21 lakh tons of sugar last season against Bihar's production of 3.10 lakh tons. The Bihar State Government have, therefore, given serious thought to this problem and have suggested measures for increasing both the acre-yield and sugar recovery in the State.

Meanwhile, the Government have decided to release 1.75 lakh tons of sugar. There will be no release for free sale from the factories of Uttar Pradesh, North Bihar and the Punjab except a small quantity which will be released to each factory for sale to its employees. Allotments of sugar to Madhya Pradesh, Rajasthan, Uttar Pradesh, Bihar, West Bengal, Orissa, Madras, Kerala, Bombay State, Himachal Pradesh, Assam, Manipur and Tripura, from factories in the controlled region, will be made only to the nominees of the State Governments.

Allotment will be made at prices fixed by the Government. The controlled ex-factory price for Uttar Pradesh and North Bihar factories is Rs 37.85 per maund and for factories in the Punjab Rs 38.35 for ISS D-29 grade with the prescribed price differentials for other grades. The fixed f.o.r. allotments made to Kanpur and Calcutta will be Rs 38.60 and Rs 39.85 per maund respectively for sugar ISS D-29 grade.

Despite this release, sugar prices have developed a hardening tendency. In the Muzaffarnagar market, the rate is quoted at Rs 120 to Rs 132 per bag in response to good demand for purposes of conversion to "Boora".

Gur

In the Hapur market, ready Gur prices have registered sharp gains of Rs 1.25 a maund on continued brisk demand from the South. Daily arrivals average 4,000 maunds and the total, from the beginning of the current season, is put at 4.55 lakh maunds as against 4.27 lakh maunds in the corresponding period of last year. Local stocks are estimated around 20,000 maunds. Pansera quality is quoted at Rs 18.62 a maund as against Rs 17.25 in the previous year.

Trading in gur futures, which remained suspended under orders from the Forward Markets Commission, was resumed at Rs 16.40 on Saturday last. The Commission, have approved the ceiling price for Gur Fagun at Rs 16.50, fixed by the Hapur Chamber of Commerce. The market thereafter moved narrowly and some transactions were reported at a premium of Rs 20 per transaction paid by the sellers to square up their deals.

In this connection, it may be added that the smart rise of about 10 per cent in the prices of jaggery all over the country during the past few weeks has compelled the FMC to take a cautious view of the situation. Reports from Delhi suggest that futures trading in gur Baisakh contract will not be permitted. The recent spurt in prices has, according to the authorities, no justification in view of the fact that production is expected to be higher this year. While bulls are trying to corner the available stocks, the firmer trend has been aided by reports that sugar will not be decontrolled in the near future.

Khandsari

Prices in the Hapur Khandsari market have remained steady, thanks to sustained demand from the consuming areas of the South. Although loading facilities are restricted by rail, goods are freely despatched by road. Rates are moving between Rs 46 and Rs 49 a maund, according to quality.

The khandsari units are reported to be working to their capacity due to unrestricted supply of sugarcane and higher prices realised in the market.

Foodgrains

Conditions in the Hapur Foodgrains market have continued to remain firm on reports of "rabi" crop being affected due to inadequate winter rains and heavy frost. Also, reports that strong westerly winds have also damaged the crop to some extent have aided the bullish sentiment.

Wheat and Gram prices have registered a rise of Re 1 a maund, while other coarse grains sought higher levels. The Rice section has registered fractional gains in sympathy. The supply position of this commodity is reported to be satisfactory. The Uttar Pradesh

Government are still purchasing rice for reserve.

According to the latest monthly Rice Bulletin issued in London by the Commonwealth Economic Committee, the 1959-60 rice harvest appears favourable almost everywhere with increased crops in the principal exporting countries, although no estimate of the Indian crop is given. Export prospects for 1960 are promising in the principal countries of Asia and the United States.

In a review of production, the bulletin states that the first estimate in Burma puts the crop at 6,600,000 tons—slightly higher than last year, but with a lower yield per acre. Dealing with exports, the bulletin adds that India took less than previously; but exports to Pakistan and Ceylon rose by nearly one-half and one-third respectively.

Gram prices have risen sharply by Re 1 a maund on firmer advices from the Punjab. Barley and Bejher prices have improved fractionally, while Maize and Bajra have continued to attract good consumer support and prices, too, have sought higher levels. In the Pulses section, Peas and Arhar prices have scored sharp gains on reported damage to the standing crops due to heavy frost.

Cashew

The short-term outlook for Cashewnut exports has suffered a change for the worse during the past few days. Earlier expectations of larger shipments to India's main overseas markets have not materialised. The USSR and the USA have, for the present, withdrawn from the Indian market. These two countries feel that the current prices are too high.

While shippers are demanding 51 cents a pound, Russia seems to be interested to buy at only 49 cents and the USA at 50 cents. The new trend in prices is understandable in view of the prospects of improved supplies in the coming months. At the same time, arrivals of the African crop are also regular. It is stated that African exporters are eager sellers of their produce even at lower levels, because of the consumer resistance at higher rates. They seem to be willing to liquidate their stocks at Rs 800 per ton as against Rs 850 a fortnight ago.

Meanwhile, trade circles place the overall shipments, in January, around one lakh cases of 50 pounds each. While this is considered normal, they fear that exports are not likely to pick up in the current month unless the prices come down in line with buyers' ideas.

Bullion

THE gold section on the Bullion Exchange in Bombay was once again in the lime-light due to the manipulative tactics of a few professional bull operators who were not slow to exploit the somewhat restricted supply position. A professional operator

from Madras, who not only has large stocks of the yellow metal in ready but also large forward holdings, continued to dominate the scene, and so, from the recent low level, gold prices recovered by more than Rs 3 in a matter of one week. In the maturing delivery, which expires by the week-end, he was successful not only in exacting higher back-wardation charges but also in liquidating at the bulge, part of his holdings. The enhanced margin in Phalgun delivery has not deterred the bulls much in their operations, except for the fact that the smaller fry among the trading public is being eliminated by the stringent margin requirements. The Silver section did not have much strength of its own, except for sympathetic movements.

The maturing delivery in gold advanced to Rs 133.31 before reacting to Rs 132, and Phalgun, which rose to Rs 132.50, came back to Rs 131.50. Spot gold commanded a premium of 56nP. The maturing silver contract moved between Rs 212.50 and Rs 213.50 to finish at Rs 212.67, while Phalgun was quoted at a premium of 75 nP.

The rise in bullion prices is no doubt adding to inflationary pressures. The Reserve Bank Governor recently emphasised at Calcutta the need for imperative and concerted action to bring down prices. This no doubt applies with greater force to bullion, which more or less forms a barometer with regard to the evaluation of agricultural commodities. Forward trading no doubt helps in boosting prices, and in the present context of the country's economy and shortage position, there is no utility in forward trading as such. In case this is not feasible, the monetary authorities can at least ease the position by resorting to sales of confiscated unauthorised gold receipts over the last two years.

Yarn

The yarn market has continued to rule easier, with buyers being reserved while restricted off-take from up-country centres has continued to affect all types of yarn. Art silk yarns have suffered a moderate setback, while staple fibre yarn continues to rule weak with February delivery coming down to Rs 234 and April to Rs 223. Nylon yarns made a mixed showing. Cotton yarn was also a shade easier.

Oils & Oilseeds

Boom conditions prevailed on the oils and oilseeds market in Bombay during the past week following the fixation of ceiling levels for groundnuts and oil by the Board of the Exchange. The ceiling rate fixed for February and May delivery for groundnut kernels per candy is Rs 225 and a penalty of Rs 5 for non-delivery. Likewise, the ceiling rate for oil was fixed at Rs 24 per quarter. As the decision was ratified by the Forward Markets Commission, this move gave fresh impetus to the bulls, who were inclined to think that the FMC would not interfere with the normal working of the market till the ceiling was reached. It is to be seen whether similar measures are

PRECISION IS THE KEY-NOTE

and included in our wide range of production are Tea and Jute Machinery, Steel Structural, Railway Signalling and Interlocking Equipments, Screw Couplings, Carriage and Wagon Forge Fittings, etc.

Yet, another item included in this list is the manufacture of Printing Machinery on a phased schedule in collaboration with a U.K. firm.



THE BRITANNIA ENGINEERING CO., LTD.

Titagur, West Bengal.

Managing Agents: McLEOD & CO. LTD.

likely to be adopted in all oils and oilseeds markets of the country, as these exchanges would otherwise be vulnerable to Bombay bull manipulators. Groundnuts February delivery, after rising to Rs 218, reacted to Rs 214, while the May delivery, after being marked up to Rs 214, receded to Rs 208.50 before quoting around Rs 211. The sharp decline in prices of groundnut oil cake on rumours of a move for imports of soya beans no doubt substantially arrested the upward trend. Groundnut oil ex-mill was quoting at Rs 22.87 and April-May delivery at Rs 22.56. As ready prices are commanding a fair premium of about Rs 7 above the February contract, no tenders have so far been issued.

Castor seeds prices were also taken to new peak levels for the season at Rs 180 for May delivery on prospects of export business and in sympathy with groundnuts. Later on, it reacted to Rs 184 before steadying up at Rs 185. Cottonseeds were firm with February at Rs 157.50 and May at Rs 151.50. Linseed was steady at Rs 35.19, May.

The firm tone in the Madras seeds and oils markets continued. The forward position transactions still remain suspended. A significant decline resulted on account of the forward transactions closure. Nonetheless, the result even then did not warrant higher volume of transac-

BIRDS INVESTMENTS LIMITED.

NOTICE is hereby given that the Twenty-third Annual General Meeting of the Shareholders of the Company will be held at the Registered Office, 4, Lyons Range, Calcutta, at 12 noon on Thursday, the 3rd day of March, 1960, for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 30th September, 1959, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the dividends recommended by the Directors.
3. To elect Directors in place of Mr. K. F. L. Harris and Mr. N. D. Bangur who retire at this Meeting.
4. To appoint Auditors and fix their remuneration.

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

The Share Transfer Registers of the Company will be closed from 18th February, 1960 to 3rd March, 1960, both days inclusive.

By Order of the Directors,
LOVELOCK & LEWES,
Secretaries.

Calcutta,
5th February, 1960.

Note: Dividends, if declared, will be paid to Registered Shareholders or their mandatees only.

tion usually taking place before the price increases. Today's position, too, remained nominal in groundnut and groundnut oil prices. Other oils and seeds also, in sympathy, displayed higher levels. Arrivals of groundnut locally were around fifty tons and this was mostly absorbed by small rotary chekku interests.

Today's prices were:
Groundnut oil per candy of 500 lbs ex-Madras Godown expeller ready 3 per cent F.F.A. Ready Rs 395 (nominal).

No Forward Transactions.
Groundnut kernels per candy of 331 lbs coromandel Rs 206/207.

Castor oil per candy of 500 lbs Tirupattur Rs 340.
Coconut oil per tin Rs 41/55.

Gingelly oil per maund Rs 21/75.
Gingelly seeds per bag Rs 73/74.
Groundnut oil cake per bag Rs 28.

UK price for groundnut oil was quoted at £124/125, while Burma price was unquoted today.

Operators perforce have to remain cautious in view of higher Bombay prices. Even then, the upward trend in the oil and seed market was not controllable. This was because, in all centres, the price trend seemed to look up. Buyers were therefore scarce in the local market or in up-country markets. On account of Calcutta interest, some transactions were reported at very high prices. The usual big buying groups kept aloof. The higher ceiling fixation for groundnuts for all positions and groundnut oil by the Bombay authorities acted as a sort of check on holders to sit tight over their stocks. This in turn had its own reaction in deterring the regularity of flow into the markets from production sources. The result was the gain made by groundnuts per ton was about Rs 35 and oil per ton gained Rs 50 over last closing levels.

It was, however, fortunate that the local crushers, both big and small, were able to absorb the 50 tons of kernels arriving daily here at the parity price of Rs 202/203 per candy; but at the beginning of this week the price spurted to Rs 208 and even to Rs 210, at which offers were made and accepted. Good quality coromandel was quoted better at Rs 211/212 per candy. At this rate, the purchasers were only small crushers.

Nearby deliveries were demanded by only one operator, but a very limited number of others took small quantities now and then. At one stage last week, the offerings were around Rs 382, but only a few individuals were reported to have transacted dealings at this rate. Later on, toward the weekend, the rates were better at Rs 390/393 and even went up to Rs 395. A few candies were even booked at Rs 400. The market closed at Rs 395.

As reported earlier, the forward positions remained closed. The Oil Exchange did a wise thing to close such operations, avoiding a serious crisis. This also avoided too many defaults which would have been the result if the Exchange did not act betimes to close such forward transactions. With the restoration of confidence, operators, many of whom would have got themselves drowned on account of inability to fulfill contracts, today heaved a sigh relief.

The forward transactions may commence in the course of the next few days.

Groundnut oil cake was in poor supply. The price therefore remained tight at Rs 28 per bag.

As has been stated in the beginning, the high prices acted as a sort of deterrent at outside sources also. In upcountry markets, the arrivals were reported small due to the price factor and also to the Bombay fixation of higher ceilings for both seed and oil. The South Arcot market registered only 200 tons daily. The daily average arrival of 200 tons is really very poor this season, when normally it would be thrice and even four times such a figure, as was the case last year. On pucca basis, the seed price remained at Rs 202, while oil ruled at Rs 392/394 in these centres. Vanaspathi interests, due to compelling reasons, had to pay Rs 395/400 in these places.

There is appreciable increase in the price of gingelly seeds. Madhya Pradesh and Hyderabad reported new crop arrivals. But prices have not gone down. The bullish outlook here is only a reflection of the groundnut and oil rates. The ruling rates today were:

Gingelly Seed:
Chanda-Warora quality Rs 74/75
Mysore quality Rs 70/71
Rajasthan quality Rs 71/72
Local varieties Rs 73/74

Gingelly Oil:
On wholesale basis per maund Rs 21/73
On retail basis per maund Rs 28/25

Castor Oil: Naturally, this can't remain without improvement in its quotation. Sellers quoted Rs 340.

Coconut Oil: At Cochin: Ready Rs 660 per candy of 656 lbs. February Rs 652 per candy and March Rs 649 per candy. At Madras sellers' idea is around Rs 41/55.

The following are the foreign market rates of improvement seeds and oils:

Groundnuts April-May, £77/77½ per ton; Castorseed February-March, £62½/62½ per ton; Nigerseed (nominal), £63½ per ton; Groundnut oil February-March, £124/125 per ton; Groundnut Chinese oil spot, £124/124½ per ton; Castor oil BSS February, £127/10 per ton; Castor oil Commercial February, £121 per ton; Groundnut oil cake expeller, 54 per cent O & A February, £34½ per ton; Groundnut oil Solvent February, £33/5 to £33/10 per ton.

The following prices prevailed in the other markets of groundnut oil and seeds.

Kernels per 531 lbs.	G. Nut oil candy of 500 lbs.	Rs.	Rs.
Guntur/Bezawada	216	397/8	
Vridhachalam	204	395	
Nandyal	205	390	
Villupuram	204	394	
Cuddappah/Yerraguntla	200	390	
Pollachi superior nominal	205	392	
Tanjore	202	390	
Tiruvannamalai	202	390	
Salem	205	395	

Hides and Skins

There were good sales in cow hides with fair arrivals today. But prices were unaltered. Inferior fifts were in good demand. Even export prices did not change. Buffalo tanned hides had good demand internally.

The UK bought decent quantities of tanned cow calf. Arrivals were small. Prices remained firm. Raw skins prices were also higher this week.

Sales of market quality tanned goat skins numbered over 5,000 pieces and tanned sheepskins about 58,000. Bazar Stock left over was 4,000 tanned goat and about 30,000 sheepskins. Madras prices continued to be high for sheepskins and, naturally, the UK was reluctant to buy at the level quoted.

Raw skins prices were: Bangalore Raw goatskins Rs 720/750; White wool sheep Rs 600/685; Black Rs 490/550; Bezawada Raw Goatskins Rs 680/690; He sheep Rs 615 and She sheep Rs 515.

January shipments from Madras were higher:

United Kingdom imported: 2,692 bales tanned cow hides, 255 bales of calf skins, 33 bales buffalo hides, 479 bales calf skins, 747 bales goatskins and 734 bales sheepskins.

Continental ports imported: 27 bales cowhides, 80 bales of calfskins, 3 bales of buffalo skins, 66 bales of calf skins, 732 bales of goat skins and 438 bales of sheepskins.

United States of America: One bale of cowhide, 105 bales of buffalo hides, 2 bales of calf skins and 87 bales of goatskins.

Japan imported 3 bales of goatskins and 93 bales of sheepskins. Eastern Europe bought 184 bales of cowhides and 21 bales of goatskins. Aden imported 11 bales of cowhides.

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Non-Ferrous Metals

Copper prices have been displaying a firmer tendency during the past two weeks on higher advices from the London Metal Exchange where the price is now quoted at £274 per ton as against £268 in the previous week.

There are, however, prospects of a decline in price, as the supply is expected to improve with the end of the Kennecott strike in the USA. But for the prolonged strikes in the American mines, supplies would have improved by this time. The evidence indicates that there are enough supplies in the pipeline. If the strike-bound American mines begin production in the near future, there will be supply adequate to meet requirements.

The Zinc market has also presented a firm front with the rate quoted around Rs 142 per cwt in the Bombay market. This rise is attributed to an inordinate delay in the distribution of 10,000 tons which the Government of India promised last month. Some manufacturers have approached the Government with the plea that they should be allowed to convert their import quotas for copper, tin and lead for bringing zinc which is in short supply. But the outlook for the metal is considered to be fair.



Budget Fears Are Less than Normal

Investment Gossip:

THE present mood of stock markets may be described as one of confident expectation. The reasons for the optimism almost on the eve of the Central Budget—a Budget which is to tackle the resource problem for the final year of the current five year plan, and which is to show how we are to bear the unexpected burden of the additional defence outlay—are not difficult to find. A majority of the market people believe that, the Chinese threat notwithstanding, the powers-that-be in the country are determined to see that the pace of economic progress is accelerated as planned. As Prime Minister Nehru has said, one way of becoming enduringly strong is to build up heavy and other industries as quickly as possible. If industrialisation is to progress apace, it is to be conceded that the private sector cannot be taxed further—at least directly, because, as things stand today and as they will be for a considerable time to come, there can be no industrial progress in our country without an efficiently working private enterprise.

This line of reasoning has led to the assumption that the Finance Minister has perforce to look elsewhere for casting his net. The coming Budget has to make provision for higher defence outlay and the additional expenditure that will have to be met by Government as a consequence of the acceptance of the recommendations of the Pay Commission, to mention only two main items. It is now said that the additional expenditure in regard to the last mentioned item will be about Rs 31 crores.

So, the stock market this year seems to have realised, quite sympathetically too, the magnitude of the problem that is facing Mr. Morarji Desai. On the assumption that the Finance Minister also appreciates the contention that the corporate sector will not be able to bear any additional direct taxation, market intelligence has arrived at the comforting conclusion that Mr. Desai can get his requirements from indirect taxation. It is no doubt true that the scope for indirect taxation in our country is still large (an article published elsewhere in this issue discusses this matter in some detail) but, in view of the low standard of living in our country, this kind of levy is better avoided by all political

parties who want to continue in power. In the present context of the Chinese threat, this consideration cannot however hold good.

A possible contributory reason for the absence of any undue anxiety regarding this year's Budget is the expectation that Mr. Eisenhower and Mr. Khrushchev, between them, will more than offset the setback to our constructive effort caused by Mr. Chou En-lai and his ill-advised Government by assuming an aggressive attitude toward our country. The US President has assured us that sizable help will be available for our planned development now and in the years to come. In New Delhi this week, the USSR Premier, Mr. Khrushchev, has declared that Indo-Soviet cooperation has come to stay and this will be particularly increasingly evident in the economic sphere. Bhilai is already there to show what this cooperation can achieve. With the relationship between the two countries becoming closer and closer—it is expected that the agreement in regard to the rouble loan for the Third Plan will be signed in New Delhi before the Soviet Prime Minister concludes his present five day visit to India—even the Chinese threat may cease to require the urgent attention that it demands now.

Popular belief is that Mr. Khrushchev's visit may also achieve the limited objective of resolving the current Sino-Indian tension. That the very fact that operators are of the view that there will not be any direct taxation is an indication of their confidence in Government's industrial policy. This shows that private enterprise feels that its interest is also that of Government's and hence, by putting the private sector to difficulties and strain, Government's objective will also be thwarted.

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Rs. 5 Lakh New Issue

New Issue Notes

India Safe Deposit Vault Company, Limited has proposed to issue 5,000 equity shares of Rs 100 each. Of this, 200 equity shares have been subscribed by the signatories of memorandum and 2,500 shares have been agreed to be subscribed by the directors, promoters and their friends and associates. The remaining 2,300 equity shares will be offered for public subscription and the amount is payable at Rs 25 per share on application; Rs 25 on allotment and the balance of Rs 50 in such calls, each call not exceeding one-fourth of nominal value, as may be determined by the directors. The Safe Deposit Vault will be erected at premises No. 2, Brabourne Road, Calcutta. The subscription list will open on the 15th February and close on the 18th February or earlier, but not before the 17th February, 1960.

The new capital issue of Associated Battery Makers (Eastern) Limited is reported to have been over-subscribed. The response to the Hindustan Aluminium Corporation's public offer

of Rs 4.30 crores is reported to be good.

A new company known as the Indian Organic Chemicals Limited is to be formed shortly to undertake the manufacture of acetic acid—a basic chemical. Chika Private Limited, the sponsors of the project, has received the necessary permission and the factory will be located at Khopoli, near Bombay. The authorised capital of the company will be Rs 1 crore and the issued capital will be only Rs 10 lakhs initially and this is proposed to be raised to Rs 40 lakhs later on. The Industrial Credit and Investment Corporation of India Limited, the Investment Corporation of India Limited and a leading West German firm, engaged in the manufacture of acetic acid, are expected to participate in the share capital of the company. The company's plant is expected to go into production after 18 or 20 months. It is reported that the ICIC will grant a foreign exchange loan amounting to about Rs 25 lakhs.

The Vellore Electric Corporation Limited has proposed to raise the authorised capital from Rs 6 lakhs to Rs 10 lakhs and issue 40,000 equity shares at one new equity share for one equity share held. Transfer Books will be closed from the 20th to the 24th February, 1960.

The Victoria Mills Limited, Bombay, has proposed to raise its capital from Rs 24 lakhs to Rs 40 lakhs, by the issue of 16,000 Ordinary shares of Rs 100 each. The directors are of the opinion that the capital of the company should be brought into line with the value of its fixed assets, which stood at Rs 38 lakhs at the end of 1958.

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Kalyani Spinning Set Up

Investment Notes:

The Kalyani Spinning Mills Limited, sponsored by the West Bengal Government, has been formally registered as a private limited company under the Indian Companies Act. The company will have an initial capital of Rs 1.40 crores provided by the State Government. More capital may be raised from semi-Government institutions.

It is proposed to place the Upper Ganges Valley Electricity Company in voluntary liquidation. The UP State Electricity Board took over the company on May 15, 1959 by paying Rs 15 lakhs.

Carew & Company has proposed to postpone the date of redemption of the Debenture Issue outstanding to February 28, 1970, and increase the rate of interest payable from 5½ to 6½ per cent, less income-tax.

The Amalgamated Coffee Estates Limited has reported a crop of 2,123 cwt of coffee and 4,115 lbs of cardamom for January 1960, making a total of 6,436 cwt of coffee and 42,891 lbs of cardamom as against 2,482 cwt of coffee and 43,998 lbs of cardamom respectively in the corresponding period of the previous year.

Share Transfer Books of Hindustan Lever Limited will be closed from

31st March to 6th April, 1960 in connection with the payment of dividend.

The date of redemption of Debentures of Rs 1 lakh has been postponed from 31st March, 1960 to 31st March, 1966.

Machine Tools Production in December 1959

Indian Machine Tool Manufacturers' Association report that the total approximate production of various machine tools by their 15 leading member-firms during the month of December, 1959, was:—

Description	Quantity Nos	Value Rs
Lathe	188	21,06,730
Milling machines	32	11,50,150
Shaping machines	37	2,90,635
Drilling machines	67	2,11,284
Lathe chucks	521	1,10,340
Planing machines	4	60,400
Radial drills	1	25,000
Drill chucks	336	14,988
Hacksaw machines	8	11,039
Grinding machines	4	1,946
Bandsaw machines	2	2,050
Miscellaneous	7	4,685
Total	1,207	39,89,247

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Empire Dyeing Dividend

Investment Briefs:

Empire Dyeing & Manufacturing Company, Limited has recommended a dividend of Rs 4, subject to tax, for 1959. This works out at a net dividend of Rs 2.80 against Rs 3.00 per share paid in the previous year.

The New City of Bombay Manufacturing Company, Limited has decided to skip the dividend for 1959, for the second year in succession.

Brady Engineering Company has proposed a dividend of Rs 4 per share, subject to tax, as against Rs 3.00 for the previous year.

★★

The West Coast Paper

Balance-Sheet Briefs:

It is learnt that the working of the West Coast Paper Mills Limited has resulted in a profit of Rs 4.70 lakhs for the year ended 30th June, 1959 without providing for depreciation and development rebate. The paper factory went into regular production in July last. The directors have decided to pay the arrears of dividend on the Preference shares for the period ended 30th June, 1957. The arrears are for a period of two years and will absorb about Rs 4 lakhs.

The accounts of Madhusudan Limited reveal a profit of Rs 3.06 lakhs for the year ended 30th June, 1959, after providing Rs 20,000 for Doubtful Debts and Rs 2.90 lakhs for Taxation. The directors have recommended a dividend of Rs 9 per share on "A" Ordinary shares and Rs 1.80 per share on "B" Ordinary shares.

COMPANY REPORTS

SKG Sugar Reports Increased Earnings

Balance-Sheet Reviews

SHREE KRISHNA GYANODAY SUGAR LIMITED has presented excellent working results for the year ended 31st July, 1959. Except for Guraru sugar factory under lease with the company, production in other units has registered an increase, the cane crushed in Hathwa and Lauriya units being the highest on record during the past 19 years. Following are the relevant figures:

Year	Hathwa (mds)	Lauriya (mds)	Guraru (mds)
1957-58	3,366,886	3,827,787	519,446
1958-59	3,818,425	4,263,098	470,434

Sales are lower at Rs 3.00 crores against Rs 3.34 crores. This is mainly due to the fact that the distribution and price of sugar in respect of all factories was controlled by the Government of India.

The net profit, however, before providing for Depreciation and Taxation, is substantially higher at Rs 22.98 lakhs as against Rs 14.74 lakhs in the previous year. In respect of allocations, the Depreciation amount is raised to Rs 4.54 lakhs from Rs 4.45 lakhs; Taxation provision to Rs 8.60 lakhs from Rs 5.78 lakhs and Development Rebate Reserve to Rs 5,672 from Rs 1,284. A sum of Rs 2.50 lakhs is set apart for General Reserve.

The directors have recommended a dividend of Rs 1.50 per share on the Ordinary shares, subject to deduction of tax. This works out to a net dividend of Rs 1.05 per share as against a net dividend of Rs 1.00 paid for the previous year.

The balance-sheet, as at 31st July 1959, shows a paid-up capital of Rs 61,67,560 against which reserves and surplus stand at Rs 24.36 lakhs. The gross block at Rs 1.37 crores is depreciated by Rs 80.62 lakhs to show a net block value of Rs 56.22 lakhs.

The progress of the company, during the past three years, is indicated in the following comparative table:

Year ended July	1959	1958	1957
Sales	29,981,520	33,437,856	28,540,342
Stocks	10,115,705	8,529,808	11,672,606
Raw Materials	66,321	39,402	519,595
Works in progress	309,304	221,956	244,279
Net profit	2,297,511	1,474,230	1,580,191
Taxation	860,000	577,500	560,000
Depreciation	454,256	445,492	492,846
Reserve Fund	200,000	...	...
Development Rebate Reserve	5,672	1,284	...
Div. Amount Ord.	599,850	399,900	399,900
Div. Amount Pref.	137,142	96,000	96,000
Carry Forward	41,428	837	46,783
Div. % Ord.	15	10	10
Div. % A Pref.	6	6	6
Div. % B Pref.	5	5	5

(Annual General Meeting on 4-3-60 at 11 a.m.)

Synopsis of balance sheet as on the last day of July	1959	1958	1957
Capital Paid-up:			
Liabilities			
6% C. Pref.	800,000	600,000	600,000
5% C. Pref.	1,200,000	1,200,000	1,200,000
Ordinary	3,999,000	3,999,000	3,999,000
5 1/2% Debentures	1,500,000	1,500,000	1,500,000
Share Premium	368,560	368,560	368,560
Reserve Fund	2,100,000	1,900,000	1,900,000
Other Funds	294,873	252,887	...
Loans Secured	8,846,281	8,722,553	11,551,745
Taxation Provision	702,718	417,012	588,631
Debt	2,714,515	2,494,800	3,408,771
Carry Forward	41,428	837	47,608

Total ... 22,367,375 21,455,449 25,154,115

Assets	1959	1958	1957
G. Elock	13,684,427	13,871,319	14,799,287
Depreciation	8,062,270	7,664,522	7,309,801
Block (net)	5,622,157	6,006,797	7,489,486
Machinery	511,191	511,191	511,191
Stores	2,203,367	2,056,695	1,979,377
Stocks in Progress	309,304	221,956	244,279
Raw Materials	66,321	39,402	519,595
Stocks	10,115,705	8,529,808	11,672,606
Outstandings	829,732	528,232	1,692,613
Do More than 3 months	128,127	107,513	31,961
Mis. Deposits and Advances	1,681,518	2,478,164	1,513,445
Investments	860,174	860,174	60,174
Cash	39,770	117,467	40,041
Total	22,367,375	21,455,449	25,154,115

According to the directors' report, a new mill is being installed at Hathwa factory in replacement of the existing 5th mill. The same will be in operation in the 1960-61 season. This should improve milling efficiency as also the daily crush. The directors are considering further schemes for gradual

modernisation and rehabilitation of the Lauriya and Hathwa factories.

In respect of distillery production, the directors have added that the price of molasses in Bihar has been reduced to the price prevailing in Uttar Pradesh. The company's representation for increasing the price of Power Alcohol, due to the increase in the price of coal and stores, is still under the consideration of the Government. The directors, however, expect that the working results, in the current year, will show improvement due to reduction in the cost of molasses.

With a view to giving incentive to increase in production of sugar, the Government of India have already announced concessions in cane price for early starting and rebate in excise duty on sugar production during the 1959-60 season in excess of the average of the past two years. The production in all the three factories of the company should, therefore, be higher in the current year and, consequently, the working results will be better than for the year under review.

Bank Profits

Pandyan Bank's performance, among the smaller of the Indian Scheduled Banks, stands out. The results for 1959 are remarkable in every way. The balance of profit has risen sharply from Rs 4.19 lakhs to Rs 7.15 lakhs. The transfer to the General Reserve is six times the 1958 appropriation, being placed at Rs 1.50 lakhs. Contingency, however, gets a smaller provision of Rs 50,000 against Rs 75,000. Tax receives nearly a lakh more at Rs 3.22 lakhs against Rs 2.22 lakhs. The rate of dividend has been raised to 14 2/7 from 10 per cent, and it is being paid on a capital enlarged by Rs 5 lakhs. The balance sheet shows that Deposits have risen from Rs 3.89 crores to 5.64 crores. On the other side of the ledger, the Investment portfolio is marked up by 30 lakhs at Rs 1.25 crores; and there has been a sharp expansion in Advances from Rs 1.94 crores to Rs 3.46 crores.

A "medium" bank that has also done very well for itself is the Indian Overseas Bank, whose balance of profit has risen by just a shade over Rs 5 lakhs to Rs 33.61 lakhs. The provision for tax is unchanged at Rs 12.50 lakhs. The Reserve Fund gets Rs 1 lakh more at Rs 7 lakhs. Bonus to staff absorbs Rs 5 lakhs against Rs 4.50 lakhs. The rate of dividend has been increased to 14 per cent subject to tax, against 10 per cent free of tax; and it is being paid on a capital increased by virtue of calls made during the year.

The Canara Banking Corporation has secured a 50 per cent increase in its balance of profit from Rs 4.02 lakhs to Rs 6.07 lakhs. The Statutory Reserve gets Rs 1.35 lakhs against Rs 0.82 lakhs. The Contingent Fund is credited with Rs 45,000 against Rs 11,000. The provision for tax is raised from Rs 1.75 lakhs to Rs 2.10 lakhs. The dividend on ordinary shares is 15 per cent subject to tax against 10 per cent free of tax.

The Punjab National Bank has reported a decline of over Rs 10 lakhs in its balance of profit from Rs 106.22 lakhs to Rs 96.14 lakhs. Provision for tax is nearly halved to Rs 17.50 lakhs from Rs 33.50 lakhs. Bonus to Staff and Staff Funds get Rs 4.63 lakhs less at Rs 36.99 lakhs. Reserves and Contingencies get the unchanged amount of Rs 17 lakhs. The rate of dividend is also unchanged, the amount absorbed being Rs 25 lakhs.

The Directors of The Hongkong and Shanghai Banking Corporation announce that the profit of the Bank, including dividends received from subsidiaries, for the year ended 31st December, after providing for Taxation, etc., amounts to HK \$28,134,959. It is proposed to write HK \$4,000,000 off Bank premises and to pay a final dividend of £1-17-6 per share leaving a balance to be carried forward of HK \$2,116,714. These figures are subject to audit. The group accounts will be published at a later date.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Previous Dividend (Rs Per Share)	Transfer Books Closed
Champaran Sugar	Feb. 24	1.50	1.00	9/2/60 to 21/2/60
Indian Oxygen	Feb. 25	1.50	1.00	8/2/60 to 23/2/60
Alkali and Chemical	...	0.95	0.80	.....
North-West Coal	Feb. 18	1.00*	1.50	8/2/60 to 19/2/60
India Jute	Feb. 27	0.75*	1.24	17/2/60 to 27/2/60
Megna Jute	Feb. 27	0.60*	1.00	17/2/60 to 27/2/60
Jayshree Tea	March 10	1.40	1.00	25/2/60 to 10/3/60
Union Jute	March 15	7.00*	20.00	18/2/60 to 23/2/60
Kinnison Jute	March 15	7.00*	10.00	18/2/60 to 23/2/60
Northbrook Jute	March 15	0.75*	1.25	18/2/60 to 23/2/60
Lawrence Jute	March 15	7.00*	2.00	18/2/60 to 23/2/60
Auckland Jute	March 15	7.00*	20.00	18/2/60 to 23/2/60
SKG Sugar	...	1.50	1.00	.....
Spences Hotel	...	0.10	0.10	.....
Orissa Minerals	...	2.35*	2.75	.....

*Interim for year ended 31st March, 1960.

STOCK EXCHANGES

A Halt to Downward trend?

Watch-Dog Writes:

FOR the first time in the past five weeks, equity values have shown signs of moving up. With the expectations of larger foreign assistance, bull operators are disposed to adopt a more optimistic outlook.

Even the fear of additional taxation in the coming Budget seems to have been subordinated to the prospect of a mightier inflation that may follow a greater outlay on defence and large-scale public expenditure.

It is, however, too early to say whether the market has cried halt to the downward trend that started with the turn of the year and whether it is well set for an upward move. For, there is no disposition on the part of bulls to be aggressive.

The week's session on the Calcutta Stock Exchange witnessed a revival of interest and, under the lead of speculative scrip, several firm features developed in most of the counters.

Prices on the Bombay Stock Exchange finished with generally modest declines for the week.

On the Madras Stock Exchange, business was mostly confined to the Planting section.

Conditions on the London Stock Exchange were generally unsettled. Price movements on Wall Street were rather irregular.

Calcutta

Friday Evening.

THE steadier trend on the local Stock Exchange, noticed over the previous week-end, continued during the week under review with prices responding to selective support. This was mainly due to an optimistic feeling still entertained by a section of the operators that the Finance Minister might offer some relief in direct taxation. It was also believed that the tax on bonus shares might be altogether removed or very much reduced.

Investors, on their part, felt that the exit of the Communists should improve the prospects of larger foreign aid flowing in to India. The market's performance would have been still better, but for the pre-Budget caution, which induced operators to be cautious in their commitments beyond what they considered the safe level.

The Glitged market was devoid of support. With monetary conditions stringent, institutional investors showed little interest. The long and medium-dated issues were on offer at the quoted rates, while a little enquiry was noticed in the short-dated loans. Consequently, the

volume of business was reduced even below the recent attenuated levels. 3 per cent 1986 Conversion Loan changed hands at Rs 74.15 to Rs 74.25.

Bank shares were featureless with little of business passing. Punjab National were quoted at Rs 21.50 and United Commercial at Rs 69.50 to Rs 70.

There was little doing in the Jute section. Even the slight improvement in prices, recorded early in the week following higher advices from the gunny market, could not be retained till the close in view of the poor demand for jute goods from overseas buyers, serving as a reminder of the beginning of the slack season in the export market. Howrah were at one time taken up to Rs 24.37 from Rs 24.12 and New Central up to Rs 23.62 from Rs 23.37, to recede toward the close to Rs 24.00 and Rs 23.12 respectively. National, however, remained very firm at Rs 30.75, thanks to sustained speculative activity in the scrip. Among higher-priced scrip, Dalhousie met with some business at Rs 132.50 to Rs 133.50; Delta at Rs 137 to Rs 139; Kamarhatti at Rs 170 to Rs 172 and Kelvin at Rs 144 to Rs 146.

Coal shares were marked higher on selective support on the assumption that, due to rising production, the mines concerned would be able to close the accounts in respect of the past working year with a small increase in profits. New Beerboom were wanted up to Rs 22.81 from Rs 22.62; South Karanpura up to Rs 12.75 from Rs 12.56; Central India up to Rs 9 from Rs 8.81 and Western Bengal up to Rs 6.75 from Rs 6.62. Bengal were nearly maintained at Rs 298.50 with Burrakur fluctuating between Rs 18.25 and Rs 18.56 to finish the week at Rs 18.56.

Tea shares continued to rule quiet in view of uncertain marketing outlook for Common grades following the decline in values at the recent auctions and lower advices from Mincing Lane. The only redeeming feature of trading in this section was the sustained demand for Jayshree, which changed hands up to Rs 17.37 from Rs 16.94 following the announcement of right ordinary shares in the ratio of 1:5. Brooke Bond met with business at Rs 17.31 to Rs 17.62; Grob at Rs 13.87 to Rs 14.25 and Methoni at Rs 23.56 to Rs 23.62.

Sugar shares were selectively supported. Raza/Buland were done at Rs 12.87 to Rs 13.06; Carew at Rs 12.25 to Rs 12.37; Balrampore at Rs 4.00 to Rs 4.12 and Dyer Meakin Brewries at Rs 22 to Rs 23.50. SKG were enquired up to Rs 14.44 from Rs 14 following the publication of excellent results for last year and the slight increase in the net dividend from Rs 1.00 to Rs 1.05 per share.

Textile scrip remained generally steady with price movements confined to a narrow range. An outstanding feature in this section was a sharp spurt in Kesoram to Rs 23.25 from Rs 22.31, thanks to sustained support from influential quarters. Cawnpore changed hands at Rs 6 to Rs 6.25; Elgins at Rs 17.19 to Rs 17.69 and Jayshree at Rs 12.19 to Rs

12.50. New Victoria were better at Rs 1.35 against Rs 1.25.

The lead to the general recovery in prices was mainly led by the speculative issues under the lead of Indian Irons. After opening at Rs 22.20, Indian Irons receded at one time to Rs 22.10 due to selling pressure on lower Bombay advices. Some bear-covering coupled with replacement buying, however, caused a smart recovery to Rs 22.32, to close finally at Rs 22.20. TEXMACO touched at one time a high of Rs 25.75 from Rs 25.30; G. K. Williams Rs 46.25 from Rs 44.62; Braithwaite Rs 28.87 from Rs 28.62 and Jessop Rs 23.62 from Rs 23.50, to finish the week at Rs 25.40; Rs 46.25; Rs 28.62 and Rs 23.12 respectively on profit-taking. Kumardhubi were better at Rs 7 against Rs 6.75 with Indian Standard Wagon maintained at Rs 93 and Britannia at Rs 12.19.

The Miscellaneous section provided several firm features, although profit-taking erased some of the extreme gains at the close. Following were the price trends of a few selected scrip:—

	Week's High	Week's Low	Week's Closing
Rs.	Rs.	Rs.	Rs.
Orient Paper	38.75	37.90	38.50
Shree Gopal	22.82	22.44	22.44
Sipur	13.62	13.50	13.62
A. Chemical	24.50	23.69	24.25
Hindustan Motor	16.85	16.25	16.31
Rohas	27.44	27.12	27.25
Dunlop	36.62	36.19	36.62
I. Cable	29.69	29.37	29.37
I. Aluminium	24.87	24.69	24.69
I. Steamship	11.75	11.65	11.75
I. Copper	4.04	3.83	4.03
BIC	6.04	5.87	6.78
BDP	2.24	1.90	2.15

Bombay

THE Bombay Stock Exchange recorded two-sided movements. During the first part of the week, an all round improvement in values was recorded on active bull support coupled with short-covering following reports that the Life Insurance Corporation carried out purchases in Tata Steel Ordinary, Bombay Dyeing and ACC. Later on, however, the recovery was partially wiped off on profit-taking. Uncertainties regarding the Railway Budget as well as general Budget induced a cautious feeling as buyers preferred to keep on the side-lines. Uninspiring advices from Calcutta and the end of the account period acted as a damper at the close.

Bank shares were, so to say, listless, with small movements either way. New India Insurance kept quiet around Rs 58.50 while New Great Insurance was done at Rs 23.25 at the close. Electric shares quietly steady, with LIC continuing to make purchases of Ahmedabad Electricity in small parcels at Rs 91.

Shares of dyes and chemical companies met with selective buying. Amar Dye improved to Rs 265 to finish at Rs 260. Indian Dyestuff old spurted to Rs 480 before reacting to Rs 463.75. Polychem were a steady feature at Rs 176, but Dharamsi Chemical gained Rs 25 to Rs 155 on influential buying.

Cement shares were featureless. Orissa Cement, after rising to Rs 13.04, came down to Rs 12.88, and ACO to Rs 148.75 from the improved

level of Rs 150. In the engineering group, Voltas rose to Rs 204.50 on reports of increase in profit by about Rs 30 lakhs, and then receded to Rs 199.50. Larsen & Toubro were firmly maintained at Rs 28. Among Steels, Tata Ordinary rose to Rs 150.50 from Rs 147 to react to Rs 147.25 to finish around Rs 148.75. Tata Loco were relatively steady. Premier Automobiles moved up to Rs 147 to finish lower at Rs 142.

In Sugar shares, Walchandnagar was marked up to Rs 311.25 to recede to Rs 303.75, with the dividend announcement awaited. Phaltan were easier at Rs 163.75. Godavari Sugar Mills have announced a taxable dividend of Rs 20, i.e., Rs 14 net against Rs 12.50.

Bomway Burmah, after rising to Rs 539, dropped to Rs 529 on lack of firm support. BB Petrol was boosted to Rs 2.24 from Rs 1.88 on expectations of an interim dividend, but later on finished lower at Rs 2.12. Ceat Tyres turned firm at Rs 177 on expectation of an early start of production. National Rayon rose to Rs 379.50 to react to Rs 371.50. Raymond Woolen were easy at Rs 95.50. Tata Oil turned firm at Rs 67 on encouraging corporate news. Standard Batteries were well maintained at Rs 150. West Coast Paper ruled steady at Rs 157 as this company has cleared off the arrears of dividend on Preference shares for the two years ended 30th June 1957. Wimco rose to Rs 247 to come back to Rs 242.50.

In the textile section, Standard Mills were in the limelight with daily sharp swings. The shares, after rising to Rs 888 from Rs 792 declined to Rs 828, then rallied to Rs 875 to finish at Rs 840 on profit-taking. Bombay Dyeing moved up to Rs 67.90, but later on came down to Rs 66.60 as the bulls will be called upon to pay higher carryover charges in view of the closure of transfer books. Century dropped down to Rs 439 from the week's high of Rs 450. Kohinoor was sold down to Rs 309 from Rs 317. Svadeshi were quiet. Shreenivas Mills, after a smart rally to Rs 255, finished at Rs 251. Gwalior Rayon receded to Rs 26 from Rs 27.25.

The week's movements in prices of a few representative scrips are as follows:

	High	Low	Close
Rs.	Rs.	Rs.	Rs.
B. Dyeing	67.90	66.30	66.70
Century	450.00	437.00	439.50
I. U. Ord.	13.00	12.68	12.72
Kohinoor	317.00	308.50	308.50
Svadeshi	260.75	254.00	256.00
Standard	888.00	792.00	842.00
ACO	150.00	148.50	148.75
Belapur	319.00	315.00	315.00
B. Burmah	541.00	528.00	529.00
N. Rayon	379.75	371.00	371.50
Pr. Construction	338.50	328.00	330.00
T. Chemicals	15.72	15.40	15.48
T. Locomotives	210.00	204.25	204.25
Tata Steel	150.50	147.00	148.75
Voltas	204.50	197.00	199.50

Madras

Madras, Thursday, February 11. PRE-BUDGET hesitancy was more than reflected by the very dull and

colourless tone in the Madras Stock Exchange today. No transactions worth recording were made and investors are very reluctant to take any risk till they come to know of the Budget details.

Government Securities: India Government 3 per cent 1986 Conversion Loan was at a lower level of Rs 73.95. Government of Madras 4½ per cent 1970 loan remained unchanged at Rs 101.90, and the same dated Mysore Loan was quoted at Rs 102.00, Kerala's same denomination, was, however, marked lower at Rs 100.97. The 4 per cent 1971 Madras Loan was quoted at Rs 102.20, that of Mysore at Rs 100.10 and Kerala at Rs 99.90. Andhra's was better at Rs 100.10.

Banks: Andhra Bank Rs 80 paid share had some enquiries at Rs 85.00. The Canara Banking Corporation

with 15 per cent t.c.d was available at Rs 75 and the Rs 50 paid share of Canara Bank also 15 per cent t.c.d was available for Rs 80. Indian Bank Rs 100 paid share was one rupee above last closing at Rs 182.00. Pandyan with 14-2/7 per cent taxable cum-dividend was available at Rs 36.00 and Punjab National was lower at Rs 21.00.

Electric: No change was reported in this section with prices remaining unaltered at the same previous closing. Cochin was quoted at Rs 10.35, Karaikkal was marked at Rs 9.95, Kumbakonam was unaltered at Rs 10.70, Negapatnam was also the same at Rs 10.00, Salem Erode was priced at Rs 12.50, and Vellore at Rs 13.00.

Sugars and Breweries: Not much business was done today. Cauvery was unaltered at Rs 124.00, Deccan at Rs 12.87, EID had inquiries lower at Rs 43.50 and India at Rs 12.00.

KCP was available at Rs 17.50, Mysore at Rs 56.75, Kirlampudi at Rs 69.00. Travancore alone proved better at Rs 10.45.

Plantings: This counter proved quiet today without any worthwhile transactions. Anandam was at Rs 15.50, Athimattam at Rs 1.25, Bababudin at Rs 9.55, Balanoor at Rs 17.65 and Bebeq at Rs 2.90. Blue Mountain was unchanged at Rs 3.38, Chandramalai xtd at Rs 2.83 had no enquiries. Chembra was available at Rs 4.30, Cochin Malabar at Rs 7.13. Both Coffee Lands and Cons. Coffee were unaltered at Rs 23.10 and Rs 22.20 respectively. Coonoor teas were the same at Rs 26.50. Cottanad xr was priced at Rs 14.67. Cowooddy xtd was rated at Rs 6.10. Highland was at Rs 16.05, and Kailas better than last closing at Rs 5.25. Kalpetta with 12½ per cent taxable cd was quoted at Rs 12.60. Kil Kotagiri was at Rs 5.20.

Mysore Amalgamated was quoted at Rs 6.00 and Mysore Coffee was the same at Rs 5.10. With 7½ per cent t.c.d Neelamalai was available at Rs 4.85. Nellithanam at Rs 12.05, Nilambur at Rs 17.75 and Nilgiri at Rs 7.35 and Osoor at Rs 3.72 were all unchanged. Oucherlony was stationary at Rs 5.70. Panchura with 40 per cent t.c.d was quoted at Rs 4.50. Periakaramalai was also unchanged at Rs 3.80. Puthutotam was available at Rs 2.77 while Rajagiri was at Rs 20.00. Rajendra improved to Rs 17.10. Savamalai was quoted at Rs 4.15. Stanes Amalgamated was priced at Rs 15.25 and Swinton at Rs 2.60. Tirumbadi was available at Rs 1.98. TR & T was fractionally higher at Rs 8.27. United Nilgiri at Rs 22.25 cd was neglected.

Textiles: In contrast to the previous weeks, textiles were dormant. While prices in most shares remained unaltered, a few shed some points. Anglo-French did not change at Rs 98.50, Bangalore Woollen and Buckingham also were the same at Rs 197.00 and Rs 199.50 respectively. Coimbatore Cotton at Rs 166.00, Coimbatore Kamala bigger and smaller at Rs 102.00 and Rs 50.00 respectively and Coimbatore Spinning at Rs 54.50 were unchanged. Coimbatore Pioneer at Rs 360.00 was not fancied. Dhanalakshmi shed Rs 3.00 to Rs 230 from the previous closing of Rs 233.00. Hemalatha xtd was available at Rs 7.74. Janardhana was available at Rs 64.00 and Kadri at Rs 120.00 was unchanged. With t.c.d of 12½ per cent Madura was quoted at Rs 31.75, Lakshmi was the same at Rs 148.00. Mettur Mills was marked at Rs 422.00. Radhakrishna at Rs 29.25 and Rajalakshmi at Rs 69.50 were unaltered. Tirupathi at Rs 9.30 was unimproved. Travancore Rayon was five nP better today at Rs 25.80. Vijayakumar was quoted at Rs 131.00.

Miscellaneous: Ashok Leyland was quoted higher at Rs 7.00 while Aluminium Industries was better by 10 nP at Rs 23.40. Brunton was at Rs 4.10, and Binny Engineering at Rs 166.00. Dalmia Cement was quoted at Rs 11.20. FACTS was priced at Rs 9.67. Hindustan Lever was higher today at Rs 36.25. India Cements with 5½ per cent interim taxable cum-dividend was available at Rs 12.20 was not higher than before. Kirloskar Electric 10 per cent t.c.d was available at Rs 12.85. Marikar has been remaining at the same level of Rs 47.50. Mysore Chemical Mfrs. was quoted at Rs 24.50. Mysore Tobacco was marked at Rs 13.45 and Orissa Cement improved to Rs 13.00. Parrys Confectionery was unaltered at Rs 4.35. Sen-Ralcigh was quoted at Rs 21.50. Spencers at Rs 20.15 was unchanged. Standard Motors was quoted at Rs 14.25. Textool at Rs 152.00 was two rupees better than the last closing. Travancore Cements was 30 nP lower today at Rs 9.40. Western India Plywoods also was better by Rs 3 at Rs 260.00.

SHREE KRISHNA GYANODAY SUGAR LIMITED

NOTICE

The 25th Annual General Meeting of the shareholders of the Company will be held at the Registered Office of the Company at Dalmianagar on Friday, the 4th March, 1960 at 11 A.M. to transact the following business:—

- To receive and adopt the Directors' Report and the Audited Accounts of the Company for the year ended 31st July, 1959.
- To declare dividends for the year ended 31st July, 1959.
- To elect a Director in place of Shri M. R. Sonthalia, who retires by rotation under Article 106 of the Articles of Association of the Company but, being eligible, offers himself for re-election.
- To appoint Auditors for the current year and to fix their remuneration. M/s. Singhi & Co., Chartered Accountants, the retiring Auditors, being eligible, offer themselves for re-appointment.

As special business:

- (To be proposed as an Ordinary Resolution):
"Resolved that subject to the approval of the Central Government being obtained under the provisions of the Companies Act, 1956, the Company hereby re-appoints Messrs. Sahu Jain Ltd., as the Managing Agents of the Company for a period of ten years with effect from 15th August, 1960 on the remuneration and upon the terms, provisions and conditions contained in the draft agreement (with such modifications, if any, as may be agreed to at this meeting) proposed to be entered into between the Company of the One Part and the said Sahu Jain Ltd. of the Other Part and the said draft

agreement is placed before this meeting and for the purposes of identification subscribed by the Chairman thereof with power to the Directors of the Company, subject to the provisions of the Companies Act, 1956 to vary or alter such of the terms, provisions and conditions of the said draft agreement before execution as may be required by the Central Government and agreed to by the Managing Agents and the Directors on behalf of the Company."

- (To be proposed as a Special Resolution):

"Resolved that Articles of Association of the Company be altered in the manner following:—

- Article 127 of the Articles of Association of the Company be deleted.
- Article 128 of the Articles of Association of the Company be deleted and be substituted by the following Article:—

"Subject to the consent of the Central Government and subject to the provisions of the Act, Messrs. Sahu Jain Ltd. shall be and remain Managing Agents of the Company for the period and upon the terms, provisions and conditions set out in the agreement entered into between the Company and the Managing Agents, provided that before the expiry of the terms agreed upon the Managing Agents shall be reappointed for a further period in accordance with the agreement subject however to any notification issued by the Central Government or any provision contained in the Companies Act."

The Share Transfer Books of the Company will remain closed from 23rd February, 1960 to 4th March, 1960, both days inclusive.

By Order of the Board,
S. K. JAIN
Secretary

Dalmianagar,
3rd February, 1960.

N.B. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Explanatory Note to:
Item No. 5: Messrs. Sahu Jain Ltd. were appointed the Managing Agents of the Company under an Agreement dated 6th April, 1951 for a period of 20 years. The Managing Agency Agreement between the Company and the Managing Agents were duly approved by the shareholders of the Company. Under the provisions of Section 330 of the Companies Act, 1956, the term of office of the Managing Agents will expire on 15th August, 1960 unless before that date the Managing Agents are reappointed for a fresh term in accordance with the provisions contained in the said Act. The terms relating to remuneration are in accordance with the notification issued by the Government of India. A copy of the draft agreement is kept at the Registered Office of the Company and is open to inspection of the shareholders on any working day during business hours, and the same will be placed before the shareholders at the aforesaid meeting. An abstract of the agreement as required by Section 302(3) of the Companies Act, 1956 is separately sent to the individual shareholders.

Shri A. K. Jain, Director and Chairman of the Company, is Director and shareholder of the Managing Agents Company.

Item No. 6: The provisions of the existing Articles are required to be altered in order to confirm to the reappointment of the Managing Agents and in accordance with the Companies Act.

Lingapur improved to Rs 6.95, which is better than the last closing. Lucky Valley was the same at Rs 13.00, Malabar Agricultural at Rs 7.50 and Malabar Industrial at Rs 13.75 were unaltered. Mercara was available at Rs 9.85 and Midland at Rs 12.25.

Mysore Amalgamated was quoted at Rs 6.00 and Mysore Coffee was the same at Rs 5.10. With 7½ per cent t.c.d Neelamalai was available at Rs 4.85. Nellithanam at Rs 12.05, Nilambur at Rs 17.75 and Nilgiri at Rs 7.35 and Osoor at Rs 3.72 were all unchanged. Oucherlony was stationary at Rs 5.70. Panchura with 40 per cent t.c.d was quoted at Rs 4.50. Periakaramalai was also unchanged at Rs 3.80. Puthutotam was available at Rs 2.77 while Rajagiri was at Rs 20.00. Rajendra improved to Rs 17.10. Savamalai was quoted at Rs 4.15. Stanes Amalgamated was priced at Rs 15.25 and Swinton at Rs 2.60. Tirumbadi was available at Rs 1.98. TR & T was fractionally higher at Rs 8.27. United Nilgiri at Rs 22.25 cd was neglected.

Textiles: In contrast to the previous weeks, textiles were dormant. While prices in most shares remained unaltered, a few shed some points. Anglo-French did not change at Rs 98.50, Bangalore Woollen and Buckingham also were the same at Rs 197.00 and Rs 199.50 respectively. Coimbatore Cotton at Rs 166.00, Coimbatore Kamala bigger and smaller at Rs 102.00 and Rs 50.00 respectively and Coimbatore Spinning at Rs 54.50 were unchanged. Coimbatore Pioneer at Rs 360.00 was not fancied. Dhanalakshmi shed Rs 3.00 to Rs 230 from the previous closing of Rs 233.00. Hemalatha xtd was available at Rs 7.74. Janardhana was available at Rs 64.00 and Kadri at Rs 120.00 was unchanged. With t.c.d of 12½ per cent Madura was quoted at Rs 31.75, Lakshmi was the same at Rs 148.00. Mettur Mills was marked at Rs 422.00. Radhakrishna at Rs 29.25 and Rajalakshmi at Rs 69.50 were unaltered. Tirupathi at Rs 9.30 was unimproved. Travancore Rayon was five nP better today at Rs 25.80. Vijayakumar was quoted at Rs 131.00.

Miscellaneous: Ashok Leyland was quoted higher at Rs 7.00 while Aluminium Industries was better by 10 nP at Rs 23.40. Brunton was at Rs 4.10, and Binny Engineering at Rs 166.00. Dalmia Cement was quoted at Rs 11.20. FACTS was priced at Rs 9.67. Hindustan Lever was higher today at Rs 36.25. India Cements with 5½ per cent interim taxable cum-dividend was available at Rs 12.20 was not higher than before. Kirloskar Electric 10 per cent t.c.d was available at Rs 12.85. Marikar has been remaining at the same level of Rs 47.50. Mysore Chemical Mfrs. was quoted at Rs 24.50. Mysore Tobacco was marked at Rs 13.45 and Orissa Cement improved to Rs 13.00. Parrys Confectionery was unaltered at Rs 4.35. Sen-Ralcigh was quoted at Rs 21.50. Spencers at Rs 20.15 was unchanged. Standard Motors was quoted at Rs 14.25. Textool at Rs 152.00 was two rupees better than the last closing. Travancore Cements was 30 nP lower today at Rs 9.40. Western India Plywoods also was better by Rs 3 at Rs 260.00.

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees).

	Week Ended	5-2-60	29-1-60	6-2-59
LIABILITIES:				
Notes in Banking Dept.	18,51,28	20,67,46	11,29,81	
Notes in Circulation...	1796,79,85	1767,44,42	1658,09,45	
	1815,31,13	1788,11,88	1669,39,26	
ASSETS:				
A Gold Coin & Bullion:				
(a) In India	117,76,03	117,76,03	117,76,03	
(b) Outside India...	...	...	...	
Sterling Securities	163,00,89	163,00,89	164,67,56	
Total A	280,76,92	280,76,92	282,43,59	
(B) Rupee Coin	127,19,91	129,98,72	132,17,20	
Rupee Securities	1407,34,30	1377,36,24	1256,78,47	
	1815,31,13	1788,11,88	1669,39,26	

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	30,00,00	30,00,00	25,00,00
National Agricultural Credit (Stabilisation) Fund	4,00,00	4,00,00	3,00,00
Deposits:			
(a) Central Govt.	49,25,30	49,77,68	50,44,09
(b) Other Govt.	25,73,97	21,26,80	21,79,27
(c) Banks	66,28,76	73,74,92	67,94,67
(d) Others	119,36,09	119,65,50	115,69,72
Bills Payable	16,69,67	17,42,21	22,77,14
Other Liabilities	37,94,75	37,26,00	35,39,46
	434,28,54	438,15,11	427,04,35
ASSETS:			
Notes	18,51,28	20,67,46	11,29,81
Rupee Coin	2,89	2,55	2,18
Subsidiary Coin	4,59	4,28	3,81
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	12,79,96	14,68,83	6,36,78
Balances held abroad*	44,33,73	41,97,71	26,01,18
Loans & adv. to Govt.	21,74,87	20,26,52	27,90,28
Other Loans & Adv.	121,03,55	107,79,35	60,30,53
Investments	202,40,08	217,34,37	253,56,21
Other Assets	13,37,59	13,32,54	11,53,57
	434,28,54	438,15,11	427,04,35

(1) The item 'Other Loans and Advances' included Rs. 4,31,15,000 advanced to scheduled banks against namesable bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	Week Ended	30-1-59	22-1-60*	29-1-60*
Demand Liabilities in India				
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	21,32,35	20,50,91	19,02,13	
(ii) Other demand liabilities	698,26,99	739,27,64	742,01,06	
Time Liabilities in India				
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	23,71,71	22,90,93	21,63,91	
(ii) Other time liabilities...	886,65,55	1111,02,38	1115,39,77	
Borrowings in India from the State Bank and/or a notified Bank				
(i) Demand Liabilities	10,42,78	11,18,02	12,66,03	
(ii) Time Liabilities	40,00	91,00	87,00	
Borrowings in India from the R. B. I.				
Cash in India	39,55,74	24,14,46	27,01,85	
Balances with the Reserve Bank of India	40,40,20	44,24,22	44,06,60	
Balances with other banks in current account in India	71,59,18	74,34,31	69,99,87	
Money at call and short notice in India	13,22,03	15,12,32	14,70,29	
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposits	37,00,94	29,57,10	30,73,79	
Advances in India	635,27,82	728,86,50	784,62,81	
Inland Bills Purchased and Discounted in India	784,42,47	845,99,16	859,93,11	
Foreign Bills Purchased and Discounted in India	97,61,33	111,67,18	112,65,54	
	39,91,61	48,06,97	46,33,31	

*Figures are provisional since complete returns have not been received from R.B.I. also.

A—Including borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees).

	Week Ended	5-2-60	29-1-60	6-2-59
LIABILITIES:				
Capital Paid-up	5,62,50	5,62,50	5,62,50	
Reserve Funds	7,20,00	7,20,00	7,08,00	
Deposits and other Accounts	588,63,15	593,31,98	476,65,30	
Borrowings from other Banks, Agents, etc.	6,30,00	2,40,00	6,09,00	
Bills Payable	8,85,11	8,44,48	6,97,55	
Bills for Collection as per contra	1,59,18	3,53,15	2,37,43	
Acceptances etc. for constituents as per contra	1,52,88	1,53,87	1,06,74	
Other Liabilities Including Inter-office Adjustments	2,46,47	2,42,60	1,39,50	
Total	622,19,29	624,48,58	507,18,02	
ASSETS:				
Cash in hand and with R. B. I.	17,38,97	22,44,39	23,28,41	
Balances with other Banks	4,87,89	4,56,49	2,94,90	
Money at call and short notice	2,20,00	2,46,67	2,20,00	
Government and other Trustee Securities	393,88,03	393,87,57	265,99,56	
Other Authorised Investments	10,77,01	10,72,01	11,25,87	
Loans Advances cash credits & Over Drafts	164,70,97	160,45,82	177,33,42	
Bills Discounted and Purchased	16,86,33	16,54,22	13,52,27	
Bills for collection as per contra	1,59,18	3,53,15	2,37,43	
Constituents' Liabilities, etc. as per contra	1,52,88	1,53,87	1,06,74	
Dead Stock	2,35,00	2,35,47	2,18,81	
Other Assets	6,13,03	5,94,92	5,00,61	
Total	622,19,29	624,48,58	507,18,02	

CLEARING HOUSE RETURNS

Week ended 5th February 1960

Clearing House	No.	Amount	
		Rs.	nP.
Madras	105307	13,33,62,930	00
Delhi	52531	9,64,63,389	21
Kanpur	22001	4,44,26,843	00
Bombay	368862	80,29,66,000	00

BANK OF ENGLAND

(In million £)

	Week ended	3-2-60	27-1-60	4-2-59
Notes in Circulation	2,098.7	2,094.4	2,004.7	
Notes in Banking Department	26.7	31.0	45.6	
Govt debt and securities	2,122.2	2,123.3	2,046.5	
Other securities	0.7	0.7	0.7	
Gold Coin and Bullion	0.4	0.4	0.4	

BANKING DEPARTMENT:

DEPOSITS:			
Public Accounts	17.9	12.6	16.5
Treasury Special Account	261.4	264.4	210.0
Bankers	65.6	62.8	29.0
Other	344.9	339.8	305.5
Total	279.9	279.1	244.3
SECURITIES:			
Government	27.1	26.3	12.2
Discount and Advances	20.5	20.8	28.9
Other	335.5	326.2	287.4
Total	27.7	32.0	46.7
Banking Department reserves	8.0	9.4	15.2

Government debt is £11,015,180, Capital £14,553,000
Fiduciary issue reduced by £75 million to £1,125 million on January 20, 1960.

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT: (In 000's of Rupees).

(In 000's of Rupees).				
	Week Ended			
	29-1-60	22 - 1-60	30-1-59	
LIABILITIES:				
Notes in Banking Dept. .	9,06,19	7,40,69	13,89,62	
Notes in circulation ...	371,62,05	372,24,61	343,26,76	
	380,68,24	379,65,30	357,16,36	
ASSETS:				
(A) Gold Coin & Bullion	24,66,79	23,70,66	23,07,31	
Approved Foreign Exchange	71,95,20	67,98,20	51,43,61	
India Notes receivable from Reserve Bank ...	43,01,61	43,01,61	43,02,26	
(B) Rupee Coin ...	3,75,03	3,68,22	4,63,17	
Govt. of Pk. Securities held with Reserve Bank of India pending transfer	231,39,55	235,30,55	219,09,01	

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PSIC 10

Indian Finance

Indian Finance

Saturday

February 20, 1960

Volume LXV No 7

Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

The Budget Season has started. See the Leading Articles section for news of the Railway, Government and Bihari Budgets.

Indian Finance

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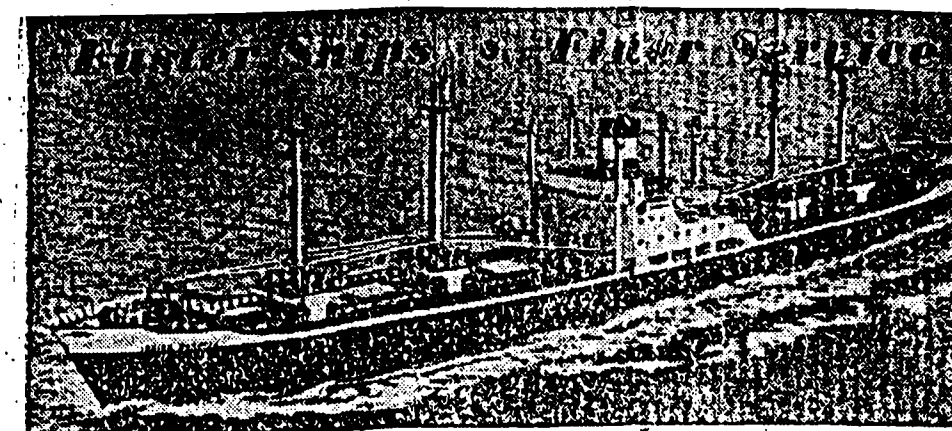
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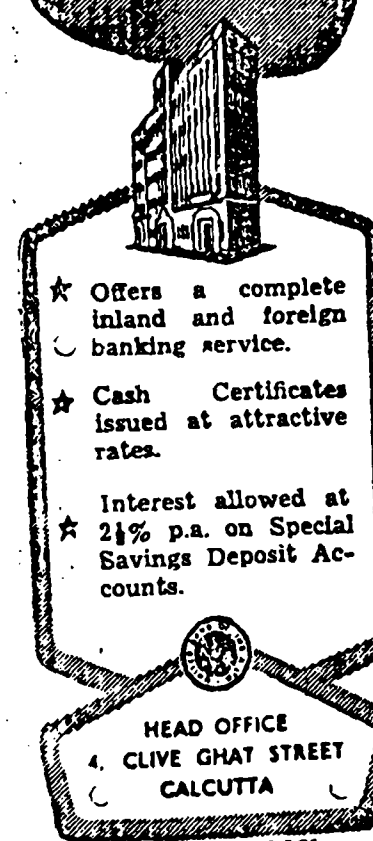
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WORLD OF FINANCE

Sustained Demand for Banking Accommodation

BANKING figures for the first week in February confirm our view that the 1959-60 busy season is going to prove to be one of the severest experienced so far. In the last two weeks alone, Advances have expanded by Rs 26 crores. At this rate, it is certain that the total expansion that will have been witnessed by the last Friday in April will exceed Rs 200 crores. And this means that the record expansion of the last busy season will have been bettered. However, in one important circumstance, the current busy season will differ from the last one, and will instead have as a parallel the 1956-57 busy season. We believe that, for reasons that need not be gone into here, the banking system will be compelled to have recourse to central banking credit on a scale approaching the very high level of borrowings resorted to in 1956-57. This is because banks are still somewhat reluctant to sell gilt-edged, and, in view of the current high ratio of investments in Government Securities to Deposits, resources to finance the busy season needs will have to be found elsewhere than from disinvestments. So, to the extent that Deposits do not rise by an appreciable or sufficient amount, there will be no alternative to increased accommodation taken from the Reserve Bank.

However, this will not affect banks' earnings in the current year. On the other hand, banks will presumably have their best year since 1957. For, as we have remarked on previous occasions, there are reasons to believe that demand for funds may be more sustained during 1960. But it should not be forgotten that, meantime, though not necessarily as a result of the increase in money supply, the trend in prices is pronouncedly upward. Consequently, the Reserve Bank can be counted upon to issue perhaps a regular series of directives, calling upon the banking system to show restraint in granting accommodation. Thus, Advances, which may merrily cross the Rs 1100 crore mark well before the end of the present busy season, will thereafter be expected, in the course of the 1960 slack season, to show a gradual and orderly decline to around Rs 1000 crores. Also, meantime, we expect that Deposits will continue to accrue with the banking system on a considerable scale. It should not be surprising if, by the end of June this year, Deposits should pierce the Rs 2000 crore level. At that stage, banks may conceivably be again embarrassed by a plethora of resources which they will not be permitted to utilise in the higher-earning assets—Advances.

This underlines the need for a downward revision of the maxima of interest payable on Deposits as soon as the 1960 slack season starts. Otherwise, it is possible that the very satisfactory results during the first four months of 1960 will be offset by reduced earnings in the rest of the year.

But prudent banking will always show a profit. The results of Dena Bank, which are

analysed on page 327, bear testimony to this fact.

Again, Busy Season Currency Expansion

THE strident march of the 1959-60 busy season continues to be fully and deeply reflected in the latest banking statements. In the Reserve Bank returns for February 12, there has been a further sharp increase of Rs 15.14 crores to Rs 1811.93 crores in Active Note circulation, although the beginning of the month disbursements would have been completed during the first week of February; and so this expansion in currency circulation is almost certainly due to busy season influences. So also, the outflow of Rupee Coin for Rs 0.91 crores, coming on top of the Rs 2.79 crores that moved into circulation in the previous week, must be ascribed to the increasing tempo of the seasonal demand for funds. Currency has been expanded for Rs 10 crores against Rupee Securities by transfer from Investments in the Banking Department; and, in the result, the Reserve Bank's cash in the till stands reduced by Rs 6.07 crores at Rs 12.44 crores.

In the Banking Department, there is a particular transaction whose exact significance we are unable to fathom. This relates to the drop of Rs 10.85 crores to Rs 108.51 crores in Other Deposits. It is, we may recall, under this head that rupees have been lodged in respect of the purchase of foreign currencies from the International Monetary Fund two years ago. Does this decline mean that the Indian Government have commenced repurchase of currency? We can no more than pose the question, except perhaps to suggest that it is unlikely that such a momentous step would have been taken without due publicity.

There is a considerable improvement of Rs 17.71 crores to Rs 66.96 crores in the balances of the Central Government. The decline in the Deposits of State Governments would suggest some element of repayment to the Centre; and since the State Bank has figured as a steep seller of gilt-edged in the relevant week, recourse to deficit financing is not to be ruled out. However, in this connection, it needs to be remarked that the Reserve Bank's portfolio of Treasury Bills purchased and discounted shows an unusual rise of Rs 24.33 crores to Rs 37.18 crores; and so the sales of gilt-edged by the State Bank might relate to discount by the State Bank of Treasury Bills with the Reserve Bank. Again, it is possible that State Governments, who are also known to possess parcels of ad hoc Treasury Bills, might have sought to replenish their balances in such wise. But, to account for the magnitude of the rise in the Central Government's Deposits, it would appear that deficit financing must have occurred; and we must wait for the next week to know the extent of created money.

The Scheduled Banks, as far as can be seen in the Reserve Bank returns, have not felt the impress of the busy season; this is because Reserve Balances of member banks have risen by Rs 14.90 crores to Rs 81.20 crores; but, then, this is owing to State Bank sales of gilt-edged. And the true reflection of the busy season, as far as concerns the Scheduled Banks, is to be inferred from the further rise of Rs 9.21 crores to Rs 130.25 crores in the Other Loans and Advances of the Reserve Bank, of which only something less than Rs 5 crores is traceable to the State Bank.

Investments, by dint of the transfer to the Issue Department, are lower by Rs 10 crores.

Balances of State Governments show a drop of Rs 4.89 crores to Rs 20.85 crores, on top of an increase of Rs 1.75 crores to Rs 23.50 crores in their ways and means borrowings from the Reserve Bank. And Balances Held Abroad are fractionally better at Rs 44.34 crores.

According to the return of the State Bank for February 12, the considerable busy season pressure has caused another expansion of Rs 7.91 crores to Rs 189.39 crores in Advances. Deposits are lower by Rs 0.40 crores at Rs 588.23 crores. There has been disinvestment in gilt-edged, presumably in order to meet the busy season demand for funds, in an amount of around Rs 24 crores. Nevertheless, borrowings have been marked by Rs 4.76 crores at Rs 11.06 crores. In the event, the State Bank's cash balances, which had tended to be rather low, have improved by Rs 14.60 crores to Rs 39.07 crores.

Busy season pressure and beginning of the month disbursements have combined to produce a sharp impact in the return of Scheduled Banks for February 5. The total of Advances has gone up steeply by another Rs 13.24 crores to Rs 1032.16 crores. Deposits have been drawn down by Rs 10.35 crores to Rs 1887.72 crores. There is a small decline of just under Rs 1 crore in investments. But borrowings both from the Reserve Bank and from the State Bank have risen, from the former by Rs 12.42 crores to Rs 39.44 crores and from the latter by Rs 1.22 crores to Rs 14.76 crores. In the result, cash balances are lower by nearly Rs 9 crores at Rs 150.58 crores against Rs 159.51 crores.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, the 16th February 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.330 and above were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.665 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 22nd February 1960. Successful tenderers should make payment on Friday, the 26th February 1960. Other conditions are as usual.

During the week ended the 12th February 1960 Government of India Treasury Bills for Rs 72,70,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 17th to 20th February 1960 at Rs 99.351%. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from the 10th to 13th February 1960 amounted to Rs 5,00,000.

Changes in the City

By
Paul Einzig

THE amalgamation of two merchant banking firms, Lazard Brothers & Co and Edward de Stein & Co, coming as it does close on the amalgamation arranged last year between Philip Hill, Higginson & Co and Erlangers, indicates an interesting trend in London banking. It seems that British merchant bankers

want to form larger and stronger units, in order to avoid being swamped by the superior strength of clearing banks. Ever since the amalgamation of clearing banks after the first World War, the balance of power has changed considerably in favour of these banks. Moreover, during the 'thirties, the majority of merchant banks came under some degree of cloud as a result of their large frozen commitments in Germany and Central Europe. It is not generally known that, after the last War, all but an insignificant fraction of the German standstill credits was duly repaid, so that merchant banks—most of which had written off these credits as bad debts—have emerged with increased strength.

Having learnt their lessons about the risks attached to one-sided interests in international banking activities, the merchant banks have taken an increased interest in domestic banking activities during the last fifteen years. In doing so, they have filled a most important gap in London's financial organisation. Until the 'thirties, it was said to have been much easier for foreign borrowers to raise capital in London than for British firms, because clearing banks were only concerned with short-term credits while merchant banks were only interested in foreign issues. Today, merchant banks are very active in financing new domestic issues. They played an important part in financing recent take-over bids. Indeed, such offers are usually made by some banking firm on behalf of the industrial interests concerned.

Nevertheless, the financial resources of banking firms have not increased to an extent comparable to the expansion of clearing bank deposits. The bulk of London's financial resources is controlled more than ever by the "Big Five". Moreover, the clearing banks have become more enterprising than they had been before the war; they have established control over a large proportion of "industrial banks" engaged in financing hire-purchase.

Merchant bankers suffered an important reverse as a result of the recommendation of the Radcliffe Report that curtailed their influence in the Bank of England and of the implementation of that recommendation by the Government. This measure is looked upon as the personal triumph of Sir Oliver Franks who as Chairman of Lloyds Bank, was the spokesman of clearing bank interests on the Radcliffe Committee. The measure caused considerable resentment among merchant bankers who now have ceased to have any say in Bank Rate changes. Even before, ever since the crisis of the 'thirties, the influence of part-time directors of the Bank of England was confined to being consulted by the Governor before a Bank rate decision was reached. The decision rested for all practical purposes with the Chancellor of the Exchequer of the day during the last twenty years or so. The bankers representing merchant banks on the Court of the Bank

were not even informed in advance, except those who were members of the Bank's Treasury Committee. Now, they will not even be consulted.

Considering that the judicial inquiry held in 1957 over allegations of a Bank rate leak found that there was no Bank rate leak, it is regarded as less than fair that the merchant bankers, having been found "not guilty", should be treated as if they had been found "guilty". It is true, the maintenance of the outward form of their influence over Bank rate changes long after they have ceased to have the real power, was something of an anachronism. Even so, to make the change so soon after they had been cleared of the charge of having made improper use of their position on the Bank was clearly ill-timed.

Having regard to the above circumstances, merchant bankers feel very strongly that the Government should make amends by appointing a merchant banker to succeed Mr Cobbold as Governor of the Bank of England when he chooses to retire. There has been a suggestion that it is the Government's intention to appoint a clearing banker as the next Governor but the chances are that a compromise will be reached by appointing a former senior official of the Bank.

It seems probable that the movement aiming at strengthening the merchant banks through amalgamations will make appreciable progress during the next few years. If, as a result, a relatively small number of very strong firms should emerge, it would go some way toward readjusting the balance of power in their favour. For size and resources, none of them could, of course, hope to compete even with the smallest of clearing banks. But their increased strength after amalgamations is bound to inspire additional confidence and will attract additional business both at home and abroad. They will be in a position to continue to play an important part in domestic financing and at the same time to revive their pre-war role in international financing.

With the return of convertibility and with the improvement of international political relations, international lending is likely to revive, especially as the low yields on domestic investment will make it tempting for many investors to venture further afield. Provided that the Governments of underdeveloped countries, instead of relying on financial assistance by Government-sponsored international agencies, decide to reverse their present attitude tending to discourage private investment, it is certain that such investment would assume incomparably larger proportions than any officially-sponsored aid could possibly achieve. The London merchant banks, reinforced by amalgamations, would then play a very important part in the movement of capital toward underdeveloped countries.

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The Railway Budget

THE Railway Budget for the last year of the Second Plan does not show any striking departure from the pattern set by the earlier ones. Gross receipts from traffic are expected to maintain their steady increase (1955-56: Actuals Rs 316 crores; Revised Estimates for 1959-60: Rs 422 crores; Budget Estimates for 1960-61: Rs 464.5 crores). Working expenses have also shown a similar trend (1955-56: Actuals Rs 213 crores; Revised Estimates for 1959-60: Rs 292 crores; Budget Estimates for 1960-61: Rs 327 crores). The rather steep rise in the working expenses in the estimates for 1960-61 is due to increased commitments consequent on the acceptance of the Pay Commission's recommendations. Such commitments would normally have involved an annual expenditure of Rs 13 crores; but, for the coming year, the Railway Minister has had to provide for the back pay increase from July 1959, an estimated expenditure of Rs 7 crores which should have normally gone to the debt of this year. The slight increase in the operational ratio (from 79.8 per cent to 80.1 per cent) is illusory, in view of the adjustments required to be made for the current and the next year.

Coming to the details, it will be seen that the performance in 1959-60 has revealed a better record than anticipated in passenger earnings and a worse one in goods earnings. As against Rs 118 crores originally estimated, passenger traffic is now expected to yield Rs 124 crores. Goods earnings, on the other hand, are not expected to reach the budgeted figure of Rs 275.5 crores, and the shortfall is estimated to be of the order of Rs 8 crores. With some increase in sundry other items, the Railway Minister hopes to achieve the gross total earnings originally anticipated. Despite this, the net surplus is to be only Rs 14.75 crores as against the budgeted surplus of Rs 21.19 crores. This has been due to unanticipated expenditure on repairs to tracks and bridges necessitated by abnormal floods and to the general increase in the cost of coal and other supplies.

The Budget estimates for 1960-61 take receipts at Rs 464.50 crores. This includes an estimated increase in freight earnings by the levy of a surcharge of 5 NP per rupee on goods and coal traffic freight, excluding export ores, military and postal and the railways' own traffic. This surcharge is anticipated to yield a sum of Rs 14 crores. The estimated receipts from goods, including this increase, is put at Rs 305 crores as against the current year's revised estimate of Rs 264 crores. Obviously, Mr Jagjivan Ram expects that the steadily increasing tempo of industrial and agricultural production is sure to give a fillip to freight earnings, despite competition from road transport. Professed anxiety about this latter development has assumed a concrete shape in the willingness, for the first time, to accept the responsibility as common carriers (for which the Budget has provided Rs 1 crore). The railways' evasion of this partially accounted for the attractions of road transport. Mr Jagjivan Ram claims that the Railways have been able to meet the increased demands of industry in the matter of quicker transport

and turnover of wagons. Though, undoubtedly, there has been vast improvement in this matter, on the related question of new line constructions for subserving the needs of raw materials—for steel, for example—there has been delay and consequent dislocation.

There is bound to be some argument about the propriety of increase in the freight rates proposed by Mr Jagjivan Ram. The Minister's own justification is that the Railway Freight Structure Inquiry Committee had recommended an overall increase of 13 per cent, whereas, inclusive of the proposed surcharge, he would still be short of the recommended rate by about 4 per cent. As against this, it may be argued that, since the fall in freight earnings are stated by the Minister himself to be a temporary phase and since he anticipates that the general economic improvement will give a boost to freight earnings, there was no justification for this additional levy with its inevitable repercussions on the price structure. If the operational efficiency will improve, industry may be willing more readily to bear this additional burden.

The progress of the railways under the Second Plan has been reviewed by the Railway Ministry in a brochure sent along with the Budget papers. This is an informative and useful publication, in which an attempt has been made to correlate the Railways' own fortunes with the general economic trends in the country. The index of gross traffic receipts (with 1950-51 as the base) was 148.4 for 1958-59 while the index of national income for that year, with the same base, is 130.7. The index of gross traffic receipts, as per the revised estimates for 1959-60, is put at 160.5. Movements in relation to production of certain commodities shows that the Railways' performance has shown steady improvement.

In terms of outlay, total expenditure under the plan up to March 31, 1960 would be of the order of Rs 872 crores, against the plan target of Rs 1121.50 crores. The Railway Minister hopes that the last year of the plan will see a quickening of tempo and that the entire sum will be spent. In terms of physical targets, the first four years of the plan have seen the doubling of 700 miles of track and

the opening of about another 600 miles of new lines; meantime, another 600 miles are in various stages of execution. Surveys for 900 miles are in progress, and the electrification programme has also gone on apace. According to Mr Jagjivan Ram, traffic expectations are also likely to be fulfilled; he anticipates an increase of 17 million tons in the coming year, thus bearing out the plan's estimate of 162 million tons. Passenger traffic is expected to exceed the plan's expectation of a fifteen per cent increase.

The performance in 1959-60 on works of a capital nature has not been according to expectations. It was expected that Rs 196.10 crores would be spent during the current year, whereas there is likely to be a shortfall of Rs 39 crores. This has been explained as being due to comparatively poor progress in rolling stock and electrification, and this in turn being owing to non-availability of steel, and delay in delivery of electrical locomotives as also in the procurement of over-head equipment. Budget estimates for the coming year under this head have been put at Rs 221 crores. If the projects so covered go according to schedule, the railways would have fulfilled in large measure the plan's hopes.

The Railway Minister has looked ahead at the prospects for the Third Plan, but there was little to purpose that he could state. The railways will continue to have at all times a crucial responsibility in development. But, in a plan deliberately oriented toward industrialisation (supported as an inescapable corollary by increased agricultural productivity), its centrality cannot be exaggerated. But detailed discussion will have to await the finalisation of expectations under other heads.

The Railway Minister is soberly hopeful about the railways' self-sufficiency, and even about the ability to export. It was cheering to be told that, in 1958-59, only 10 per cent of the total purchases (excluding raw materials and basic steel) had to be imported. As regards locomotives, not only are the bad days of the immediate post-war years over, but, thanks to Chittaranjan, we may even enter the export market for steam locomotives. Our manufacture is of a high standard,

RAILWAY BUDGET AT A GLANCE

	(IN CRORES OF RUPEES)		
	Actuals	Revised Estimate	Budget Estimate
	1958-59	1959-60	1960-61
Gross Traffic Receipts	390.21	422.03	464.50
Ordinary Working Expenses	276.33	291.92	326.90*
Net Miscellaneous Expenditure	9.45	15.78	16.82
Appropriation to Depreciation Reserve Fund	45.00	45.00	45.00
Payments to Worked Lines	0.11	0.07	0.08
Total	330.89	352.77	388.80
Net Railway Revenues	59.32	69.26	75.70
Dividend to General Revenues	50.39	54.51	57.27
Net Surplus	8.93	14.75	18.43

*Including about Rs 20 crores on account of the effect of Pay Commission's recommendations from July 1, 1959 to March 31, 1961.

and the price competitive. There can be no more convincing evidence of our having arrived as an industrial nation than export of locomotives. In coaches and wagons, too, we have achieved self-sufficiency in capacity, and can look forward, steel being available, to building an export market.

Railways in 3rd Year of Second Plan

THE strategic role of railways in the economic development of the country has been recognised by according to it high priority in allocation of Plan resources. The Second Plan allotment was Rs 1,125 crores and represented nearly one-fourth of the total public sector outlay, while, in comparison with the First Plan outlay, it was three times larger. The rationale for outlay of this size lay in the need to meet the anticipated growth in traffic arising in the context of rapid industrialisation envisaged in the Plan. Considering that this traffic comprises movement of both raw materials and finished goods, the additional traffic arising from development of industries as envisaged in the Second Plan should be substantial. What tremendous work railways face in ensuring 'requisite' capacity should be evident from the fact that the setting up of the three steel plants in the public sector itself entailed laying up of new lines in terrain that was extremely difficult to tackle. Further, the volume of traffic arising from increase in agricultural production was also of an order calling for substantial expansion of railway capacity. In the circumstances, railway development was a matter that could brook no stinting of resources.

How the railways have been facing up to their task in the third year of the Second Plan is revealed in the report of the Ministry of Railways that has been released this week. For purposes of comparative study, the report could be divided into four sections dealing respectively with traffic carried, financial position, development work, and welfare activities.

In respect of traffic carried, the report points to sustained improvement in almost all aspects relating to goods traffic. The railways carried 136 million tons of goods during 1958-59 as compared to 134 million tons during the previous year, marking an increase of 1.8 per cent. Goods train miles totalled 92.04 million representing an increase of 1.13 per cent over the preceding year. Speed of goods trains is revealed to have shown an improvement over the broad gauge from 9.32 in 1957-58 to 9.42 in 1958-59. The index of net ton miles per goods locomotives day in use on a line recorded increases of 0.74 and 0.15 per cent respectively on the broad gauge.

Number of wagons loaded on revenue account showed an increase, the average per day on the broad gauge being 12,850 in 1958-59 against 12,682 in the previous year. In the metre gauge, there was a decline from 8,331 in 1957-58 to 8,050 in 1958-59.

In respect of passenger traffic, the report discloses a rise in the number of originating passengers and passenger train miles. The number of passengers increased from 1,430 million during 1957-58 to 1,441 million during the following year, while the passenger train miles increased, by 1.43 per cent to 123.18 million. However, consequent on the drop in the average distance travelled by each passenger, passenger miles registered a decline. While the average distance travelled came down from 29.6 miles in 1957-58 to 28.7 miles in 1958-59, passenger miles recorded a decrease of 1.82 per cent as compared with 1957-58.

The overall improvement in train mileage is reflected in the increase in ton miles to 46,752 from 45,644 in the previous year. However, in respect of the basic test of operating efficiency, the report reveals a drop which is reflected in the lower index of net ton miles per wagon day at

The railways' performance during the Second Plan has been heartening, and has won the acclaim of knowledgeable men from everywhere. With greater streamlining and coordination, there can be little doubt that the Third Plan will offer more ambitious opportunities for the Indian Railways.

573 and 216 respectively on broad and metre gauge against 598 and 225 for the previous year. This was inevitable in view of the failure of the anticipated volume of traffic, for which assets had been built up, to materialise.

The financial balance sheet discloses the impact on expenditure arising from the cost of additional staff, net effect of annual increments, interim relief to staff drawing a monthly salary up to Rs 300 in the shape of increase in the rate of dearness allowance for the entire year as compared to nine months of 1957-58, increased expenditure on repairs and maintenance, increase in the statutory price of coal, increase in the cost of materials and stores, sales-tax on coal, higher contribution to the staff benefit fund, and other staff welfare activities. Ordinary working expenses, including suspense, for the year have, as a result, gone up to Rs 276.33 crores from Rs 264.18 crores in 1957-58, which works out to an increase of Rs 12.15 crores. Against this, gross traffic receipts stood at Rs 390.21 crores made up of Rs 116.74 crores under passenger traffic and Rs 240.82 crores under goods traffic, the balance being contributed by such items as parcels, luggage, etc. Earnings from passenger traffic registered a drop of about Rs 2.36 crores, which, however, was more than offset by an increase of Rs 11.14 crores from passenger traffic. The net revenue after meeting all charges was Rs 59.32 crores which, after deducting an amount of Rs 50.39 crores as dividend payable to the general revenues, disclose a surplus of Rs 8.93 crores. Against this, the surplus in 1957-58 amounted to Rs 13.38 crores. The decline in 1958-59 is traceable to the increase in the dividend paid to general revenues—a rise of Rs 5.99 crores—and increased expenses incurred to the tune of Rs 3 crores for meeting the extra dearness allowance and the increase in the price of coal. The Ministry has, however, held out hopes that special measures will be instituted for exercising closer check and control over expenditure with a view to bringing it down.

As regards development work, the report reveals evidence of activity at high tempo. New lines aggregating 191 miles, including 17 miles on the Dehri-Rohas Light Railway, were opened to traffic. Other aspects of development work in which progress is recorded relate to electrification of lines, remodelling of a number of yards, doubling of line, renewal of rails and sleepers, etc. A total of 1,264 miles of rails and 1,261 miles of sleepers are claimed to have been renewed in 1958-59. Electrification of the Howrah-Burdwan main line was completed while lines totalling 144 miles are reported to be under construction. Construction of bridges, including strengthening,

constituted an important line of development activity.

The upturn in the production of rolling-stock constituted another highlight in the progress of railway development work in 1958-59. The Chittaranjan Locomotive Works is reported to have turned out 164 WG locomotives and also the first WT locomotive during 1958-59, while TELCO increased its production from 85 in 1957-58 to 103 in 1958-59. A marked improvement in the production of shells should follow the initiation of second shift work at the integral coach factory. The attention paid by the Ministry to increase the domestic production of a variety of railway equipment such as thermic syphons, steam pressures and vacuum gauges, screw and hydraulic jacks, lenses for single signals, and axle boxes for integral type coaches is also to be commended. The fact that, out of 16,701 wagons on line in 1958-59, 12,963 were of indigenous manufacture reveals praiseworthy work done by the Ministry in one of the key points of railway development.

The report also deals at considerable length with the steps the railways have taken to improve servicing for passengers. Passenger amenities have been increased and these, which included provision of separate accommodation for third class passengers by distance zones, provision of camping coaches, introduction of more sleeping coaches, etc., are shown to have involved the Ministry in an expenditure totalling Rs 2.72 crores. The Ministry has also been appreciative of the needs of the poorer sections of passengers for whom special amenities, such as cheap hygienic food packets, milk bars, etc., are being provided.

The railways as the biggest public enterprise have also set themselves up as a model employer. That the Indian railways are ahead of others in this matter is to be gathered from the welfare activities mentioned in the report. Such activities embrace a wide field including education, health, recreation, etc.

In the work so far done, there is room for satisfaction. The railways have, in the first three years of the Second Plan, incurred an expenditure of Rs 676 crores which leaves a balance of Rs 449 crores to be met in the next two years. That the railways should be able to cover this balance of expenditure should be a matter for safe presumption. However, even after incurring an outlay of Rs 1,125 crores, the railways would have gone only a small way toward ensuring a self-sufficient system of rail transport. With development work having tended to slacken consequent on foreign exchange shortage, there is already a backlog of unsatisfied demand for traffic capacity, which will further mount up in the next two years. In assessing the scope and prospect of development, the impact of future growth in demand has also to be reckoned with. This demand will be of a staggering order, considering that agricultural production alone is expected to go up to 150 million tons by 1980. With Governmental policy tending toward increased industrialisation, the demand arising from this source will be even greater. It is quite clear, therefore, that railway development should continue to have high priority for a long period to come.

Bank Rate Rise not a Defensive Step

By W. T. C. KING

THE rise in Britain's Bank Rate long anticipated in banking circles in London duly took place on January 21, but the primary reason for this move was not, it seems, the one that had given rise to the City's expectations.

Fears of a stiffening of London rates had arisen as far back as last summer when the rate for United States Government Treasury Bills in New York had first risen to, and then gone well beyond, the rate for United Kingdom Government Treasury Bills in London. At

that time it was widely assumed that such a disparity could not persist for long without putting an excessive strain on sterling, and thus would drive the London authorities to take defensive steps. It soon became clear, however, that if that were the only argument for raising interest rates in London, the British authorities would be reluctant to make any such move.

Authorities' Nerve Was Stronger

So long as there was no reason to suspect that any pressure experienced by sterling was

attributable to any more deep-seated cause than an outflow of short-term international funds in response to higher interest rates or monetary stringency in overseas markets, it appeared right to let the outflow continue without taking counter action.

This same view, indeed, evidently continued even after the outflow reached the point at which it showed itself in some net loss of gold from the Sterling Area's central reserves, as it did in November and December. In each of these months the reserves showed a net "true" decline—excluding special transactions—of just under £20,000,000, and there seems little doubt that the efflux was continuing at approximately the same rate through the three weeks that immediately preceded the rise in Bank Rate.

In this phase, however, the nerve of the market seems to have been less strong than that of the authorities, since apprehensions of a rise in Bank Rate had exerted a markedly restraining influence upon the Gilt-Edged market and had been reflected in a sharp rise in the Treasury Bill rate, from around 3½ per cent at end-November to appreciably over 3½ per cent by mid-January.

No Inflationary Crisis

When, however, the rise in Bank Rate occurred—it went from 4 to 5 per cent—it was authoritatively intimated that the move had been directed primarily to the condition of the domestic economy, notably on the ground that some signs of overstrain had become visible during the preceding few weeks. This does not mean that Britain's economy is now regarded as in imminent danger of running into a new inflationary crisis, or that it is felt to be already experiencing pressures comparable with those that assailed it when Bank Rate was last increased as a means of combating excessive strains at home. (The last such occasion, it may be recalled, was that of 1955 and 1956; Bank Rate was raised, in two steps, from 3 to 4½ per cent early in 1955, and then to 5½ per cent early in 1956. The penal rise from 5 to 7 per cent in September 1957 was directed rather to the crisis in the exchange market and the associated loss of confidence in the stability of Sterling's purchasing power at home.)

Employment—A marked Improvement

Five years ago there was no doubt that virtually the whole economy was beset by an overloading of demand. In mid-1954 the rate of unemployment had dropped to a mere 1.0 per cent, and even by the winter's peak in January it was no more than 1.4 per cent—from which it declined to still lower points, and touched the unprecedented figure of 0.9 per cent in the following summer. In this past year, by contrast, the level of unemployment has been moving from the trough reached during the shallow business recession of 1958. Hence, the rate at this winter's peak, 2.1 per cent recorded on January 12 last, though showing a marked improvement on the 2.8 per cent recorded at the worst point in the winter of 1958-59, indicates a much more substantial margin than was available five years ago. Moreover, over this period the ultimate reserves of labour supply have been extended in another way, by the departure from the labour force of considerable numbers of women workers and older people who had been attracted into employment or induced to remain longer in it by high rewards offered at the peak of the boom. On both these counts it would seem that the British labour market must be under perceptibly less strain now than it was facing in 1954-55. There is, however, one other notable difference between

the two situations which is much less reassuring. The aggregate of unemployment is now much less evenly spread through the economy than it formerly was.

In some regions, in the North of England and in Scotland, the proportion of the insured labour force that is unemployed ranges, even now, up to and even beyond 4 per cent, whereas in the English Midlands it is down to (or in some localities even below) 1.0 per cent; in London and the South-eastern area in general it is 1.2 per cent. These differences are indicative of the patchiness of the process of industrial re-expansion that has taken place in this past year or so.

Striking Response

As is well known, the most striking response to the reflationary stimuli has been in the motor car industries and their ancillaries and the industries producing consumers durable goods. Most of these have, for some time now, been working at or near the limits of capacity, whereas others, notably the basic heavy industries producing capital goods, have been expanded only slowly and still, therefore, have substantial reserves of unused capacity.

In such circumstances, the problem of deciding whether, and, if so, when, to swing over from a policy of deliberate deflation to one of restraint was a particularly difficult one. However clear it might seem that there was overstrain at particular points, it would be more than usually difficult to estimate what damage such strain might do to the economy as a whole. On the other hand, steps taken with the object of reducing the pressure at these points might be liable simply to intensify the unemployment at other points—and might, moreover, check the incipient revival in industrial investment before it had got reasonably under way.

Firm Correctives—In Good Time

Considerations such as these must have argued strongly for deferring any swing-over to a policy of restraint; yet the lessons from recent experience must have argued strongly in the opposite direction—for the clearest of all the conclusions that emerges from a study of the inflationary strains of 1954-55 is that, if the authorities are to have a reasonable chance of keeping the economy free from inflationary excesses, they must be sure of applying correctives firmly and in good time.

In the event, the case for sounding a warning note forthwith was evidently strengthened by indications that the much-to-be-desired revival of industrial investment seemed about to acquire a bigger momentum than had previously been expected, thus presaging an increase in the total load of demand on the economy and also suggesting that this particular source of the expansion was not, after all, likely to be cut back by a modest shift in the emphasis of economic policy. About mid-1959, forecasts made by companies participating in the Board of Trade's sample enquiry into investment intentions had suggested that the outlays by manufacturing industry on

fixed capital investment would be about 5 per cent smaller in 1960 than in 1959, and that those by other industries and services would show little change, thus halting the upward trend of recent years. Forecasts submitted towards the end of last year, however—that is, in the period following the General Election—indicated a pronounced shift in these intentions. Manufacturing industry was now expected to spend 14 per cent more in 1960 than in 1959, and other industries and services up to 20 per cent more. At the same time, a continuing expansion seems probable in most of the other broad sectors of demand on the economy.

Exceptional Expansion

At present there seems no reason to suppose that the total prospective demand would be more than could be borne without a new inflation; if once that prospect looms ahead, the authorities will need to tackle again the difficult task of actually cutting back demand. Up to date, however, the problem that presents itself is rather one of moderating the rate of expansion, and thus of ensuring that the ultimate danger point is never reached.

Industrial output will certainly not maintain in 1960 the exceptional rate of expansion attained in 1959—it was running at the year-end at roughly 10 per cent beyond its rate at end-1958—but it has recently been estimated by Britain's National Institute of Economic and Social Research that the still rising level of industrial capacity should "easily" permit a 4 per cent rise in the national product in the year 1960 as a whole—and that is also roughly the extent of the increase in total demand which the Institute expects if there is no further rise in Bank Rate and if no attempt is made to alter the level of demand by changes in Budgetary policy.

Preparing For "No-Change" Budget

The City, for its part, is already preparing itself for a "no-change" Budget; at least it is everywhere well understood that there is no possibility of a repetition, this year, of large tax reliefs such as those granted in 1959, when the aim of the Budget was reflationary. Banking circles are by no means sure, however, that they may not have to reckon with a still higher Bank Rate eventually, if the present level of business optimism is fairly measured by the behaviour of the stock markets. The 5 per cent rate, having been so long talked of in the City before-hand, proved to have been substantially discounted in security prices. The announcement did, it is true, provoke some weakening of the gilt-edged market, and a further fall in an equity market that was already in the midst of its first major profit-taking phase after the huge advance that had followed the General Election. At the moment of writing, however, that further drop in equities has been fully regained: the Ordinary share index of "The Financial Times" stands at just under 326, which, though well below the peak of 343 reached on January 4, is slightly higher than it was before the Bank Rate rise; its increase over the past twelve months still well exceeds 100 points; yet the tone of the market remains bullish.

UP Budget

LIKE his counterpart in the neighbouring State of Bihar, Mr Ali Zaheer, UP's Finance Minister, has also not imposed any new taxes and has chosen to leave uncovered, the revenue deficit of Rs 2.33 crores in his Budget for 1960-61. Revenue receipts are

estimated at Rs 130.90 crores with revenue expenditure at Rs 133.23 crores. The uncovered deficit need not cause undue concern if one looks at the State's performance in revenue collection during the previous two years. In the Budget for 1958-59, a deficit of Rs 4.54

crores had been anticipated, but the actuals for that year showed a reversal of the position with a revenue surplus of Rs 1.09 crores. Again, in the Budget estimates for 1959-60, revenue receipts and expenditure were put at Rs 119.61 crores and Rs 121.47 crores, respectively, indicating a deficit of Rs 1.86 crores. But, in the revised estimates, anticipated revenue and expenditure were Rs 122.23 crores and Rs 122.50 crores, respectively. Thus, the deficit is expected to be considerably reduced to stand at Rs 17 lakhs. This is proposed to be covered by transfer of an equivalent sum from the revenue reserve fund.

That the deficit is expected to be of the order of only Rs 2.43 crores is itself an encouraging sign, considering the size and potentialities of the State. Judging from the experience of the previous two years, it is not unlikely that the revised estimates for 1960-61 will disclose a much narrower gap between revenue receipts and expenditure. It is true, next year's Budget estimates are already based on the assumption that land revenue collections would be better than in the previous years; but, with more and more land benefiting from irrigation and other facilities as a result of the development works of the two five year plans, the hope is justified that the State's revenue will also progressively increase.

A feature of the 1960-61 Budget is the special attention it bestows on the developments flowing out of the Chinese aggression on our northern borders. A sizable section of the border falls within UP, which, as a consequence has come to have a common border with our aggressor. Although defence is a Central responsibility, the State Government have nevertheless correctly decided that they have a vital role to play in ensuring the security of the northern region. The State's realisation of its responsibility in this regard is to be seen in the Budget for next year, which makes a provision of nearly Rs 100 lakhs to take steps "within their own sphere of activity" to meet the aggressors challenge. The northern region of the State has seen considerable development during the past few years, but its communications are still unsatisfactory. A provision of Rs 61.64 lakhs is, therefore, made for communications, in addition to Rs 28.36 lakhs for general development. Steps are also to be taken in the coming financial year to make the people defence-conscious. Thanks to the foresight of the present Chief Minister when he was Minister for Education, a scheme known as the Provincial Educational Corps, which is similar to the present NCC Rifles, had been introduced in the State some 12 years ago. Over and above the NCC Rifles scheme, the State Government now propose to revitalise and strengthen the PEC. Further, it has been decided to establish a separate military school under the direct control of the State Government (for which a Budget provision of Rs 4.5 lakhs has been made) with a view to enabling the young men of the State to join the national army in larger numbers than at present.

As the next financial year also happens to be the final year of the Second Five Year Plan, activity in all directions has to be intensified. Thus, the highlights of the next year's Budget makes a long list. But the Second Plan schemes will pale into insignificance if the State Government are able to get the approval of the Planning Commission for their Rs 1800 crore Third Plan. In his budget speech, Mr Ali Zaheer has given an indication of the trend of thinking in the State in regard to its Third Plan. He has emphasised the need for a much bigger plan if the State is to reach quickly the stage of self-generating economy. It would appear that the justification for a big Third Plan, nearly one fifth the size of the National Third Plan, is sought to

be found, among other things, in the State's large population—about 17.5 per cent of the population of the country as a whole, and its comparative backwardness, economic and other. The need for a rapid development of the border regions of the State, in view of the Chinese threat, may perhaps figure as a powerful argument in the plea for meting out special treatment to the State in the next plan period.

IN the penultimate year of the Second Plan, and with the Third already on the anvil, State budgets will be scanned more for evidence of success in implementing plan programmes than for conventional items of revenue and expenditure; for, the record of the Second Plan period is bound to determine the prospects of the Third. Viewed in this light, the Budget for 1960-61 which was presented to the Bihar Legislature by Dr Sri Krishna Sinha, the Chief Minister, who like Dr B. C. Roy in West Bengal, also holds the portfolio of Finance, should be deemed adequate and encouraging.

During the first three years of the Second Plan period, States with few exceptions have lagged behind in reaching the plan targets. The difficulties experienced in the national sphere on account of the shortage of foreign exchange led to delay in the initiation of programmes of development, which had to be rephased and scaled down. Bihar has also shared the same experience. Total outlay during the first three years did not exceed Rs 80 crores against the original estimate of Rs 190.2 crores for the five year period. The actual expenditure during the first three years was even less than half the scaled down target of Rs 174 crores, so that there was room for apprehension whether it would at all be possible to carry out the plan programme in the two years that were left. Such doubts have been firmly set at rest by the experience of the current year. Against the budgeted figure of Rs 45.5 crores, for the current year, it has been possible to step up plan expenditure to Rs 49 crores, according to the revised estimates. The Budget for 1960-61, the last year of the plan, provides for the balance of Rs 45.6 crores to reach the revised target of total outlay.

The manner in which the plan expenditure has been financed is of as great interest as the figures of outlay and should afford even greater satisfaction as evidence of the progressive strengthening of the State's economy. According to the original programme, the State was expected to find Rs 79 crores out of the total outlay of Rs 190.2 crores, the balance to be met by Central loans and grants. But, actually, Bihar, in common with other States, had to bear a larger share of the burden and, over the five years, the State's contribution

Pull Devil, Pull Baker

THE fact that the 1914 Anglo-Tibetan-Chinese convention was not an open agreement openly arrived at does not detract from the value of the stand so far taken by India. The acceptance of the Line for four decades as the boundary between China and India makes it impossible to challenge it. The Chinese Government's appeal to history has been repelled with the artillery of arguments based on history. But this may be without much value in revolutionary times, and the Chinese Government may think on Communist lines that aggression does not matter, since Russia will not support the party affected.

Indian Finance

UP BUDGET AT A GLANCE.			
	1960-61 (Estimated)	1959-60 (Revised)	1958-59 (Actuals)
(IN CRORES OF RUPEES)			
Revenue	130.90	122.33	117.23
Receipts	133.23	122.50	116.14
Expenditure	-2.33	-17	+1.09
Capital Expenditure	26.99	32.42	...

Bihar Budget

will be Rs 90 crores out of the actual outlay of Rs 173.6 crores. Though the reduction in the quantum of Central assistance has been disappointing to the State authorities, the fact that the State Government was able to make good the deficit out of its own resources is heartening evidence of the resilience of the economy which should be able to sustain a larger Third Plan. This conclusion is reinforced by the fact that it had not been possible to introduce new taxation during the first three years, and the additional taxes imposed in the current year's Budget are not yet reflected in the receipts.

The revised estimates for 1959-60 place revenue receipts at Rs 71.75 crores against the budget figure of Rs 71.87 crores, which shows very close budgeting. Revised estimates of revenue expenditure stand at Rs 69.34 crores against the budget figure of Rs 66.34 crores. The revised estimate of capital receipts is Rs 57.75 crores and expenditure Rs 64.92 crores against Budget figures of Rs 50.78 crores and Rs 58.35 crores. The Budget for 1960-61 estimates revenue receipts at Rs 79.35 crores and revenue expenditure at Rs 70.70 crores leaving a surplus on revenue account of Rs 8.65 crores. Capital expenditure is placed at Rs 59.24 crores against receipts of Rs 50.23 crores, so that the overall deficit will be Rs 36 lakhs, which is left uncovered.

The Budget includes a notable announcement regarding increase in the emoluments of Government servants, employees of local bodies, as well as of legislators. Government employees whose basic pay is less than Rs 250 numbering 143,000 will get a flat increase of Rs 10 in the cost of living allowance. Though the question of merging cost of living allowance in basic pay is still under consideration, it will be taken into account for purpose of calculating leave salary, gratuity and pension. This is a firm indication that a positive decision merging the allowance in basic pay will be taken in due course. The employees of local bodies of whom there are 83,000 have also been given increases in cost of living allowance of Rs 5 and the 41,000 chowkidars get an increase of Rs 2. Salaries of legislators have been increased from Rs 200 to Rs 250 a month, and halting allowances from Rs 10 to Rs 15 a day.

This calculation may be at the base of Peking's current thinking, though Mr Khrushchev's soundings in Asian capitals may force China to undertake a reappraisal soon. Beyond the tentative guess, one cannot draw inferences from Mr Nikita Khrushchev's visit to Delhi or its consequences. But it is fair to assume that the publication of the Indian reply to China's claims was made during the Russian Premier's visit in order to indicate that Delhi does not mean to retreat but to stand by the line since British experts like Sir Olaf Caroe have endorsed in principle the stand taken.

February 20, 1960

During Sir Henry McMahon's time, much was said about his correspondence with the princes of the Hejaz to induce them to rebel against Turkey. What was promised then in relation to the Jewish claim for Palestine as a national home for a scattered and oppressed people was hotly debated before the letters were published in 1938. But Sir Henry, after his term in Egypt and the Sudan, became a figure in the City of London—a fact not so far mentioned by any experts—or his long and fruitful career as a Company director with special interests in the East. But his posthumous fame seems to be more considerable, with Indians eagerly looking back on his achievement in the Seistan question or his career as a Political Officer in what was called the Indian borderland.

There has so far been no reference to what Lord Curzon said in his famous lecture on Frontiers, but the Foreign Office experts may be trusted to look that up as also Curzon's impressions of China before he came out to govern British India. The Indian reply, like that made earlier, rests largely on tacit acceptance of the Line, not the maps which were imperfect and throw no light on territorial claims or the facts of penetration or effective occupation under British Indian rule.

The problem now is to reconcile the conflicting claims, and the Chinese Government's implied acceptance of the McMahon line in relation to the Kachin and Shan States suggests previous arbitration by the League of Nations with reference to the Sino-Burman boundary was not disregarded by Gen. Ne Win, who was able to achieve a minor triumph at a time when Laos was menaced and Cambodia was exposed to subversion. There is no Anglo-French rivalry as in 1900, but Burma, like Thailand, has emerged as a neutral, able to stand up and speak itself.

That is a lesson whose present value is strengthened by the careful steps taken to keep the frontier dispute with China out of the international arena. A private argument about the McMahon line (different from the Curzon line, drawn to separate Poland from Russian territory) goes on, but the Line remains one like the Durand Line—a boundary which has survived the withdrawal of British power and has placed the Pathan tribesmen

under surveillance, incidentally helping Pakistan to reject claims for a separate homeland for the Pushtu-speaking tribes.

The McMahon line was drawn in different territory and British military forces had never made an approach to Tibet through Kashmir, whose prince was always afraid that the climate of Kashmir might tempt Europeans to settle permanently, and the principality, like Berar, would inevitably be submerged in British India. That point has scarcely been mentioned in discussions on the position of Leh, the explorations of Sir Aurel Stein, and the continuing revival of Chinese interest in Chinese Turkistan. There is no news from Tartary as yet, but if the routes from Tibet make the Chinese hold on Tibet complete, and Russia is elbowing out quietly from Sinkiang, the whole problem of Chinese intrusion into Ladakh may alter in both nature and dimensions. That cardinal fact is perhaps absent from the minds of those who forget that China has regained full control of both Outer and Inner Mongolia and has restored the balance of power obtaining in East Asia before the collapse of the Manchu empire.

It is evident that the force of history is on China's side, but India's friendliness as an uncommitted nation, its position in the modern world as a country that is serving as a bridge between Asia and the West and China's own need for good relations with Asian countries, alarmed by the power and ambition of the Red Mandarins, are in a way useful talking points. But they cannot be talked about, and the cynic will assume that diplomacy in its most recent phase has largely become a game of "Pull Devil, Pull Baker," and he who looks for direct, quick results from the exchange of protests and aids to memory is sadly mistaken.

The historian of the future, looking back on the sudden eruption of Sino-Indian differences, will perhaps dismiss it as something like the Corfu dispute or Russo-Finnish quarrels, because what follows may well be an adjustment of respective claims and counter-claims, and the commercial instincts of the Chinese may be expected to play their part, although one cannot forget that the protests of Peking have been given a sharper edge by references to the Opium wars and the recruitment of Sikh policemen to serve under English officers in Shanghai as well as Hongkong.

Financial Discipline in Pakistan

AFTER the present administration came into existence in 1958*, Pakistan has been a more disciplined nation than before; and nowhere has discipline yielded better dividends than in the sphere of finance. In the past, economic problems did not get the attention they deserved mainly because of chronic ministerial instability. As a result, the country was confronted with scarcity, high prices, black-marketing and other evils of excessive inflation. The present administration claims that, by enforcing financial discipline, it has effectively checked inflation and placed Pakistan firmly on the road to stability and prosperity. It will be worthwhile to consider the various measures that have been adopted for this purpose.

Broadly, the policy followed by Pakistan was to live within its means. This was applicable both to internal resources and external finance. Unproductive expenditure was curtailed or avoided and the maximum amount of the available resources was used for expenditure

on productive schemes. The taxation policy was so framed as to achieve the following objectives:

- (1) To increase the availability of goods in the country through maximum industrial and commercial activity so that goods are available to the consumer at reasonable prices, and there is sufficient encouragement for exporting them.
- (2) To create thorough incentives, exemptions and specific reliefs a fiscal climate in the country which should prove attractive to the foreign investor, as well as encourage the local industrialists and businessmen to invest and, what is equally important, to reinvest their savings and profits in existing and new enterprises.
- (3) To rationalize and simplify the taxation structure.

In pursuance of this policy, the Government decided to raise the bank rate from 3 per cent to 4 per cent with a view to restricting unproductive credit. Further, the deposit rates of savings bank current accounts have been raised by a half per cent. A new series of postal certificates have been issued carrying

*Field Marshal Ayub Khan was elected the first President under Pakistan's new constitution.

tax-free interest at 6 per cent per annum. Tax concessions have been offered to stimulate saving and re-investment of profits. Marginal income tax rates have been reduced to increase incentives for work and saving. A "tax holiday" has been given to new ventures if they primarily use indigenous raw materials and re-invest at least 60 per cent of their profits in the same enterprise during the period of "tax holiday". Considerable stress has also been laid on austerity in consumption at all levels.

At the same time, price control on various commodities was enforced strictly. Severe steps were taken for checking corruption, blackmarketing and hoarding. It is estimated that Rs 1,340 million of hidden wealth has been declared, yielding Rs 300 million of income tax to the Government. The actual collection of income tax arrears is placed at Rs 149.6 million in 1958-59 and Rs 54 million in 1959-60 (budget estimate).

The Government claim that these measures have had a perceptible impact on production and living costs. The index of industrial production rose (1950=100) from 119 in July-September 1958 to 169 in January-March 1959. Agricultural production also is reported to have recorded an improvement. The cost of living index of industrial workers at Karachi declined from 128 in September 1958 to 115 in March 1959 before rising to 121 in August 1959. Similarly, in Narayanganj, the cost of living index of industrial workers declined from 123 in September 1958 to 113 in December 1958 and again rose to 118 in June 1959.

These measures, it is stated, have helped to control the situation although, to quote an official document, "supplies are still very inadequate to meet the effective demand".

In the sphere of external finance also, a number of measures were adopted to improve the balance of payments position. Hoarders of foreign exchange were asked to surrender to the State Bank all the foreign assets illegally held by them. Import licences against which no firm commitments had been made were frozen. A cut of about 20 per cent was imposed on Government imports. Positive incentives were given to step up exports. In January last year, an Export Bonus Scheme was announced. Under this scheme, all exports other than raw jute, raw cotton, wool, hides and skins and tea were permitted to earn a bonus in the form of transferable import licences at 20 per cent or 40 per cent of the foreign exchange earnings. The bonus licences could be used to import goods out of a list of 219 items and could also be sold in the market at a premium. Further, procedures for export controls were simplified. It is claimed that, as a result of these measures, the country's balance of payment position showed a surplus of Rs 116 million during the six months period from October 1958 to March 1959, compared with a deficit of Rs 189 million in the corresponding period of the previous year. In April 1959, there was also a surplus of Rs 25.6 million. The gold, dollar and sterling reserves stood at Rs 930.2 million at the end of April 1959 and Rs 988 million at the end of May, as compared to the low level of Rs 72.62 million in September 1958.

The financial discipline enforced in Pakistan has a lesson for other countries which are anxious to develop their economy without creating inflation. However, it must be pointed out that the success of Pakistan is due largely to its administrative set up under military auspices. It is doubtful if other countries, too, could afford to maintain stern discipline without, at the same time, dispensing with the normal democratic apparatus such as free press, free elections, and a fearless opposition.

NATIONAL NOTES

Programme for Oil

The Advisory Committee on Petroleum products, which held its first meeting in New Delhi last week, has the two-fold problem of co-ordinating the activities of the different agencies engaged in prospecting, production and distribution of oil as well as balancing of the supply and demand of different products of the oil refineries, both existing and prospective. The imbalance between the supply and demand is the result of the fact that the quantities of gasoline, kerosene, the middle distillates and so on that can be obtained from a given quantity of crude oil can be varied only within very narrow limits. Currently in India, we have a surplus of motor spirit and shortage of kerosene and high speed diesel oil.

The imbalance is likely to be aggravated by changes in the consumption pattern, as for instance by the introduction of jet aircraft which burn kerosene in place of conventional planes using high octane aviation fuel. As the production pattern is more or less fixed, the remedy has to be sought in adjusting the pattern of consumption. The Committee will have to suggest measures to eliminate or reduce the surplus of particular products through measures designed to stimulate their consumption or exports. The committee, for instance, will have to suggest the most advantageous way of reducing the gap in the level of excise duties levied on motor

spirit and diesel oil. The development of petrochemical industries, which use gasoline as feedstock, can also help to absorb the surplus of gasoline, but only in course of time.

The problem has acquired added urgency with the start of work on the establishment of oil refineries in the public sector. Spokesmen of oil companies have drawn attention to the aggravation of the problem that is likely, unless steps are taken in time to deal with it. For instance, addressing the Calcutta Rotarians a few months ago, Mr O. R. Underhill, of Stanvac, expressed the fear that "Government's plan for a 45,000 Bbl/day Barauni refinery will render idle most of the 100,000 Bbl/day capacity of the existing coastal refineries." The fears entertained regarding the impact of the public sector refineries may be exaggerated. But they certainly point to the need for co-ordination of the activities of State and private agencies in the field, which was the principal theme of Mr K. D. Malaviya's inaugural address.

The prospects of co-operation between state-owned and private agencies in the field have very much improved in recent years with the realisation of the growing demand for oil products that is likely to materialise as planned development gets into stride. Total oil consumption has already increased from two million tons in 1947 to nearly six million tons at present and, on the basis of present trends, is likely to increase to 14 million tons of crude oil equivalent by 1966 and 25 million tons by 1971. As against this, indigenous production of crude oil is hardly 0.5 million tons at present, and may increase to four million tons by 1965.

The heavy cost of oil exploration is the principal justification for Government's decision announced a month ago to invite foreign explorers to join in the quest for oil. But old prejudices die hard. And a seasoned statesman like Sardar K. M. Panikkar has found it necessary to recall in the Rajya Sabha the story of oil interests creating oil empires in other parts of the world and controlling the politics of underdeveloped countries.

Aid for Growth

The importance of stepping up the rate of economic growth in India within the democratic political framework has been rightly stressed by Mr B. K. Nehru, the Indian Commissioner-General for Economic Affairs, in an address to an American organisation interested in international questions. While planned development has achieved the target of increased national output, the rate of growth has been too slow to make any perceptible impact on the standard of living of the common man; in certain sectors, real incomes have remained stationary or even declined. Unless the rate of increase could be speedily stepped up, there is reason for fear that growing popular discontent may burst the seams of our democratic constitution.

The inadequacy of the rate of progress is further highlighted by reports of the rates attained by

China. The totalitarian systems have an edge over democracies in that they are in a position to divert a larger proportion of current output toward investment. The extent to which a democratic government can force the pace of investment is strictly limited, especially with a mass electorate living on the margin of subsistence and impatient for tangible improvements in living conditions. The shortfall in investment has to be made good by foreign aid. This fact is now better understood in the Western countries, which have helped India in the past, than it is by some of our own countrymen, who are afraid that foreign assistance will prove to be indigestible; and their statements may cause confusion abroad, regarding India's attitude to offers of aid. All the more reason, therefore, to welcome the unambiguous statement of India's need by Mr B. K. Nehru.

Productivity

Doubts have often been expressed by critics of planning whether the country is getting value for the heavy investments both in public and private sectors in creating new productive facilities. The productivity movement, which has gathered remarkable momentum within the very short period of time since it was started, is evidence of widespread awareness of the need to ensure that plan expenditures do not all go down the drain.

When the general level of productivity is low, increase in capital investment only serves to add to the cost of the product. Productivity in India, whether in industry or agriculture, is admittedly low in comparison with other countries. And attention is immediately fastened on the productivity of labour. But it is as well to realise that no single agent of production is responsible for increased productivity. The joint responsibility of management, equipment and labour, for the present low levels of productivity, to which Mr Manubhai Shah drew attention at the annual meeting of the local Productivity Councils last week, spotlights the need for a co-operative effort of all the three factors, to make the productivity drive a success.

The growing number of productivity councils that have been set up, (thirty-four are now functioning, two more than the target) is evidence of the growing recognition of the importance of the movement. The productivity movement so far has confined itself to industrial operations. At the one-day conference of the Calcutta Productivity Council, the Chief Minister of West Bengal gave a timely lead when he stressed the need to extend the movement to agriculture.

This conference was the Calcutta Productivity Council's first major function and, to judge by the report of the discussions, it has given a powerful impetus to the productivity movement in this part of the country. The purpose of the conference was to consider the recommendations of the First NPC Productivity Team. In this context, the conference devoted special attention to work

study on the assumption, as explained by Mr H. K. S. Lindsay, who presided, "that the broader aspects of productivity which are within the control of management can initially at any rate safely be left to management associations to pursue." Another good reason for concentrating on work study was the participation of Mr R. M. Currie, a distinguished international figure in this field of productivity studies, whose review of modern work study methods provided the background to the later discussions. Mr Lindsay for his part was confident that the priority accorded to work study would be entirely justified. It will be, if there is readiness on the part of both management and workers to make and accept the changes indicated by an objective study of factors governing operational efficiency.

The first step toward the success of the movement is to dispel the suspicion, apparently widespread among workers, that the programme is just another device to increase the work load. There is need to evolve some system of positive incentives, like a productivity bonus, in order to enlist the co-operation of workers. While it is possible that the application of techniques of improved productivity may result in surplus labour in some establishments, only a general increase in productivity will create the basis for self sustaining growth of the national economy. Government's role should not be limited to making exhortations to management and workers to co-operate. The Minister of Industry might examine how the policies pursued by other ministries—the Ministry of Commerce, for instance, regarding restriction of imports of equipment or the Ministry of Labour as regards rationalisation—sometimes frustrate efforts made to improve productivity through installation of up to date equipment.

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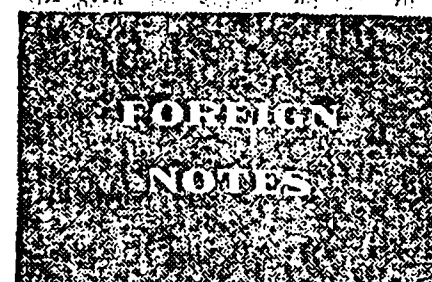
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Japanese Trade with Communist Area

After the sharp decline in the immediate post-war period in the trade with Communist areas, Japan's trade with countries covered by this area has witnessed a gradual recovery, owing to the moderation of restrictions on exports. However, as compared with pre-war levels, present Japanese trade with these countries is extremely low. In the pre-war period, Japanese exports to countries now under Communist rule amounted to 163.0 million dollars on the 1934-36 average, accounting for 18.0 per cent of total exports. Against this, exports to these countries during 1956-58 averaged only 74.7 million dollars accounting for 2.7 per cent of the total exports. Similarly, imports which amounted to 111.2 million dollars in the pre-war period, representing 11.8 per cent of the Japanese total imports, fell off to 99.7 million dollars representing 2.8 per cent of the total during 1956-58.

The main cause for the sharp decline in trade with Communist countries was the severe disruption Japan suffered in its trade with Mainland China. In the pre-war period, Japan contributed 58.4 per cent of the free nations' exports to Mainland China. This has shrunk to 11.5 per cent in 1957. On the side of imports, Japan accounted for 38 per cent of the free nations' imports from Mainland China. This has fallen to 12.7 per cent in 1957.

According to a survey by the Japan-Mainland China Export and Import Association of the foreign trade of Mainland China by markets, the composition of markets witnessed an important increase of Communist countries after the Korean war, whilst free nations showed a marked shrinkage, the position of the two groups having been reversed. Since then, until around 1955, the ratio of Communist areas was almost 80 per cent, that of the free nations 20 per cent. It is, however, noteworthy that, while free nations have made a slight advance after 1956, the relative position of Japan remained stationary and even tended downward. The value of Japanese exports to mainland China, which was 67.3 million dollars in 1956, went down to 50.6 million dollars in 1958. Similarly, the value of Japanese imports from Mainland China, which stood at 83.6 million dollars in 1956, was reduced to 54.4 million dollars in 1958.

The suspension of trade with Mainland China from May 1958

marked a new stage in the trade relations between the two countries. This happened when Mainland China rejected the fourth agreement on private trade with Japan as a result of an unfortunate accident. The fourth agreement was concluded after the moderation of restrictions on exports to Mainland China, including the simplification of commodity classification, the mutual establishment of private trade representations, guarantee of long-term supply relations in important goods, the establishment of correspondence between Japanese and Chinese foreign exchange banks etc. As this agreement was inclusive, Japanese commercial circles were disappointed at the failure of its enforcement.

Contrary to this downward tendency of trade with Mainland China, trade with the Soviet Union has shown a recovery in recent years. The pre-war high was reached in 1930 with exports at 13.5 million dollars, and imports at 18.4 million dollars. Post-war Japanese trade with the Soviet Union may be divided into periods before and after the restoration of diplomatic relations in December 1956. Trade during the period from the termination of the war up to the restoration of diplomatic relations in 1956 was stagnant in general, though with considerable fluctuations.

Following the joint declaration of the restoration of diplomatic relations in December 1956, a commercial treaty and trade and payment agreement were concluded in December 1957 as a consequence of which Japanese trade with the Soviet Union entered a new stage. Trade showed a marked expansion in 1957 in expectation of the trade agreement, registering a 5 fold increase compared with 1956. Trade in 1957 again expanded to nearly twice the figure of 1957. Not only quantitatively, but also qualitatively, there was an improvement in export and import commodities. The composition of commodities developed toward heavy and chemical industries products. In this sense, trade with the Soviet Union can be said to have shown an important development.

The shrinkage in Japanese trade with communist countries in the post-war period has been attributed by some to the policy of autarky adopted in the socialistic countries. In the light of the actual development of trade between East and West, there does not seem to be much truth in this. For, the Soviet Union and Mainland China have officially admitted the importance of an expansion of foreign trade and the benefits of the international division of labour. Consequently, the lack of development of Japanese trade with Communist areas can be said to have been closely connected with post-war Japanese trade policies. This is clearly evidenced by the fact that the Japanese trade with Mainland China witnessed a marked

expansion after the moderation of restrictions on exports, and that Japanese trade with the Soviet Union registered a conspicuous expansion after the restoration of diplomatic relations in 1956, exceeding the pre-war level both quantitatively and qualitatively. Japanese foreign trade policies may be said to have been connected with political considerations, following the example of the United States, Formosa and other free nations, in respect of the Communist areas. However, it cannot be denied that the suspension of Japanese trade with Mainland China from May 1958 was due to unilateral political actions of Mainland China.

Japan is a country which is heavily dependent on foreign trade and for which, therefore, the cultivation of foreign markets is of supreme importance. This raises the question of the future prospects of trade with Communist countries. Considering that almost all the Communist countries are engaged in economic development in a big way, the scope for increase in Japanese exports to these countries appears great. However, it cannot be overlooked that the Communist countries try to maintain equilibrium of exports and imports by planned foreign trade. Therefore, an increase of foreign trade in the form of large excess exports cannot be hoped for. Consequently, the key to the expansion of Japanese trade with Communist countries is an increase of Japanese imports. It will, however, be a difficult problem to switch import sources from the United States and Southeast Asia to Communist areas.

Burma's Balance of Payments

Increased imports in the face of a slow-down exports cost Burma a drain in foreign exchange reserves to the tune of K 27 million in November 1959. Analysing the causes for this drain on foreign exchange reserves, the Union Bank of Burma review for the month of November traces it to the liberalised import licences issued by the Burma Government in October and November. Import licences in these two months are shown to have aggregated K 88 million. The decline in import payments, valued at K 19 million, which followed the fall in both Government and private imports in October has thus proved to be short-lived.

The contractionary influence of this decline in foreign exchange reserves on the money supply seems, however, to have been offset by expansion of commercial bank credit to the private sector and by increase in Government deposits. The increase in Government deposits was of the order of K 57 million and came as a result of a borrowing of K 37 million from the banking system and a receipt of K 32 million arising out of its transactions with the private domestic sector offset to the extent of K 12 million by net

deficit incurred in its transactions abroad. The total expansion in commercial bank credit in November is placed at K 25 million made up of K 14 million under advances and K 11 million under bills discounted. The effect of the increase of K 57 million in Government deposits on total money supply was offset to the extent of K 15 million by decline in private money. Total money supply, which rose by K 42 million, stood at K 1,980 million at the end of November.

Arising from increased tax collections, revenue receipts are reported to have gone up in October by 38 per cent over the previous month. Taken with the 71 per cent increase reported in respect of receipts under capital accounts, the increase in total receipts works out to 56 per cent. Increased revenue receipts were, however, matched by increase in current expenditures, which are reported to have gone up by K 19 million. Capital expenditure registered a marked decline from K 13 million to K 1 million.

Ayes for Ayub

Pakistan through the medium of chosen instruments has ratified Field-Marshal Ayub Khan's proceedings over sixteen months at home. His foreign policy may be said to have continuity. The eastern wing had no option to opt out, but the recent triumphal tour by train may have had its own effect on the people who have confirmed the soldiers in power and given him a dictator's mandate. Relations with India may improve after the poll—that is a prophecy which may be gratuitous but not erroneous. The new Capital at Rawalpindi may be in poor shape, but Pakistan may be in good heart after the poll, and get ready for a constitution modelled after the Fifth French republic. The further term of power given by the poll may induce the USA to step up economic aid, and Pakistan may be termed a better risk, for all the contradictions and contrasts that Pakistan must present.

The lesson for Delhi may not be very plain, but Ayub and Gen Shaikh now have a firm hand to deal with outstanding issues, other than financial. The big money for the new Canals will soon come, but it is Peking's psychic play that will shape the course on Kashmir. Anti-American feeling in Kandahar may compel Pakistan to try a fresh gambit in regard to Kashmir and India's latest protest to Peking may serve to reassure Ayub, (especially after the mid-term election in Kerala) that India is not too friendly with the Communists. The poll may even said to provide political insulation for the sub-continent and give extra edge to the pleas heard in India for summary treatment of corruption and intrigue a la Ayub. The idea of a no-war pact may have receded, but Pakistan's domestic policy will not be critically examined, after it is known that Ayub has got all the Ayes (98 per cent of the votes, in fact) he wanted to make his regime respectable.

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Big Bang

The world is not coming to an end with a big bang in the Sahara, though Ghana registers angry disapproval. But that new nation has been capricious in dealing with mining companies, and foreign newspapers, too, and Paris may ignore it because the overseas empire has become in Gaullist parlance a new community. For NATO the implications may prove serious. The French advance to equality and the working out of the spirit of France-German agreements may render disengagement in Europe difficult. But it will also be widely appreciated that it is not pique but the claim to a compact culture and new mission that has made France undertake a test in the Sahara at a time when Geneva has been in coils, trying to reach a pact about a ban on future tests.

Whether the explosion will make the Sahara habitable is hardly a pressing query. But the Arab countries have been reminded that General de Gaulle has made up for the sorry business over Suez and has called the embattled Colons to order, shuffled the court cards in his political pack, and reminded the USA that the Atlantic alliance must be kept in good repair. Whether Moscow will take note of French claims and aspirations to modify its own policy of climbing slowly to the summit may depend on the success of Mr Khrushchev's mission to Indonesia. The French need not trouble too much about atomic weapons for West Germany or US missile bases in Italy, now that France, which produced the Curies has caught up with Britain. Too much should not be now read into the angry gesturings of Cairo, but more may be inferred about the prospects for Saharan oil in Europe. The US oil companies may see their market for Middle Eastern oil in Europe limited by the single fact of an explosion and Socony may try to put its foreign policy in shape before the State Department takes notice of what atomic tests can do to the desert terrain. The French Government have established, incidentally, their right to play host to the leaders meeting at the Summit in the spring, and the Big Three will have to prove themselves "Good Europeans" when the Western Europeans have got over the feeling of dependence on the US for economic aid.

Pakistan's 2nd Plan

A twenty per cent increase in food production, which should enable the country to reach self sufficiency, and an increase of the same order in gross national output are the main features of Pakistan's Second Five Year Plan whose aims were defined by Mr G. Ahmed, Chairman of the Planning Commission, in his address to the "All Mission" ICA Conference held in Karachi last week. The Plan itself, which envisages a total expenditure of Rs 1,900 crores, Rs 850 crores more than the First Plan target, was announced on December 30. Out of the total outlay, Rs 1,150 crores will be in the public sector and

Rs 750 crores in the private sector. The larger allocation to the public sector does not mean that Pakistan is committed to an expanding State enterprise. On the contrary, the Chairman of the Planning Commission explained that the allocations are not rigid and that any industrial activity initiated in the public sector could later be taken up by the private sector. He himself felt that Rs 750 crores for the private sector probably underestimated its potential. The aim of public sector investment was mainly to build up the infrastructure to sustain future industrial development. The Pakistan Industrial Development Corporation will also initiate development in areas where private capital is shy. One of its principal roles will be to equalise the levels of industrialisation in the two wings of Pakistan. East Pakistan lags behind in this respect and one of the aims of planning will be to redress the balance.

The foreign exchange requirements of the Second Plan are now estimated at about Rs 800 crores. Pakistan is already receiving aid of the order of Rs 100 crores a year, without taking into account the credits extended by the UK and by West Germany; so that, with the stepping up of the level of aid to underdeveloped areas envisaged in President Eisenhower's special message to the Congress asking for approval of the foreign aid programme for the coming year, foreign assistance is not likely to fall short of the plan estimates. The most hopeful development in Pakistan under the new regime is the earnest effort to set the country on the road to economic progress. And the Plan has laid down a proper order of priorities in placing agriculture in the forefront.

Economic Issues of US Election Year

THIS is a presidential election year in the United States, and as is to be expected, economic viewpoints on each side of the party fence are sharpened and vigorously debated by Republicans and Democrats. Such differences clearly appear in a report issued recently by the Joint Economic Committee of Congress. It is a report that caps a year-long study of US employment economic growth and prices, and it is a reflection of the partisan debate, with the Republican (minority) members of the committee dissenting on many points from the views of their Democratic (majority) colleagues.

Yet what is perhaps most notable about the report is the virtual unanimity of the committee's findings and recommendations on the matter of foreign economic policy—in contrast to the evident differences on a number of domestic questions. In essence, these recommendations call for the continuation of the forward-looking and liberal policies which traditionally have marked US foreign

aid, trade and investment programmes.

Among the specific recommendations, four stand out. They are:

1. To "continue to make the resources available" to help strengthen the economies of other free nations. Included is an endorsement, in principle at least, of mutual assistance and other US aid programmes.

2. To "encourage and co-ordinate the aid programmes of the free industrial countries", preferably through multilateral machinery. Mentioned as fitting instruments for this purpose are such institutions as the World Bank, the International Monetary Fund, and the Projected International Development Association.

3. To "reduce our own (US) tariffs in exchange for tariff concessions" from other countries, in an effort to strengthen the multilateral approach to world trade "without restrictions and discriminations". The committee notes, in this connection, that common markets and free trade associations should not become agents of trade discrimination.

4. To press upon "most of the continental countries of Western Europe", the need for prompt action to remove discriminations against dollar goods imports. Considerable progress along this line already has been made, of course, but the feeling seems to be that much more still can be done.

Significantly, these recommendations accord to a marked degree with positions taken by the Eisenhower administration. Further agreement with administration views is seen in the committee finding that the US balance of payments deficit, totalling some \$7,000 million in the past two years, "does not call for emergency measures"—although both Democrats and Republicans on the committee also agree that deficits of this magnitude obviously cannot be accepted indefinitely.

As is implied in the tenor of the committee's recommendations, both the Democratic and Republican members endorse the administration view that the best way to meet the balance of payments problem is through increasing US exports, not through reducing US imports. The committee, in effect, agrees with the views of many members of the Eisenhower administration. In discontinuing the oft-heard argument that US business has priced itself out of world markets.

The extent of the basic agreement within the committee on international economics is seen in this comment by the Republican members: "At a time when the clamor associated with the present outflow of gold has stampeded many observers into careless analysis and hasty suggestions, their (the Democratic committee members') sensible review of the issues and sound recommendations deserve praise."

It certainly would be premature, at this early date, to expect that foreign economic policy will not be discussed in the election campaign just getting underway. Nevertheless, the nature of this report by the Joint Economic Committee suggests a closer meeting

of the minds on this subject than is likely to be visible on economic matters of primarily domestic concern.

This underlying, bipartisan agreement on broad approaches to international aid, trade and investment at any rate seems to bode well for harmonious U.S. economic relations with other countries, regardless of the outcomes of the national balloting next November.

Australian Economy in 1959

After reviewing the tremendous expansion of Australia's economy, the leading newspapers of the country have predicted a continuance of the high level of investment and industry during 1960. Industrial production, as reported by the Australian Financial Review, accelerated tremendously in the September quarter of 1959. Factory production during the three months to August in 1959 recorded an increase of 8 per cent from that of the corresponding period in 1958. The average annual rate of growth over the past five years has been estimated to be over 6 per cent.

Mr Ian Porter, Chairman of Australian United Corporation, has stated that, with a continuance of the rise in the real income, the overall increment in national production was likely to be 50 per cent over the next ten years.

Australian commitments under the hire-purchase agreements, as revealed by the Chairman of the Australian Hire Purchase Conference, were about 7 per cent of national income in contrast to 12 to 13 per cent in the USA.

Referring to the more general aspects of investment, Mr Brian Barry, financial writer for the Melbourne Herald, has stated that the 1950s witnessed the development of public interest among Australians and added that interest would be intensified during the next decade.

The total receipts from the mineral products of the country was to the tune of Rs 200 crores. The value of exports of metals and minerals, excluding gold, was Rs 49 crores.

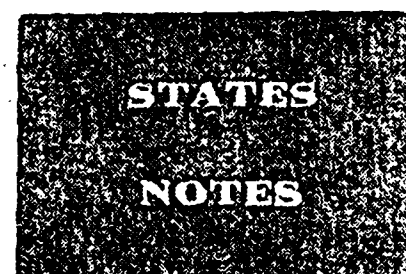
According to the estimation of the National Bank of Australia, 1960 should prove to be comparatively a good year for the retail trade in the country. A rise in consumer outlay is also expected, mainly due to the impact of recent wage margin adjustments and the improved employment situation. Vigorous competition will be witnessed in metropolitan areas due to the improved selling facilities.

The total output of cotton yarn, woollen and worsted yarn and woven cloth as well as of towels, blankets and drugs increased considerably during the period under review.

The total number of new motor vehicles registered in Australia reached an all time record of over 250,000. Consequently, the consumption of motor spirit in the country showed an increase of 9 per cent over the previous year.

Indian Finance

February 20, 1960



Rs 1800 Crore Third Plan for UP?

The first reaction to the news that Uttar Pradesh has drawn up a Third Plan involving an outlay of Rs 1,800 crores will probably be that there has been a mistake somewhere. But a closer perusal of the State's proposals, will show that a big leap forward has really been planned, subject, of course, to the Planning Commission's approval. Evidently, the big size of the State's Third Plan has been the direct result of the indication that the Central Plan will be about Rs 10,000 crores. Perhaps, the surprise is in the fact that, while the Central Plan is only about double the size of the National Second Plan, UP's Third Plan is nearly five times the size of its Second Plan.

There are, no doubt, a number of valid reasons for aiming at greatly accelerated development in UP during the next plan period. Some of the important considerations, like the fact that it is a very big State with nearly one-fifth of the population of the country, will certainly weigh with the Planning Commission while deciding the question of Third Plan allocations to the States.

If a proposal for an expenditure of about Rs 2,000 crores during a five year period in a State of the dimensions of UP causes some scepticism, it is largely because of the none too bright prospects for the mobilisation of large resources, either internal or external, for the Third Plan. Had it not been for the need to pay heed to this serious limiting factor, an outlay twice as large as the one now proposed can easily pass muster. For, the work of building up the economy of the State by fully exploiting the available natural resources is still only in its initial stage, although the State has passed through nine years of planned development under the First and the Second Five Year Plans.

It is true, considerable headway has been made these nine years; but, considering the work that still lies ahead, the achievements so far pale into insignificance. Taking for instance the agricultural sector, on which depend nearly 75 per cent of the State's population, the development programmes of the first two plans will be able to cover only one-fifth of the area that can be put under the plough. So, it would appear that the emphasis in the State's Third Plan will also continue to be on agriculture. But other sectors of

activity cannot be neglected if around improvement is to be achieved, and this explains the big outlay proposed for the Third Plan.

Andhra's Third Plan Proposals

Although the various departments of the Andhra Pradesh State Government have drawn up ambitious schemes for implementation during the Third Plan involving a total outlay of Rs 700 crores, it is unlikely that the final proposals that will be put to the Planning Commission would exceed Rs 400 crores. This was disclosed by the State Minister for Planning and Development, Mr Pidathala Ranga Reddy, last week in Hyderabad.

While there is nothing unusual about the States wanting to develop their respective regions as quickly as possible, such enthusiasm should be tempered with a sense of realism based on the ability of the concerned regions to execute the tasks taken up and on the availability of the requisite resources. The Planning Commission seem to have arrived at a general rule that States' Third Plans should be not more than one and a half times their Second Plans. This may only be a rough yardstick and, in actual practice, the Commission would not be able to adhere strictly to this wholesome ruling. But this is not to say that there is no need for realism in fixing the plan outlays.

The Andhra Pradesh Planning Minister has noted that, apart from the Planning Commission's suggestion, there are a number of reasons why the State's Third Plan should not be too big. In the first place, experience during the current plan period has shown that the ability of the State to spend money, let alone mobilise resources, is still limited. Mr Reddy's estimate is that the spending capacity of the State during the next plan period will be at an annual average of Rs 60 crores. On this basis, the outlay should be only Rs 300 crores. This is also in accordance with the Planning Commission's suggestion. With constant and concerted attention the Plan projects, it may be possible to spend a maximum of Rs 350 crores.

In this view, the prospects for embarking on big projects during the Third Five Year Plan period are not very bright, because Mr Reddy has estimated that as much as about Rs 180 crores will be taken up by spill-over projects from the current Plan. In a Rs 350 crore Third Plan, therefore, a sum of only Rs 170 crores only will be left for new projects.

Modest Third Plan for Orissa?

Indications are that Orissa will elect to keep its Third Plan pro-

posals within the bounds of the Planning Commission's acceptance. For, it is learnt that even the working group set up by the State Government to draw up its Third Plan has set the target of expenditure around Rs 262 crores only, some two and a half times as big as the State's Second Plan. It would appear that even this proposed outlay may be drastically cut, if the view of the special committee, set up by the State Government to examine critically the various schemes with a close eye on the resources position, prevails. According to the Working Group's proposals, the emphasis in the Third Plan should be on Irrigation and Power with a view to creating the basic prerequisites for further development in other spheres. Agriculture, too, is important, even though the State has no big problem as regards the supply of food for its population. Great potentialities still exist in the State for stepping up agricultural production and, in view of the national importance of food production, agriculture should continue to receive a good deal of attention.

The scrutinising committee, which is composed of officials, can only be guided by the resources that can be mopped up within the State and the probable quantum of Central assistance. It is also gratifying to note that the committee has stressed the need for taking into account, while drawing up the State's Third Plan, the capacity of the State to execute the schemes finalised. The Committee is reported to have opined, presumably on the basis of these broad criteria, that a Third Plan of Rs 175 crores will be a practicable proposition. In this view, the committee is said to have suggested that alternate draft proposals should be prepared. This is evidently to obviate waste of time between the rejection of a particular proposal by the Planning Commission and the preparation of a new one. The example can be emulated by those States who have drawn up ambitious development schemes for the Third Plan.

Bombay's Annual Plan

Irrigation and Power Schemes share almost equally a total allotment of Rs 35 crores in the annual plan for Bombay that has been finalised recently after discussions in the Planning Commission with representatives of the State Government. The total outlay for the next year has been fixed at Rs 98.75 crores. The expenditure to be incurred in connection with the Koyna Project is a major item under Power development. Schemes under the State Electricity Board may be expected to get a fillip as a provision of Rs 2.75 crores has been made for this purpose in the annual plan. Multi-purpose projects get the major portion of the

allocation under Irrigation, which gets Rs 17.4 crores.

Next to Irrigation and Power, Agriculture and allied subjects including Cooperation and Panchayats receive a large allocation at Rs 22.6 crores. A little more than Rs 5 crores are to be expended on Minor Irrigation as evidently this type of increasing the land under cultivation has proved very efficacious. It is estimated that about 3.98 lakh acres would be irrigated through Minor Irrigation by the end of the current financial year. The target for the next financial year is 1.72 lakh acres. It is but meet that agriculture should continue to get concerted attention in the State, because it is still deficit in food-grains. The allocation for agricultural production is Rs 3.98 crores. The establishment of seed farms—an important factor in the efficiency of agricultural operations—is going on apace and it is expected that 323 seed farms would be functioning by the end of the current year. Soil Conservation Schemes are also to get much attention as the allocation for this purpose is quite large at Rs 2.95 crores.

As in other States, Social Services, including Health, Housing, Education, etc. are given a sizable share at Rs 21.9 crores, but a major portion of this expenditure is to be accounted for by Education, health and housing. Community Development and Transport get due importance and an allocation of Rs 8.4 crores for the latter reflects the State Government's special interest in it. The emphasis in the State Government's industrial activity is on the development of small scale industries which get Rs 1.93 crores out of the total allotment of Rs 2.19 crores.

Mr Birla on Technicians

Inaugurating the Sixth Management Conference in Ahmedabad, Mr G. D. Birla has forecast a bright future for technicians in India. But the technician will never attain the position that is his due unless he takes active interest in the business with which he is concerned. So long as he is content to remain secluded, doing his allotted job, he has no chance of improving his position. Mr Birla says that the Indian technicians should begin to emulate their counterparts in the US where a technician is also a businessman. This combination of two essential qualities in him makes the technician the natural choice for the top-ranking positions in industry.

It may not be possible for all to assert, as Mr Birla is able to do, that the US system is preferable to that of the UK. But there is no gainsaying the obvious advantages in having technicians with a sound knowledge of business

management at the helm of affairs in industry.

Mr Birla thinks conditions are conducive in India for the growth of what he calls people's capitalism by which is meant ownership of industries by a large section of the population. There are in our country a good many self-employed people and this is a happy augury for the setting up of a great number of corporations with a larger number of shareholders. People's capitalism will also be hastened by the high level of taxation in India, and Mr Birla opines that the era of personal business empires is quite near at hand.

Mr Birla, however, expects a good managing agency system to continue to do useful work to the community. Even after the disappearance of personal business, the managing agency system will have to stay in order to ensure that the impersonal corporations pass into good hands.

Mr S. P. Jain on Tax

It is a familiar complaint of private enterprise that, while loudly declaring that there is in reality only one sector, the national sector, in which the so-called private and public sectors are having complementary functions, Government spokesmen themselves are guilty of fostering separatist tendencies, both by word and deed. Government are accused that their preference for the public sector is too patent for them to try to hide it and, in the matter of enabling the private sector to find the requisite resources for its efficient functioning and steady growth. Authority is meting out a step-motherly treatment bestowing all attention on the needs of the public sector. The suspicion that, in coming years, the public sector will so grow as completely to overwhelm private enterprise revived following the trend of discussions at the Ooty Seminar of the All India Congress Committee. Although the Prime Minister allayed the fears in this regard in an interview specially sought with him by the President of the Federation of Indian Chambers of Commerce and Industry, one still

finds spokesmen of industry expressing concern at the ever present threat of nationalisation. It would appear that Mr Nehru has been doing his best to assure private enterprise that Government are not interested in nationalisation for the sake of nationalisation. For, has he not recently said that there is no question of nationalisation of units functioning under private management even in spheres which have been assigned to the public sector?

Yet another matter on which there is serious difference of opinion between authority and private enterprise is Government's taxation policy. It is contended that the present heavy taxation constitutes a serious disability for the private sector in the direction of its steady development. In this matter of taxation policy, it would appear that some self-appointed champions of private enterprise are more vociferous in their attack on Government than the industrialists.

Perhaps, Mr Shanti Prasad Jain's speech last week in Poona is the first categorical statement ever made by a businessman to the effect that neither the growth of the public sector nor Government's taxation policy is detrimental to the interests of private enterprise. Speaking at the Poona Jain Mitra Mandal, Mr Jain opined that there was no fear of a clash or serious competition between the public and private sectors. As for the taxation policy, he thinks that, as far as the corporate sector is concerned, there are adequate compensatory factors for the heavy taxation, like the handsome development rebate and the high percentage of depreciation allowance which enable the industries to recover a very high proportion of their investments for further deployment in the business. May be, individuals cannot amass wealth in the present set-up, but that is no reason why the corporate sector should not prosper. Arm-chair theorists can let in convincing arguments to prove that the taxation policy is suicidal and much else, but Mr Jain's views are evidently based on first hand knowledge of the impact of the taxation measures on the corporate sector, and as such deserve wide notice.

Mr K. in Alien Corn

Mr Khrushchev too has stood in the alien corn—in Rajasthan, be it added. He has commended to India the idea of mechanised State farming because Russian aid for the Suratgarh experiment has been attended with visible results. Success in estate farming by big cooperatives is not new—there was the Gosaba experiment launched by the vision and vigour of Sir Daniel Hamilton—whose association with Mackinnon, Mackenzie was capped by success in economic uplift and social service, long before the phrase Community

Development was ever known. The Suratgarh experiment may justify Mr Munshi's famous plea to hold back the creeping Rajasthani desert, but it is really modern irrigation that has helped to raise crops in formerly arid land. The big farm of 30,000 acres is far removed from the plots suited to the Japanese or Chinese style of cultivation, officially and often commended to cultivators, and if costs and profits are calculated, it may be found that success in Suratgarh means big spending by the Centre. If the Central Tractor Organisation gets relief or praise, the real point lies in the success shown with potatoes. The American vegetable that transformed European culture, in a way, has found a new home in India, which needs more food to supplement the cereals. The state farm may provide a centre of instruction for cultivators and great hopes are now placed promptly on the Soviet-inspired success because transformation has taken place just as in Bhilai. But the real meaning may lie in the possibility of internal migration from overcrowded Bihar and Rohilkhand to the fresh woods and pastures new that Rajasthan offers. The close settlement of Assam may justify a new approach to Rajasthan which has, of course, sent out Marwaris far and near to prove their business ability. That State may well be at the receiving end in future if oranges and lemons can be got along with mustard to yield oil that must be called essential, because a lot of people need it always.

Steel at Salem?

Thanks to the interest shown by the East German delegation which visited the city last week, the project for setting up a small steel plant in Madras State based on the iron ore resources of Salem District has come nearer to establishment of its technical feasibility. Though the Madras Government have for long been advancing the claim for setting up of small steel plants, the project has been delayed by technical difficulties involved in the use of lignite as fuel for treating the iron ore available at Salem. It is in this respect that the forthcoming visit of an East German technical team assumes importance. The team is expected to conduct on the spot investigations with regard to the quality of ore available at Salem and the suitability of Neyveli lignite as fuel.

The claim of Madras for a small steel plant in the context of the prospects opened out by the Neyveli lignite project in quite apparent, and is grounded on considerations of practicability and regional balance in industrial development. Though small steel plants are generally supposed to be technically inferior, their feasibility has been demonstrated by the success, though somewhat tarnished,

of the small plants in People's China and the perfection of the continuing casting method suitable for small and medium plants and based on the use of low grade coal in East Germany. Experiments conducted in our own country into the suitability of lignite for treating iron ore have yielded satisfactory results. This has also been confirmed by the opinion expressed by the delegation. On the basis of availability of lignite to the tune of 2 lakh tons per annum, it is considered possible to aim at an initial target of one lakh tons as production capacity for the prospective project.

Mr Bunker on the Great Challenge

Addressing the Rotary Club of Kanpur, Mr Ellsworth Bunker, US Ambassador in India, referred to the great challenge which mankind faces in eliminating the mistrust and misgiving which divide mankind and which keep world peace in an uneasy poise between hope and delusion. Even disarmament, with which, in people's minds, prospects for peace are bound up, is only an aspect, though an important one, of this wider issue; and the controls which Mr Bunker considers as necessary for giving real meaning to disarmament are being thwarted by suspicion and doubts about their adequacy and effectiveness. Hope, as Mr Bunker pointed out, lies in patience, intelligence and goodwill. Even between India and the USA, which have come closer to understanding each other's policies, it was the view of Mr Bunker that understanding was not complete. This was but inevitable since, as Mr Bunker himself said, the two countries followed policies which were not identical, being based on the different assessments of their mutual self-interest. For example, the argument that collective security agreements have produced a climate in the world in which all developing nations have been able to make economic and social progress will not be supported by exponents of our own foreign policy, who would rather see in such alliances the very element which aggravates the cold war between the power blocs.

Only tolerance and understanding could bring nations together and create a climate in which peace could be sought. This is exactly what is lacking in the present relations between nations belonging to rival blocs. In the circumstances, faith has to be placed in a radical change in people's attitudes and thinking. As Mr Bunker observed, Governments must forget the wrongs of the past and learn from mistakes and successes. He, however, warns that, to succeed in this, we must avoid both pessimism and an easy optimism: "Time tends to be a good solvent and an attempt at speed often aggravates rather than heals."

Much Ado in Belgaum

Last week's trouble in Belgaum was not merely due to the excess of Maharashtra no-tax campaigners. The border dispute forced the police to adopt vigorous methods, and the Congress Committee in Poona espoused the cause of the linguistic minority. Why an award of the Pataskar type cannot be secured, is one of the questions raised by the border trouble. It is evident that Belgaum is a doubtful case included in Mysore, and all the talk about mischief-mongers does not erase the impression that caste feeling is at the bottom of the trouble. The pending bifurcation of Bombay has made the Maharashtra case definitely stronger, and cutting a Taluk or two out of Mysore need not present grave difficulties if (and it is a big if) it is made clear that, if and when Goa is secured, it will go to Mysore by becoming part of North Kanara.

One point is made plain. Before Delhi can intervene with effect, the Governor of Mysore should be furnished an opportunity to deal with the issue raised by the unfortunate demonstrations and the grim sequel. There is a case for proper, princely action more useful than a Congress leader's formula, and it is a pity the Mysore Cabinet talks only of further firmness in dealing with local discontent, touched off by the official assumption that linguistic minorities have no specific grievances at present. The inclusion of Kasargod (on the strength of local feeling in South Kanara) may provide due compensation for early adjustments in Belgaum, but it is the new Kerala ministry that must read the signs of the local poll and enter into discussions with Mysore which can then be trusted to deal with present discontents in Belgaum district. The Zonal council can, and should, examine what has to be done and a Central inquiry will be in order before the Zonal council takes it up. The value of the Council will then be proved to the public, which may regard it now as a fifth wheel in the coach.

Mr Santhanam on Motor Vehicles Taxation

A plea for the avoidance of the multiplicity of taxes—described as the world's heaviest—on the motor vehicles was made at the 33rd Annual Conference of the Motor Vehicles and Allied Industries' Association by its chairman, Mr T. S. Santhanam, in Madras last week.

Government, both Central and State, considered road transport as a milch cow, Mr Santhanam stated; and, for the past three decades, more taxes, both direct and indirect, had been imposed with the result that the taxation of the road transport industry in India was the highest in the world.

There should be uniformity of taxes on a rational basis on motor vehicles

in all States. Because of such rivalry in taxation among States, Mr Santhanam thought that inter-state motor transport had not developed on healthy lines and there were violations of the Motor Vehicles Act and Rules and the Motor Vehicles Taxation Act. Mr Santhanam said he did not plead so much for tax reduction as against the multiplicity of taxes some of which, like the octroi, were vexatious by nature.

There was also no uniformity in the gross vehicle weight among the States, though it was true that all roads in India could not admit of uniform weight; but he wanted, at least in the case of National and State highways, that they should have uniformity in this regard. Confusion prevailed over laden weight and axle weight, he pointed out, adding that it was the axle weight which was more relevant with regard to the impact of load, particularly on culverts and bridges with short spans. Therefore, Mr Santhanam wanted the State and Union Governments to raise the laden weight to twelve tons (on two axles) at least for the National and State Highways.

While arguing for more expenditure on the expansion of the Motor Vehicles administration staff at all levels Mr Santhanam pointed out that less than 4 per cent of motor taxation revenue was spent by the States. He drew attention to the fact that the motor vehicles administrations were ill-equipped and understaffed in all States, leading to charges of corruption. He also was for encouraging manufacture of more motor vehicles in the country.

Mr Santhanam, representing the TVS, the noted road-transport organisation in the South, is certainly an authority on internal tourism. And he said that there was an upsurge in the country's internal tourism. Foreign tourists, too, were visiting the country in increasing numbers. So, he wanted both the Centre and the States to foster this industry, by improvement of the road surface, provision of greater tourist amenities at places of tourist attraction and allow big cars to be imported to handle such developing tourist trade.

Stating that ancillary motor industries had been steadily growing in India, Mr Santhanam said that it would take some time to catch up with the increasing demands of the rapidly growing road transport industry. He was, for the present, for larger imports of spare parts to keep the road traffic in trim by keeping the vehicles always in good condition.

Industrial Licensing

Defending Government control over the starting of new industries in the State, Mr Subramaniam said that such control protected the private sector from what he described as cut-throat competition. Such State control, he said, was much more conducive to growth of private industries.

Inaugurating the fourth All-India Conference of Cost and Works Accountants, Mr Subramaniam said he felt that uncontrolled private enterprise meant not only the control of

the Government being taken away, but also the indiscriminate starting of new ventures. He argued that uncontrolled private production would result in overproduction in particular lines. Therefore, Government planning helped avoid this wasteful competition because the private sector projects would be allowed by State Plan with a view to the needs of the country and the capacity of the industry to produce. This kind of planning helped private enterprise in getting an assured market.

India, underdeveloped as it was, could not afford wastage by competition. Even capital could not be wasted by this kind of overlapping. Licenses were given only after taking into account the demand for the articles the industries produced and the non-existence of competition in the same line by others. Mr Subramaniam wanted the critics of this system to consider the history of countries where "cut throat competition" existed, like America and England. Protection under State control would be much more effective and conducive to the growth of private industries.

The part played by Cost Accountants in new ventures was vital in that they examined whether the manpower, materials and machinery were utilised to the best advantage. Even in State monopolised industries, cost accountants had this important job to fulfil.

Debate at Bangalore

It was an interesting "debate" at Bangalore last week when, at the Rotary Business Conference, pro-Government and opposition views were expressed from one and the same platform. Mr K. M. Munshi, leader of the Swatantra Party, whose opposition to increasing State control of trade, business and industry is quite well known, was vehemently opposed by Mr B. D. Jatti, Mysore State's Chief Minister.

In a rather forthright proposition to the top-ranking businessmen assembled at the Bangalore Conference, Mr Munshi asked: "Are you going to be businessmen in a free country with rights and initiative or are you going to be regimented and ultimately wiped out? Whatever the slogan, phrase or philosophy, the fact remains that if planned economy steadily grows as it is now, independent businessmen are going to be wiped out."

But Mr Jatti frankly declared that planning implied Government control. If businessmen believed in planned economic development, they should also believe in Government regulating the country's economy. Mr Jatti held out that, even in United States, where there was greater freedom of enterprise than in any other country, the Government had been playing an increasingly dominant role. Mr Jatti admitted Government's trade and industrial policies differed from laissez faire, but he said, "I do protest that the restrictions imposed by Government are not quite as many and as constrictive as they were supposed to be."

Mr Jatti believed that, even within the limits of the supposed restrictions, there was enormous scope for individual enterprise and initiative.

Mr Munshi's address was an attack on the Government's industrial policy. They could not reconcile themselves to material advance at the cost of freedom. There were inherent fundamental fallacies in the policy pursued by the Government, Mr Munshi declared. He thought, therefore, whenever planning was intended to destroy or undermine such freedom, then it was planning that required to be adjusted, and not freedom.

Today, Government's attempts were, according to Mr Munshi, directed toward a regimented economy. And the Common Man became the casualty of today's planning, he said—something which he has been repeating ever since he joined the new political opposition party.

Industrial Unrest

The Government of Madras have expressed grave concern at the growing industrial unrest in the State. The general attitude of the Government toward this problem has been brought to light by Mr Venkataraman, Minister for Labour and Industries, in his address to the tenth meeting of the Madras Labour Advisory Board. The question of preparing and maintaining a permanent panel of arbitrators to settle the industrial disputes in the State is under the consideration of the Government. The principle of voluntary arbitration as a method of settlement of industrial disputes, which was provided under the Industrial Disputes Act, was also being commended to the parties in the State. Special instructions to the labour officers have also been given to this effect.

The existence of industrial peace is an essential prerequisite for the development of a nation, especially for a country like India. If the parties are reluctant to maintain peace, strict enforcement of the existing measures against violations will have to be resorted to. The harmonious co-operation of labour and management is thus eminently desirable.

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WORLD OF BUSINESS

Belpahar Refractories

The inauguration of the Belpahar Refractories Plant Limited, a Tata-Dider enterprise, marks another milestone in the industrialisation of the State of Orissa. Constructed at a cost of Rs 3.88 crores, the factory at present possesses a capacity of 67,000 tons of refractory bricks and 10,000 tons of mortar. The planning and initial equipment of the project are specially designed for doubling the output at a comparatively low capital cost. The factory manufactures three varieties of bricks—firebricks from fire clay, silica bricks from quartzite and chrome and magnesite bricks from chrome ore.

The location of the factory at Belpahar has got its own peculiar advantage because of its proximity to the raw materials available abundantly in the neighbouring quarries. The only raw material which is brought from a distant place is magnesite, found in the quarries of Salem, about a thousand miles away from the factory.

Sir Jehangir J. Ghandy, the Chairman of the company, in his address to the gathering feared that there might be a paucity of fireclay, particularly of high-alumina clay, required for manufacturing bricks used by the steel industries, because of the absence of further scope for increasing production from the existing quarries. Naturally, the authorities will have to "seek fresh woods and pastures new", and this necessarily calls for the extension of transport to the new quarrying centres. It can be reasonably anticipated that the lack of adequate transport facilities in the region will be made good within a short time, for Mr. Harekrishna Mahtab, the Chief Minister of Orissa, has, in his inaugural address, assured all possible help to the industries located in the State to accelerate its economic growth.

At a period when India is striving to accelerate the pace of industrialisation and to raise the standard of living of the people, the use of refractories forms a basic necessity as practically almost all the industries in the country require them. The Belpahar Refractories factory, one of India's biggest and most modern, it may be noted, is the second major Indo-German enterprise in the country's industrialisation. The new township of Belpahar, presents a picturesque sight in the hill-girt valley sandwiched by trees. At present, the factory provides employment for about 700 people. But it will not be inappropriate to expect that the plant would prove, in due course, to be the stepping stone for the further development of the State, leading to its wider economic growth

and offering greater employment to its people.

Paint Exports

Paint as providing a protective surface is an industry whose development has to keep pace with the industrialisation process itself. In this, India has been fortunate, although not all the raw materials are at hand within the country, that with a series of co-operative enterprises, mostly with manufacturers in the UK, output has gone up from a monthly average of 2,791 tons in 1951 to 4,000 tons in 1958; and, in the first eight months of 1959, the monthly average had further risen to 4,500 tons. But, as in other sectors of industry, paint at the present time is also intended to fetch foreign exchange earnings. On this aspect, Mr R. S. T. Cooke, Chairman of the Paint Federation, shed some light early this month.

Mr Cooke was able to report that "export results for 1959 show a vast improvement, so far as our members are concerned, some of whom have broken all their export records handsomely." The Paint Panel in the relevant Export Promotion Council has, according to Mr Cooke, been providing assistance that was "both valuable and timely." Thus, for example, the system of import duty drawback has been simplified, and import licences are granted in recognition of exports made. Unfortunately, while the intentions are good, the implementation of these measures is far from satisfactory. Mr Cooke points out that "Federation members are having considerable difficulty in realising claims for drawback of duty and obtaining import licences against exports done." It is true, as Mr Cooke has himself charitably recognised, these schemes were put into operation quite recently. Nevertheless, having regard to the fact that the Indian paint industry already suffers from its prices being too high in foreign markets, steps should be taken to recompense as expeditiously as possible the sacrifice in profit at which alone exports are possible and duty drawback and "incentive" import licences are in this regard the recompense.

Another subject that Mr Cooke has touched upon relates to the proposal that 10 per cent of production should be placed at the disposal of the State Trading Corporation for export. This is "an immense tonnage of paint", and Mr. Cooke considers it would be prudent to start with a more modest effort. Indeed, he has suggested that where the manufacturers are themselves, through normal trade channels, exporting substantial quantities, they should not be required to "contribute" to STC exports.

Shaw Wallace: Pioneers in Madras

In the private sector in Madras, three super-phosphate fertilizer factories would shortly be set up at Ennore (near Madras), Cuddalore, and Coimbatore. This was disclosed by the State's Food Minister, Mr. M. Bhaktavatsalam, while he was de-

claring open the extension of the super-phosphate factory of Messrs Shaw Wallace & Co at Avadi. The Company has also set up a new sulphuric acid plant at Kaduvetti, midway between Avadi and Poona-malle.

During the Second Plan, Madras State would have a shortfall of three lakh of tons in foodgrains as against the targeted 56 lakh tons. Mr Bhaktavatsalam stated that he nevertheless, aimed at 70 lakh tons of foodgrains as the Third Plan target.

Thanks to the efforts of the State, farmers were now keen to adopt suggestions to improve production. The initial reluctance to use chemical fertilizers had disappeared from among the ryots. At the end of the First Plan, Madras State was producing only 38 lakh tons of foodgrains. The fertilizer minded ryots do not find their demands adequately met; and, in this context, the Minister welcomed the efforts of the pioneers in this industry, Messrs Shaw Wallace.

The Madras Director of the firm Mr G. L. Oliver, stated that the sulphuric plant had an output capacity of 50/55 tons daily. The total production of the company stood at 75 tons daily at present and this would be utilised to manufacture 75,000 tons of superphosphates yearly. With the new plant, production capacity had been trebled. Very great efforts would be needed to attain the target of 25 million tons of foodgrains additionally planned. Nitrogen was mainly produced in the public sector; and only recently was the private sector invited to participate in erection of nitrogen and complex fertilizer plants. Potash had been imported from East and West Germany. India used 1.0, 0.1 and 0.074 pounds respectively of nitrogen, phosphoric acid and potash per acre whereas Japan used 112.3, 59 and 68.5 pounds respectively.

However, Mr Oliver pointed out that the per capita consumption of fertilizers in Southern India was the highest in India. The Company had seven fertilizer mixing works in South India, and stored superphosphate and fertilizer mixtures at 13 strategic centres. In 1959, the Company sold 28,000 tons of superphosphate fertilizers to the farmers, and 50,000 tons additionally of fertilizer mixtures.

Standards

One of the latest economy projects concerning the steel industry in the country, evolved by the Indian Standards Institute, is supposed to cut the cost by 20 per cent to 25 per cent in the structural engineering sector. Dr Lal C. Verman, Director of the Institute, in his presidential address to the 38th Mechanical Engineers' Association (India), gave some details about this project at Hyderabad last week.

He stated that the use of cold-formed sections made from strip was also being standardised, which could save up to 40 per cent in steel. Standards for welding equipment and accessories design codes for steel structure evolved by the Institute would permit more economy in steel

use. If all these standards and codes were widely implemented, an overall economy of some 20 per cent to 25 per cent in steel might be expected.

Regarding the adoption of the metric system, Dr Verman said that it would add ten per cent to the additional skilled manpower of our country. It was so because it would enable skilled engineers, designers and others dealing with figures to save ten per cent of the time they spent on their work. He was however, disappointed at the result of their persistent efforts in the task of propagating the formation of company level standardisation cells in all production units and in stimulating standardisation activity at the association level.

An attempted survey of the economy effected by the adoption of standards in India met with miserable failure, according to Dr Verman, since basic data-collecting agencies were practically non-existent—the rare exceptions being the railways, Tatas and certain public sector units.

National standards literature in the world today was estimated to contain almost 100,000 published standards. India had contributed over 1,400 standards already. As far as India's actual needs were concerned, this number merely represented the beginning. The size of the country and the complexities of its economic structure demanded several thousands more of additional standards. He confessed that the pattern of the rate of demand on ISI for new standards was such that, even if the present rate of 220 standards were tripled yearly, the ISI would still not be able to catch up with the national demand by the end of the Third Five Year Plan.

Mr Viswanathan on Coffee

Mr Tenneti Viswanathan, Chairman, Coffee Board, hopes that Indian coffee production could be easily augmented by increasing production of quality coffee in Andhra, Orissa and Assam. The possibility of growing coffee in Assam's hill terrain was long ago planned and actual cultivation of coffee in Assam was thought of being put on an experimental basis forthwith.

Mr Viswanathan told newsmen in Madras last week that, in Assam, 15,000 acres in border areas have been put under coffee. The land was suitable for coffee. Favourable conditions as to climate and other aspects were also to be found. But the process could not be quick.

The Chairman of the Coffee Board would like this scheme to be taken up with a view to increasing export of coffee. He wanted that 66 per cent of the coffee grown should be of the plantation variety, which is in demand for export. In his view, if this scheme was taken up within the next 6-8 years, India would be having a steady source of earning foreign exchange.

Naturally, the Coffee Board would help the schemes with seedlings, selection of suitable sites for coffee plantation and other research.

Mr Viswanathan stated that the 1959-60 Coffee yield was 46,000 tons. Of this, 17,000 tons were Plantation

variety. Exports amounted to 8,100 tons. West Germany was the major Indian Coffee importer. There are 32 other countries taking up high quality Indian Coffee.

Steel Supply in 1960

Reports emanating from New Delhi anticipate a reduction in imports of steel during 1960. Against nearly 800,000 tons of steel imported in 1959, the quantity of imports for which the Government propose to make arrangements placed at 600,000 tons. Imports from Soviet Russia will be reduced from 204,000 tons in 1959 to 100,000 tons. Even this lower volume of imports from Russia is contingent on the readiness of that country to supply the categories needed by India.

Considering that import of steel had been a major source of drain of foreign exchange, the savings should be appreciable. In 1956 and 1957, foreign exchange spent on steel imports was of the order of Rs 126 crores and Rs 137 crores respectively. Expenditure of foreign exchange had been considerably brought down in 1959 by drastic cuts imposed on imports. But this entailed short supplies for industries. However, coming as a sequel to the beginning of steel production in the public sector, the reduction in imports during 1960 will not involve restriction of supply. On the basis of anticipated production at 2.5 million tons, total supplies during 1960 have been estimated at 3.1 million tons. Against this, total availability during 1959 was only 2.6 million. Allowing for the 0.2 million reduction in imports, the increase in output works out to 0.7 million tons.

Further reductions in steel imports should follow the phased programme for expansion of steel production in the country. By 1963-64, when the three units in the public sector would have been completed, imports would be required only to meet the demand for special types of alloy and tool steel for which production facilities are yet to be created in the country.

A new feature associated with the development of indigenous steel making industry is the expansion in the exports of pig iron. Exports, which amounted to 50,000 tons in the last year, are consequent on the anticipated rise in production of pig iron, expected to be of the order of 350,000 tons in 1960.

35 Projects Operational

According to a press release issued by the Government of India, the total number of projects that went into operation during the first half of 1959, both in the public and private sectors, is thirty-five. Important projects that started production in the public sector were the Rourkela and Bhilai steel projects.

Seventeen existing units undertook new lines of manufacturing activity during this period, while thirty one undertakings completed their expansion programmes. 447 licenses were issued under the Industries Development and Regulation Act. Of these, 88 licenses were issued for the installation of new units, 121 for the expansion of the already established ones and 86 for the manufacture of new articles.

Production in several projects in the public sector recorded an upward trend, while that of Sindri Fertilisers and Nahan Foundry registered a slight decline. Industrial production in some units in the private sector also showed an increase, especially in the case of coal, steel, cement, chemicals and the like. However, production in some industries like cotton textiles, machine screws, matches and power transformers slightly declined.

From the Directorate-General of Supplies and Disposals, the National Small Industries Corporation secured 460 contracts for small undertakings for supplying stores to the Union Government. The NSIC also disposed of 637 machines worth Rs 55 lakhs under the Hire-Purchase Scheme. In addition to these, the Corporation accepted applications for the supply of 1192 machines valued at Rs 1.29 crores during the period under review.

Company News from Southern Region

The review of the working of the Companies Act, 1956 in the Southern Region, comprising Andhra Pradesh, Kerala, Mysore and Madras, reveals that 137 companies with an authorised capital of Rs 1735.83 lakhs were registered in that region during the quarter ending December 31, 1959. Out of these, 126 are private companies, 9 public companies and two are associations working not for profit. Transport services continue to form the largest group among the new registrations, accounting for 74 companies. The Greater Mysore Rayon Grade Pulp and Paper Mills Limited, with an authorised capital of Rs 10 crores, was registered in the State of Mysore. Two giant companies, one in the public sector and the other in the private sector, for the manufacture of insulated cables and sheet glasses respectively have been registered in Madras State. Two foreign companies registered in the Southern Region, during the period referred to, were the Aloka Limited and Friends Union Transport Private Limited, the former in Mysore State and the latter in Madras State.

32 companies including, two banking companies with a paid up capital of Rs 17.52 lakhs went into liquidation during the period, while 88 companies were removed as defunct from the Register of Companies. Madras Chemical & Pharmaceuticals Limited shifted its registered office from Madras to Mysore, while Bombay Cycle &

Motor Agency of Secunderabad Limited transferred its registered office from Bombay to Andhra.

154 prosecutions were launched against certain companies along with their officers for not convening Annual General Meetings, for failure to file Annual Reports and Balance Sheets and other charges. Out of the 85 cases disposed, 80 accused were convicted and the rest were found not guilty.

UK Export Outlook

The GEC Export Guide for October 1959 gives a graphical representation of the import trends for various countries with particular reference to the outlook for British exports. 36 items, mainly manufactured articles, have been selected for determining the import trend.

So far as India is concerned, 15 items are shown to have registered a decline in imports, 13 items a rise in imports, while imports in respect of the balance of 8 items are shown to be stable. The 15 items which have shown a fall include drugs and medicines, perfumery and toiletries woollen and worsted fabrics, cotton yarn, clothing and footwear, synthetic fabrics, office machinery, iron and steel

bars and rods, implements and tools tractors, mechanical handling equipment, excavators transformers and switchgears, electric cables and wires, and cycles. The fall in respect of 13 of these items is shown to be but the continuation of the trend in the previous year.

The 13 items which are shown to have recorded an increase in imports include chemicals, chemical elements, cotton fabrics, synthetic yarns iron and steel tubes and sheets, iron and steel tubes and pipes, agricultural machinery, telegraph and telephone equipment, scientific and photographic goods, railway vehicles, cars, paints and pigments, and commercial vehicles. The rise in imports recorded by 12 out of these 13 items is shown to be new.

So far as imports from UK are concerned, 13 items have registered a fall, 12 items have shown a rise, while imports in respect of the balance of 11 items are stable. For the most part, these reflect previous trends, new losses and gains having occurred only in respect of 5 items. There is also no definite relation between those articles in respect of which Britain has gained. Out of the 13 articles which show a rise in imports, rise in British exports is recorded only



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for 5. The outlook for British exports to India is described as bad.

Typewriter Production

India should reckon it its fortune that, in the development of industries requiring specialised knowledge and skill, foreign private firms have shown a commendable readiness to help both with capital and technical know-how. Typewriter manufacture is one such industry in which the collaboration of Swedish AB Atvidabergs Industrier, (better known as the Facit Group) with the Rayala Corporation (Private) Limited has enabled the country to make rapid strides in production. Started in 1956, the Halda Typewriter factory at Guindy near Madras has advanced to the stage of manufacturing nearly 80 per cent of the component parts. By the end of this year, the figure for indigenous parts is expected to go up to 83 per cent. A simultaneous rise in the number of machines to more than 12,000 units from the present output of 3,500 units per annum is also planned. The factory is already in possession of most of the machinery, tools and jigs and the manufacturing programme is scheduled for completion in December 1960. The factory is producing typewriters with English, Tamil and Hindi keyboards.

The importance of stepping up typewriter production cannot be overemphasised in the context of what Mr Gunnar Ericsson, Managing Director of the collaborating Swedish firm, characterised as the "tremendous market for typewriters in India". A rapid rise in demand should follow further industrialisation and the expansion of the tertiary sector. Though present production is pitifully inadequate, that there should be no cause for concern was the view expressed by Mr Ericsson in the course of a press conference. He declared that his firm would go all out toward helping the factory in meeting the swiftly growing demand for typewriters in the country.

Longer Goods Trains

The decision of the Railway Board to introduce long goods trains possessing fifty per cent greater capacity than the ordinary ones to ease the mounting pressure of freight in the eastern region generally and on the lines feeding the steel plants particularly will be welcome news to all concerned. Preparations are already being made to meet the increasing demand for longer and heavier goods trains. Orders have been issued for 1,000 new design wagons with a capacity of 65 tons. A good number of them have been delivered and are utilised for transport of ore. For the transport of coal, a fifty-five ton capacity wagon has been designed and about 6,000 wagons of this type will be made by the end of the

current Plan. Electric traction is being introduced in a number of sections where heavy trains are being run. Where the electrification schemes are not yet completed, powerful diesel locomotives are being operated.

The advantages of introducing longer and heavier goods trains need hardly be emphasised when the increasing freight pressure has already caused a headache to the authorities and hardships to the public. The introduction of such goods trains to other parts of the country will be beneficial to all.

Alind

The Aluminium Industries Limited, started at Kundera, in Kerala State, with an initial capacity of 1,500 tons of aluminium conductors, is now the country's leading producer of electrical conductor—grade aluminium rods, (ACSR (aluminium conductors steel reinforced) and AAC (all aluminium conductors) and the full range of accessories and tools for electrical transmission and distribution lines. With the new plant in commission at Hirakud, the Alind's capacity will be 10,000 tons of aluminium rods and 13,000 tons of ACSR and AAC a year.

The Hirakud plant conceived, by Alind as a modest contribution to India's Second Five-Year Plan, is located within an ingots throw of Indian Aluminium Company, Limited. The rod mill of the new plant, possessing a capacity of 4,000 to 6,000 tons a year, by employing the continuous casting and rolling process eliminates the conventional process of billet casting and pre-heating.

The wire mill of the plant consists of a tandem wire drawing equipment capable of a drawing speed of over 4,000 feet a minute and several high-speed, tubular stranding capable of drawing up to 37 strand conductors. The machine also incorporate an electrically heated coating arrangement for grease-coating of the steel core for corrosion proofing.

The Alind has already produced 175,000 miles of aluminium conductor, which helped the country to save about Rs 5 crores in foreign exchange, and it can be reasonably anticipated that, with the inauguration of the new plant, the foreign exchange savings in this direction will be greater.

Blue Star Engineering

Blue Star Engineering Company, Limited, is now a leading supplier of the country's electronic and testing instruments. The association of the company with the Dia Elektrotechnik, expert manufacturers of electronic measuring and testing instruments in the German Democratic Republic, has enabled it to import these high quality instruments which are in great demand in our polytechnical and educational institutions. In exchange for these goods, East Germany will purchase from India goods specified in a special Trade Agreement between the two Governments. Considering that these instruments are obtained on the basis of a barter deal, the country stands to gain in two counts.

Indian Finance

First of all, it eliminates the problem of foreign exchange which could be considered as an important advantage in the present context of foreign exchange shortage. Secondly, it creates an outlet for Indian goods which could be taken advantage of to step up Indian exports to East Germany. It is also gratifying to point out, in this connection, that the company is considering the manufacture of some of these instruments in India in collaboration with German firms.

Business Briefs

PAPER

The first paper mill in the Madras State will be installed in the private sector at a cost of about Rs 5 crores within a short period. The plant, which is the direct result of the joint collaboration of a local company and a leading American paper manufacturing firm, will engage in the production of quality writing paper out of bagasse and bamboo. The daily output of the mill will be over 50 tons. The exact site of the mill and the details of the project and the company will be announced shortly. The State Government have also offered financial assistance to the local company to the extent of about a fifth of the total capital, while the American firm will purchase shares to the value of a seventh of the total. The possibilities of producing paper from wattle and blue gum are also being discussed by those concerned.

Arrangements have been finalised for the setting up of six paper mills in the State of Bihar, and the Government of India have already issued the necessary licenses. These mills will produce paper out of sugarcane bagasse which is available in plenty in the State. Out of the six mills, one big unit with a production capacity of 100 tons a day will likely be located in Darbhanga. The remaining five factories, all small units with a capacity of 10 tons a day, will be located in different cane-growing centres of the State.

METAL ROLLING

According to reliable information received, a metal rolling mill with a production capacity of about 30,000 tons of rolled goods per annum will be constructed in Agra during this year. The mill, as revealed by the Polish News Agency, will be delivered to India by the Polish Government. The delivery of the machinery will commence in the second quarter of the year and the assembling of the plant will be carried out under expert supervision of the Polish engineers.

PHYTO-CHEMICAL

The Government of India have decided to establish a phyto-chemical plant in the private sector in Kerala with Soviet aid. Under an Indo-Soviet technical aid and co-operation agreement, the USSR will provide the machinery and

technical know-how while the Government will meet the other expenses. The authorities have tentatively selected Neriamangalam as the ideal site for the location of the plant. The plant is designed to produce caffeine from tea waste and other drugs from medicinal herbs available abundantly in the forest regions in and around Neriamangalam. Apart from manufacturing medicines, the plant will provide employment for 1,200 persons.

DRUGS

A gigantic scheme at a cost of Rs 8.5 crores based on Indo-Soviet collaboration for manufacturing drugs, antibiotics, synthetic drugs and glandular preparations will be launched in the country by the end of 1963. The selection of favourable sites for the installation of the proposed plants will be made by the Soviet delegation of pharmaceutical experts who are now conducting an extensive tour all over the country. Mr Valashchek, a member of the delegation, has, at a press conference held at Madras, stated that Rishikesh had been tentatively selected for the location of the antibiotics plant, a place in Hyderabad for manufacturing synthetic drugs, a site in Kerala for producing medicinal drugs and a spot in Bombay for the glandular plant. The exact location of sites would be finalised by the delegation only after discussion with the Union Health Ministry. The plant and equipment required for the implementation of the scheme will be supplied by Russia. The details for constructing a surgical instrument plant in Guindy in the Madras State at a cost of Rs 3 crores are also being worked out by four Soviet experts.

CHEMICAL INTERMEDIARIES

A plant for the manufacture of chemical intermediaries like sulphuric acid, oleum, nitric acid, aluminium chloride and caustic soda will be located in India under the agreement reached by the Government of India and four German firms, namely BASF, UHDE, Bayer and Hoechst, on January 6th 1960. The estimated total outlay of the plant is Rs 12 crores. The plant when completed will produce intermediaries worth approximately Rs 9 crores per annum. The German firms will render technical aid in the erection and working of the plant.

SYNTHETIC RUBBER

The Government of India have announced their decision to install in Hyderabad a synthetic rubber plant for manufacturing synthetic rubber in collaboration with the Soviet Union. The Soviet delegates touring India have selected the proposed site for locating the rubber factory. The exact nature of Soviet assistance and the details of the plant are not available.

February 20, 1960

Clive Street Gossip

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

early lead. Ironically, India provided the capital for the quickening of these impulses that was to impoverish it.

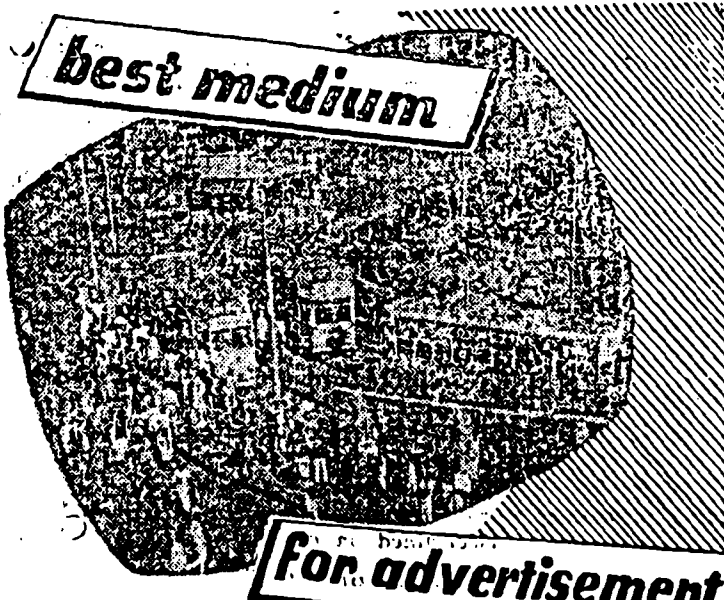
But now, the process has been reversed. The economists of today will have to concern themselves, in a pragmatic spirit, with the process of development rather than decay. The technological backsliding is to be replaced by one mighty concentrated effort of a big leap forward. The circle is complete even to the comparatively minor point of capital being pumped into the country from abroad as a sort of belated and vicarious amends for our impoverishment in the last century. The basic political change of independence has made it possible, for the first time, to bring about a change in the quality of the lives of our people.

Actually, to do this is, as it were, easier said than done. It is more than an economic task. On the face of it, there is no parallel to the complexity and combination of adverse factors that make our efforts seem so forlorn. "Nowhere else is there the same crushing load of numbers, a crumbling agricultural economy, a juxtaposition of the most modern and the most primitive industrial techniques, vast unemployment and underemployment, and a functioning of democracy in its most sophisticated form and planning under a federal structure." The full implications of this admirably summed up (by Mr Iengar) predicament would make us even more discouraged. For instance, the coexistence of different levels of technical efficiencies creates contradictions which cannot be solved in favour of the more efficient mode for entirely valid human and even economic reasons. If we were blindly to follow experience elsewhere, we may do it, but it is here that our sophisticated democratic values would interfere. It was easy to abandon democratic values in the interests of economic development. This will not necessarily solve the economic problems, but failure would be much less embarrassing, since one is not answerable to any one. Paradoxically, it is this readiness to submit to democratic scrutiny and to respect popular wishes that will provide the surest guarantee of our ultimate success.

For, herein resides the idealism that will give a sense of direction to our efforts.

There is another condition for success. That is the forthcoming, in necessary measure, of the self-discipline and idealism—the qualities that stood us in good stead in our political struggle. Mr Iengar drew pointed attention to this aspect of the matter in an eloquent passage: "The problem now, in the second half of the century, is to eliminate the enemy of hunger and poverty. That problem requires an even deeper degree of idealism and sense of sacrifice...". At the moment, there is far too much evidence of personal and sectional interests overriding national interests. Mr Iengar called attention to the extensive tax evasion and the mulcting of the consumer in a general atmosphere of shortage, and all too familiar political and sectional orientations of labour leadership and to State Governments which live parasitically on the Centre. In the crucial stage of development in which we find ourselves now, these anti-

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GATEWAY GOSSIP

Is Capital Shy?

I may as well answer the question that I have set myself in the headline, before I proceed with this article. An emphatic no it is, for, the new issue market is booming in a manner that we have not, perhaps, witnessed since the years immediately following the end of the Second World War. Rights issues, or new issues, there seems to be an insatiable appetite on the part of the investor. Quite often, it is clear that the company thus floating new capital will be unable to yield a return to the shareholder in the near term future. But the investor's attitude is: "Not to worry." Clearly, the investing breed of the present day is not so much interested in dividends and yields and such other "mundane" matters. Of much more import for him is whether there is a reasonable chance of capital appreciation. He is quite prepared to wait for three years, or four years, or five years, or even more. Such de-emphasis on yield and this kind of stress on growth is easily explained. The tax system today is such that the investor, if he is having any sort of income at all, stands to pay a fair whacking cut on his dividend in the form of income and super-taxes. So, he attaches very little importance to his current or running yield.

On the other hand, in respect of capital appreciation, he is still mercifully lightly let off as to the tax burden. This, of course, is a gambit that is being practised in every country in which the high income earner is hard hit by the higher reaches of income-tax. In India, we have the queer manifestation of even the "average" investor—if there be such breed of animal—scoffing at running yield and having his eye on the main chance of capital growth.

No, the spate of new issues shows that capital is not shy. Nor, so far as the evidence of 1958 is concerned, are companies finding it difficult to put through their expansion programmes. Such a conclusion can be inferred from a note in the latest issue of the Reserve Bank of India Bulletin; a study has herein been made of capital formation in 775 public limited companies which closed their accounts during the twelve months ended June 1959. This roster of companies, may it be noted, represents 83 per cent of the sample of 1001 public limited companies whose accounts are periodically assessed by the Reserve Bank. And the categorical assertion can now be made that, at least in 1958, public limited companies found the money for new assets quite easily.

The balance-sheet total of these 775 companies has risen by almost exactly Rs 100 crores. As much

as a quarter of this has been in the form of paid-up capital; another Rs 14 crores are accounted by free reserves and surplus; borrowings mark a steep rise of Rs 37 crores; and an element of Rs 19 crores relates to increase in trade dues and other current liabilities; all these are on the liabilities side of the consolidated balance-sheet. As far as assets are concerned, the additions to gross fixed assets are in the considerable amount of Rs 125 crores; stocks and stores are placed Rs 4 crores higher; receivables mark a rise of Rs 9 crores; cash balances have improved by Rs 4 crores; and, significantly, advance of tax shows a reduction of Rs 3 crores.

The largest element in gross fixed assets formation is represented by plant and machinery, additions to which accounted for 54 per cent of the total of Rs 125 crores. This money was found as to Rs 18 crores by new capital sought and obtained from the market; as to Rs 37 crores by borrowings; as to Rs 21 crores from free reserves and surplus; and depreciation amounted to Rs 40 crores.

But, though capital raised from the public is not inconsiderable, ploughing back of profits constituted the most important avenue of resources. The Reserve Bank Bulletin says, in this context:

"Internal sources of these 775 companies at Rs 65 crores constituted 46 per cent of the total

funds as against 28 per cent and 37 per cent for 1001 companies during 1957 and 1958, respectively. Amongst the internal sources, depreciation reserves were by far the most important item, accounting for 29 per cent of total funds."

What was the situation in 1959? All I can do is to essay a guess. By all accounts, the implicitly higher tax rate on companies postulated by the 45 per cent fixed for advance payment of tax will have left a smaller surplus with companies for being ploughed back. But, then, there is no reason to believe that the most important constituent of internal resources, depreciation, will have shown any decline. On the other hand, the new issues market has, as any investor can tell you, been extraordinarily active. So, capital formation during 1959 should be some improvement on the figures for 1958.

So, it seems to me that the present healthy and invigorating climate in the investment market is due to the investor's greater interest in capital appreciation and consequently in his bidding keenly for the new issues which have prospects of growth. I am only hoping that the Finance Minister will not unsettle the kind of investment climate we have today, by thinking up a hike in the taxation of capital gains. For, if there is one thing that offsets the high rates of personal taxation, it is the

hope of much lower taxed capital gains.

Meantime, here in Bombay, the rumour is going the rounds that one concession that the Budget will undoubtedly prove to have is the reduction of the rate of taxation of bonus issues. The reasoning is that, at today's rates, no bonus issues are being made. And what use is a high rate, if, with no capitalisation of reserves, Government do not benefit by way of revenues? It remains to be seen whether the Budget prophets in this regard will be proved right in their predictions.

COMBINED BALANCE-SHEETS OF 775 SELECTED PUBLIC LIMITED COMPANIES—1957 AND 1958.

	(In Lakhs of Rs)	1957	1958
Paid-up Capital	4,36.21	4,81.53	
Free Reserves and Surplus	2,90.44	3,04.51	
Taxation Reserves	93.17	96.67	
Borrowings	4,00.10	4,46.11	
Trade dues and other Current Liabilities	2,73.62	2,92.17	
Miscellaneous Non-current Liabilities	13.38	14.61	
Total	15,15.82	16,15.50	
Gross Fixed Assets	10,38.34	11,63.64	
Net Fixed Assets	6,35.29	7,20.02	
Stocks and Stores	4,50.19	4,60.07	
Receivables	2,26.04	2,35.23	
Investments	86.23	87.03	
Advance of Income-tax	44.43	41.38	
Other Assets	17.12	17.30	
Cash & Bank Balances	50.52	54.44	
Total	15,15.82	16,15.50	

*Data relate to 776 companies of which two were merged in 1958. (Source: Reserve Bank of India Bulletin).

The other question of purely economic interest that Mr Lengua touched was the relationship between developmental effort and stability of currency. In this connection, he referred to the "almost continuous rise in the cost of living which had obscured the real gains that had simultaneously taken place in productive capacity and output during the Second Plan period." Mr Lengua said that a certain degree of inflationary pressure is unavoidable in a period of rapid development. Indeed, inflation can be an useful adjunct to productivity. But the price situation during the Second Plan period has certain peculiarities which make them unamenable to facile generalisations. Certainly, they make nonsense of blanket remedies like devaluation of the rupee and monetary techniques like increase in bank rate. The fact is that price increases have been local, and sectional, and have shown erratic trends throughout this period. Shortages have been followed, as in the case of cement, by periods of glut. Time was when people were talking starchy-eyed of export earnings from sugar; but, today, it has had to be rationed (and a pitifully small ration, at that) in Calcutta. Foodgrains prices present the paradoxical picture of increase in a year of record production.

Certain basic things need restating, since they seem to be missed even by people who ought to know better. The real answer to inflation

is more production; and in trying to inhibit investment by blanket monetary remedies, one would be merely hampering production. This remedy is worse than the disease. By all means, let us employ the technique of selective monetary control in sectors, areas and periods when such controls would frustrate speculative manipulations. But, for the rest, there is no other way of producing a greater volume of goods than greater work. The problem is really administrative and organisational. As I pointed out in these columns, in last week's Gossip, if there were greater coordination, less wasteful deployment of energy and a rigorous sense of priority in administrative and organisational tasks connected with agriculture, better utilisation of available resources, production (and productivity) would increase and bring the problem of prices to manageable proportions.

Of the other participants in the symposium, Professor Shenoy was quite unimpressed with the achievements of planning, and he was of the view that there was no midway between what he called the "communist way" and the "competitive way". He was dire in his predictions of the consequences of following the present policies. It is difficult to argue with such a catastrophic "either-or" attitude. With scarce resources, a "free market economy"—if such can exist today anywhere in the world—

would lead to a complete distortion of priorities of allocation. One can understand an argument about relative priorities, but, to say that an ordering of such priority should be left to competition, is to ignore realities. That agriculture must have priority is conceded by Professor Shenoy himself. Many will agree with him that Government are not setting about it the right way in dealing with agricultural production. There is room for argument also about the precise shape which industrial investment should take. But, to say (in effect) that heavy industry must wait its turn after, say, television sets (for which, surely, there will be enough of an immediate market to make it worth an entrepreneur's while) is to ignore, or be ignorant about, the real needs of the country.

A Correspondent in Madras has interesting news to give about waste paper. It seems a contrast to conditions in the paper trade (in which profiteering is the result of scarcity and only confusion has been produced by the official revision of ex-mill prices and profit margins) is now provided by the slump noted in the waste paper trade. The protection afforded to local waste paper by the ban on imports, and much earlier by a very stiff import duty, helped the producers of newspapers to build up a useful sideline through the sale of unsold copies, though the Press Commission hinted discreetly, in view of guaranteed imports at low prices,

that much newsprint was converted directly into brand-new waste in order to take advantage of the chronic scarcity of packing material in India. But there has been a great change since January and, in Madras, the buyers of waste paper have even notified that they cannot take more.

The enlarged supply may really be due to the rise in circulation of existing newspapers, while the use of heavier Nepa newsprint has conferred some advantages on the small seller. It may also be assumed that the bumper supplements of the dailies have augmented the local output of waste paper, and prices in this case have gone down sharply, to judge by the rates given for kirana and chemicals, though waste newspapers are neither spices nor chemicals. The sharp rise in stocks of old newspapers may also be due to the advent of more kraft paper displacing old newspapers steadily and the increasing preference for transparent paper to make parcels attractive. However, for domestic ignition, newspapers still have no rival. But newspaper readers confront a sharp fall in net income through the regular sale of newspapers and many will conclude that their dividends, too, are now taxable, and they cannot get back a good part of the prepaid subscription by the quick sale of a month's accumulated papers. But it may be added that there are no metric weights in the business yet, and the chain of intermediaries is still unbroken.

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OLYMPUS

Import and Export Problems

THE import control policy for the licensing period, April-September 1960, is now in the process of evolution. One stage in that process has just ended with the Commerce & Industry Minister reviewing import trends and problems and the members of the Import Advisory Council advancing suggestions for consideration before the final announcement of policy is made. As usual, the Minister has emphasised the need for continued austerity in respect of consumer goods imports and for selective imports of machinery and industrial raw materials and the representatives of trade and industry have pleaded for the liberalisation of import of a whole range of items. Whether or not there will be a casual connection between the Advisory Council's "advice" and the import licensing policy to be announced, the meeting itself is more than a mere ritual because the Commerce Minister's speech provides the clue to the official policy in the making.

At the latest meeting, Mr Lal Bahadur Shastri has indicated that in the coming years there might be some increase in the total import bill mostly on account of industrial raw materials and, possibly, of machinery and that "various kinds of end products and consumer goods must be curtailed as far as possible." That the new import policy will be designed to facilitate the inflow of somewhat more industrial raw materials could be

inferred from the following passage in the Minister's speech:

"If we analyse the structure of our import trade during the calendar years 1958 and 1959 (on the basis of 10 months figures), we notice that the percentage of imports devoted to the importation of capital goods has gone down from 18.2 per cent in 1958 to 14.5 per cent during 1959. On the other hand, the percentage of industrial goods has risen from 55.1 per cent to 61.8 per cent. This is a trend which may in fact be regarded as the index of our industrial development. As industry develops, a higher and higher proportion of imports is bound to be devoted to the importation of the raw materials of industry."

In view of all this, the trend of deficit on trade account—now estimated at Rs 243 crores during the calendar year 1959—may be expected to continue at about the same level in 1960 also. This will be so because an increase in the total value of imports is expected. And it will be so in spite of a possible increase in the value of exports which have shown an upward trend during 1959, having been Rs 626 crores that year as against Rs 568 crores in 1958. In the circumstances, there is no likelihood of imports of raw materials like art silk yarn, wool tops and raw jute and of other industrial goods like spare parts, steel and non-ferrous metals being liberalised to the extent desired by industrial representatives. In particular, the suggestion put forward by the FICCI representative that the raw material requirements of industries should be fully met so as to avoid idle capacities is least likely to be accepted because the existence of idle capacities is

often due to such factors as the time-lag between installation of capacity and its staggered utilisation, the shortage if any, of working capital, the fall in demand for particular products, the reluctance of some industries to utilise substitute indigenous raw materials, etc. Perhaps, more industrial imports might be possible if the institution of "rupee account" were popularised to cover a part of the imports from West European countries, as suggested by one member of the Import-Advisory Council. This, incidentally, may give some fillip to the country's exports.

Mr Lal Bahadur Shastri himself has listed the items of goods which have been really in short supply. These are pig iron and steel, non-ferrous metals, art silk yarn and wool tops and paper. Although the Minister has admitted the shortages in these items, he has also described the present state of affairs. According to him, there is now no shortage of pig iron; the steel shortage will ease rapidly as the new steel plants go into production; as for non-ferrous metals, it might be necessary to increase the import of zinc only; as for art silk yarn and wool tops, the present difficulties are more on the score of sharing of raw materials by powerlooms and mills in the former case and by spinning mills and hosiery units in the latter; and, as for paper, there is definitely some need for importing a larger quantity. While thus the relative shortages in terms of supply are now expected to be eased in some lines, they are likely to persist in terms of prices in the case of items like paper, mercury and many other chemicals, non-ferrous metals, motor starters and motor vehicle parts. The importers have, therefore, been rightly warned that if they continue to put up prices, the Government will have to canalise imports of some of those items through the State Trading Corporation.

At the Export Promotion Advisory Council meeting, the Minister for Commerce and Industry has laid down a target of Rs 700 crores' worth of export trade for 1961. This represents an increase of Rs 75 crores over the value of exports in 1959. What is visualised for 1960 is an increase of only Rs 50 crores in export earnings. This is by no means an ambitious expectation. Here, there are some hopeful trends. One such factor is that credit agreements, seeking to integrate trade with aid by providing for repayments to be effected by way of increased sales of Indian products, have been recently concluded with the Soviet Union and Czechoslovakia. Another hopeful trend is in respect of some items of export.

Export of oil cakes in the first 11 months of 1959 has been valued at Rs 16.6 crores as against Rs 6.1 crores in the corresponding period of 1958.

The value of export of tanned leather during the whole of 1959 has been Rs 28.7 crores as

against Rs 18.2 crores in 1958. The value of cotton piece goods exports in 1959 has registered an increase of Rs 15.3 crores over the level of 1958.

There has been an increase of about Rs 16 crores in the value of exports of jute manufactures in 1959 as compared to 1958 and this is in spite of lower prices obtained for gunny bags.

Export of iron and steel scrap at Rs 4 crores in 1959 has recorded an increase of nearly Rs 3 crores.

Pig iron, which is a new item of export, has earned over a crore of rupees in 1959.

Cement, another comparatively new item of export, has earned Rs 1 crore during 1959.

In highlighting these particular export increases during the calendar year 1959, the Commerce and Industry Minister has also indicated that the prospects for increased exports of tea and jute goods are bright. In his view, it should be possible for the engineering industries to export as much as Rs 17 crores' worth of goods in 1960 and Rs 24 crores' worth in 1961 as against Rs 6 crores' worth in 1959. With the STC's hopeful performance in the field of iron ore exports, it is possible that earnings from this source also will go up in 1960 and 1961. All in all, an increase of Rs 50 crores in export earnings in 1960 as compared to 1959 seems to be a reasonable expectation.

The Export Advisory Council's meeting has also advanced some suggestions for promoting exports. Apart from the usual suggestion that wages should be linked to productivity, a new one is that an exporters' association be formed to press for a reduction in shipping freight from conference lines so as to promote exports. This latter suggestion has been strenuously opposed by the representatives of shipping companies. The Textile Wage Board's recommendations have been opposed on the ground that any increase in wage costs would adversely affect the fortunes of an export industry like the textile. On the same ground, the Wage Board to be set up for the jute industry is urged to keep the export market in mind and not to increase the wage costs in that industry.

These and other suggestions have been made on familiar lines. The wage question and the tax question do, of course, compel consideration in the context of export promotion. But they are issues with a larger policy import and, as such, will only be raised periodically without being really solved. Perhaps, it may not be quite so difficult to effect economies in industrial costs in other lines and in other ways without prejudice to the interests of labour or to those of Government. Since, however, such costs reductions may not also be easy, the modest character of the export target laid down by the Commerce Minister becomes understandable.

February 20, 1960

THE PENINSULA

Appalling Waste in Leather

Inaugurating a three-day symposium organised by the Central Leather Research Institute at Madras, Professor M. S. Thacker, Director-General, Council of Scientific and Industrial Research, lamented the waste arising in industry. Mr Thacker was provoked to comment on this matter by the huge amount of waste occurring in the leather industry. At Rs 35 crores, the value of waste in the leather industry was, he pointed out, as much as the leather industry itself was worth.

Such wastage, however, is not confined to the leather industry alone, but was part of a general pattern that was running through almost every industry. In the manufacture of gur and khandasri, for example, because of the hand-driven methods in use, there is a large amount of waste of both sucrose and molasses, the two most important elements in sugarcane. Similarly, in the utilisation of cotton seed as food for cattle, waste arises in as much as cotton seed provides a basic raw material for the vegetable oil industry. In agriculture, waste is even more colossal.

Mr R. Venkataraman, the Madras Minister for Industries and Labour, considered it a strange contradiction that there should be more waste in the poorer countries than in the advanced countries of the world. It should be obvious that rampant waste itself is a basic cause for backwardness, while it is of the very character of industrial progress that processing and manufacturing are perfected to a point where very little is left as waste. Mr Venkataraman sought to bring home the need for avoiding waste not only in terms of the additional national wealth which proper use of resources represents, but also in terms of the high cost of production which waste in industry involves. Elimination of waste is an essential concomitant of industrial progress and therefore should form part of the basic objective of industrial policy in underdeveloped countries.

For retrieving wealth that is wasted, science and technology have to be harnessed to production. Mr Thacker's appeal that the tanning industry should come "nearer to science and scientific research" should have relevance to almost every other industry. It cannot be denied that the use made of science and scientific methods in solving industrial problems is still small. For this, the meagreness of facilities for research is itself one reason. The lack of proper facilities is further accentuated by the delay in translating the methods found out by science. In the absence of prompt application, research itself tends to become wasteful. Professor Thacker was somewhat eager to defend the research and scientific institutions of

the country against the charge of barren work, and observed that there was no laboratory in the world which produced some results and which could immediately be translated in the industrial field. It had to undergo a lot of "teething troubles." The association of industry in scientific and technological research should be the best means of ensuring prompt application of scientific methods to industrial production. Indian industrialists have to be persuaded to shed their apathy and indifference to encouragement of scientific research.

The problem of eliminating waste has to be taken up simultaneously in both agriculture and industry. So far as agriculture is concerned, it was revealed by Mr Thacker that a committee constituted jointly by the Union Ministry of Food and Agriculture and the Council of Scientific and Industrial Research is considering the problem. The Committee is also disclosed to have submitted a report in this connection. It is to be hoped that useful work would be started on the basis of the findings of the Committee.

Eliminating industrial waste has on

the other hand, to be taken up industry-wide. Considering that most rampant waste occurs in the non-utilisation of by-products, the starting of industries to process industrial by-products should be the obvious means to waste elimination. Even in the manufacture of main product, waste is possible if production is based on techniques which could not be justified on scientific and technological grounds. Further, research has also to be intensified to explore new avenues to waste elimination. This can be done only on the basis of separate research institutes for each industry.

In the leather industry, the Central Leather Research Institute, though it has only a short past, has been doing excellent work in connection with improved methods of tanning and other aspects of leather manufacture. Mr Thacker indicated a measure of the progress which leather research has made when he pointed out that the whole carcass and every part of it could be utilised to manufacture something useful. In the circumstances, that there should be waste of the order of Rs 35 crores is appalling.

Appropriate measures have to be set on a foot to recover as much of this waste as possible. In the leather industry, the problem is aggravated by the fact that it operates on the basis of small-scale production scattered throughout the country. To carry the scientific techniques to every unit of production would involve formidable work. A promising beginning could be made on the basis of pilot projects in selected areas where there are concentrations of units of the leather industry. Agra, Kanpur, Madras, Calcutta and Bombay are the centres which would qualify on this consideration as areas for initiating the work of improvement. The initiative of the Madras Government in opening up training centres to impart education to tanners as to the best methods of flying, finishing and the manufacture of leather is to be commended to the attention of the other State Governments. Utilisation of tannery by-products has also to make considerable headway. Service centres to demonstrate successful utilisation of such by-products is essential.

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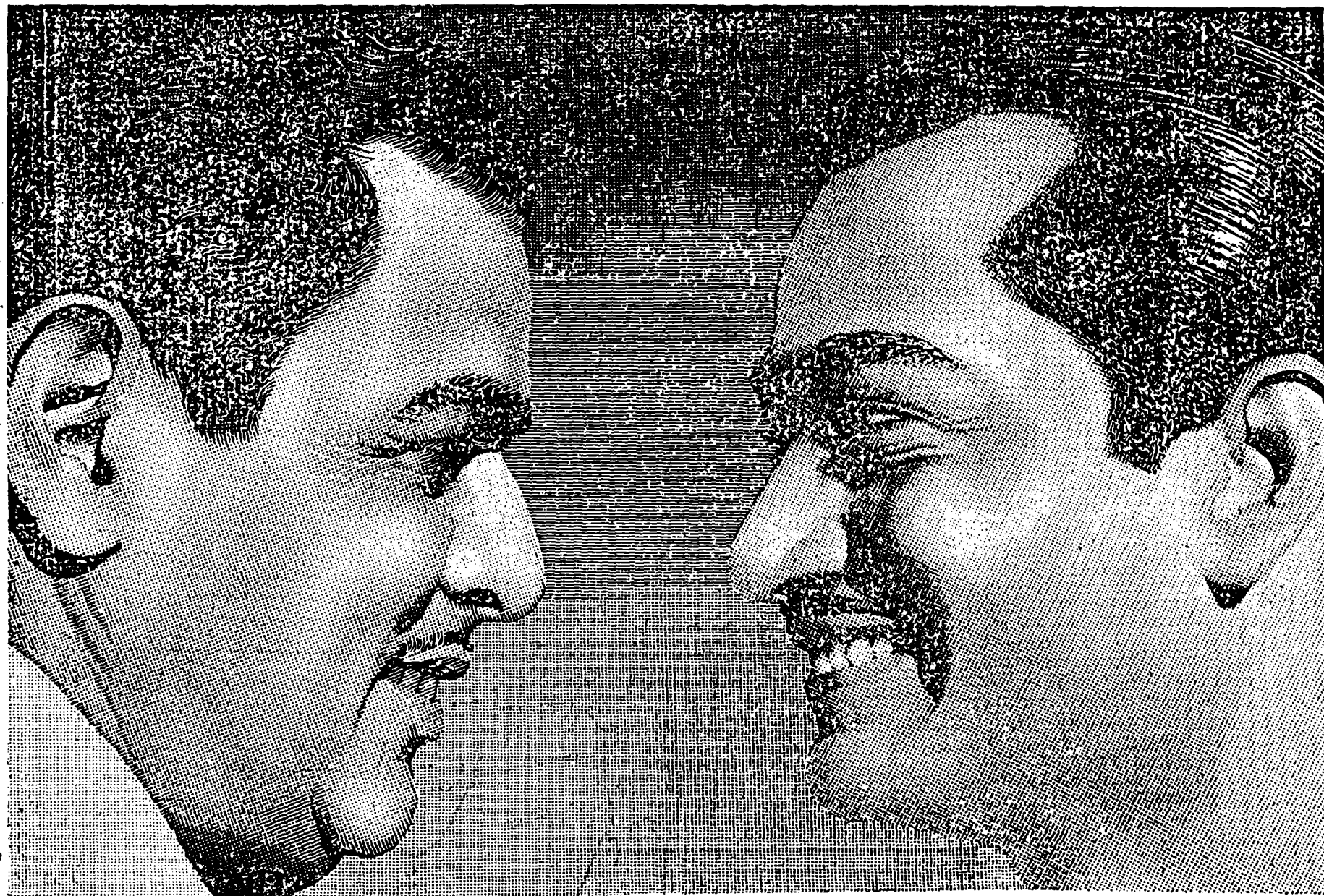
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Yes, I can see the advantages of the system, but surely it makes life a little more difficult for Brooke Bond. I imagine each shopkeeper's stock has to be replenished frequently.

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WORLD OF JUTE

Significance of Raw Jute Firmness

THE week's news is the firmness in raw jute prices, especially in the futures market, wherein operators have decided that the prospect is for perhaps an inadequate supply of the raw material over the rest of the current jute year. So it was that the report of a sizable decline in US burlap consumption, lower by some 9 million yards at 71 million yards, was not allowed to dampen enthusiasm unduly; but then, in this respect, it needs also to be noted that the fall in US consumption was simultaneously attended by a decline of almost corresponding dimensions in US stocks. Again, the conspicuous lack of overseas enquiry did not perceptibly depress jute goods prices, the main consideration being the steadiness in raw jute, which consequently lent strength to the manufactured section. Last of all, much was made of a reported fire in Narayanganj in which, the information goes, some Rs 2 lakhs of raw jute went up in smoke.

To what extent are these apprehensions of possible scarcity justifiable? How are such views affecting jute goods values, what will be the end result? Is there any significance to be attached to the present condition of the raw jute market?

My view continues to be that, as on many previous occasions, the jute interests succumb too easily to an alarmist attitude. I may add here that the market reasoning is that the Narayanganj fire—which might have reduced jute supplies by the magnificent figure of 1500 bales!—will reduce automatically the quantity of raw jute that Indian might be able to import from Pakistan. Surely, the present situation is in no whit changed from recent assessments: the balance between supply and demand will be close, but supply will not far so short as to justify any considerable impetus being given to raw jute prices.

It is unfortunate that raw jute firmness is being sympathetically reflected in the goods section. These are not light factors: a rise in stocks in India, despite lower production; a near absence of business done with overseas customers; and a reduced level of US consumption. The outlook may well be that, between now and, say, end of August—the period that is the slack season for jute

goods—there will be an element of over-production. So, prices in the goods section should, be such as to attract purchase orders; whereas the reverse is true of the market today.

What is more, the impact of current firm raw jute prices—and this is in the nature of a silver lining—on the next jute crop will be such as to bring about a sharp reduction in values around by the end of July. For, sowings will be heavy; Pakistan has lifted restrictions on acreage; and, unless the weather proves viciously inimical, the outlook is for the next raw jute crop to be bumper and bountiful.

Raw jute prices will noticeably decline, at the stage; and jute goods will "move" in "sympathy."

But the trouble is, and the trouble will last for another four months, there is a precarious balance between supply and demand in raw jute; and such a

state of affairs is just what the doctor ordered for speculative elements in the raw jute and jute goods markets.

Meantime, however, I hope that a rising trend in jute goods stocks will exert a downward pressure on prices; though, February being a short working month, it may well happen, at the end of the month, that stocks will somewhat have been eaten into. *

Prices of Jute Goods remained generally steady due to renewed speculative activity in the futures market, being mainly influenced by higher advices from the raw jute section. The confirmation of the news with regard to the purchases of Heavy Cees (Green) by Japan for March delivery was also a contributory factor. Even the news of the substantial drop of 9 million yards in US burlap consumption in January had little effect on sentiment as it was felt

that, with falling stocks, the US interest would develop soon. Taking advantage of the situation, mills were reported to have sold sparingly at higher levels.

Following were the price trends during the week:

	As on Feb. 11	Week's High	As on Feb. 17
	Rs.	Rs.	Rs.
Hessian:			
40" X 10 Ozs.:			
Ready	41.10	41.20	41.15
March	41.15	41.35	41.30
April-June	41.35	41.55	41.55
40" X 8 Ozs.:	33.25	33.55	33.55
40" X 7 Ozs.:	31.00	31.25	31.25
Sacking:			
B. Twills:			
Ready	114.05	114.45	113.80
March	112.00	112.85	112.50
April-June	110.00	111.60	111.50
Hy. Cees (Green)	114.00	115.25	113.75
Corn sacks	114.00	114.80	114.25
Cubans	134.25	134.25	133.80
A. Twills	136.25	136.50	136.50
L. Twills	128.75	128.75	128.50
D. W. Flours	137.25	137.50	137.50
Sugar Twills	128.25	128.25	128.00
Futures:			
Hessian—Feb.	40.65	41.10	40.95
Sacking—Feb.	111.75	113.40	112.90
Raw Jute—March	28.74	30.45	30.25



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WORLD OF TEA

Earlier End to Indian Tea Sales in London?

ACCORDING to trade sources, shipments of teas for sale through the London auctions, up to November last, totalled 127½ million pounds, which was nearly 2 million pounds less than the figure for the same period of last year. Shipments being generally ahead of the previous year, there was very little tea left in Calcutta for direct export to the United Kingdom.

In view of this, direct exports this year are not likely to exceed those of last year. The final sales of Indian teas in London will end at least a month ahead, provided offerings continue as hitherto.

Taking into account the balance of teas still left with the brokers in Calcutta, it is considered certain that Leaf tea sales will be completed by the end of March, while Dust sales are expected to end before the close of May, ensuing that there will be no overlap with dusts into the new season as had been the case in recent years.

Discussing the end-season prospects at the Calcutta sales, trade sources have stated that, during the final sales of the season, exportable teas form always a smaller proportion. This being so, offerings at the present scale, in the face of limited export demand, may perhaps be more than what local buyers can readily absorb. Should, however, overseas buyers, particularly those from the UK, be attracted again in the coming weeks to this market on grounds of the prevailing price differential and possible shortage of tea, in London during the later months, the final sales of Leaf teas here can meet with very strong demand.

In this connection, a well-known tea brokers' firm, Carriff Morans, says "that, in view of considerable direct sales from gardens, particularly in Cachar, to upcountry destinations, it seems unlikely that the total quantity of tea to be offered for export on the Calcutta market will exceed appreciably, if at all, the 1958-59 total. On this assumption and taking into account the balance of teas remaining in brokers' hands in Calcutta, it appears certain that sales of Leaf teas in Calcutta will be completed by the end of March 1960. If demand does not slacken

further, it seems likely that Sale No. 36, which will probably be held during the week of March 14, may be the last main sale of the season with a clearing-up for two weeks. Sales of Dust teas are also likely to be completed before the end of May."

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 74,284 packages. There was a good but less general demand and prices were a little irregular and again in buyers' favour. Plain black teas were sold well and selected lines of Fannings were keenly sought after. Medium Assam BOPs and OFs of ordinary quality tended easier. The brighter liquoring sorts, particularly OFs, were sold readily at sometimes dearer rates.

There was a good enquiry for CTC teas. Low Medium and Medium sorts were often dearer; but the best were sometimes 5 nP to 10 nP easier. The more ordinary non-wither legg-cut teas were 2 nP to 4 nP easier; but any with bright autumnal liquors came in for keen competition. There was slightly less demand for Whole Leaf grades. While clean well-made teas showed little change, the more stalky kinds tended easier. There was a selective enquiry for Darjeeling teas. Following were the rates (per pound):—Clean Black Pekoe Rs

2.18 to Rs 2.22 Plain BP Rs 1.94 to Rs 1.98; Plain Fannings Rs 1.98 to Rs 2.08; Medium BP Rs 1.90 to Rs 1.96; Medium Fannings Rs 2.04 to Rs 2.16; Best Assam CTC BP Rs 2.40 to Rs 2.60 and Best Assam CTC Fannings Rs 2.45 to Rs 2.60.

In the Internal Sale, offerings consisted of 22,094 packages of Dusts. There was less demand for the grainy exportable types which were sold at from 4 nP to 8 nP per pound easier. Mixed powdery grades were also up to 6 nP easier and sometimes more. Legg-cut Dooars teas followed this trend. Darjeeling dusts were irregular and sometimes dearer. The few of the very best, in this category, were generally sold at about last rates. Following rates were quoted: Medium Dooars Dust Rs 2.22 to Rs 2.42; Medium Assam Dust Rs 2.16 to Rs 2.36; Medium Assam CTC Dust Rs 2.26 to Rs 2.36 and Best Assam CTC Dust Rs 2.55 to Rs 2.85. Also 1,056 packages of Leaf grades were offered for internal consumption and these were sold at irregular rates.

In the Colombo market, offerings were 7,477,646 pounds. Demand was strong and general with buyers closely following quality. Best liquoring BOPs were dearer, while better liquoring high-grown and brighter mediums were irregularly dearer. Other Broken were fully firm. Low-grown teas and Com-

mons also met with strong demand at slightly dearer rates.

It is understood that tea exports from Pakistan, for the next four months of the season, may totally be banned and price control may be imposed as a sequel to a sharp rise in internal prices following lifting of price control in November 7 last year. Earlier, the Pakistan Government had decided to curtail tea export quota of 20 million pounds in order to release an additional 2½ million pounds for internal consumption.

The general pattern of demand for the 66,026 packages of tea, catalogued for sale in Mincing Lane, recorded no significant change. Some of the better quality invoices tended to be dearer. The plainer sorts were inclined easier. Even so, the overall range of prices was unchanged at from 3sh 10d to 5sh 6d per pound. The top end of the range underlines the essential lack of quality teas.

Tea stocks in London, as on the 5th February, totalled 152.56 million pounds as against 146.03 million pounds in the previous week. Total afloat was 22.25 million pounds including from Calcutta 12.97 million pounds; from Chittagong 1.32 million pounds; from Ceylon 1.09 million pounds; from Ceylon 5.00 million pounds and from other Ports 1.86 million pounds.



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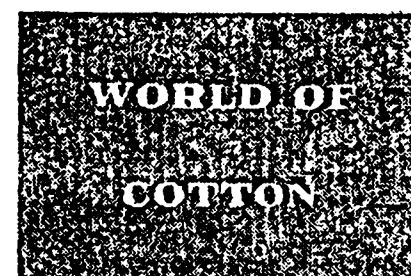
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Sentiment Remains Bullish

THE cotton market in Bombay was highlighted by new peak levels in the nearby March contract following heavy short covering as the bulls, who were called upon to pay increased margins once the price pierced the Rs 770 mark, sat tight on their contracts. This maturing contract recorded a rise of more than Rs 20 during the week, and the price was taken up to Rs 683. Instead of starting business in the next term hedge contract, namely May delivery, the Board of the EICA decided to commence trading in August contract, to which the Forward Markets Commission gave their permission. Business in this contract started at a discount of Rs 23 at Rs 743 from the March contract, and this widened to as much as Rs 44 as some of the prominent bears were reported to be transferring their sales to the distant position. After rising to Rs 790 from Rs 762, March finished at Rs 787, while August moved between Rs 743 and Rs 748 before terminating at Rs 746. The general feeling is that, with considerably higher prices prevailing in the spot section, the market in futures for the March contract might reach the ceiling by the time the contract expires. Sentiment remains generally bullish in view of the dearth of good quality cotton, and, despite the efforts of the Government to liberalise their import policy, the textile industry is still faced with the difficulty of procuring the raw material at fair prices.

In the Ahmedabad market also, cotton prices have showed a steep rise during the past few days and, as such, the market was closed on Tuesday, February 16. The Forward Markets Commission increased with immediate effect the special margin payable by longs from Rs 25 per bale to Rs 75 per bale when the price of the April 1960 contract rules above Rs 800.50 per candy. The special margin payable by longs during the delivery period used to be Rs 200 per bale. The revised margins came into force when the market reopened on Wednesday.

The cotton supply position remains tight and, for the next eight to ten months, the situation is bound to create anxiety. It is to be seen whether the monsoon helps in augmenting production. The Cotton Advisory Board is due to meet on February 26 to review the cotton situation as it exists and, if

necessary, to devise further measures to bring the situation under proper control.

Spot Market:

The spot cotton market at Sewri has continued to manifest a firm tendency with mills showing interest in Laxmi, Western Farm, CO 2, Kalyan and Wagad. New crop Wagad, Kalyan and Kalagin are being sought after at upcountry centre and, as a result, the prices of these growths have advanced further. Good inquiry for Vijay and Digvijay was also reported, and business for March/April delivery was done at Rs 1025 and Rs 1065 respectively. Prices of Laxmi and Western Farm have gone up by more than Rs 20. Laxmi March/April came to business at Rs 1090 and Adoni Farm at Rs 935.

Among foreign growths, prices of Egyptian cotton have come down slightly, while those of Sudan are ruling higher. There was not much change in the prices of American and African varieties.

Helpful Measures:

Measures announced at the meeting of the Export Promotion Advisory Council on Sunday, February 14, to the effect that textile mills will be allowed to import cotton of any staple against their retention quotas and that the existing export incentive scheme for textiles would be extended with certain modifications have been welcomed by the textile industry. This will provide more choice in the purchase of foreign cotton by the spinners. As it is, the present export incentive scheme for cotton piecegoods was due to expire at the end of September 1960, and its extension would certainly prove helpful to boost exports.

Fresh Import Quota:

Following the deliberations of the Import Advisory Council at its meeting last week, the Government of India have announced a fresh import quota of 50,000 bales of not below 1 1/16" staple length from any country for meeting the requirements for spinning over 60s by the textile mills. The mills which have been issued allotment letters for the import of cotton stapling 1 3/16" and above might, however, import cotton stapling 1/16" if desired.

Excluding the above new quota, the import allocations issued so far during the present season aggregate 10.20 lakh bales. The quantity of foreign cotton licensed for import into India in the first five months of the current season amounts to 330,885 bales while the actual arrivals during the same period total 188,218 bales.

The variety-wise break-up of the quantity licensed and actual arrivals during the five month period (from 1-9-59 to 30-1-60)

are as follows:

Variety	(In Bales)	
	Quantity Licensed	Actual Arrivals*
Egyptian	124,996	75,200
Sudan	44,338	50,677
East Africans	57,351	28,775
USA	49,153	23,288
Others	53,047	12,258
Total	330,885	188,218

*This includes quantity licensed in the previous season.

Cloth Market:

After the recent dull phase, the cotton piecegoods market seems to have returned to steady conditions. The up-country demand is still far from satisfactory, but it seems that inquiries might broaden in the near future. The export position is little disquieting after the brisk business which passed some months back. With the high raw material prices, the competitive position of Indian textile goods has gone down, and it is wondered whether the export performance this year will be as encouraging as

in the past year. With the enhancement of 5 per cent on freight as from April 1, 1960, cloth prices are expected to move up.

New York Cotton:

The New York cotton market has continued to rule steady. The members of the Exchange have adopted a new contract for the future delivery of cotton. Trading in this new contract has started from February 10, and is initially for delivery in October and December 1961. The general feeling is that this new contract will offer a more equitable hedging instrument in the trade. The new contract increases the premium for the larger staples which tends to bring it more into line with spot values. Contracts made under the current terms will continue to be traded in for delivery through September 1961. After expiration of trading in that month, all contracts with future delivery of cotton on the New York cotton exchange will provide for the changes adopted.

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MARKETS

Firmer Tendency
in Shellac Prices

SHELLAC prices have been displaying a firmer tendency, both in London and Calcutta markets, during the past many weeks. Prices in London have been rising steadily since last November and look like continuing to do so. This has taken dealers in London by surprise, especially as the two winter crops in India were considerably larger than usual and Thailand is back as a major producer.

For the past two years, Thailand has produced hardly any shellac at all; but this season's crop is back to the old levels and may be as much as 25 per cent of the total world production.

One reason given for the rise in shellac prices is that more consumers are tending to buy direct from India instead of through the London market. The processed shellac, now sold by the two large factories in Calcutta, consumers say, is of uniform quality and can be safely bought in lots without the help of a London broker. This has meant, brokers claim, that the pressure on producers to accept lower prices has diminished. The consumers appear to be happy about the position.

It cannot be denied that the steps taken by the Lac Exporters' Asso-

ciation and the fixing of a minimum export price has resulted in a stability in export prices, thereby helping India to earn substantial foreign exchange. In this connection, the President of the Indian Lac Cess Committee has expressed the view that measures should now be evolved to stabilise the internal prices of sticklac and seedlac in conformity with the minimum export prices and distribute the benefits among the various links of the industry. He adds that parity between internal and minimum export prices is essential.

Meanwhile, in the Calcutta market, the rate for Pure TN quality shellac is quoted around Rs 76 per maund. Shipments during the current month till the 8th were 7,561 packages comprising 5,553 packages of shellac (4,102); 1,234 packages of seedlac (5,013); 171 packages of buttonlac (309) and 603 packages of other varieties (535). Figures shown within brackets were for the corresponding period of last month.

Sugar

Sugar markets have been ruling very steady. In the Hapur market, prices have recorded modest gains. Although, officially, there is no allocation for Uttar Pradesh for free sale, enough quantity of crystal is reaching the market from unrevealed sources.

Production of crystal sugar is reported to be higher than in the corresponding period of last year; but supplies of cane to factories in some centres is declining. Fears are, therefore, expressed that the sugar season will end earlier, as no steps have yet been taken to stop diversion of cane to the khandsari units. In the open market, the rate for the sweet commodity is quoted around

Rs 124 per bag. In the Muzaffarnagar market, rates are moving between Rs 116 and Rs 126 per bag, according to quality.

Although the aggregate world production of sugar, during the year 1959-60, is estimated to be lower at 49.59 million tons as compared with 50.94 million tons last year, the supply position has become comfortable at 61.82 million tons—a rise of nearly 780,000 tons as compared with the supply of 61.04 million tons available in the previous season. The improvement in supply is largely due to the huge carryover stocks of 12.23 million tons from the last season.

As against this situation in the world sugar market, the position in India has been one of shortage. As a result, the authorities have been obliged to resort to distribution control in addition to price control. That this should be so when the Government have recently released 1.75 lakh tons for distribution throughout the country is somewhat perplexing.

Khandsari

Khandsari prices have registered a slight fall from the previous week's level due to withdrawal of demand. Rail loading restrictions have hampered despatches to the needy areas of Gujarat and Saurashtra. Producers are now in a position to buy cane even at higher prices than paid by the factories. Superior quality is quoted at Rs 44 to Rs 48 per maund.

In the Muzaffarnagar area, production is going on smoothly and the arrivals are being lifted readily.

Gur

Although ready Gur prices are fully steady due to continued brisk outside buying enquiry, prices have eased fractionally in the Hapur market due to restricted loading. Daily arrivals amount to 4,000 maunds. Panseera quality is quoted at Rs 17.25 and Balti at Rs 17.75 to Rs 18.12.

In the Muzaffarnagar market, the demand for the commodity is good from the Punjab, Gujarat, Rajasthan and Madhya Pradesh. Besides, South Indian traders are keen buyers. Chakku has eased by 50 nP to 62 nP per maund due to non-acceptance of bills by the different banks.

Foodgrains

Steady to firm conditions have prevailed in the Hapur Foodgrains market, as "rabi" crop prospects are not rated bright owing to inadequate winter rains. Stocks with the traders are also reported to be meagre.

While Wheat prices have advanced by Re 1 a maund, Coarse grains have sought higher levels. Pulses, however, remain depressed in the absence of demand. The market for Gram remains steady on firmer advice from the Punjab where the standing crop is reported to have been adversely affected due to lack of rains. Maize and Bajra prices are ruling higher due to good consumer support in the face of depleted stock position.

Rubber

According to the figures released by India Rubber Board, production of Rubber has shown a decline to 2,946 metric tonnes in December from 3,037 metric tonnes in November, 1959, while consumption has risen to 4,121 metric tonnes from 3,434 metric tonnes. Stocks with the estates and dealers are higher at 5,212 metric tonnes against 5,004 metric tonnes and those with the manufacturers at 5,581 metric tonnes against 5,483 metric tonnes.

The recent price weakness in natural rubber on the London market has caused a little anxiety. Experienced observers believe that a fall in prices at this time is in the best long-term interests of the commodity. During January, market prices in London average over 35d a pound—more than 10d above the figure for January 1959 and some 5jd higher than the average for the whole of 1959.

London traders say that this further gain of nearly 18 per cent in rubber prices during January, coming on top of a rise of some 28 per cent last year, is threatening to raise to the point at which a substantial switch of consumption toward synthetic rubber will become inevitable.

Coffee

The weather has been unkind to Coffee throughout the 1959-60 season. Delayed blossom showers adversely affected the crop at the very start of the season. It was subsequently exposed to excessive rains in July-September and to unseasonal rains in the usual dry months of November and December. The Coffee Board does not, therefore, expect a crop of more than 47,000 tons this season as against 46,000 tons in the previous season. The crop is being harvested now.

Leading planters feel confident that India will not be left with unsaleable stocks, provided a rational marketing system is followed and preference given to the export of Plantation coffees. The Coffee Board has provisionally recommended the earmarking of 16,500 tons of coffee for export out of the current crop. This will comprise 8,500 tons of Plantation; 6,000 tons of Arabica Cherry and 2,000 tons of Robusta.

Meanwhile, the Coffee Board has released a quantity of 669,000 kilograms of coffee for export out of the 1959-60 crop, consisting of 471,000 kilograms of Plantation "A"; 105,000 kilograms of Plantation "B" and 93,000 kilograms of Plantation Triage. Tenders are due on the 26th February, 1960.

Bullion

Despite the stringent margin, a fairly steady tendency was discernible on the Bullion Exchange in Bombay during the week under review. At higher levels, however, some profit-taking was in evidence, and ideas were that the rise in gold prices had been overdone for the time being. Seasonal offtake was satisfactory, but, on rumours of some unauthorised arrivals in the yellow metal, some of the bull traders preferred to lighten their commitments. Gold Faigun delivery, after an early

rise to Rs 132.19, came down to Rs 131.08 before recovering to Rs 132, but relapsed to Rs 131 at the close. Silver Faigun delivery firmed up to Rs 214.62 from the opening level of Rs 213.37 and finished at Rs 214.25. Floating stocks of silver and gold in the Bombay market are estimated at 1,200 bars and 27,000 tolas, respectively.

Yarn

The yarn market has continued to remain subdued during the past week, with the result that prices have moved narrowly with an irregular tendency. Offtake from several consuming centres has contracted, but it appears that, with the Railway freights going up by 5 nP from April 1, there should be more demand from consuming centres in the next fortnight or so. Art silk yarn prices ruled quietly steady, but staple fibre yarn was a shade easier. With firm advices from the spot cotton market, cotton yarn prices have turned steady to firm.

Oils & Oilseeds

A firm tendency, which was noted in the Bombay Oilseeds market during the first part of the week, gave way to a subdued tone on account of realising pressure. Following the move initiated in the Bombay market, ceiling prices have been fixed for groundnut oil in all trading centres of Saurashtra, and this brought forth some offerings at the rise.

Castor seeds touched a new high of Rs 189.12 as against Rs 185, but later on came back to Rs 185 on reports that the US was not interested in buying castor oil from India at higher levels. Groundnuts February, after starting at Rs 217, reacted to Rs 215; then rebounded to Rs 218.50 before receding to Rs 214. The May delivery moved between Rs 209.50 and Rs 212.50, and then was marked down at Rs 210. After being done at Rs 35.77, Linseed dropped sharply to Rs 34.31 on discouraging overseas advices. Groundnut oil April-May changed hands at Rs 22.75 to Rs 22.44, and finished at Rs 22.50. Castor seeds February were firm at Rs 157 and May at Rs 150.

Exports of oilseeds, oils and oilseeds from Bombay during January 1960 were as follows:

	In tons
HPS groundnut kernels	2,832
Kardiseed	25
Castor oil	4,585
Groundnut oil	1,893
Linseed oil	1,830
Sesameseed oil	6
Groundnut cake Expeller	11,525
Groundnut cake Extraction	15,470
Linseed oil cake	5,337
Nigerseed oil cake	150

Business was at a low ebb in the Madras oils and seeds market. There is the usual pre-budget caution, with the spot goods purchasers completely hesitant to commit themselves even to the nominal rates. Prices were also easier, and transactions very limited.

Arrivals in the City and other places were negligible.

While United Kingdom rate for groundnut oil per ton was £124, no

quotations could be had for Burma shipment. In other seeds also, activities were dormant.

Only April deliveries are quoted in Groundnut oil at Rs 391 (nominal) per candy. This rate touched Rs 400 a few days ago.

Heavy excise duties are feared possible by oil interests in the next Budget. There is no ground available yet to justify this apprehension, but generally there is the opinion widely prevalent that the Central Budget would undoubtedly hold fairly heavy imposts including excise duties on oils.

Today's closing rates in the Exchange were: Groundnut oil per candy of 500 lbs expeller ready 3 per cent F.F.A. Rs 390 (nominal):

April delivery Rs 391 (nominal). No March transaction. Kernels per candy of 531 lbs: Coromandel: Rs 205 (nominal). Castor oil per candy of 500 lbs: Rs 340. Coconut oil per tin: Rs 41 to Rs 41.50. Gingelly oil per maund Rs 21.50. Gingelly Seed per bag Rs 73/74. Groundnut oil Cake: Expeller variety: Rs 28.50 to Rs 28.75 per bag.

It was a subdued tone after last week end that one witnessed in the groundnut oil markets. There was no aggressive buying. It was as if should be. It is well known the season started off with very high prices of, groundnut and oil. No export is possible to overseas destinations.

The big and small vanaspathi interests decided to work on a hand-to-mouth basis. All these certainly were responsible for poor buying interest. The marking of small declines in Bombay groundnut and castor futures influenced the local trend toward a sliding price range. The ready rate, too, had its own severe margin, and operators were too timid to transact large scale business even at Rs 390. If speculative interests also kept quiet in the market, contributing to its colorless day, all these factors made them lie low for the present.

Local arrivals of groundnuts were not large. Nor do reports from up-country points show a contrary fact. About 40/50 tons only in coromandel varieties are available daily in Madras. Last week-end, support was coming at the pucca parity price of Rs 206/205 per candy mostly from crushers using chekku or power-driven rotaries. Bigger buyers kept severely aloof.

Calcutta interests took some quantities in groundnut oil. Yesterday, the price dwindled to Rs 391 Ready, and April position to Rs 397. Ready got still further down today to Rs 390 and April to Rs 391.

As indicated by INDIAN FINANCE last week, April future trading in Groundnut oil commenced 10th February. Daily turnover, however, has proved small since then. The heavy margin payable by Longs above the price level of Rs 385 per candy acted as a check on any kind of hectic or even heavy transactions by speculative interests. The opening day business realised Rs 394/396 but went up to Rs 400. It soon came down to Rs 397 last week end and today it was still lower at Rs 391 nominal.

Hides and Skins

Prices of tanned cowhides were firm due to small arrivals. This has been ascribed to decreased tanning activities in Ranipet tanneries. Last week's rates continued in the export section. UK bought fifts in the 5/5½ lb and 8/8½ lb average.

Inferior fifts had good sale in the internal market. But the local price did not find favour with the exporters.

UK wanted more cow calf. Therefore, the 2/3d increase in price for premium marks did not matter and deals were concluded at that rate for UK. Even ordinary market quality was up in price between 30/35 nP this week. Similar was the case in tanned buffalo calf. But preference by UK was for top grades at a higher price by 1 or 2d per lb. Lower

grade qualities were also sold in good quantities at a firmer price.

Tanned goat skins sold were 7,000 pieces and tanned sheep skins sold numbered about 26,000, less turnover than last week. Left over pieces in the market were 5,000 goat and 40,000 sheep skins. Market quality tanned skins remained at the same prices as given below. Sheep skins were higher, however, by 12 nP.

The following prices ruled in tanning materials:

Avaram Bark Rs 90/110, Konnam Rs 67½/72½; Myrabolams Salem Rs 145/150; Bombay Rs 95/97; Pungam Oil Rs 505/510.

Raw skin price were slightly easier: Bangalore raw goatskins Rs 660/700. White Wool sheep Rs 585/590; Black wool sheep Rs 480/535; Bezwada goat skins Rs 635/640; He sheep Rs 605; She Sheep Rs 505.

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Taxes—Certain: Reliefs: Perhaps?

Investment Gossip:

TIME for marking time is with us again, with the central Budget just 10 days away. I find it rather interesting that, quite fatalistically, the market has come to accept as inevitable another bout of fresh taxation. An array of Excise duties is expected; and movements in particular sections indicate where the operators think the Finance Minister's attention will be aroused. Rayon? Yes. Paper? Yes. A range of light engineering goods? Again, yes. It is from such duties, Lyons Range hopes rather than thinks, that the Finance Minister will find the bulk of the resources necessary for the three-fold task of (a) meeting the increased costs of defence; (b) implementing the Pay Commission's recommendations; and (c) putting through the heavy disbursements relating to the last year of the Second Plan.

It is such hopes which have also led to the expectation of some manner of reliefs in the offing. Will the taxation of bonus issues be reduced as to rate? The answer is a hopeful affirmative, and the reasoning is that, at the present rate of bonus tax, Government do not benefit, because no bonus issues are being made. So: if the rate is reduced, it will be a concession—and so improve the investment climate—while, at the same time, it may bring in some revenue to Government.

Then, "adjustments" are expected in the rate of corporate tax. I personally believe that the Finance Minister is committed to reducing the rate to, say, 42½ per cent (as against the 45 per cent effective for the advance payment of tax). But, then, there have been complications in the picture since then, and it wouldn't surprise me unduly if the Finance Minister blandly announced: "No Change."

Thus, another 10 days to wait; and wait we shall.

ERs

Investment Special:

Simpson & Company

Simpson & Company Limited, Madras, consists of eight subsidiary companies and their year ending is 31st May, 1959. Altogether, the profits for the year were Rs 48.84 lakhs as against Rs 26.59 lakhs in the previous year. A sum of Rs 19 lakhs is provided for Taxation. Along with the sum brought forward from the previous year, there is an avail-

able balance of Rs 48.71 lakhs out of which a sum of Rs 22.50 lakhs is provided for General Reserve. Among the dividends declared, one portion relates to one under Section 23-A, absorbing Rs 7.06 lakhs. A further amount of Rs 16.88 lakhs had to be paid out of the year's profit once again to meet with the provisions of Section 23-A. Two interim dividends have been declared out of this amount. A final dividend is also recommended and the total distribution for the year amounts to 31.92 per cent.

Simpsons have licence for expanding the Perkins Engines capacity to 7,000. A second expansion scheme to increase the capacity to 12,000 has been submitted to the Government. The Coach Building and the Light Engineering Departments have a praiseworthy record of work.

ERs

Rallis India

According to a telegraphic message, Rallis India Limited has made a net profit, before providing for Depreciation and Taxation, of Rs 29.55 lakhs for the year ended 31st August, 1959. Profits realised on sale of fixed assets were Rs 23.41 lakhs including previous Property Reserve of Rs 10.75 lakhs, and this has been set off against the previous debit balance account. Appropriations were Rs 3.25 lakhs for Depreciation; Rs 4.43 lakhs for Taxation and Rs 1.25 lakhs for other provisions. The directors have recommended the arrears of dividends on the Preference shares for two years. The Ordinary dividend is passed over. The carry forward to next year is Rs 2.55 lakhs. Transfer Books will be closed from the 28th March, 1960.

ERs

New Issue Notes

It is understood that the equity shares of the Hindustan Aluminium Corporation have been oversubscribed well before the closing date, February 18.

The Radio and Electricals Manufacturing Company, Madras, has announced the issue of 1,25,000 equity shares of Rs 10 each, at par, in the ratio of one for every two shares held. The amount payable on application is Rs 5 per share and the balance of Rs 5 on allotment. The new shares will rank pari passu in all respects with the existing shares from April 1, 1960.

Attikhan (Billigiri) Limited, Madras, is to enter the market for capital of Rs 6 lakhs — 2 lakh equity shares of Rs 2 each and 20,000-9 per cent Redeemable Preference shares of Rs 10 each. Of this, 1 lakh equity shares and 10,000 Preference shares have been agreed to be subscribed for by the signatories to the Memorandum of Association, the directors and their friends. The balance of 1 lakh equity shares and 10,000 Preference shares are now offered to the public for subscription. Applications for less than 100 equity shares and 50 Preference shares will not be considered. The list for subscription will be opened on the 19th February. The primary object of the company is to acquire the freehold rights of Atti-

Indian Finance

khan Estate in the Billigiri Rangan Hills, Mysore State, belonging to Mr. A. E. C. Morris jointly with the Trustees of the Settlement and to operate it as a going concern as from the 1st April, 1959. The purchase consideration for the estate, including the value of the current season's crop, is Rs 8 lakhs and this will be covered to the extent of Rs 5 lakhs by the proceeds of the issue, while the vendor has agreed to leave a loan of Rs 3 lakhs, repayable in a period of three years, at a rate of 8 per cent interest.

Premier Tyres Allotment

Lots for the public issue of equity shares of Premier Tyres Limited have been drawn. The equity issue was 44,100 shares of the total value of Rs 44.1 lakhs. The number of

Group of shares	Number of Applications Received	Number of shares applied for	Successful applications in draw of lots	Number of shares allotted in each group
5 to 20	25928	186,233	4451	5
25 to 40	1699	47,600	566	10
50 to 75	902	46,310	356	15
80 to 200	617	66,730	412	20
over 210	37	24,785	37	10 p.c.

Emerald Valley

Emerald Valley Estates Limited has proposed to issue 30,000 equity shares of Rs 5 each, at par, to holders as on the 8th March 1960, in the ratio of one share for every two shares held. The new shares do not rank for dividend for the year ended 31st December, 1959.

The Ravalgaon Sugar Farm Limited has decided to raise the authorised capital from Rs 50 lakhs to Rs 1.04 crores by the creation of 48,000 Ordinary shares of Rs 50 each and 30,000 Preference shares of Rs 100 each. It is intended to issue 20,000 Ordinary shares, which will be offered to the Ordinary and Deferred shareholders. The funds will be utilised for financing the expansion programme of the company. In this connection, a general meeting of the company will be held on the 18th March, 1960.

ERs

Investment Notes:

The Elgin Mills Company Limited has proposed to purchase from the British India Corporation Limited its Cawnpore Cotton Mills branch with all its leasehold land, buildings, machinery, stocks and stores, at a price of Rs 35 lakhs on certain terms. The terms are that Rs 5 lakhs will be paid at the time of the execution of the sale deed; that the balance of Rs 30 lakhs will be paid in five equal yearly instalments (which if not paid at the due date will carry interest at 6 per cent per annum) and that the company will not sell, mortgage or transfer the block of the Cawnpore Cotton Mills branch to any party without prior approval of the BIC as long as the purchase price is not paid in full.

The shares of Dharamsi Chemicals have been a firm feature around Rs 155. The company is reported to be doing very well and has already undertaken to double its production capacity of superphosphate and sulphuric acid. The company is putting up a new factory for the manufac-

ture of superphosphate and sulphuric acid at Kumbhari in Madhya Pradesh. The estimated cost of this project is Rs 40 lakhs.

The Cottanad Plantations Limited has reported a crop of 6,214 pounds of rubber and 8,042 pounds of tea for December 1959, making a total of 35,392 pounds of rubber and 118,889 pounds of tea for the period April to December, 1959. These compare with 41,176 pounds of rubber and 131,480 pounds of tea for the corresponding period of the previous year.

The Nilambur Rubber Company Limited has reported a crop of 14,060 pounds of Rubber for December, making a total of 147,818 pounds for 1959 as against 234,738 pounds in the previous year.

The Travancore Rubber & Tea Company has reported a crop of 84,075 lbs of rubber and 57,268 lbs of tea for January as against 93,714 lbs and 68,360 lbs respectively in January last year.

The Eastern Cachar Tea Company, in the managing agency of Octavius Steel & Company Limited, has called a meeting of the shareholders to obtain the sanction for the proposed sale of the garden at Binnakandy, Cachar. The present move is a sequel to the difficulty faced by the directors in obtaining finance.

ERs

Balance-Sheet Briefs:

Godavari Sugar Mills Limited has reported a net profit of Rs 37.64 lakhs for the year ended 31st May, 1959 as against Rs 31.75 lakhs for the previous year. A dividend of Rs 20 per share, subject to tax, is recommended by the directors. This works out to a net dividend of Rs 14 per share and compares with a net dividend of Rs 12.50 paid for the previous year.

The working of the Loyal Textile Mills Limited has resulted in a loss of Rs 1.29 lakhs for the year ended 30th June, 1959 as against Rs 4 lakhs in the previous year. The dividend is passed over.

COMPANY REPORTS

Competition in Export Markets Reflected in Orissa Minerals' Accounts

Balance-Sheet Reviews:

THE Orissa Minerals Development Company Limited has reported a decrease in earnings for the year ended 30th June 1959, reflecting the highly competitive conditions that prevailed in the export market for manganese ore. The company was able to sell its ore to the traditional buyers only at prices lower than were obtainable in the previous year. This was mainly due to the fact that increasing quantities were offered by other exporting countries, such as Brazil, Ghana, Morocco, Russia and South Africa, which enjoyed a considerable freight advantage over India.

Output of Manganese Ore increased by 10,617 tons to 60,027 tons; and so also sales from 56,801 tons to 60,787 tons. Raisings and despatches of Iron Ore also increased from 502,970 tons and 495,061 tons to 587,803 tons and 566,122 tons respectively. But for the increased earnings in the exports of iron ore, the decline in the net earnings would have been more pronounced.

Total sales are lower at Rs 1.17 crores against Rs 1.28 crores, while the net profit, before providing for Depreciation and Taxation, amounts to Rs 28,68,726 against Rs 38,16,628 in the previous year.

In respect of allocations, the Depreciation amount is raised to Rs 2.92 lakhs from Rs 2.17 lakhs, while the Taxation provision is reduced to Rs 11.50 lakhs from Rs 18.30 lakhs, General Reserve to Rs 2.00 lakhs from Rs 2.51 lakhs; Building Reserve to Rs 1.00 lakh from Rs 2.00 lakhs; Statutory Development Rebate Reserve to Rs 60,800 from Rs 92,500 and Mechanisation Reserve to Rs 4,00 lakhs from Rs 5.50 lakhs. No provision is made for Stores and Stock Reserve against Rs 1.50 lakhs previously.

The directors have recommended a final dividend of 23½ per cent, a total of 36 per cent against 25 per cent in the previous year. This increased dividend is declared after taking into consideration the effect of the Finance Act 1959, whereby the company has to deduct tax at the prescribed rates before payment of dividend.

The balance-sheet, as at 30th June 1959, shows a paid-up capital of Rs 20 lakhs against which reserves and surplus are shown higher at Rs 56.29 lakhs. The gross block at Rs 64.43 lakhs is depreciated by Rs 32.00 lakhs to show a net block value of Rs 32.43 lakhs.

According to the directors' report, Bolani Ores (Private) Limited, in which the company has a substantial holding, has made considerable head-way. The extension of railway siding from Barabil to Bolani is now almost complete and the Bolani Ores (Private) Limited will be commencing despatches of iron to the Durgapur Steel Project in the very near future.

The activities of the Eastern Shipping Syndicate ceased on the 31st August 1957. The realisation of the assets and the payment of the liabilities is in progress.

The progress of the company, during the past three years, is indicated in the following comparative table:

Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	11,715,757	12,814,084	8,877,181
Stocks	952,018	879,811	1,305,358
Net profit	2,868,726*	3,816,626	1,719,766
Taxation	1,150,000	1,786,000	1,080,000
Wealth Tax	...	42,000	...
Depreciation	291,700	217,100	185,100
Reserve Fund	200,000	250,620	315
Res. for Tax Contingencies	...	...	24,000
Development Rebate Reserve	60,800	92,500	5,300
Other Funds	500,000	900,000	...
Div. Amount Ord.	720,000	500,000	400,000
Carry Forward	88,340	142,114	116,706
Div. % Ord.	36	25	20

(Annual General Meeting on 16-3-60 at 11-30 a.m.)
*Includes Rs 64,900 being excess provision of Statutory Development Rebate written back.

Synopsis of balance sheet as on the last day of June	1959	1958	1957
	Rs.	Rs.	Rs.
Liabilities			
Capital Paid-up	2,000,000	2,000,000	2,000,000
Capital Reserve	769,460	764,500	764,500
Reserve Fund	1,054,922	854,422	603,802
Other Funds	3,582,262	3,085,762	2,093,262
Staff Compn. and Pension Fund	228,205	218,873	188,727
Taxation Provision	2,413,896	1,780,694	966,681
Debits	5,322,899	4,920,681	4,355,342
Carry Forward	88,340	142,114	116,706
Total	15,453,984	13,667,046	11,088,022

Assets	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	6,443,150	5,651,824	4,910,484
Depreciation	3,199,595	2,917,800	2,787,433
Block (net)	3,243,555	2,733,824	2,123,051
Cap. Exp. in progress	141,943	211,028	368,064
Stores	1,805,343	1,013,416	646,462
Stocks	952,016	879,811	1,305,358
Outstandings	3,744,127	2,232,913	2,021,285
Do. More than 3 months	1,067,273	1,771,185	182,542
Mis. Deposits and Advances	308,378	268,372	1,036,142
Investments	3,860,743	1,852,409	2,511,056
Deposits in Banks	309,000	2,800,000	600,000
Cash	230,606	104,083	124,022
Total	15,453,984	13,667,046	11,088,022

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Previous Dividend (Rs Per Share)	Transfer Books Closed
India Jute	Feb. 27	0.75*	1.24	17/2/60 to 27/2/60
Megha Jute	Feb. 27	0.60*	1.00	17/2/60 to 27/2/60
Jayshree Tea	March 10	1.40	1.00	25/2/60 to 10/3/60
Union Jute	March 15	7.00*	20.00	18/2/60 to 23/2/60
Kinnison Jute	March 15	7.00*	10.00	18/2/60 to 23/2/60
Northbrook Jute	March 15	0.75*	1.25	18/2/60 to 23/2/60
Lawrence Jute	March 15	7.00*	2.00	18/2/60 to 23/2/60
Auckland Jute	March 15	7.00*	20.00	18/2/60 to 23/2/60
SKG Sugar	...	1.50	1.00	...
Spence Hotel	...	0.10	0.10	...
Orissa Minerals	...	2.35*	2.75	...

*Interim for year ended 31st March, 1960.

Dena Bank's Balance Sheet

THE first of the banking balance-sheets for 1959 to be released is that of Deykaran Nanjee Banking Company Limited, and this is in consonance with Dena Bank's ability also to be the first to release the preliminary results. As already noted in this journal, the working results showed that, apparently in line with the general experience of the banking system, Dena Bank had reported a decline in its net profit. The detailed accounts now published reveal why the profit in fact is higher: it is shown net of taxation.

According to the balance-sheet, Deposits and other accounts have risen by Rs 5.26 crores to Rs 35.38 crores; and all but Rs 1.63 crores of this rise has occurred in respect of the higher-costing Deposits, Fixed and Savings Bank. Meantime, it is true, Advances expanded by a slightly better margin, in rising by Rs 5.41 crores to Rs 19.46 crores. Also, Dena Bank prudently enlarged its investment portfolio, holdings of gilt-edged rising from Rs 13.48 crores to Rs 15.32 crores.

Thus, in the profit and loss account, interest and discount are found to have fetched Rs 19 lakhs more at Rs 1.27 crores, while commission, exchange and brokerage have yielded Rs 22.01 lakhs against Rs 17.71 lakhs. However, interest paid is sharply higher by Rs 12.58 lakhs at Rs 79.44 lakhs, and salaries and allowances have absorbed Rs 7.80 lakhs more at Rs 41.32 lakhs. With such increase in operating costs, the balance of profit has come down to Rs 13.05 lakhs from Rs 14.22 lakhs; with this reservation, that, in 1958, Rs 5 lakhs had to be provided for tax, whereas, in 1959, the balance of profit is net of any tax liability.

The Directors' Report provides figures that are at first sight baffling; the profit for the year is here said to be Rs 15.30 lakhs while, in the profit and loss account, the relevant figure is clearly stated to be Rs 13.05 lakhs. A little deduction is necessary to find out that the discrepancy relates to bonus to staff; this has been added back in the Directors' Report, while, presumably, salaries and allowances, in the profit and loss account, includes this element of Rs 2.25 lakhs. In any case the transfer to Reserve is maintained at Rs 6 lakhs, and the Reserve Fund, now at Rs 52 lakhs, exceeds the capital of Rs 50 lakhs. The bonus to staff, it may be noted, is Rs 45,000 higher than it was in 1958. The dividend has been generously increased: the tax free dividend in 1958 was at 6 per cent and absorbed Rs 3 lakhs. Already, for 1959, an ad interim dividend has been paid in a total amount of Rs 1.86 lakhs; and the final dividend proposed will need another Rs 2.50 lakhs, making the total distribution—subject to deduction of tax though it is—significantly higher at Rs 4.36 lakhs; and the 1959 dividend works out to a "net" dividend of 6.132 per cent.

Such, then, a good start for the 1959 bank balance-sheet season.

STOCK

EXCHANGES

Markets Flat Again

Watch-Dog Writes:

BARRING some enquiry in a few selected scrip, stock markets are flat again and price movements are confined to a narrow range. With only a week to go for the Union Budget, operators have referred to keep their books light. Moreover, the news of the increase in freight rates in the Railway Budget has also caused some disappointment.

The Calcutta Stock Exchange witnessed a featureless session and price movements were narrowly irregular in a reduced turnover.

Trading on the Bombay Stock Exchange was a very tame affair due to lack of incentives.

Although activity was small, prices on the Madras Stock Exchange continued to remain steady with scattered gains.

It was a week of nerves on the London Stock Exchange where operators were eagerly awaiting the outcome of the rail discussions.

Wall Street closed barely steady.

*

Calcutta

Friday Evening.

ONCE again, equities on the local Stock Exchange moved narrowly irregular during the past week due to lack of fresh support as well as realising pressure. The pre-Budget caution made operators hesitant in extending their commitments beyond what they considered to be the safe level, not to speak of the disappointment over the increase in railway freights which, it was felt, would add directly to the costs of most industries in the country.

There was unanimous opinion that the Finance Minister had to raise increased revenues for the implementation of the Pay Commission's award and meeting the rising defence expenditure. Optimism was, however, entertained by some circles that the Finance Minister might not do anything to undermine the confidence of investors when the country is about to embark on a gigantic Third Plan. Had it not been for this factor, the easier tendency in prices would not have been interrupted by the emergence of support at the lower levels.

The Gilt-edged section was dull with business at a reduced level. Interest was limited to a few loans and the tendency was for prices to sag slowly owing to lack of support. State Loans were also on offer with buyers reserved. 3 per cent 1966

Conversion Loan opened at Rs 74.25 and, after touching a low of Rs 74 and a high of Rs 74.50, finished the week at Rs 74.30.

Bank shares showed little change. Punjab National moved between Rs 20.87 and Rs 21.25 with United Commercial nominally quoted at Rs 69.50.

Jute shares ruled fairly steady on reports that mill profits for the current year would be satisfactory. Those mills, which had bought raw jute in time and at cheaper prices, were expected to benefit in particular. Even the news of the decline in US burlap consumption by about 9 million yards last month had no effect on sentiment. The decline in burlap stocks from 259 to 251 million yards led to the belief that the USA had to enter the market shortly to replenish its depleting stocks. Howrah received support up to Rs 24 from Rs 23.87; Birlas up to Rs 25.94 from Rs 25.87; Anglo-India up to Rs 216 from Rs 212; India up to Rs 16.50 from Rs 16.37 and Nuddea up to Rs 58.50 from Rs 56.75. New Central moved rather irregularly between Rs 22.87 and Rs 23.25, to close finally at Rs 23.19. National were, however, on offer at Rs 30.75.

Coal shares came in for only limited enquiry in the absence of any incentive. East Indian changed hands at Rs 26.12 to Rs 26.62; New Beerbhoom at Rs 22.81 to Rs 22.87; Central India at Rs 8.81 to Rs 8.94 and Bengal at Rs 297.50 to Rs 299. Burrakur moved irregularly between Rs 18.25 and Rs 18.75 on alternate bouts of buying and selling, to finish the week at Rs 18.37. Equitable were quiet at Rs 30 against Rs 30.50.

Tea shares were generally neglected and dealings were few and far between. The fall in the general level of prices obtained at the auctions, both in Calcutta and London, and the absence of any enquiry from foreign buyers induced fears that the domestic market might not be able to absorb all available supplies. Some operators had the belief that the remaining North Indian output would meet with a strong market and this belief seemed to be based on the statistical position. But for this factor, prices would have developed a downward trend. Dauracherra met with business at Rs 8.44 to Rs 10.12; East India at Rs 24.50 to Rs 24.62; Hasimara at Rs 21.69 to Rs 21.94; Jayshree at Rs 16.97 to Rs 17.19; Patrakola at Rs 192 to Rs 201 and Tellapara at Rs 139 to Rs 143. Eastern Cachar were, however, offered at as low as Rs 1.31 against Rs 1.75 following a decision to sell the garden.

Sugar shares were generally quiet in lack of fresh support at recent high levels. The only two steady features were Raza/Buland and SKG having support up to Rs 12.87 and Rs 14.25 respectively. Balaramore were done at Rs 4.00 against Rs 4.09 and Carew at Rs 12.25 against Rs 12.37.

Textile scrip were also quiet with Kesoram changing hands at Rs 22.62 to Rs 22.75. New Victoria at Rs 1.31 to Rs 1.40 and Jayshree at Rs 12.50 to Rs 12.66. Bowreah were quoted lower at Rs 145 against Rs 152 and Dunbar at Rs 185 against Rs 200.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons. After opening steady at Rs 22.10, Indian Irons improved at one time to Rs 22.20, at which level profit-taking brought down the scrip at the close to Rs 22.18. Jessop were at one time taken up to Rs 23.56 from Rs 23.37; Britannia up to Rs 13.50 from Rs 13.25; Kumardhubu up to Rs 7.12 from Rs 6.94, to ease off at the close to Rs 23.31; Rs 13.37 and Rs 6.94 respectively. Braithwaite were, however, a firm feature at Rs 28.75. TEXMACO, after touching a high of Rs 25.55 from Rs 25.40 receded at the close to Rs 25.30. G. K. Williams were rather quiet at Rs 46.06 against Rs 46.31.

Paper shares attracted good attention, as some of the mills were reported to have plans for big expansion during the Third Plan period. Higher levels could not, however, be maintained till the close due to profit-taking. Following were the price trends of a few selected scrip:

	Week's High	Week's Low	Week's Closing
Orient Paper	38.50	38.10	38.35
Shree Gopal	22.44	22.31	22.37
Sirpur	13.69	13.56	13.62
H. Motor	16.40	16.06	16.25
Aluminium Corp.	16.00	15.81	15.91
Rohtas	27.31	26.94	26.94
Dunlop	36.69	36.00	36.00
B.I.C.	6.94	6.50	6.62
A. Chemical	24.12	23.94	24.06
I. Cable	29.44	29.19	29.25
I. Aluminium	24.75	24.50	24.44
I. Steamship	12.00	11.69	11.81
I. Oxygen	33.12	32.50	32.75
I. Copper	4.07	3.98	4.05
Philips	24.69	24.12	24.50
H. Lever	37.12	36.50	36.87

*

Bombay

DULL conditions have prevailed on the Bombay Stock Exchange during the week under review. Turnover shrank considerably, and the forthcoming Budget cast its shadows ahead, with the result that price movements generally were on a narrow scale. Conditions, in short, were listless. The market was in a vacillating mood as neither buyers nor sellers were anxious to undertake fresh commitments, since it was taken for granted that, with the further supplementary increase of 5 per cent in Railway freights, an increase in taxation was inevitable due to several factors, of which the border dispute with China is accounted as a vital one, necessitating an increase in defence expenditure. Though the general view is that the bulk of the new resources would be met from indirect taxation, Dalal Street is unable to make up its mind about how some adjustments in corporate taxation will be brought about, as the dividend return will be moulded by this factor. There are also rumours that the incidence of bonus taxation, which is 30 per cent at present, might be reduced to 15 to 20 per cent. Anyway, the

Railway Budget has provided a damper, and the week has wound up with around modest declines in values.

Bank shares were quiet, with Baroda attracting support. All the bank shares are quoting cum dividend, but, in view of the cut in net returns, the investors here have lost their interest in this group, as also in electrics, which are in the doldrums.

Dyes and Chemical shares presented steady conditions. Tata Chemicals were well maintained around Rs 15.52. Indian Dyestuff old provided a steady feature at Rs 461 on hopes that a small maiden dividend might be paid this year on old shares. Dharamsi Chemicals were firm, rising to Rs 160 following the phosphate project which is being set up in Madhya Pradesh.

Cement shares were featureless. ACC, after being listed exdividend, failed to pick up at Rs 142.50. But Digvijay were a steady feature at Rs 146. Engineering shares were mostly steady with narrow movements. Premier Construction, however, remained quiet on rumours that this company might cut the net dividend. There are reports that Premier Construction Co Ltd will release about 15,000 shares of its subsidiary, viz, Indian Hume Pipe Co Ltd, at a premium of Rs 50, i.e., at Rs 150. Larsen and Toubro were better at Rs 28.60, while Mahindra and Mahindra were well maintained at Rs 25. Tata Steel ordinary moved within narrow bounds between Rs 149.50 and Rs 148.25. Tata Locomotive were unaffected by the arbitrator's award fixing the price at Rs 3.80 lakhs per locomotive for 200 units. Premier Automobile declined to Rs 137.50 from Rs 142. Shivrajpur Syndicate shares were hard hit on pessimistic reckoning of the results and dropped down to Rs 76 from Rs 86.50.

Among the 'sugar' shares, Belapur were a shade better while Walchandnagar came down to Rs 286 from Rs 303 on expectations of a reduction in the net dividend, as its sister concern, Ravalgaon drastically cut the dividend to Rs 8.50 gross against Rs 12 net in the previous year. As a result, Ravalgaon dropped to Rs 115 from Rs 140.

Despite better outlook for tea, Bombay Burmah failed to evoke much interest. BB Petrol suffered further. Hindustan Lever ruled firm in view of the forthcoming dividend. Tata oil, after remaining firm, reacted on profit-taking. West Coast Paper receded to some extent at Rs 154, while Wimco also lost Rs 5 to Rs 237.50. Radio Lamp was sold down to Rs 109 from Rs 114. Ceat Tyres continued to provide a firm spot at Rs 174.

Cotton mill shares made a mixed show. Standard Mills rose to Rs 780 from Rs 746 to finish at Rs 773. Kohinoor and Century moved narrowly. India United and Svadeshi Mills were steady. Shreenivas Mills improved to Rs 258, then reacted to Rs 253. National Rayon, after early steadiness, were marked down once again to Rs 372 on rumours of an increase in excise duty on rayon goods.

The week's movements in prices of few representative scrips are as follows:

	High	Low	Close
B Dyeing	68.40	66.10	67.70
Century	441.00	437.00	437.50
I. U. Ord.	12.84	12.52	12.76
Kohinoor	311.50	308.00	308.50
Svadeshi	260.00	253.00	258.50
Standard	880.00	835.00	873.00
A.C.C.	149.00*	141.50*	142.50
Belapur	321.00	314.00	320.50
B. Burmah	534.00	527.00	528.50
N. Rayon	377.50	370.75	372.25
Pr. Constr.	329.50	326.00	329.00
T. Chemicals	15.60	15.36	15.56
T. Loco	204.50	201.50	201.75
Tata Steel	150.00	147.75	149.00
Volta	205.00	197.00	203.50

* = cd.

† = xd.

*

Madras

Madras, Thursday, February 11.

IN the Madras Stock Exchange today, activity was centred round industrials. In the plantings, absorption was good at lower levels. Sugars proved to be well enquired after. Textiles were steady though large business was not reported. Other counters remained the same.

Government Securities: Previous closings continued in this section with no change. 4% 1968 Orissa Loan was offered at Rs 100.25. 4% 1979 Government of India Loan was transacted at Rs 100.20. 4% 1967 Madras Loan was marked at Rs 100.25 and 4% 1963 Madras Loan was at Rs 100.35. 4% 1971 Madras Loan remained at Rs 100.10. 4% taxable Mysore 1963 loan was sold at Rs 100.35. 4% taxable 1969 was available at Rs 102.00. There was no change in the Kerala State Loans. The 4% 1970 was available at Rs 100.97 and 4% 1971 at Rs 99.90.

Banks: The "big" and "small" Andhra Bank shares remained at Rs 103.00 and Rs 85.00 respectively. The Indian Bank Rs 100 paid share was unchanged at Rs 187 and the Rs 80 paid share at Rs 152.00. Pandyan Bank did not change from the previous closing of Rs 37.50. Punjab National Bank was the same at Rs 21.10 and the Travancore Forward Bank continued to be at Rs 6.20 and the smaller share at Rs 2.00.

Electric: No change occurred in this section today. Cochin and Ellore were unaltered at Rs 10.25 and Rs 10.35 respectively. Karaikal was below par at Rs 9.95. Kumbakonam was the same at Rs 10.70. Negapatnam was on par at Rs 10.00. Salem-Erode maintained itself at Rs 12.50, while South Madras was slightly better at Rs 10.05. Tinnevely-Tuticorin was quoted at Rs 12.25. Vellore and West-Coast were listed at Rs 13.00 and Rs 12.37 respectively.

Sugars & Breweries: Doctan was sold unaltered at Rs 12.82. EID, went up to Rs 45.50 today, better than its last closing which was at Rs 45.00. India Sugars were far-cied at Rs 12.20, higher by ten nP than the last closing. Travancore shares were done at Rs 10.60.

United Breweries were quiet at Rs 51.00. Others remained unaltered.

Plantings: Amalgamated did not show any change at Rs 13.75, but Anapara went up to Rs 5.35. Arthala at Rs 4.00 was below par. Bababudin was priced at Rs 9.65 and Badra at Rs 3.67. Be Be was the same at Rs 3.50. Blue Mountain was lower at Rs 3.35. Chembra was available at Rs 4.42. Cochin Malabar did not report transactions at Rs 7.14 as also Coffee Lands at Rs 23.10. Consolidated Coffee shares were negotiated at Rs 22.30, ten nP lower. Coonoor and Coorg tea shares were unaltered at Rs 26.75 and Rs 5.50 respectively. Devashola with 10% interim taxable-cum-dividend was quoted at Rs 33.00. Halleyburia was not thought of today at Rs 16.00. Kallasa improved a bit to Rs 5.30. Kalasa at Rs 4.10 was nominal. Kalpetta was the same at Rs 11.73. Kil Kotagiri was absorbed at Rs 5.90 with 35% ftd. Lingapur was transacted at Rs 6.80. Lucky Valley was quoted at Rs 13.00. Malabar Agricultural was quoted at Rs 7.50. Malabar Industrial at Rs 12.85 was lower today by 15 nP. Business was done in Marcara at Rs 9.85. Mysore Amalgamated. Business was done in Neelimalal (7½% ftd) at Rs 4.92. Also, transactions took place in Neillampathy at Rs 2.90 with taxable 10% dividend. Nilgiri Tea had buyers at Rs 7.43. Ouchterlony Valley had enquiries at Rs 5.86. Parkside was quoted higher at Rs 25.00. Peermade was better at Rs 21.25. Perlakaramalal was listed at Rs 3.80. Pullangode was fractionally higher at Rs 1.91. Puthuthottam at Rs 2.77 was an improvement on the previous closing. Some business went through in Rajendra at Rs 17.50. Talayar went up to Rs 1.75. Travancore Rubber was at Rs 15.62 and Travancore Rubber & Tea shares were bargained at Rs 8.25. Twyford improved to Rs 12.90. United Nilgiri 6% cd was lower at Rs 22.25. Vellimalal was higher at Rs 6.50. Wartyhully also looked better at Rs 3.66. Woodland remained the same at Rs 8.00.

Textiles: Anglo-French was better at Rs 99.50. Asher was the same at Rs 212.80. Bangalore Woollen and Buckingham were unaltered at Rs 197.00 and Rs 199.50 respectively. While the Rs 40 paid Balasubramania was at Rs 52, the Rs 70 paid 'B' shares improved to Rs 96.00. Cannanore was available for Rs 161.00. Cauvery Spinning at Rs 14.00 was unchanged. Coimbatore Cotton gained one rupee more at Rs 166.00. Coimbatore Pioneer Rs 100 paid share was priced at Rs 360.00 while the Coimbatore Spinning Mills share was unaltered at Rs 55.50. Hemalatha xd was at Rs 7.74. Janardana was quoted at Rs 64.00. Kasthuri was lower at Rs 24.75. Lakshmi Mills did not change at Rs 148.00. There was some business in Madura at the unaltered price of Rs 32.00. Mettur remained unaltered at Rs 424.00. Premier was available at Rs 215.00 and Radhakrishna was sold at Rs 29.00. Rajalakshmi was unchanged at Rs 69.00. Ranga Vilas was quoted at Rs 47.00. Tirumurti at Rs 95.00 and Tirupati at Rs 9.30

were unaltered. Travancore Rayon continued at Rs 25.85. Venkatesa was quoted at Rs 133.00. Bijayalakshmi at Rs 139.00 was an improvement on the previous closing.

Miscellaneous: Enquiries were made of Aluminium Industries at the lower level of Rs 22.65. Business was done in Ashoka Leyland at Rs 6.90. Andhra Cement was also lower at Rs 9.20. Binny Engineering was priced at Rs 167.00. Central Scientific improved to Rs 7.00. Dalmia cement was at Rs 11.05. Enfield could be had at Rs 14.30. FACTs at Rs 9.87 was unchanged. Hindustan Lever was available at Rs 36.25. India Cements did business at Rs 6.05. Kirloskar Electrics improved to Rs 13.00. Madras Vanaspathi at Rs 15.00 was unchanged. Marikar was better today than last week at Rs 48.00. Mettur Chemical was quoted at Rs 12.30. McDowell was quoted at Rs 27.15. Mysore Chem Mfgs was available at Rs 24.50. Mysore Lamp at Rs 20.52. Mysore Paper at Rs 23.85 and Mysore Tobacco at Rs 13.30 were the same as before. Ogale Glass was lower at Rs 3.00. Orissa Cement shares changed hands at Rs 12.90. Panyam Cement was at Rs 90.00. Parrys Confectionery were sold at Rs 4.33. Radio & Electricals went down to Rs 4.27. Rallis was the same at Rs 84.50. Spencer was quoted higher at Rs 20.12. Textool was also quoted higher at Rs 160.00. Travancore Cements was at Rs 9.60. Tube Investments bigger share at Rs 235 and the smaller ones at Rs 205.00 were unchanged. Western India Plywoods improved to Rs 265.00 with business done at that rate.

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London

ALTHOUGH it was a week of nerves with operators eagerly awaiting the outcome of the rail discussions, the general undertone of the London Stock Exchange was good in response to a certain amount of selective buying. Sentiment was, to some extent, helped by the encouraging survey by the Federation of British Industries.

In the Industrial section, there were a number of good features and Steel shares were particularly firm. Tobacco shares improved in response to British American Tobacco's good results. Gilt-edged securities encountered good investment demand and showed widespread gains.

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New York

STEADIER conditions were noticed on Wall Street. Some Wall Street sources said that prices might hold fairly steady over the near-term in an attempt to form a base which would be counted on to support a spring advance. But, specific inducements were apparently lacking to tempt buyers from the sidelines. Sentiment was helped somewhat by the decline in short-term borrowing costs, the rise in tyre and farm equipment prices and a continued flow of good 1959 reports and prospects.

Investment Briefs:

The Industrial Credit & Investment Corporation of India Limited has recommended a dividend of 5 per cent, subject to tax, on the Ordinary shares for the year ended 31st December, 1959.

The Ravalgaon Sugar Farm Limited has proposed a taxable dividend of Rs 8.50 on the Ordinary shares for 1958-59. The net dividend, which amounts to Rs 5.95 per share, compares very unfavourably with the previous year's dividend of Rs 12. The cut in dividend is due to poor results for the year under review.

The Bombay Dyeing & Manufacturing Company, Limited has announced the closure of its share Transfer Books from the 7th to the 31st March 1960, both days inclusive.

THE ALKALI & CHEMICAL CORPORATION OF INDIA LTD.

NOTICE TO MEMBERS

The Twentythird Ordinary General Meeting of the Members will be held on Wednesday the 16th March 1960 at 2-30 P.M. at the registered Office, 34 Chowringhee, Calcutta 16.

Notice of the Meeting has already been posted to the Shareholders direct.

The Ordinary Share Registers of the Company will remain closed from the 27th February to the 16th March 1960, both the days inclusive.

By Order of the Board
Imperial Chemical Industries
(India) Private Ltd.
Secretaries.

Calcutta
10th February 1960.

MARTIN BURN LIMITED.

NOTICE.

The Board of Directors of Martin Burn Limited has to-day recommended payment of dividend at the rate of Rupees Two and Seventy-five nP. per share on the Ordinary Share Capital of the Company ranking for dividend for the year ended 30th September, 1959. This dividend awaits the sanction of the Shareholders at the ANNUAL GENERAL MEETING, to be held on Wednesday, the 30th March, 1960, at 12 noon. The dividend if declared will be paid under deduction of tax at the prescribed rates on or after the 18th April, 1960, to the Ordinary Shareholders whose names are on the Company's Register of Members on the 30th March, 1960, or to their mandates.

The Ordinary SHARE REGISTER of the Company will be closed from the 15th to 30th March, 1960, both days inclusive.

By Order of the Board,
MARTIN BURN LIMITED,
A. G. Gidley
Secretary.

12, Mission Row,
Calcutta,
17th February, 1960.

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

[illegible][illegible]

Murdwan-Cutwa	100	36.50	51.00
Buktartpur ...	100	27.75	11.12
Chapar-Silghat ...	100	31.00	37.00
Dehri-Rohas ...	10	18.87	10.37
Futwah-Jalampur	100	34.50	37.36
Howrah-Amra ...	100	44.00 ¹	51.95
How-Sheekhala	100	35.50 ¹	34.90
Kata-Lalabazar	100	56.13	59.88
Shahdara (Delhi)			
Saharanpur ..	100	61.00	98.00

DOAL

Amalgamated ...	10	21.69	24.25
Asso. K'pura ...	10	4.75	4.75
Asso. Lalikdi ...	10	3.50	2.94
Bagdigi Kujama ...	10	9.00	3.51
Bengal ...	100	298.50	282.00
Bengal Bhatdes ...	10	3.48	4.00
Bengal-Nagpur ...	10	13.00	12.71
Bhaigora ...	10	5.63	6.33
Bharat ...	10	7.66	6.47
Bhowa Kankane ...	10	11.12	...
Bhulanbaraoe ...	10	5.87	7.70
Bhurangya ...	10	1.81	2.00
Bokaro & Ramgur ...	10	14.50	14.90
	10	14.50	14.90

JUTE

Agarpara	...	10	11.62†	9.8
Alexandra	...	100	172.0	182.0
Alliance	...	100	115.0	118.0
Anglo-India	...	100	211.0	212.0
Auckland	...	100	173.0	173.0
Bally	...	100	217.0	205.0
Barnagore	...	8	149.0	129.0
Belvedere	...	100	139.0	160.0
Bengal	...	10	11.37	11.6
Bharat	...	25	6.12	6.1
Btata	...	12	76.12	76.4

CHEMICAL

Alkali ...	10	24.25	18.2
Bathgate ...	5	1.09	0.6
Bengal Chem. ...	100	107.00	96.0
Bharat Starch ...	10	8.06	8.0
Burma Lime ...	10	8.25	7.5
Calcutta Chem. ...	10	16.00	15.0
Dharangdhara ...	100	160.00	103.0
Frank Ross ...	6	2.75	1.8
Smith Stratstreet	8	13.87	10.3

ELECTRICS

4	Agra	...	100	139.00	144.00
4	Aligarh	...	10	10.00	9.10
0	Bareilly	...	10	14.44	14.50
0	Benares	...	10	15.06	15.00
0	Bhagalpur	...	9	7.47	8.30
11	Calcutta	...	21	15.01	14.85
00	Cuttack	...	10	8.00	7.40
0	Dharwad	...	50	45.80	46.50
0	Dishnagar	...	100	67.00	74.00
10	Eastern UP	...	10	7.00	7.00
0	Jhulpore	...	10	13.53	13.30
75	Jabal	...	10	6.62	6.60
.	Kurseong	...	10	2.19	2.20
.	Mirapore	...	9	7.61 ¹	8.30
00	Muttra	...	10	9.12	9.10
0	Muzaffarpore	...	10	7.62 ¹	8.30
0	Ranigumpha	...	10	10.81	11.50
0	Shahjahanpur	...	10	6.60	6.60
041	Shillong Hkro.	...	2	4.96	5.00
0	Situa	...	10	9.62 ¹	10.00
0	U. P.	...	100	132.00	136.00
0	Upper Ganges	...	10	14.00	12.00
0	Upper Jumna	...	10	18.75	18.00

ENGINEERING

00	Arthur Butler	10	12.75	9.
00	Bhartia Elec. Co.	10	14.19	15.
00	Braithwaite & Co.	10	28.75	32.
00	Bri. Bldg. & Iron	10	7.03	6.
00	Bri. Engrg.	10	12.50	11.
00	B. L. E. Coman.	10	32.12	21.
00	Bridge and Roof	10	25.00	27.
00	Burn & Co.	100	438.00	363.
25	Calcutta Steel	10	14.37	10.
12	Guest Keen	10	46.75	37.
00	Hoghooby Docking	50	104.00	118.
00	Indian Galvng.	10	21.50	26.
00	Indian Iron	10	22.20	29.
31	India Machinery	10	2.00	2.
50	Indian Mail, Oast.	5	4.50	5.
00	Ind. Mail. Casting			
00	Deid.	1	2.50	3.
00	Ind. St. Wagon	25	93.00	86.
81	I. Steel Wire	10	37.97	79.
37	I. Steel Wire P.P.	1	14.89	14.
00	Jay Engineering	100	196.00	185.
25	Jessop & Co.	10	23.31	25.
50	J. K. Steag.	10	14.31	14.
00	Kumardhubi	2	7.00	8.
00	Marshall	2	6.00	5.
00	National Engrg.	10	4.55	4.

MININGS AND MINERALS

94	Assam Sulphurite	10	11.37	10
	Assoc. Minings ...	10	7.85	8
50	Assoc. Mining Defd.	10	4.98	5
	Blera Stone Lime	10	38.00	27
50	Burma Mines ...	31s	1.73	1
51	Comcal. Tin ...	1s	0.44	0
52	Chrestien Mica	10	10.06	9
53	Chr. Mica Defd.	5	5.84	5
25	Indian Copper ...	10	4.03	3
99	Kangra Valley ...	100	53.00	53
99	Kanarupur Devel.	10	13.37	10
9	Metal Corp.	10	11.87	8
7	Metal Corp. Defd.	1	2.00	2
7	Orissa Minerals	10	39.25	28
7	Orissa Stone Lime	10	17.50	18

'COTTON

Basanti	...	10	7.25	61
Bengal Fine Spg.	...	10	8.00	...
Bengal-Laxmi	...	40	33.00	321
Bengal-Narari	...	10	4.25	31
Birla Cotton	...	10	20.00	254
Bowrah	...	100	153.00	906
Chawnpore Tex.	...	50	6.25	21
Century Spg.	...	100	394.10	320
Dunbar	...	100	200.00	141
Egira	...	10	17.69	121
Jagatjit Cotton	...	10	15.00	88
Jayashree Tex.	...	10	12.62	83
Jaikeeno Cotton	...	10	12.50	53
J. K. Cotton	...	100	100.00	100

RAILWAYS

Ahmedpur-Kutwa	100	36.50	50.00
Arrah-Sasaram ...	100	45.00	47.96
Bankura-Damodar	100	26.50	27.00

*Nominal. †Ex-Dividend. ‡Cum-Dividend.
§Ex-Rights

*Nominal. †Ex-Dividend. ‡Cum-Dividend
§Ex-Rights

Indian Finance

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NAME	Paid-up per Share	Quotation as on 12-2-60 Rs NP	12-2-59 Rs NP	NAME	Paid-up per Share	Quotation as on 12-2-60 Rs NP	12-2-59 Rs NP	NAME	Paid-up per Share	Quotation as on 12-2-60 Rs NP	12-2-59 Rs NP	NAME	Paid-up per Share	Quotation as on 12-2-60 Rs NP	12-2-59 Rs NP
Pearl Invest. ...	10	4.00	1.25	Punjab ...	100	80.00	80.00	Deccan Garden	...	...	...	Banarhat ...	100	338.00	272.00
Phillips India ...	10	24.82	18.84	Punjab ...	10	12.00	13.00	Banarhat ...	10	27.75	18.75	Banarhat ...	10	27.75	18.75
Phosphate Co. ...	100	173.00	190.00	Ramnagar ...	10	20.81	18.82	Banarhat ...	10	23.00	18.87	Banarhat ...	10	23.00	18.87
Publicity Society ...	4	15.00	9.19	Ratna ...	10	2.85	2.85	Banarhat ...	100	202.00	158.50	Banarhat ...	100	202.00	158.50
Pran. Trans. ...	10	1.50	1.50	Ratna ...	10	12.87	13.00	Banarhat ...	10	12.87	13.00	Banarhat ...	10	12.87	13.00
Rail ...	100	84.50	49.00	Ratna ...	10	10.44	17.00	Banarhat ...	10	10.44	17.00	Banarhat ...	10	10.44	17.00
R.B. Rodda & Co. ...	10	5.00	4.88	Ratna ...	10	12.89	13.00	Banarhat ...	10	12.89	13.00	Banarhat ...	10	12.89	13.00
Rohas ...	10	27.25	18.81	Ratna ...	10	11.93	10.35	Banarhat ...	10	11.93	10.35	Banarhat ...	10	11.93	10.35
Sahu Properties ...	5	3.06	3.03	Ratna ...	10	6.19	2.00	Banarhat ...	10	6.19	2.00	Banarhat ...	10	6.19	2.00
Sen Ralchig ...	10	19.87	16.00	Ratna ...	10	1.00	1.37	Banarhat ...	10	1.00	1.37	Banarhat ...	10	1.00	1.37
Shaw Wallace ...	10	19.37	15.25	Ratna ...	10	0.28	0.25	Banarhat ...	10	0.28	0.25	Banarhat ...	10	0.28	0.25
Spencer's Hotel ...	2	0.75	1.06	Ratna ...	10	18.00	14.63	Banarhat ...	10	18.00	14.63	Banarhat ...	10	18.00	14.63
Spencer & Co. ...	10	18.20	18.00	Ratna ...	10	14.37	10.08	Banarhat ...	10	14.37	10.08	Banarhat ...	10	14.37	10.08
Star Co. ...	100	79.00	81.00	Ratna ...	10	10.19	9.00	Banarhat ...	10	10.19	9.00	Banarhat ...	10	10.19	9.00
Star-Trading ...	25	8.00	8.00	Ratna ...	10	7.25	...	Banarhat ...	10	7.25	...	Banarhat ...	10	7.25	...
Straw Products ...	10	12.31	14.00	Ratna ...	10	127.00	127.00	Banarhat ...	10	127.00	127.00	Banarhat ...	10	127.00	127.00
Strick ...	10	7.56	...	Ratna ...	10	15.00	15.00	Banarhat ...	10	15.00	15.00	Banarhat ...	10	15.00	15.00
Union Co. ...	100	73.20	75.00	Ratna ...	10	48.00	65.50	Banarhat ...	10	48.00	65.50	Banarhat ...	10	48.00	65.50
Union Carbide ...	10	42.37	27.75	Ratna ...	10	18.00	18.00	Banarhat ...	10	18.00	18.00	Banarhat ...	10	18.00	18.00
Union Tobacco ...	10	0.87	0.82	Ratna ...	10	...	...	Banarhat ...	10	...	...	Banarhat ...	10	...	...
Union Tobacco ...	10	2.00	2.00	Ratna ...	10	...	...	Banarhat ...	10	...	...	Banarhat ...	10	...	...
Walford ...	1	3.25	1.96	Ratna ...	10	...	...	Banarhat ...	10	...	...	Banarhat ...	10	...	...
Walford (Po) ...	1	3.12	1.44	Ratna ...	10	...	...	Banarhat ...	10	...	...	Banarhat ...	10	...	...
W. Stockholder ...	1	1.75	1.41	Ratna ...	10	...	...	Banarhat ...	10	...	...	Banarhat ...	10	...	...

MISCELLANEOUS			
Amrutnagar 7 1/2 %	100	123.00	131.00
A. Cement 6 %	100	106.00	100.00
A. Scientific 5 %	10	10.88	8.70
Aspinwall 6 %	10	7.83	8.80
A.V. Thomas 6 %	100	64.80	69.00
A.V. Thomas 1 1/2 %	10	6.50	6.50
Brunton 6 %	10	8.28	8.78
Cen. Scientific 6 %	5	5.65	5.50
Daima Cement 6 %	10	8.88	9.30
Enfield 6 %	100	100.00	100.00
India Cement 6 %	100	98.00	94.00
I.S. Rolling 5 1/2 %	10	9.12	8.30
Mad. Vanna 5 1/2 %	100	33.00	33.00
Mandya N. Paper	100	100.00	100.00
Markar 6 %	50	80.00	42.50
Medwell 6 %	100	100.00	100.00
Mettur Chem. 6 %	100	101.00	95.00
Mys. Chem. Mfg. 6 %	10	8.40	9.00
Mys. Lamp 4 %	10	6.50	6.50
National Rubber	100	80.00	100.00
Mfrs. 6 %	100	80.00	100.00
Panyam Cement	100	100.00	100.00
6 % A	100	100.00	100.00
6 % B	100	100.00	100.00
Parry's 6 %	10	8.90	8.25
Raila 6 %	100	96.00	69.00
Rane 6 %	5	4.70	4.70
Rane 7 %	5	4.85	4.90
Ruby 6 1/2 %	10	9.10	9.75
Ruby (Madras)	5	10.12	...
Sen Raleigh 5 1/2 %	100	140.00	101.00
Spencer A 6 1/2 %	10	9.10	7.77
Spencer B 6 1/2 %	10	11.70	10.80
Stand. Motor 6 1/2 %	100	102.00	97.50
Trav. Chem. 6 1/2 %	10	10.00	9.00
T. Stanes 7 1/2 %	100	88.00	95.00
United Elec. 5 1/2 %	10	10.00	10.00
Vanguard Fire 5 1/2 %	6	4.73	8.73
W. I. Plywoods	100	100.00	88.00

Ordinary Shares			
MADRAS			
NAME	Paid-up per Share.	Quotation as on 12-2-60 Rs NP	12-2-59 Rs NP
BANKS			
Andhra	100	133.00	106.50
Andhra	85	85.00	89.75
Bank of Mysore	100	375.00	302.00
Canara Bank	50	75.00	77.00
Canara Banking	50	75.00	77.00
Canara I. & B. A	100	105.00	183.00
Canara I. & B. B	10	16.50	...
Canara I. & B. C	1	1.75	1.71
Indian Bank	100	185.00	181.00
Indian Bank	80	149.00	147.20
Indian Overseas	100	162.00	166.25
Indo-Comm. A	100	41.50	42.60
Indo-Comm. B	25	11.00	11.00
Indo-Comm. C	50	16.75	18.25
Madhyam	25	36.50	35.00
Punjab National	10	21.00	23.65
Trav. Forward	10	8.20	6.90
Trav. Forward	5	2.00	...
ELECTRICS			
Berhampore	10	8.65	8.70
Jochin	10	10.25	10.00
Ellore	10	10.35	11.00
Karakal	10	9.85	9.50
Kumbakonam	10	10.70	12.12
Negapatnam	10	10.00	10.50
Salem-Erode	10	12.50	13.00
South Madras	10	10.15	11.00
T. T.			

February 20, 1960

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NAME	Paid-up per Share	Quotation as on 11-2-60 Rs nP	Quotation as on 11-2-59 Rs nP
MISCELLANEOUS			
Almblc Chem 6 1/2 %	100	86.00	71.40
Almblc Chem 5 %	100	79.00	85.50
Almblc Chem 8 %	100	74.00	72.00
Alumn. Corp. 5 %	100	75.00	...
Alumn. Corp. 6 %	100	100.00	...
Amar Dye 6 %	100	100.00	98.30
Anil Hardboard 8 %	100	110.50	104.00
Asso. Rubber 5 %	100	100.00*	...
Asso. Stone 6 %	100	100.00*	100.00*
Bom. Pott. 6 %	100	76.00	76.00
Bom. Pott. 4 1/2 %	100	59.50	60.50
Bom. Silk 5 %	100	47.50	47.50
B. I. Corp. 8 %	100	115.00	96.50
Brunton Eng. 8 %	10	7.00*	7.00*
Delhi Safe 6 %	100	100.00*	...
Dhanga Chem. 100	95.00	88.50	...
Digvijay Woollen 8 %	100	134.00	...
East L. Hotels 5 %	100	100.00*	100.00*
Estrela 5 %	50	38.50	34.50
Warro Alloys 6 %	100	100.00	100.00
Gwallor Rayon 6 %	100	103.50	...
Hind. Const. 100	68.00	76.20	...
Hind. Const. 100	65.00*	65.00*	...
Hind. Cycles 5 %	100	75.00*	75.00*
Hind. Cycles 5 1/2 %	25	25.00*	25.00*
Hind. Cycles 6 %	100	100.00	...
Hindus. Elec. 6 %	100	82.00	81.00
Hindus. Motor 6 %	50	143.50	63.00
Hingir Rampur 50	32.00	32.00	...
Indian Dye 6 %	100	118.50	113.00
Indian Rayon 3 1/2 %	100	55.50	61.50
Jaiapur Metals 6 %	100	55.50	58.00
Kamini Eng. 5 1/2 %	100	55.50	50.50
Khandewar Ferro 100	50	50.00	...
L. & Toubro 8 %	100	82.00	84.80
Madhusudan 4 %	124	7.50	7.50
Madhya Pradesh Ind. 6 %	100	106.00	...
Mahindra 6 %	100	102.50	101.00
Mahindra 6 1/2 %	100	107.50	...
Mackenzie 6 1/2 % 1st	100	85.00*	...
Mackenzie 6 1/2 % 2nd	100	100.00*	...
Motor & G. Fin. 25	36.00*	36.00	...
Nat. Elec. 4 1/2 %	100	80.00*	80.00*
Nat. Rayon 5 %	100	74.00	75.00
Nat. Rubber 6 %	100	82.00	100/6*
N. Cen. Jute 7 %	100	107.00*	100.00*
N. L. Fisheries 6 %	100	101.00	101.00
Orient Paper 1st 100	93.20	90.00	...
Orient Paper 2nd 100	58.60	58.50	...
Parshuram Port 4 %	25	25.00	...
Poly Chem. 8 1/2 %	50	50.00	50.00
Palsan 6 %	100	80.00	80.00
Prem. Const. 1st 100	86.00	88.00	...
Prem. Const. 2nd 100	83.50	84.70	...
Prem. Const. 3rd 100	8.68	8.60	...
Radio Lamp 5 %	100	74.00	65.00
Rohtas 7 to 9 %	100	110.00	110.00
Rohtas 4 1/2 %	100	64.00	69.00
Sathe Biscuits 7 %	100	94.20	90.00
Sen Raleigh 5 %	100	148.00	104.00
Silpur Paper 6 %	100	88.80*	100.00*
Standard Motor 6 1/2 % 'A'	100	103.00*	...
Standard Motor 6 1/2 % 'B'	100	103.00*	...
Stanvac 6 %	100	95.50	98.00
Star Paper 5 %	100	73.00*	70.00*
Star Paper 6 1/2 %	100	100.00*	92.00
Structural Eng. 5 %	100	105.50*	100.00*
Structural Eng. 6 1/2 %	100	106.50	...
Sundatta Foods 8 %	50	50.10	50.10
Supreme Ind. 100	71.80	72.00	...
Tata Chem. 5 %	100	97.70	91.00
Tata Oil 4 1/2 %	100	59.00	80.20
Texmaco 1st 5 1/2 %	100	85.00*	85.00*
Texmaco 2nd 5 1/2 %	100	82.00*	82.00*
W. Coast Paper 100	115.00	98.30	...
W. I. Plywood 6 %	100	90.00*	90.00*

Ordinary Shares (Non-Cleared)

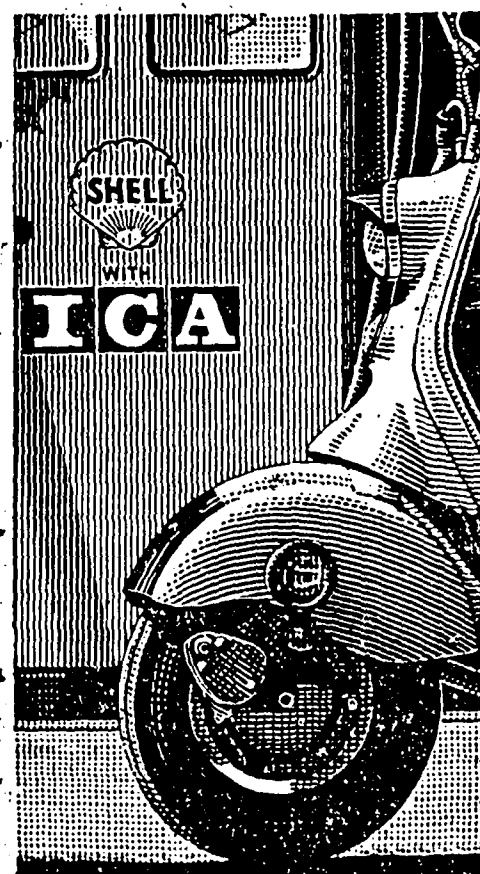
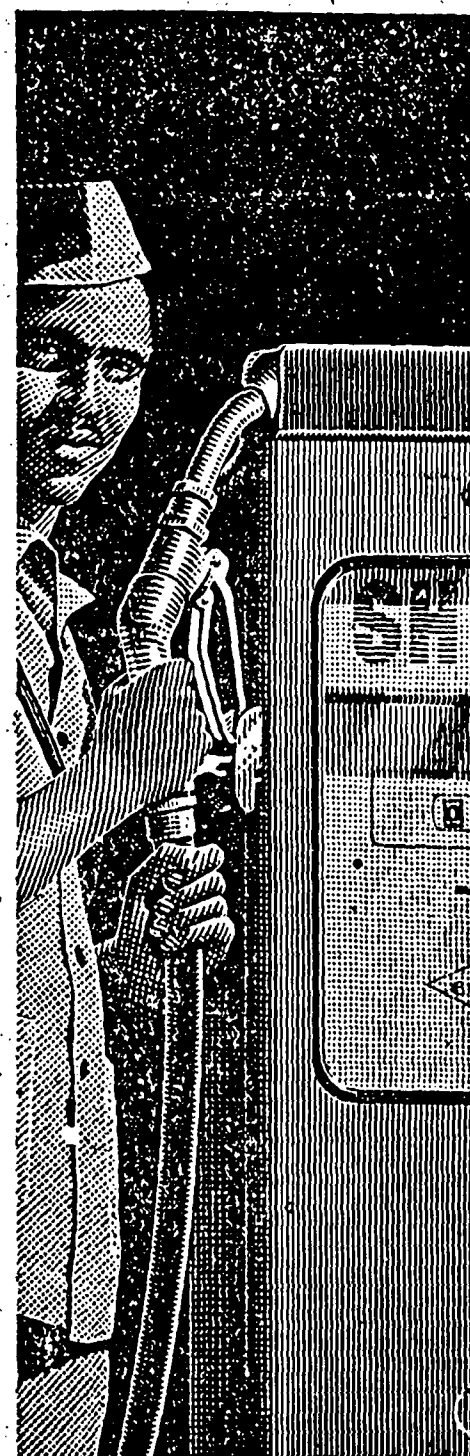
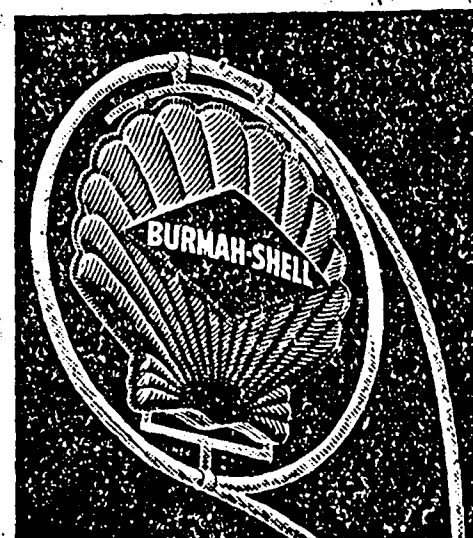
BOMBAY

Adoni ...	10	8.20*	10.40
Ahmed. Adv. ...	100	145.50	130.50
Bhawani ...	100	10.00*	10.00*
Bradbury ...	50	132.50	133.75
Burhanpur Tapli ...	100	87.00*	87.00*
Coorla ...	100	163.75	125.00
Davangere ...	100	114.00	113.50

NAME	Paid-up per Share	Quotation as on 11-2-60 Rs nP	Quotation as on 11-2-59 Rs nP
PLANTATIONS			
Blue Mountain ...	2	3.64	3.70
Highland ...	10	12.60*	12.92*
Halleyburia ...	10	16.00	16.64
Kaipetta ...	10	12.28	13.44
Midland ...	10	12.12	11.52
Nellimppathy ...	2	2.88	3.28
Rajagiri ...	10	18.92	18.78
Twyford ...	10	13.24	15.64
Waterfalls ...	2	3.80	3.70
MISCELLANEOUS			
Almblc ...	100	210.00	157.50
Alumn. Corp. ...	10	16.36	...
Amar Dye ...	100	260.00	115.00
Ambika Silk ...	100	155.00	...
Anil Hardboard ...	100	340.00	135.00
Asso. Rubber ...	100	105.00	...
Associated Stone ...	10	22.58	16.00
Baroda Rayon ...	50	58.00	...
Bom. Burma (P.P.) ...	50	187.50	170.00
Bombay Cycle ...	20	21.00	19.24
Bombay Poteries ...	100	143.00	119.50
Bombay Safe ...	200	405.00	500.00
Bombay Silk ...	50	5.00	5.00*
Bom. Swadeshi Stores ...	5	7.24	...
Bom. Uganda ...	80	49.00	47.00
Brady. Eng. ...	80	80.00	80.50
B. I. Corp. ...	5	6.80	4.08
Brunton Eng. ...	10	4.00	5.00
Ceat Tyres ...	100	177.00	60.00
C. I. Coal ...	10	6.36	6.36
C. I. Machinery ...	10	10.00*	10.00*
C. P. Railway ...	100	50.00	63.00
Chem. Pharma. ...	25	26.00*	20.00
Colour Chem. ...	100	299.00	...
Commerce (1935) ...	10	17.00	20.00*
Dehri-Rohas Rly. ...	10	17.24	11.00
Dena Inv. ...	25	10.60	11.00
Delhi Safe ...	10	10.00*	10.00*
Delhi Safe ...	7	7.00*	...
Dharamsi Chem. ...	50	155.00	82.50
Dharamsi Chem. ...	100	149.00	89.00
Digvijay Woollen ...	10	14.36	...
East India Hotel ...	5	10.00*	10.00*
Empire Dyeing ...	15	50.00	47.00
Estrilla ...	50	46.50	38.50
Ferro Alloys ...	100	109.00	96.50
G. Claridge ...	100	200.00	170.00
Greaves Cotton ...	100	138.50	102.00
Gujarat Inv. ...	50	11.00	25.00
Gujarat Safe ...	75	120.00	120.00
Gwallor Rayon ...	10	26.00	14.92
Har & Satapathy ...	500	365.00	354.00
Hind Cycles ...	100	100.00	105.00
Hindustan Elec. ...	100	111.50	105.50
Hindustan Lever ...	10	25.00	...
Hindustan Lever ...	10	36.75	27.75
Hingir Rampur ...	50	23.00	19.00
Indian Dyestuff ...	50	430.00	191.00
Indian Rayon ...	100	37.50	...
Indian Tool ...	100	110.00	105.25
Indian Veg. ...	100	143.00	114.00
Ind. Cr. & Inv. Corp. ...	100	86.50	78.00
Ind. & Prudential ...	10	29.75	...
Invest. Corp. ...	100	139.00	...
Jaiapur Metals ...	100	98.00	59.00
Jaiapur Metal Defd. ...	100	24.48	5.56
Jost. Eng. ...	50	60.00	70.00
Jyoti (Ord) ...	100	175.00	150.00
Kamani Eng. ...	10	10.93	7.72
Kemp ...	200	279.00	205.00
Killick Indus. ...	100	121.00	157.00
Kirloskar Bros. ...	25	53.00*	...
Kirloskar Oil Eng. ...	10	16.88	13.48
Khandewar Ferro Alloys ...	50	67.50	...
Laxmi Starch ...	100	135.00	...
Madhusudan A ...	100	81.00	97.50
Madhusudan B ...	20	13.52	20.00*
Madhya Pradesh Ind. ...	10	18.52	...
Mahindra ...	10	25.15	18.24
Man Indus. Corp. ...	100	95.00	90.00
McKenzie ...	100	80.00	78.00
Motor & Gen. Fin. ...	10	40.00*	40.00*
Mys. Kirloskar ...	100	125.00	130.00
Nat. Elec. Indus. ...	50	78.00	75.00
National Rubber ...	100	13.96	13.80
N. Central Jute ...	10	23.00	13.40
N. L. Fisheries ...	100	80.00	100.00
N. I. Industries ...	100	87.75	240.00
Orient Paper ...	10	37.10	35.00
Purshuram Pottery ...	25	65.00	...
Polychem ...	50	178.00	69.70
Radio Lamp ...	100	114.00	110.00
Raymond Woollen ...	100	95.50	...
Rohtas Indus. ...	10	27.20	18.88

NAME	Paid-up per Share.	Quotation as on 11-2-60 Rs nP	Quotation as on 11-2-59 Rs nP
PLANTATIONS			
South Behar ...	10	1.00*	1.00
South Behar Defd. ...	24	0.23*	0.23
Ugar ...	100	100.00*	...
Vishnu ...	100	235.00	235.00
MISCELLANEOUS			
Alumbic ...	100	210.00	157.50
Alumn. Corp'n. ...	10	16.36	...
Amar Dye ...	100	260.00	115.00
Ambika Silk ...	100	155.00	...
Anil Hardboards ...	100	340.00	135.00
Asso. Rubber ...	100	105.00	...
Associated Stone ...	10	22.58	16.00
Baroda Rayon ...	50	58.00	...
Bom. Burma (P.P.) ...	50	187.50	170.00
Bombay Cycle ...	20	21.00	19.24
Bombay Poteries ...	100	143.00	119.50
Bombay Safe ...	200	405.00	500.00
Bombay Silk ...	50	5.00	5.00*
Bom. Swadeshi Stores ...	5	7.24	...
Bom. Uganda ...	80	49.00	47.00
Brady. Eng. ...	80	80.00	80.50
B. I. Corp'n. ...	5	6.80	4.08
Brunton Eng. ...	10	4.00	5.00
Ceat Tyres ...	100	177.00	60.00
C. I. Coal ...	10	6.36	6.36
C. I. Machinery ...	10	10.00*	10.00*
C. P. Railway ...	100	50.00	63.00
Chem. Pharma. ...	25	26.00*	20.00
Colour Chem. ...	100	299.00	...
Commerce (1935) ...	10	17.00	20.00
Dehri-Rohas Rly. ...	10	17.24	11.00
Dena Inv. ...	25	10.60	11.00
Delhi Safe ...	10	10.00*	10.00*
Delhi Safe ...	7	7.00*	...
Dharamsi Chem. ...	50	155.00	82.50
Dharamsi Chem. ...	100	149.00	89.00
Digvijay Woollen ...	10	14.36	...
East India Hotel ...	5	10.00*	10.00*
Empire Dyeing ...	15	50.00	47.00
Estrilla ...	50	46.50	38.50
Ferro Alloys ...	100	109.00	96.50
G. Claridge ...	100	200.00	170.00
Greaves Cotton ...	100	138.50	102.00
Gujarat Inv. ...	50	11.00	25.00
Gujarat Safe ...	75	120.00	120.00
Gwallor Rayon ...	10	26.00	14.92
Har & Satapathy ...	500	365.00	354.00
Hind Cycles ...	100	100.00	105.00
Hindustan Elec. ...	100	111.50	105.50
Hindustan Lever ...	10	25.00	...
Hindustan Lever ...	10	36.75	27.75
Hingir Rampur ...	50	23.00	19.00
Indian Dyestuff ...	50	430.00	191.00
Indiagn Rayon ...	25	37.50	...
Indian Tool ...	100	110.00	103.25
Indian Veg. ...	100	143.00	114.00
Ind. Cr. & Inv. Corp'n. ...	100	86.50	78.00
Ind & Prudential ...	10	29.75	...
Invst. Corp'n. ...	100	139.00	...
Jaipur Metals ...	100	98.00	59.00
Jaipur Metal Defd. ...	10	24.48	5.56
Jost. Eng. ...	50	60.00	70.00
Jyoti (Ord) ...	100	175.00	150.00
Kamani Eng. ...	10	10.93	7.72
Kemp ...	200	279.00	205.00
Killick Indus. ...	100	121.00	157.00
Kirloskar Bros. ...	25	53.00*	...
Kirloskar Oil Eng. ...	10	16.88	13.48
Khandewar Ferro Alloys ...	50	67.50	...
Laxmi Starch ...	100	135.00	...
Madhusudan A ...	100	81.00	97.50
Madhusudan B ...	20	13.52	20.00*
Madhya Pradesh Ind. ...	10	18.52	...
Mahindra ...	10	25.15	18.24
Man Indus. Corp'n. ...	100	95.00	90.00
McKenzie ...	100	80.00	78.00
Motor & Gen. Fin. ...	10	40.00*	40.00*
Mys. Kirloskar ...	100	125.00	130.00
Nat. Elec. Indus. ...	50	78.00	75.00
National Rubber ...	100	13.96	13.80
N. Central Jute ...	10	23.00	13.40
N. L. Fisheries ...	100	80.00	100.00
N. I. Industries ...	100	87.75	240.00
Orient Paper ...	10	37.10	35.00
Purshuram Pottery ...	25	65.00	...
Polychem ...	50	178.00	69.70
Radio Lamp ...	10	114.00	110.00
Raymond Woollen ...	100	95.50	...
Rohas Indus. ...	10	27.20	18.88

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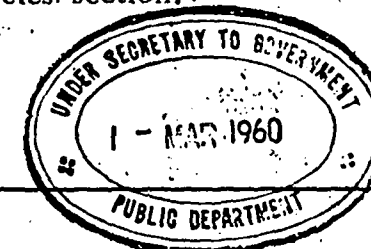
February 27, 1960

Volume LXV No 8

Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

Budget forecast and States' Budgets are dealt with in the Leading Articles section.



Indian Finance

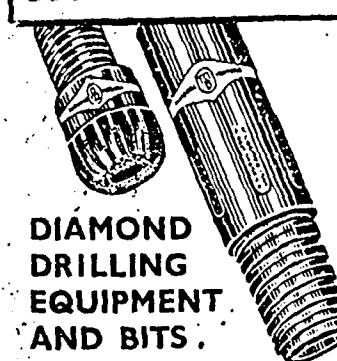
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(N.R.)

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veswar (E.R.)

Jalpuria Kajora Collieries Ltd., Rly. Station, Ondal (E.R.)

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have become aware.

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these products, want them. Prod-
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buted to meet the increasing
demand. The Tea Industry, for
example, wanted its product
delivered as fresh as possible in
order to hold the new customers

its Advertising had created. And
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stocks had to be frequently replen-
ished. Rapid re-stocking meant the
rapid movement of supplies from
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must get his tea fresh.

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February 27, 1960

WORLD OF FINANCE

Advances, up by Rs 17 Crores, are at New Peak

RESPIRE from busy season pressure was available during the week ended February 19, according to the returns for that week of the Reserve Bank and of the State Bank. However, one slack week does not mean the slack season, and it is to be anticipated that relentless busy season pressure will be felt until, certainly, the end of March, at which time the year-end disbursements of the Central Government may be counted upon to alleviate monetary stringency. Indeed, the expansion in Advances, in the latest return of the Scheduled Banks, is of such proportions to compel the feeling that the rise in bank credit during the current busy season will be unprecedented.

There has been contraction in Active Note circulation during the week ended February 19, with the relevant figure declining by Rs 5.38 crores to Rs 1806.55 crores. Moreover, Rupee Coin has returned from circulation for Rs 0.26 crores. As a result of both these, the Reserve Bank's cash in the till is marked up by Rs 5.62 crores at Rs 18.06 crores.

Inter-governmental transactions are indicated in the return of the Reserve Bank for the Banking Department. The Centre's balances are shown to have dropped more than somewhat by Rs 16.21 crores to Rs 50.75 crores. This, of course, relates in part to the gain in State Government balances amounting to Rs 5.62 crores. Also, however, it is to be noted that the Reserve Bank's holding of Investments is higher by Rs 9.81 crores, despite probable purchase of Rs 5 crores through the tap by the State Bank. Hence, deficit financing is suggested. Such recourse to created money would have been warranted by the fact of the considerable maturing—Rs 15.90 crores—of Treasury Bills purchased and discounted by the Reserve Bank.

The Reserve Balances of member banks have moved down by Rs 5.61 crores to Rs 75.59 crores. But this is wholly on account of the State Bank, and for the reason that it drew on its balances with the Reserve Bank for liquidating debt. So, the overall impression to be obtained is that even the Scheduled Banks may not have experienced so severe a dose of busy season stringency. The Other Loans and Advances of the Reserve Bank have contracted by Rs 9.02 crores to Rs 121.23 crores, but this, again, is wholly ascribable to the State Bank. In other words, other Scheduled Banks have not reduced their debt. Finally, Balances Held Abroad are down sharply by Rs 4.50 crores at Rs 39.84 crores.

Special Deposits from a fresh tranche of Public Law 480 counterpart funds possibly account for the sudden rise of Rs 11.97 crores to Rs 600.20 crores in the State Bank's Deposits as at February 19—this being the first time that the Rs 600 crore mark has been pierced. (With this rise, the return of Scheduled Banks for the relevant week should disclose that gross Deposits of Scheduled Banks have crossed the Rs 1900 crore mark). Such indeed is the insinuation of the rise of Rs 5.82 crores to Rs 375.10 crores

in gilt-edged holdings of the State Bank, signifying as it does tap purchases in the midst of the busy season. In any case, this was a windfall that the State Bank has reason to be grateful for. For, with Advances more or less static at Rs 189.73 crores, the State Bank could, by running down cash balances by Rs 7.38 crores to Rs 31.63 crores, reduce its indebtedness to the Reserve Bank by Rs 9.45 crores to Rs 1.61 crores. If, in fact, a new tranche of counterpart funds is in process of being built up—and, as we had recently pointed out, fresh accretions are to be expected—then, the State Bank's Deposits could well improve by Rs 100 crores by the end of June this year; and this will mean that, correspondingly, the State Bank will purchase Rs 100 crores of securities through the Reserve Bank tap. This last observation, as to purchase of gilt-edged, is based on the State Bank's policy of contra-investing against its receipts of special Deposits. If this were to happen, then the State Bank, in order to meet busy season financing needs during the rest of the busy season, may still be paradoxically compelled to approach the Reserve Bank for loans.

Advances of Scheduled Banks have, in the week ended February 12, shot up by Rs 16.85 crores to a new peak of Rs 1049.01 crores. Since, meantime, Deposits had showed a small fall of Rs 1.62 crores to Rs 1886.10 crores, it became necessary to borrow heavily from the Reserve Bank. Borrowings from this source are nearly Rs 10 crores higher at Rs 49.33 crores against Rs 39.44 crores; and Rs 4.76 crores of this is due to the State Bank. Furthermore, borrowings from the State Bank have also increased by nearly Rs 1 crore. Disinvestment in gilt-edged is in the considerable amount of Rs 24 crores—but all of it on account of the State Bank. Similarly, though cash balances appear to have improved by Rs 9.21 crores to Rs 159.79 crores, it has to be noted that the State Bank, in disinvesting in gilt-edged, improved its cash balances by Rs 14.60 crores. So, other Scheduled Banks must have experienced a fall of around Rs 5 crores in their cash balances.

Bank of India's Accounts for 1959

IN its balance-sheet as at the end of December 1959, the Bank of India Ltd has been able to show its Deposits crossing the Rs 100 crore mark. In the latest year, the rise in Deposits and other accounts is to the tune of Rs 12.42 crores, and Deposits are now placed at Rs 100.69 crores. While Savings Bank Deposits are higher by a little over Rs 2 crores at Rs 13.89 crores, the other two heads show larger gains; Fixed Deposits have moved up by nearly Rs 6 crores from Rs 39.58 crores to Rs 45.50 crores, and Current Accounts, etc., are higher by Rs 4.47 crores at Rs 41.30 crores. Such rise in Deposits has easily enabled Bank of India to expand its Advances portfolio from Rs 58.99 crores to Rs 67.94 crores. Meantime, also, the bank's investments in gilt-edged have moved up by Rs 4.31 crores to Rs 26.22 crores. Cash balances, too, have improved, cash in hand rising from Rs 8.65 crores to Rs 10.09 crores. However, it is to be presumed that the demand for Advances was sudden and at the year end, since borrowings are shown at Rs 3 crores against nil in the previous balance-sheet.

According to the profit and loss account, income by way of interest and discount has gone up but slightly from Rs 3.88 crores to Rs 3.91 crores. But, since the provision for tax (as we shall presently see) has been reduced, we may infer that the higher deduction of tax on

interest receivable on gilt-edged investments is responsible for a smaller rise in the income under this head being shown than is actually the case. Commission, exchange and brokerage have fetched slightly more at Rs 56.96 lakhs against Rs 52.34 lakhs. It is heartening to note that the bank has kept a very tight rein on expenses. Interest paid shows a small rise of Rs 4.74 lakhs to just a shade under Rs 2 crores; and the rise in salaries and allowances is one of Rs 9.77 lakhs to Rs 1.31 crores. In the result, however, the balance of profit, subject to tax, is marked lower by Rs 3.09 lakhs at Rs 82.68 lakhs.

The provision for tax has been reduced by Rs 7 lakhs to Rs 18 lakhs. The provision for bonus to staff has been stepped up by Rs 1 lakh to Rs 17 lakhs. The rate of dividend, including the interim payment, has been maintained at 16 per cent. But the return to the shareholder is less, in that the latest dividend is subject to deduction of tax, whereas the distribution for 1958 was free of income tax. The carry forward, at Rs 12.48 lakhs, shows little change from the amount brought in of Rs 12.79 lakhs.

Bank of Rajasthan's Profit for 1959

The Bank of Rajasthan Ltd reports that Deposits have risen by Rs 38 lakhs to Rs 4.92 crores. The profit for 1959 works out to Rs 2.60 lakhs. The transfer to the Reserve Fund is Rs 0.53 lakhs, and the Reserve, at Rs 5.45 lakhs, works out to 58.98 per cent of the paid-up capital. Income tax absorbs Rs 0.96 lakhs, and Rs 37,000 has been provided for bonus to staff. The dividend recommended is one of 8 per cent subject to deduction of income tax, and this compares with last year's 6 per cent free of tax. The amount carried forward is at Rs 1,570 as against Rs 1,019 brought in.

Government of India Treasury Bills

TENDERS for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, the 23rd February 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.310 and above were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.750 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 29th February 1960. Successful tenders should make payment on Friday, the 4th March 1960. Other conditions are as usual.

During the week ended the 19th February 1960 Government of India Treasury Bills for Rs 55,60,50,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 24th to 27th February 1960 at Rs 99.331 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 17th to 20th February 1960.

Government by Statistics

By Paul Einzig

IT is the dream of statisticians, and the nightmare of most of the rest of us, that one day—perhaps in the not too distant future—our countries will be governed by decisions taken entirely on the strength of index figures and other statistics. Such system, in its most extreme form, would obviate the need for thinking and for taking responsible decisions. Electronic brains could replace Ministers. The statistical material collected by Government Departments would be fed into the computers and these would automatically produce the decision about the administrative action to be taken.

We have not yet arrived at that stage, or anywhere near it, but we are undoubtedly making progress towards it. Statisticians are not yet our rulers, but they wield considerable influence behind the scenes. Which is as it should be—within reason. Governments must know what is going on, and good up to date statistics are indispensable to that end. Considering the statistical material they have at their disposal today, we are at times inclined to wonder how the world was run until recently in the almost complete absence of statistics. Possibly, the world is now run much better, thanks to the remarkable improvement of statistical services, and it will be run a great deal better if only we could improve further these services. We are all green with envy when we think of the highly up to date statistics in the United States, for instance.

But there can be such thing as excessive reliance on figures instead of relying on our judgment based on facts and on common sense. There are, for instance, dangers inherent in the system under which wages are adjusted automatically to the cost of living index. In some countries, that system is based on legislation. It is the major preoccupation of the Governments in such countries to devise means to mitigate the effect of such government by statistics. They move heaven and earth to prevent the rise in the index—not in the hard way of preventing a rise in prices but by manipulating certain prices in order to influence the average.

The case of the French wine trade has provided a striking instance of the results of government by statistics. Wine plays a very important part in the French economy. A considerable section of the population depends on it for its prosperity. For this reason, the Government adopted an elaborate system by which to prevent a fall in wine prices that was threatened as a result of the exceptionally large harvest in 1959. There was too much

wine, so some of it had to be kept off the market. Facilities for storage have been developed, and finance has been provided to enable growers to store the surplus instead of throwing it on the market. Furthermore, distilling facilities have been expanded, and steps have been taken to increase consumer demand at home and abroad.

So far so good. The trouble is that all these measures have succeeded too well. Instead of the disastrous slump in wine prices which threatened to ruin whole districts in France, the official action has resulted in a sharp rise in wine prices. Producers are happy and prosperous. But the situation is giving the Government a major headache. Fir, wine in France is important not only to producers but also to consumers. It figures prominently among the goods that determine the cost of living index. A sharp rise in wine prices might easily bring the index to a figure at which its rise automatically entails an all-round substantial increase of wages and salaries. This means that the unexpected success of the French Government's intervention to safeguard the wine producers' interests is liable to initiate a major turn in the inflationary wage price-spiral.

There was nothing for it but to take steps to check the rise in the price of wine. It was, of course, easier to induce wine producers to store their surplus than to throw their surplus on the market when this would suit the Government. To revert to price control would have been most unpopular. The alternative method which would not interfere with the free movement of prices was to increase wine imports. France is taking this opportunity for giving some real meaning to the system of European Economic Community which has just been established. Arrangements are being made to increase the import of wines from other member countries of that community, especially Germany and Italy.

This episode teaches us two lessons. The one is that measures taken on the basis of output statistics to neutralise a surplus need not necessarily achieve their desired end even if the statistical service is prompt and dependable. The other is that the rigid application of the system of automatic wage increases on the basis of the cost of living index is liable to land the Government into difficulties. In the present instance, it appears to be possible to solve those difficulties. In other instances, quite absurd measures had to be adopted to manipulate the cost of living index. There is a strong temptation for Governments which have adopted that system to subsidise directly or indirectly the articles which play an important part in the calculation of the index and to tax the articles which play no part or only a subordinate part in that calculation. The result is unnatural interference with production and consumption. Copyright.

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Budget: Hopes Rather than Fears

REFLECTIONS on the probable shape of the coming year's Budget have understandably tended to be cheerless. But Mr Morarji Desai's reasons for asking for more are better and more sympathetically understood than were Oliver Twist's by Bumble. Indeed, these reasons have been rehearsed with a certain gloomy masochism. Increased defence needs are expected not only to restore last year's slash of Rs 25 crores, but to swallow up an additional Rs 30 crores, thus bringing the defence expenditure to nearly Rs 300 crores. The Pay Commission's recommendations, accepted by the Government, are expected to increase the administrative bill. Estimate of such increase seems to vary from time to time, each new estimate putting the commitment at a higher figure. The demands of the final year of the Second Plan is another, and perhaps most readily acquired in, justification for further sacrifices. One estimate of the Planning Commission puts the total outlay on the plan up to the end of 1959-60 at Rs 3,660 crores. This would leave a sum of nearly Rs 1100 crores to be found by the Centre (against this year's Rs 1093 crores) in order to fulfil the plan's expectation of a total outlay of Rs 4800 crores. Deficit financing having reached massive proportions already—one estimate puts it at Rs 1115 crores for the first four years of the Second Plan against the outside limit of Rs 1200 crores for the plan as a whole—it is hardly possible for the Finance Minister to take recourse to this mode of finding funds for the plan, particularly in view of the continued pressure on prices.

While all this is true enough, certain hopeful features of the situation have been obscured by this persistent auto-suggestion of the inevitability of further taxation. It is to such Budget hopes rather than fears that we would draw attention on the eve of the Budget day. First among these is the buoyant trend in current revenues from taxes. These promise to outstrip Budget estimates in an impressive fashion. Table I makes the position clear.

TABLE I

	Budget Estimates for 1959-60.	Actuals for 9 months up to December, 1959.	Estimates for full year based on actuals for 9 months.
	(In Rs crores)		
Customs ..	132.77	115.19	153.92
Excise ..	325.08	259.73	346.31
Corporation Tax ..	58.75	55.04	73.39
Income Tax (Net) ..	87.63	81.14	108.19
Total ..	604.23	511.10	681.81

It is evident from Table I that, judged by the actual performance in the first nine months of the year, nearly Rs 78 crores more than anticipated will be realised from these four items. In terms of percentage, the increase is nearly 13 per cent over the Budget estimate. If it is remembered that tax collection in the last quarter of the financial year is significantly higher than the quarterly average, the

actuals for the year 1959-60 will be much higher than the figures estimated in Table I.

What are the conclusions to be drawn from this? First, the increased tempo of production is making a significant contribution to tax revenues. Second, this increased production being largely the result of gradual maturing of Second Plan schemes, the coming year is sure to see further accentuation of the trend. As more and more schemes overcome their initial handicaps and get into their stride, the pace of production will be quicker and there will be a steady increase in their earning capacity. Therefore, the gathering momentum of the Plan is sure to make the coming year reach the peak not only of increased production, but, consequently of tax receipts. Therefore, fatalism about increase in taxes is not justified. While new commitments are certainly an unwelcome burden, it should be realised that a developing economy is capable of taking them in its stride. After all, present sacrifices for the sake of developing an economy can be justified only if the dynamism generated progressively reduces the privations involved in such sacrifice.

This, of course, is not an argument in favour of blanket reduction in taxes. But it is certainly a plea for adjustments in the tax structure and for the removal of features that have proved irksome and iniquitous, have little fiscal justification and, above all, have tended to curb the very dynamism that brings in more revenue. Particular instances can easily be given. The tax on bonus shares is one which authority is persisting in, when even such justification as it once had has disappeared. With the tax on excess dividend abolished, a tax on the issue of bonus shares is an open invitation to improvident distribution of dividends and consequent reduction in retained profits. From every point of view, therefore, the tax cries aloud to be abolished.

The second adjustment that the Finance Minister can attempt is in the matter of corporate taxation. Here, there is an additional obligation flowing from the implicit assurance given by the Finance Minister that every one will be exactly where he was before the new system was introduced. Studies have shown that, if the Finance Minister's intention is to be realised, the rate of taxation will have to be significantly lower than the 45 per cent at which advance taxes were collected during 1959-60. The most recent of such studies is that published by the Association of Indian Trade and Industry, which has worked out the impact of the new system over a wide range of hypothetical cases. It is now fairly clear that the net impact of the new system will leave companies and share-holders taken together worse off than before in a majority of cases, unless the actual rate is less than the 45 per cent foreshadowed last year. This being the position, there is a strong case for the reduction of this rate, especially since the "bounce" imparted by such a gesture will quicken the economy in many tangible and intangible ways.

There is another reason why fatalism about further taxes is unjustified. The buoyancy of the economy has been testified to not only by

the increase in tax receipts, but also by the impressive success of the borrowing programmes of the Centre and the States during the current year. We have been consistently urging that the borrowing programme of the Government has been unduly faint-hearted.

Thus, it is evident that increased receipts from taxes at current rates with suitable adjustments may bring in anything between Rs 100 crores and Rs 150 crores. Market borrowings and small savings can be significantly stepped up. Even if deficit financing is to be restricted to less than a hundred crores, (against the current year's estimate of Rs 222 crores), the increased receipts may take care of a good portion of the increased commitments. There may, of course, be still some extra money to be found. But the coming Budget need not necessarily fulfil all the gloomy prognostications made about it. Mr Desai can, without being unfaithful to his stern duties, yet confound the gloomier prophets by being less demanding than they fear. It will be a unique kind of revenge, in that it will be as sweet to the avenger as to the avenged.

Andhra Budget

ABSENCE of fresh taxation proposals, and the provision of relief amounting to Rs 45.7 lakhs to particular industrial and agricultural sectors high-light the Budget presented by Mr K. Brahmamanda Reddy, Finance Minister of Andhra Pradesh, to the State legislature early this week. The Budget estimate of revenue for 1960-61 is Rs 82.13 crores while the estimate for expenditure is Rs 81.98 crores. The resulting revenue surplus amounting to Rs 20.01 lakhs has, in view of the concessions sought to be provided, been converted into a deficit of Rs 25.6 lakhs. Taking into account capital outlay at Rs 32.44 crores, net disbursements on account of loans and advances and repayment of loans at Rs 0.21 crores and ways and means at Rs 37.72 crores, the overall position reveals a deficit to the tune of Rs 3.73 crores. Thus, the Andhra Pradesh Budget falls into the pattern disclosed by State Budgets already published and which should be further reflected in the States Budgets to come. Subject to the pressure of mounting expenditure arising from Second Plan development schemes, an overall surplus is something that has become well nigh unattainable.

The picture of the financial situation reflected in the Budget provides a bright contrast to the initial difficulties which the State faced when Andhra Pradesh was formed. Running continuous overdrafts on the Reserve Bank of India and the Government of India, it was a careful piece of husbanding business that the early Finance Ministers were called upon to do. It is a measure of the improvement that has since been achieved that total revenue receipts have gone up from Rs 47.25 crores in 1956 to Rs 82.13 crores for 1960-61.

Financial improvement has been paralleled by success in implementation of Plan schemes. Out of a total provision of Rs 175 crores for the Second Plan, an outlay of Rs 92 crores has been incurred in the first three years. The

Indian Finance

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

Budget outlay for the fourth year at Rs 42.03 crores is expected to be exceeded by more than Rs 2 crores, which would leave a balance of barely Rs 40 crores to be covered in the last and final year of the Plan. That the total targeted outlay should be exceeded should be evident from the fact that, for 1960-61, the plan provision amounts to Rs 44.04 crores. The allocation of outlay reveals a bias toward agriculture and irrigation which, between them, take up more than Rs 26 crores.

Industrial development, which has been lagging, has received more attention in the Budget for 1960-61. In the course of his Budget speech, Mr Reddy announced the Government's decision to constitute an Industrial Development Corporation which could give a fillip to industrial development in the State. The Corporation would plan, promote and set up industries either by itself or in association with private enterprise. The Budget has made a provision of Rs 1 crore by way of capital for the Corporation.

Another notable development in the industrial sphere is the near materialisation of the project for the fertiliser factory which has been hanging in the air for a fairly long time. Referring to this, Mr Reddy observed that the Government have decided to accept the recommendation of the Technical Committee set up by the Government of India to locate the factory at Kothagudum with a capacity of 80,000 tons of nitrogen per annum.

It is, by all standards, a commendable record in financial management and plan implementation that the State has witnessed in the course of the last few years. Judged from the standpoint of the massive development, envisaged under the Third Plan, the present resources position could, however, by no means be considered completely satisfactory. The Third Plan of the State envisages an outlay of Rs 475 crores, which works out to nearly three times the outlay that would be incurred under the Second Plan. The mounting burden of public debt and the adverse ways and means position should give legitimate grounds for worry about the prospects for sustaining the Third Plan programmes. The public debt liability, which stood at Rs 168.85 crores at the end of March 1959, is, consequent on the loan programmes implemented in the course of the fourth year of the Plan, expected to rise to Rs 185.90 crores by the end of March 1960 and to Rs 209.87 crores by the end of March 1961. The liability in terms of servicing and repayment that has to be met in the course of 1960-61 works out to Rs 11.25 crores, against which the total public borrowings envisaged for the Budget year amount to only Rs 13.00 crores. The financial situation as reflected in the ways and means position is hardly more encouraging, as should be evident from the accelerated drain on the cash balance which, in view of the over all deficit revealed in the Budget, is expected to rise from minus Rs 4.89 crores at the end of 1959-60 fiscal year to Rs 8.62 crores at the end of the next fiscal year.

Orissa Budget

DESPITE an anticipated increase of over Rs 6½ crores in revenue over the revised estimates for 1959-60, Orissa's Budget for 1960-61 shows a deficit of Rs 3.50 crores. The revenue deficit is converted into a surplus of Rs 15 lakhs as a result of the net transactions both on revenue and capital accounts, as the latter shows a surplus of Rs 3.65 crores. The Budget estimates revenue at Rs 36.87 crores and expenditure at Rs 40.17 crores. The anticipated rise in revenue will be largely as a result of the new irrigation rates, the unification of cess rates, the tax on goods carried

by road and inland waterways, and the purchase tax on rice and paddy, sales tax on cereals, pulses and edible oils, and the tax on diesel oil and kendu leaves.

If, even after the fresh tax efforts, the State has had to show a deficit on revenue account, it is mainly due to the fact that it has to pay more than Rs 3 crores by way of interest to the Centre on the loans received for the Hirakud project. Hirakud is due to come under the direct control of the State Government with effect from April 1 next and the Budget has taken into account the increased contribution to the State's revenue in the next year from this source. Even so, the revenue from Hirakud will fall far short of the interest charges and Mr R. N. Singh Deo, the Finance Minister, has pointed out that, in view of the expectation that it will take some time for receipts from Hirakud to grow to a satisfactory level, continuing deficit in the Budget may have to be reckoned with. However, there is some hope in the fact that the State's financial position is to be reviewed five years after the completion of the Hirakud project. The Central Government have also agreed to refer the question to the next Finance Commission and it is hoped that the Centre may consider sympathetically the request that a portion of the Hirakud loan be treated as a Central grant for flood relief. But these reliefs are not in sight yet and it is only prudent to go by what obtains at the moment. In this view, the State's financial position, as Mr Singh Deo himself has admitted, is not quite satisfactory. What with a public debt to the tune of Rs 147 crores and an accumulated revenue deficit of Rs 20 crores, the State cannot afford to leave the task of bridging the gap between revenue and expenditure unattended for long.

There is every reason, however, to hope that the State can address itself to this all important work with success in the coming years as the development projects under the five year plans are already beginning to bear fruit. Significant progress has been made in food production and the last harvest has been bigger than the previous year's, and what is perhaps much more important is that the average yield per acre has gone up considerably. As a result of the revised estimate of the average yield, last year's harvest is expected to be 3.6 million tons. Iron ore exports are looking up and the State Government expect to export a large quantity of ore to Japan during the next financial year under agreement with the State Trading Corporation.

Kashmir Budget

BY a small increase of 5 nP per gallon in the tax on the sale of diesel oil; by stepping up the tax on the sale of automobiles from 3 per cent to 5 per cent; and by the imposition of a 5 per cent sales tax on a number of articles hitherto free from this tax, Mr Bakshi Ghulam Mohammed, Kashmir's Prime Minister-cum Finance Minister, has been able to show a substantial surplus in the State's Budget for 1960-61. Most of the articles which are now to bear either enhanced tax or a tax for the first time may be termed as "luxury" items, though essential articles, too, find a place in the list. The expansion of the sphere of sales tax is in conformity with the decision arrived at at the conference of State Finance Ministers, and it is also evident that Mr Bakshi Ghulam Mohammed has rightly come to the conclusion that the increased prosperity of the people of the State as a consequence of the implementation of development projects under the five year plans also justifies the new levies. The revenue receipts for 1960-61 are estimated at Rs

1569.95 lakhs and revenue expenditure at Rs 1283.40 lakhs, leaving a revenue surplus of Rs 286.55 lakhs. Apart from the increased revenue from sales tax, higher yield is also expected next year from Excise Duties and under Civil Works.

As is to be expected, the Budget year, by virtue of its being the final year of the Second Plan, is to witness accelerated activity, and it is gratifying to note that rural electrification is to continue to get high priority. The Kashmir Premier has expressed satisfaction at the progress of the plan projects. Already, the effect of these is visible in important sections of the economy. During the first four years of the current plan period, as many as 11,000 jobs in Government departments and quite a considerable number in other sectors have been created.

The Dalai Lama's Bullion

THE weight of the bullion sold in Calcutta during this week on account of the Dalai Lama has not provoked much comment and local prices have not yielded to the sudden supply. There is an implicit admission that the Dalai Lama's cause is lost, and there is no chance of a restoration so long as the Chinese forces straddle the Himalaya. The disposal of the treasure brought from Sikkim may lead to queries about import licences, the duty to be levied, and sales tax due. It may also lead to queries about the Reserve Bank not entering promptly a pre-emptive claim to purchase treasure, because India has no bullion brokers related to the central banking institution like the quartet in London led by N. M. Rothschild and Sons.

The local prices of gold and silver may not be affected in view of the official reply about the depreciation of the Indian rupee. But the fact or possibility that proceeds will be applied for relief of Tibetan refugees may make many here feel that gold is the only real store of value, and the modern faith in managed money may be shaken. Sir Oliver Franks' recent lectures notwithstanding. The sale of the treasure to the market through a banker may lead to questions about wealth tax due from the discreet buyers.

It is, however, gratifying that no protest has been entered by the Chinese Government, which takes philosophically the sudden flight via Sikkim of Tibet's little stock of capital. But Sikkim has earned a title to India's gratitude and the protected State qualifies for help, like that afforded to Bhutan for construction of roads. Official approval of the sale is implied in the promise of Army vehicles and escorts, as also the presence of a Union Government official at the airport.

The entry of Tibetan silver may not frighten the bulls in the Bombay bullion market, since they know that future replenishment of supplies is unlikely, and the silver bars may go at once into vaults. The Dalai Lama's sale of treasure may raise him above Indian capitalists, but it may be wiser for him to invest in the Buddhist hill kingdoms and put new life into their plans for rapid development. The Prime Minister's reply to questions in Parliament suggest that the Dalai Lama's premonitions in 1950 about the safety of his capital were known to Delhi, and Sikkim was approved as the repository because, like Switzerland, it is neutral ground. It is just possible that some Indian capitalists may try to secure safety for some of the possessions in Sikkim, which also offers great possibilities for those willing to make scotch whisky outside Scotland.

NATIONAL NOTES

Kerala: "Love Me, Love My League"

The two-party coalition Government in Kerala has been hailed with relief throughout the country, and not least for the fact that it has been possible for the Congress to participate in the Government of the United Front without sacrifice of its basic principles. Until the very end of the long-drawn negotiations which preceded the agreement, this remained doubtful, with the PSP playing the game of "Love Me, Love My League". The Muslim League in Kerala is entitled to congratulations for resisting the temptation to blackmail the United Front, as it must have been sorely tempted to do by the open encouragement it received from its old patrons who have come out in spots.

The result of the election could have been justly regarded as a mandate for a tri-partite coalition if the three parties had contested it on the basis of a common programme. When that was not the case, there was no obligation to continue the electoral arrangement. It would have been far better if the Congress in Kerala had not entered into this arrangement. But the fact that they had committed one mistake does not mean that they should go on committing others.

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At this time of day, it is amazing that any one should have the hardihood to suggest that the inclusion of the Muslim League in the Coalition would have made for the emotional integration of the Muslim community with the rest of the nation. But the fact is that the one great obstacle to the emotional integration is the continued existence of the Muslim League. And if, as is argued, the League in Kerala is really different, and its members are nationalists in fancy dress, they should be advised by their friends to cast off the disguise for the better health of the nation.

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Begar in Burkha?

The Planning Commission's memorandum on community assets in rural areas looks, on the surface, like a constructive approach to the problem of utilisation of idle resources; but, at the same time, it raises doubts, not easily cast aside, whether it is not an attempt to introduce forced labour, which has been outlawed by the Constitution, in a disguised form. These apprehensions are reinforced by the fact that the memorandum has been drawn up in connection with the remarkable proposal, first announced by Mr Shriman Narayan, of requiring every citizen to contribute 100 hours of voluntary labour in the service of the nation.

"Voluntary labour", which every citizen "should" contribute is itself a prime example of Oxymoron over which old teachers of English Grammar, if the tribe is not extinct, will gloat for hours. It may be explained that the element of voluntariness comes in, because those who have the means can purchase their freedom by settling for a cash payment. They can also choose the type of work which they will do. Those who have the taste and the inclination may choose to purvey the pure milk of human kindness on visits to jails, hospitals and lunatic asylums. Others may take up the more heroic task of teaching the three R's to the local street urchins. But, in any case, it will be their choice. But no such easy means of escape is open to those who lack the cash; and they constitute the vast majority. And it is to them that the Planning Commission's proposals for harnessing manpower resources in the rural areas have relevance. For the rural unemployed and under-employed, the voluntary labour stunt is in no way different from begar in a burkha.

Forced labour, and the proposal amounts to no less, is the first step on the road to the regimentation which marks out a totalitarian polity. In a democracy, it is the duty of the political parties and the representatives of the people to be ever on the alert to check such dangerous deviations. The indifference displayed by the democratic parties to this pernicious proposal is as puzzling as it is disheartening to those who set store by the rights and liberties of

the individual. The Swatantra party, which has nailed the flag of liberty to its mast, would do well to turn its fire from Cooperative Farming, which like the Cheshire Cat has all but disappeared until only its grin is visible, to this more tangible menace on the horizon.

Perhaps we are unjust to the Planning Commission. Perhaps they expect that the workers will be paid their hire. If so, they should also have explained how the programme is to be financed, assessed the inflationary impact of a nationwide programme for creation of capital assets and pointed out how this could be held under control by increasing supplies of common consumer goods. There are other answers to inflation than the starvation of the workers. The Planning Commission should also have refrained from emphasising the aspect of the obligatory work, which even now villagers perform in certain States in connection with the construction and maintenance of irrigation works.

There is no denying that unemployed labour in rural areas represents a substantial productive potential which remains unutilised. The effective utilisation of this labour in productive work can take India much earlier to the stage of "take-off," if the programme is properly drawn up and the execution is phased so as to maintain the level of employment. But creation of community assets with unpaid labour, as appears to be the intention, will not lead the country to a self-generating economy. It is more likely to depress the purchasing power and the level of living in the country-side and take the country back to the feudal past rather than forward to the brave new world of the Prime Minister's dreams.

★

Never Enough Sugar

What hits the eye in the Third Plan target for sugar, suggested by the Development Council for the Industry, is its utter inadequacy. The target of thirty lakh tons will make available for consumption 13.87 lbs of sugar per year per head in the last year of the Third Plan, which is equivalent to 6.3 kilograms. This compares with 54.8 kg in Australia, 51.5 kg in the UK, 46.3 kg in the Netherlands, 42.6 kg in the USA and 54.1 kg in Denmark. Even at the end of the Third Plan, India's consumption of refined sugar will remain one of the lowest in the world.

In this context, it will be useful to examine the soundness of the assumptions on which the Third Plan estimate of sugar consumption has been drawn up. It has been estimated that 25.06 lakh tons of sugar would be required for a population of 480 million at the existing rate of consumption. To this has been added 2.14 lakh tons to cover increases due to changes

in dietary habits and another 2.51 lakh tons to meet rising demand following increase in the purchasing power of the people.

Experience of the last decade, during which sugar consumption has doubled, raises doubts whether the nature and magnitude of the impact of new incomes on the demand for sugar have been correctly sized up. The tentative approach to the Third Plan envisages an annual rate of increase of national income of the order of five per cent. From this, it will not be justifiable to draw the conclusion that sugar consumption will also rise at the same, sedate rate. During the last ten years, sugar consumption has been doubled, though the increase in national income during the period is less than twenty per cent. Moreover, it should be noted that the rise in demand is not continuous, but proceeds by fits and jerks. As and when new groups enter the consumption picture, there will be sharp increases in demand. The plan for sugar should make allowance for these factors.

The target of thirty lakh tons will not enable the country to get off the recurrent cycle of shortages, profiteering, ineffective controls and all-round frustration. It may not be possible, with our present resources, to ensure a level of consumption comparable with western countries. But it is no one's case that the scope for increasing production has been fully investigated, and that a target of more than thirty lakh tons will not be practicable. Land is the ultimate limiting factor. But the low per acre yield of sugar cane in India, which is only 1.4 tons as against more than six tons in Hawaii and Java, indicates the large scope that exists for increas-

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ing the output of cane without diverting land from other crops to sugar cane cultivation. But it will require the adoption of a programme of incentives which will increase the per acre yield of sugar cane. One measure which can be suggested is to fix the price of cane in terms of its sucrose content.

Call to Sacrifice

The memory of the harrowing experience of last year, when the State passed through a series of calamities, natural and man made, has imparted an austere note to the address of the Governor of West Bengal to the State legislature. The keynote of the address was the call for patience and sacrifice for the success of the Third Plan. The call to sacrifice is not new to the people of Bengal, and they will not hesitate to respond if the cause is inspiring. But the cold statistics of planned projects are not the stuff to inspire poets to rapture; and enthusiasm is at a low ebb when the leaders have apparently lost the capacity to transmit it to their following. Preoccupation with the current difficulties should not, however, be allowed to obscure the view of the projects in different fields which make up an encouraging pattern of many-sided progress. Three new universities are coming up in the educational field which, one hopes, would help to ease the problems of numbers in existing universities. In the field of industry, the Durgapur project has been making steady progress—the thermal station would be in commission next month, while, elsewhere, the Kalyani Spinning Mills is expected to start operations next June. The National Sugar Mills, in which the State has an interest, has already gone into production, and the availability of local supplies should strengthen the hands of the Government in ensuring sugar at reasonable prices. For many years, the food problem has been a persistent source of anxiety. The food gap is yet to be firmly estimated, but the Governor was in a position to give the assurance that, whatever the deficit, it would be met by the Centre.

Words in Haste

When drawn into a discussion over the progress of investments in the private and public sectors during the Second Five Year Plan—Mr Bhupesh Gupta did the provoking in the Rajya Sabha last week—Mr S. N. Mishra, Deputy Minister of Planning, seemed to have been apologetic about the performance of the public sector in the matter of investment. The fact that led the Communist member to draw the inference that the private sector is moving faster than the public sector is that the investments made during the first three years of the Second Plan in organised manufacturing industries in the public sector amount-

ed to Rs 426 crores as against Rs 563 crores in the private sector. Mr Gupta's contention is that the trend disclosed by the figures is in marked contrast to the general belief derivable from the stated objectives of planning in our country, that the public sector would overtake the private sector ultimately and occupy a dominant position. Quite unnecessarily, it would seem, Mr Mishra has explained that, although the private sector is expected to exceed the targets in regard to the financial investments, it does not mean that it is going to fulfill the physical targets laid down for it. In replying to Mr Gupta's accusation, he has further unquestioningly accepted the construction put on official policies by the Communist member. For, he has observed that an examination of the figures will show that the process (domination of the private sector by the public sector) has already started.

It was time Government spokesmen learned to avoid scrupulously the controversy over the respective roles of the two sectors. A look at the details of development of the so-called public sector and private sector industries during the first three years of the Second period given by Mr Mishra in his statement, laid on the table of the House, would at once show the utter futility of this distinction. Among the private sector industries that have increased investments are aluminium, ferro manganese, general and electrical engineering, heavy chemicals and fertilizers, dyestuffs, drugs, plastics and chemical industries, rubber manufactures, paper and paper board, cement and refractories, petroleum refining, textiles, sugar and other manufacturing industries. Can any one validly argue that the progress of these industries means nothing to the development of the country as a whole, or that, without the progress of these industries, the Indian economy as a whole can prosper? How is one to reconcile the Deputy Planning Minister's explicit assumption that the private sector is to be ultimately dominated by the public sector with the recent categorical statement of Prime Minister Nehru that private sector industries will continue to have their rightful place in the economy? Unthinking people and interested parties like the Communists may continue to speak of the two sectors as though they are two mutually exclusive sectors of activity, but one has a right to expect Ministers to show a more balanced judgement.

Tourist and the Law

Many lessons can be drawn from the unfortunate incident in which Mr Frederic March and his companions were involved on the last day of their stay in India. This is a matter of regret even for the most fanatical prohibitionists in the country. For instance, a cogent case can be made out that we cannot have both prohibition

and tourist dollars, and if we want the one we must be prepared to give up the other. But we are afraid that this suggestion will only sharpen the glint in the eye of our austere Finance Minister. It can be argued that tourists should be advised to drop Madras from their itinerary, unless they happen to be teetotallers. Or it can even be suggested that tourist department officials should be more active and alert, keep tag of the visitors' drink permits and see to their renewal in time, till the moment of their departure. All these would be legitimate conclusions, though none of them is likely to be acted upon. But it would be extremely unfortunate if the row kicked up over the incident creates the impression that the police were wrong in taking action against the tourists and should be disciplined. There are tourists and tourists. Some develop an inexplicable fascination for sensitive spots on the border. Incidentally, the road from Thekkadi Game Reserve to Madurai, along which Mr March and his party were driving, is said to be a regular smugglers' run.

The reports that have appeared do not suggest that the visitors were subjected to any harassment, though the experience must have been extremely annoying. In all, they were delayed by four hours, by which time the party had been taken to the nearest police station, case registered, an ailing magistrate rooted out of his sick-bed, and bail granted on their personal undertakings. The visitors were also permitted to appear by proxy at the subsequent trial. From what we know of the speed at which Government machinery moves, the constables concerned appear to have acted with unusual celerity so as to minimise the inconvenience to the visitors. If the law had allowed them the discretion, in the matter, they would not have taken any notice of the four ounces of whisky in the doctor's handbag which led to all the trouble.

An enquiry has been ordered by the Inspector General of Police, Madras, which should show whether the constables were at fault in any particular, or deserve commendation for a remarkable sense of duty. But the mere fact that an enquiry had been ordered in this case may lead the rank and file of the police to play for safety and act as if the tourist can do no wrong. Tourism, of course, is important, but the rule of law is of even greater importance. For, it is only on the assumption that the rule of law is well established that we can invite tourists to visit our country with a good conscience.

Polish Credit for India

Inspired by the spirit of co-operation, Poland has offered a long term credit for Rs 15 crores to help India in the successful implementation of the Third Five Year Plan. Dr Juliusz Katz-suchy, the Polish Ambassador to India,

informed pressmen last week the new agreement was expected to be signed in Delhi by the representatives of the two Governments within a couple of months. The exact terms and conditions, as well as the details of the agreement, would be finalised only in the course of the negotiations that are to be held at Delhi before the signing of the agreement.

From the preliminary talks held, it is understood that the credit offered would be utilised for the purchase of Polish machinery like industrial plants, machinery for the manufacture of aluminium and processing of zinc ore, machine tool factories, and coal washing plants. The repayment of this credit would be in terms of Indian raw materials and industrial goods. Another advantage of the Polish credit is that the interest to be charged will not exceed 3 per cent.

It may be recalled that the new agreement would be in addition to the three-year agreement reached by the two Governments in January this year. Besides, India is the first country to receive such a long term credit from Poland. The new form of economic co-operation between Poland and India will strengthen the existing cordial relations. The Polish Ambassador has also extended an invitation to an Indian delegation to visit the Poznan International Fair to be held in June.

Beaten Track

Mr M. L. Shah has covered familiar ground in his address to the Third Quarterly Meeting of the Indian Chamber. He has elaborated the theme familiar with reiteration, of the strangling effect of controls and administrative delays on productive enterprise at a time when production claims the highest priority. But this paradox is inherent in any programme of planning. If economic and industrial progress could be ensured by abolishing all controls, there would have been no need for planning at all. So far, even Mr Masani has not taken up this position. His objection to the Planning Commission, which he wants to abolish, is based on political considerations rather than on the requirements of national economic progress. As a matter of historical fact, controls preceded the inauguration of planning in India by at least one decade. When all sorts of things are in short supply, controls are inescapable.

While that continues to be the position, a general omnibus attack of the system of controls and the administration that has grown with it, serves no purpose except letting off steam. On the other hand, it may defeat its very objective by diverting attention from particular controls which have become out of date and cause needless vexation. Mr Shah would have been more effective if he had left the beaten track and penetrated more deeply into the jungle of control.

FOREIGN NOTES

More Exports—but Larger Deficit

Attention has been drawn to the general improvement in trading conditions during 1959 in the discussions of the Ecafe Committee on Trade which reviewed principal developments in trade and trade policies in the region, at an eight day session in Bangkok last month. Almost all the member countries have reported larger export earnings; but balance of payments difficulties persist, on account of the larger imports needed for implementation of development plans, restricting the scope for liberalisation of imports or simplification of exchange control procedures. India's experience is typical. The first nine months of 1959 have registered a noticeable expansion in foreign trade both in value and in volume. But the trade deficit has widened simultaneously with the increase in exports. And, over the region as a whole, exports have not recovered the ground lost in the recession of 1957-58, while the terms of trade continued to be unfavourable to primary producing countries.

The uncertainties of the outlook for prices of primary commodities constitute one of the major worries of the countries in this region. The problem has been complicated by the trends toward regional integration, though no clear conclusions could be discerned in the discussions of the effects on the Ecafe region of a Europe at "Sixes" and "Sevens." The patterns of trade inherited from the colonial era persist, obscuring the view of a new and rational pattern of intra-regional trade. The membership of Western countries and the USSR in the Ecafe is also a relic of the past, which is perhaps justified at present by the underdeveloped status of the region and its need for external assistance both financial and technical. But one result of the global membership of a regional limb of the United Nations happens to be that multilateral trade expansion continues to hold the stage, while the countries in the regions have not yet started to think about the possibility of expanding trade within the region on lines that have been adopted elsewhere.

The countries in the Ecafe region, which have started on the road to industrial expansion, will have to seek a stable basis for future development in a programme of integration. The problem is certainly not a simple one. It bristles with the difficulties arising out of the legacy of the past as well as from

the varied levels of development at present. But the problem will have to be tackled sooner or later. India and Pakistan, which have made a happy beginning toward restoration of trade, can take the initiative in evolving a new pattern of trade policies, just as France and West Germany have done for Western Europe.

DLF's Landmark

Recent news about the two new international lending agencies—the International Development Association (IDA) and the Inter-American Development Bank (IADB)—has tended to push into the background another similar organization, the Development Loan Fund (DLF). Just as IDA and IADB, DLF specializes in loans to developing lands on easier terms than can normally be obtained from most private or public sources.

There, much of the resemblance ends, however. For DIF is not a United Nations Institution like IDA, nor is it a regional body like IADB, to which many nations have contributed or will contribute capital. It is strictly an agency of the United States Government which channels American dollars into worthy projects abroad.

What may be DLF's most important distinction at this time is that it is a working body. Unlike IDA and IADB, which will not be making their first loans for some time, DLF is in actual operation and has been for the past two years.

So active has DLF been, that it stands today near a significant landmark. Only a week ago, DLF let it be known that it has committed a grand total of \$948 million in loan money—and this after two short years. Thus, its commitments soon will be reaching the \$1,000 million mark—the total capitalization projected for each of its two international "colleagues" in the development loan field.

In all, since it started operating in 1958, DLF has made well over 100 loans and two credit guarantees for loans. And the distribution of its funds clearly is in accord with its award purpose: to make financing available for investment in less developed countries, thereby helping them to develop their economic resources and increase their productive capabilities.

Here, according to a recent though not entirely up-to-date report, is a region-by-region breakdown of DLF loan commitments:

Latin America: 21 loans totalling \$77,590,000 to borrowers in 13 countries;

South Asia: 25 loans totalling \$332,000,000 to borrowers in three countries;

Far East: 27 loans and one guarantee totalling \$168,876,000 to borrowers in seven countries;

Near East: 19 loans totalling \$195,900,000 to borrowers in seven countries;

Africa: 10 loans and one guarantee totalling \$53,390,000 to borrowers in eight countries;

Europe: 8 loans totalling \$8,000,000 to borrowers in three countries.

The principal borrowing countries, according to the report, have been India, with eight loans totalling \$195,080,000 and Pakistan with 14 loans totalling \$133,555,000.

There is a high degree of flexibility in DLF's operations. Loans may be made to individuals, private business, governments, financial institutions, and even international organizations. Of great interest to developing lands is the fact that DLF can lend badly needed dollars and yet, where necessary, accept repayment in other currencies.

DLF's resources come from capital funds appropriated from time to time by the US Congress. Since it was set up in 1957, DLF has received a total of \$1,400 million in Congressional appropriations. Moreover, as loans are repaid and interest and fees earned, DLF will now be able to use these receipts former-lending to other borrowers, thereby further stimulating economic growth in developing lands.

Thus, IDA and IADB have an operating prototype, so to speak, in the US Development Loan Fund. But the two new agencies, while receiving much of their financial support from the United States, will have the added advantage of being truly multinational, with capital contributions coming from many countries of the free world.

Maldives and the UK

Not Ceylon, but the United Kingdom, will hereafter have a big voice in the affairs of the Maldives. The hardy islanders who dropped their Sultan and swung to a republic in recent years had

trouble with Ceylon, which claimed a vague protectorate on account of the islands being in the Arabian Sea. The leaders of the Moslem fisherfolk had to explain that the offer of a staging-post for the RAF was no unfriendly act directed against Ceylon, and it was open for Britain which had given up its bases in Ceylon at the request of the late Mr Bandaranaike, to secure an alternative halt on the long en route from Aden to Australia. Britain has agreed to defend the islands, give a subsidy and to maintain an RAF base for 50 years. Bargaining was distinctly less difficult than with the new free Cyprus, because local labour was used for a long while (after protests over immigrants) and the islanders could see the real advantage of military protection, though the Arab States have no idea of taking over rainy islands in the Indian Ocean. Mr Alport's mission to the East has concluded with a treaty that only restores the status obtaining before Ceylonese independence. Of course there is no resemblance between Gan and Malta, because Gan is just an atoll and has no hope of getting into the UK to attain full security. Patience in dealing with the islanders, who can offer only coconuts and fish for sale, has paid off, and the Maldives go back to the former position of assured dependence. This may be due to the recent troubles in Ceylon, but it may also be traced to the fact that British supremacy in the Indian Ocean goes back to 1812 A.D. and the new free nations have not the ships and planes to acquire or recover a dominant position. Political prophecies in the war period about India holding the line from Aden to Singapore are now seen to be very wide of the mark.

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STATES NOTES

"With Malice Toward None"

As the world celebrated the 151st birth anniversary of Abraham Lincoln last week, what surely should have evoked homage to his memory is the historical role Lincoln played in shaping democracy in America. Faced with the onslaught of ideological Communism, it is natural that defenders of democracy should seek faith and inspiration in Lincoln who, in his life and speeches, represented the best that is in that system of Government. "From log cabin to the White House" is an expression that, signifying Lincoln's rise to

the highest position of presidency, illustrates a basic democratic idea, namely, the wide diffusion of talent among mankind. In his speeches and policy as President, Lincoln gave new amplitude to democratic philosophy; and, by waging an unbending war for abolition of slavery, won for the negroes the right of equality before law. Great as he is for all these, he is greater for what he represented in his personality and character and by way of principles of universal application. In an admirable estimate of Lincoln's personality, at the Lincoln Society, New Delhi. Mr Ellsworth Bunker, American Ambassador in India, points out how Lincoln exemplified moderation, patience, devotion to democratic principles, indignation at moral wrongs, a deeply religious faith and humility. Of Lincoln's humanity, Bunker quotes Lincoln's own statement from his second inaugural address—"With malice toward none; with charity for all; with firmness in the right as God gives us to see the right, let us strive on to finish the work we

are in to bind up the nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations". As Mr Bunker points out, these are words to which all peoples and nations should harken today. For, lasting peace among nations remains yet to be attained and could be attained only if nations could show more charity and less malice in their mutual relations.

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Neglected Andhra

Andhra State has complained against what it described as inadequate allocation for industrial development of the State in the next five year Plan. Speaking to newsmen at Hyderabad, Mr P. Ranga Reddi, Andhra's Minister for Planning, observed that out of the total provision of Rs 890 crores for industries in the Second Five Year Plan, Andhra's allocation was only Rs 14.26 crores. This works out to 7.8 per cent of the total outlay.

Andhra Pradesh being rich in mineral resources like coal, mica, iron, limestone and other essential raw materials needed for heavy industries, the Minister strongly felt that the allocation was inadequate. Two of the extremely valuable and potentially resourceful rivers flow through the State. Exploitation of these rivers would also need more resources. In India, Andhra ranks 4th in major mineral production like coal, iron ore, and manganese. It is third in mica production. Andhra's share of major industries, based on iron ore, manganese and mica, is, however, nil except for a ferro-manganese unit in Garividi.

To prove the State's industrial backwardness, the Minister listed the following statistics: (1) per capita investment in industry in Andhra is Rs 10.68 against Rs 46.1 in Bombay, Rs 65.30 in West Bengal and Rs 26.80 in Bihar; (2) Andhra's per capita income from industries is Rs 8 against Rs 20 for all India; (3) the State's income from contribution of factories and industries is only 2.8 per cent against the all-India figure of 7.8 per cent; and (4) production of capital investments in Andhra is only 4 per cent of the all India total as against the State's population at 9 per cent of the all India total.

While, therefore, the potential resources would warrant larger allocation for industrial development, immediate possibilities exist, according to Mr Reddi, for the setting up of a newsprint factory, a marine diesel engine factory, a synthetic drug project, a surgical instrument factory, a new machine tool factory and a DDT factory.

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Indo-Japanese Effort

A unique opportunity for witnessing an array of industrial machinery manufactured in Japan

will be provided by the Japan Machinery Centre which is going to conduct an exhibition at the Haigh Memorial Hall in Bangalore between March 8 and 20. Japan is the only Asian country which produces and supplies machinery to the Far Eastern area. Japanese machine tools are noted for their high quality and precision work. Textile machinery, heavy electrical machinery and transport equipment form major items of Japanese exports to India. Recently, Japan has been evincing considerable interest in helping India to accelerate the pace of industrialisation. It may be recalled, in this connection, that a prototype machine tool factory has already been established in Dasnagar in West Bengal with Japanese assistance. The first watch factory in India, which will be installed in Bangalore as a subsidiary of the Hindustan Machine Tools Factory, is another project to be carried out in collaboration with the Japanese Government. The Kalyani Co-operative Toy Society Ltd started at Kalyani, in West Bengal, is yet another instance of joint endeavour. The exhibition will form an important link in the chain of the ever expanding Indo-Japanese economic co-operation.

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Electricity Per Capita

Addressing the 21st annual general meeting of the Eastern Regional Electrical Contractors' Association in Calcutta, Mr Bhaumik, Electrical Advisor to the Government, referred to the programme of increasing the per capita consumption of West Bengal, briefly reiteration of electricity in the State by the end of the Third Five Year Plan. A provision of Rs 45 crores is suggested for the completion of the proposed programme. The sum set apart for the scheme also includes the expenditure for installing a super-thermal plant at Bandel with a capacity of 250 kw at the cost of about Rs 24 crores.

Mr P. Bose, the President of the Association, complained that the electrical installation works were deteriorating due to unsatisfactory labour and lack of supervision and adequate equipment. It is indeed disheartening to point out that, in spite of the efforts of the Indian Standards Institution, the quality of the materials was not showing signs of improvement.

During the Third Plan period, there was bound to be considerable power development in Calcutta and other industrial areas of the State. Considering the huge demand for electricity in the State, it is feared that the amount allotted is inadequate to meet the requirements.

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Expanding Steel

An expansion programme for attaining complete steel self-sufficiency for India by the end of the Third Five Year Plan is assuming

final shape. Deliberations have already started for increasing the production capacity of the three steel plants in Bhilai, Rourkela and Durgapur as also for the establishment of another plant in Bokaro in Bihar. The annual production capacity of Bhilai steel plant would be raised from 1 million to 2.5 million tons and that of Rourkela and Durgapur from 1 million to 2 million tons each. The designing and construction of the plant at Bokaro will be carried out entirely by Indian engineers without any assistance from foreign experts. The major portion of the heavy machinery equipment required for the new plant will be produced at the Heavy Engineering Works at Ranchi. The actual construction work of the plant will be finalised by the Planning Commission within a month or two. These facts were revealed by Mr G. Pande, Chairman of Hindustan Steel, in a press conference held at Raipur. Any further expansion of the steel plants after doubling their present capacity during the Third Plan and the question of constructing more steel plants will depend on the demand for steel in the market.

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Dalmia Cement Expands

The further expansion of capacity at the plant of Dalmia Cement in Trichy District was approved by the Chief Minister of Madras, who asked the local workers not to hold up schemes of industrial expansion or improvement. It is estimated that three cement factories in Madras will produce 1.5 million tons of cement by the end of 1960. A new company is also in the field while India Cement has a programme of early plant extension for which a loan has been already taken from the IFC. But the lack of coal has been a limiting factor and cement production and sales have not kept step. The indifferent form of the industry in recent years accounts for the poor support given to cement shares by investors in Madras, and it is noteworthy that the opening of the third cement plant had no effect on the market quotation for Dalmia Cement, while delay in declaration of the interim dividends lowered the quotation for India Cement's 5 rupee shares now on the forward list. The disparity as between cement shares quoted in Bombay and Madras need not be discussed, but it is well to remember that the central excise restrains consumption of cement and increased use of cement may not automatically follow an increase in the supply of steel, since no cut in steel prices is contemplated and expansion of output, not of consumption, is the major aim of the new state owned plants. Dalmia Cement's immediate prospects in any case are not bound up with cement alone. Refractories, Sanitary ware, etc., represent a valuable side-line and if compensation for assets held in Pakistan is obtained, the outlook for 1960 may improve very quickly.

Andhra Chooses Roads

Andhra State will soon raise a Rs 1 crore public loan toward improvement of the State's road services. This will be done by the autonomous Andhra Pradesh Road Transport Corporation.

The Corporation would ultimately raise Rs 8 crores at the rate of Rs 1 crore a year. This will be to complete the nationalisation programme over an eight-year period.

The Corporation expects to raise its assets to Rs 20 crores when the

nationalisation scheme is fully completed.

By the end of the Third Plan period, the Corporation is expected to own and operate 2,700 buses employing 20,000 workers.

The object of the complete nationalisation scheme is to link all the villages of the State, and the Corporation hopes to leave not even a single village unconnected.

It is a fact that Andhra is not so well served by the Railways as are either Madras or Kerala. In the Third Plan, no railway improvement is proposed except

connection of the Rourkela Steel works with the Vizagapatam Port.

The realisation that Andhra State is not so well served by the Railways is there, and possibly it may goad the authorities to correct the inadequacy of Rail transport.

That there is need for greater railway communication in the State has never been gainsaid. As compared with the improvement of the Railways, which would take time and need more steel, road transport development seems to be the quicker way for effective result for the population.



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WORLD OF BUSINESS

The 1,000,000th TI Cycle

AT a time when dedication to God is a rapidly vanishing idea among our industrial promoters, it was a pleasant surprise to see a function especially devoted for the purpose—the millionth cycle produced in a Madras Bicycle factory was dedicated to Lord Venkateswara, whose "envy" was present especially for the purpose to accept that humble "offering".

The Madras T. I. Cycles Limited, the well known bicycle factory in

Asla, which has so far manufactured a million bicycles ever since the inauguration of this important industry in collaboration with a British entrepreneur, arranged for a neat little function at its Ambattur factory lines where this dedication was made by the State Industries Minister Mr R. Venkataraman, before a very distinguished gathering of the Cycle World.

Mr C. Anna Rao, Commissioner, Tirumalai-Tirupathi Devasthanam, received the millionth flower bedecked cycle on behalf of Lord Venkateswara.

Mr A. M. M. Murugappa Chettiar, Managing Director of TI Cycles, welcomed the gathering which included the UK Deputy High Commissioner, Mr M. E. Allen. The decade-old history of TI Cycles started with collaboration with Tube Investments of Britain, manufacturers of the well-known Hercules cycles. The Ambattur factory undoubtedly has become a

landmark in the Madras industrial topography. Mr Murugappa stated that they had plans even then for the progressive manufacture, over a period of years, of 75 per cent of the components. They have progressed further, he stated, due to what he called the "far sighted policy" of Mr T. T. Krishnamachari, who was the Industries Minister, Government of India. Last year, the Company also began manufacture of Philips bicycles in addition to the famous Hercules cycles.

Sir A. Ramaswami Mudaliar, one of the promoters of this venture ten years ago, before requesting the Minister of Industries to hand over the millionth machine to Lord Venkateswara's representative, referred to the then existing apathy toward foreign collaboration of any kind by Indian industrialists. He ascribed this antipathy to lack of clear policy in the Government's industrial expansion programme in the post-independent era. It was indeed a great task to persuade the British entrepreneurs to venture out into India and help the progressive industrialists on a scheme whose fruits they were now reaping.

Sir A. Ramaswami Mudaliar took the opportunity to hit hard at the lack of speculative enterprise in the South. He recalled how dormant the South Indian businessmen were despite his repeated assurances to them during war time while he was Industries Minister in the Government of India. Thanks to the enlightened spirit now pervading, the South was not the benighted State now as it used to be. The South Indian worker was equal to the best anywhere in the world and Sir A. Ramaswami Mudaliar proudly recalled how they were able to do a kind of work pertaining to the aeroplane industry at Bangalore during the war period in a far shorter period than could the workers in the highly industrialised America.

Nor did Sir A. Ramaswami Mudaliar forget to mention the fact of the dangerous power shortage in Madras. He also referred in passing to the necessity for providing competitive power supplies by the recently formed State Electricity Boards, which should not be intent upon making money alone, but see that industries grew as well and as rapidly as possible. He warned against any halting power supply to growing industry, since it would cripple the industries and it would take very long to catch up others which are always on the move.

This power paucity problem certainly faces the Government of Madras, which has exploited all its resources of power in the State.

Mr R. Venkataraman, the State's Industries Minister, before performing the dedication function, said that foreign industrialists were happy to collaborate with ventures in Madras State, where they found an accommodative spi-

rit besides a skill in engineering and technology of the highest order.

As for the provision of adequate power supply for the growing industry in the State, the Minister believed, that a plant capable of producing 500,000 kw would be needed for Madras. He readily agreed with Sir A. Ramaswami Mudaliar's suggestion on the matter and said that neither the proposed Neiveli Thermal Station nor the Kundah scheme nor even the Perambikulam project would satisfy the State's requirements. The Madras Government were urging the Government of India on the need, most imperative and urgent need, to instal an atomic power station in the South. If at all there should be a power shortage, he hoped it would be only temporary.

T. I. Cycles are now manufacturing at the rate of 300,000 cycles as from the year end. It has 1,600 workers in its Ambattur factory.

"Best-selling" Enfields

By the year end, Enfields India Madras, will be able to export to outside markets. This was disclosed here last week by Major F. W. Smith, Chairman and Managing Director, Enfield Cycle Company Limited, United Kingdom, the technical collaborators with Enfield India Limited, Madras. Major Smith accompanied by Mrs Smith and Major V. T. Montford, a director of the Company, are on a brief business visit to India.

Major Montford paid tributes to the "splendid" work in the Madras factory and said that the schedule of the phased programme had been accelerated. The finished products of Madras Enfields compared very favourably with the UK produced units. They could be "best sellers" in any part of the world, according to Major Montford.

Reduction of the price of the Enfield motor cycle depended upon several factors, including the volume of production. Quality and satisfaction of the consuming public should not be sacrificed for the sake of a price reduction. If the plants were fully utilised, Major Montford thought there could be 15 to 20 per cent reduction in prices. If continuous inflow of raw material was assured, Madras Enfields would be achieving the same production as their UK counterpart.

Mr S. Sankaran, Managing Director, Enfield India Ltd., said that, if the present production was doubled by 1961, they could effect a reduction in price by 33-1/3 per cent that is today's Rs 2,000 priced vehicle could be sold at Rs 1,500.

The Indian Enfield, he said, were making 60 per cent of the parts in the local factory itself. He said the factory would become hundred per cent locally made during the course of this year, as per the phased programme.

Mr Sankaran disclosed their decision to propose an industrial Estate on the Guindy Estate model to the Government, sponsoring 30-40 small scale units, the technical know-how being provided by the Company itself. Raw materials for making the Enfield components would be supplied by them. By the end of the year, all the components would be made in this country, according to Mr Sankaran.

Oil India News

One of the world's most modern form of power generation—the gas turbine—will be employed for the first time in India to generate power and light at Nahorkatiya, Upper Assam.

The generators that produce the electricity will be driven by gas turbines burning natural gas from Nahorkatiya oilfields. The turbines are of the latest design in world use.

Two turbo-alternator sets, designed to produce 1,790 kilowatts each at maximum rating, will be used in the power station now being built at Zaloni, the industrial area of Oil India Private Limited at Nahorkatiya.

The first of these turbo-alternator sets was recently given a test run at the English Electric Company's works at Rugby, England.

Natural gas is an ideal fuel for industrial gas turbines because it offers few problems from the combustion viewpoint and does not give rise to harmful ash products. Among the many advantages of turbines are their mechanical simplicity, compactness, relatively light weight, freedom from vibration and absence of cooling water.

Gas turbines of the natural-gas-burning type have been installed by oil companies in power stations in north and south America and in the Middle East.

All the three wells completed at Nahorkatiya in 1960 so far have proved to be successful. This makes a total of 66 wells drilled by the Assam Oil Company drillers at Nahorkatiya and Moran, the Oil India areas in Upper Assam.

Wells Nos. 55 and 56 are progressing satisfactorily. Preparations for drilling of Well No. 57 are also afoot.

Business Briefs

The Government of India have decided to install a factory for the manufacture of English and Hindi teleprinters in the country during 1961-62. This was revealed by Dr P. Subbarayan, Minister of Transport and Communications, in the Lok Sabha early this week. The negotiations with the firms who are interested in the new enterprise had been finalised. The question of selecting the consultants for the construction of the project is being considered by the authorities.

An agreement to establish a project at Ootacamund in Madras State for the production of photographic films, cinema films and various types of photographic

papers, has been reached between the Government of India and Messrs. Bauchet of Paris last Saturday at New Delhi. The estimated cost of the project will be approximately Rs 5 crores. The foreign exchange component of the cost—nearly Rs 3 crores—would be met by the French export credit. The National Industrial Development Corporation, under whose supervision the factory will be constructed, is also conducting negotiations for the manufacture of several basic raw materials for the new project.

The Government of India have issued licences to eight entrepreneurs for establishing small pig iron plants in the private sector. Out of the eight projects, three will be located in Bombay, three in Madras, one each in West Bengal and Orissa. They are expected to go into production within a year or two.

Mr B. G. Jatti, the Chief Minister of Mysore, at a press conference held at Bangalore, announced that a motor cycle factory will be set up in the private sector in the State this year. The proposal of a Bombay businessman for the establishment of the factory has been accepted by the Licensing Committee of the Government of India. The details of the project are yet to be made available.

Aviation Notes

KLM Jet Engine Test House

No less than 119 thirty-foot concrete piles, 250,000 bricks, 600 cubic yards of concrete and 30 tons of rock wool—the latter for sound-proofing—have been used in the construction of KLM's new jet engine test house which is to be put into service next April at Schiphol Airport, Amsterdam. In the design of this building measuring 65 by 125 feet, special allowance had to be made for the intense noise and vibration produced during the testing of these powerful jet engines. KLM has, therefore, maintained close contact with the Applied Scientific Research Institute of the Netherlands in regard to the system of noise suppression to be employed.

The building is divided into a workshop, a control room and the actual test chamber. A 52-ton silencer is installed in the outlet tunnel of the test chamber. This tunnel is 65 feet long and at some points its concrete walls are 25 inches thick. Moreover, absorbing panels (perforated steel sheets in wooden frames) are fixed at the entrance of the outlet tunnel. The air supply to the test chamber is provided by a compressor holding 850 cubic feet, while fuel is drawn from an underground tank with a capacity of 7,500 gallons.

The control room is built such a way that it is wholly separate from the test chamber; this is necessary to ensure that it will be sound-proof and free from vibration, which is of course extremely important because the measuring instruments are so sensitive. The window of the control room offers an unobstructed view of the engine while it is being

tested; it consists of three layers of glass and it is 9 inches thick.

This new jet engine test house stands besides the Engine Workshop which KLM put into use at Schiphol Airport early last year.

1959 Review for TWA

For Trans World Airlines, 1959 was a Year of realization, both operationally and financially. It was a year when the airline gained world-wide recognition for the introduction and successful operation of the Boeing 707 jet on both US and international routes. It was a year when the outstanding performance of both jet and piston aircraft, combined with an intensive programme of management realignment and expense control, will enable TWA to realize a substantial profit.

The record-breaking performance of the airline's jet fleet began with the first TWA 707 scheduled flight from San Francisco to New York on March 20. Since that date, jet service has been expanded to cover 11 cities in the United States and four overseas points—London, Frankfurt, Paris and Rome. By the end of the year, TWA had flown 610,000 jet passengers, a total of 1,172,000,000 revenue passenger jet miles. And this represents nearly one-quarter of the total mileage flown by TWA.

As these figures show, public acceptance of the jets was instantaneous and far beyond expectations. Load factors on the 707s to date have averaged 85 per cent. These heavy jet passenger loads have helped TWA to set some outstanding records, both operationally and financially.

With all equipment, during the first ten months of 1959, TWA flew 4,863,109,000 revenue passenger miles.

As of January 1, TWA's timetables show 28 jet flights in the United States and, in 1960, TWA plans to augment its domestic jet fleet with the Convair 440.

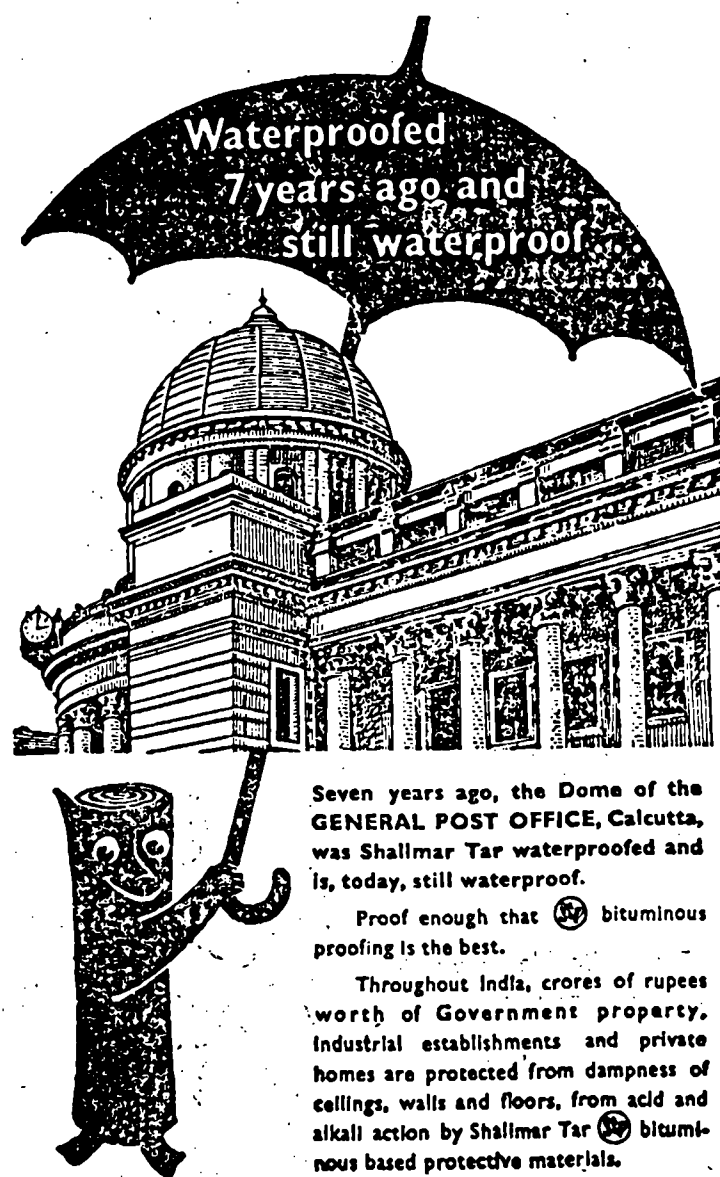
For its trans-Atlantic jet operation, TWA introduced in November the larger, longer-range version of the Boeing 707—the Intercontinental jet. This fast service, non-stop to and from Europe, providing both deluxe and low-fare economy class accommodations on the same luxury jetliner, also won immediate public acceptance.

As of January 10, the three times a week service to Paris and Rome was stepped up to daily schedules, and since January 17 service to London and Frankfurt has also been offered daily.

While the jet operation naturally received top acclaim during 1959 because of its newness and glamour, TWA still had 130 piston-powered aircraft flying the line with exceptionally good load factors. With a fine performance by the combined jet and piston fleet, TWA flew a record-breaking 5,660,000,000 passenger miles. This mileage represented a 75% load factor and an increase of 23% over the mileage in 1958.

TWA noted significant advances in air cargo transportation in 1959, too. During the year, TWA greatly expanded its cargo capacity with a fleet of Super-H Constellation all-cargo Sky Freighters, offering a combined domestic and international all-cargo airlift potential of 6,157,000 available ton miles a month.

For the first nine months of 1959, TWA announced earnings, before taxes, of \$18,353,000 resulting in a net profit after taxes of \$9,068,000 or \$1.36 a share, both all-time highs. This compares with a loss for the first nine months of 1958 of \$1,824,000 or 17 cents a share.



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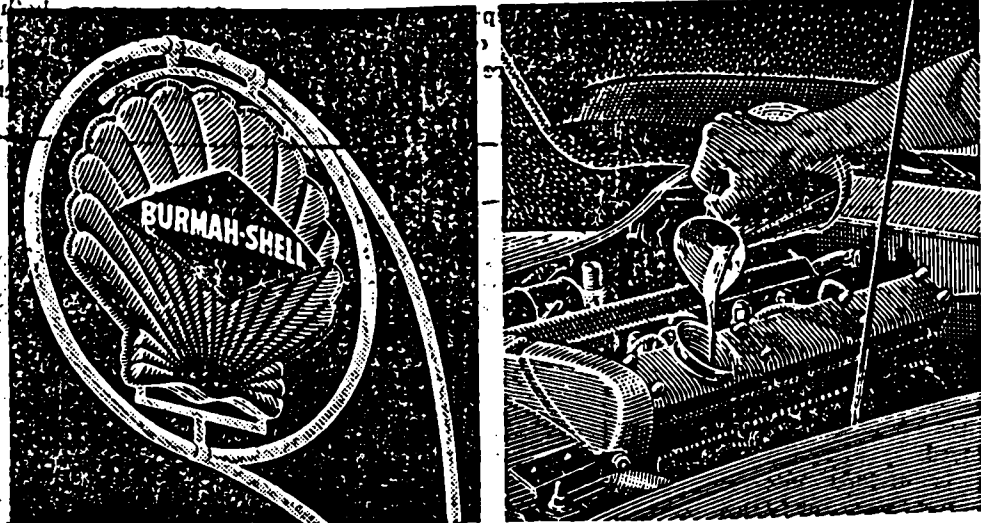
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IT was a splendid idea of the trustees of the Sir Dorab Tata Trust to have asked Sir Oliver Franks to deliver the first series of the Sir Dorab memorial lectures. It is difficult to think of another person so admirably suited for the purpose, for, such men, as Sir Homi Mody said at the conclusion of the series, "do not grow on the hedges." Sir Oliver's first visit to India has fortuitously coincided with a rather piquant moment in his life. He has been nominated to the post of Chancellor of Oxford University. This is —pace Oxonians—no earth-shaking event in itself, but what has made it impinge on public consciousness is the fact that Mr Harold Macmillan has also been nominated, and the vicarious thrills of a general election are being sedulously purveyed by "publicists." In consequence, people who had hardly been aware of a life rich in political and monetary usefulness suddenly began wondering about Sir Oliver. But those who had known of his services to his country as Ambassador at Washington, as Chairman of Lloyds Bank and as a member of the Radcliffe Committee knew that the lectures would be rewarding; since the subject was the Radcliffe Report itself, public interest was keen.

There was another reason for public interest in this country in Sir Oliver. He is one of the three members of the "Bankers Commission" who will tour India and Pakistan, and then report to the World Bank about the needs of their developmental finance. In fact, the Mission is now "officially" in Delhi. It was natural that we should like to know what Sir Oliver thought of our own monetary policies. In the event, however, Sir Oliver explicitly refused to draw any morals for India. Instead, he asked his audience to do so if they felt like it. This is what I propose to do. I know there are some dangers in so doing, but, though special remedies have got to be devised for particular diseases, the compulsions on monetary and fiscal policies are broadly the same—up to a point—everywhere.

In the first of his three lectures, Sir Oliver dealt with the profound changes that had come over the objectives of monetary policy in the years between the Macmillan Committee's Report in 1930 and the Radcliffe Committee's Report in 1959. In his second lecture, he spoke about the effectiveness—or ineffectiveness—of monetary instruments in dealing with monetary behaviour and general economic trends. In his last lecture,

Clive Street Gossip

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

he dealt with the international aspect of monetary policy. I shall try and formulate how far the generalisations that Sir Oliver applies to the UK are relevant to Indian experience.

Objects of monetary policies have changed in the last thirty years, not only in the UK but all over the world. In India, as in the rest of the world, there has, in the words of Sir Oliver, been "a large shift in the relation of the Government to the general economic life of the country." Sir Oliver mentions, among the responsibilities now taken on by governments, those for "full employment and balance of payments and the economy growth." In India, the responsibility for the first is avowed, but it is to be ruefully admitted that the time when Government will be able to discharge it satisfactorily is still very far off. Such a discrepancy is probably not possible in the UK today. Though we often hear of wistful references to "optimum unemployment", no Government, Conservative or Labour, can politically survive any such admission.

Incidentally, one of our political problems is this avowal of—or impossibility of renouncing—economic responsibilities that we are admittedly in no position to discharge immediately. (This creates a certain amount of confusion, but it cannot be helped). The problem has often been posed by Mr Nehru as one flowing from the reversal in our case of the historical sequence of political emancipation preceding—or being far ahead of—economic emancipation. In many ways, this is the core of many of our other economic dilemmas also, and constitutes an additional reason for departure from monetary orthodoxy.

The responsibility, for the second—namely, balance of payments—is something that no modern state can disown. And the responsibility for economic growth is something no Government, however obstinately wedded to "free enterprise", can, under modern conditions, totally avoid. Some countries assume more, and others less. Great Britain takes on more than, say the United States; and India more than, say, Pakistan. But the important point is, as Sir Oliver

put it, "it does not make any difference from this point of view whether a Conservative or a Labour Government is in power. They are equally committed to these broad economic ends." In the case of India, I will go a step further, and say that such commitment is not merely expedient but inescapable. These compulsions are not only political but also economic. In a developed economy, there is room for argument whether or not the Government can remain an onlooker or, at worst, an umpire, though, even there, the umpire rushes into the game often enough. But, in an under-developed economy, there is no room for any such arguments.

These new responsibilities of the State have inevitably affected monetary policies all over the world. Of course, the fundamental task of monetary policy is the maintenance of monetary stability and only secondarily to subserve the other economic objectives, such as increasing the economic resources of the community and securing welfare on the widest commonality spread. Often enough, there arise situations in which there is an apparent conflict in the pursuit of these simultaneously. Such conflict is not merely between the fundamental and second-

ary aims, but also between the different secondary aims. Drawing on British experience, Sir Oliver referred to the conflict between full employment and price stability and balance of payments. In India, too, we are familiar with similar conflicts. The precise limits of deficit finance as legitimate stimulant of development is an example.

The third change that Sir Oliver noted in the British economic scene since the war is the change in the character of annual Budgets. It is no longer merely the "nation's yearly housekeeping." This being so, monetary policy and monetary instruments are no longer the sole or even prime regulators of the economy. There are, then, administrative acts like controls and rationing, which again regulate the economy as much as monetary and fiscal measures. Thus, not only the ends but the means of economic tasks of the nations have undergone a radical change with consequent modification of the role of monetary authorities. Many would try to simplify the change as consisting merely of the central bank taking its orders from the Treasury—a view that ignores the complex compulsions behind the close cooperation between the two custodians of the nation's economic health. Sir Oliver rightly regards the development of this "partnership" as one of the most significant happenings of the post-war years.

Another development that Sir Oliver regards as having had a

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profound effect on monetary policy in England is equally relevant to Indian experience. It is the steady growth of the public sector. As in England, in India, too, the size of the annual Budget in relation to the national income is increasing. Government spending is so powerful a factor in regulating general demand that many in India blame such spending for many of our ills. These certainly have affected monetary policy, though not in the same way as in England.

In his second lecture, Sir Oliver discussed the extent to which purely monetary instruments are capable of affecting trends. The conclusions he draws are in their detail mainly relevant to British experience, but it is clear that the range of effectiveness of purely monetary devices like change in interest rates is narrow and not immediate, though it can be very real. But, in times of stress on balance of payments, more drastic action was necessary.

For instance, administrative decisions like curtailment of expenditure in the public sector will have a significant impact. Even among monetary or quasi-monetary measures, direct "credit squeeze" is more immediately effective. Restriction of hire-purchase transactions, by making conditions of such borrowing more onerous—heavier initial payments and a smaller number of instalments and a shorter period of credit—can, for example, have quick effect. As far

Indian Finance

as India is concerned, with its large unmonetised sector, bank rates have even less impact on the volume of credit. I shall not rashly rush into fields that Sir Oliver said the Radcliffe Committee deliberately avoided—the "question of inflation." But, it seems to me that, in India, purely monetary solutions to the problem, like raising of bank rate or devaluation of the rupee, will not only not solve anything but create innumerable new headaches.

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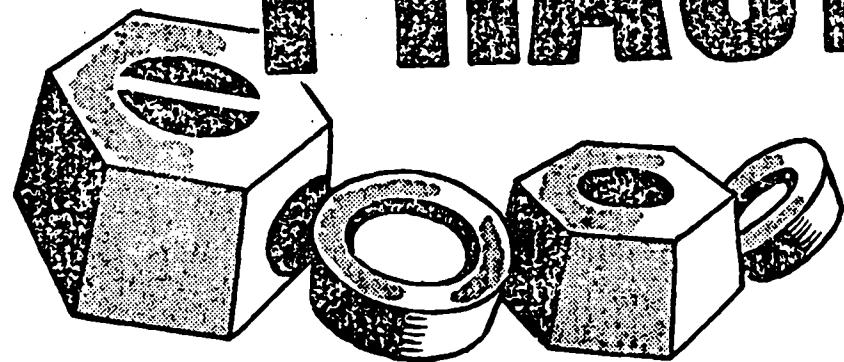
The last lecture of Sir Oliver concerns itself with the international aspect of British monetary policy. Sir Oliver feels that reserves at the disposal of the British monetary authorities are insufficient both from the point of view of probable demands of international payments and from the viewpoint of the sterling area's requirement vis-a-vis the other areas. Impressive as the figure of reserves looks—£1,000 million—they are not large in relation to the total volume of transactions, which is around £10,000 million. From the standpoint of the sterling area as a whole, too, there is need for strengthening the position, though the present situation is comfortable relative to the one some years ago. As a long-term idea, the Radcliffe Committee commended the suggestion of an international central bank, a sort of central bankers' bank, free to accept deposits and to extend overdrafts in various currencies. The attraction of the idea is obvious.

*

And now, a word about the Bankers' Mission itself. It seems to me that, essentially, the task of the three bankers will be to make an assessment of the credit worthiness of this country and thereafter to report back to the World Bank. The current Mission may be said to be the logical offshoot of the special meeting of India's creditors called by the World Bank in August 1958. At that time, the creditor nations were supposed to consider how they could "bail out" India. And at the present moment, it may well be that, unofficially, an appraisal is being made of this country's ability to utilise foreign assistance as also to discover if and when India will be able to make repayment of loans now taken. That is to say, will foreign assistance to India be just so much money down the drain? Or will it enable India soon to meet the servicing charges, etc.? Lastly, when will India be able to earn enough foreign exchange so that loan repayment could be commenced without further aggravating the balance of payments? These are, I suppose, just some of the questions that the Bankers' Mission will address itself to.

EAVESDROPPER.

SECOND PHASE



On October 1, 1958, Metric weights were introduced in selected areas and regulated markets in all States and Union Territories with a two-year time-limit for complete change-over.

THIS TWO-YEAR PERIOD WILL END ON SEPTEMBER 30, 1960, AFTER WHICH USE OF METRIC WEIGHTS WILL BE COMPULSORY IN THESE AREAS.

Plans are under way to launch the second phase of the reform and extend the use of Metric weights to the remaining areas in the country. Already Metric weights have been introduced in the whole of Kerala. Other States will follow suit soon.

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GATEWAY GOSSIP

The Vanaspati Controversy

LATTERLY, the vanaspati industry has received a good deal of unsolicited publicity. Following some remarks made by a Union Minister in Parliament about vanaspati, the controversy about the relation between the consumption of fatty foods and the incidence of heart disease in human beings has been taken up by the general Press, thereby making the confusion worse confounded. It is contended by some that, since hydrogenated oil or vanaspati is deficient in essential fatty acids, consumption of vanaspati may lead to the development of coronary heart disease. Proponents of this theory further aver that the increase in heart disease in Western countries is attributable to the type of fat consumed.

It is rather strange that, in a matter which is closely connected with the dietary of the people, our Government should have allowed ambiguous statements to be made on their behalf. Besides the damage such half truths would do the industry concerned, the man in the street is left in grave doubt. It would appear that nothing has been done by Government, except perhaps referring the matter to the Indian Council of Medical Research, which body is now conducting experiments to determine whether diets and dietary fats play a major role in the development of heart disease. One would expect authority, having sowed the seeds of doubts as to the harmlessness of vanaspati and being in no position to give an unambiguous verdict, to have made available to the public all available views on the subject. It must be remembered that there are quite a number of people in every country who will refrain from using a particular commodity if there is the slightest sus-

picion about its merits, especially if that commodity happens to form part of their diet. Some others there are who will decide to cut down their consumption of the commodity to the barest minimum. It is quite possible that some such developments have taken place in our country with regard to the consumption of vanaspati in recent months. But it would appear that a large majority of vanaspati consumers have not taken much notice of the present controversy. On the contrary, they seem to have increased their consumption. For, production of vanaspati has increased in 1959 by about 20,000 tons as compared with the previous year. But one would be wrong if one assumes that the industry, like so many an industry, has been making rapid progress during the current five year plan. As a matter of fact, the industry is yet to be stabilised. The Planning Commission had calculated that, with its installed capacity of 445,000 tons at the beginning of the Second Plan, the vanaspati industry would be able to cope up with the increase in demand that was likely to be encountered during the current plan period. As the consumption of vanaspati during the First Plan increased at an average of about 20,000 tons per annum, the Commission assumed that the rate of increase would rise to about 25,000 tons per annum during the Second Plan. Thus, internal consumption of vanaspati was estimated at about 380,000 tons in 1960-61. An export of 20,000 to 25,000 tons per annum was envisaged and, therefore, a target of about 400,000 tons was considered quite adequate. As against this target, production in 1959 amounted to only 315,500 tons. The slow progress of the industry is said to be due to the difficulties that have come to be encountered in recent years on the export front, largely because of the high domestic price of edible oils.

Pending the findings of the Indian Council of Medical Research, the public should be grateful to Mr S. H. Turner, Chairman of the Vanaspati Manufacturers Association for his guidance. He has devoted his speech at the annual meeting of the Association last week in Bombay, exclusively to an examination of the present controversy about vanaspati. Referring to the fact that much publicity has been given to the theory that a "high serum cholesterol level" in the blood is the cause of heart disease and that this level is raised by excessive consumption of fatty foods, he has pointed out that, in fact, there is no proved connection between high blood cholesterol and heart disease. Not all sufferers from coronary heart disease have a high serum cholesterol level, nor is a reduced serum cholesterol level a guarantee of freedom from this disease. It is also wrong to think that cholesterol is bad, for, it is a normal component of the body. It is yet to

be determined what a "normal" cholesterol level is. This is also borne out by the fact that the average serum cholesterol values for Americans and Western Europeans are considered higher than those for Afro-Asians. Again, experiments have shown that serum cholesterol is raised by the highest level with coconut oil and butter fat (ghee), less with hydrogenated vegetable oils (vanaspati) and least with liquid oils. It is also to be noted that many other factors such as mental strain and physical activity may affect this level. Similarly, recent research has disproved that consumption of hydrogenated oils causes heart disease. It has also been observed that death from coronary heart disease is comparatively low in Norway where the consumption of hydrogenated oil is 29 lb per capita as against 10 lb in the US and 8 lb in the UK. The per capita consumption of hydrogenated vegetable oil or vanaspati in India is only 1.8 lb.

Authoritative clarification of the position of food fats does not seem to have found conclusive evidence to connect dietary fats with heart disease. The US Food and Nutrition Board's Committee on Fat in Human Nutrition has this to say on the question: "A large amount of information has been made available in recent years relating fats to the causation of atherosclerosis, coronary artery disease and other similar diseases. However, the data are so incomplete and conflicting that it is impossible to draw conclusions which are universally acceptable to nutritionists and medical authorities". It is also significant that the "Food and Drug Administration of the US Department of Health Education and Welfare made it a punishable offence for manufacturers of salad oils and other food products containing high proportions of unsaturated oils to claim that the consumption of these products was remedial to people suffering from heart or circulatory diseases".

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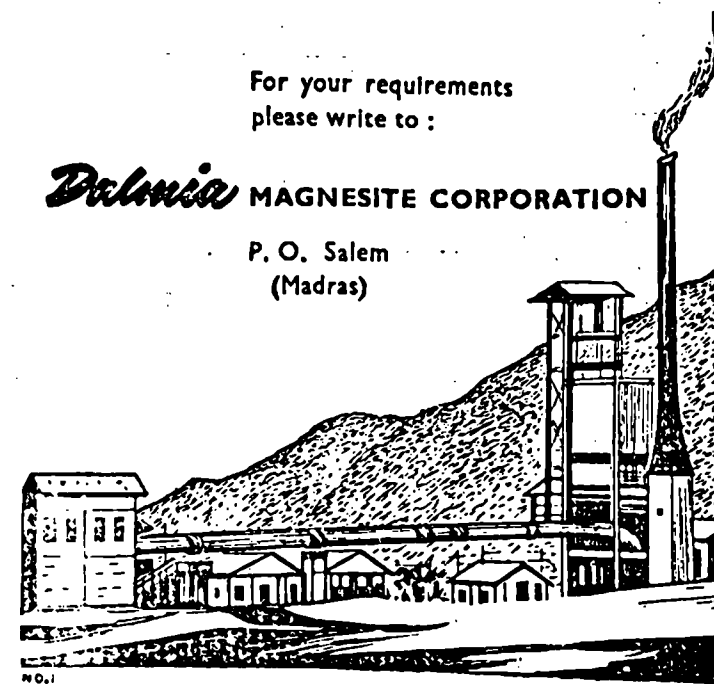
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OLYMPUS

The Latest on Joint Farming

THE latest report on co-operative farming, that of the Working Group headed by Mr S. Nijalingappa of Mysore, will not be the last, for, as far as one can look ahead, at least two more reports will have to be awaited before the public can decide whether the attempt to reorganise farming on co-operative lines will peter out or gather momentum. The first of these prospective reports may be available in the course of the current year after the official delegation to Israel and Yugoslavia has completed its studies of co-operative farming in those countries. And the second—possibly in the nature of an evaluation report on the working of the first batch of 400 "pilot" co-operative farming societies recommended by the Nijalingappa Committee—may be expected to be available early in 1962. Since the possible organisation of 2,000 co-operative farming societies in 1962-63 will depend, it may be rightly expected, on the results of the working of the first batch of "pilot" societies to be organised in 1960-61, there will be enough time for both the protagonists and the opponents of the co-operative farming idea to come to dispassionate and objective conclusions in the light of experience.

As it is, the experience of co-operative joint and collective farming in about 1,100 societies actually working in different parts of the country as on 30th June, 1958, are not conclusive on the most crucial point of productivity about which the Nijalingappa Committee itself has admitted that "figures for comparing the yield of co-operative farms with that of individuals working in similar conditions were not available". In the circumstances, neither the intentions—good or bad—of Congress leaders nor the ideological heat and pre-conceived notions imported into the controversy over co-operative farming seem to be quite relevant. After all, the Nijalingappa Committee

has recommended a staggered programme which is manifestly modest and cautious although the co-operative farming idea has been actively (though rather ineffectively) canvassed, both at the official and the non-official levels, since 1944, when the Bombay Plan publicised by eight leading industrialists gave the lead in the following arguments:

"Increase in agricultural production, however, presupposes certain fundamental reforms. The most important question to be solved is that of the size of agricultural holdings. The average holding at present is not more than 3 acres scattered over the village in tiny fragments. Although there may be definite limits to the advantages arising out of consolidation of holdings and increase in their size, it is one of the main reforms which would be necessary for the adoption of intensive farming. To bring it about, co-operative farming appears to present less difficulties than any other method that may be suggested. It increases the size of the holding for purposes of cultivation without depriving the cultivators of their right to the ownership of their existing holdings. In order that co-operative farming should come into vogue as early as possible, some measure of consolidation appears desirable". (Italics ours).

".....With the development of co-operative farming, the enforcement of minimum agricultural wages, which otherwise might present formidable obstacles, would become less difficult".

".....it (the ryotwari system) has the great advantage of bringing the actual cultivator directly in contact with the state. This gives to the cultivator a better status and awakens the state to its responsibilities (italics ours) in the matter of co-operative farming, irrigation, prevention of soil erosion, etc., without which even under a ryotwari system no agricultural improvement would be possible".

Those were the arguments of industrialists among whom were such illustrious leaders to opinion as J. R. D. Tata, G. D. Birla and A. D. Shroff, since then an impressive array of arguments has established a

prima facie case for co-operative farming. But this case is still largely theoretical as far as this country is concerned. Whether or not it will work will be known only when the programme recommended by the Nijalingappa Committee is implemented and evaluated.

It thus becomes necessary to highlight here the suggested programme. Since the Committee has found that a number of co-operative farming societies visited by it have succeeded in "improving the economic and social conditions, particularly of small and middle cultivators" and since "the growth of co-operative farming societies has not so far taken place on systematic and proper lines", it has recommended that 320 carefully planned pilot projects be carried out in the next four years in those N.E.S. blocks where the co-operation programme has advanced so that there may be one project per district. Each pilot project should cover 10 societies which are to be "so organised and managed that they will serve as catalytic agents for further expansion". The phasing of the proposed pilot projects (societies) will be as under:

Year.	No. of projects.	No. of societies.
1960-61	40	400
1961-62	60	600
1962-63	90	900
1963-64	130	1,300
Total	320	3,200

It is the Committee's belief that "the pilot projects will enable the agriculturists to see the benefits that accrue from co-operative farming and their misgivings, if any, would be dispelled". And it is also expected that as a result of the working of the pilot projects, the programme of education and training and the widening of co-operative effort in general, the idea of co-operative farming would gain ground and that 20,000 new societies would come into existence by the end of the Third Five-Year Plan. Although the Committee has made no "firm" recommendation regarding such expansion, the growth of new societies is "envisaged" as under:

Year.	No. of societies.
III Year (1962-63)	2,000
IV " (1963-64)	3,000
V " (1964-65)	5,000
VI " (1965-66)	10,000
Total	20,000

Pitting the two sets of figures together—one set pertaining to the proposed pilot societies and the other covering the additional societies envisaged—it will be found that 23,200 societies in all will be functioning at the beginning of the Fourth Plan in the best of circumstances visualised by the Committee. In terms of villages, they will probably cover no more than 12,000 out of the 600,000 villages in the country. In other words, the expansion visualised will

cover just 2 per cent of the cultivated area of the country, assuming that the pilot projects will demonstrably succeed to the point of ensuring such expansion. At this rate, no widespread "revolution" on the agrarian front need be expected even after six or seven years. After all Indian agriculture which will continue to be overwhelmingly individualist in character can well afford to have a few co-operative farms, a few state farms, a few large-scale capitalistic farms and a few plantations in its fold. And that will be so much variety in farming even as there is variety in every other sector of Indian economy and polity.

That apart, progress in the direction of cooperative farming is bound to be exceedingly slow even otherwise. The most important inhibiting factor here will be finance. The Committee has estimated that the total financial requirement of the programme covering 23,200 societies will be of the order of Rs 35.3 crores for loans, subsidies and share capital contribution, education and training of co-operative farming personnel and expenditure on technical staff, advisory boards and their complementary staff. If this rate of outlay is assumed for introducing co-operative farming throughout the country, it will come to a total of about Rs 1,750 crores! The education and training part of this outlay alone will account for Rs 210 crores. Even if all this money (Rs 210 crores) is allocated, during the Third Plan period, to training and education of personnel, there will still be severe physical limits to the required facilities for training.

It would thus appear that the concluding hope of the Nijalingappa Committee that "co-operative farming will emerge as a pattern of agriculture in the country" may not be fulfilled in the life-time of the present leaders—Congress and Swatantra. He would be no cynic who doubts if even 20,000 new societies (besides the pilots) will come to be organised by the end of the Third Plan, for, there is no knowing, as of today, whether unit-area yields in the pilot co-operative farms will be significantly greater than in the adjacent individual farms. Whatever other benefits it may or may not bring to its members, the co-operative farming society will have really failed if it does not bring about greater per-acre productivity. If it fails, there, it will have been deprived of a supreme economic justification from the national point of view. The national interest is that absolute production has to be increased greatly through an increase in per-acre productivity for the simple reason that there are no virgin lands of any consequence remaining to be brought under cultivation on any tangible scale. If a city has not much land space for expansion, it has to build skyscrapers. Even so, if there are not enough virgin lands, more production will have to be obtained from the lands already under cultivation. If co-operative farming works that way, it is bound to be encouraged. Otherwise it will be quietly allowed to peter out. No prophetic powers are required to say this.

THE PENINSULA

Mr Reddy's reliefs in Andhra Budget

AMID deeply concerned speculations over impending new central taxation proposals, it is a relief to be told by the Andhra State Finance Minister, Mr K. Brahmananda Reddy, that he had proposed relief for the State's industrialists and agriculturists by presenting a surplus Budget which, however, has been turned into a deficit because of the provision of relief.

The Andhra State Budget for 1960-61 shows a surplus of Rs 20.01 lakhs. This has been converted into a deficit of Rs 25.6 lakhs as a consequence of new concessions amounting to Rs 45.7 lakhs.

BUDGET AT A GLANCE

(In lakhs of rupees)

Accounts	Revised Estimate 1959-60	Budget Estimate 1960-61
Revenue	6752.23	7809.19
Expenditure	6341.97	7813.21
Surplus	410.26	194.98

The Minister said that improvement in revenue in the next year was expected mainly from land revenue (Rs 50 lakhs), excise duties (Rs 42 lakhs), sales (Rs 52 lakhs), other duties and taxes (Rs 29 lakhs), industries and supplies (Rs 27 lakhs), Central taxes and grants, (Rs 164 lakhs) and miscellaneous (Rs 46 lakhs).

On the public debt position, the Minister stated that funds required to meet the liability toward instalments of loans for repayment next year will be of the order of Rs 11.25 crores. Public borrowing was of the order of Rs 13 crores. There will, therefore, be hardly any amount left for supplementing the resources available for financing the Plan schemes.

The Minister observed that this was causing some anxiety in the context of the State's needs for financing the Third Plan. He hoped, however, that the next Finance Commission would take this factor into consideration in assessing the State's requirements.

The 1959-60 revised estimates disclose revenue at Rs 78.08 crores while revenue expenditure has been placed at Rs 76.13 crores. There is thus a revenue surplus of Rs 1.95 crores. The coming year's Budget estimates record a further improvement by showing the revenue receipts at Rs 82.18 crores, leaving a surplus of Rs 20 lakhs over the estimated expenditure; capital expenditure during the next year has been estimated at Rs 32.44 crores against Rs 30.10 crores in the current year.

The public debt liability at the end of March 1960 is expected to stand at Rs 186 crores. The year

The concessions announced are: (1) suspension of the special assessment on groundnut and cotton for three years; (2) exemption from tax of the sales of cotton yarn consumed by the State's handloom industry; (3) exemption from tax on the purchase of oilseeds by ghanis-owners if they are eligible for exemption on the sales of the produce of ghanies and (4) reduction in the rate of tax on the sales of oil cake from 3 per cent to 2 per cent.

No fresh taxation proposals have been made in the budget.

The State's revenue was placed at Rs 82.18 crores and expenditure at Rs 81.98 crores.

Capital outlay in the expenditure will be Rs 32.4 crores.

The Budget estimates include a sum of Rs 44.04 crores for Plan schemes.

Announcing that there was no proposal for fresh taxation, the Finance Minister said the question would be examined separately, and if necessary.

ernments had to take steps to conserve stocks and regulate food-grains prices. Mr. Brahmanand Reddy, by the way, also referred to the Central Government's refusal to separate Andhra as a separate food zone.

Regarding the wholesale prices of most commodities, the Minister stated that while there was a downward trend early in 1959, they firmed up by May 1959 and that trend was still continuing.

Industrial production was comparatively better in 1959. The monthly average production indicated a rise in cotton, yarn, liquor, fertilizers, glass, cement, coal, paper and cigarettes, but declines in the case of cotton piecegoods, jute, asbestos and sugar from 1958 levels.

Reviewing the financial position of the State since the formation of the Andhra State in 1956, the Minister gave the following details on the growth of expenditure in the period 1956-57 to 1960-61:

Heads	Estimated Expenditure in 1956-57	Estimated Expenditure in 1960-61
(In lakhs of Rs)		
Agriculture	128	343
Veterinary	51	143
Co-operation	55	195
Education	926	1525
Medical and Pub.		
Health	328	728
Industries	120	195
Civil Works	301	529
Community Development	409	450

The year 1958-59 opened with a cash balance of Rs 3.00 crores. Revenue Receipts and Revenue Expenditure during the year amounted to Rs 67.52 crores and Rs 63.42 crores respectively which resulted in a surplus of Rs 4.10 crores. The expenditure on capital account was Rs 24.71 crores while public debt rose by Rs 18.56 crores. Deposits and advances and other debt head transactions revealed a net income of Rs 5.00 crores. The year closed with a balance of Rs 5.95 crores.

The revised estimates for 1959-60 provide for a total revenue of Rs 72.04 crores.

Here are some of the important items of fresh expenditure for which provision has been made in the 1960-61 estimates:

1. A sum of Rs 9 lakhs (Rs 4 lakhs as grant and Rs 5 lakhs as loan for improvement of Visakhapatnam Beach;
2. For replacement of overaged and uneconomical vehicles in the police department, a sum of Rs 9 lakhs has been set apart for the Budget year; the proposal is to provide Rs 45 lakhs, spread over a period of five years, for complete replacement of such vehicles.
3. Rs 10 lakhs for jeeps for the Telangana Revenue Department.
4. Rs 4.71 lakhs for opening fire stations at Karimnagar, Mahabubnagar, Tadepalle, Tadipatri, Narasaraopet and Madanapalli.

5. Rs 8 lakhs for Panchayat improvement and village communalities.

6. Rs 4.48 lakhs for strengthening the Local Fund Audit Department.

7. Restoration of total compensation to Municipalities—Rs 5 lakhs.

8. Enhanced share of entertainment to Municipalities from 80 to 90 per cent for which a provision of Rs 7.60 lakhs been made.

9. Housing schemes for Harijans an increase to Rs 20 lakhs.

10. Rs 10 lakhs for starting cottage and small scale industries in the cities of Secunderabad and Hyderabad.

11. For purchase of equipment and medicines, particularly in Telangana, Rs 24.00 lakhs.

12. Rs 35.00 lakhs for maintenance of highways and district board roads.

As regards capital outlay involving Rs 32.44 crores, power, including capital expenditure to be incurred through the Electricity Board, is put at Rs 291.82 lakhs; Irrigation at Rs 1,677.8 lakhs; Civil works at Rs 577.12 lakhs; Public Health schemes at Rs 108.67 lakhs; investment in industrial concerns and undertakings at Rs 339.64 lakhs; commutation of pension at Rs 119.12 lakhs; and compensation to zamindars at Rs 129.86 lakhs.

Among the principal items of capital outlay are: Nagarjunasagar Project Rs 900 lakhs; Tungabhadra High level Canal Rs 133.69 lakhs; Pochambadi project Rs 60 lakhs; Kadam project Rs 50 lakhs; Tungabhadra Hydro-Thermal scheme Rs 67 lakhs; Upper Sileru Electric scheme Rs 92.45 lakhs; Rural electrification Rs 116.91 lakhs; Fertilizer factory Rs 150 lakhs.

The Finance Minister announced that a fertilizer factory with a capacity to produce 80,000 tons of nitrogen annually will be set up near Kothagudem based on the coal gasification from the Singareni collieries. This recommendation made by the Government of India Technical Committee has been accepted. The production of the factory will consist partly of urea and partly of a complex fertilizer, nitrophosphate. The India Government, the Minister added, had assured Andhra of their full support. Necessary foreign exchange would be made available by long term credits.

Tender specifications are under preparation and contracts would be awarded in a few months time. The fertilizer factory would be commissioned in 1963. The ownership and management would be transferred to a limited company, expected to be registered shortly. The Andhra Government will own 51 per cent of the shares with substantial room for participation of private capital.

In conclusion, the Finance Minister observed that the Budget for next year discloses an anticipated closing balance of minus Rs 8.62 crores which could have been avoided by pruning the expenditure programme.

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WORLD OF JUTE

Supplies Drying up in the Up-country?

Interest in the jute markets continued to be mainly confined to the raw jute section. Last week, I explained at some length the significance of the present firmness of raw jute. It is perhaps inevitable, having regard to the large part played by Dame Weather in determining the size of the jute crop from season to season, that the conditions in the jute industry and trade are determined by the raw jute supply position. Of course, efforts are in train to minimise the effects of some uncertain elements, but it is to be admitted that, since jute is a crop which requires different climatic conditions and different levels of water supply at the various stages of its growth, Dame Weather will continue to have a big say in the World of Jute.

It was generally believed, till a few days ago, that, after the near

panic condition created in the jute markets in December last by those who asserted that, in the current season, jute supply to the Indian industry would be inadequate, wiser counsel has come to prevail; and both traders and mills appeared to have realised that there would not be any shortage of raw jute this season. And there are ample reasons to support this view. Even according to the official jute and mesta estimates—the trade estimate is invariably higher—supply of raw jute during the current season should be more than sufficient to meet domestic requirements, especially since there is a sizable carryover from last season. Furthermore, there is the Government assurance that domestic supply of raw jute will be augmented by increased exports, if need be. These have been considered to provide conclusive evidence to the supply of raw jute during the current season: being sufficient to meet mills' requirements and leave a modest quantity to be carried over to the next season.

But, since a fortnight or so ago, doubts seem to have revived. Evidently, the fresh apprehensions have stemmed from the fact that imports in uncountry centres have begun to fall off perceptibly in recent weeks. With still nearly six months to go for the new crop to become available, it is too early in the current season to expect a drying up of supplies. On the contrary, it is to be expected that supplies will be large up to the end of the season, because crop

movement this season has been interrupted in the early months due to the floods. One explanation that is offered for this phenomenon is that holders are keeping back supplies in anticipation of higher prices later on. But, from the increased interest that is being evinced by mills during the past few days despite the high price levels, it would appear that the continued paucity of supplies at up-country markets is beginning to break the reserve of mills. This inference is strengthened by the fact that raw jute prices have continued to move up during the past week, even though the trend in the jute goods section is downward. It is undeniable that mills may not be able to make much of a profit on the sales of their manufactures at the present juncture, as they have to pay high prices for their raw material. But if the alternative to purchasing raw jute at high prices is curtailment of working due to shortage of the raw material, then the present behaviour of mills become intelligible. This is a situation which is sustained by calculations based on factors which do not lend themselves for verification. It will be incumbent on Authority, therefore, to take such measures as will bring about a reasonable price level in the raw jute market if the present trend persists.

Conditions in the jute goods market were quiet most of the time during the past week ended Wednesday. Although there has been some interest noticeable in particular varieties, heavy cees are reported to be in keen

request from the Far East, and some covering business has been in evidence in hessian, the market, as a whole has had little in the nature of fresh foreign enquiries. Toward the close of the week, there have been reports of a Burmese tender, and this, perhaps, explains the slight improvement in sentiment noticeable on Wednesday. The firmness in the raw jute section has also contributed to the steadiness in the goods section.

PRICE TRENDS

	As on 18th Feb	Week's Low 24th Feb	As on 24th Feb
Hessian:			
40" x 10 ozs:			
Ready	41.25	41.05	41.50
March	41.40	41.25	41.60
Apr/June	41.70	41.40	41.80
July/Sept	41.60	41.30	41.70
40" x 8 ozs	33.75	33.60	33.85
40" x 7 1/2 ozs	31.40	31.30	31.55
Sackings:			
B. Twills:			
Ready	113.70	111.25	112.50
March	112.70	111.25	112.50
Apr/June	111.90	110.70	111.50
July/Sept	109.50	108.85	109.85
Hy. Cess			
(Green)	114.60	114.00	115.25
Corn sacks	114.00	112.00	113.00
Cubans	133.00	133.00	134.00
A. Twills	136.50	136.00	137.00
L. Twills	126.50	126.00	126.75
D. W. Flours	137.50	136.00	136.00
Sugar Twills	128.00	127.00	127.25

Futures:			
Hessian—Feb	41.18	40.94	41.06
—May	41.58	41.28	41.68
Sacking—Feb	113.05	110.10	110.80
—May	111.80	110.05	111.05
Raw Jute—Mar	30.84	30.16	30.90
*This delivery closed on 23rd Feb.			



Tea Target for Third Plan

ACCORDING to a draft prepared by the Working Group of the Union Ministry of Commerce and Industry, India's Tea production target is expected to be 850 million pounds for the Third Plan, representing an increase of about 150 million pounds over the production in 1959. In the Second Plan, no specific production target was laid down for tea. It was, however, expected that, through the normal process of development, production would increase to 700 million pounds by the end of the 'Plan' period. The production in 1959 is officially estimated at 696 million pounds.

Laying stress on internal consumption, the draft says that, in times of fluctuation in export, a stable internal demand gives the industry an outlet for part of its production. Internal consumption is stated to have risen from 173 million pounds in 1953-54 to 233 million pounds in 1957-58. With rising standards of living, increase in per capita income and scarcity of milk, it will not be unrealistic to expect an increase in internal consumption by 10 million pounds annually on an additional production of at least 250 million pounds, if not 300 million pounds by the end of the Third Plan period.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 68,035 packages. There was a fair but not very general demand at rates which showed a further general decline of 2 nP to 6 nP per pound. Clean well-made Broken were often unchanged and selected lines of Fannings were strong; but the poorer stalky residue types were often difficult of sale at 8 nP to 10 nP below last rates. Medium BOPs, except the few bright liquoring ones, were again weak; but there was a good enquiry for Orange Fannings.

CTC Assams were the strongest feature of the sale and sold readily at generally firm to dearer rates, there being a little more interest shown in broken than in fannings grades. The plainer liquoring, non-wither leg-cut teas were 2 nP to 6 nP per pound easier; but any with bright autumnal liquors were keenly sought after and were often dearer.

Whole Leaf grades tended easier and there was a very limited and selective demand for Darjeeling teas. Following rates (per pound) were quoted:—Clean Black Pekoe Rs 2.16 to Rs 2.20; Plain

BP Rs 1.90 to Rs 1.96; Plain Fannings Rs 1.96 to Rs 2.06; Medium BP Rs 1.90 to Rs 1.96; Medium Fannings Rs 2.04 to Rs 2.16; Best CTC Assam BP Rs 2.45 to Rs 2.60 and best CTC Assam Fannings Rs 2.45 to Rs 2.60.

In the Internal Sale, offerings consisted of 22,431 packages of Dusts and 2,017 packages of Leaf grades. There was a good general demand for dusts, although grainy exportable descriptions were sold at a drop of 6 nP per pound.

The Chairman of the Cochin Tea Trade Association has stated that the increase in sales tax and its legal implications are interfering with the export possibilities of Indian tea rather than the rising internal consumption in the country as portended by the Government of India. This, he says, is a matter of considerable concern to the trade.

Strong representations had been made to the Government for the abolition of sales-tax particularly on teas sold through Cochin auctions. This concession, the Chairman points out, is being enjoyed

by their counterparts in Calcutta and there is, therefore, no justification for discrimination. The Chairman has also called for further reliefs in taxes and duties in order to make Indian teas competitive with those of other centres so as to increase the country's earnings in foreign exchange.

In the Colombo market, offerings totalled 7,420,835 pounds. There was an active demand for best quality Dimbula Broken and Broken Orange Pekoe Fannings at considerably dearer rates. Improved liquoring high-grown were also irregularly dearer; but the plainer and medium descriptions were generally 2 to 5 cents per pound dearer. Low-grown met with a good demand, but were generally slightly lower.

In the Chittagong market, offerings were 17,336 chests of Leaf grades and 4,395 chests of Dusts. The demand for Dusts was very irregular and prices, on average, showed a decline of around eight annas per pound. Plain Sylhet Dust was quoted at Rs 4.40.

Strong representations had been made to the Government for the abolition of sales-tax particularly on teas sold through Cochin auctions. This concession, the Chairman points out, is being enjoyed

FIFTY YEARS AGO, Sardar Pratap Singh Bhumra, now 87, was assembling cranes and electrical equipment as India's first steel works was taking shape in the wilderness of Chhotanagpur.

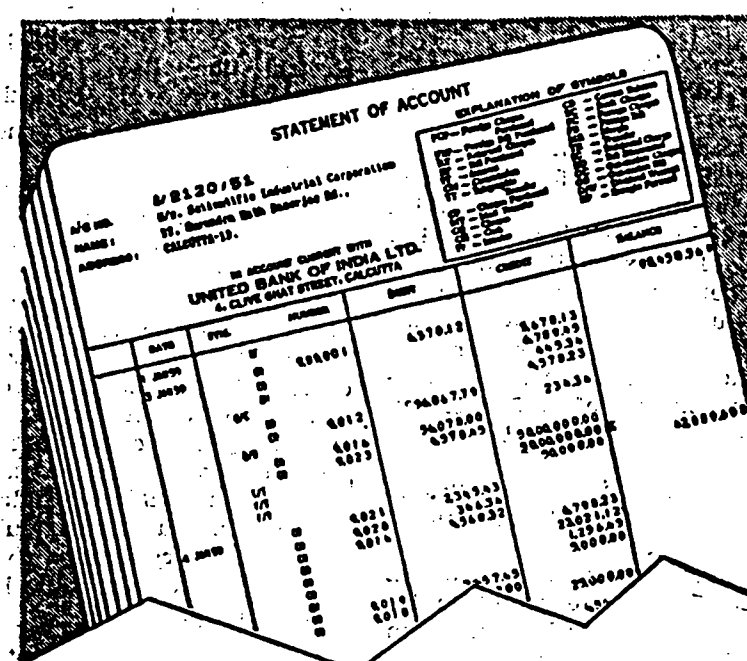
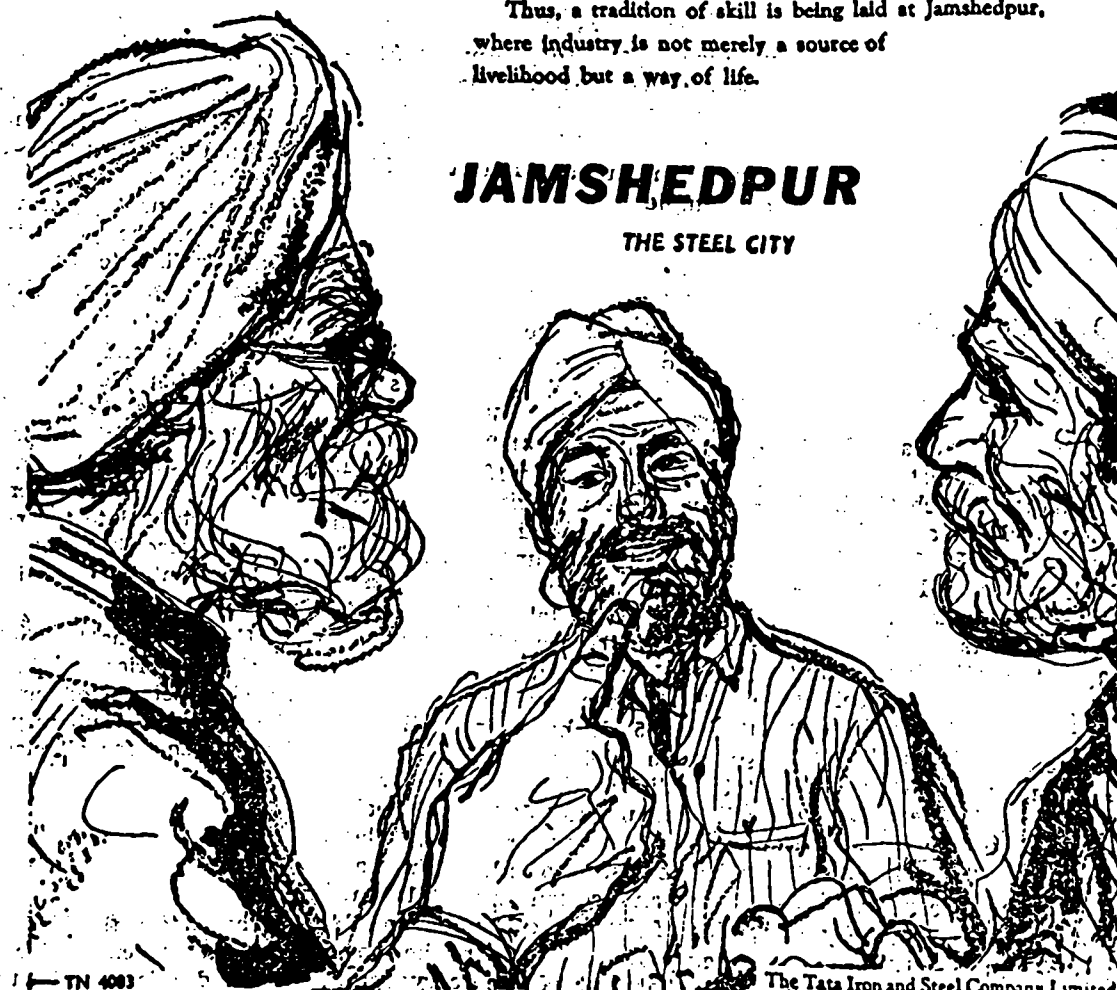
His son, Jwala Singh, joined the steel works his father helped to build. Drawing upon his mature technical skill, he suggested an improvement to soaking pit cranes which won him a reward from Management and appreciation from the American manufacturers.

Hari Singh, Jwala Singh's son, imbibed the family tradition early in life. A young electrician in Tata Steel's Skelp Mill, he was recently sent to Japan to study advanced crane maintenance.

Thus, a tradition of skill is being laid at Jamshedpur, where industry is not merely a source of livelihood but a way of life.

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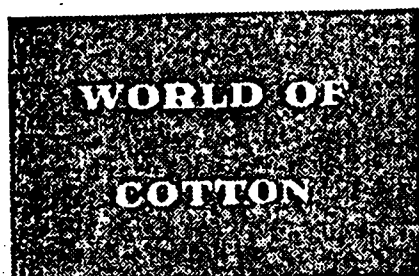
Well done,
dockers—
now you need
a cup of tea!

The market for Leaf grades opened rather shakily; but lately settled down at around 10 to 12 annas below previous rates. Toward the close, however, the demand slackened down when many lots were sold between As 14 and Re 1 under valuations.

Following the last minute settlement of the threatened rail strike, the Mincing Lane tea auction opened as usual with around 67,600 packages. The better quality invoices were in better request with prices moving in sellers' favour. Plainier sorts, however, tended to ease. With the result, the spread between the top and bottom qualities widened at from 3sh 9d to 5sh 7d per pound as compared with 3sh 10d to 5sh 6d in the previous week. Although the price range for plain teas has declined by 2d per pound recently now stands at from 3sh 9d to 4sh 3d, it still stands at about 1sh above the levels of a year ago.

Tea stocks in London, as on the 12th February, totalled 152.85 million pounds as against 152.56 million pounds in the previous week. Total quantity to be landed, on the same date, was 16.87 million pounds. Total afloat was 19.14 million pounds including from Calcutta 11.73 million pounds; from Chittagong 245,260 pounds; from Cochin 498,000 pounds; from Ceylon 5.79 million pounds and from other Ports 873,500 pounds.

The production in Africa continues to increase. According to some reports, an output of probably more than 90 million pounds is estimated for 1959. This compares very favourably with Indonesian production.



Cotton Supply Position

THE inevitable has at last happened. As indicated last week in these columns, the March Contract scored strident rises and pierced the ceiling level of Rs 790 during the non-delivery period and touched Rs 815 unofficially. When tender period starts as from 1st March 1960, the effective ceiling rate would be Rs 820. The ceiling rate has almost been touched much earlier than expected, as the bull operators were able to dictate terms and forced the bears to cover their sales in the advancing market rather in a nervous mood. The distant August contract improved moderately in sympathy to Rs 761 from Rs 748 to finish around Rs 755. Thus, the backwardation charges rose to Rs 56. The fixa-

tion of tendering differences for the maturing March contract had very little effect. Though the outlook for the futures section remains promising, there might materialise moderate setback for the August delivery but no material decline is anticipated as spot prices are ruling considerably higher. However, at the time of the maturing of this contract in August, sentiment would be guided by the progress of the monsoon though, for issue of cotton on docket, there will not be any quality cotton left. If business had been started in May instead of the August contract, the situation would have been different.

Spot Market:

Turnover on the spot Sewri market in Bombay expanded during the week as mills evinced interest for almost all varieties of cotton. Khandesh, Moglai, G2, 0384, Berar, 197/3 were in request. A few Ahmedabad mills were reported to be eager buyers of Luxmi-Joydhar, Western Farm, Vijay and Digvijay. Offerings in Vijay and Digvijay have dried up while prices of Luxmy and Western Farm have advanced. Some spinners have purchased Kalyan Wegad and Kalagin. Khandesh Co2 came to business at Rs 940, Pachora Co2 at Rs 935, Morbi March/April at Rs 900, Porbunder Co2 at Rs 1210 for March, Malegaon Rs 935, Adoni Luxmi at Rs 1065 to Rs 1070 for March, Ganganagar Rs 880, Kitkapura Rs 800, Akda Rs 925, Mogha Rs 785, Karanpur Rs 880, Digvijay March/April Rs 1061, Burhanpur G2 Rs 1075 and Jalna Rs 945. There was nothing particular to note in the foreign section. Some interest was shown in American 1" and Syrian cotton. American cotton of 1" staple changed hands at Rs 1080 to Rs 1104. Among African cottons, Busoga was done at Rs 1385, Bukhadi at Rs 1310 and BP 42 at Rs 1410 while Syrian cotton was put through at Rs 1115 on sample.

Supply and Carryover:

According to the latest indigenous crop estimate of 42.25 lakh bales and possible imports of foreign cotton at 6.50 lakh bales and the carryover of 20 lakh bales as on 1st September 1959, the total supply of cotton during the current season is estimated at 68.75 lakh bales. Total consumption by mills during the season 1960-61 is estimated at 51.50 lakh bales including foreign consumption of 6 lakh bales. With estimated exports of 2 lakh bales and village consumption of 65,000 bales and mill consumption of 51.50 lakh bales, the total distribution for the season will amount to 54.15 lakh bales, leaving a carryover of 14.60 lakh bales consisting of 12.50 lakh bales of Indian cotton and 2.10 lakh bales of foreign cotton as on 31st August 1960. It might be noted here that, out of the carryover of 20.00 lakh bales as on 1st Septem-

ber 1959, Indian cotton accounted for 18.40 lakh bales against 1.60 lakh bales of foreign cotton. Thus, there will be an overall reduction

of 7.50 lakh bales in the carry-over, which is bound to create a critical phase in the initial stages of the 1960-61 season.

PAY COMMISSION'S RECOMMENDATIONS

In reply to a question by Mr Vajpayee and four others in the Lok Sabha, the Deputy Minister of Finance, Mr B. R. Bhagat, stated that Government had taken further decision on the Pay Commission's recommendations.

He placed the following statement on the table of the house:

Government's Decision

Accepted with the following modifications:

1. Introduction of the provision of "added years" for pension subject to the following conditions:

(1) The concession should be limited to appointments for which post-Graduate research or special-ist qualifications in scientific, technological or professional fields, or considerable experience in those fields, or in a profession, for example medicine or law are essential.

(2) Only those appointed to Government service after completing the age of 28 years should be eligible.

(3) The power to grant the concession should be exercised in consultation with the Union Public Service Commission.

(4) The concession should be allowed only if the age of superannuation is attained.

(5) The addition to the qualifying service should be at the rate of one-fourth of the actual length of service, subject to a maximum limit of five years in all.

2. Highly qualified scientists and technologists who are recruited at the age of 35 and above may be given the option to join the Contributory Provident Fund scheme in preference to the pensions scheme.

3. The service rendered by scientific employees in semi-government institutions which are financed, from cess or Government grant should count in full for pension on their subsequent appointment to permanent pensionable service provided the previous employers are willing to bear the proportionate pensionary charges.

4. To facilitate freer inter-change of scientists and technologists between the Government and the universities, the pensionary contribution which the latter have to pay when they borrow the service of a Government servant should be restricted to the rate at which the University contributes to the Provident Fund of its other employees.

5. The permanent requirements of all categories of staff should be speedily determined and thereafter the margin of temporary posts should be the same for all class.

The statement added that action had been taken to give effect to the above decisions, while the remaining recommendations of the Pay Com-

(1) The concession should be allowed in respect of future recruitment of persons recruited above the age of 25 years.

(2) The decision to grant the concession should be taken by the administrative Ministry, at the time of making recruitment, in consultation with the Ministry of Finance and the Union Public Service Commission.

(3) The period of qualifying service should not be less than ten years at the time of superannuation.

(4) The addition to the qualifying service will be:

(a) Excess over the age of 25 years at the time of recruitment; or

(b) One-fourth of the actual length of service or

(c) Five years, whichever of the three is the least.

Accepted.

Accepted. Where an officer was on a Contributory Provident Fund scheme in a semi-Government institution, the contribution paid by the Institution to his Contributory Provident Fund should be made over to Government and the entire service counted for pension.

Accepted.

In all permanent departments other than those in workshops and industrial units temporary posts in all grades and classes which have been in existence for not less than three years as on 1-3-59 should be converted into permanent posts upto a limit of 80 per cent. If Ministries concerned are satisfied that such posts are required permanently.

mission were under active consideration and Government hoped to take decision on them shortly.



Pepper Futures in US

IT is learnt that a move is afoot in America to start futures trading black pepper. The New York Produce Exchange, which has already formulated the necessary bye-laws, is expected to decide soon upon a date for the commencement of futures trading. According to current indications, the basis of the contract will be garbled black pepper with the unit of transaction being 10 tons. The first contract will be probably July, 1960.

The current move is stated to have been inspired by the fact that the US imports annually 15,000 to 16,000 tons of black pepper from various sources. The share of the US purchases has, in fact, increased sharply this year with the shipments during November 1959 to January 1960—the first three months of the season—amounting to about 5,000 tons out of a total of 8,150 tons. During the current month, shipments to the USA are likely to amount to about 1,500 tons. During the whole of the last season, it bought only 3,300 tons from India. Meanwhile, black pepper values in New York are ruling higher, reflecting steadier origin markets and slightly improved buying interest locally. Malabar-Lampong spot, awaiting release, afloats and February delivery are all quoted at 54 cents per pound.

In the context of the US move, dealers of pepper feel that the absence of facilities for futures trading in black pepper in Bombay, which handles a large volume of exports, assumes an added significance. The total Indian production usually amounts to about 25,000 tons and it is expected to increase by 2,000 to 3,000 tons this year. But futures trading has been permitted only to two centres in South India. Exporters are, however, watching the US move with considerable interest, as that country is one of the principal buyers of Indian pepper.

Exports of black pepper from India, during the month of December 1959, were considerably higher at 52,655 cwts as against 33,669 cwts in the previous month. Out of the total exports, Bombay accounted for 4,229 cwts; Alleppey 18,485 cwts and Cochin 29,791 cwts. Total exports, for the two months of November and December 1959, came to 86,316 cwts as against 54,111 cwts for the corresponding period of the previous

year, thus showing an increase of 32,205 cwts.

Rubber

According to official sources, the gap between the consumption and production of natural Rubber in India has widened to 15,512 tons in 1959 from 13,681 tons in the previous year. While consumption of natural rubber rose from 38,008 tons in 1958 to 39,284 tons last year, production declined from 24,327 tons to 23,772 tons. This is considered very disquieting in view of the world shortage of natural rubber and rising trend in prices.

The world output of natural rubber is estimated at 2.01 million tons in 1959 as against 1.96 million tons in the previous year. This year also, natural rubber is expected to maintain its upward movement in world-wide production and consumption. Rubber growers expect that production will touch 2.05 million tons and consumption 2.09 million tons. Release from stockpiles of major consuming countries will continue to be a factor in the world rubber supply. Exactly how much stockpile rubber will be put on the market during the current year is not known. Whatever the amount, it is expected to add just as much to the available total to help balance the supply-demand position.

Malaya—one of the world's largest producer of rubber—has been implementing an ambitious replanting and new planting programme for the last few years. The average annual yield of rubber in Malaya today is 490 pounds an acre. The new stock now being planted will produce from 1,500 to 2,000 pounds an acre. It is estimated that, by the end of last year, well over a third of Malaya's approximately 3,500,000 rubber acres might have been planted with the high-yielding rubber.

Sugar

Sugar markets are slightly depressed. Apart from the better supply position, there are rumours about imminent enhancement of the excise duty on the commodity in the forthcoming budget announcement. Although there has been no fresh release for open sale by the Government, the commodity is reaching the market in heavy quantities, presumably from stocks meant for distribution through ration shops. In the Hapur market, the rate is quoted at Rs 122.50 per bag.

Although till the first week of February, the cane supply position was normal, the same had abruptly dwindled since the crushing season was expected to be shorter by about a month than it was expected to be previously. This is presumably due to the fact that gur and khandasari prices have gone very high and the manufacturers are buying cane around Rs 2 a maund.

The consensus of opinion is that the increases in cane price is not an effective remedy. Any increase in cane price by the factories will meet a respective increase by gur and khandasari manufacturers. In case, the Government decided to import sugar, this will have the salutary effect of bringing down gur and khandasari prices to a reasonable limit. Liberal releases of sugar will also help bring down the prices to a greater extent.

The output of sugar, in the current season, up to the end of January, amounted to 11.44 lakh tons against 9.19 lakh tons during the corresponding period in the 1958-59 season. There has thus been an increase in the output so far by 2.25 lakh tons. It can, therefore, be expected that, in the absence of any untoward developments, total production in the current season will be above 21 lakh tons. Any increase in output above 21 lakh tons will be helpful to bring down prices, especially when the annual consumption is presently around 21 lakh tons.

Meanwhile, the Development Council for Sugar Industry has recommended a consumption target of 30 lakh tons of sugar for the Third Five-Year Plan. This will make available per capita consumption of 13.87 lbs of sugar in 1965-66 as against 11.70 lbs at the end of the Second Plan. The Third Plan estimate of sugar consumption is based on the assumption that 25.06 lakh tons of sugar will be required at the existing rate of consumption; 2.14 lakh tons required to cover increase due to changes in dietary habits and 2.51 lakh tons required to meet the demand due to increase in the purchasing power of the people.

On the New York market, the rate for the sweet commodity is quoted higher by 3 cents to 3.10 cents a pound. Russia has agreed to buy five million tons of sugar from Cuba over the next five years. The deal should help to establish a better balance in the world sugar market, which has been in a state of oversupply for some months.

Dealers are, however, doubtful about prospects. Two points in particular are causing concern. Cuba's sugar production, this year, has not yet been fixed and it is possible that, in view of the Russian contract, it will be increased. Moreover, export quotas, as fixed by the World Sugar Council, are only 85 per cent of normal. Thus, on the surface, the chances of the sugar market recovering much seem small.

Gur

After a slight fall early in the week, Gur prices have firmed up again in the Hapur market, thanks to the revival of demand from the South. Loading is, however, restricted and the daily arrivals are at an average of 4,000 maunds. In the Muzaffarnagar market, Gur Laddu is quoted around Rs 19 a maund.

Khandasari

The market for Khandasari is ruling quietly steady. Demand for the commodity is brisk from Saurashtra; but the loading restrictions have hampered despatches. Rumours suggest likely increase in the excise duty on khandasari in the coming budget.

Production is in full swing and is expected to touch a new high this year. Producers are purchasing cane at a higher price than fixed by the Government for deliveries at the mill gates. Dry quality is quoted at Rs 41 to Rs 48 a maund.

Meanwhile, the Government of India have announced a scheme of compounded excise levy for khandasari as a measure of assistance to the industry. The scheme will come into operation from 1st March. In order to help the manufacturers of khandasari sugar working without the aid of sulphitation plants, the Government have introduced the above scheme by virtue of which the manufacturers will be required to pay a composition-fee on the rated capacity of the equipment employed and will thereafter be absolved from the day-to-day checking or verification of the production by the Central excise staff.

Bullion

Silver prices have once again edged forward in the Bombay market during the past week, while gold rallied moderately to meet with corrective profit-taking. Silver was mainly influenced by somewhat better off-take reports and it appears that, for the next two months during the remaining off-take season, the bull operators will try to sway sentiment. As for gold, the general feeling, as stated last week, is that the market has seen the peak level for the time-being.

Gold Faigun delivery after earlier recovery to Rs 131.87 from Rs 131.12 came down to Rs 130.94 to rally to Rs 131.50 to be placed at Rs 131.37. Silver Faigun rose to Rs 215.44 from Rs 214.25 to recede to Rs 214.81, to be placed finally at Rs 215.25.

The issue as to whether trading in Chaitra delivery should be permitted with the introduction of special margin is to be decided at the Board's meeting on Friday.

Metals

The non-ferrous metal market ruled fairly steady, barring zinc which dropped down sharply to Rs 131 from Rs 141 per cwt in the Bombay market following enhancement of import quota. It might be recollected that, early in January this year, the price of this metal had touched a high of Rs 160. Following the slump, business has almost come to a standstill in this metal. Lead prices, on the other hand, have improved to Rs 76.50 per cwt while tin has continued to hover around Rs 139 per quarter. Copper prices have ruled almost steady. The Metal Exchange (Bombay) has represented to the Union Government to adopt

a somewhat liberal import policy if OGL is not possible as in the opinion of the trade, the present policy has not helped the genuine consumers in any way. Hence a change in the import policy for the next licensing period has been suggested.

Yarn

Cotton yarn prices, as indicated last week, have continued to rule steadier following the renewed strength of the raw material. Staple fibre yarn prices have rebounded sharply with February delivery up to Rs 756 from the recent low of Rs 728 and April up to Rs 736 from Rs 715. Art silk yarn prices have also been ruling steadier on likelihood of enhancement of excise duty in the Budget. Bemberg Cupressa April delivery was done at Rs 1,845 to Rs 1,832 to finish at Rs 1,833 while the maturing February delivery was quoted at a discount of Rs 40 per case.

Oils & Oilseeds

With irregular movements, prices of oilseeds and oils in the Bombay market have suffered a sharp drop

during the week due to absence of any fresh export business materialising as Indian prices are considered to be out of parity with buyers' ideas in overseas markets. The announcement of a fresh export quota of 10,000 tons of groundnut oil for shipment till 30th September, 1960, failed to have any stabilising influence on the market as business at current levels is not considered possible. This quota is available only for those shippers who shipped groundnut oil during 1959 under the incentive scheme offered by the Government equivalent to 25 per cent of the shipment made by each shipper. For every ton of oil shipped within 30th September, 1960, a quota of 3½ tons of groundnut oil cake expeller variety will be allowed and these can be shipped up to 30th November, 1960. Moreover, the shipment period of the existing groundnut oil cake (expeller variety) quota has been extended from 29th February to 30th June, 1960.

Groundnut February delivery dropped to Rs 208 from Rs 213 and May delivery to Rs 205.50 from Rs 210 before terminating slightly

higher. Groundnut oil April-May delivery was sold down to Rs 21.84 from Rs 22.50 per quarter. As the US is in no mood to buy Indian castor oil at higher levels, castor prices suffered a sharp drop to Rs 177.25 from Rs 185 for May delivery. Castor oil commercial quality dropped to Rs 18.37 from Rs 18.81 per quarter. Linseed prices came down sharply following increased arrivals of the new crop and the absence of fresh support. The rate for the May contract declined to Rs 32.69 from Rs 34.37 per cwt, while linseed oil was marked down to Rs 15.75 from Rs 16.50 per quarter. Cotton-seed prices were relatively steady with February at Rs 155.50 and May at Rs 148 per candy. Following discouraging overseas advices, oil cake prices have gone down.

The Government of India's announcement allowing shipment of groundnut oil up to September next year and that of groundnut cake up to November has had no effect on the market here. The shipment time has been so timed, it is stated here in the Exchange, as to concur with the season for the groundnut harvest

and cake production that little encouragement could be derived from the announcement.

Locally, there has been very little business due to pre-Budget fears of possibly more excise duties. Arrivals, too, have been small in both oil and nuts. As for overseas enquiries, there is a fear the present rate of £122/10 to £123 would not be profitable; unless the rate is £126 or £127 per ton and that the cake is £32 or £33 per ton, there would be no margin. The UK rate today quoted for shipment is £122/10 to £123 per ton.

Today's rates in the exchange are: Groundnut oil per candy of 500 lbs ex-Madras godown expeller ready 3 per cent ready Rs 380/381.

April Rs 383/8.

Groundnut kernels per candy of 531 lbs. Coromandel Rs 200/201.

Castor oil per candy of 500 lbs Rs 335 nominal.

Gingelly oil per maund Rs 21/8. Gingelly seeds per bag Rs 74.

Coconut oil per tin Rs 41-4.

Groundnut cake per bag Rs 26/8.

A sober outlook now prevails in the groundnut and oil markets.

The Scindia Steam Navigation Company, Limited

Speech delivered by the Chairman, Shri Dharamsey M. Khatau, at the 40th Annual General Meeting of the Company held on Wednesday, the 24th February, 1960, at 4-00 p.m. at Scindia House, Ballard Estate, Bombay.

After welcoming the shareholders, Shri Dharamsey explained the reasons for the net profit being lower, although the gross earnings were higher.

Speaking on Overseas trades, Shri Dharamsey referred to the difficult time for the shipping industry as freights continued at low levels and cargo movements were not quite satisfactory. The world tonnage presently surplus is being continuously augmented and all this has resulted in a scramble for cargo to avoid space going unutilised. The Indian Lines have therefore a trying time for not only have they to compete with long established Lines but also have to withstand competition from ships of other countries which either have little trade with India or where our ships are not allowed to call and from ships which call at Indian ports en route and carry away what they could get to other ports.

The Indian Lines, he observed, were determined to stand firmly together and face the difficult future to establish for themselves a proper place in the countries' overseas trades. In this approach the Government is sympathetic, as the Govt. of India wants to see not only Indian shipping to grow but also that the voice of Indian shipping is heard in various Conferences which govern the trade routes to the advantage of Indian

Difficult Time for Shipping Industry

Assessment of Prospects by the Chairman, Mr Dharamsey M. Khatau

trade with the world. A further vital factor was the saving of valuable foreign exchange on cargo carried by Indian ships. He also observed:—

"The Indian Lines, on their part, have

- (1) rationalised their services to various ports of the world by giving a regular service to the shippers;
- (2) are continuously replacing their old vessels by faster vessels; and
- (3) are opening up new trade routes.

I have said all this to show the difficulties which the Indian Lines have to face and the steps they are required to take to face it. We may have to go through a severe trial of strength and patience, but I am sure that in the end wiser counsels will prevail and by negotiation and in a spirit of goodwill we will be able to adjust matters with the other competing Lines for the good of all."

Dealing with the Coastal and adjacent trades, Shri Dharamsey reiterated the factors that were responsible for the drop in available Coastal cargoes, thereby affecting freight earnings. He emphasised the national need for maintaining and expanding Coastal shipping without which the country's transport economy would vitally suffer, and added:

"Frankly, Coastal shipping is facing almost a crisis of existence. Unless the recommendations of the Rail-Sea Co-ordination Committee for diversion of bulk cargo to the sea route are implemented, it would seem that its future is gloomy. It is unfortunate that we are at present witnessing a reverse process, in which cargoes traditionally moving by the sea route are going out to the rail route. It is not in the interests of the economy of the country to allow Coastal shipping to suffer—if not to fade out—and I would appeal especially to the Transport Minister of Shipping and to the National Shipping Board to ensure that it is enabled to maintain its proper position in the transport economy by adequate diversion of bulk cargoes, from the rail route, so that it may also retain its foothold as a second line of defence. Unless early and adequate steps are taken, I am afraid our Company, as owners of sizable Coastal fleet, will incur a substantial loss in this trade.

I would also request the Ministries of Transport and of Food to take all the economic considerations into account in fixing the rate of freight on Burma rice instead of considering mainly the fluctuating conditions governing tramp tonnage."

Speaking about the tonnage programme, he observed that the

Company's acquired fleet for a period of 5½ years ending June 1960 would be 24 vessels costing approximately Rs. 25 crores and most of these are engaged in the Companies' overseas services. He stressed that out of Rs. 25 crores involved, only Rs. 11 crores were borrowed from Government as loan.

Regarding the prospects for the current year, he expressed the view that the current year would be worse than the year 1958-59, although he hoped that restoration of economic rates in the international trade would in due course assist the Company in improving its position.

He welcomed the target of 1.60 million G.R.T. for the Third Five-Year Plan and expressed satisfaction on the formation of the National Shipping Board.

He suggested that transfer to Reserves out of the Development Rebate be spread over a period of years especially in the shipping industry with a continuous programme of expansion and replacement. He also stressed the urgent need of the Govt. of India evolving a War Risk Insurance scheme, without which ships on the Indian Register would stand exposed to very big risks in the event of outbreak of hostilities anywhere in the world.

Dealing with the Subsidiary Companies, especially the Bombay Steam Navigation Co. (1953) Pvt. Ltd., he hoped that the ad hoc Committee appointed to examine and report on immediate and long term problems of Konkani services would give such decision as would enable the services to be maintained uninterrupted in future.

February 27, 1960

Buyers in both the counters are, for the past fortnight, keeping a reserved outlook. There are the Budget uncertainties to account for the cautiousness. Risk is avoided lest any kind of new excise impost should hit hard the speculative interests and also actual buyers. Only the very bare necessities asked to. Activity has naturally declined, with price declines as well. Even the allowance to export unutilised licenses had no effect. Groundnut oil lost ground to the extent of Rs 18/20 per ton.

Arrivals have not been much in groundnut kernels. Coromandel variety could be measured between 40 and 50 tons daily and they were taken up by local crushers. The bigger interests did not bother themselves. Due to urgent demand, a few deals early in the week could be had around only at Rs 205 or Rs 206 per candy; but, later on, the price went down to Rs 200. It went up again last week-end to Rs 201. Yesterday, it closed at the same rate. Today, it was around Rs 200/201.

One or two Calcutta buyers evinced interest in groundnut oil. Spot goods commanded sales at Rs 391 or even Rs 392 per candy by the last-week end. But the price rapidly went down to Rs 388 two days later, and yesterday's closing at Rs 381 indicated the high reservedness which pervades the mentality of buying. Today, it was quoted at the same rate, and the price seems destined to go down still further.

There was not very much enthusiasm in forward April position. While April was quoted at Rs 396 early this week, it declined to Rs 391 later on. Yesterday, it closed at Rs 386.50 and today it closed at Rs 383.50.

Groundnut oil cake was easier. There were steady arrivals from North India, between 4 and 5 wagons daily. The nominal indication today is Rs 26.50 per 160 lbs bag with gunny ex-mill.

Upcountry Markets: In most of the regulated market-yards of South and North Arcot districts, arrivals of groundnut have been poor, as they have been during the past fortnight. It is estimated that, already, about 50 per cent of the total crop has been marketed. The balance is reportedly in the hands of middlemen, who would resort to restricted business. Vridhacalam centre had reported 50 tons arrivals daily. This is bigger than the quantity reported in other points, which got only between 15 and 25 tons daily. This commodity was available at Rs 204 or Rs 205 per candy early on, and when arrivals took to scarcity level, the price did not spurt but went down still lower to Rs 201 or Rs 200 on pucca basis. Vanaspathi interests locally absorbed oil at Rs 392/395 to get on with their production. When prices declined later on, even this interest dwindled.

Other Seeds and Oils: Gingelly seed was firm. Castorseed, which ruled around Rs 40 per bag, has gone up suddenly to Rs 48/49 per bag. This price ruled in the producing Salem and other areas. Castor oil, too, was at Rs 340 last week but today it has come down to Rs 335 per candy.

The coconut oil quotation was steady. The Madras price was Rs

41/4 per tin. Alleppey Rate was Rs 650 ready, March Rs 641 and May Rs 635, all sellers all per candy of 600 lbs.

Gingelly seed: Kusumba variety Rs 74 per bag; Anantapur quality Rs 71/72.

Gingelly oil: On wholesale basis Rs 21/8 per maund, on retail basis Rs 21/12 to Rs 22.

Foreign Markets: Groundnut oil prices are maintaining a steady level. The groundnut cake market continues to be subdued. Overseas buyers are trying to secure goods at the lowest level. The latest ruling rates in the foreign markets of oils and seeds are:

Groundnuts: April/May £77 to £77/10 per ton; Castorseed February/March £63½ per ton; Niger seed nominal March £53½/54 per ton; Groundnut oil spot £122/10 to £123 per ton; Groundnut oil February/March Nil; Castor oil BSS Bulk Feb./March £134 per ton; Castor oil commercial Feb./March £127/128 per ton; Tobaccosseed oil Nominal Feb./March £118/118/10 per ton; Coconut oil Straits Feb./March £130 per ton; Coconut oil Ceylon Feb./March £137/137½ per ton; Groundnut oil cake expeller Feb. £31/10/32 per ton; Groundnut oil deoiled Feb. £31/10 per ton; Groundnut oil deoiled Feb. £30/10 to £31 per ton.

The following are the prices which prevailed today in the upcountry markets of groundnut oil and groundnut kernels.

	Kernels per candy of 531 lbs.	Oil per candy of 500 lbs.
Guntur/Bezwada	210	392.50
Uridhachalam	200	387
Nandyal	200	385
Villipuram	200	388
Cuddappah/Yerraguntla	200	385.50
Pollachi superior nominal	202	387.50
Tanjore	200	390
Tiruvannamalai	198	387
Salem	205	390

Hides and Skins

This week also, prices of tanned cowhides did not change. Arrivals were not large. UK negotiated some business at last week's rates. An advance of half a penny was noticed in fifts in both 5/5½ lbs and 8/8½ lbs. Absorption of inferior fifts continued to be the same, leaving nothing for export.

In tanned buffalo hides, there was good overseas demand. Coupled as this was with equally strong local demand, prices firmed up.

Cow calf tanned skins on foreign demand went up by a couple of pence in price. Tanned buffalo calf, too, was in much demand with quotation at 2d higher than last week. Both premium and semi-premium qualities remained firm. Sheep skins tanned sold were 2,000 pieces and goat skins tanned disposed of numbered 60,000 pieces. Still available in the market are 5,000 and 40,000 tanned goat and sheep skins respectively.

This week, quotations for foreign enquiries were lower, but even at such quotations, business was not confirmed by foreign buying.

The raw skin market remained as follows; Bangalore Raw goatskins Rs 615/660; White Wool Sheep Rs 550/610; Black Wool sheep Rs 500/525; Bezwada raw goatskins Rs 590/600; He sheep skins Rs 590/595; She sheep skins Rs 490/495.

The following shipments outside India were reported from Madras Port for February first fortnight:

UK: Tanned hides (1,000 bales, cow calf skins 82 bales, buffalo hides 10 bales, buffalo calf skins 245 bales, goatskins 313 bales, sheep skins 313 bales and dry salted skins one bale.

Continental Ports: Tanned cow calf skins 75 bales, buffalo calf skins 19 bales, goatskins 168 bales and 118 bales sheepskins.

NEW CENTRAL JUTE MILLS COMPANY, LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Shareholders of New Central Jute Mills Co. Ltd., will be held on Friday, the 24th March, 1960, at 11.30 a.m. at the Registered Office of the Company at 11, Clive Row, Calcutta, West Bengal, for the purpose of considering and if thought fit, passing with or without modification the following Resolutions:—

(1) (To be proposed as an Ordinary Resolution):—

"Resolved that subject to the approval of the Central Government being obtained under the provisions of the Companies Act, 1956, the Company hereby re-appoints Messrs. Sahu Jain Ltd., as the Managing Agents of the Company for a period of 10 years with effect from 15th August, 1960, on the remuneration and upon the terms, provisions and conditions contained in the draft agreement (with such modifications, if any, as may be agreed to at this meeting) proposed to be entered into between the Company of the one part and the said Sahu Jain Ltd., of the other part and the said draft Agreement is placed before this Meeting and for the purpose of identification subscribed by the Chairman thereof with power to the Directors of the Company, subject to the provisions of the Companies Act, 1956, to vary or alter such of the terms, provisions and conditions of the said draft Agreement before execution, as may be required by the Central Government and Agreed to by the Managing Agents and the Directors on behalf of the Company."

(2) (To be proposed as a Special Resolution):—

"Resolved that Articles of Association of the Company be altered in the manner following:—

Clauses 132 to 134 of the Articles of Association of the Company be deleted and be substituted by the following clause:—

"Subject to the consent of the Central Government and subject to the provisions of the Act Messrs. Sahu Jain Ltd., shall be and remain Managing Agents of the Company for the period and upon the terms, provisions and conditions set out in the Agreement entered into between the Company and the Managing Agents, provided that before the expiry of the terms agreed upon the Managing Agents shall be re-appointed for a further period in accordance with the Agreement, subject, however, to any notification issued by the Central Government or any provisions contained in the Companies Act.

By Order of the Board
For NEW CENTRAL JUTE MILLS COMPANY LTD.,
For SAHU JAIN LIMITED
A. K. JAIN
Managing Director
Managing Agents
Calcutta, 24th February, 1960.

N.B.:—A member entitled to attend and vote is entitled to appoint a proxy to attend & Vote instead of himself. Such proxy need not be a member of the Company.

EXPLANATORY NOTES:

(i) Messrs. Sahu Jain Limited were appointed the Managing Agents of the Company under an Agreement dated 11-4-51 for a period of 20 years. The Managing Agency Agreement between the Company and the Managing Agents was duly approved by the Shareholders of the Company. Under the provisions of Section 330 of the Company's Act term of Office of the Managing Agents will expire on 15th August, 1960, unless before that date the Managing Agents are re-appointed for a fresh term in accordance with the provisions contained in the Companies Act. A copy of the draft Agreement is kept at the Registered Office of the Company and can be inspected by the Shareholders on any working day during business hours and the same will be placed before the shareholders at the above Meeting. An abstract of the Agreement as required under Section 302(3) of the Companies Act, 1956, is enclosed.

Shri A. K. Jain, Chairman Director of the Company is Managing Director Shareholder of the Managing Agents Company.

(ii) The provisions of the existing Articles are required in order to conform to the re-appointment of the Managing Agents and in accordance with the Companies Act.

THE BANK OF INDIA LIMITED

ANNUAL REPORT

To be submitted to the Shareholders at the Fifty-Fourth Annual General Meeting to be held at the Registered Office of the Company at Mahatma Gandhi Road, Fort, Bombay, on Thursday, the 10th day of March, 1960, at 4 o'clock in the afternoon.

Directors' Report for the year ended 31st December, 1959

The Directors submit to the Shareholders the BALANCE-SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1959. The Auditors' Report is also annexed.

The transactions for the past year have resulted in a profit of Rs. 82,68,266.65. To this has been added the balance of Rs. 12,79,476.54 brought forward from the previous year, making a total sum of ... Rs. 95,47,743 19

An interim dividend was paid for the half-year ended 30th June, 1959, at the rate of 6 per cent, subject to deduction of tax at the prescribed rates, on the Paid-up Capital of Rs. 3,00,00,000, which absorbed ... Rs. 18,00,000 00

Provision made for Income-tax and Super-tax for the year ... 18,00,000 00

Bonus to Staff ... 17,00,000 00

The Directors now propose:—

To pay a final dividend for the half-year ended 31st December, 1959, at the rate of 10 per cent, subject to deduction of tax at the prescribed rates, making 16 per cent for the year, on the Paid-up Capital of Rs. 3,00,00,000, which will absorb ... 30,00,000 00

To carry forward to the next account ... 12,47,743 19

Total ... Rs. 95,47,743 19

The Company's business continued to function satisfactorily.

The Bank Rate remained stationary at 4%.

Branches were opened during the year at Santa Cruz in Bombay, at Maninagar in Ahmedabad, at Sowcarpet in Madras and at Cochin.

The Directors report with deep regret the death on 23rd January, 1959, of their esteemed colleague, Sir Vithal N. Chandavarkar, who was a Director of the Company

from 1956; they desire to place on record their high appreciation of the valuable services rendered by him to the Company.

Under the provisions of Section 256 of the Companies Act, 1956, the following Directors of the Company retire by rotation, but are eligible and offer themselves for re-election:—

Sir Cowasjee Jehangir, Baronet, G.B.E., K.C.I.E.,
Mr. Madanmohan Mangaldas,
Mr. N. K. Petigara.

During the year Mr. Jaisinh Vithaldas and Mr. Girdharilal Mehta, at the invitation of the Board of Directors, accepted seats on the Board. Under the provisions of Section 260 of the Companies Act, 1956, and of Article 85 of the Company's Articles of Association, they will hold office up to the date of the Annual General Meeting, namely, up to 10th March, 1960. They stand for election in the manner provided by the Act and the Articles of Association.

The Shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

COWASJEE JEHANGIR,

Chairman.

A. D. SHROFF,

Vice-Chairman.

AMBALAL SARABHAI,

RAMNATH RAMNARAYN,

BHAGVANDAS C. MEHTA,

K. M. D. THACKERSEY,

MADANMOHAN MANGALDAS,

N. K. PETIGARA,

JUGMOHAN PRASAD GOENKA,

JAISINH VITHALDAS,

GIRDHARILAL MEHTA,

Directors.

K. R. KEDARI,

Acting Chief Accountant.

T. R. LALWANI,

General Manager.

Bombay, 4th February, 1960.

BALANCE-SHEET AS AT 31st DECEMBER, 1959

CAPITAL AND LIABILITIES.		PROPERTY AND ASSETS.	
	Rs. nP.		Rs. nP.
1. CAPITAL:		1. CASH:	
Authorised Capital:		In hand and with Reserve Bank of India and State Bank of India (including foreign currency notes) ...	10,08,79,867 71
(a) 5,00,000 shares of Rs. 100 each ...	5,00,00,000 00	2. BALANCES WITH OTHER BANKS ON CURRENT ACCOUNT:	
(b) 1,00,000 "A" shares of Rs. 50 each ...	50,00,000 00	(i) in India ...	9,50,054 13
	5,50,00,000 00	(ii) outside India ...	2,01,32,897 18
Issued and Subscribed Capital:			2,10,82,951 31
(a) 5,00,000 shares of Rs. 100 each paid for in cash ...	5,00,00,000 00	3. MONEY AT CALL AND SHORT NOTICE:	
(b) 1,00,000 "A" shares of Rs. 50 each credited as fully paid bonus shares ...	50,00,000 00	4. INVESTMENTS AT BELOW MARKET VALUE:	
	5,50,00,000 00	(i) Securities of the Central and State Government and other Trustee Securities, including Treasury Bills of the Central and State Governments ...	26,21,50,438 55
Amount called up on 5,00,000 shares of Rs. 100 each at Rs. 50 per share ...	2,50,00,000 00	(ii) Shares:	
Amount fully paid up on 1,00,000 "A" shares of Rs. 50 each ...	50,00,000 00	(a) Fully paid Preference Shares ...	28,95,377 00
	3,00,00,000 00	(b) Fully paid Ordinary Shares ...	72,85,905 29
Less: Calls unpaid ...	Nil	(c) Partly paid Ordinary Shares ...	5,03,950 00
Add: Forfeited shares ...	Nil	(iii) Debentures or Bonds ...	2,28,21,747 14
	3,00,00,000 00	(iv) Other Investments:	
	3,00,00,000 00	Pakistan Government and Trustee Securities ...	25,29,410 00
2. RESERVE FUND AND OTHER RESERVES:		(v) Gold ...	Nil
Reserve Fund ...	3,10,00,000 00		29,81,86,827 98
(Includes Rs. 1,50,00,000 received as premiums on issues of shares in past years).		5. ADVANCES:	
3. DEPOSITS AND OTHER ACCOUNTS:		(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors).	
Fixed Deposits ...	45,49,81,932 54	(I) Loans, Cash Credits, Overdrafts, etc.:	
Savings Bank Deposits ...	13,88,97,069 47	(i) in India ...	Rs. 66,31,19,433 29
Current Accounts, Contingency Accounts, etc. ...	41,30,38,468 43	(ii) outside India ...	Rs. 3,47,05,897 76
	1,00,69,17,468 44		59,78,25,331 05
4. BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC.:		(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments):	
(i) in India ...	3,00,00,000 00	(i) payable in India Rs. 4,39,04,472 64	
(ii) outside India ...	Nil	(ii) payable outside India ...	Rs. 3,76,71,936 57
	3,00,00,000 00		8,15,76,409 21
PARTICULARS:			67,94,01,740 26
(i) Secured by part of the Bank's Investments ...	3,00,00,000 00	PARTICULARS OF ADVANCES:	
(ii) Unsecured ...	Nil	(i) Debts considered good in respect of which the banking company is fully secured ...	52,62,95,847 07
	29,90,495 86	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security ...	5,16,78,837 49
5. BILLS PAYABLE		(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	10,14,27,055 70
6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE as per contra:		(iv) Debts considered doubtful or bad, not provided for ...	Nil
(i) payable in India ...	75,25,549 52		67,94,01,740 26
(ii) payable outside India ...	57,40,365 24		
	1,32,65,914 76		
7. OTHER LIABILITIES:			
(i) Unexpired Discounts ...	2,08,980 08		
(ii) Branch Adjustments ...	32,87,517 64		
(iii) Unclaimed Dividends ...	3,86,967 17		
	38,93,464 87		
Carried over ...	1,11,80,67,343 93	Carried over ...	1,09,95,51,387 26

THE BANK OF INDIA LIMITED, BALANCE-SHEET—(Contd.)

CAPITAL AND LIABILITIES—(Contd.)		PROPERTY AND ASSETS—(Contd.)	
	Rs. nP.		Rs. nP.
Brought forward ...	1,11,80,67,343 93		
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra:			
...	6,83,90,779 21		
9. PROFIT AND LOSS:			
Balance as per Balance-Sheet as at 31st December, 1958 ...	42,79,476 54		
Less: Final Dividend at 10 per cent, making 16% for the year 1958, free of Income-tax ...	30,00,000 00		
	12,79,476 54		
Add: Profit for the year ended 31st December, 1959 ...	82,68,266 65		
	95,47,743 19		
	Rs. nP.		
Less: Provision for Income-tax and Super-tax for the year ...	18,00,000 00		
Interim Dividend at 6 per cent for the half-year ended 30th June, 1959 ...	18,00,000 00		
Provision for Bonus to Staff for the year 1959 ...	17,00,000 00		
	53,00,000 00		
	42,47,743 19		
10. CONTINGENT LIABILITIES:			
(i) On partly paid Shares ...	19,09,050 00		
(ii) Claims against the banking company not acknowledged as debts ...	59,214 00		
(iii) Guarantee given on behalf of customers ...	12,10,40,310 88		
(iv) Bills of Exchange Re-discounted:—			
U. S. Dollar Bills			
Re-discounted \$2,732.12			
(v) Outstanding Forward Exchange Contracts ...	12,91,60,916 19		
Notes:—Provision to the full extent for future gratuities to Staff has not been made, the liability for which has not been ascertained. The Profit and Loss Account includes expenses of The Bank of India (U.K.) Nominees Limited, a subsidiary company of this Bank.			
Total Rupees ...	1,18,77,05,866 33	Total Rupees ...	1,18,77,05,866 33

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the foregoing Balance-Sheet of The Bank of India Limited as at 31st December, 1959, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated unaudited returns from all the Branches in India not visited by us for the purposes of this Report and the audited returns of all Branches outside India audited by other Auditors.

In accordance with the provisions of Section 23 of the Banking Companies Act, 1949, read with the proviso to sub-sections (1) and (2) of Section 211 and sub-sections (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance-Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:—

- we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
- the Bank's Balance-Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance-Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1959, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

Bombay, 4th February 1960

COWASJEE JEHANGIR, Chairman.
A. D. SHROFF, Vice-Chairman.
AMBALAL SARABHAI, Director.
RAMNATH RAMNARAYN, Director.
BHAGVANDAS C. MEHTA, Director.
K. M. D. THACKERSEY, Director.
MADANMOHAN MANGALDAS, Director.
N. K. PETIGARA, Director.
JUGMOHAN PRASAD GOENKA, Director.
JAISINH VITHALDAS, Director.
GIRDHARILAL MEHTA, Director.
K. R. KEDARI, Acting Chief Accountant.
T. R. LALWANI, General Manager.

THE BANK OF INDIA LIMITED, BALANCE-SHEET—(Contd.)

Profit and Loss Account for the year ended 31st December, 1959

EXPENDITURE	Rs.	pP.
1. Interest paid on deposits, borrowings, etc.	1,99,54,477	95
2. Salaries and Allowances and Provident Fund	1,30,89,083	40
3. Salary and Allowances to General Manager Rs. 75,000.00		
4. Directors' and Local Committee Members' Fees and Allowances	1,23,000	00
5. Rent, Taxes, Insurance, Lighting, etc.	14,86,747	35
6. Law Charges	16,708	12
7. Postage, Telegrams and Stamps	2,01,045	73
8. Auditors' Fees	40,000	00
9. Depreciation on and repairs to the banking company's property	86,589	11
10. Stationery, Printing, Advertisement, etc.	9,33,130	03
11. Loss from sale of or dealing with non-banking assets	Nil	
12. Other Expenditure	13,10,004	78
13. Balance of Profit (Subject to Taxation)	82,68,296	65
Total Rupees	4,55,09,053	09

INCOME (less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	pP.
1. Interest and Discount	3,90,75,893	53
2. Commission, Exchange and Brokerage	56,94,062	62
3. Rents	2,83,278	76
4. Net profit on sale of investments, gold and silver, land premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil	
5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil	
6. Income from non-banking assets and profit from sale of or dealing with such assets	4,54,026	88
7. Other Receipts		
Total Rupees	4,55,09,053	09

Statement Pursuant to Section 212 of the Companies Act, 1956

The Profit and Loss Account of The Bank of India Limited for the year ended 31st December, 1959, does not include any profit or loss of its subsidiary, The Bank of India (U.K.) Nominees Limited, (a nominee company incorporated and operating in the United Kingdom), as no profit was made and no loss was sustained by that subsidiary. All expenses incurred were borne and paid by The Bank of India Limited. The shares of the subsidiary are wholly owned by the Bank.

Having regard to the fact that no Profit and Loss Account of the said subsidiary is prepared in the circumstances aforesaid and that its Balance-Sheet and the Reports of its Board of Directors and Auditors are drawn up in accordance with the law in force in the United Kingdom, an application was made to the Central Government under sub-section (8) of Section 212 of the Companies Act, 1956, and, in exercise of the powers conferred by the said sub-section (8) of Section 212 of the Companies Act, 1956, the Central Government, being satisfied that it is necessary so to do, have directed that, in relation to The Bank of India (U.K.) Nominees Limited, a subsidiary of the Bank, the provisions of Section 212 of the said Act shall apply only to the extent that The Bank of India Limited shall be required to attach to its Balance-Sheets copies of the Balance-Sheets and of the Reports of the Board of Directors and of the Auditors of the said subsidiary made out in accordance with the provisions of the English Companies Act for the time being in force in the United Kingdom and that The Bank of India Limited is exempted from attaching to its Balance-Sheets a copy of the Profit and Loss Account of the said subsidiary.

Chairman.	A. D. SHROFF, Vice-Chairman.
Directors.	T. R. LALWANI, General Manager.
	K. R. KEDARI, Acting Chief Accountant.
DOWASJEE JEHANGIR,	
AMBALAL SARABHAI,	
RAMNIVAS RAMNARAIN,	
SHAGVANDAS C. MEHTA,	
K. M. D. THACKERSEY,	
MADANMOHAN MANGALDAS,	
N. K. PETTIGARA,	
JUGMOHAN PRASAD GOENKA,	
JASINATH VITHALDAS,	
GIRDHARILAL MEHTA,	

THE BANK OF INDIA (U.K.) NOMINEES LIMITED

Directors' Report for the year ended 31st December, 1959

The Directors submit the Balance-Sheet for the year ended 31st December, 1959. The Auditors' Report is also annexed.

No Profit and Loss Account is submitted as none has been prepared. No profit was made and no loss was sustained. The expenses of the Company have been paid by The Bank of India Limited, of which the Company is a wholly-owned subsidiary.

S. C. KOTHARI, Directors.
S. H. BRADFORD, Directors.

THE BANK OF INDIA (U.K.) NOMINEES LIMITED

Balance-Sheet as at 31st December, 1959

Capital Authorised and Fully Paid-up:	Cash at Bankers	£100
100 Ordinary Shares of £1 each		£100
		£100

Signed on behalf of the Board,
S. C. KOTHARI, Directors.
S. H. BRADFORD, Directors.

REPORT OF THE AUDITORS.

We have obtained all the information and explanations which we have required, and which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion proper books of account have been kept by the Company. We have examined the above Balance-Sheet which is in agreement with the books of account. In our opinion such Balance-Sheet gives the information required by the Companies Act, 1948, in the manner so required and is properly drawn up so as to exhibit a true, correct and fair view of the state of the Company's affairs at 31st December, 1959, according to the best of our information and the explanations given to us and as shown by the books of the Company.

No Profit and Loss Account has been prepared as the Company has no income and the expenses are paid by the Holding Company.

FERGUSON, ROWLAND & DAVIES,
Chartered Accountants, Auditors.

London, 1st January, 1960.

IN PARLIAMENT

Indo-Pakistan Financial Issues

A statement on the recent talks between the officials of India and Pakistan on the financial issues outstanding between the two countries was made in the Lok Sabha last week by the Finance Minister, Mr Morarji Desai. He said:

In the statement made by me on the 18th December last, I had indicated that a further meeting would be held towards the close of the month to clear up a few items relating mainly to the balance sheet of the Central Government. The officials of the two Governments accordingly met

for four days at Delhi and concluded their discussions on the 3rd January, 1960. This completed the rounds of official level talks for the evaluation of the assets and liabilities of the undivided Central Government and divided Provinces and their allocation between the two Governments on the lines settled at the time of partition. It was possible to arrive at an agreement on the data relating to most of the items. However, a few items which needed further consideration were left over for discussion at the time of the meeting between the two Ministers. The programme for this meeting will be settled in consultation with the Finance Minister of Pakistan. As I stressed in my earlier statement, these discussions between the officials of the two countries are mainly of a fact-finding nature. The Hon'ble Members will, therefore, appreciate that it will not be appropriate for me at this stage to indicate the details of these talks until the Ministers have had an opportunity of considering the matter and the whole

position is thereafter reviewed by the respective Governments. It is my earnest hope that with good-will on both sides, it would be possible to arrive at a satisfactory settlement on these issues in the near future.

A similar statement was laid on the Table of the Rajya Sabha.

Monazite Sand in Orissa

The Prime Minister stated in the Lok Sabha that monazite sand had been found in the coastal districts of Orissa. It was premature at present to assess the quantity available as investigations were still in progress.

Replying to a question by Mr P. K. Deo, the Prime Minister said that the monazite would be utilised for a traction of rare-earths, thorium and uranium.

United Kingdom Aid for Specified Projects

The Deputy Minister of Finance, Mr B. R. Bhagat, replied in the negative to a question by Mr N. C. Sekhar in the Rajya Sabha whether the Gov-

ernment of the United Kingdom had indicated that aid given in future by the United Kingdom would be "tied" to specific projects.

Production at Bhilai Steel

The Bhilai Steelworks produced 21,262 tons of steel ingots during January 1960, compared to 15,306 tons in December 1959.

The steel production since first open hearth furnace went into commission on October 12, 1959, now totals more than 50,000 tons. About 5,500 tons of rolled steel in the form of slabs and billets had been despatched from Bhilai to consumers in India upto the end of January.

The pig iron production in Bhilai during January, 1960, totalled 28,388 tons compared to 24,975 tons in December 1959. The total pig iron production since first blast furnace went into production on February 4, 1959, amounts to about 330,000 tons.

Production of pig iron upto the end of January, 1960 totalled nearly three lakh tons.

FOR THE INVESTOR

Suddenly, a Cheerful Mood

Investment Gossip:

STOCK markets have been in a more confident mood this week than for some time past and sentiment has been quite buoyant on Friday with the more speculative counters recording sizable gains. Even Indian Iron, which has been sluggish for quite a long time now, has begun to show signs of active life. Considering the fact that the Central Budget is just round the corner, this week's cheerfulness is indeed remarkable.

Evidently, the latest reports from the Capital (that only marketmen presumably have access to) should have been particularly good. Good news for the markets in the present context of the close proximity of the Budget can only mean that Mr Morarji Desai is not expected to administer any jitters.

Nobody in the market-place now believes that the Union Finance Minister can afford to be satisfied with the present level of revenue. Provision has to be made in the coming Budget for increased outlay on defence, and there is the additional expenditure on account of the acceptance of the Central Pay Commissions' recommendations. Furthermore, the next financial year also happens to be the final year of the current five year plan, and it is natural to expect Mr Desai to try to mobilise increased resources in order to enable Government to implement the remaining Plan projects.

It is not as though market men are unaware of the enormity of the problem facing the Union Finance Minister. But they are confident that Mr Desai can get all he wants from indirect taxation. Those who go somewhat deeper into the problem of resources than marketmen are wont to, however, are wondering how the Finance Minister can manage without some direct taxation, also.

ERs

New Issue Notes

The recent offer of shares for Rs 25 lakhs by the Asian Cables Corporation Limited is believed to have been oversubscribed. It is expected that allotment letters will be issued before the end of March. Production is expected to start in early 1961.

It is learnt that the equity issue of the Automobile Products of India Limited has been oversubscribed by four or five times the offer. As the response from up-

country centres is yet to be received, a further assessment can only be had after some time.

The Laxmi Starch Factory Limited has proposed to increase its authorised capital from Rs 35 lakhs to Rs 50 lakhs by cancelling all the unissued and unsubscribed Preference shares and by creating 22,500 Ordinary shares of Rs 100 each and 10,000 unclassified shares of Rs 100 each.

Andhra Sugars Limited has decided to issue 30,000-6½ per cent Cumulative Preference shares of Rs 100 each, pro rata, to holders as on the 12th March, 1960.

ERs

Investment Notes:

Jaipur Udyog have been a firm feature around Rs 11.75 during the past few weeks. It is learnt that the company has made substantial headway in production and despatches of cement, resulting in a larger working surplus. The company is assured of a stable demand in its own area with larger quantities being required for the Rajasthan Canal.

Estrela Batteries Limited seems to have turned the corner as is evident from the recent recovery in shares to around the par level (Rs 50 paid) from as low as Rs 23 some time ago. This is largely attributed to an increase in turnover during the current year. The company has now taken to the manufacture of radio batteries. It has also plans for doubling the production of cells by stages during the next five years.

According to a report from Madras, one more unit for the manufacture of paper out of bagasse and bamboo is likely to be set up at Erode. The capacity of the proposed plant is estimated at 60 to 70 tons a day. The entire project is estimated to cost around Rs 6 crores. The sponsors of the project propose to obtain a rupee loan of about Rs 2 crores from the US Export-Import Bank. The balance of Rs 4 crores will be raised internally, partly through institutional investors and partly from public subscription. The public issue will be to the tune of Rs 1.5 crores.

The Pullangode Rubber & Produce Company Limited has reported a crop of 46,000 pounds for 1959-60, making a total of 503,500 pounds to date as against 576,000 pounds in the same period last year.

The Peermade Tea Company Limited has reported a crop of 110,613 pounds for January 1960 as against 156,302 pounds in the corresponding month of 1959.

Investment Brief:

Burrakur Coal Company Limited has declared a final dividend of 8 per cent, making a total of 13 per cent (taxable) for the year ended 30th June, 1959. This compares with 8½ per cent, free of tax, for the previous year. The National & Grindlays Bank Limited has proposed a second

interim dividend of 6½ per cent, less income-tax, for 1959.

Martin-Burn Limited has announced a taxable dividend of Rs 2.75 per share for the year ended 30th September 1959. The net dividend works out to Rs 1.925 per share as against Rs 2.12 in the previous year.

Dhanalakshmi Mills Limited, Coimbatore, has recommended a taxable dividend of 17½ per cent for the year 1959 as against 10 per cent paid for the previous year.

In Bombay, W. H. Brady & Company Limited has recommended a dividend of Rs 35, subject to deduction of tax, for 1959. This works out to a net dividend of Rs 24.50 per share as against Rs 25 paid for 1958.

The Central India Spinning, Weaving & Manufacturing Company Limited has again passed over the dividends both on the Ordinary and Preference shares for the year ended 30th June, 1959.

In Madras, Kumargode Estates have recommended a dividend of 20 per cent (taxable) for the year ended 31st October 1959, same as in the previous year.

Coimbatore Cotton has proposed a dividend of 6 per cent, taxable for the year ended 31st December 1959. The dividend paid for the previous year was 6 per cent, free of tax.

Mercara Rubber has announced a taxable dividend of 20 per cent for the year ended 30th June 1959, same as in the previous year.

Balance-Sheet Briefs:

The net profit of the Hindustan Lever Limited is substantially higher at Rs 208 lakhs for 1959 as against Rs 128 lakhs in the previous year. The directors have recommended a taxable dividend of Rs 2.40, which works out to a net dividend of Rs 1.68 per share as against Rs 1.50 paid for 1958.

The Kesar Sugar Works Limited has shown a profit of Rs 4.47 lakhs for the year ended 31st July 1959 as against Rs 2.05 lakhs in the previous year. The directors have recommended a dividend of 6 per cent, subject to deduction of tax. This works out to a net dividend of Rs 4.20 against Rs 4.00 paid for the previous year.

The Empire Dyeing & Manufacturing Company Limited has earned a profit of Rs 2.67 lakhs for 1959 as against Rs 76,900 for 1958.

The New City of Bombay Manufacturing Company Limited has incurred a loss of Rs 11.98 lakhs for 1959 as against Rs 3.04 lakhs in the preceding year.

In Madras, the Nelliampathy Tea & Produce Company Limited has reported a net profit, before providing for Depreciation, of only Rs 2.15 lakhs for the year ended 30th June, 1959 as against Rs 4.92 lakhs in the previous year. A dividend of 10 per cent, taxable, is recommended against 15 per cent previously.

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STOCK EXCHANGES

Trick or Treat

Watch-Dog Writes:

CONDITIONS in stock markets have taken a sudden turn for the better during the week under review. Several modest gains in prices have been recorded in selected scrip, thanks to short-covering coupled with speculative support, presumably induced by favourable expectations of the Budget. It, however, remains to be seen whether the markets will get the Finance Minister's "birth-day" trick or treat.

Equities on the local Stock Exchange displayed a firmer tendency under the speculative issues.

MARTIN BURN LIMITED.

NOTICE

The Annual General Meeting (being the Fourteenth Ordinary General Meeting) of the Shareholders of Martin Burn Limited will be held on Wednesday, 30th March, 1960, at 12 noon at the Registered Office of the Company, 12, Mission Row, Calcutta, to transact the following business:

- To receive and adopt the Audited Accounts for the year ended 30th September, 1959, and the Directors' and Auditors' Reports thereon.
- To declare a Dividend.
- To appoint a Director in place of the retiring Director.
- To appoint Auditors and to fix their remuneration.

The Ordinary Share Register of the Company will be closed from 15th to 30th March, 1960, both days inclusive.

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

By Order of the Board,
A. G. GIDLEY,
Secretary.

Calcutta,
25th February, 1960.

NOTE—The Dividend, if sanctioned, will be paid on or after 18th April, 1960, to those Shareholders so entitled whose names appear in the Company's Register of Members for Ordinary Shares on the 30th March, 1960, or to their mandatories. No application for dividend warrants will be necessary.

Trading on the Bombay Stock Exchange sparked into life again following good business reported in selected scrip on favourable corporate rumours.

A definitely steadier feeling was noticed on the Madras Stock Exchange, as operators were inclined to the view that the Budget proposals might not affect them significantly.

Nervous and unsettled conditions prevailed on the London Stock Exchange.

Wall Street closed barely steady.

Calcutta

Friday Evening.

THE local Stock Exchange presented a steady appearance and, with the speculative scrip encountering good support, prices improved in most sections during the week under review. Although operators were mentally prepared for an increase in taxation, the view that there was little scope for any rise in direct taxes and that the Budget proposals might be mostly in the form of indirect taxation, was increasingly entertained by bulls. It was also felt that the cut in the net dividends of most of the companies would induce the Finance Minister to reconsider the position. However, with only a day left for the Budget, there was a general disposition to remain cautious before increasing commitments.

Continued tightness in the money market was reflected in the gilt-edged section, which was devoid of support. Institutional investors preferred to keep out of the market, while enquiry from other sources was negligible. With the result, 3 per cent 1986 Conversion Loan closed lower at Rs 74.10 after improving at one time to Rs 74.50 from Rs 73.95.

Bank shares remained quiet due to adverse repercussions on bank companies' profits by the new system of taxation introduced in the last year's Budget. Punjab National were quoted lower at Rs 20.50 as against Rs 21 in the previous week.

Selected Jute shares received a little more attention than last week. Hopes were held that a few mills might make satisfactory profits for the current year, having already bought raw jute in time and at cheaper prices. Howrah had buyers at Rs 23.87 to Rs 24.12; National at Rs 30.50 to Rs 31; New Central at Rs 22.87 to Rs 23.37; Belvedere at Rs 148.50 to Rs 150.50 and Ganges at Rs 9.56 to Rs 9.75.

Coal shares responded well to selective enquiries on reports of rising consumption and the possibility of an increase in exports to neighbouring countries. East Indian were taken up to Rs 28.81 from Rs 26.62 and Central India up to Rs 8.90 from Rs 8.69. Burrakur fluctuated rather irregularly between Rs 18.19 and Rs 18.56, to finish the week at Rs 18.50. Amalgamated were a steady feature at Rs 22.12.

The Tea section recorded scrippy business following creation of doubts regarding marketing prospects for the new season. Foreign enquiry also appeared to have decreased considerably. Dealings were, therefore, few and far between. The only relieving feature of trading was the

demand for the shares of gardens situated in Pakistan, particularly for Patrakola, Telipara and Dauracherra. Banarhat changed hands at Rs 331 to Rs 333; Brooke Bond at Rs 17.75 to Rs 17.81; Grob at Rs 13.62 to Rs 13.69; Jayshree at Rs 17.25 to Rs 17.31 and Tezpur at Rs 17.69 to Rs 18.

Sugar shares maintained generally a firmer tendency on prospects of an increase in production during the current season. Raza/Buland were in enquiry up to Rs 13.06 from Rs 12.87; Belsund up to Rs 13.69 from Rs 13.50 and Ramnugger up to Rs 21.19 from Rs 20.81. Carew were, however, quiet at Rs 11.87 against Rs 12.25 on lack of fresh support.

Textile scrip were rather quiet in the absence of fresh enquiry. The only three steady features were Elgins, Kesoram and New Victoria having support up to Rs 18.19, Rs 22.75 and Rs 1.50 respectively. Jayshree were on offer at Rs 12 against Rs 12.50 with Bowreah quoted around Rs 147.

In the Engineering section, price movements were mainly influenced by the speculative activity in Indian Irons which, in turn, were subjected to settlement adjustments till Wednesday. After opening lower at Rs 22.09, Indian Irons recovered steadily to touch at one time Rs 22.77 on higher Bombay advices, to finish the week at Rs 22.75. Jessop at one time touched a high of Rs 23.56 from Rs 23.37; Braithwaite Rs 28.87 from Rs 28.75 and TEXMACO Rs 25.60 to close finally at Rs 23.56. Rs 28.81 and Rs 25.55 respectively. G. K. Williams forged ahead to Rs 47.94 from Rs 46.31 on sustained investment demand and so also Britannia to Rs 13.62 from Rs 13.50. Kumardhubi were nearly maintained at Rs 7.

Bombay

EXCEPT for a small spurt in activity and modest rise in prices on Wednesday, trading in Dalal Street has come to a virtual standstill, pending the announcement of the Budget proposals, which will be released on the afternoon of Monday, February 29. Price movements were confined to a narrow range during the week under review, as operators preferred to have minimum commitments in view of past bitter experience. Reports about purchases of Tata Steel Ordinary and ACC by the Life Insurance Corporation failed to inspire confidence on account of apprehensions of increased

load of taxation. However, during the week-end, an all-round modest appreciation took place.

Among Engineerings, Premier Construction were quiet around Rs 329. It is now reliably gathered that Premier Construction Company Limited will release 25,000 equity shares of Indian Hume Pipe Company at Rs 150, i.e. at Rs 50 premium. Tractors (India) advanced to Rs 34.50, while Voltas were fully steady around Rs 206. Tata Steel Ordinary, after early improvement to Rs 150.25, reacted to Rs 148.75, to recover to Rs 149.75. Tata Loca were subdued at Rs 201.50. Premier Auto were quiet at Rs 138.50. Shivrajpur met with short-covering, to recover to Rs 81 from Rs 76.

Bombay Burmah tried to edge forward. But, in view of the subdued tendency in other pivotal counters, not much progress could be made. Hindustan Lever shot up to Rs 40.25 on higher gross dividend of Rs 2.40 (net Rs 1.68) for 1959 against Rs 1.50, to react to Rs 39.50. Tata Oil ruled steady around Rs 65. WIMCO turned quiet at Rs 238.

Cotton Mill shares kept quiet. Standard Mills strengthened to Rs 885, to come back to Rs 873 on expectations of a net dividend of Rs 21; but later on spurted to Rs 899. Bombay Dyeing met with pressure on rumours of a lower dividend. Century hovered around Rs 438, to come up to Rs 446.

Madras

THE Madras Stock Exchange was closed today (Thursday 25th) on account of "Mahasivaratri".

(The following report is based on the closing quotations of Wednesday):

A slightly better tone prevailed on the Madras Stock Exchange with a tendency from the investment sector to ignore the possibilities or otherwise in the coming central Budget. Textiles were in general demand. Plantations reported better business, and enquiries after Industrials did not slacken.

Plantings: Amalgamated did not change at Rs 13.75 and Anapara at Rs 5.25. Athimattam was below par at Rs 1.25. Balmadies was quoted at Rs 2.80. Be Be was higher by 10 nP at Rs 3.70 and Blue Mountain gained a single nP in value at Rs 3.37. Cochin Malabar was higher at Rs 7.23. Both Coffee Lands and Consolidated Coffee improved on buying inquiries to Rs 23.20 and Rs 22.70 respectively. Coorg was fractionally lower at Rs 5.53.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Transfer Books Closed
Naihati Jute ...	Feb. 29	Nil	16/2/60 to 29/2/60
Birds Investments ...	March 3	1.10	18/2/60 to 3/3/60
SKG Sugar ...	March 4	1.50	23/2/60 to 4/3/60
Jayshree Tea ...	March 10	1.40	25/2/60 to 10/3/60
Voltas Ltd. ...	March 14	13% 9%	8/2/60 to 27/2/60
Union Jute ...	March 15	7.00*	18/2/60 to 29/2/60
Kinnison Jute ...	March 15	7.00*	18/2/60 to 29/2/60
Northbrook Jute ...	March 15	0.75*	18/2/60 to 29/2/60
Lawrence Jute ...	March 15	7.00*	18/2/60 to 29/2/60
Auckland Jute ...	March 15	7.00*	18/2/60 to 29/2/60
Spences Hotel ...	...	0.10	...
Orissa Minerals ...	March 15	3.6	...
Alkali and Chemical ...	March 16	0.95	27/2/60 to 16/3/60

*Interim for year ended 31st March, 1960.

Indian Finance

FACTS AND FIGURES

INDEX NUMBERS OF SECURITY PRICES (1949-50 = 100)

Week ended	14.2.59	6.2.60	13.2.60
Government and semi-Government securities—All-India			
Total	108.7	101.5	101.5
Government of India	100.5	101.4	101.4
State Governments	102.3	102.8	102.7
Municipal, Port Trust, etc.	99.5	100.0	100.0
Debentures of Joint Stock Companies—All-India			
Total	101.5	101.7	101.7
Preference shares—All-India			
Total	88.1	91.1	91.3
Variable dividend industrial securities—All-India			
Total	130.3	157.5	158.3
Agriculture and Allied Activities			
Total*	146.9	168.8	168.6
Tea Plantation	142.5	165.3	165.7
Coffee Plantation	182.4	207.7	198.1
Rubber Plantations	153.5	167.3	169.6
Mining and Quarrying: Total	136.5	144.2	147.7
Coal	110.6	110.5	111.0
Other Mining	154.3	167.2	172.9
Processing and Manufacturing: Total			
Processing & Mfg. (Food stuffs, Textiles Etc. Total*)	124.2	159.8	160.3
Sugar	156.4	179.4	178.9
Cotton, Textiles	108.1	139.6	139.3
Jute Textiles	89.2	92.2	92.5
Silk & Woollen	439.0	716.3	717.6
Processing & Mfg. (Metals, Chemicals Etc. Total*)	136.3	178.2	179.6
Iron & Steel	150.8	149.2	149.9
Transport Equipment	197.1	336.9	339.1
Electrical Machinery	135.8	124.6	124.8
Machinery Other than Transport and Electrical	171.2	202.1	203.4
Basic Industrial Chemicals' Processing and Mfg. (Others): Total*	126.3	176.3	181.1
Cement	136.7	151.2	152.1
Paper	123.9	134.6	135.1
Other Industries: Total*	183.5	204.6	207.1
Electricity Generation and Supply	115.5	111.8	111.3
Trading	93.0	87.0	87.1
Shipping and other Transport	89.3	111.6	109.8
Construction	156.7	118.2	116.8
Financial Total	248.6	295.0	293.4
Banks	183.1	175.9	176.0
Insurance	206.7	195.1	195.5
Investment Trusts	127.2	136.4	135.9
	104.6	90.3	98.2

Variable dividend industrial securities—Regional

Bombay	140.3	159.6	160.3
Calcutta	136.5	149.8	150.7
Madras	149.3	174.2	175.0
Delli	159.6	198.8	199.6

*Including "Miscellaneous."
*Including "Edible and Vegetable oils."

GOVERNMENT OF INDIA TREASURY BILLS

Week ended	12.9.58	4.9.59	11.9.59
Amount offered	8.00	3.00	2.00
Amount tendered	3.95	3.05	2.50
Amount sold by tender	3.00	3.00	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	29	1.75
Total sales	3.00	3.29	3.75
Average rate of discount for auction sales	2,523	2,519	2,448
Sold in favour of Reserve Bank of India	85.14	26.90	1.16
Total amount outstanding	1,044.65	1,319.07	1,316.75

BULLION PRICES

Week Ended	19.9.58	11.9.59	18.9.59
	Ra. nP	Ra. nP.	Ra. nP.
GOLD:—			
Spot—Highest	107 56	122 87	122 69
Lowest	106 62	121 25	120 37
Average	107 26	122 34	121 81
1st Settlement—			
Highest	107 75	123 06	122 75
Lowest	107 00	121 50	120 75
Average	107 51	122 43	121 85
SOVEREIGN—			
Average	70 87	78 18	78 30
SILVER:—			
Spot—Highest	186 50	204 19	203 94
Lowest	184 94	202 56	201 69
Average	185 75	203 66	202 80
1st Settlement—			
Highest	187 06	204 44	204 06
Lowest	185 56	202 81	201 69
Average	186 37	203 82	202 88

SHORT-TERM MONEY RATES

(Per cent per annum)

	12.9.58	4.9.59	11.9.59
Call Money—			
From Banks	...	3½	2
Bombay	...	4½	3½
Calcutta	...	3½	3½
Madras	...	3½	3½
From Public—			
Bombay	...	3½	3½
Calcutta	...	3½	3½
Madras	...	3½	3½
Fixed Deposits—			
3 Months	...	4½	3½
Bombay	...	4½	3½
Calcutta	...	4½	3½
Madras	...	4½	3½
6 Months	...	4½	3½
Bombay	...	4½	3½
Calcutta	...	4½	3½
Madras	...	4½	3½

CHANGES IN FOREIGN EXCHANGE RATES

Country	Currency	Rate	Date of change
		From	To
Belgium	Fcs. to Ra. 100	1043	1044
		1044	1045
Switzerland	"	901	791
Italy	Lira to Ra. 100	12955	12960
		12960	12965
Denmark	Kroner to Ra. 100	1441	1441
		1081	1081
Sweden	"	1081	1081
U. S. A.	"	477.50	477.75
		477.75	477.75
		477.50	477.75
Canada	"	502.75	502.50
		502.50	502.75
Hongkong	Ra. to \$ 100	83.50	83.50

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Week Ended	12.9.58	4.9.59	11.9.59
Forward Contracts—			
Purchases	£ ('000)	2,375	2,625
Sales	£ ('000)	3,17	3,50
Deliveries—			
Spot Transactions—	£ ('000)	50	130
Purchases	£ ('000)	7	17
Sales	£ ('000)	40	...
Against forward contracts—			
Purchases	£ ('000)	1,805	745
Sales	£ ('000)	2,41	99

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

	19.9.58	11.9.59	18.9.59
	Price Ra. nP.	Yield %	Price Ra. nP.
3½% 1961	100 20	3.42	100 20
3½% 1962	99 15	3.49	99 60
3½% N.P.B. 1967	98 85	3.65	99 63
3½% Dev. (1970-75)	98 85	4.07	92 46
3½% 1974	98 30	3.89	99 65
3% (Con.) 1986 or later*	74 10	4.04	74 23

*Running yield.

INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS (Base: 1952-53=100)

Group and Sub-Group	WEEK ENDED			
	5.2.59	19.2.59	5.3.59	19.3.59
Food Articles				
Cereals	119.2	120.21	122.41	121.51
Pulses	105.9	107.61	110.61	115.71
Fruits & Vegetables	87.7	90.3	93.21	105.51
Milk & Ghee	148.4	151.41	150.91	152.41
Edible oils	110.5	110.2	114.91	110.41
Fish, Eggs & Meat	125.6	125.9	126.4	130.71
Sugar & Gur	112.6	113.01	117.81	114.91
Others	147.8	147.6	147.9	185.71
Liquor and Tobacco	166.7	167.1	165.81	157.11
Tobacco	99.4	99.2	97.51	90.71
Fuel, Power, Light & Lubricants	97.9	97.6	95.81	87.01
Industrial Raw Materials	116.2	116.2	115.51	116.01
Fibres	121.0	120.31	118.91	118.01
Oilseeds	110.7	110.31	108.71	108.01
Minerals	133.4	132.31	131.61	136.01
Others	98.2	98.2	98.2	107.01
Manufactures	118.51	118.21	115.81	106.01
Intermediate Products	109.7	109.7	109.01	108.91
Finished Products	110.2	109.8	108.5	111.11
Textiles	109.6	109.7	109.11	108.01
Cotton	105.2	105.2	104.21	104.31
Jute	113.21	113.31	112.41	111.11
Woolen	90.9	91.0	88.7	87.71
Silk & Rayon	104.21	104.21	104.21	105.51
Metal Products	92.21	92.21	92.41	96.01
Chemicals	143.3	143.3	143.3	143.91
Oil cakes	107.3	107.7	107.01	108.01
Mchy. & Transport Equipment	140.11	141.41	142.6	135.51
Others	106.81	105.81	105.81	104.01
All Commodities	103.8	113.6	113.8	112.31
	116.2	116.61	117.21	116.61

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 19-2-60 Rs NP	Quotation as on 19-2-59 Rs NP
Banks			
Allahabad 6%	100	104.00	112.00
Behar 5%	50	21.00	19.75
Coal			
Asso. K'pura 4 1/2%	100	50.50	50.50
Bharat 6 1/2%	100	49.50	47.50
Borooah 5 1/2%	100	83.50	83.50
Burrakur 7%	100	91.75	105.00
Burrakur 8%	10	6.50	6.88
Equitable 6%	100	90.00	100.00
Chuglick % Malia 100	100	100.00	100.00
Gourangdi 5%	100	40.00	40.00
K'pura 5 1/2%	100	58.00	54.25
K'pura 5 1/2%	10	9.00	7.25
K'pura 5 1/2%	10	11.62	10.00
M. Churulia 6%	10	2.56	2.50
M. Hundi 5%	100	45.00	44.00
Orissa 5 1/2%	100	86.50	91.50
Parana 5 1/2%	100	50.00	42.50
Unl. Colliery 5%	100	78.00	83.00
Cotton			
Basant 6 1/2%	100	8.56	9.00
B. Nagar 7%	100	76.00	76.00
Borooah 8%	100	152.00	128.00
Borooah 7%	100	65.00	65.00
Edin 5%	100	110.00	105.00
Edin 5%	10	8.00	8.25
Jagatjit 5%	100	38.75	43.75
Jyotirmo 5 1/2%	100	90.00	87.00
J. K. Cotton 6%	100	93.00	90.00
Kanara 5 1/2%	100	104.00	100.00
Muir 8%	100	83.00	68.00
N. Victoria 6%	5	3.00	2.84
Orissa 5%	100	80.00	...
Shree Madhusudan 5%	100	76.00	...
Sudan 4 1/2%	100	54.00	58.00
S. Nivasa 4 1/2%	100	108.00	100.00
Shree Bhawan 5%	100	61.00	74.50
Swadeshi 6%	100	...	...
Jute			
Agarpara 7%	100	93.00	104.50
Alexandra 7%	100	97.50	96.00
Alliance 5%	100	98.00	98.00
Anglo-India 7%	100	95.50	101.00
Auckland 5 1/2%	100	76.00	77.50
Auckland 4 1/2%	100	68.00	61.00
Bally 7%	100	98.50	100.00
Barnagore 5%	100	98.50	100.00
Belvedere 7%	100	97.00	101.50
Bengal 5 1/2%	100	69.00	77.00
Birla 7 1/2%	100	91.00	87.00
Birla 5 1/2%	100	92.00	...
Budge-Budge 7%	100	103.50	102.00
Calcutta 6 1/2%	100	77.00	78.00
Caledonian 7%	100	67.50	77.50
Chewit 7%	100	101.00	99.00
Chitavalisah 7%	100	105.50	100.00
Clive 6 1/2%	100	74.75	67.50
Clive 7 1/2%	100	65.00	72.00
Delhouse 7%	100	98.00	73.37
Delta 5 1/2%	100	88.25	72.00
Empire 7%	100	98.50	100.00
F. Gloster 5%	100	114.00	105.50
F. Gloster 5%	100	74.50	68.50
F. William 7%	100	111.50	84.50
Ganges Mfg. 7%	100	125.00	100.00
Gouropore 6%	100	81.00	88.00
Hastings 6%	100	90.00	83.00
Hooghly 1%	10	10.62	10.31
Howrah A. Pref. 100	100	103.00	98.00
Howrah 7%	100	105.00	99.00
Howrah 7%	100	98.00	100.00
Khaty 6%	100	90.00	95.00
Kanara 6%	100	90.00	71.00
Kedarnath 6 1/2%	100	88.00	88.00
Kedarnath 7%	100	85.00	86.00
Kidnari 7%	100	90.50	103.00
Kidnari 7%	100	89.00	102.50
Kinnison 7%	100	89.00	102.50
Landowne 7%	100	104.50	100.00
Lawrence 7%	100	91.50	94.00
Lawrence 5 1/2%	100	70.00	72.00

NAME	Paid-up per Share	Quotation as on 19-2-60 Rs NP	Quotation as on 19-2-59 Rs NP
Banks			
K. Bullen 5 1/2%	100	58.25	57.50
K. Bullen 4 1/2%	100	59.00	50.00
Kusum 5 1/2%	100	64.00	69.50
Macneil & Barry			
N. Central 7%	100	96.00	100.50
Northbrook 5 1/2%	100	80.50	74.00
Rameshwara 6%	10	12.44	9.44
Reliance 7%	100	86.50	86.50
S. Ambica 7 1/2%	100	93.50	88.00
Soorah 7%	100	88.00	95.00
Standard 6%	100	97.00	100.00
Union 7%	100	97.50	103.50
Waverley 5%	50	34.00	44.00
Minings			
Asso. Mining 5%	50	38.00	29.75
Ch. Mica 5 1/2%	100	50.00	51.07
Metal Corp. 5 1/2%	100	79.00	80.00
Cement			
Dalmia Bharat 6% 10	8.87	8.00	...
Jalpur Udyog 3%	100	37.00	40.00
K'pur Lime 6%	100	80.00	80.00
K'pur Lime 6% cp	100	100.50	100.50
K'dhuli Fire 7%	100	101.00	101.00
K'dhuli Fire 6 1/2%	100	84.50	84.50
Orissa Cement 4 1/2%	100	35.08	35.08
Chemicals			
Alkali 5%	100	103.00	102.00
Bathgate 4 1/2%	10	22.00	19.00
Beng. Chem. 7 1/2%	10	12.82	12.00
Beng. Chem. 4 1/2%	100	72.00	76.00
Frank Ross 4 1/2%	100	41.00	36.00
Smith Stant 10%	50	69.82	67.00
Electric			
Calcutta 5%	100	10.25	9.84
Dishergarh 5 1/2%	100	78.50	69.50
Dishergarh 4 1/2%	100	76.00	79.50
Engineering			
Arthur Butler 7%	10	10.75	9.50
Br. Bldg. 6%	100	60.00	73.00
Br. Engg. 7%	100	100.00	...
Burn & Co. 7%	100	122.50	121.50
Burn & Co. 7%	100	115.00	114.00
L. Iron 5%	100	102.00	101.50
L. Machinery 7%	100	125.00	122.00
Ind. St. Wagon 7%	100	100.00	79.00
Jessop & Co. 5 1/2%	100	100.00	...
J. K. Steel 7%	100	100.00	89.50
K'dhuli 5%	100	90.00	89.50
R. Cruddas 5 1/2%	100	64.00	64.00
B. Products 5%	10	2.19	3.69
Texmaco 5 1/2%	100	91.50	86.50
Texmaco 5 1/2%	100	63.00	60.00
Miscellaneous			
Alum. Corp. 5%	100	75.00	63.00
Alum. Corp. 6%	100	100.50	85.50
Amal. Dev. 5%	100	42.00	42.00
Asso. Hotel 7%	100	50.50	48.00
Bharat Nidhi 6%	100	53.00	58.00
Birds Inv. 5 1/2%	100	59.00	51.50
Br. Biscuits 8% cp	10	9.30	9.70
B. Cey. Corp. 6%	10	8.20	8.20
B. L. Corp. 8%	100	104.00	100.50
Cal. Cr. Corp 5%	100	81.00	50.00
Cal. Cr. Corp 5 1/2%	100	34.50	40.00
Cal. Gas 5 1/2% rpt	100	69.00	48.50
Cal. Silk 6% cp	100	49.12	40.00
Cal. Trams 5% rpt 1	8.22	8.12	...
Duncan Bros. 4%	100	50.00	58.00
Dunlop 6%	100	115.00	111.50
Dunlop 6%	100	87.00	82.50
Eastern Inv. 5%	100	72.80	75.00
Gillanders 5%	100	55.00	54.50
Godfrey Phil. 5 1/2%	100	63.25	68.00
Hindustan Nat. 5%	100	40.00	45.00
Greaves Cot. 6%	100	37.00	43.00
Hindustan Motors 8%	100	140.00	...
Hindustan Nat. 5%	100	93.00	100.00
Glass 4 1/2% rpt	100	71.50	71.00
Ind. Alum. 5%	100	28.50	25.75
Ind. Cables 6%	10	46.00	51.50
Ind. Plastics 5 1/2%	100	78.00	75.00
I. Rubber 5%	100	25.25	23.00
James Wright 6%	50	59.00	57.00
J. Henderson 5 1/2%	100	59.00	57.00

NAME	Paid-up per Share	Quotation as on 19-2-60 Rs NP	Quotation as on 19-2-59 Rs NP
Banks			
Dimakushi 8%	10	8.90	9.70
Kingsley Gola 6%	100	80.00	80.00
Moheema 6%	10	9.44	8.12
Tepore 2%	10	11.19	9.96
Darjeeling			
Gielle 8%	100	68.00	75.00
Lingia 6%	100	62.00	...
Okayti 7%	100	79.00	93.00
Pussimbing 7%	100	93.00	95.00
Singtom 5%	10	5.25	6.82
Doon			
Banarhat 6 1/2%	100	105.00	105.50
Birpara 9% (Pref.)	100	109.00	105.00
C'bhutti 6 1/2%	100	104.50	100.50
Hantapara 8%	100	109.00	103.00
Hasimara 7%	100	106.00	101.00
N. Doon 6 1/2%	100	102.50	109.00
Cachar			
Sonal River 5%	100	93.00	93.00
Sylhet			
N. Samanbagh 8%	10	91.50	101.50
S. Indian			
Kotamulali 6%	25	14.00	18.50
Teral			
Atal 4 1/2% cp	10	5.30	4.65
Tiribunah 0%	10	14.00	13.00
Ordinary Shares			
CALCUTTA			
GOVERNMENT OF INDIA LOANS			
(Non-Terminal Loans)			
3% Govt. Paper	73.60	72.60	...
(Terminal Loans)			
3% Loan (1986)	74.28	73.75	...
2 1/2% Loan (1981)	98.35	97.20	...
2 1/2% Loan (1982)	98.25	96.97	...
2 1/2% Loan (1976)	83.30	83.15	...
3 1/2% Loan (1980)	99.85	98.97	...
3% Loan (1984)	99.00	98.90	...
3% Loan (1983-85)	97.98	96.78	...
3% Loan (1986-88)	95.82	93.88	...
3% Loan (1970-75)	92.37	90.90	...
3 1/2% Loan (1982)	99.65	99.15	...
3 1/2% Loan (1981)	100.10	99.95	...
3 1/2% Loan (1983)	100.20	100.00	...
3 1/2% Loan (1981)	99.80	99.69	...
3 1/2% Loan (1985)	99.70	99.60	...
3 1/2% Loan (1987)	99.85	99.25	...
3 1/2% Loan (1988)	99.60	99.10	...
3 1/2% Loan (1989)	99.27	...	...
3 1/2% Loan (1987)	100.75	100.75	...
3 1/2% Loan (1988)	100.85	100.75	...
3 1/2% Loan (1974)	99.70	98.70	...
4% Loan (1980-70)	100.50	100.70	...
4% Loan (1972)	101.65	100.45	...
4% Loan (1973)	101.55	100.93	...
4% Loan 1979	100.25	...	...
BANKS			
Allahabad	100	344.00	358.00
Allahabad	50	172.00	175.50
Bank of Bihar	100	31.00	30.00
Bank of Baroda	25	48.50	...
Bank of India	50	118.00	126.00
Hindust. Comm. 50	20.31	0.75	...
Hindust. Mercan. 50	24.00	13.75	...
Punjab National 10	21.25	23.37	...
United D	10	5.25	4.87
United Comm. 50	69.50	68.50	...
RAILWAYS			
Ahmedpur-Kutwa	100	36.50	50.00
Arrah-Sasaram	100	45.00	47.98
Bankura-Damodar	100	39.00	49.00

*Nominal. †Ex-Dividend. ‡Cum-Dividend. [Ex-Rights]

NAME	Paid-up per Share.	Quotation as on 19-2-60 Rs NP	19-2-59 Rs NP	NAME	Paid-up per Share.	Quotation as on 19-2-60 Rs NP	19-2-59 Rs NP	NAME	Paid-up per Share.	Quotation as on 19-2-60 Rs NP	19-2-59 Rs NP	NAME	Paid-up per Share.	Quotation as on 19-2-60 Rs NP	19-2-59 Rs NP	
Murdwan-Cutwa	100	39.00	51.00	Gescom	10	22.75	12.19	CEMENT, POTTERY & FIRECLAY				National Inacc.	100	844.00	844.00	
Bukhtapur	100	27.75	11.12	Maharaja Shree	100	165.00	...	A-B. Cement	10	5.87	3.50	New Asiatic	...	6	3.82	2.70
Chapar-Bighat	100	31.00	37.00	Unaid	100	80.00	50.00	A. B. Cement Defd.	1	1.12	0.65	Ruby General	...	8	8.94	6.50
Delhi-Rohas	10	18.75	10.37	Muir	100	1.50	1.25	Ashoka Cement	10	7.94	8.12	Standard	...	10	4.23	4.90
Putwah-Islampur	100	34.50	37.36	New Victoria	2 1/2	8.83	5.00	Bengal Potteries	2 1/2	5.31	4.19	Triton	...	25	148.00	151.00
Howrah-Amra	100	44.00	51.95	Orissa Textile	10	10.12	12.00	Dalmia Bharat	10	11.25	9.69	MISCELLANEOUS				
How-Shakhal	100	35.50	34.90	Rampooria	10	2.50	4.50	Dalmia Defd.	1	2.08	2.00	Airways (India)	10	4.78	4.06	
Kats-Lalabazar	100	58.13	59.88	Shree Madhusudan	10	9.94	...	Jaipur Udyog	10	11.81	10.12	Alumina Plywood	10	11.00	...	
Khadara (Delhi)	100	65.00	98.00	Shree Niwas	100	223.00	157.00	Kidhupi Lime	100	102.00	100.00	Alum. Corp.	...	10	16.00	10.87
Saharanpur	100	65.00	98.00	Shri Bhawan	100	11.00	10.00	Kidhupi Fireclay	10	22.75	22.75	Amalgam. Devel.	100	50.00	50.00	
COAL				Suitel Cotton	10	91.00	75.50	Reliance Firebrick	10	20.00	24.62	Anglo. Bros.	...	10	19.94	19.75
Amalgamated	10	22.12	22.00	Swadeshi Cotton	10	10.25	10.25	Orissa Cement	10	13.09	12.31	Assa. Hotel	...	10	6.00	7.50
Asso. K'pura	10	4.75	4.75	Swadeshi (P.O.)	10	9.56	10.25	Sone Valley	8	5.62	5.25	Assa. Match	...	10	17.75	17.31
Asso. Lalidih	10	3.50	2.94	STEEL			CHEMICALS				Balmer Lawrie	100	209.00	143.00		
Bagdigi Kujana	10	9.00	8.81	Agarpara	10	11.87	9.56	Alkali	10	24.12	18.62	Bearers Coke	...	10	13.75	11.75
Batighi	100	298.00	284.00	Alexandra	100	174.00	182.00	Bathgate	5	1.12	0.69	Bharat Commerce	...	10	12.69	5.25
Bengal Bhatdee	10	3.48	4.06	Alliance	100	112.00	120.00	Bengal Chem.	100	102.00	96.00	Bharat Nidhi	...	10	8.37	5.44
Bengal-Nagpur	10	13.00	12.75	Anglo-India	100	214.00	212.00	Bharat Starch	10	8.06	8.06	Bharat Co.	100	34.76	44.75	
Bhalgore	10	6.50	6.31	Auckland	100	173.00	173.00	Burma Lime	10	8.25	7.50	Bharat Co.	100	2.86	2.47	
Bharat	10	7.06	6.47	Bally	100	215.00	206.00	Calcutta Chem.	10	16.00	15.00	Birds Invest.	...	10	16.23	14.42
Bhowra Kankane	10	11.13	...	Baranagore	...	147.00	131.00	Dharanagora	100	160.00	193.00	Birds River	...	10	1.05	1.50
Bhulanbarore	10	5.87	7.75	Belvedere	100	140.00	160.00	Frank Road	8	2.75	1.87	Bri. Blacut	...	10	26.81	19.35
Bhuranaga	10	1.81	2.00	Bengal	10	11.87	8.12	Smith Stanstreet	5	13.50	10.60	Bri. Ceylon Corp.	100	7.00	6.14	
Bokaro & Ramrup	10	14.50	14.00	Bharat	...	5.12	8.12	ELECTRICS				B. I. Corp.	...	5	6.89	4.34
Borooah	10	19.25	18.75	Birla	10	25.94	18.75	Agre	100	139.00	144.00	Cal. Credit Corp.	...	10	9.44	4.12
Burrakur	10	18.37	17.56	Budge-Budge	100	124.00	136.00	Aligarh	10	10.00	9.10	Calcutta Gas	...	10	8.06	8.28
Central India	10	8.75	7.37	Calcutta	10	6.44	9.94	Bareilly	10	14.44	14.50	Calcutta Silt	...	10	7.87	7.81
Central Kurkend	10	11.25	9.56	Caledonian	100	176.00	197.00	Banaras	10	15.06	14.19	Calcutta Tram	...	10	4.37	4.12
Churulia	4	3.81	3.44	Champdany	100	125.00	117.00	Bhagalpur	10	8.74	7.37	Cambay Invest.	...	10	15.00	14.00
Dhemo Main	10	9.50	9.25	Cheviot	100	168.00	191.00	Calcutta	...	15.06	14.58	Corpn.	100	160.00	101.60	
East India	1	26.82	24.00	Chittavalah	10	14.82	18.31	Cuttack	...	8.00	7.41	Cherra Chhatkat	5	5.50	5.00	
Equitable	10	30.00	30.19	Cive	10	12.37	14.00	Dharwar	...	45.80	46.50	Clive Row Inv.	10	8.81	11.25	
Ghushik & Atulia	10	13.00	13.80	Dalhousie	100	131.50	136.00	Dishbergh	100	67.00	74.50	Darjeeling Rope	...	10	7.75	8.87
Goutangdi	10	7.00	7.00	Delta	100	152.00	170.00	Eastern UP	10	7.00	7.00	Duncan Bros.	100	117.00	122.00	
Gurdas Kajora	10	6.00	8.25	Empire	100	16.00	19.84	Jubbulpore	10	13.63	13.50	Dunlop	...	10	36.00	29.75
Hurriladhi	10	14.37	14.25	Fort Gloster	100	380.00	250.00	Jhansi	10	6.62	6.62	Eastern Invest.	100	142.00	152.00	
Jhansi Central	2 1/2	0.43	2.00	Fort William	10	24.12	23.75	Mirapore	9	7.00	8.38	Elec. Const.	...	10	12.72	11.25
Josta	10	1.97	1.68	Ganga Mfg.	10	9.87	...	Muttia	10	9.12	9.14	French Motor	...	20	29.00	24.88
Kalkapahar	10	27.75	22.00	Gondalpara	10	26.00	...	Muzaffarpore	10	7.62	8.12	Ganges Rope	100	208.00	176.50	
Karanpuri	100	146.00	118.00	Gourepore	100	440.00	387.00	Patna	10	10.81	11.25	Gillanders	...	10	11.25	11.25
Katras Jheriah	10	33.87	68.75	Hastings	100	99.00	105.00	Shahjahanpur	10	6.75	8.81	Godfrey Phillips	10	20.75	19.75	
Khas Kajora	10	12.00	2.50	Hooghly	10	12.84	13.00	Shillong Hydro.	2	4.96	5.50	G. E. Hotel	...	250	230.00	250.00
Khas Shamapore	10	1.00	1.96	Howrah	10	24.12	21.00	Sijua Jheriah	10	9.62	10.32	Gangpur Cotton	100	138.50	106.80	
Kuwardi	10	3.81	2.78	Hukumchand	...	16.50	15.00	U. P.	100	132.00	136.00	Hindusthan Gas	7	12.12	12.75	
Lakurka	10	14.87	15.80	Kamarhatty	100	168.00	164.00	Upper Ganges	10	14.00	12.12	Hindusthan Ice	5	1.05	0.90	
Mahabir	10	12.25	12.25	Kamarhatty B	100	181.00	160.00	Upper Jumna	10	18.75	16.75	Hindusthan Lever	10	36.87	27.50	
Mundulpore	10	0.50	1.05	Kanknarrah	100	103.50	91.00	ENGINEERING				Hind. N. Glass	10	16.25	7.31	
Nazira	10	8.47	7.50	Kanknarrah (B)	100	97.00	84.00	Arthur Butler	10	12.75	9.12	Hindust. Plikington	10	16.25	12.12	
New Boorthoom	10	22.87	19.94	Kedarnath	10	10.12	8.12	Bharatia Elec.	10	14.19	15.25	Hoare Miller	...	10	7.75	6.19
New Churulia	10	2.19	2.00	Kelvin	100	152.00	251.00	Braithwaite & Co.	10	28.75	31.94	Indian Tobacco	...	10	10.62	11.75
New Humtodi	10	4.00	3.80	Kharadh	100	162.00	167.00	Bri. Bldg. & Iron	10	7.06	6.00	Indian Alum.	...	10	24.44	17.00
New Jalnampur	10	3.60	3.80	Kimson	100	175.00	185.50	Bri. Eng.	10	13.50	11.25	Indian Cable	...	10	29.25	28.94
New Manbhum	10	12.31	11.75	Lawndowne	100	137.00	132.00	B. I. E. Concn.	10	32.00	21.25	Indian Oxigen	...	10	35.00	23.21
North Damuda	2 1/2	1.10	1.25	Lawrence	100	143.00	110.00	Bridg. and Roof	10	25.00	27.20	Indian Plastic	...	10	8.00	8.25
North-West (F.P.)	10	23.12	23.87	Mahabir	100	85.00	85.00	Burn & Co.	100	438.00	365.00	Indian Rubber	...	10	18.25	18.00
North-West (F.P.)	7 1/2	10.75	18.50	Megna	10	12.09	14.50	Calcutta Steel	10	14.12	...	Indian Wood	...	10	32.00	43.87
Oriental	10	8.12	8.00	Nakhati	100	64.50	77.00	Quart Keen	10	46.06	37.37	Ind. Corp. of Ben.	10	0.31	0.31	
Ondal	10	11.50	12.00	Naskarpura	10	12.50	14.25	Hooghly Docking	50	104.00	118.00	Ivan Jones	...	2	1.56	1.90
Parasae	10	18.56	15.10	National	100	30.75	25.62	Indian Galvng.	10	21.50	15.75	James Wright	...	5	2.82	2.78
Pench Valley	10	19.81	24.00	Nellmaria	10	12.06	12.12	Indian Iron	10	22.18	26.08	J. Henderson	100	66.25	60.50	
Pure Situlpore	10	5.75	6.25	New Central	10	23.19	13.50	India Machinery	10	2.00	2.00	James Alexander	...	10	10.56	9.10
Rancungune	10	17.19	14.87	North brook	10	19.94	19.31	Indian Mail. Cast.	5	4.50	9.05	Jeevanlal	...	10	8.37	6.00
Rewa	10	19.56	18.06	Nuddae	80	58.50	58.50	Ind. Mail. Casting	1	2.50	3.00	John Paterson	...	10	4.50	2.00
Sania	10	12.00	12.94	Orient	100	155.00	179.00	Ind. Steel Wire	25	93.00	98.00	Kalimpore Rope	10	2.25	3.12	
Soralee	2 1/2	2.09	4.87	Presidency	5	8.69	8.06	I. Steel Wire F.P.	100	35.94	79.25	Kettlewell Dullen	100	137.00	143.00	
Seelbore	7	27.12	26.25	Rameshwara	10	7.75	7.81	Jay Engineering	100	14.69	14.59	Khandawal Ferro	...	50	65.00	...
Sondra	10	12.75	11.31	Reliance	10	14.00	11.37	Kumardhub	3	7.06	8.75	Kishore Trading	100	76.00	76.00	
Shree Mahakali	10	3.31	4.12	Shree Ambica	10	7.00	7.00	Marshall	2	5.94	5.09	Kizum Products	10	4.80	5.78	
S. Kamnappa	10	12.62	12.31	S. Luchminarayan	5	8.23	8.23	National Engg.	10	4.55	4.44	Macfarlane	...	5	4.00	3.12
Standard	10	18.30	13.50	S. Luchminarayan	5	19.37	19.50	National Iron	10	8.81	9.00	Macfarlane Defd.	1	0.87	0.75	
Union	10	14.00	14.25	Soorah	100	112.50	115.00	National Screws	10	8.00	8.00	Macneill & Barry	100	98.50	...	
United Collieries	10	12.25	10.94	Standard	200	208.00	214.00	R. Cruddas	10	8.19	8.19	Mahindra and Mahindra	...	10	19.19	...
Western Bengal	10	6.50	5.87	Union	1	3.44	4.00	Saran	4	7.41	6.25	Marwar Trading	100	200.00	200.00	
West Ghushik	10	14.06	13.50	Waverley	10	12.00	8.00	Steel Products	3 1/2	2.94	1.75	McLeod & Co.	100	219.00	187.50	
West Jamuria	10	6.06	6.72	MININGS AND MINERALS			Tex. Machinery	10	25.50	20.90	Metal Box	...	10	63.62	30.87	
West Lalidih	10	3.12	2.94	Asam Gillmanite	10	11.19	10.69	FLOUR MILLS				Moradabad Water	...	10	5.35	4.00
COTTON				Asoc. Minings	10	7.85	8.75	Bengal	10	36.25	30.45	N. I. Cables	10	28.12	30.06	
Basanti	10	7.25	6.50	Asso. Mining Defd.	10	4.98	8.22	Delhi	10	18.00	18.00	National Pipes & Tubes	...	10	18.25	17.25
Bengal Fine Spg.	40	33.00	32.00	Bika Stone Lime	10	38.00	32.00	Hooghly	10	21.91	26.37	National Rolling	...	10	14.87	13.12
Bengal Laxmi	10	4.25	3.81	Burma Mines	3 1/2	1.64	1.65	United	10	50.00	29.87	Nat. Rubber Mfg.	...	10	12.87	14.99
Bengal-Nagpur	10	20.00	25.00	Consol. Tin	1 1/2	0.44	0.45	INSURANCE				Nat. Tanneries	...	10	0.50	0.30
Bowrah	100	145.00	90.00	Chr. Mica Defd.	5	5.84	5.78	Concord of India	5	11.94	11.69	Nat. Tobacco	10	17.50	13.87	
Cawnpore Tex.	50	6.06	4.25	Indian Copper	10	95.00	95.00	General	25	19.25	18.12	Nav. Bharat	...	10	4.00	...
Cawnpore Spg.	100	308.10	320.89	Kangra Valley	100	13.31	10.62	Hercules	10	24.37	26.25	New I. Invest.	75	46.00	35.50	

NAME				NAME				NAME				NAME				NAME				NAME				NAME															
Paid-up per Share.				Paid-up per Share.				Paid-up per Share.				Paid-up per Share.				Paid-up per Share.				Paid-up per Share.				Paid-up per Share.															
Quotation as on 19-2-60 Rs nP				Quotation as on 19-2-59 Rs nP				Quotation as on 19-2-60 Rs nP				Quotation as on 19-2-59 Rs nP				Quotation as on 19-2-60 Rs nP				Quotation as on 19-2-59 Rs nP				Quotation as on 19-2-60 Rs nP				Quotation as on 19-2-59 Rs nP											
Pearl Invest. ...	10	4.00	1.25	Punjab ...	100	80.00	60.00	Banarhat ...	100	335.00	272.00	Berhampur 6% ...	10	8.05	8.65	Anapara ...	2	5.35	4.15	Coim. Pioneer ...	100	360.00	263.00	Trav. Chem. Mfg. ...	10	15.12	12.00	Trav. Chem. Mfg. ...	10	15.12	12.00	Trav. Chem. Mfg. ...	10	15.12	12.00				
Phillips India ...	10	24.31	16.81	Punjab ...	100	12.00	13.00	Baradighi ...	10	27.75	18.75	Kumbakonam 6% ...	10	9.80	9.45	Arthala ...	5	4.00	4.00	Coim. Spinning ...	50	56.00	45.00	Trav. Oreale ...	10	7.80	4.60	Trav. Oreale ...	10	7.80	4.60	Trav. Oreale ...	10	7.80	4.60	Trav. Oreale ...	10	7.80	4.60
Phosphate Co. ...	100	173.30	190.00	Ramnagar Cane ...	10	20.81	18.82	Bhatkora ...	10	23.00	19.87	Nepapatam 6% ...	10	9.50	9.00	Birpara ...	100	202.00	158.50	Dhanalakshmi ...	100	227.00	175.00	Tube Invt. ...	100	235.00	...	Tube Invt. ...	100	235.00	...	Tube Invt. ...	100	235.00	...	Tube Invt. ...	100	235.00	...
Publicity Society ...	4	15.00	9.19	Ratna ...	10	2.65	2.65	Birpara ...	100	202.00	158.50	Salem Erode 6% ...	10	9.24	9.90	Birpara ...	100	202.00	158.50	Janardana ...	50	64.00	68.50	United Electrical ...	10	8.50	9.50	United Electrical ...	10	8.50	9.50	United Electrical ...	10	8.50	9.50	United Electrical ...	10	8.50	9.50
Prem. Trans. ...	10	1.50	1.50	Raza ...	10	12.94	12.75	Carron ...	100	200.00	127.00	S. Madras 5% ...	10	9.97	9.15	Birpara ...	100	202.00	158.50	Jawana ...	5	9.45	11.50	United India Fire ...	7	8.05	8.00	United India Fire ...	7	8.05	8.00	United India Fire ...	7	8.05	8.00	United India Fire ...	7	8.05	8.00
Rails ...	100	83.25	47.00	Rayam ...	10	16.44	17.06	Choonabutti ...	100	310.00	260.00	S. Madras 5% ...	10	9.42	8.89	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
R.B. Rodda & Co. ...	10	5.00	4.68	Samastipur ...	10	12.69	12.00	Ellenbarrie ...	100	149.00	155.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Rohas ...	10	26.94	18.87	Shree Anand ...	10	11.00	10.25	Gopalpur ...	100	275.00	400.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Sahu Properties ...	5	3.05	3.03	Sitalpur ...	10	6.19	2.37	Engo ...	100	10.19	11.50	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Sen Raleigh ...	10	19.87	18.00	South Behar ...	2	0.25	0.25	Ethelbari ...	100	165.00	140.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Shaw Wallace ...	10	19.37	15.82	S. Behar Defd. ...	2	0.25	0.25	Gairkhatia ...	100	22.82	20.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Spencer's Hotel ...	2	0.75	1.06	Sri Hanuman ...	10	16.00	14.65	Gopalpur ...	100	275.00	400.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Spencer & Co. ...	10	18.20	18.00	S. K. Gyan ...	10	14.25	9.82	Hantapara ...	100	159.00	119.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Star Co. ...	100	79.00	81.00	Shree Sitaran ...	10	10.19	9.00	Hasimara ...	10	21.69	21.62	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Star Trading ...	25	8.00	8.00	Tulsipur ...	5	7.12	...	Hulidbari ...	10	27.25	21.25	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Straw Products ...	10	12.31	14.00	Upper India 'A' ...	100	127.00	127.00	Jaybirpara ...	10	18.54	18.12	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Strick ...	10	7.45	...	Upper India 'B' ...	25	15.00	15.00	Killcott ...	10	20.08	18.75	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Union Co. ...	100	73.20	75.00	Upper India 'C' ...	10	48.00	65.50	Manabari ...	10	17.00	15.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Union Carbide ...	10	42.37	27.50	United Province ...	10	18.00	18.00	Nagalsuree ...	100	205.00	128.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Union Tobacco ...	10	0.87	0.62	...	...	...	...	New Doars ...	100	287.00	268.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Defd. ...	5	2.00	2.00	...	...	...	...	Oodlabari ...	10	15.75	15.12	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Walfords ...	1	3.25	2.06	...	...	...	...	Phakowa ...	100	145.00	143.00	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
Walfords (Po) ...	1	3.12	1.44	...	...	...	...	Rajabhat ...	10	18.99	17.25	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75
W. Stockholder ...	10	1.87	1.43	...	...	...	...	Ranicherra ...	10	21.31	14.87	S. Madras 5% ...	10	9.57	9.50	Birpara ...	100	202.00	158.50	Kadri ...	100	120.00	130.00	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75	Vanguard Fire ...	6	3.50	6.75

NAME				NAME				NAME				NAME				NAME				NAME				NAME																							
Paid-up per Share.				Paid-up per Share.				Paid-up per Share.				Paid-up per Share.				Paid-up per Share.				Paid-up per Share.				Paid-up per Share.																							
Quotation as on 19-2-60 Rs nP				Quotation as on 19-2-59 Rs nP				Quotation as on 19-2-60 Rs nP				Quotation as on 19-2-59 Rs nP				Quotation as on 19-2-60 Rs nP				Quotation as on 19-2-59 Rs nP				Quotation as on 19-2-60 Rs nP				Quotation as on 19-2-59 Rs nP																			
B. B. Petrol ...	3s	2.10	1.78	B. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69	B. B. Petrol ...	3s	2.10	1.78	B. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69	B. B. Petrol ...	3s	2.10	1.78	B. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69
P. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69	P. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69	P. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69	P. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69
P. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69	P. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69	P. B. Petrol ...	10	27.08	25.00	Northern India Oil ...	10	1.00	0.87	Tide Water Oil ...	10	16.87	19.69	P. B. Petrol ...											

RESERVE BANK OF INDIA

ISSUE DEPARTMENT:

(In 000's of Rupees).

	Week Ended		
	19-2-60	12-2-60	20-2-59
LIABILITIES:			
Notes in Banking Dept.	18,06,26	12,44,33	20,01,19
Notes in Circulation...	1806,55,48	1811,93,54	1659,49,01
	1824,61,74	1824,37,87	1679,50,20
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India...	...	...	...
Sterling Securities ...	163,00,89	163,00,89	178,00,89
Total A ...	280,76,92	280,76,92	295,76,92
(B) Rupee Coin ...	126,55,32	126,39,35	132,28,39
Rupee Securities ...	1417,29,50	1417,31,60	1251,44,89
	1824,61,74	1824,37,87	1679,50,20

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up ...	5,00,00	5,00,00	5,00,00
Reserve Fund ...	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund ...	30,00,00	30,00,00	25,00,00
National Agricultural Credit (Stabilisation) Fund ...	4,00,00	4,00,00	3,00,00
Deposits—			
(a) Central Govt. ...	50,75,28	66,96,33	61,44,49
(b) Other Govt's ...	26,46,97	20,84,57	19,31,30
(c) Banks ...	75,58,76	81,19,51	71,42,15
(d) Others ...	108,52,14	108,51,36	114,77,38
Bills Payable ...	20,67,02	19,16,70	19,86,46
Other Liabilities ...	40,38,41	38,55,95	37,62,65
	461,38,58	654,24,42	637,44,43
ASSETS:			
Notes ...	18,06,26	12,44,33	20,01,19
Rupee Coin ...	2,35	2,54	2,19
Subsidiary Coin ...	5,12	5,08	3,74
BILLS DISCOUNTED:			
Internal ...	...	...	...
External ...	...	...	...
Govt. Treasury Bills ...	21,28,13	37,18,16	5,93,55
Balances held abroad ...	39,83,91	44,34,16	33,46,59
Loans & adv. to Govt ...	24,62,84	23,49,53	21,90,17
Other Loans & Adv. ...	131,22,55	130,24,70	84,37,68
Investments ...	292,80,47	199,99,15	268,84,37
Other Assets ...	13,46,95	13,46,77	11,65,02
	461,38,58	654,24,42	637,44,43

(1) The item 'Other Loans and Advances' included Rs. 5,35,70,000 advanced to scheduled banks against unsecured bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	Week Ended		
	13-2-59	5-2-60*	12-2-60*
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified bank (A)...	17,63,65	14,65,62	14,88,34
(ii) Other demand liabilities	695,04,91	729,97,05	726,00,87
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified bank (A)...	22,95,24	22,26,57	22,34,83
(ii) Other time liabilities...	897,02,52	1120,82,68	1122,86,35
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities ...	12,34,88	14,28,76	15,37,57
(ii) Time Liabilities ...	30,00	47,00	27,00
Borrowings in India from the R. B. I. ...	42,26,78	39,44,25	49,33,00
Cash in India ...	42,30,77	43,73,46	44,28,12
Balances with the Reserve Bank of India ...	70,97,83	65,74,21	76,55,36
Balances with other banks in current account in India ...	13,00,01	15,06,22	14,33,50
Money at call and short notice in India ...	34,19,96	26,03,64	24,61,55
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts ...	617,35,47	783,67,14	759,43,02
Advances in India ...	811,60,63	873,90,19	889,19,61
'stand Bills Purchased and Discounted in India ...	98,52,00	112,15,54	112,97,83
Foreign Bills Purchased and Discounted in India ...	36,21,72	46,10,29	46,63,61

*Figures are provisional since complete returns have not been received Banks.

A—Excluding borrowings from R.B.I. also.

STATE BANK OF PAKISTAN
ISSUE DEPARTMENT:
(In 000's of Rupees).

	Week Ended:		
	12-2-60	5-2-60	6-2-59
LIABILITIES:			
Notes in Banking Dept. ...	8,91,22	6,43,19	8,13,41
Notes in circulation ...	374,43,15	376,88,89	348,62,08
	383,34,37	383,32,08	356,75,49
ASSETS:			
(A) Gold Coin & Bullion	24,66,79	24,66,79	23,07,35
Approved Foreign Exchange	71,95,20	71,95,20	51,43,69
India Notes receivable from Reserve Bank ...	43,01,61	43,01,61	43,02,28
(B) Rupee Coin	3,41,16	3,38,87	4,22,30
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	234,39,55	234,39,55	229,09,81
Gold coin & Bullion ...	19,02	19,02	19,02
Sterling Securities ...	4,40,63	4,40,63	4,40,63
Govt. of India Securities	1,00,90	1,00,90	1,00,90
Rupee coin ...	29,51	29,51	29,51
Total ...	383,34,37	383,32,08	356,75,49

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up ...	3,00,00	3,00,00	3,00,00
Reserve Fund ...	4,15,00	4,15,00	3,00,00
Deposits:-			
(a) Central Govt. ...	9,27,26	8,61,58	85,65,59
(b) Provincial Govts. ...	1,36,14	95,61	56,70
(c) Banks ...	17,80,90	16,71,59	14,99,50
(d) Others ...	79,63,26	79,03,46	6,01,95
Bills payable ...	9,29	37,07	18,53
Other Liabilities ...	12,41,41	11,83,78	12,56,35
	127,13,26	124,68,09	125,92,62
ASSETS:			
Notes ...	8,91,22	6,43,19	8,13,41
Rupee Coin ...	12	10	58
Subsidiary Coin ...	12	7	35
Bills purchased & discounted.			
(a) Internal ...	...	...	...
(b) External ...	1,24,43	1,24,43	3,36
(c) Govt. Treasury Bills	38,70,84	38,09,62	17,97,48
Balances held outside Pk. Loans & Adv. to Govts. Provincial Governments	2,73,00	9,61,00	3,19,00
Doubtful Balances ...	16,73,79	17,47,19	16,99,00
Other Loans & Advances	42,17,54	43,32,51	62,36,68
Investments ...	9,62,20	9,59,98	8,93,01
Other Assets ...	...	...	...
Total ...	137,13,26	124,68,09	125,92,62

Ration of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange to Banks' notes issued, 87.89 per cent.

SCHEDULED BANKS IN PAKISTAN

(In 000's of Rupees).

	Week Ended:		
	5-2-60	29-1-60	6-2-59
DEMAND LIABILITIES:			
(a) General ...	183,10,79	186,51,84	170,05,58
(b)(i) Deposits from Banks	5,75,43	5,38,94	12,29,24
(ii) Borrowings from Banks ...	6,87,75	7,43,00	5,39,57
TIME LIABILITIES:			
(a) General ...	101,22,82	100,71,61	69,25,74
(b)(i) Deposits from Banks	3,92,99	3,93,05	3,52,63
(ii) Borrowings from Banks	5,34,52	4,99,28	50,00
Borrowings from the state Bk.			
(a) Against Advance Bills	11,44,65	9,29,15	13,71,84
(b) Other Borrowing ...	5,67,16	5,26,75	3,26,25
CASH IN PAKISTAN:			
(a) Pakistan Notes ...	5,47,16	5,31,45	4,73,72
(b) Pakistan Rupee Coins	23,22	25,16	18,91
(c) Pak. Subsidiary Coins	7,04	7,37	16,04
BALANCE WITH THE STATE BANK:			
(a) Principal Office ...	8,55,28	8,48,22	8,30,36
(b) Other Offices and Branches	6,24,55	6,15,48	6,16,72
Balances with other banks in Current Account in Paktn.	4,50,10	4,47,75	4,65,41
Money at call & short notice in Pakistan	9,51,78	9,84,23	12,74,15
INVESTMENT (AT BOOK VALUE):			
(a) In Central Govt. Securities including Treasury Bills	105,89,00	105,98,09	90,39,81
(b) In Provincial Govt. Securities including Treasury Bills	17,69,91	17,77,91	13,42,37
(c) In Others	3,13,83	3,12,72	3,12,71
ADVANCES IN PAKISTAN	150,30,84	149,58,47	118,78,46
BILLS DISCOUNTED IN PAK.	6,66,45	6,60,30	3,93,76
FOREIGN BILLS DISC. PK.	24,48,43	24,59,68	16,50,39

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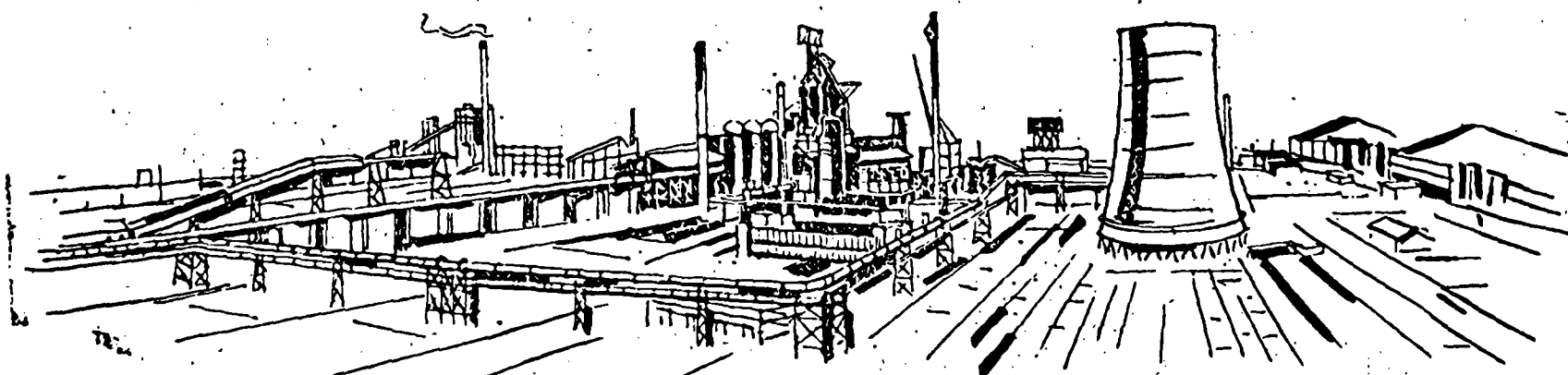
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Indian Finance

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HIGHLIGHTS OF THIS ISSUE

Mr Morarji Desai's has been a "balanced" Budget for 1960-61.

Balanced assessments will be found in The Leading Article, in Clive Street Gossip and in For the Investor.

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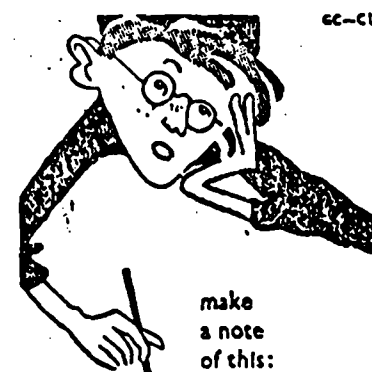
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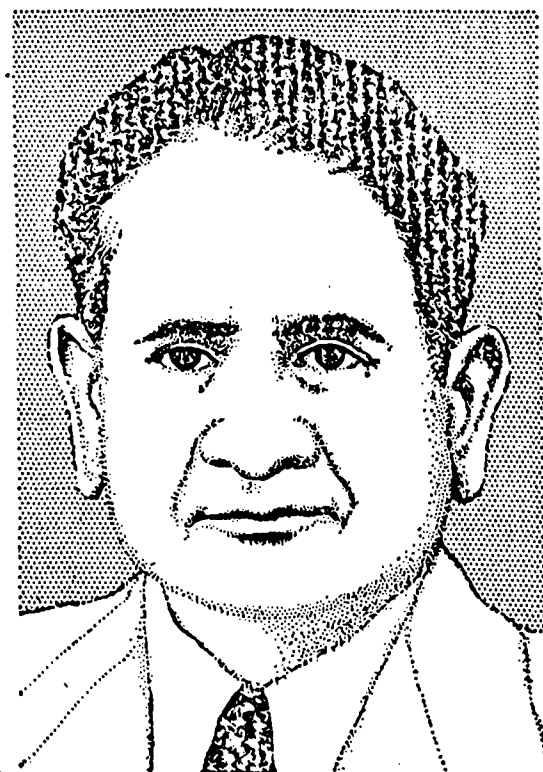
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made and packaged. It tries to make people realise the good sense of consuming this type of wholesome nourishment rather than contaminated foods and sweets, from open stalls and unhygienic bazaars.

And so it is with many other products and services which are advertised. If there is discontent, then it is discontent with the cheap and the shoddy. If there is striving, it is a welcome effort towards better living, and towards obtaining the means of better living. Unhappiness just does not enter into the picture at all.

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WORLD OF FINANCE

Market Borrowings in Budget Year

So, finally, the prize bonds have come to stay; this was the surprise in Mr Morarji Desai's Budget for 1960-61. There is as yet no mention of gold bearer bonds; and, surely, there was greater urgency for such a scheme. The borrowing effort during the Budget year is all that we could have wished for, with the target for the new loan set at Rs 250 crores; but, then, this should be extremely easy of accomplishment. There are three maturing loans—or loans where Government apparently intend to redeem. There are (a) the 4 per cent 1960-70 loan for Rs 60 crores; (b) the 2½ per cent loan 1960 for Rs 44 crores; and (c) the Hyderabad 2½ per cent Development Loan 1955-60 for Rs 4 crores. Thus, new cash that is being sought is in the environs of Rs 140 crores. If regard is had for the fact that the State Bank is likely to get an addition to its Deposits of the order of Rs 90 crores in the near future, it will be seen that the raising of the target figure of Rs 250 crores gross will present no problem at all. There is, besides, the consideration that the tax-free bounty on the Prize Bonds may, in these days of high taxation, very well attract large subscriptions, and not merely from the get-rich-quick investing public. In this light, provided Deposits of the banking system fulfil the promise they now make of considerable additions being likely during the year, and provided also that, whether by fiat of the Reserve Bank or by natural causes, the 1960 slack season witnesses a contraction in Advances to the tune of Rs 100 crores, there is no reason why the borrowing effort should not realise Rs 250 crores net instead of Rs 250 crores gross.

In the Budget, it is heartening to find, secondly, that reliance on deficit financing during the current year is likely to be lower than as originally expected. For our part, we believe that, when the year is closed, it will be found that created money during 1959-60 may fall short of the revised estimate of Rs 190 crores by another Rs 15 crores. Furthermore, we believe there is reason to hope that deficit financing in the last year of the Second Plan can, with some luck, be kept down to Rs 50 crores.

These and other aspects of the "money market" Budget will be studied at greater length in the Supplement to be brought out by Indian Finance next week.

Spectacular Rise in Bank Deposits

APPARENT slackening in busy season pressure, the completion of a second tranche of special transactions connected with the International Monetary Fund and the crossing of the Rs 1900 crore mark in the Deposits of Scheduled Banks highlight the latest banking returns.

Active note circulation has, according to the returns of the Reserve Bank for February 26,

contracted by Rs 7.38 crores to Rs 1798.93 crores. Rupee Coin has also returned from circulation for Rs 0.31 crores. With both Foreign Securities and Rupee Securities unchanged, the Reserve Bank's cash in the till has resolutely improved by Rs 7.89 crores to Rs 25.95 crores. Does this mean a slackening in busy season pressure?

In the Banking Department, similar evidence of the busy season seemingly tapering off is available: the Reserve Balances of member banks have been marked up by Rs 4.37 crores at Rs 79.96 crores, and the Other Loans and Advances of the Reserve Bank are seen to have declined, although nominally, by Rs 0.26 crores to Rs 121.07 crores. Besides, Investments in the Banking Department are higher only by Rs 1.91 crores, and this would on the face of it rule out deficit financing, implying therefore that the Central Government, too, did not feel any strain owing to busy season influences. Indeed, with State Government balances marked up by Rs 3.75 crores at Rs 30.22 crores—it is true, their ways and means borrowings from the Reserve Bank have also mounted by Rs 1.32 crores to Rs 25.99 crores—the suggestion is that the Central Government, despite inter-governmental payments and despite also the special transaction with the IMF, have had a comfortable time of it.

But let us now trace this special transaction. As we had surmised a few weeks ago, what time Other Deposits had shown a drop, the Central Government are in process of repurchasing rupees from the International Monetary Fund; and this relates to purchase of currencies in 1957. The Finance Minister, in the course of his Budget speech, confirmed that Government had already repurchased \$50 million worth of rupees.

The first instalment of such repurchase was concluded in the week ended February 12, when a drop of Rs 10 crores in Other Deposits was accompanied by, strangely enough, little or no change in Foreign Balances. This meant that, in the relevant week, foreign exchange accretions, whether by way of export surplus or by way of assistance, were so good, that the expending of Rs 10 crores' worth for repurchase of rupees from the IMF failed to be reflected in the level of foreign exchange reserves. The second instalment of the repurchase, in an amount of Rs 15 crores, has been completed in the latest week, and is seen reflected in (a) a drop of Rs 14.62 crores in Other Deposits and (b) a decline of Rs 4.04 crores in Balances Held Abroad. Here, too, it is heartening to find that the impact of the utilisation of Rs 15 crores of our exchange reserves for the purpose has been reflected only as to a drop of Rs 4 crores in foreign balances.

We wish to suggest that these transactions, involving a net loss of foreign exchange, would have had a contractionist influence upon active note circulation. Hence, it would not be correct to conclude from the decline that has occurred in the latest week that the busy season is showing signs of drawing to its end. Similarly, the rise in Reserve Balances of member banks is due entirely to the State Bank; and, with the State Bank figuring as a purchaser of gilt-edged for Rs 6 crores during the week, there is also the suggestion of deficit financing for Rs 10 crores.

Government, it may be noted, would also have had a liability in respect of maturing Treasury Bills purchased and discounted by the Reserve Bank. The relevant portfolio shows a drop of over Rs 13 crores in the latest week.

In any case, busy season signs are not lacking in the latest returns of the State Bank and of the Scheduled Banks, as we shall presently see.

The State Bank's return for February 26 shows that part at least of recent additions to Deposits may be presumed to have stemmed from public Law 480 counterpart funds. For, the busy season notwithstanding, the State Bank has increased its gilt-edged portfolio by Rs 6.25 crores to Rs 381.35 crores; and that the purchase had apparently been decided upon in the earlier week is suggested by the decline of Rs 6.76 crores in Other Assets. The busy season is seen reflected in a further rise of Rs 0.77 crores to Rs 190.49 crores in Advances. Meantime, however, Deposits have notched another increase of Rs 4.26 crores to Rs 604.82 crores. As such, after slightly reducing borrowings by Rs 0.32 crores to Rs 1.29 crores, cash balances stand improved by Rs 4½ crores at Rs 36.18 crores. It is to be anticipated that the return for the first week in March will again bear strident testimony to the demand for funds occasioned by month-early disbursements and the needs of the busy season. Also, it is possible that counterpart funds will continue to make their impress felt week by week in the period till June, by which time, as the Finance Minister has indicated in his Budget speech, Public Law 480 assistance in an amount of Rs 90 crores should be coming.

Our anticipation that the Scheduled Bank return for February 19 will mark the crossing of the Rs 1900 crores level in gross Deposits has materialised, with a rise recorded during the week of a steep Rs 20.31 crores to Rs 1906.41 crores. The total of Advances has continued to expand, though the week's rise is smaller at Rs 3.65 crores to Rs 1052.65 crores. The more comfortable position resulting from the rise in Deposits has enabled reduction in indebtedness. Borrowings from the State Bank are lower by Rs 1½ crores, and borrowings from the Reserve Bank, wholly on account of the State Bank, have declined by Rs 9.33 crores to Rs 40.00 crores. The investment portfolio is higher by Rs 2.22 crores at Rs 761.66 crores; but, with the State Bank reporting an increase in that week of Rs 5.82 crores, it is clear that other Scheduled Banks have disinvested in gilt-edged. Finally, Cash Balances are lower by Rs 2.43 crores at Rs 157.36 crores—the State Bank's cash had gone down by Rs 7.38 crores.

Government of India Treasury Bills

TENDERS for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, the 1st March 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.310 and above were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.750 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 7th March 1960. Successful tenderers should make payment at Kanpur on Thursday, the 10th March 1960 and at other centres on Friday, the 11th March 1960. Other conditions are as usual.

During the week ended 26th February Rs 24,89,50,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 2nd to 5th March 1960 at Rs 99.331 per cent. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from the 24th to 27th February 1960 amounted to Rs 7,00,000.

The "Old Lady" Forswears Gilt

Ry Paul Einzig

THE announcement made on February 24 that the Bank of England would no longer support the gilt-edged market came entirely unexpected. It had been known for some time that the Governor of the Bank, Mr. Cobbold, was not happy about the pace at which bank advances had been expanding. On repeated occasions, he uttered warnings, and on January 21 the Bank rate was raised. But there was no sign of any response, either on the Stock Exchange or in the economy of the country. The effect of the Bank rate increase was shaken off in a very short time. The only influence that was able to check and even reverse the Stock Exchange boom in February was the weak tone of Wall Street. All indices pointed toward an expansion of business. Various important firms declared greatly expanded profits and higher dividends, and excessive wage demands were once more cheerfully granted. In the circumstances, it was not surprising that the authorities should decide to follow up the increase of the Bank rate by further action. What was surprising that it should assume the form it did.

It is certainly something of an innovation to prevent banks from pursuing their policy of credit expansion to an unwanted degree by making it too costly for them to realise their investments. Yet, when one comes to think of it, the surprising thing is not that the Bank of England called a halt to that process but that it had allowed it to proceed so far. Had it not been for the Bank of England's willingness to take over the Government loans that banks wanted to unload and to pay current market prices, the banks would have had to sell in the open market which would have brought down prices quite considerably. A stage would long have been reached at which the game would have ceased to be worth the candle. Rather than cut too heavy losses, the banks would have felt impelled to put a brake on their credit expansion.

From a political point of view, too, it is remarkable that this practice of bolstering up the gilt-edged market should have been pursued so long under a Conservative Government. It flavoured very much like Dr. Dalton's policy during the early post-war period. It is true, the yield on Government Loans today is more than twice as high as it was in the days of the "doctor." It is something quite different to try to keep down that yield to a shade above 5 per cent from what it was to try to reduce it to 2 per cent. Even so, the whole practice is contrary to everything a Conservative Government stands for. Possibly

this was one of the reasons, if not the main reason, why it was decided to bring it to an end instead of restricting credit expansion by some other means.

From the point of view of the effect on long-term borrowing by industry, the local authorities, etc., there is not much difference between the direct way of putting up interest rates and this indirect way. After all, the yield on gilt-edged will set the pace for the yield on every kind of fixed interest bearing securities. It tends to discourage industrial issues fully as effectively as a further increase of the Bank rate. On the other hand, industry is spared another increase in the cost of its short-term borrowing. As it is, bank loans and overdrafts are expensive and it is only the certainty of good demand by consumers that prevents a contraction of bank credit as a result of an unwillingness of the borrowers to pay the high rates. But, amidst the prevailing optimistic atmosphere about business prospects, most short-term borrowers cheerfully pay the extra interest on the assumption that the 5 per cent Bank rate must be purely temporary, so that interest on short credits would soon be lowered. The payment of high interest rates on medium and long-term loans is, however, a different story.

The question is, do the authorities consider the removal of support on the gilt-edged market as a temporary expedient, or will they restore their support at a lower level? If, after a decline of gilt-edged prices, the market should still need support, it would only show that the level to which it declined is still not low enough. To take over from the banks hundreds of millions of pounds in Government loans even at lower prices is almost as inflationary as to take them over at higher prices. The way to avoid inflation is to let sellers of Government loans find private counterparts so that the increase in the liquid resources of the selling bank is bound to mean a corresponding decline in the liquid resources of the bank that has bought the amount sold, or whose customer has bought it. If Government buy the gilt-edged, it means that somebody's liquid resources increase without any corresponding decline in somebody else's liquid resources.

Considering the extent to which these operations had been going on throughout last year, it is indeed surprising that the price level has remained steady. But the authorities have at long last realised that they could not continue the inflationary process much longer with impunity. There is much to be said for doing away with the artificial situation created by official buying of Government Loans. It was of no use for the authorities of the Bank to warn against undue optimism so long as they continued to pursue a policy that justified optimism.

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Indian Finance

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A "Balanced" Budget

TECHNICAL second thoughts may unfold some snags that are not immediately apparent, but, taken as a whole, Mr. Morarji Desai's second Budget appears as an excellent exercise in the difficult art of "balancing". Particular disappointments, some of which we shall discuss presently, should not obscure the fact that the Finance Minister has made an honest and largely successful effort at meeting varied and often contradictory importunities. In being able to do this, he has had his measure of luck: as we pointed out last week, the expectations from revenue for the current year have turned out to be far below the actuals, owing largely to an upsurge in production. This buoyancy may well prove the estimate of deficit for the coming year unduly pessimistic. As the Economic Survey for 1959-60 records, and as the Finance Minister himself pointed out, production trends in agriculture and industry have been heartening, and the coming year may see the full impact of the various projects completed during the Second Plan period. Industrial production has shown an increase of 7.4 per cent as against the 1.7 per cent and 3.5 per cent of 1957 and 1958 respectively. If the foreign exchange situation had been easier and import of essential raw materials and machinery has been freer, the results would have been even more impressive. Exports have shown some improvement both in their earnings and in the diversification of their contents. And, except for the price situation, other indices of economic health give a fairly clean bill. Therefore, save for unforeseen developments on the security front, the outlook for the coming year is definitely hopeful, provided the price situation is kept strictly under control.

Mr. Morarji Desai's expectations of revenue for the coming year are Rs 866.45 crores at existing levels of taxation as against the revised estimate for the current year of Rs 838.66 crores, which itself is about Rs 58 crores more than the original expectations. The expenditure on revenue account is put down by him at Rs 980.35 crores as against the revised estimate for the current year of Rs 854.05 crores (which was about Rs 15 crores more than the original estimate). The deficit anticipated (taking into account receipts from new taxation) is of the order of Rs 60 crores, which is roughly the same amount as the original deficit estimate for the current year. It is quite likely that the current year's experience, in which the revised estimate of deficit is put down at Rs 15.39 crores, may be repeated in the coming year.

On the revenue side, the expectations for the coming year are higher under almost every head. Wealth tax receipts are put at a lower figure, presumably because of the loss from this source by the abolition of wealth tax on companies. The increase in corporation tax and the fall in the head "income tax other than corporation tax" is probably due to the new system of taxation under which, among other things, certain sums which were shown as deductions from dividends will not have to be paid directly as advance tax under Section 18A by the companies. (Advance taxes are treated as current receipts under government accounting). It is difficult to say without fur-

ther analysis whether the increase in corporate tax receipts (Rs 57 crores) and the decrease in other income tax receipts (about Rs 20 crores) anticipated for the coming year would by themselves justify the inference that the new system leaves the tax payers worse off than before. It may be that the increase envisaged in the receipts of corporation tax is no more than the rise due to higher earnings anticipated. It may be that there is an element of adjustment which is not quite apparent at first sight. In any event, the proposition that the new scheme of taxation is fiscally more onerous has other data to support it, though the Finance Minister has chosen to take the view that it is far too early for him to make up his mind. He has, however, met partially influential representations on the question by making some concessions to small companies and by giving some relief on dividends paid out of profits of earlier years under the old system. Certain other procedural changes (like abolition of differential rates of deduction of tax from dividends) have also been made, though the net amount of tax receipts are ensured to be the same as before.

On the expenditure side, the biggest increases are under civil administration, "social services" and defence. The administrative cost increase is due to the implementation of the Pay Commission's recommendations, which is expected to cost annually Rs 55 crores. This figure apparently includes the railways' share also, for, the actual increase estimated is slightly over Rs 34 crores. And even this increase somewhat exaggerates the Government's "extravagance", for, this includes the provision for more than one year's expenditure, since no provision was made in the current year's Budget for the increased payments due from July 1959. The Finance Minister gave the usual assurance about efforts at economy but it is doubtful whether any significant reduction will take place.

As regards defence, the increase envisaged was far below the expectations of the most sanguine, and therefore came as a distinctly agreeable surprise. It is only about Rs 31 crores more than the current year's revised estimate, which itself is only about a crore of rupees more than the original estimate. In terms of the percentage of total expenditure, there has even been a slight reduction. As Mr. Desai rightly anticipated, no one will grudge this particular extra burden in view of what is at stake. We have also no doubt that the estimates framed will have taken fully into account the needs of the situation. Since the estimates were framed, before the latest note for Mr. Chou en-Lai, there would have been no complacent underestimate of the threats to our security. While it would be too much to hope that the coming meeting of the two Prime Ministers would miraculously resolve the border disputes, it may well turn out that Mr. Desai's fear that he may have to come again before Parliament for fresh authorisations for defence expenditure may prove unfounded.

Mr. Desai's new taxation proposals have understandably leaned heavily on indirect taxes. That the Finance Minister has not

increased direct taxes, has been noted with satisfaction and even glee, and this is evident from the reaction of the Stock markets to his proposals. And, even among the indirect taxes, Mr. Desai has spread items that can be considered articles essential to the common man. Cotton textiles, rayon yarn, vanaspathi, sugar and tobacco (confounding, incidentally, as regards the last, the local hoarders) have all got off scot-free. That his levies fall heavily on light engineering industry and road transport is unfortunately true. But a Finance Minister who is to find fresh revenue and, at the same time, avoid increase in direct taxes (because of its adverse effect on capital formation); eschew increase in indirect taxes on essentials (because of their adverse effect on the cost of living); reduce to the minimum the Budgetary deficit (because of its inflationary characteristic), cannot but lay his hands on sources like the one Mr. Desai has in fact done. There is no doubt a case for reconsidering the extent of such levies, especially those connected with road transport and the automobile industry, but that would really be a case of marginal adjustment. The case for rationalisation of the taxation of road transport is, however, strong, and one on which some kind of inquiry (and, what is more important, effective action) is urgent.

In the understandable preoccupation with new taxes, some of the real concessions that the Finance Minister has announced have not received the notice they deserve. For instance, owners of real property (constructed before 1950) will have a reduction in respect of the entire tax levied by any local authority, as against only half of such levy as at present. Secondly, concern for promotion of scientific research is practically demonstrated by the liberalisation of conditions of allowance made therefor in computation of business income. Development rebate is still there without any further "strings" (as was widely feared) and Section 15C of the Income Tax Act has been given a fresh lease of life so that new undertakings may be encouraged.

The overall budgetary position for the next year shows a deficit on revenue account (without taking into account from new taxes) of Rs 84 crores. Capital outlay will amount to Rs 371 crores, loans to States and others to Rs 531 crores and debt repayment to Rs 140 crores. The total disbursement of Rs 1126 crores will be met by market borrowing to the extent of Rs 250 crores; Rs 90 crores from small savings; Rs 362 crores (or nearly a crore a day) from foreign assistance; Rs 239 crores from loan recoveries and other miscellaneous receipts, leaving a deficit of Rs 177 crores to be met by expansion of treasury bills. The overall deficit financing for the entire Plan period is expected to be slightly over the estimated Rs 1200 crores. The estimate of Plan outlay was put by the Finance Minister at Rs 4600 crores.

The Finance Minister put the coming year's Budget in the perspective of the Third Plan. He was right in saying that we have reached a stage of growth when we can hardly afford to halt. The Third Plan will have to gather the painfully induced momentum of the first

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two Plans and make the big leap forward. The rate of investment and the rate of production (both agricultural and industrial) will have to be at a steadily accelerated pace, if we are to overcome the accumulated inertia of centuries of stagnation and the pressure of increasing population. This means a high degree of not only fiscal and monetary discipline, as the Finance Minister put it, but also of individual and communal discipline.

Candid Counsel

THE rapid evolution of the economic scene, the result of the continuous inter-action of changes in supply, demand and prices, is the perpetual bug bear of the administrator of controls. Nothing stays put where he wants it to remain. And while he is still panting to catch up with the problems of yesterday, the problems of tomorrow are already knocking at the door. The apostles of Swatantra may exult in his discomfiture and proclaim that this is part of the price to be paid for the presumption of planning. But there is no easy way of escape for the Ministries charged with the administration of controls of trade and industry or its hardworked officials. While the difficulties are felt in every sphere, they are most severe when the controller has to deal with the export industries. More exports are necessary to feed the insatiable appetite of the Plan for foreign exchange; but the impact of planned development on domestic demand and on the cost of production threatens to price traditional Indian exports out of foreign markets. Nothing better illustrates the point than the problems of jute or tea, which are admirably dealt with in the Presidential address of Mr J. D. K. Brown at the last meeting of the Bengal Chamber of Commerce.

Even a few months ago, the problem was to ensure remunerative prices for the jute cultivator. Special measures had to be taken to keep up the prices. Mills were asked to lay in stocks and, for the first time in ten years, India resumed the export of raw jute in the first week of April. But, within the space of a few months, the situation has undergone a total transformation. Though the industry had a good year in 1959, it is now apprehensive that the recent rise in raw material prices will place it at a serious disadvantage in meeting the greatly intensified competition from Pakistan. While the developing trends in the national economy indicate that the domestic demand for jute products will eventually be able to absorb if necessary the entire output of the Indian jute industry, that stage is not yet. And at present the country cannot afford to forego the foreign exchange brought in by jute exports.

There may be other ways of meeting the industry's needs than the more liberal import policy advocated by the President of the Bengal Chamber. But the essential requirement is to keep the raw material prices down. Government of course, cannot ignore the interests of the growers. But the proper way to help the cultivator, consistent with overall national interest, is to help him increase his income through increased yield per acre. In jute, as well as in sugar, the main problem is to make available supplies of raw material at prices which are not uneconomic for the manufacturer.

Mr Brown has also warned the Government against complacency regarding the future for tea. The shortfall in the world tea crop last year, which is responsible for the buoyancy of the tea market, is likely to be followed by a glut in the next, if climatic factors are even

ordinarily satisfactory. And Mr Brown feels that the "Indian tea industry today is ill equipped to face the consequences." The industry's status as the foremost earner of foreign exchange gives the Government an interest in maintaining its viability as a producer in quantity of the teas for which there is demand in foreign countries; and, therefore, should make them receptive to suggestions for securing the industry's future.

Apart from throwing much needed light on the problems of the industries of vital importance to the prosperity of Eastern India, Mr Brown has also offered candid counsel on the various drags on development and, particularly, the chaotic state of communications round about Calcutta which has already handicapped the industrial progress of this part of the country. In regard to traffic problems, as with water supplies and drainage, the authorities have long been aware of the problem and have also taken initial steps. The problem now is one of speeding up the implementation. Mr Brown has referred in particular to the early implementation of the plans that exist for improvement of road communications between Calcutta and the industrial areas in other parts of the State and in Bihar. In addition to the construction of an Express Highway linking Calcutta with Durgapur where a vast new industrial complex is taking shape, there are also plans for an Express Highway to Burdwan and another from Calcutta to Dum Dum. Early implementation of these projects will to a great extent eliminate the difficulties to which Mr Brown has referred. The task has been entrusted to the West Bengal Development Corporation, which has been given a splendid chance to justify its name.

West Bengal Budget

THE most striking feature of the Budgets of the West Bengal Government in recent years has been the unexpected resilience displayed by receipts on the revenue side. It is true, expenditures have also registered simultaneous increases. But there is also a progressive narrowing of the gap between the two sides of the ledger, even leading, as in the revised estimates for the current year, to a bonanza in the shape of a Rs 4.95 crores surplus in place of a deficit of Rs 3.63 crores in the Budget. Over the last three years, revenue receipts have increased by more than Rs 23 crores. And, in each of the last two years, they have exceeded anticipations by over Rs 12 crores. The Budget for 1958-59 estimated revenue at Rs 68.86 crores, almost the same level as the actual receipts during 1957-58. But actual receipts during 1958-59 have turned out to be as high as Rs 80.39 crores. Similarly, the budgeted figure of Rs 79.01 crores under revenue receipts for the current year (1959-60) has been scaled up to Rs 91.49 crores in the revised estimates. There is good reason to expect that revenues, estimated at Rs 88.17 crores, will amount to about Rs 100 crores when accounts are closed for the year 1960-61. For part of the increased receipts, no doubt, the State Government have to thank the Santhanam Commission. But the basis of allocation of the State's share of income tax has itself been a sore point with West Bengal, which remains unreconciled to the low weightage assigned to the place of collection as compared with population. And even the ad hoc grants that the Finance Commission had recommended have to be wheedled out of a reluctant Planning Commission, which so far have not accepted these recommendations as binding on them. Out of Rs 25 crores recommended by the Santhanam Commission

Indian Finance

as grants during the entire Second Plan period, the State has so far received during the first four years only Rs 14.7 crores. Out of the remainder of Rs 10.3 crores, the State Government, grown wise on earlier disappointments, have taken credit for only Rs 6.15 crores in the Budget for 1960-61.

Revenues have also been buoyed up the price inflation which has apparently contributed a substantial share to the strident increase in Sales tax revenue. But when all allowance is made for these extraneous factors, the successful tax effort made by the State to increase revenue cannot be denied. This point has to be emphasised, for, it has become fashionable in some quarters to castigate the State Governments for their alleged remissness in raising new taxes required for fulfilment of the Plan targets. It is not possible to track down the canard to its source, but it has the knack of turning up in the most unexpected quarters. As far as West Bengal is concerned, it can be asserted with confidence that there is no basis for such criticism. As against Rs 14 crores which the State Government were expected to raise by way of additional taxation during the Second Plan Period, they have been able to raise a total of Rs 65 crores, of which Rs 43 crores accrue from new taxes and the balance of Rs 22 crores from better collection of existing taxes.

The increased tax revenues have also enabled the State Government to maintain the Plan outlays, in spite of the fact that the Central contribution has been nowhere near the level originally indicated when the Plan was drawn up; and even the amount of annual contribution, settled after prolonged discussions with the Planning Commission before the yearly plans are drawn up, is not forthcoming in time. The total Plan outlay during the first three years amounted to Rs 74.85 crores. Including the allocation of Rs 38.51 crores in the revised estimates for the current year and Rs 44.03 crores in the Budget for 1960-61, there will be no shortfall in the implementation of a Plan of Rs 157.4 crores, including Rs 4 crores on account of areas transferred from Bihar allowing the reorganisation of States. But, out of this outlay, the State Government will be contributing Rs 80.7 crores against the original assessment of Rs 64.4 crores, while the Central contribution has been scaled down from Rs 89.3 crores to Rs 76.7 crores. Dr B. C. Roy can now look back with satisfaction on the record of his stewardship of the State's finances over the last twelve years. In the last year of the Second Five Year Plan, when programmes have to be drawn up for the Third, the State finances are in better fettle than in any year after 1947.

The small overall surplus of Rs 48 lakhs estimated for the current year has been revised to over Rs 7.12 crores. While revenues are better at Rs 91.50 crores in the revised estimates as compared with Rs 79.05 in the Budget, expenditure has also increased from the budgeted figure of Rs 82.67 crores to Rs 86.54 crores. The increase in expenditure is mainly accounted for by relief operations in flood affected areas. On the other hand, loans from the Central Government are lower at Rs 26.76 crores against the Budget estimate of Rs 32.29 crores, while capital expenditure has been maintained at the same level of Rs 26 crores both in the Budget and revised estimates.

The Budget for 1960-61 estimates revenue at Rs 88.17 crores against expenditure of Rs 89.22 crores. Changes in the pattern of company taxation introduced in the last Central Budget have affected the State's share of income-tax, and this has been responsible for a reduction of Rs 3.33 crores in the revenue

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estimate. The loss, however, will be fully made up by Grants-in-Aid by the Union Government under Article 232 of the Constitution. The disappearance from the Budget for the coming year of an item, (arrears of central assistance for relief and for displaced persons) which has been included in the revised estimates, accounts for a decrease of Rs 7.42 crores in revenue receipts. These changes, together with smaller fluctuations under other heads, lead to an overall decrease in the estimate of revenue as compared with the Budget estimates. The increase of Rs 2.68 crores in expenditure is mainly on account of plan schemes. The budgeted figure does not include any provision for implementing the recommendations of the Pay Committee which has been set up by the State Government to examine the pay structure of Government servants and to make recommendations for changes, keeping in view, among other things, the impact of the recommendations of the Central Pay Commission. There is an excess of Expenditure over Revenue of Rs 1.06 crores. Together with the deficit of Rs 1.59 crores outside the Revenue Account, the Budget shows an overall deficit of Rs 2.65 crores which has been left uncovered. But, considering the steady uptrend in tax realisations, the uncovered deficit need not occasion any feeling of uneasiness. The provision for capital expenditure in the Budget year at Rs 33.96 crores is Rs 7.89 crores higher than the revised estimates. The increased outlay will be financed by a loan of Rs 7 crores which the State Government propose to float in the coming year.

The most interesting part of Dr Roy's Budget speech is where he has indicated the contours of the State's Third Plan. The total outlay will be of the order of Rs 200 to Rs 250 crores; and, in view of the urgencies of the problems of urban unemployment and chronic food shortage, will have to be balanced between industry, mainly small industry, and agricultural improvement. The establishment of a fertiliser plant in the State, for which provision of Rs 75 lakhs has been made in the Budget, was long overdue.

The Peninsula: India's Major Economic Problem?

ONLY last week did the Union Government take formal cognisance of the problems of industrial location, the claims of undeveloped regions, and the needs for dispersal of industries. The Grady mission in 1942, when engaged in assessing India's potential, examined the conditions of growth and for development, and the Viceroy's Expanded Council came to learn from a brief report that organised industry in India had developed over 40 years without much regard to the main requirements of defence and employment policy. Those old reports take on a new relevance at present in view of Mr Lal Bahadur Shastri's reply to a Communist MP's statement of the case for economic justice in the matter of allocation of new industries. With the public sector assuming greater prominence, and State-owned plants in operation already, it seems as if pleas from Assam, Madras and Kerala for preventing disparity in development are going to be heard. Jealousy among States set up for linguistic reasons may be a minor consideration as compared with the need to prevent further congestion in both Calcutta and Bombay, where engineering enterprises are concentrated.

The existence of consuming markets and access to potential export outlets may justify

or dilute the present distribution of large scale enterprises. But, with more steel in sight, and plenty of cement available, the planners have to examine other points, besides the tradition of managing agents who prefer to be well placed for administration. But it may be noted that, if Bihar has received most attention from managing Agents in Bengal, the venture of Burn & Co into Salem in the far South for getting magnesite for making refractories and the keen interest shown in Orissa's manganese by Tatas represent a welcome departure from past policy.

The Barlow Commission's work in Britain may hold lessons for India like those available in the Liberal Yellow Book of 1928. And, of course, the development of Ulster after the war contains some valuable hints for our planners, since the entry of foreign capital into the UK has been helped directly by Ulster's policy. The blurring of party lines in the parliamentary discussion last week is derived from the general sense that the Peninsula, owing to the dearth of capital, has not received as much attention as desired. And, if figures relating to licences issued are not quite adequate as a foundation for the argument regarding neglect, there is the fact that, so far in the South, the chemical industry has not made much headway and it is the entrepreneur from the north that has given new sources of soda ash as well as cement. While the Communist MP made much of congested Kerala's economic potential and manpower, the real case may be said to rest on earlier development of power, helping the decentralisation of industry and creating incidentally a large market for electric equipment at home.

There is little need here to recall Franklin Delano Roosevelt's remark about the South being the major US economic problem. That remark was connected with the US depression and was made to justify departures in planning for the Tennessee Valley. The pressure on the land in the coastal areas is, of course, the reason for the claim entered in July last by the zonal conference of businessmen held in Madras about port development, the pressing need for heavy industry, and the further possibilities of Neyveli. The means to encourage new enterprise (found easily in Mysore in the past) may be lacking today and the Centre alone can stimulate, advise, and assist actually. Something has been done already to shift new plants from Bombay to Saurashtra and Gujarat, for instance, in the rayon industry. But conscious planning, such as is now available to small scale industries, is what is wanted, and if Mr Shastri emphasised the difference existing between South Bihar and North, he did not pay due attention to the damage done by the Kosi over years, the earlier earthquake and the varying fortunes of the sugar industry in Bihar, which in point of minerals is far ahead of all States, now as before.

The assurance that expert aid had been previously taken as regards location may well be reflected in the impending rise of new fertiliser plants in the South or in the opening of rayon plants mainly to help the cotton mills in need of raw materials. But, by and large, the industrial development to date and the economic situation have been dominated by the lack of fuel, and the difference between the Hyderabad region and the Circars is to be traced to the presence of coal in Telengana.

The reference to vital industries made by the Industries Minister may have definite implications in the light of acute and growing Defence needs, and the second shipyard to be established at Cochin will have its own bearing on the future defence of India. Mr Shastri mentioned also the problems in connection with the stagnation of over-populated regions, but it may be asked if changes in management

had no connection with the decline recorded over a decade. He perhaps ignored the advent of the Rihand aluminium plant to offset the rise of an Indo-Canadian venture at Hirakud. And he certainly forgot that electricity charges after the nationalisation had a definite consequence for the industrial concerns based on Kanpur.

Vague comforting assurances about total outlay and enterprises may signify little to the foreign businessman who is keen on knowing what seaports are near, how goods trains operate, and the distance to the best markets. The sponsors of secondary or manufacturing industries are not guided by sentiment or prejudice, and the association of foreign capital with indigenous enterprise is always based on material, not moral, factors.

There is one other consideration to which Mr Shastri failed to refer. The labour movement, or rather its militancy, is an operative factor, and the quality of local trade union leadership may help to explain why the light engineering industry is growing apace in Madras city in spite of its known handicaps. The strength of trade unions, even more than the adaptability of local labour, is always weighed by foreign capital seeking to enter a fresh field, and there are valuable lessons from the past to which the authorities may give weight in dealing with regional disparities or local pressures. But there are some really inspiring examples from the South, where Harveys expanded from Madras up to Tuticorin and Punalur. And Stanes' success beyond the planting industry is due perhaps to the facilities available in a prosperous district like Coimbatore. In view of recent happenings at the new State-owned steel plants, the labour situation, present or future, is as material a factor as wage-levels, and the growing preference for the South in future, already visiting in the case of automobile manufacture, may be guided as much by the differences in the cost of living as by the success of local apprenticeship schemes. In the debate last week, no comprehensive review was attempted; but, then, India has no depressed or black areas to warrant special treatment, and the Communist concern for Kerala may be due largely to the recent electoral reverse. The effective transformation of agricultural regions by the planting industry is another point to which few care to pay attention. It may even be said that the opening up of the Shevroys has brought new life to Salem, and the economic significance of the Nilgiris is based on high-grown tea—not on the decaying hill-stations or the defunct brewery. Something may yet be gained by Indian authorities from adaptation of what was said at the pre-war meetings of the British Association, as, also from wartime experience which made Avadi a base for future industrial growth—not only for a Socialist platform to woo the voters. What is being done by the Industrial Estates may not be of direct or great consequence, but it is clear that concern for traditional skills may help to create new centres for non-ferrous metal industries, which tend to cling to the main cities.

The problem in India is really not like that of Canada, where the Maritime Provinces languish, while British Columbia is booming. It is really one of breaking the old mould which made slums and bred unrest in big cities. To achieve this, electric traction may be soon required and the growth of industrial suburbs may cause no alarm if it is appreciated that deconcentration is the rule in the gigantic steel and chemical industries in the USA. It is not without some significance that Wilmington, Delaware, which few now can spot even on a large map, is the base of operations for the famous du Pont Nemours enterprise that has made science and industry truly synonymous.

NATIONAL NOTES

After Twelve Years

A resolution asking for the end of the Commonwealth link met with its appointed fate in the Lok Sabha on Friday last. The airing of views was useful because the majority see the fine points of the Commonwealth and India's own gains from its free association. Electoral approval was claimed for the 1948 decision to accept the reigning monarch as the Head of the Commonwealth, though no reference was made to Mr Macmillan's visit to Delhi or to Prince Philip's triumphant tour of India last year. The Commonwealth as a group parallel to NATO and the Warsaw alliance may have influence, but no power, at present. But the Commonwealth has changed since Mr Lionel Curtis analysed its implications. Much was said last week about the common ideals of the UK and India, and about India's independent foreign policy, though no mention was made of the moral support extended in the current controversy with China or the map secured from London to help in stating the case for the maintenance of the McMahon Line. The lectures of Dr Arnold Toynbee perhaps had no bearing on the views put forward, while Professor Mukerjee was content to harp on continued exploitation by foreign capital. And some assumed that failure to secure Goa implied that the Commonwealth

connexion offered no material advantage to India. Mrs Lakshmi N. Menon emphasised the value of informal ties, the continuous contacts and the emergence of new African members in the Commonwealth. The freedom to differ under the Commonwealth arrangements is still the most valuable part of the arrangements created by statesmen like Mr Mackenzie King and Gen Smuts as well as Mr Attlee, and Lord Balfour much earlier. Appreciation of India's problems and policies has been made possible and it has been found that the new Tory party is as responsive as the old Labour party. The Colombo Plan's continuance is a consequence of the free association, kept up as much out of self-interest as the general desire to help weaker Asian nations. If the parliamentary discussion proved that old prejudices die hard, the party in power at least recognises that, as a free republic, India has lost nothing by the connection preserved for sound economic reasons, though little was said about Indo-British trade or the cultural contacts that are promoted by the Asiatic Society—a local enterprise launched in the past by Britain's aware of India's legacy.

Academic Lament

The University Grants Commission and their report have had a distinctly good press. It was inevitable owing to Sir C. D. Deshmukh's part in the proceedings and plans of the Commission. At the same time that he tried to explain the merits of the examination system, a retired professor summed up the decay of the universities in an article in *The Hindu* dealing with clouds over the colleges. This valuable academic intervention is certainly a warning to politicians, who find it easy to prescribe change, and a plea for conservatism. It is singular that India's new conservative party has not set out its views on the ills of the universities, including a double dose of communalism, and has made no mention of what comes from trying to push out study by extra-curricular activity that had an unhappy climax in the last youth festival at Bangalore. However, it is Professor Sarma's general outline of the consequences that supports the case for university autonomy. The restoration of discipline is contingent on the restoration of the teacher's status and the free flow of talent into a now neglected and depressed profession.

The sombre lessons drawn from the current fall in standards should convince the authorities that Gresham's Law is operating in the field of higher education. The melancholy reflections on present discontents are certainly sharpened by the reference to the corruption of examiners and the known sale of seats in colleges. There is now a reasoned depreciation of extra-curricular activity as well

as a plea for keeping English—not in its place—but above all languages, because English is not a divisive factor like Hindi. This acute analysis needs no specific endorsement in these columns but it demands a wider circle of readers here and now.

Better Villages

AS much to check the drift to towns, which are getting bigger but not better, the Planning Commission have lately asked the States to secure minimum amenities. It is surprising that, after loud talk of dynamism in the villages and the Community Development programme's effects, there should be a plaintive plea for a rural minimum in the backward areas. The novelty of the plea lies in the argument for creation of communal (in the original, not the local sense) assets. The partial restoration of the Indian village community, as it existed or worked in the past, is a large task that was not envisaged in former schemes of reconstruction. The assignment of waste land to panchayats for tree-planting, pastures and like purposes will make them property-owners, able to supplement income from taxes and grants. But the question is whether the assets will be carefully conserved and the communes (in the West European sense) will be able to devote income for increasing both work and wealth in the villages.

The village offices can scarcely do much. New development work must devolve on the distinctive, agency offered by the new councils already set up in Madras and Andhra Pradesh. But the leadership that is given by elected persons must be both skilled and sincere. Achievements to date in water supply, rural housing and sanitation are inconsiderable, and it is essential that Harijan welfare funds must go to development in the villages if rural slums are soon to disappear. The outlay by the States must match the Union Government grants, but the Budgets to date seems to have avoided the task of making the villages habitable. Co-operatives cannot do more than act as Government agents—the elected Councils must soon raise resources locally and accept new responsibilities like the repair of channels and ponds. The abolition of poverty by social change has forced the planners to look afresh at country planning. In this connection, it may be necessary to think of a betterment levy from the well-to-do cultivators, a step justified by both the rise in land values and the ill-distributed rise in rural incomes over a decade.

Show Boat

This week, an argosy laden with Indian goods sails from Bombay to the Persian Gulf and East Africa. The All-India Manufacturer's Organisation is behind this chartered expedition which may be called a case of trade following the flag shown by the Indian Navy

over many years in its cruises in distant waters. The engineering trade missions have assessed prospects already and reports presented to the Export Promotion Councils inspire the further effort to advertise the fact that India Can Make It. Even if the Japanese had done the same job to tell India earlier that Japan is back in business, the imitation on India's part is well worth while. The showrooms and exhibitions so far arranged may require a reinforcement by display of goods for sale.

The Persian Gulf area is still within India's economic sphere of influence and the midjet kingdoms may provide good opportunities for Indian merchants who may have found that, in Afghanistan, the Soviet Union has a stronger hold after the war.

The East African markets, too, may offer more opportunities because the Bazar trade is in Indian hands, and if prices are competitive, there should be good demand for cycles, lanterns and other necessities that the Africans require for raising their standard of living. The Jyoti will differ from the Showboat of general conception, but it may be a good idea to mix popular entertainment with the transaction of business and Indian films or records may prove a useful sideline to exports of handloom goods and domestic hardware. The floating fair will take Karachi on the way, and help to restore normal trade with West Pakistan. The Fair is based on the idea that Arabia stretches from Aden to Zanzibar, as Sir Harold Ingrams pointed out, and the provision of banking facilities has preceded this happy departure in export promotion to which Mr Nehru has given his hearty approval.

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STATES NOTES

Calcutta Port Finances

Despite a decline in the volume of traffic passing through it, Calcutta Port's finances, as far as the revenue side is concerned, show a satisfactory position. The income for the year 1960-61 has been estimated at Rs 13.77 crores and the expenditure at Rs 13.67 crores, showing a surplus of about Rs 10 lakhs. The total traffic estimated to pass through the port during 1960-61 is 9,280,000 tons as against the estimated total traffic likely to be handled in the current year of 9,525,000 tons. It was originally estimated that, during the current year, a total traffic of 9,960,000 tons would be handled.

Referring to the lower traffic estimated for the next year, Mr K. Mitra, Chairman of the Calcutta Port Commissioners, has pointed out that "the Budget estimates have been prepared on a somewhat conservative basis keeping in view the completion of the execution of the various steel plants in the regions served by the Port and the consequential fall in the imports of heavy machinery. Apart from this aspect, allotments of foreign exchange on which alone the flow and the volume of imports from foreign countries depend is still being screened by Government and subjected to considerable restriction. In these circumstances it will not be proper to Budget for a larger surplus expecting the volume of import traffic to reach the previous year's level." But, as Mr Mitra has himself indicated the actual results of next year's working may well turn out to be better than anticipated in the Budget, as it is not improbable that the influences that are expected to work toward a reduction of traffic in the Calcutta port may either not fully come into play during the next year or be more than offset by opposite influences.

The estimated increase in revenue is expected to accrue mainly from the recent enhancement of port charges which came into effect on 21st January 1960. The income from this source is expected to yield in a full year an additional revenue of Rs 135.5 lakhs. Storage charges and the income from the operation of the Haldia Anchorage are two other important heads contributing to improved revenue.

The revised estimates for the current year show a surplus of about Rs 20.26 lakhs in the revenue account as against a deficit of about Rs 17.35 lakhs envisaged in the original estimates. This striking improvement has been brought about by a sizable increase in

income under a number of heads but largely from storage charges, enhanced port charges for about two months and additional income from operating the Haldia Anchorage. Expenditure, too, has risen by over Rs 61 lakhs mainly due to the need for making additional provision for implementing the recommendations of the Chaudhuri Committee and the Pay Commission. However, the Chairman has further revealed that a move has already been made in this direction.

The capital Budget for 1960-61 puts total expenditure at 12.61 crores comprising Rs 11.09 crores outlay on works in progress and on firm contractual commitments and an outlay of about Rs 92 lakhs on works yet to be sanctioned and composed mainly of Second Five Year Plan projects. As the year will open with a credit balance of Rs 1.61 crores, it will be necessary to borrow Rs 4.5 crores from Government and Rs 6 crores from the International Bank. After taking into account the contribution of Rs 2 lakhs from the Revenue account, the year is expected to close with a credit balance of Rs 17.64 lakhs. In revised estimates for the current year, which opened with a credit balance of Rs 2.41 crores, expenditure is estimated at Rs 3.47 crores and it is proposed to borrow Rs 1.5 crores from Government and Rs 1 crore from the International Bank. The contribution from revenue surplus is placed at Rs 12 lakhs.

Power Plan for Madras

A welcome development in recent years has been the increased attention paid to the extension of electric power to the different parts of the country. The manifold uses to which this power can be profitably directed need hardly be emphasised. The success of the programme for the rapid industrialisation of the country, the stepping up of agricultural output and complete electrification of the villages, to a great extent depends on the availability of electric power. Keeping this well in view, the Madras State Electricity Board has chalked out a bold and ambitious plan at the cost of about Rs 136 crores for the development of power during the Third Five Year Plan.

The new programme does not envisage the launching of new projects but will confine itself to the expansion of the existing ones. This, according to the calculations of the authorities, will yield total additional power of the order of 475,000 kw. The Mettur Scheme, the Parambikulam Scheme, the third stage extension of the Kundah Hydro-electric Scheme and the fourth unit of the Periyar scheme are the main schemes on which expanding activities will be focussed. The details of the schemes have been forwarded to the Planning Commission and the Central Water and Power Commission for approval. The setting up of new thermal stations in different

parts of the State on the lines of the Neyveli Thermal plant is also suggested to eradicate the glaring defect of the Madras grid—its extreme dependence on irrigation reservoirs which remain closed during the dry months. It can be reasonably anticipated that, apart from providing power to the various industries that will be started in the State, the bid of the Board to extend power to all the 19,900 villages by the end of the Third Plan will also materialise.

Making do with 30 per cent Power in Punjab

East Punjab is presently going through a phase of electricity shortage which, in its severity, has not been preceded in past experience. Though power scarcity is a seasonal winter phenomenon, a 30 per cent ceiling on consumption was one for which consumers would not have been prepared and which they would have found hard put to accept. Attributed to absence of rain in winter, early symptoms of shortage began to manifest themselves as early as the last week of December when free flow of discharge in the Sutlej began to decrease successively and fell below 4,000 cusecs. This fell far short of the 5,500 cusecs required at the Nangal hydel canal for keeping the power houses at Kotla and Ganguwal in full generating capacity. Relief anticipated from Bhakra storage failed to materialise in view of the depletion of the reservoir for repair of hoist chamber and choking the mouth of the right diversion tunnel. Failure of rain being total, power generation at the Joginder Nagar power house also suffered substantial reduction. The flow of water at Uhl, which generally averages 250 cusecs, is reported to have gone down to 160 cusecs.

The cut in power supplies that the Government have imposed to the extent of nearly 30 per cent was a step which they could not have helped, in the circumstances that led to the shortage. Present conditions in respect to flow of water in the Sutlej and Uhl are such as to rule out hopes of any immediate lifting of the cut in supplies. Mr Birendra Singh, the Minister for Irrigation and Power, has forecast continuance of present cuts till March.

The power shortage that overtook the state has, in the causes that preceded it, some lessons to offer for future policy in regard to power generation. Power shortage being, in the case of Punjab, a predictable winter phenomenon depending upon the supplies of water for the power houses, it could certainly be averted by ensuring adequate supply for the power houses. While the shortage in supplies arising from the damage suffered by the Bhakra was inevitable, shortage in supplies for Joginder Nagar station could have been avoided if storage facilities had been created. The station is at present solely dependent

on the flow of Uhl which does not maintain an even flow throughout the year. Secondly, development activity relating to new line connection will have to be adjusted to the likely increase that could be achieved in generation of power.

Developing Andhra

Replying to the address presented by the Chandragiri Panchayat Samiti, Mr A. C. Subba Reddi, the Andhra Minister for Industries, dwelt at length on the industrial backwardness of the State in spite of the abundant supply of raw materials that can cater to the needs of industries. He exhorted industrialists in general to come forward and start new industries in the state and assured them of all possible assistance irrespective of their nationality. Mr Reddi explained the scheme of decentralisation of power introduced by the Government and felt that the success of the scheme would largely depend on the ability of those who control administration of the samitis. The setting up of the Industrial Development Corporation, which is under the consideration of the Government, will expedite the industrial activities of the State.

The Minister assured the gathering that a licence would be issued at an early date to install a sugar factory in that locality. Besides, the programme of establishing industrial estates in all the districts will also be carried out in right earnest. Mr Reddi also complained that the attitude of the Union Government toward the State has hitherto been not quite favourable for its industrialisation and earnestly desired a more considerate treatment.

The urgent need for the rapid industrialisation of the State can hardly be exaggerated. The abundant supply of minerals in the State is well-known. Andhra occupies the fourth place in the production of major minerals like manganese, iron ore and coal. All these factors warrant the establishment of more industrial projects so that the raw materials can be profitably converted into useful products in the State itself.

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FOREIGN NOTES

Adventure in Understanding

Mr Eisenhower's visit to Latin America may prove an essay in understanding and help to promote integration evident already in the association of ABC group (Argentina, Brazil and Chile) with neighbours for the reduction of tariffs and the promotion of intra-regional trade. If the USA has invested a lot in Latin America, the evolution of its relations with Mexico in this century should convince its neighbours that the organisation of American States is not merely a prop of the Monroe Doctrine. Mr Eisenhower's visit led to an eruption of pro-Peron feeling, but it has also given the Frondizi Government a good talking point for defending its policy of sacrifices after the bread and circuses of a decade. The absence of a colour problem marks off South America from South Africa and the continent has experienced only revolutions, not wars, in this century. The prolonged trouble in Cuba is one reason for the President's trip; the other is the advice given earlier by Dr Milton S. Eisenhower about mending fences in time; and the decline of dictators added force to the plea. There has been no forceful push by the Soviet Union, but Arbenz of Guatemala stirred the American memory about the dangers in the Caribbean. The control of the Panama Canal is dependant on the goodwill of the ten Republics even more than that of Panama, and Congressional resolutions in Washington may not help so much as an exposition of American aims in the right places. The President's accent was again on peace and work for prosperity and he deprecated emulation of the United States. That is distinctly helpful to countries that wish to develop in their own way and maintain old relations with Paris and Madrid. Mr Eisenhower's quick, quiet tour presents somewhat of a contrast to the tour made some time ago by Mr Nixon to South America, where student demonstrations marred the official receptions and created the impression that suspicion of Yankee Imperialism remained a potent force in Chile and other republics.

Foreign Aid? Or Mutual Assistance?

What is, generally, called foreign aid, but perhaps should be known more properly as mutual assistance, is very much in the news these days.

Just within the past week, President Eisenhower presented Congress with two formal messages: his recommendations for the U. S. Mutual Assistance Programme for the 1961 fiscal year beginning this coming July 1, and his request for approval of US participation in the new multinational International Development Association (IDA). In addition, Paul H. Hoffman, speaking as a private citizen rather than as managing director of the United Nations Special Fund (his present post) or as former administrator of the celebrated Marshall Plan, outlined for newsmen his suggestions for an increase in the worldwide development effort.

Implicit in all these proposals is the recognition that development assistance is an important element of international economic programmes in the USA and elsewhere. Fiscal 1961 will mark the fourteenth consecutive post-war year of large scale US economic aid to other lands, and the recommendations offered by Mr Eisenhower indicate no lessening of the American determination to help other peoples help themselves.

The \$4,175 million the President is requesting for mutual assistance in fiscal 1961 is about \$200 million more than he requested last year, and nearly \$1,000 million more than Congress actually appropriated. And well over half of his 1961 request is for various types of economic, as against military, assistance.

Included are \$700 million for the easy-term Development Loan Fund, to keep its lending programme operating at current levels; \$206 million for technical assistance; \$286 million for "special assistance," largely for certain countries in Asia and Africa; \$276 million for emergency funds to meet unforeseen aid requirements; and \$724 million for defence support—another name for economic aid to a number of developing countries whose resources are strained by the need to maintain their defences.

In his mutual assistance message, the President laid great stress on the increased ability and willingness of other industrial countries—in Western Europe and Japan and Canada, for instance—to assume more responsibility for aiding the developing nations. As the President put it, "free world co-operation is becoming the watchword" of this effort to boost living standards throughout the world.

As one concrete example of this co-operation, Mr Eisenhower pointed to the success of the United Nations World Bank in lining up financial assistance commitments from British Commonwealth countries, the Federal Republic of Germany and the United States to help with the India-Pakistan Indus River basin development project.

Development co-operation is most obvious, perhaps, in the case of IDA, the projected \$1,000 million affiliate of the World Bank. Of its total capital, the US would put up some \$320 million, and other industrial nations nearly \$443 million. The remaining \$237 million would come from the developing nations themselves.

This emphasis on co-operation—fast becoming known as the "partnership" concept—also appears in Mr Hoffman's proposals, which are spelled out in a new booklet bearing the somewhat imposing title of "One Hundred Countries—One And One Quarter Billion People: How To Speed Their Economic Growth—and Ours—in the 1960's." The booklet is published by the Albert D. and Mary Lasker Foundation, a private, non-profit American agency interested in medical research and in improving the health and well-being of people generally.

It is Mr Hoffman's thesis that the economic aid programmes of the 1950's, while reasonably successful, have not laid the foundation for the crucial work of the 1960's. To achieve desired and feasible rates of world economic growth, it is his contention that an additional \$30,000 million should be made available for development purposes in the decade ahead. And this capital would come from all sources—from commercial loans and private investment as well as from special "risk assistance" by industrial nations and international organizations.

Nor does Mr Hoffman overlook the part developing nations should themselves play in contributing capital, labour and materials, and in providing a healthy atmosphere for the constructive investment and utilisation of foreign capital.

Given the appropriate action by all concerned, it is his view that at least 15 to 20 developing lands in all parts of the free world are now in a position to move "from relative stagnation to self-sustaining economies" within ten years. While not particularizing, he cited India and Mexico as two examples.

Underlying the Hoffman approach is the conviction that development assistance should be viewed not as charity or paternalism, nor as a political tool, but rather as a realistic, joint endeavour to which all nations, whatever their stages of development, can contribute and from which all can benefit. This, he notes, was the moving spirit behind the Marshall Plan, which he headed, and, one may add, it has been an important factor in all US mutual assistance efforts since.

Amending Insurance in Pakistan

Two amendments promulgated by the Pakistan President are to rescue insurance business from the risk it spelled to policy holders under the original Act of 1938. The detriment to policy holders' interests in the original act arose from the latitude given to insurance companies in respect of statutory assets they were required to hold and the absence of protection in the case of mismanagement. Under the original Act, the only action that could be taken in

the case of unsound working was to cancel the registration of the insurance company or to apply to a court of law for winding up its business. This was a course from which the policy holders stood nothing to gain. One of the amendments now promulgated seeks to plug this loophole by providing for the appointment by the Central Government of an Administrator to take over the management of an insurance company which is not running on sound lines or whose activities may be detrimental to the interest of the policy holders. The Administrator will be required to handle the affairs of the company till such time as it is able to run on sound lines. Further, liability to prosecution in case of misappropriation, incorporated in the amendment, should ensure clean management.

Another amendment lays down that the assets invested by general insurance companies should always exceed their liabilities by an amount of Rs 5 lakhs. Under the original Act, the only provision in respect of statutory assets was that companies should maintain compulsory deposits varying from Rs 1,50,000 and to Rs 3,50,000. Lack of adequate cover against liabilities was a condition in which companies were tempted to pursue ruinous policies of business expansion. The significance of the new amendment, which seeks to enforce a proper balance between assets and liabilities, is obvious and should regulate insurance business in Pakistan along lines which would protect and safeguard the interests of policy holders.

Rise in UK Output of Chemicals and Vehicles

With large increases in chemicals and vehicles, industrial production in 1959 in the UK is estimated to have exceeded production in 1958 in a substantial measure. In the third quarter of 1959, the chemicals and allied industries were turning out 13 per cent more than a year earlier, while in vehicles manufacture the increase worked out to over 10 per cent, passenger cars registering the outstanding gain with 45 per cent. Expansion being broadbased, increased activity was witnessed in the engineering and electrical industries in which production went up by 9 per cent. Resulting from the rise in production in the engineering and vehicles industries, the iron and steel industry also experienced a revival and, by November 1959, the steel industry was working at full capacity.

Judging from the employment figures, the increased activity in the industrial sphere seems to have been continued well into February 1960. The total number of unemployed persons, estimated at 450,000 on February 15, 1960, was 2 per cent of the estimated number of employees against 2.8

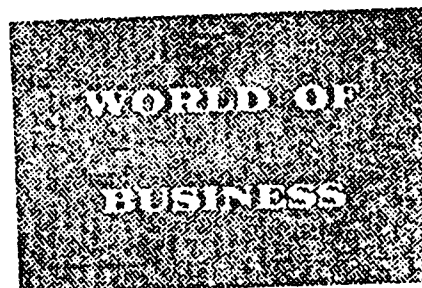
March 5, 1960

per cent a year ago. Mr Reginald Maudling, President of the United Kingdom Board of Trade, has forecast further increase of prosperity in 1960. The present trend in production and employment would seem to give ground for such optimism.

German Assistance

Growing friendship built around participation in Indian economic development has marked the relations between India and the Federal Republic of West Germany. It was this friendly feeling subsisting between the two countries that was symbolised by the visit of Dr Heinrich Von Brentano to India's capital last week. In the speeches he made at the capital, Mr Brentano gave the most categorical expression to the understanding and sympathy with which his countrymen look upon the problems of Indian development as also to the desire of West Germany to help India out of its difficulties. German assistance, already received in substantial measure, would, Mr Brentano hoped, be further continued for the implementation of the Third Plan. Mr Bretano said, "We consider it a first priority task and obligation to participate in the economic development of India to the best of our means."

Reassuring as this is, it is to be regretted that full utilisation of assistance already sanctioned is being held up by restrictive conditions imposed by the West German Government. Under these conditions, the credit extended by the West German Government could be made use of only for payments against orders insured with the Hermes organisation, which is the West German credit insurance body. Since no West German exporter is under obligation to insure his export credit and also considering that the bulk of West German supplies had been contracted without the mediation of the Hermes organisation, the extent of assistance availed of by India has fallen far short of the amount sanctioned by West Germany. Thus, against a total of 100 million dollars offered by West Germany in three instalments of 40 million dollars for 1958-59 and 30 million dollars for each of the fiscal years 1959-60 and 1960-61, the amount drawn by India has been less than 40 million dollars. Full utilisation of the West German credit is thus contingent on the waiving of the restriction regarding insuring of orders with the Hermes Organisation. Mr Brentano disclosed that he has invited Mr Morarji Desai, India's Finance Minister, and Sardar Swaran Singh, Union Minister for Steel, to visit Germany. It is to be hoped that the visit would be utilised to solve the difficulties that seem to take away from the full value of West German assistance sanctioned for the Second Plan.



Indian Shipping at Low Ebb

As a key sector with a vital role in industrial development, the shipping industry has few parallels. Though increased allocations under the Second Plan have enabled development to be stepped up as compared with the First Plan, shipping has a long way to go before it could be in a position to meet the country's needs arising from expanding coastal and overseas trade. The development involves increase in tonnage simultaneously with expansion of trade carried by Indian vessels. While increase in tonnage would resolve itself into a matter of the size of the outlay, expansion in the proportion of trade is necessarily more complicated in view of the external factors that condition movement of overseas trade. With low freight levels and scramble for cargo arising from excess surplus in world shipping tonnage and predominance of railways in coastal trade, the prospects for developing Indian shipping appear far from bright. Apart from the disadvantages of having to compete with long established lines, India also faces discrimination arising from this inexperience. Mr Dhanramsey M. Khatau, Chairman of Seindia Steam Navigation Company Ltd, pictured the situation correctly when he pointed out that Indian ships have to go through a severe trial of strength and patience. However, it is heartening to hear from Mr Khatau that Indian lines would pull together and unitedly face the competition. The task would be rendered easier if Indian ships could go on the basis of rationalisation of service with accent on regularity and fastness.

Improvement of coastal shipping calls for diversion of bulk cargo, which as a matter of deliberate Governmental policy is now being moved on the rail route. The continuing predominance of railways as the carrier of coastal trade has an element of incongruity considering that the Rail-sea Coordination Committee has recommended the diversion of such trade to the sea route. As pointed out by Mr Khatau, it would not be in the national interest to allow coastal shipping to suffer in this manner.

Port Monopoly

A proposal adopted in December to secure for the Madras Port Trust a monopoly of handling export cargo with the exception of

mineral ores, oils and other bulk cargo was kept in abeyance owing to a writ petition filed by a clearing agent. The dock workers promptly approved the idea of the Port Trust taking over the business held by private interests. The High Court has ruled that the statutory body can prescribe what agency should be used by shippers for loading vessels and that previous practice has no special sanctity. Greater efficiency may be attained through a monopoly, and it has been held by the Madras Court that, within the harbour premises, the Port Trust alone has authority to clear goods. The exclusion of private interests by a public authority is within the rights of a body that includes representatives of local trade and industry. The due clarification of the legal position may not lead to displacement of labour in the port, but will certainly hit those who acted as shipping agents. The Port Trust scale of charges may perhaps be higher, but shippers and shipping lines stand to gain from an arrangement that is to be viewed only as a tempered or partial monopoly now imposed in the public interest.

B.O.A.C. Enters Credit Travel Market

A BOAC spokesman recently announced the airline's entry into the Credit Travel market in India with their Travel Instalment Plan—TIP for short.

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I, C. Swaminatha Rangaswami Jr., hereby declare that the particulars given above are true to the best of my knowledge and belief.

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February 29, 1960.

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Students, in particular, will find the Plan a great boon. So too will Parents whose children are at school abroad and whose return to the family during the holidays has been too infrequent.

Wives can now accompany their husbands on business trips. And even the Businessman can use his capital to greater advantage.

All-in-all this "Never-Never" system will stimulate many to travel to the "Never-Never-Lands" of their dreams.

INDEX NUMBER OF WHOLESALE PRICES IN INDIA

Review for the week ended February 13, 1960 (Magha 24, 1881).

The official wholesale price index (with the year ended March, 1953 as 100) advanced by 0.4 per cent to 119.9 during the week ended February 13, 1960, as compared with 119.4 for the earlier week. The index was higher by 0.3 and 5.3 per cent respectively when compared with the corresponding weeks of the previous month and of a year ago.

Higher prices of oranges (+32%), milk (+9%) cummin (+6%), rice at Jayanagar, wheat at Hapur and jowar at Hubli (+5% each), cashew-nuts and tea (+3% each), mung,

mustard oil and black pepper (+2% each) and gur, coffee, cardamoms and betelnuts (+1% each) raised the index for 'Food Articles' by 1.1 per cent to 119.6. The prices of jowar at Hyderabad (-8%), at Akola (-7%) and at Mohal (-5%), onions (-8%), Wheat at Rewa (-7%), maize at Dohad (-6%), gram at Delhi and fish (-5% each), potatoes and chillies (-4% each), coconut oil, eggs and turmeric (-2% each) and Arhar, bananas, groundnut oil and bajra (-1% each), however, showed decline.

The index for 'Tobacco' fell by 0.6 per cent to 94.0 due to a decline in the prices of raw tobacco (-1%).

Despite an increase in the prices of castor oil (+1%), the index for the 'Fuel, Power light and Lubricants' group remained unchanged at its earlier week's revised level of 117.4.

The prices of raw jute (-4%) and linseed and copra (-1% each) moved down while those of gingellyseed, tanning materials and raw hides (+1% each) showed advances and in consequence the index for 'Industrial Raw Materials' declined by 0.7 per cent to 131.5 as against 132.4 (revised) for the previous week.

The index for 'Intermediate products' receded by 0.3 per cent to 120.4 as compared with 120.8 (revised) for the earlier week due to a decline in the prices of zinc (-2%), and cotton yarn and lead (-1% each), although the prices of tin (+2%) and linseed oil (+1%) showed advances.

The index for 'Finished Products' remained stationary at the previous week's revised level of 115.5. The prices of cycles (+2%), however, showed a rise during the week.

Index Number of Wholesale Prices by Group and Sub-group of Commodities.

(Base: 1952-53=100).

Group and sub-group	Week Ended	13-2-60	6-2-60	14-2-59
Food Articles ...	119.6	118.3	116.7	
Cereals ...	104.9	105.1	105.9	
Pulses ...	90.4	90.3	125.8	
Fruits and vegetables ...	110.7	103.6	115.9	
Milk & Ghee ...	113.0	100.3	107.2	
Edible oils ...	138.5	138.6	121.2	
Fish, Eggs and Meat ...	111.2	113.4	104.5	
Sugar & Gur ...	145.5	144.2	125.7	
Others ...	160.6	160.8	167.8	
Liquor & Tobacco ...	95.8	96.4	105.0	
Tobacco ...	94.0	94.6	104.0	
Fuel, Power, Light & Lubricants ...	117.4	117.4	115.9	
Industrial Raw Materials ...	131.5	132.4	115.6	
Fibres ...	121.0	124.0	107.1	
Oilseeds ...	141.4	141.8	127.0	
Minerals ...	95.2	95.2	103.6	
Others ...	132.5	133.3	111.2	
Manufactures ...	116.2	116.2	108.5	
A. Intermediate Products ...	120.4	120.8	110.8	
B. Finished Products ...	115.5	115.5	108.1	
Textiles ...	114.9	114.8	101.6	
(i) Cotton ...	128.8	124.8	112.2	
(ii) Jute ...	96.1	95.8	81.7	
(iii) Woolen ...	104.2	104.2	105.9	
(iv) Silk and Rayon ...	103.8	103.8	91.5	
Metal Products ...	145.1	145.1	143.3	
Chemicals ...	106.5	106.5	111.9	
Oil cakes ...	146.3	147.0	149.0	
Machinery and Transport Equipment ...	106.1	103.0	105.4	
Others ...	112.6	112.5	113.8	
All Commodities ...	119.9	119.4	119.9	

* = Estimated. † = Revised.



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Clive Street Gossip

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MR MORARJI DESAI has not seen fit to make the readjustment in the corporate tax structure that he had promised last year, when he fixed the rate for advance payment of tax at 45 per cent; and his plea is that there is not enough experience to go on to justify any tinkering with that rate. This surely is weak and not very convincing reason for his decision apparently to defer a reconsideration of what the proper rate of tax should be, so that the effective revenues to the Central Government are unchanged. Having made this reservation, I might suggest that the Finance Minister can justly be said to have done the impossible—although he has received not a little help from the fact that revenues are beginning, for the first time since the planning era started, to reflect the impact of a dynamic economy in action. For, it was widely apprehended that the three factors on the basis of which the Finance Minister would necessarily be required to draw up his Budget would entail substantial new tax proposal. But the revised estimates for the current year show how Mr Desai's task in this regard was minimised. On the one hand, the rise in defence expenditure has been negligible; few could have hoped that the Budget figure would be exceeded by a mere crore of rupees. On the other hand, the improvement on the receipts side of the Revenue Budget amounts to the considerable figure of Rs 58 crores. It is now expected that customs revenue will fetch more than Rs 17 crores over the Budget figure; that excise duties will show an improvement of Rs 26 crores; and that realisations from Corporation Tax will be better than the Budgeted figure by Rs 11 crores. So, for the current year, the revenue deficit stands reduced by Rs 44 crores at Rs 15 crores. (It may be noted that the revised expects a decline of Rs 14 crores in the taxes on income; my own view is that such decline may not materialise in full, and that with further improvement in the actuals, 1959-60 may not prove to have a revenue deficit at all).

I suggest that the kind of expansion that is being registered in excise duty revenues is indicative of the beginning of dynamism in governmental receipts. (A special study in this behalf will be published in the Supplement to be brought out by Indian Finance next week). What is more, one estimate that I have seen insinuates firmly that income and corporation tax revenues will be showing a similarly expansive trend. But,

for reasons that should be obvious, Mr Desai has been extremely conservative in his revised estimates; and his "fate" in this regard may be the same that overtook Sir Chintaman Deshmukh, I think it was in the year following the Korean War Boom, when there was an unprecedented revenue surplus of nearly Rs 130 crores. Now, it may not happen that so large an excess of income over expenditure will be the Finance Minister's lot; but, certainly, the budgeted revenue deficit of Rs 59 crores, already reduced in the revised estimate to Rs 15 crores, has every chance of being converted into a small surplus. I presume that there has been such deliberate under-statement of revenues, because the Finance Minister, possibly for political rather than any other sort of reason, could find no way of convincing his colleagues in the Cabinet that a reduction in the corporate tax rate was not only desirable but even mandatory. Fortunately, this is not so great a pity as it might have been. The expansionary economy implies that companies, too will be able to take in their stride one year of unfairly high taxation. But it will be incumbent on the Finance Minister, in the Budget for 1961-62, to "rectify" the corporate tax rate. It cannot at that time be claimed that there is an insufficiency of data; and the clincher to the argument will be the necessity to enable companies to find internally the resources for the expansion and development that they will have to take on hand for the Third Plan. But, for a year, I am afraid, and in respect of advance tax for a year besides, companies will be liable to bear the higher rate of taxation.

I wonder who slipped up about the taxation of bonus shares. For, if there was one concession that the Finance Minister could have given, with profit and not loss to the central exchequer, it was a reduction in the rate of tax on bonus shares; no useful purpose is served by the impost as it exists today. So long as the excess dividends was on the statute books, companies might have considered four or five years "purchase" of the dividends tax, by opting for the bonus tax in the intention that, thereby the liability as to dividends

tax would be minimised. But, today, no company would be anxious to incur the tax burden implied by a capitalisation of reserves; and the shareholder for his part is likely to be satisfied with such increase in dividend as comes his way. On the other hand, had the rate of bonus taxation been reduced, some companies there are which, anxious to restore balance between capital and assets, would have been prepared to undertake a small liability; and their reasoning would also have been that on the ex-rights basis, the share prices would have readjusted downward, thereby enabling new small investors to be attracted. The bonus tax, I am afraid, does nobody any good. And it is still not too late to reduce the rate.

It is good, however, that the Finance Minister has resisted the temptation to secure larger immediate revenues from readjusting the requirements in respect of Development Rebate. While, from the point of view of the companies, a "spread" would have "equalised" surpluses available for distribution, Government perhaps are not anxious that current revenues should be buoyant; for, in that event, tax reliefs would be in

order. Nevertheless, I think that the "spread" idea is still a good one, because, with the requirement of tax deduction at source on dividends, and the "grossing" element on reserves built up in the past all too meagre, the effective return to the shareholder in a dynamic, progressive company is likely to be affected. This, again, is a notion worth considering in the next Budget.

The borrowing effort is commendable; this is one aspect of the Budget in which Mr Desai has been helped by circumstances, but also one where the Finance Minister has taken full advantage of such favourable situation. There is, firstly, the innovation of the Prize Bonds; not quite an innovation, because it was tried, though without much success, during the wartime. However, Mr Desai can hope for a greater attractiveness in the present context of high rates of personal taxation. For, a tax-free windfall is bound to be attractive, and the disadvantage of there being no interest offered on the Bonds will be quite offset by the fact that no loss (except for depreciation of currency over the five year period) can accrue, while the gain can be considerable. Secondly, the target for market borrowings has been fixed reasonably at Rs 250 crores. While I personally believe that much more can be secured, we have to take cognisance of the complaint that a large governmental borrowing programme allegedly "drains" the market of funds for the private

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sector. I disagree violently with this view. Money meant for ordinary shares will never find refuge in gilt-edged. On the other hand, quite a bit of money ordained for gilt-edged quite often finds sanctuary in ordinary shares nowadays. But much will depend on how the banking situation develops over the 1960 slack season. In the current fiscal year, the budgeted figure has been more than attained; but, because conversion subscriptions were so considerable, net borrowings were less than in the previous year. Today, there is a much greater expansion of demand from industrial users of money. To such extent, it may happen that the surplus with banks available for investment in gilt-edged will be affected. Again, however, evidence there is already of a record rise in the Deposit liabilities of Scheduled Banks. To such extent, the capa-

city of the banking system to absorb gilt-edged will improve. My hunch is that, the Prize Bonds apart, the target for market borrowings will be easily achieved; and what the Prize Bonds will attract will be pure "profit".

Not that the Budget is devoid of concessions, I might point out at this stage. The most important of these is the credit given for the full, instead of half of, the amount of local taxes payable on property built before 1950. This may conceivably set off a boom in old houses. For, capital gains is always there, land and buildings still constitute one of the best hedges against inflation—and where else is taxation so just? Then, there is the extension of concessions for new industrial undertakings. Small but significant reliefs have been announced in the sphere of ex-

penditure tax. Companies with small profits will attract a lower rate of tax than the 45 per cent for the generality of the corporate sector. Some relief is also given to investment companies attracting Section 23A of the Income-tax Act. Even the excise duties have been so devised as to touch the "luxury" articles rather than consumer goods. (However, in this last respect, it seems to me that road transport has again been penalised, and this might, though indirectly, affect consumer goods prices. I am not against the levy of the tax on passenger cars, though I suppose I will have to cough up a bit more if I should buy a car! but road transport of goods has to be encouraged and fostered, and Government seem bent on doing just the opposite. I think a rationalisation of the whole complex of motor vehicles taxation, in every

one of its aspects, is urgently called for).

We can, I suppose, also hope for inflationary tendencies to be kept better in check during the Budget year. If production is the answer to inflation, both agricultural and industrial output are satisfactory enough. If deficit financing imperils the economy, the threat will be minimised by the lesser reliance on created money in the Budget year. (Indeed, it may happen that deficit financing in 1960-61 will amount to no more than a nominal Rs 50 crores). To sum it up, Mr Morarji Desai's Budget for 1960-61 is a better and less exacting Budget than anybody could have hoped for.

Mr G. L. Mehta is all praise for 1959. His statement relating to the accounts for last year of the Industrial Credit and Investment Corporation of India Limited has been circulated with the Directors' Report, and he makes the neat point that "last year was a good one for India and hence for your Corporation." Surely, this is true of industry generally as well. The 1957 dip in cotton textile consumption can easily be traced back to the relative failure of agricultural crops in that year. In the case of ICIC, I presume the link is even more direct and easily discernible. A prosperous year witnesses a resurgence of investment confidence and also of new capital flotations. And here, ICIC has been rising admirably to the demands being made on it. Mr Mehta has reported that the resources of the Corporation doubled during 1959, or practically so. For foreign exchange loans, ICIC has successfully negotiated a second \$10 million line of credit from the World Bank; for internal resources, a second loan of Rs 10 crores has been obtained from Government. And this doubling of resources was necessary precisely because the lending, investing and underwriting operations of ICIC have increased so much. New proposals approved almost trebled in a single year to Rs 8.40 crores. In the five years of its existence, underwriting operations have amounted to Rs 8.30 crores, and nearly half of this relating to ordinary shares. But by far the best news that Mr Mehta has is that the investment market is such today, and the underwriting efforts of the Corporation so well chosen, that ICIC has now begun to place on the market, at a profit, such shares as were left with the Corporation as a result of underwriting obligations. The profit realised—call it capital gains, which is what they really are; but the tax authorities insist on their pound of flesh at the profit rate, to which Mr Mehta quite rightly strenuously objects—was Rs 24 lakhs in 1959, and this has been set apart to Reserve. The real gain, however, is that, in the process resources are being freed to enable ICIC to undertake further responsibility in underwriting ventures. Mr Mehta's statement is clearly a testament of the good work being done by ICIC for private sector financing.

EAVESDROPPER

Indian Finance

March 5, 1960

GATEWAY GOSSIP

"Static" Affects Electricity Undertakings

ALTHOUGH Mr Jaisukhlal Hathi, Union Deputy Minister for Power and Irrigation, has avoided a direct indication of his reaction to the proposals now before Government, intended to introduce additional incentive factors so as to enable the electricity supply industry to continue to function efficiently, his speech at the annual general meeting of the Federation of Electricity Undertakings of India last week in Bombay has left Government's attitude to the industry in no doubt. This in brief is that the legitimate rights of the power supply undertakings in the licensed sector will be safeguarded and they can depend on Government to extend to them "such reasonable assistance as would be necessary for proper discharge of their responsibilities." If the electricity supply companies have come to be governed by a set of regulations that are different from those applied to industrial undertakings in general, it is because the electricity supply industry is an essential industry and as

such owes certain responsibilities and obligation to the public, like a high standard of service, making available plentiful supply of power and stability of rates. But the difference is not only with regard to regulation but is also in other important aspects of its working. If the industry is asked to accept certain financial restrictions, it is to be noted that it also "inherently enjoys an element of monopoly and is statutorily assured of a reasonable return on its investment."

The industry, too, has accepted the principles governing its regulation, but it is its contention that the control measures have failed to ensure that, in the process of their working, the growth of the industry is not stifled. Two of the principal complaints pertain to the return to the shareholder in electricity undertakings and the facilities available to the Companies to raise capital for their projects. It is argued that, because dividends are not attractive, investors take little interest in electricity supply company shares. While this main source of funds is thus made almost unavailable, borrowing is equally difficult as the industry is not free to procure funds at its own discretion.

It would, however, appear that Government's assessment of the financial condition of the industry is somewhat different. For, Mr Hathi has said, "As far as I have been given to understand, most of the electricity supply companies have been able to maintain a reasonable level of dividends and have also raised necessary additional capital for financing their projects." The abiding interest of Government in the industry is evidenced in the inclusion of the Undertakings' representatives in the Central Electricity Board and the Zonal Technical Committees. Government have also advanced funds to a few deserving licensees or given security for repayment of the loans raised by them. Perhaps, Mr Hathi has by implication meant that the very fact that the industry has made commendable progress in recent years is proof positive that, by and large, the regulatory central gear is not having any retarding effect on the industry. The investments in the undertakings operated by the licensees will be soon reaching the Rs 300 crore mark—an impressive record, indeed. The Undertakings, Mr Hathi has pointed out, today operate about 37 per cent of the generating plant in the country and serve about 38 per cent of the total number of consumers.

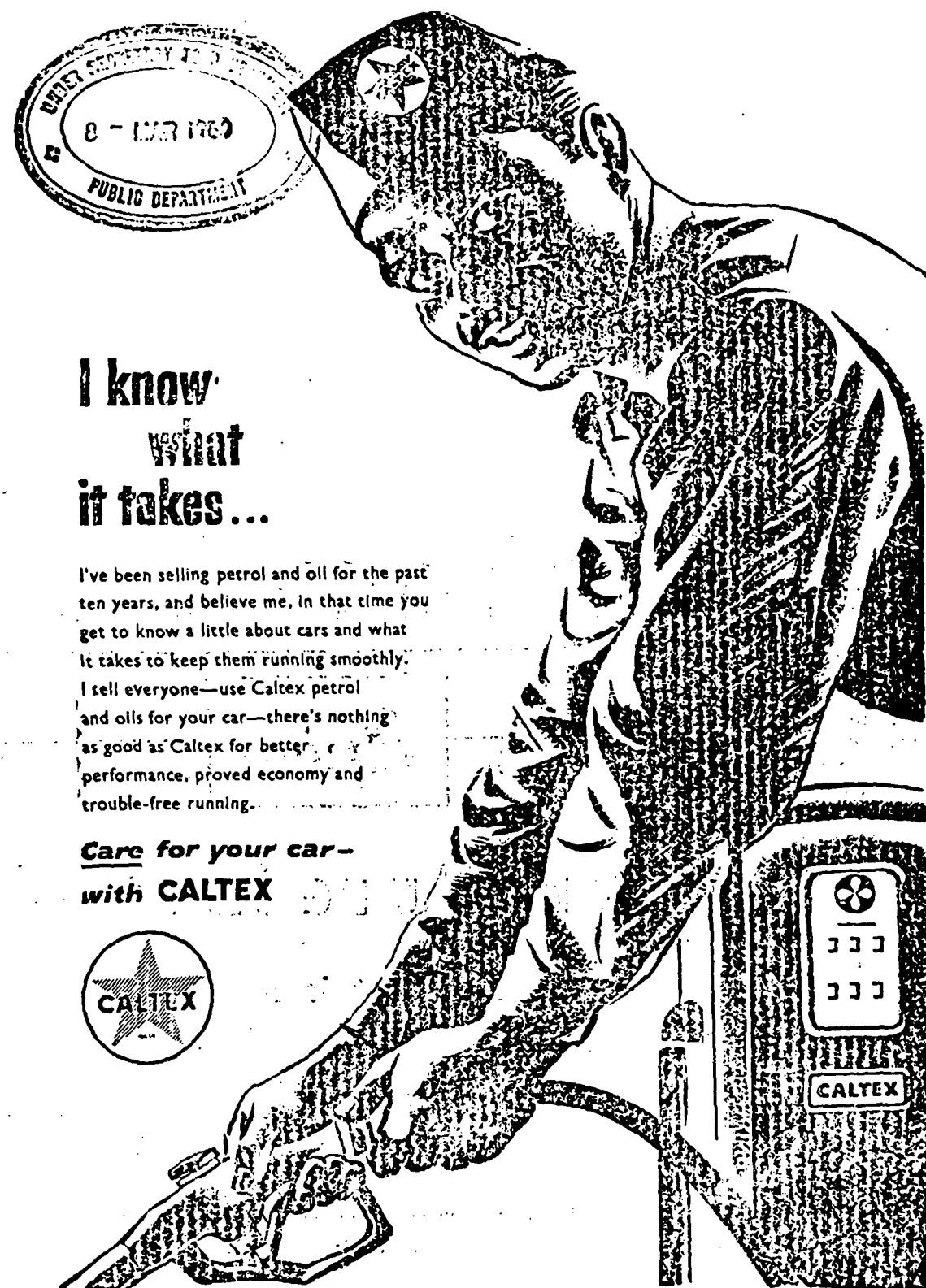
It is evident that the reasonable level of dividend means one thing to Government and another to the investors. For, any one who has some knowledge of the stock markets in our country will readily be able to say that, compared to other equities, shares of electricity companies are a neglected counter. What time most shares in the list

have been taken to giddy heights, electricity shares have been languishing. As against the growth prospects offered by most equities and consequently of higher dividend possibilities, the shares of electricity companies offer no such prospects; on the contrary, after the Finance Act 1959, shareholders' return has been eaten into by the tax that they have now to pay on their dividends. Mr A. N. Haksar, Chairman of the Federation of Electricity Undertakings of India, has understandably devoted a major portion of his speech to what he terms the "contradictions" which have arisen between the changing pattern of the tax laws and the financial code governing licensees undertakings. In his opinion, the legislative intention of making the rate of return fixed to the shareholder in an electricity supply company free from all forms of taxation is not being fulfilled. Although it seems to have been assumed by Government that new assets of electricity supply companies, once they come into productive use, should be able to yield earnings enough to give the prescribed return to the shareholder and to build up a reserve to meet deferred tax liability, in actual working this is yet to be proved. The Finance Act 1959 has made the position still worse in that it requires the shareholder to pay tax on the none too attractive return he gets from his electricity supply company equities. According to Mr Haksar, a lasting remedy will be the automatic diversion of tax burdens to the consumers in whatever form they may come. As against the information of Mr Hathi regarding the finances of the Undertakings, we have the follow-

ing observations of the FEU Chairman:

"There is little doubt that the present level of the return which has been, and is being, exposed to tax complications is far from being able to sustain this end (to raise funds in the market necessary for the proper continuity of his public duties). A further justification for rethinking on this problem is that during the brief period the Electricity (Supply) Act has been in operation experience has shown that the financial code affecting Licensees has tended to be less and less incentive, either by the law having been amended as to deny to the Licensees even some of the fringe benefits or by the regulatory authorities tending towards rigid interpretation."

Some of the contradictions between the two sets of laws governing the industry may be soon resolved. Mr Hathi has himself admitted that, since the Electricity Supply Act is a complicated piece of legislation, it is quite likely that some fresh problems have sprung up, and has said that these difficulties will receive Government's best attention, when they are brought to their notice. The Federation has been representing through its memoranda to the appropriate authorities that, caught between the two sets of laws, the industry is in a sad predicament. Whatever may be their opinion on other points, Government cannot possibly dispute the claim of the Licensees to retain the tax concessions visualised by the Finance Act 1959 like other industries and deflect them to the shareholders.



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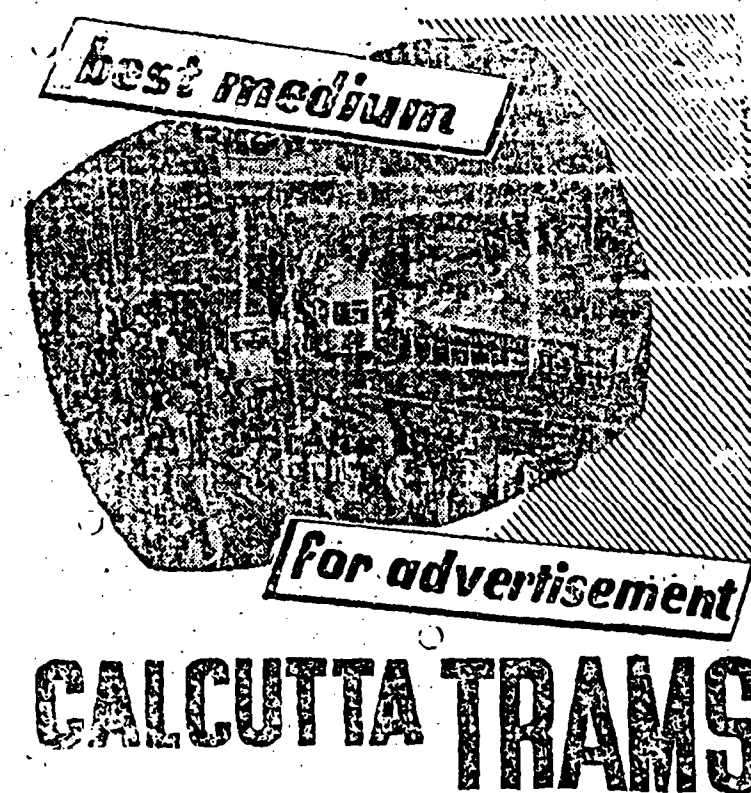
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Cement Wage Board's Award

THE Government of India have just accepted the recommendations of the Central Wage Board for the Cement Industry. In accepting the recommendations, the Government have also stated that a study of workloads in the industry would be desirable and that the recommendations regarding wage increase in the second phase, wherever applicable, may be implemented after this study is completed. Otherwise, they expect the recommendations to be implemented straightway, that is, with effect from January, 1960. They have also admitted that the cement industry does not have the capacity to pay the recommended wages on the existing retention prices. It is, therefore, proposed to increase the ex-works price payable to the producers with effect from the date when the Wage Board's recommendations are implemented. Such an increase in the ex-works price is, however, proposed to be accommodated within the existing F.O.R. destination price so as not to involve any increase in the price to the consumer.

The Wage Board's recommendations apply to workers employed at the cement factories, the limestone quarries owned by the cement producers and the places where calcareous sand or shells are collected and clay is excavated and to workers employed by cement companies in the transport of limestone, sand, shells and clay from the quarries to the factory. The recommendations do not apply to contract labour, if any, employed on construction work or on purely temporary jobs not connected with manufacturing processes and to employees engaged in other industries owned by the cement companies.

The total minimum wage recommended for an unskilled worker whose family is deemed to consist

of three consumption units is Rs 94 per month in Gujarat and Saurashtra and Rs 101 in the rest of the country. The split-up of these need-based minimum wages is as follows:—

Components	For centres in Gujarat and Saurashtra (in Rs)	For centres in the rest of the country (in Rs)
Basic minimum wage	52.0	52.0
Dearness allowance	31.5	38.5
House rent allowances	7.5	7.5
Cash value of amenities provided by employers	3.0	3.0
Total	94.0	101.0

Incidentally, these minimum wages for unskilled workers in the cement industry may be compared with the minimum wages, recently recommended by the Central Pay Commission, for unskilled workers in Central Government employment. The split-up of the latter minimum wages is as follows:—

Basic minimum wage	Rs 70
Dearness allowance	10
House rent allowance on the class of cities	5 to 10
Total Rs	85 to 90

If the cash value of amenities (which are greater in the case of Government employment) are included, it will be found that the minimum wages recommended for unskilled workers in the cement industry and in Government employment are about the same. The Government, therefore, cannot be accused of adopting two different standards of minimum wage fixation—one favourable to themselves and the other unfavourable to private employers.

As a matter of fact, the wage scales fixed for unskilled, semi-skilled and skilled workers in the cement industry are by no means higher than those recommended for those categories of employees in Central Government employment. The comparative position emerging from the relevant recommendations of the Wage Board

for the Cement Industry and the Central Pay Commission is worked out and presented in a nutshell in the following table:—

Nature of workers	Basic wage	Minimum	Maximum
1	2	3	4
Cement Industry:			
Unskilled	52.0	62.4	
Semi-skilled	57.2	73.8	
Skilled, lower	62.4	93.6	
Skilled, upper	73.2	124.8	
Skilled, highly	110.5	169.0	
Central Govt.:			
Unskilled	70.0	85.0	
Semi-skilled	75 to 95	95 to 110	
Skilled, lower	85 to 110	110 to 180	
Skilled, upper	125 to 150	155 to 180	
Skilled, highly	130 to 205	205 to 240	

(In Rs per month)	5	6	7
Dearness Allowance	31.5 to 38.5	34.4 to 41.4	37.7 to 44.7
House Rent Allowance	7.5	7.5	7.5
Total of (2), (4) and (5)	91.0 to 98.0	99.1 to 106.1	107.8 to 114.6
Total of (2), (4) and (5)	107.8 to 114.6	130.5 to 137.5	160.8 to 167.6
Total of (2), (4) and (5)	85 to 90.0	92.5 to 120.0	102.5 to 140.0
Total of (2), (4) and (5)	142.5 to 180.0	147.5 to 245.5	

It will be seen from the above table that the semi-skilled, skilled and highly skilled workers in Central Government employment have received a distinctly fairer deal than the identical categories of workers in the cement industry. That the Central Government are a "model employer" is thus beyond dispute. But they are hardly in a position to compel any private industry to pay identical wages without carefully appraising the capacity of that industry to pay. A wage board for each major industry, consisting of two representatives of employers, two of employees, two independent members and an independent chairman seems to be a suitable instrument for balancing conflicting interests and pronouncing an award which would be fair to both the parties. In the particular case of the cement industry, the Wage Board itself has fully recognised that the industry will not be in a position to meet the incidence of increased wages recommended by it if the retention prices paid to producers are not revised.

A salutary feature of the Cement Wage Board's Award is that, where the lowest total minimum wage recommended by the Board will result in a very big increase (to the tune of Rs 25) over the present wage, the increased wage should not be given in "one jump" but should be so fixed that the full incidence comes into effect one year after the initial increase is given. Another salutary feature is that new cement factories whether owned by the existing cement companies or otherwise should be exempted for a period of 18 months from the month the factory goes into production from paying in full the wages and salaries recommended by the Board for the various categories of employees. During this exemption period, the new units should pay the basic wages, dearness allowance and house rent allowance at 75 per cent of each component. Any fac-

tories already paying more than 75 per cent of the wages recommended should, however, continue to pay the higher wages, dearness allowance, etc.

The recommended exemption in the case of new cement factories and the Government's decision to increase the ex-works price of cement suitably are calculated to ensure the expansion of this basic industry on sound lines. There are now (as of 1959) 35 cement factories with an estimated annual capacity of 9.04 million tons and an estimated production of 8.14 million tons. As on April 1, 1959, there were 32 factories with a total annual capacity of 7.74 million tons. Since that date some new units have gone into production and some are yet to go into production. Details of both categories are given below:—

Name of firms	Capacity approved (per ton annum)
1. A. C. C. Bombay (Location: Yerraguntla)	165,000
2. Andhra Cement Co., Madras (Location: Vizianagaram)	102,000
3. India Cements Ltd., Madras (Location: Vizianagaram)	200,000
4. Ravasacema Development Corporation Madras (Location: Kamalapuram)	126,000
5. Aasam Cements Ltd., Shillong (Location: Umty-Nagar)	60,000
6. Bihar Limestone and Mineral Co. Ltd., Calcutta (Location: Dumai)	100,000
7. Sawashtia Cement and Chemicals Industries Ltd., Porbandar (Location: Porbandar)	200,000
8. A. C. C. Bombay (Location: Veraval)	165,000
9. A. C. C. Bombay (Location: Drug)	165,000
10. Shri Sanwalram More, Bombay (Location: Nee-much)	150,000
11. Shri Rammohan Rao, Nidadavol (Location: Drug)	200,000
12. V. Ramakrishna & Sons, Madras (Location: Thiruvottiyur)	16,500
13. Madras Cements Ltd., Rajapalayam (Location: Ram-nathapuram)	198,000
14. Mysore Cements Ltd., Bangalore (Location: Ob-la-pura)	200,000
15. K. C. P. Ltd., Madras (Location: Pondichery)	200,000
16. A. C. C. Bombay (Location: Abu Road)	165,000
17. J. K. Commercial Corporation, Kanpur (Location: Nim-ki-Thana)	156,000
18. Birla Bros., Ltd., Calcutta (Location: Durgapur)	330,000
19. Durgapur Cement Ltd., Calcutta (Location: Durgapur)	240,000
20. Rajur Cement Works, Bombay (Location: Rajur)	240,000
Veraval Oilcake Co., Veraval (Location: Veraval)	49,500
Total	3,530,000

Since no further capacity has been licensed since April 1959, it is to be hoped that if all the licensed new units go into production soon, there will be 53 cement factories working before the close of 1961.

THE PENINSULA

Human Element in Industrial Relations

THE Indian Institute of personal management meeting, for its tenth annual conference in a two-day session at Bangalore, discussed the various aspects of the problem presented by industrial disputes. A subject of exasperating anxiety and concern to the Government, labour-management hostility has rankled industrial relations for so long and so much that it has become a problem of the first magnitude and priority, on the solution of which much by way of industrial progress depends.

The speakers at the conference, who represented a cross section of the interests, while underlining the importance of seeking all possible ways to avoid disputes, were not inclined to be facile in their estimate of the difficulties involved in finding a solution to the problem. On the contrary, they revealed an understandable awareness of the confused tangle which the state of industrial relations presently reflects. Mr B. D. Jatti, the Mysore Chief Minister, whose address was read at the conference, traced the complexity, to the human element which constituted the most important of all the factors which affected the rate and volume of production. "We must always remember," Mr Jatti observed, "that

when we talk of 'manpower' and 'labour force' we talk of men and women with individual rights, interests and preferences to be taken into account and not as mere units in the mechanism of production."

It was against the background of the conflicting interests and complicating elements involved in the problem of minimising disputes that the role of personnel officers was stressed at the conference. Mr Jagdish Prasad, Managing Director of the Indian Telephone Industries, speaking on the role of personnel officers, pointed out how they could enthuse labour, make workers cultivate a feeling of belonging to the industry and cause every one to derive greater personal satisfaction from doing his allotted work. Mr D. P. Mukherjee, President of the Conference, went further and said that industrial peace will be a far cry until personnel officers also have a share in the direction of affairs. Mr Venkataraman, the Madras Minister for Industries and Labour, also pointed out how personnel officers could contribute to industrial peace by promoting mutual relations at the plant level. The true index of good industrial relations was the spirit of cooperation that existed between labour and management and in every such activity of theirs resulting in higher productivity and contentment.

An equally important consideration that arises in connection with the subject of industrial disputes is that relating to the proper method of settlement. Mr Venkataraman commended the method of collective bargaining. For collective bargaining to succeed, it is imperative that a sense of responsibility should be developed in trade

unions and managements. This calls for an element of sacrifice on the part of workers and managements alike to honour agreements and abide by them.

But, as pointed out by Mr Venkataraman, such settlement of disputes through collective bargaining and direct negotiation is far from popular and far from being widely resorted to settle disputes. On the contrary, increasing recourse is being had to such methods as compulsory arbitration and appointment of wage boards and pay commission. While this does not reflect the best climate in industrial relations, current conditions regarding social security invest them with some inevitability and justification. However, Mr Venkataraman pointed out, the number of occasions on which recourse to that system was had should be as few as possible and also it should not become the normal channel for settlement of disputes.

A factor that has bedevilled industrial peace in the country is the intrusion of political ideology in the field of industrial relations. The resulting polarisation of the trade union movement has considerably enfeebled the efficacy of collective bargaining as a method for settling industrial disputes. Such a state of multiplicity of trade unions also lends itself to exploitation at the hands of employers.

Mr N. S. Bhat suggested that there should be one national employers' organisation and that all local or regional employers' and workers' organisations should be affiliated to the respective national organisations. This clearly evades the complication arising from the

existence of multiplicity of unions modelled on political and ideological lines. The real problem that is faced in respect of industrial relations is to rid the trade union movement of the influence of politics. How far could this be done? Mr Bhat has suggested that steps should be taken for workers to progressively take over the leadership of unions. Dr K. P. Ramaswami, a director of Messrs Parry and Company, Madras, made a similar suggestion when he said that steps should be taken to make trade unions in-built. These are steps which, even though they could not completely eliminate the sway of ideological or political forces in the trade union movement, could at least reduce their rigour and impact.

One thing that is basic to the maintenance of sound industrial relations is the strengthening of trade unions. A progressive outlook on the part of employers involving recognition of the legitimate rights and privileges of workers for decent salaries and wages consistent with the general working conditions of the industry concerned, would reduce scope for friction between labour and management. Mr Bhat's suggestion for introducing the system of shop stewards on the lines prevalent in the advanced countries of the West which, according to him, enable differences to be settled on a voluntary basis without governmental intervention, should also tend to reduce causes for industrial unrest. His suggestion that collective bargaining on all matters which are bound to have wide repercussions should be conducted industry-wise also deserves consideration.

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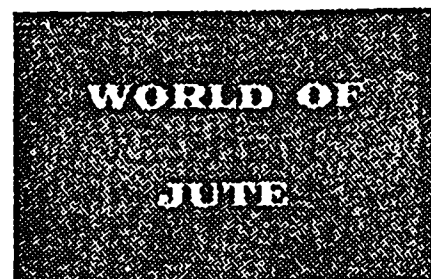
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Prices Still Maintained

THE jute markets have ruled rather subdued during the past few days, but there is as yet no indication that prices are due for a setback. The higher price levels in the goods section are mainly sustained by the continued steadiness of the raw jute section. It is true, Assam Bottoms have recorded a decline of 75 nP or so per maund over the past week and mills have been less anxious than last week to enter into fresh commitments. But sellers are still reserved and, at the lower levels, offerings are not large. As I have noted in this column last week, there are two main factors governing the present steadiness of raw jute market. Firstly, there are quite a sizable number of people in the Indian World of Jute who believe that supplies of raw jute will not be adequate as the season draws to a close. Secondly, the stock positions of the mills are not identical throughout the industry. The fact that stocks of raw jute with IJMA mills at the end of January 1960 have improved further as compared with the position as at the end of December 1959 need not necessarily mean that all mills are equally comfortably placed as regards their stock of the raw material. Moreover, the significance of the facts that total arrivals up to January this year are more than 6 lakhs bales lower than in the corresponding period of last season and that jute consumption this season is running at a higher level than last season is not likely to be lost on the sellers in the raw jute market.

With raw jute keeping to a high level, it is inevitable that goods prices are also rigged up correspondingly. The satisfactory statistical position of jute goods is a contributory factor in the present situation which is, however, conspicuous for the absence of any big foreign orders. There has no doubt been some small business in recent weeks, especially in heavy goods, from a number of foreign countries, and it is believed that the recent decision of the Australian Government to abolish import licences will result in a larger offtake of sackings by that country. The outlook for hessian in the immediate future seems to depend very much on our price levels.

It would appear that the need for price stability in our jute goods has never been greater. For one thing, Pakistan is making a deter-

mined bid to step up its export of jute goods. Overseas consumers have thus another important source to look to for their requirements; and be it noted that, provided prices are competitive, the generality of consumers will prefer Pakistani goods to Indian goods for the superior quality of the former. It is also to be borne in mind that overseas consumers are no longer at the mercy of jute goods manufacturers as substitute packaging materials' manufacturers are putting forth concerted efforts to meet their changing needs by innovations and improvements in their products. But thanks to its superior qualities as a packaging material and its versatility as a material which can be put to new uses, there is immense scope for jute manufactures in world markets. The Indian jute goods industry is well poised to take advantage of the big potential world demand. The attainment of raw jute self-sufficiency and the continuing efforts to grow more and better jute in India can still gain for our industry a preminent place in world markets. Modernisation, which is progressing apace, enables it further to compete almost on equal terms with other jute goods manufacturers. But it is still lacking in one essential prerequisite to prosperity—price stability. The fact that all interests in the Indian World of Jute are fully aware of the damage that is being done to the cause of our jute goods exports by unbridled speculation, which continues to plague our jute markets, and are apparently helpless in rooting out this evil, shows that more efficacious steps than have been taken hitherto have to be devised.

The jute goods market opened on a steady note mainly in sympathy with the raw jute market, where, following a fair amount of mill business, prices were well maintained. Covering business in ready and near positions also helped sentiment and B Twills Feb was done at Rs 113.90 by close on last Saturday. Hessian 40"x10oz Feb was firm at Rs 42.25. Sentiment was rather quiet on Monday presumably again in sympathy with the raw jute section. The news of a Government tender for 10,000 bales of B Twills March-April delivery failed to induce much enthusiasm. It would appear that prospects of a fall in raw jute prices were mainly responsible for the quiet trend. With reports of rain in jute growing areas, the raw jute market ruled easier on Tuesday and prices in the jute section also were marked down. Hessian 40"x10 oz Feb reacted to Rs 41.60 while B Twills Feb was finally placed at Rs 112.50. Conditions remained almost unchanged on Wednesday though the undertone was steadier than on the previous day. In the goods section, only scattered covering business was reported done. Thursday's session was a dull affair with little activity and narrow price

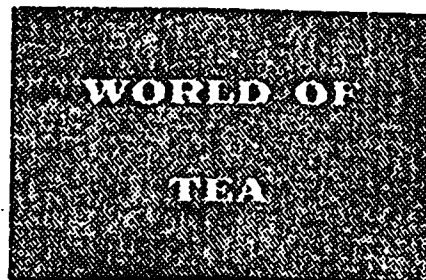
movements. Hessian, 40"x10oz Feb was placed at the close of the day at Rs 41.55 with B Twills Feb done at Rs 112.60.

In the raw jute section, prices were somewhat lower on balance with Assam Bottoms at Rs 31 per maund. News of rainfall in the growing areas seemed to be mainly responsible for the reactionary tendency, but it would appear that sellers were not unduly disturbed by the news as they seemed to be confident that scarcity conditions would develop sooner or later.

	As on 25th Feb	Week's High	As on 2nd Mar.
Hessian:			
40" x 10 ozs:			
Ready	41.65	42.25	41.60
Apr/June	42.00	42.55	41.90
July/Sep	41.85	42.35	41.70
40" x 6 ozs	34.00	34.50	34.25
40" x 7 1/2 ozs	31.70	32.25	31.75

Sackings:			
B. Twills:			
Ready	113.10	114.00	113.60
Apr/June	112.00	112.90	111.70
July/Sep	110.60	111.25	110.15
Hr. Coes (Green)	116.00	116.00	115.00
Corssaks	113.40	114.25	113.20
Cubans	134.00	135.00	134.00
A. Twills	138.00	140.25	139.50
D. Twills	127.25	127.50	126.75
L. W. Flours	137.00	137.50	135.00
Sugar Twills	128.00	129.00	127.25

Futures:			
Hessian—May	41.94	42.24	41.75
Hessian—May	112.00	112.50	111.25
Raw Jute—Mar.	31.32	31.72	30.96



General Demand Maintained

THE general demand noticed in the Export Sale last week has been well maintained during the week under review. The main inspiration is derived from talks of expansion of the tea industry in the Third Plan. Trade circles think that the North-East Indian crop of the current season will be sold earlier in spite of the softer trend in prices, especially of Common grades.

In the Export Sale, offerings were 72,034 packages. There was a more general demand than in the previous sale; but prices for orthodox descriptions declined by a further 4 nP to 6 nP per pound, while the poorest sorts were often 8 nP to 10 nP easier and sometimes more. Any clean black-leaved teas with sweet liquors were, however, about steady, while the brighter liquoring Assam BOPs and OFs were sold well.

There was again a strong demand for CTC Assams. Although the poorest sorts sometimes failed to realise valuations, the

medium and better kinds were firm to dearer. Non-wither leg-cut teas with bright liquors were sold readily at firm rates; but the plainer sorts were about 4 nP easier. There was fair enquiry for Whole Leaf grades which were, however, a little irregular. The demand for Darjeeling teas was very limited. Following rates were quoted:—Clean Black Pekoe Rs 2.16 to Rs 2.20; Plain BP Rs 1.86 to Rs 1.92; Plain Fannings Rs 1.90 to Rs 2.08; Best Assam CTC EP Rs 2.45 to Rs 2.65 and Best Assam CTC Fannings Rs 2.45 to Rs 2.65.

In the Internal Sale, offerings consisted of 23,168 packages of Dusts and 1,71 packages of Leaf grades. The market for Dusts opened to a more restricted demand which slackened as the sale progressed. Exportable kinds met with limited enquiry, registering a drop of 12 nP per pound. Toward the close, withdrawals were heavy. Legg-cut Doora teas were sold at rates which were 6 nP to 12 nP below last levels.

Medium CTC kinds came to an irregularly easier market, while the best were a weak feature and lower by 15 nP to 20 nP. Following rates were quoted:—Medium Doora Dust Rs 2.14 to Rs 2.24; Medium Assam Dust Rs 2.08 to Rs 2.18; Medium Assam CTC Dust Rs 2.20 to Rs 2.30 and Best CTC Assam Dust Rs 2.45 to Rs 2.75. There was a fair demand for Leaf grades and prices were generally firm except for stalky residual teas which were sold at irregularly easier rates. Green teas were well supported, selling at dearer rates.

In the Cochin market, offerings were 800,000 pounds. The demand for every sort except low medium and medium Fannings, which were irregularly 5 nP easier, was generally strong. Medium, good medium and best liquoring teas were, however, dear following quality.

Ceylon's Tea Replanting Scheme has been launched. According to the Plan framed for a 10-year period 1959-68, a 32 per cent increase in crop over the 1957 crop level is aimed at. It means a rise of 127 million pounds by 1968 as against India's increase in output of about 137 million pounds by 1968.

To encourage the Ceylon producer to implement the scheme, the Government of Ceylon have offered a tax-free subsidy of Rs 2,500 per acre as against the estimated cost of Rs 4,000. The present scheme is for replanting 30,000 acres in six years at 5,000 acres per annum and the cost of subsidy to the Government is nearly Rs 2 crores per annum. Internal consumption is estimated to rise by 50 per cent from 24 million pounds to 36 million pounds.

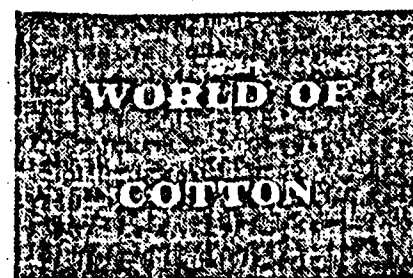
Ceylon appears to be in danger of losing its Rs 182 million tea market in the Middle East consequent on the opening of Israel's diplomatic mission in Ceylon. In

protest against Ceylon's diplomatic ties with Israel, the Middle Eastern Arab countries are learnt to have decided on economic sanctions against Ceylon.

Sign of such joint action by Arab countries came to be known when a number of local tea exporters had received cables from their Syrian importers not to ship tea to Syria, as the Syrian Government had placed a ban on the import of goods from Ceylon. A spokesman of the Ceylon Chamber of Commerce has stated that he is in contact with the Syrian sources to obtain confirmation of the above report and future action will depend on the results to his enquiries.

In Mincing Lane, London, offerings were 67,400 packages. A good demand prevailed in the auction. Improved quality invoices were wanted and prices for these were dearer, especially where the Ceylon types concerned. Medium and Plain sorts were also a good market and were sometimes slightly dearer. Thin liquoring descriptions were, however, an indifferent section. Nevertheless, the price range was unchanged from last week at from 3sh 9d to 5sh 7d per pound.

UK imports of tea from all sources, during January, totalled 65.19 million pounds as compared with 69.35 million pounds in December 1959. Re-exports amounted to 2.16 million pounds as against 3.23 million pounds.



"No Decontrol" Decision

THE cotton futures market has continued to manifest a firm tendency, though movements were rather irregular and narrow so far as the distant August contract was concerned. The rate for this distant hedge contract fluctuated between Rs 754 and Rs 760 to be placed at Rs 763. The March contract reached the effective ceiling rate of Rs 820 as soon as the delivery period started as from 1st March. It looks almost certain that this contract will expire at the ceiling level of Rs 820. On the first day of the notice period, tenders of only 150 bales of Laxmi "A" description were issued as it looks as if very little of cotton will be delivered to the market as prices in the spot section for almost all varieties are quoting substantially higher. The general feeling in trade circles is that the August contract will attract buyers on any moderate setback.

The Indian Central Cotton Committee and its various sub-committees which are doing very valu-

able work on cotton research and other allied vital problems such as increasing the yield, improving the strains and developing new varieties, held their annual meetings in Bombay last week. After a lengthy discussion, a resolution was moved by Mr R. G. Saraiya for the decontrol of cotton; but the Committee at its annual meeting on February 27 concluded that decontrol was unwise and that the floor and ceiling prices should be raised commensurate with the overall rise to cover the costs of the cultivator. The Committee, however, felt that the floor and ceiling prices at the present levels did meet the expenditure incurred by the cultivators. It was also mentioned that the study of the economics of cotton growing should be undertaken before the cotton price policy was considered. A build up of a buffer stock of cotton out of the indigenous cotton production was recommended with a view to making it available in periods of high prices and dull supplies.

In a search for areas where cotton production, could be maintained steadily without the disturbing factor of rain, it was observed that such areas were more or less concentrated in Rajasthan where the rainfall is scanty. It was considered that the Rajasthan Canal would irrigate as much as 35 lakh acres and that about 10 lakh bales of additional good cotton could be produced which can offset any decrease in other regions. Another approach for augmenting cotton production was to grow cotton in the rice fallow areas in the delta regions of the Cauvery, Godavari and Krishna and other irrigation project areas. A high power committee has, therefore, been appointed to assess the potentialities of cotton cultivation in the different rice fallow areas.

The Committee has accepted, the recommendations of the Sea Island Cotton Development Sub-Committee that the target for extension of Sea Island "Andrews" cotton in Kerala and Mysore for 1960-61 should be 20,000 and 10,000 acres respectively. It is also recommended that Madras and Andhra Pradesh should be encouraged to grow this cotton on 1000 and 500 acres respectively.

The Textile Commissioner has directed that, in view of the estimated short crop of Kalgoan, Wagad and Kalagin cottons during the current cotton season, mills should not purchase these varieties of cotton with aggregate in excess of 55 per cent of their total consumption of these cottons during the cotton season 1958-59 within the overall quota of Indian cotton. In case any mill has made forward purchases of these cottons in excess of the quantity specified above, it should settle the contract for the excess immediately under advice of the Textile Commissioner's Office.

The Textile Commissioner in another circular has stated that it is incumbent on the mill to take immediate steps to import what-

ever margin cotton has been allotted to them and that, in case any mill does not apply for an import licence by 31st March in respect of the quantity allotted for licensing, he should be compelled to withhold further quota of Indian cotton. This measure seems to have been provoked by the fact that some mills have not taken expeditious steps to import foreign cotton allotted to them. Earlier, it was emphasised that it was not enough if mills obtained quotas but that it would be necessary for them to ensure that the entire quantities of cotton were brought into the country in sufficient time to enable consumption by August 31, 1960.

Activity in the spot market at Sewri was somewhat restricted though the price basis remained firm. There have been indications that the Government of India are proposing to negotiate shortly with the US Government for further allocation of three lakhs bales of cotton stapling 1" and below. Amraoti Co2 came to business at Rs 1270, Gadag Laxmi at Rs 1125 and Adoni Co2 at Rs 1100. Hubli changed hands at Rs 1060 and 1065 and Athani Co2 at Rs 1175. Portbunder Co2 new was done at Rs 1200 and Devangere at Rs 1265. Among imported varieties, American good Middling 1" was reported at Rs 1242, Sudan 445 at Rs 1870, Sudan P2L at Rs 1825, Busoga at Rs 1340 and Pakistan at Rs 1225 for March April delivery.

OPTICAL GLASS PLANT

The Minister of Industry, Mr Manubhai Shah, stated in the Lok Sabha last week that the Soviet authorities had been requested to revise the scope of the optical and ophthalmic glass project by dropping the production relating to optical glass and including in its place other types of glasses. The details regarding the scope of the revised project were

being awaited from the Soviet experts. Mr Shah, who was replying to a question by Mr Ram Krishan Gupta and Mr D. C. Sharma, added that the revision of the project was undertaken on the basis of information received from the Central Glass and Ceramic Research Institute that they had successfully evolved the technical 'know-how' for producing certain types of 'optical glass and would be in a position to undertake production of other main types by 1962.

The Minister of Industry added that the detailed project report for the optical and ophthalmic Glass project prepared in accordance with the contract entered into with M/s Techno-export of Moscow had been received by the Government of India.

DECLINE IN THE VALUE OF INDIAN RUPEE

The Deputy Minister of Finance, Mr B. R. Bhagat, informed the Lok Sabha last week that quotations for the Indian rupee had fallen in several free markets.

He said the fall in the rate in the foreign open markets was due to the measures taken by Government to prevent the leakage of foreign exchange caused by smuggling out of Indian currency notes to enable the smuggling in of gold or other imports.

The Deputy Minister said the extent of decline varied from market to market. In Singapore the decline since May 1959 had been about 28 per cent; the Hongkong quotations in January 1960 were about 32 per cent lower than in May 1959; in New York, the rate fell only nominally. In Ceylon and Burma the decline came to around 17 per cent and 13 per cent respectively, although in both these countries the rate was still well above the par value of the Indian rupee. The open market rate in Nepal had improved by 2.8 per cent.

THE INDIAN BANK LIMITED

(H. O. First Line Beach, Madras-1.)

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including foreign exchange

at its

23 local offices
and 115 branches

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T. RAMAKRISHNA RAO,
Ag. Secretary.

MARKETS

Higher Output of Sugar

THE production of Sugar is higher by about 2.5 lakh tons so far this season as compared with last season. The increase is attributed to higher cane production, higher recovery of sugar and the various incentives offered by the Government to raise production. Production, during the current season up to the 22nd February 1960, is estimated at 14.99 lakh tons as against 12.48 lakhs in the corresponding period of the previous season.

It is understood that Uttar Pradesh and Punjab Governments are taking certain administrative measures to ensure adequate supply of cane to the sugar mills throughout the season and also to encourage power crushers and khandisari units to operate increasingly away from factory areas.

The all-India first estimate of sugar, to be produced directly from cane in vacuum-pan factories in 1959-60, is estimated at 22.15 lakh tons. This shows an increase of nearly 3 lakh tons over the production during the previous season.

Out of 19.19 lakh tons produced in the last season, the cooperative sectors' contribution was 1.79 lakh tons. Seventeen more factories are expected to be set up by the end of the Second Plan. Bombay, with sixteen factories, tops the list followed by Andhra and the Punjab with five each. Uttar Pradesh, Mysore and Madras are expected to have three factories each, and Orissa and Assam two and one respectively by 1960-61.

Normally, this encouraging production should have been reflected in the price trends in the market. Unfortunately, this is not so and prices have continued to rule at a high level. In the Hapur market, the rates are quoted at Rs 117 to Rs 119 per bag.

In this connection, the Indian Sugar Mills Association points out that the industry is in no way responsible for the high consumer prices since it is, under law, obliged to sell the commodity at fixed prices. The Association states that, once the sugar leaves the factories under Government release orders, there is no effective control on its prices thereafter and the higher levels ruling at the consuming centres bear no relation to the ex-factory prices.

Against the control price of Rs 37.85 nP per maund which the factories in Uttar Pradesh and

North Bihar get, the wholesale price in Bengal, which receives almost its entire supplies from these two States, is ruling at about Rs 55 per maund. In the interior in Saurashtra and elsewhere, the rates are even higher and are quoted at Rs 75 to Rs 100 per maund.

According to the Association, the present impasse of shortages and high prices can be removed only by abolishing the present stifling controls, which are responsible for creating a psychology of scarcity in spite of increased production. Free from the stifling controls, the industry can also take steps to maximise its production in competition with khandisari and gur and to bring down the current high prices.

Meanwhile, the world sugar market has not continued the recovery started early last week by the news that Russia is to buy 5 million tons of sugar from Cuba over the next five years. After rising to 3.10 cents a pound, the market has fallen slightly. It is not yet clear what its next move will be. Consumers are still not sufficiently confident of the outlook to buy on any scale. The general feeling in the London market is that, while the Russian purchases should give the market stability, a rising trend is nevertheless unlikely with world production at its present level.

Gur

After an early fall, Gur prices have improved in the Hapur market, thanks to the revival of demand from the consuming areas of the South. Loading facilities are by allotment. Stocks are reported to have swelled to 34,000 maunds. Total arrivals, so far in the current season, are estimated at 5.35 lakh maunds as against 5.01 lakh maunds last year. Pan-sara quality is quoted at Rs 16.50 and the Balti variety at Rs 16.75 a maund.

Khandisari

In the Hapur market, Khandisari prices have eased by about Rs 2 a maund due to lack of buying interest and better supply position. Production is still on a large scale; but the offtake is quoted at Rs 40 to Rs 44 a maund.

THE UNITED COMMERCIAL BANK LIMITED

NOTICE

Notice is hereby given that the Register of Members and Transfer Books of The United Commercial Bank Limited will be closed from Monday, the 21st day of March to Wednesday, the 6th day of April 1960 both days inclusive.

By Order of the Board
S. T. Sadasivan
General Manager.

Calcutta
February 22, 1960

Foodgrains

The better supply position and the anxiety on the part of stockists to liquidate their holdings are reflected in the Foodgrains market where prices have developed an easier tendency. In the Hapur

market, Wheat prices have declined to 18.50 a maund for the average quality and to Rs 19.37 for the farm variety. The condition of the standing crop is reported to be fair except in areas where there are no irrigation facilities and

THE UNITED COMMERCIAL BANK, LIMITED

2, India Exchange Place,
CALCUTTA-1.

NOTICE

NOTICE IS HEREBY GIVEN that the SEVENTEENTH ANNUAL GENERAL MEETING of the Members of THE UNITED COMMERCIAL BANK, LIMITED will be held at the Registered Office of the Bank at 2, India Exchange Place, Calcutta, on Wednesday, the 6th day of April, 1960, at 4 P.M. to transact the following business:

1. To receive and adopt the Report of the Directors and the Audited Balance-sheet as on 31st December, 1959 and Profit & Loss Account for the year ended 31st December, 1959;

2. To declare a dividend;

3. To appoint two Directors in place of Mr. M. R. Ruia and Mr. G. D. Kothari who retire under Article 92 of the Articles of Association of the Bank and, being eligible, offer themselves for re-appointment;

4. To appoint a Director in place of Mr. G. D. Birla who retires under Article 92 of the Articles of Association of the Bank, and to consider and, if thought fit, to pass the following resolution, of which special notice, as required by Section 281 of the Companies Act, 1956, and in accordance with Section 190 thereof, has been received by the Bank:

"Resolved that Mr. G. D. Birla, who has attained the age of 65 years, be and is hereby re-appointed a Director of the Bank and that the age limit, prescribed under Section 280 of the Companies Act, 1956, shall not apply to him".

5. To appoint a Director in place of Mr. M. L. Shah who retires under Article 92 of the Articles of Association of the Bank, and to consider and, if thought fit, to pass the following resolution, of which special notice, as required by Section 281 of the Companies Act, 1956, and in accordance with Section 190 thereof, has been received by the Bank:

"Resolved that Mr. M. L. Shah, who has attained the age of 65 years, be and is hereby re-appointed a Director of the Bank

and that the age limit, prescribed under Section 280 of the Companies Act, 1956, shall not apply to him".

6. To appoint a Director in place of Mr. G. L. Bangur who, by virtue of Section 280(2) of the Companies Act, 1956, vacates his office at the conclusion of this Annual General Meeting and to consider and, if thought fit, to pass the following resolution, of which special notice, as required by Section 281 of the Companies Act, 1956, and in accordance with Section 190 thereof, has been received by the Bank:

"Resolved that Mr. G. L. Bangur, who has attained the age of 65 years, be and is hereby re-appointed a Director of the Bank and that the age limit, prescribed under Section 280 of the Companies Act, 1956, shall not apply to him".

7. To appoint auditors for the current year and to fix their remuneration.

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

2. (a) The transfer books of the Bank will be closed from Monday, the 21st day of March, 1960 to Wednesday, the 6th April, 1960, both days inclusive.

(b) The dividend, if sanctioned, will be payable on and after the 7th April, 1960, to those Shareholders whose names appear in the Register of Members on Wednesday, the 6th April, 1960.

(c) Dividend Warrants will be posted to Members at their registered addresses or in accordance with their mandates. Members are requested to advise change in their addresses, if any.

By Order of the Board,
S. T. SADASIVAN,
General Manager.
Calcutta,
29th February, 1960.

March 5, 1960

lack of winter rains have adversely affected the crops.

The market for Rice is ruling quiet in view of the satisfactory supply position. The Commonwealth Economic Committee, in its February Rice Supplement, states that world production for 1959 and 1960 will probably be around the same high levels of the previous season. Large crops have been reported in Japan, Formosa, Thailand and Burma, while an increase

in acreage is indicated in India and Pakistan.

Gram prices have eased by about Re 1 a maund on lower Punjab advices and heavy local stocks. In the Pulses section, prices of Peas and Arhar have fallen by 37 nP and 50 nP a maund due to slack demand and comfortable stock position.

Coffee

A great change, which has come over the Coffee industry, is the progressive methods of cultivation and management adopted by the smaller growers. This process may be accelerated during the next five years. Planters in the South are, therefore, looking forward to a bumper 60,000-ton crop in the coming season, provided the blossom showers are satisfactory.

The expansion of coffee output, during the Third Plan period, is under consideration. Arabica production, in the next five years, is expected to go up to 50,000 tons and Robusta to 30,000 tons, making a total of about 80,000 tons.

According to the Coffee Board, coffee cultivation on a commercial scale will also be introduced shortly in areas other than the traditional coffee zones of Mysore, Madras and Kerala. Assam and West Bengal have already planted coffee on an experimental scale as part of their scheme for the rehabilitation of tribal people. The Coffee Board points out in this connection that these regions are endowed with plentiful virgin forest land and favourable climatic conditions. An addition of 10,000 to 15,000 tons to India's coffee output is, therefore, expected in the next ten years.

The harvesting and delivery of coffee to the Pool, during the current season, has been delayed due to late blossom showers last year. Receipts into the Pool, up to January-end this year, totalled 12,909 tonnes as against 16,786 tonnes in the corresponding period of last year. Export sales from the 1958-59 crop totalled 16,379 tonnes out of a total allocation of 17,000 tonnes. The remaining 621 tonnes have also been offered for sale.

Pepper

The Pepper markets, both in London and New York, have remained suspiciously quiet this week. But, signs that another period of intense activity may not be far way, have begun to appear and prices have picked up slightly after recent steady decline. This can mean that dealers feel that the market has fallen far enough or that consumers have had to start buying again. In the New York market, Malabar/Lampong spot rate is quoted around 57 cents per pound.

Consumer interest over the past few weeks has been negligible. Their stocks may now be low. In such

a case it may not be long before the pressure on supplies becomes as severe as it was in early January. But world consumption of pepper is still outrunning production and most of the available supplies, as far as is known, is in the hands of the Chinese Syndicate. Unless consumers can hold out until the new Sarawak crop is available in a few months' time, prices seem bound to go up again and possibly shortly.

Bullion

Movements on the bullion exchange in Bombay remained two-sided. Seasonal offtake was satisfactory and the move for changes in the margin system favouring the bulls for commencement of business in Chaitra delivery helped the market in its rallying tendency. However, reports that the Bombay Government were not agreeable to the new margin scheme induced some selling pressure. As pointed out last

week, gold faced offerings at early bulge and reported release of Dalai Lama's treasure. Silver prices, however, ruled relatively steadier. The rate for Falgun delivery, after earlier setback to Rs 214.81, rose to Rs 215.87 to be placed at Rs 215.75. Gold Falgun dropped to Rs 130 from Rs 137.37 to recover to Rs 131.19 but relapsed to Rs 130 to be placed at Rs 131.25. Sovereign was placed at Rs 84.75. Business in Chaitra delivery has commenced from this Wednesday.

Metals

The non-ferrous metal market ruled steady during the past week with narrow movements. The levy of duty on aluminium sheets and ingots, however, will result in higher prices of utensils, wires and other finished goods. Brass sheets prices have been increased. At the close, copper scrap stood at Rs 210, brass scrap at Rs 180 and lead at Rs 77 per cwt. Aluminium scrap was reported at Rs 1.44 per lb while tin was quoting at Rs 138. Business in zinc patchy.

THE INDIAN STEEL & WIRE PRODUCTS LTD.

NOTICE

NOTICE IS HEREBY GIVEN that the Twenty-fourth Annual General Meeting of the Shareholders of THE INDIAN STEEL & WIRE PRODUCTS LIMITED, will be held at its Registered Office, No. 7, Wellesley Place, Calcutta-1, on Monday the 28th March, 1960 at 11 A.M. to transact the following business:

1. To receive and adopt the Directors' Report and Audited Balance Sheet and Manufacturing and Profit & Loss Account of the Company for the year ended 31st March, 1959.

2. To declare Dividend and Cash Bonus on Ordinary shares of the Company.

3. To appoint a Director in place of Mr. P. C. Mustafa, who retires by rotation and is eligible for re-election. In this connection to consider and if thought fit, to pass the following resolution of which a special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company stating therein that he will attain the age of 69 years on the 18th March, 1960 and is hereby given to the members.

"RESOLVED that pursuant to Sec. 281 of the Companies Act, 1956, Mr. P. C. Mustafa, who has attained the age of 69 years be re-appointed a director of the Company and it be and is hereby specifically declared that the age limit for directors prescribed in Sec. 280 of the said Act shall not apply to him."

4. To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books of the Company will be closed from the 15th March, 1960 to the 28th March, 1960 both days inclusive.

By Order of the Board of Directors
INDRA SINGH & SONS
PRIVATE LTD.
A. Singh
DIRECTOR
MANAGING AGENTS

7, Wellesley Place,
Calcutta-1.
The 26th February, 1960.

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

(2) If dividend and cash bonus on shares, as recommended by the Directors, are passed at the Annual General Meeting, the payments will be made on or after the 30th March, 1960, to those shareholders whose names are on the Company's Registers on the 28th March, 1960.

(3) The Explanatory Notes of the above resolution under item No. 3 of the Notice have been sent to the shareholders along with the Notice of the Meeting. It can be inspected at the Registered Office of the Company, No. 7, Wellesley Place, Calcutta-1, during usual Office Hours on any working day.

Yarn

Yarn prices have remained steadier. The imposition of excise duty to the tune of 6 nP per square yard on staple fibre fabrics has been viewed with some misgivings by the industry. More than 4220 powerlooms using staple yarn have remained idle in Surat as from 1st March following the protest against the levy. Art silk and cotton yarn prices were steadier and firm. Staple fibre yarn for February delivery improved to Rs 760 before expiring at Rs 748. February position was reported at Rs 725 to Rs 758 to expire at Rs 748 while April delivery stood at a discount of Rs 25.

*

Oils & Oilseeds

After a short termed rally, the oilseeds market in Bombay developed renewed weakness on absence of export demand from overseas markets while the growing arrivals of the new crop in castor and linseed had their impact on the market. Speculative holders were obliged to liquidate their holdings in the declining market to save themselves from further losses. No business was reported in groundnut oil or cake. Rumours about the issue of fresh export quota in H.P.S groundnuts have failed to materialise. The Budget as such had little effect on the market.

THE SAMNUGGUR JUTE FACTORY COMPANY LIMITED

The Directors of this Company have declared:—

- (1) On the ordinary shares a dividend of 7% making, with the interim dividend, 10% for the year ended 31st December 1959; and
- (2) On the preference shares the dividend at the rate of 6% per annum for the half-year ended 31st December 1959.

These dividends will be paid on 25th March 1960, less Income Tax at 7/9 per £, and the Transfer Books will be closed from 11th March to 25th March, 1960, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December 1959.

Preliminary figures for the year ended 31st December 1959 show Trading Profit £264,647 (£109,999), Income from Investments £23,125 (£20,994), Depreciation written off £40,000 (£10,000), Net Profit after Taxation £129,170 (£87,883), Transferred to Modernisation of Machinery Reserve £30,000 (Nil), net interim dividends already paid £13,781, net dividends now declared £28,481 and estimated carry forward £98,898 (£41,990).

P. WILLIAMS,
Secretary.
Dundee,
3rd March, 1960.

Groundnuts February delivery expired at Rs 212. The May delivery, after early setback to Rs 203.50, recovered to Rs 208.25 to decline to Rs 204. Groundnut oil May delivery came down to Rs 21.56 per quarter from the earlier improved level of Rs 22.06. Castor May dropped to Rs 204 from Rs 208 while castor oil commercial quality came down to Rs 17.81 from Rs 18.37. Linseed was weak, declining to Rs 32 from Rs 32.69. Linseed oil was sold down to Rs 15.50. Cotton seeds May delivery were done between Rs 145.50 and Rs 148.50 to be placed finally at Rs 146.75. Oil cake prices were quietly steady.

Exports of castor oil from Bombay from 1st January 1960 to 18th February totalled 6510 tons, groundnut oil 1893 tons and linseed 1846 tons. Exports of H.P.S groundnuts came to 5000 tons while, among oilcakes, groundnut oilcake extraction accounted for 26,875 tons, groundnut expeller cake 14,188 tons, linseed oilcake 7186 tons and nigerseed oilcake 2135 tons.

The Madras Groundnut oil and kernel market was easier today. All speculation about budget levies on oils and seeds having been laid to rest, the tone improved and with good buying support as a forerunner for the coming weeks' trade in the commodity.

Today's quotations are: Groundnut oil per candy of 500 lbs ex-Madras Godown expeller ready 3% F.F.A. Ready Rs 381.

April Rs 384 per candy.

Kernels per candy of 531 lbs Coromandel: Rs 202.

Castor oil per candy of 500 lbs Rs 335.

Coconut oil per tin Rs 41.

Gingelly oil per maund Rs 21/12: Gingelly seed per bag Rs 74.

Groundnut cake per bag Rs 26.

The United Kingdom price for groundnut oil per ton was at £123.

The Government of India announcement extending the validity of unutilised groundnut oil cake of the expeller variety quota up to June next enlivened the market. Groundnuts too were in demand, probably on the feeling that groundnut cake may be in continuous demand even after the end of this month. Already, the February time limit has expired. Oil was not supported by other quarters, including Calcutta interests. Sellers were few and far between even at lower levels and the quota allowed to established shippers, to the tune of 10,000 tons had no effect either. Therefore, oil lost Rs 27/28 per ton this week. Even late support from Calcutta vanaspathi interests did not come to the rescue of the colourless oil market.

Groundnut arrivals locally were in the neighbourhood of 30 tons daily. This was mostly consumed by crushers at Rs 201 per candy.

Only, reselling and local agents of groundnut oil were in the picture of oil buying. The Rs 380 per candy level lost ground to Rs 378/379, but during the week-end it rallied again around Rs 380/381 at which rate it continues since Tuesday.

April position did not command much trading. The week-end quotation of Rs 387 continued, alternating between fractionally lower and higher margins. But today's opening confirmed the sliding tendency and the market closed at Rs 382 per candy.

In groundnut oil cake, there was also a sizeable fall in prices. This was ascribed to lack of shippers' interest. The market rate ruled dull at Rs 26 per bag of 160 lbs ex-mill with gunny.

In upcountry centres, activity reported was small. Groundnut kernels arrivals were also not much. These little quantities were taken up by small crushers. The price quoted and accepted was around Rs 201/202 per candy.

Other Seeds & Oils: The gingelly seed market maintained a firmer outlook. Only some wagons of kusumba variety were received from northern markets of Itarsi, Bhopal and other places. The latest ruling rates are:

Gingelly seed: Itarsi/Bhopal variety Rs 75 per bag; Rajasthan quality Rs 70/71 per bag; Anantapur quality Rs 71/72 per bag.

Gingelly oil: On wholesale basis Rs 21/12 per maund; On retail basis Rs 22/- per maund.

Coconut oil: Madras quotation per tin Rs 41; Cochin: Ready Rs 633; March Rs 643; April Rs 639. (All per candy).

The following were the latest foreign market quotations for some of the important seeds and oils:

Groundnut oil Spot £125 per ton; Groundnuts April/May £77/77½ per ton; Castorseed Feb./March £63 per ton; Nigerseed nominal Feb./March £53½ per ton; Castor oil Commercial Feb./March Bulk £125 per ton; Coconut oil Straits February £130½ per ton; Coconut oil Colombo February £138 per ton; Groundnut oil cake (Expeller) Feb. £31/10 to £31/15 per ton; Groundnut oil cake (deolled) £30½ per ton.

*

Hides and Skins

Though there has been good local demand for tanned hides and improvement is reported in arrivals, there was but slight change in their prices. Due to continued resistance to Madras prices, not many deals were reported with United Kingdom importers. Madras offers were reduced between half to one penny, at which some business deals were reported. For further business improvement, it looks as if the UK customers would wait for reductions to enable them to place heavier orders.

Tanned buffalo skin has been in strong demand internally. Also, there is similar demand for cow calf tanned skins. Prices of these, therefore, remained firm.

Premium marks were firm, too. UK tanned cow calf demand has not been much. The same also was the case with tanned buffalo calf export demand.

About 57,000 pieces of tanned sheepskins have been marketed. There is besides a good stock left behind to the tune of about 50,000 pieces of goat skins. Goat skins left were at 36,000 numbers.

The following prices of tanning materials were quoted today: Avaram/Bark Rs 90 to Rs 112.50; Konam Bark Rs 67.50 Rs 70; Myrobolams Salem 1st Quality Rs 150 and Salem 2nd Quality Rs 100; Bombay quality Rs 87.50 to Rs 90. Wattle Extract Rs 1010.

The following are the quotations for raw skins with last week's prices given in brackets:

Bangalore goatskins Rs 600/630 (Rs 615/660): White wool sheep Rs 550/625 (Rs 550/610): Black wool sheep Rs 400/500 (Rs 500/525): Bozwaada goatskins Rs 570 (Rs 590/600): He sheep Rs 585 (Rs 590/595): She sheep Rs 485 (Rs 490/495).

The quotations for tanned hides and skins per lb: Cow Prime 5/5½ lb Rs 3 to Rs 3/6: 6/6½ lb Rs 2.13 to Rs 3.00 8/8½ lb Rs 2/5 to Rs 2/8: 10/12 lb Rs 1/15 to Rs 2/1. Buffalo 12/13 lb 1/8 to Rs 1/12: Cow calf 13/2 lb Rs 4; 4 to Rs 5/4: Buffalo calf 1½/2 lb Rs 3/2 to Rs 3/8: Goat Prime 8/9 lb Rs 9/4 to Rs 9/6: 5½/6 lb Rs 10/8 to Rs 10/12: Sheep ordy. 6/7 lb Rs 8/6 to Rs 8/12: Sheep Prime 6/7 lb Rs 10/12 to Rs 10/14.

THE VICTORIA JUTE COMPANY LIMITED

The Directors of this Company have declared:—

- (1) On the ordinary shares a dividend of 7% making, with the interim dividend, 10% for the year ended 31st December 1959; and
- (2) On the preference shares the dividend at the rate of 6% per annum for the half-year ended 31st December 1959.

These dividends will be paid on 25th March 1960, less Income Tax at 7/9 per £, and the Transfer Books will be closed from 11th March to 25th March 1960, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December 1959.

Preliminary figures for the year ended 31st December 1959 show Trading Profit £171,631 (£58,717), Income from Investments £17,824 (£15,765), Depreciation written off £50,000 (£10,000), Net Profit after Taxation £106,077 (£38,452), Transferred to Modernisation of Machinery Reserve £30,000 (Nil), net interim dividends already paid £10,106, net dividends now declared £19,906 and estimated carry forward £81,170 (£35,105).

P. WILLIAMS,
Secretary.
Dundee,
3rd March, 1960.

The Industrial Credit & Investment Corporation of India Ltd.

Most Important Underwriting Institution in India

1959 a Good Year of Activity

Resources Almost Doubled

The Chairman, Mr G. L. Mehta, on Foreign Private Investment

The Annual General Meeting of the Shareholders of the Corporation will be held at the Registered Office of the Corporation, Union Bank Building, Apollo Street, Fort, Bombay 1, on April 7, 1960, at 4 P.M. The following is the Statement by the Chairman, Mr. G. L. Mehta, circulated to the Shareholders with the Directors' Report and Accounts for the year ended December 31, 1959.

I have the honour to place before the shareholders the Report of the Board of Directors of The Industrial Credit and Investment Corporation of India Limited for the year ending December 31, 1959—the fifth of the Corporation's life. I take particular pleasure in doing so because last year was a good one for India and hence for your Corporation.

By comparison with the year that preceded it, 1959 was a good year for India. All the important sectors of the nation's economy registered substantial increases in output. Favourable weather helped the country to achieve what appears to have been a record production of both foodstuffs and non-food items. Since agriculture accounts for so large a proportion of the nation's output, this fact alone was sufficient to lift national income by an appreciable percentage. Similarly, industrial production increased almost all along the line despite persistent difficulty in some industries. Both exports and imports rose, the latter much more than the former. While the rapid increase in imports permitted an expansion of both industrial construction and production, too large a proportion of it, unfortunately, was due to wheat imports made necessary by the poor harvest of the preceding year.

GROWING OPTIMISM

The upswing in physical production induced, and was accompanied by a revival in business confidence, evidence of which already existed towards the end of the depressed year 1958. A good harvest, some improvement in the country's foreign exchange reserves, a more flexible policy of Government towards expansion of the private sector and mounting evidence that friendly countries were willing to assist us to the maximum of their capacity—all this contributed to a growing optimism with respect to our economic future. In addition

to this, the cold wind that blew down on India from the Himalayas has been making us more conscious of the need for national security and has brought an air of realism which has not always been evident in national planning.

Against a background of expanding production and rising expectations in the country, it is but natural that the year 1959 was an unusually good one for your Corporation, too.

RESOURCES

On the resources side, in 1959, your Corporation almost doubled the funds it had available for investment in Indian industry. A year ago, I reported that the loan made by the World Bank in 1955 had been nearly committed and that we proposed to apply to the Bank for a new foreign exchange loan as well as to the Government of India for a new loan in rupees. In July, 1959, your Corporation negotiated a second \$10 million line of credit from the World Bank; and in October, for a second loan of Rs. 10 crores from the Government of India from funds accumulated out of the sale of surplus United States agricultural commodities in India. The Rs. 17.3 crores we had available for investment in 1955 has thus increased to more than Rs. 32 crores. I am sure you will agree with me that we have reasons to be gratified by these developments not merely because they augment our financial resources but also because they reflect the continued confidence of the Government of India and the World Bank as also the United States authorities in the management, operations and prospects of your Corporation. I should like to take this opportunity of conveying our sense of gratitude to all of them for their co-operation. I might add that during the year under review, we had also the benefit of the association of Mr. William Diamond whose services were generously made available to us by the World Bank and whose assistance was invaluable to this institution.

ACTIVITY

On the other side of our activity, namely lending and investing, 1959 has been a good year. We received more applications, approved more of them, and sanctioned more loans and investments than in any preceding year. Your Board of Direc-

tors approved Rs. 840 lacs of new proposals, nearly three times the level of 1958, bringing the total, over our 5-year life, to about Rs. 25 crores. Not all of these have resulted in contractual commitments. More than Rs. 4 crores have fallen by the wayside, mostly in the earlier years, because the applicants subsequently withdrew their requests or reduced the amount sanctioned. And a similar amount is in respect of projects which still await government consents. Nevertheless, contractual commitments in 1959 were higher than before, and so were the actual disbursements.

SATISFACTORY RESULTS

I hope you will not consider the financial results of 1959 as unsatisfactory. Income and net profits were about the same as in 1958. However, the Corporation, in accordance with its avowed objectives has begun to place some of its investments on the market. Capital gains from these sales amounted to Rs. 24 lacs, nearly half as much as the profits from current income. In accordance with our present practice, these gains from the sale of securities have been placed in Reserve and are not available for distribution as dividends. What is particularly gratifying in this development is the evidence that your Corporation's investments are proving sound ones, although I should add that we have also benefited by the upward trend in the stock market. This source of income will, I trust, gradually become an important factor in building up our reserves.

It is particularly gratifying to note the expansion in the Corporation's activity since it reflects the improved climate for private investment which prevailed in 1959. What is more, it is also the result of the efforts we are making to attract more business rather than simply wait for it to come. Our teething troubles such as every new institution faces and particularly a new one of this kind, are, I believe, over. We have made much progress in training our staff and have begun in 1959 to expand it both on engineering and financial side to meet the increasing demands upon us. The experience we have gained in the past has become a valuable foundation for the future. We have learned more about how to appraise a proposal

which comes to us, and our clients have become increasingly familiar with the rigorous financial discipline appropriate to modern industry, to which we try to accustom them. This experience coupled with the spirit of optimism prevailing in the industrial community may well give hope in the continued growth of your Corporation and in its ability to make the contribution to development of Indian industry which its promoters and shareholders expect of it.

I would not like to give you the impression, however, that your Corporation does not face some difficult problems. It does do so, and I should like to review them here despite the fact that none is new and all have been referred to frequently in the past. For instance, I have already referred to the fact that there is a substantial backlog of approved proposals which still require a variety of government consents and approvals. The need for these consents and approvals is the principal reason for the long delay, usually of several months, between the time we agree to assist a client and the time we can actually do so. Our relations with Government are close and cordial but we have not yet been able to make much headway in overcoming various impediments involved in departmental routines.

LOW LEVEL OF RESERVES

Another matter of concern is the low level of your Corporation's reserves. In five years, we have been able to set aside only Rs. 24 lacs from net profits. This sum is woefully inadequate for a Corporation which is expected and is, indeed, presumed to take substantial risks in financing and establishment of new enterprises and has been set up not only to make secured loans but to provide risk capital. The situation will be even more difficult from 1960 onwards because we are required, beginning with this year, to set aside 25% of net profits to reserves. The problem of inadequate reserves is common to other similar institutions such as the Industrial Finance Corporation and the State Finance Corporations and deserves the earnest consideration of the authorities.

PROFITS

The shareholders will have noticed that while our profits this year are nearly the same as last

year and while we have provided a larger amount for dividend to shareholders, the net dividend in the hands of the shareholders will be less than what they received last year. As a result of the coming into operation of the new scheme of company taxation, the shareholders who received a dividend of 4% tax-free last year will receive this year a taxable dividend of 5%, which is well below the last year's net dividend. This is unsatisfactory to the shareholders but, I regret to say, we can do little in the matter. We on our part do realise how essential it is to pay a modest dividend to our shareholders and at the same time to build up reserves.

Yet another problem closely related with the question of reserves concerns capital gains which from 1959 onwards may loom large in the annual accounts of your Corporation. These gains are being directly allocated to reserves. The tax authorities, however, are not treating these as capital gains and are taxing the Corporation at full rates. This imposes an unduly heavy burden on the Corporation and is a matter of serious concern. Necessary representations have been made to appropriate authorities in this connection and no effort is being spared to obtain proper redress.

TAX POLICY

I trust Government will see their way to revise the tax policy relating to development banks generally with a view to enable them, by building up adequate reserves, to be increasingly self-reliant. This is essential to enable such institutions to fulfil the purpose of industrial risk-taking for which they have been set up. An objective analysis would show that taxation of development finance corporations which operate on a very narrow margin of profits while assuming large risks should not be on the same level as full corporate taxation applicable to industrial and trading concerns. When new industries are sought to be promoted by means of substantial tax relief, there is surely a case for special consideration of the problems of financing institutions with a view to fostering their rapid and healthy development. Mobilization of resources is a key to the success of all our plans and such mobilization would be possible by encouraging various forms of financing agencies which function in a modern economy. One may turn to the Radcliff Committee's Report to see the important role such agencies play in resource mobilization in the United Kingdom.

SIGNIFICANT CONTRIBUTION

I am fully aware of the fact that, quantitatively speaking, ICICI has as yet made a small impact on industrial finance in the country. The same might, indeed, be said of other specialized industrial finance institutions. At the same time, however, the importance of

these institutions, and their contribution, should not be measured in quantitative terms alone. What is more important is the nature of their operations and whether they fill a need not met by the conventional sources of finance. I should like in this context to call your attention to the underwriting done by your Corporation. In a mere five years of life, ICICI has emerged as the most important underwriting institution in India, and in fact, almost the only underwriter of ordinary shares. Its underwriting operations amount to about Rs. 830 lacs of which nearly half have been in ordinary shares. It will be appreciated that in this sphere, your Corporation has already made a significant contribution.

In this field as also in lending transactions, the policy of this Corporation is to work in co-operation with other institutions. I am glad to state that we have been steadily building up close contacts with the Industrial Finance Corporation of India, Commercial Banks, State Bank of India, Life Insurance Corporation, Refinance Corporation as well as the State Finance Corporations. We discuss with them schemes of common interest, we exchange information, we seek their participation in loans and underwritings and are thereby able to assist our borrowers in raising the required capital as well as in distributing a given risk as widely as possible. In addition, we also endeavour to broaden the capital market encouraging stockbrokers to underwrite or sub-underwrite. We are also building up contacts abroad. We are in continuous touch with the International Finance Corporation in Washington and have been developing closer relations with the Commonwealth Development Finance Company in London, as also with some leading investment concerns and banks in the United States, United Kingdom and West Germany. We hope to expand and consolidate these activities in future.

THIRD PLAN

Our Government is at the moment in the process of formulating a Third Plan. Although the shape of the Plan is not yet clear, there is little doubt that subject to considerations of national security and within the framework of sound finance, the Plan will be a large one. And it will be large for private as well as for public enterprise. The opportunities for private industrial expansion, stimulated by the growing domestic market and facilitated by governmental activity in essential services and basic industries, will be large. And the demands on the specialized financial institutions will be correspondingly great.

During the last year, discussions have been going on between Government, officials of the Technical Cooperation Mission of the U.S.A., ourselves and some specialists

about the establishment of an institution to promote foreign private investment. Several countries have set up such Centres and some of them have been remarkably successful in attracting private capital especially from the United States. These discussions have advanced to a stage where concrete proposals for an Investment Centre have been formulated. This scheme is now under the consideration of the Government. If the responsibility for running such a Centre is entrusted to your Corporation, we would be agreeable to undertake it. It would be a matter of public service which this Corporation would be prepared to render in accordance with the basic objective set forth in its Memorandum of Association: to encourage and promote participation of private capital, both internal and external, in the creation, expansion and modernization of industrial enterprises in the private sector.

I should like to express my sense of appreciation for the Staff for their efficient services. During the last one year of my association with the Corporation, I found that they are discharging their duties with competence and sustained interest.

THE TITAGHUR JUTE FACTORY COMPANY LIMITED

The Directors of this Company have declared:—

- (1) On the ordinary shares a dividend of 8% making, with the interim dividend, 10% for the year ended 31st December 1959; and
- (2) On the preference shares the dividend at the rate of 6% per annum for the half-year ended 31st December 1959.

These dividends will be paid on 25th March 1960, less Income Tax at 7½ per cent, and the Transfer Books will be closed from 11th March to 25th March 1960, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December 1959.

Preliminary figures for the year ended 31st December 1959 show Trading Profit £181,801 (£34,376), Income from Investments £35,287 (£30,998), Depreciation written off £30,000 (£10,000) Net Profit after Taxation £151,401 (£27,204), Transferred to General Reserve £60,000 (Nil), Transferred to Modernisation of Machinery Reserve £30,000 (Nil), net interim dividends already paid £10,106, net dividends now declared £32,156 and estimated carry forward £48,387 (£29,248).

P. WILLIAMS,
Secretary.

Dundee,
3rd March, 1960.

BRAITHWAITE & CO (INDIA) LIMITED

NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of Braithwaite & Co (India) Limited will be held at the Registered Office, 4, Clive Row, Calcutta—1, on Monday, the fourth day of April, 1960, at 11.30 a.m. to transact the following business:—

1. To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1959.
2. To declare a Dividend.
3. To elect Directors in place of those retiring and in this connection to consider and, if thought fit, to pass the following Resolution of which special Notice as required by Section 281 of the Companies Act, 1956, has been received by the Company:—

That pursuant to the provisions of Section 281 of the Companies Act, 1956, Sir Asoka Kumar Roy, who has attained the age of 73 years and who retires from the Board by rotation, be and is hereby reappointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed by Section 280 of the Companies Act, 1956, shall not apply to him.

4. To re-appoint Auditors and fix their remuneration.
- The Transfer Books of the Company will be closed from the 21st March, 1960 to the 4th April, 1960, both days inclusive.

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

Payment of such Dividend as may be declared will be made to those members whose names are on the Company's Register on the 4th April, 1960.

By Order of the Board,
Y. S. TAYAL,
Secretary.

Calcutta,
24th February, 1960

Explanatory Statement under Section 173 of the Companies Act, 1956.

Sir Asoka K. Roy who joined the Board of Directors of the Company in 1950 retires by rotation and is eligible for re-appointment subject to compliance with the provisions of Section 281 of the Companies Act, 1956. The Company has received special Notice from a member of his intention to move the Resolution as set out above. The Directors consider it is most desirable that the Board shall continue to benefit from the experience and counsel of Sir Asoka K. Roy and recommend that the proposed Resolution be adopted.



If Bank Rate Rise, So What?

Investment Gossip:

THE bullishness that is characterising trading on the Indian Stock Exchanges this week is not unexpected, because it had been generally anticipated that, if Mr Morarji Desai did not impose any direct tax, buyers would throw the markets in their numbers.

And the Union Finance Minister has more than fulfilled expectations in regard to new levies, direct and indirect. Not only is there no further addition to direct tax, but indirect taxes have proved to be much smaller than marketmen had been prepared for. Most people thought that indirect taxes would amount to something like Rs 70 or 80 crores, but they actually amount to no more than Rs 23 crores odd. There is, of course, an uncovered deficit of Rs 60 crores odd, but marketmen are not unduly concerned about it for the simple reason that there is a firm belief that the revenue from excise duties is underestimated by the Finance Minister. It is interesting to note in this regard that the Federation of Indian Chambers of Commerce and Industry have averred that, in view of the buoyancy of Government revenue, Mr Desai should have given some relief to the corporate sector.

It is true, with the hefty dose of deficit financing promised by the Budget, inflationary tendencies in the economy might become more pronounced. Bull operators naturally think that this should give added impetus to the onward march of equities.

During the past two days, however, the market is showing an irregular pattern. Part of this hesitancy must have sprung from the genuine apprehension that prices have been taken up too far. There is also the lurking fear that Authority cannot be unmindful of the stock market boom. And this is reflected in the persistent rumour that the Indian Bank Rate is due for a rise.

It would appear that even this restraining factor has lost much of its influence, and the present attitude of the bulls would seem to be: "Bank Rate rise, what if it comes?" This shows the current mood of the market.

It is true that there is cause for enthusiasm, but one should not forget that Mr Morarji Desai has stuck to his 45 per cent tax on Companies. And one buys equities largely to get an equitable return on them. Capital appre-

ciation is also another important consideration and, at the present juncture, this will receive special attention. But yield considerations should by and large govern the price levels. By this criterion, it must be admitted that a fairly large portion of the lists is already overpriced. There is no gainsaying that equities are a good buy now; but at what price is a question that needs to be decided by investors. And, in this regard, they should not take the present hectic activity as their only guide.

£R\$

Investment Special:

Controlling Capital Issues

Capital issues control in India extended by statute is being amplified. According to a report to the Federation of Indian Chambers of Commerce and Industry by its representatives on the Advisory Committee, the Controllers of Capital Issues are in favour of a ceiling on debenture interest and preference dividends. This is presumably meant to favour the holders of ordinary capital. It is mentioned that 7 per cent tax-free (i.e., 10 per cent taxable) is held to be the maximum rate for preference dividend, and debentures should not offer more than 7 per cent taxable. Recent increases in rates offered on debentures whose term of redemption is extended may be held to be a reason for the official view recommended by the Advisory Committee.

The question of the gearing of the capital structure has apparently been ignored, and the Committee has ignored the current argument over the status of preference shares after the Finance Act of 1959. The Committee examined the position of investments outside the reserves by companies which have very large assets in relation to limited original capital. The extraneous investments, according to the present official view, are those which are treated as extraneous under the EPT Act of 1940. The sale of investments and refund of capital—like that undertaken by BB Petrol Co and Premier Construction Co—may be justified by the view now taken as to excluded investments. A lot of Malayan mining and rubber companies in London are liquidating partly and giving away capital as income, because much of it represents profits withheld from distributors in the past.

There is now an official doctrine as regards commission payable on new issues. The payment of 3½ per cent for underwriting and brokerage is taken to be high, though English text books mention 5 per cent as the permissible maximum, and the Companies Act, 1956 accepted 5 per cent. It is the promoters who must make or take the terms as to private placing or public issues and middlemen have a case for higher charges, since their own margins are eroded by the inescapable fact of inflation. At the concomitant of economic planning, the control of capital issues is now borne without complaints and Sir Alan Lloyd's spade-work has helped the average investor as well

as the Government, whose own mistakes in regard to the floatations were rectified by rationalisation, though the sequel is an extended investigation into the management methods of management in the case of a well-known group.

There is yet no digest comparable to that provided by the Midland Bank in regard to accretions of capital to new companies or old, and the Reserve Bank Bulletin may help to close the gap in current financial knowledge by acting in concert with the Controller of Capital Issues, whose pet formula disclaiming responsibility is now of no interest as compared with the growth of private capital vis-a-vis the Government investment in the public sector—about which the Cabinet Secretariat supplies data, but not up-to-date.

£R\$

New Issue Notes

It is understood that the public portion of the issue by Associated Battery Makers (Eastern) Limited has been oversubscribed by about fifteen times. More than 60,000 applications were received for Rs 9 crores. Of the shares offered to the public, 65 per cent has been allocated to the applicants who had asked for 50 to 200 shares and 15 per cent to those for 250 to 500 shares. Lots were drawn and about 22,000 shareholders were allotted ten shares each in respect of their applications for 50 to 100 shares. About 2,000 shareholders will get 20 shares in the application category 150 to 200 shares. Those who applied for 250 shares and up to 500 shares will get 30 shares each. The maximum allotment is for 100 shares on an application and the total number of shareholders will be approximately 28,000.

The Premier Construction Company Limited has offered, for sale, 25,000 Ordinary shares of the Indian Hume Pipe Company Limited at Rs 150, i.e., at a premium of Rs 50. This offer is open for three days from 8th March to 10th March. Applications have to be made with the remittance of Rs 150 per share to the managing broker, Shri Karamchand Chunnial, Share and Stock Broker, Stock Exchange New Building, Ground Floor, Fort, Bombay. The cheques are to be drawn in favour of the Premier Construction Company Limited. This issue is likely to be oversubscribed in view of the bright prospects for the company, which declared a taxable dividend of Rs 13 for the year ended 30th June 1959.

The Vellore Electric Supply Company has decided to issue 40,000

equity shares of Rs 10 each, at par, to the holders as on the 15th March 1960, in the ratio of one share for every share held. Letters of application and renunciation will be received up to the 15th April, 1960.

£R\$

Investment Notes:

According to a statement issued by the Indian Iron & Steel Company Limited, saleable Steel production totalled 57,260 tons (semis 23,327 tons and finished steel 33,933 tons) in February as compared with 59,108 tons in January. The output of Pig Iron is 92,715 tons against 91,790 tons and Steel Ingots 71,494 tons against 77,043 tons. Despatches of saleable steel amount to 67,770 tons against 58,328 tons.

£R\$

Investment Briets:

The British Burma Petroleum Company Limited has recommended an ad-interim taxable dividend of 3 per cent for the year ended 31st March, 1960. Transfer Books will be closed from the 18th to the 30th March 1960.

Jeypore Sugar has recommended a taxable dividend of 10 per cent for the year ended 30th June 1959 against 6 per cent for the previous year.

The Coonoor Tea Company Limited has declared a final dividend of 10 per cent, making a total of 20 per cent (taxable) for the half-year ended 31st March 1960 (provisional and subject to alternation after audit).

Aluminium Industries Limited has announced a taxable interim dividend of 9 per cent as against 6½ per cent tax-free for last year.

Bababudin Coffee has recommended 12½ per cent, taxable, for the year ended 30-6-59 against 25 per cent for the previous year.

£R\$

Balance-Sheet Briets:

The Sirpur Paper Mill has earned a net profit of Rs 83,846 for the year ended 30th June 1959 as against Rs 18.53 lakhs in the previous year. The dividend on the Ordinary shares is 65 p per share (interim), subject to deduction of tax. No final dividend is recommended.

Brady Engineering Company has reported a net profit of Rs 48,767 for 1959 as against Rs 84,419 in the previous year. The directors have recommended a gross dividend of Rs 4 (net Rs 2.80) as against Rs 3.00 per share.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Previous Proposed Dividend (Rs Per Share)	Transfer Books Closed
Jayshree Tea ...	... March 10	1.40 1.00	25/2/60 to 19/3/60
Volitas Ltd. ...	... March 14	13% 9%	8/2/60 to 27/2/60
Union Jute ...	... March 15	7.00* 20.00	18/2/60 to 29/2/60
Kinnison Jute ...	... March 15	7.00* 10.00	18/2/60 to 29/2/60
Northbrook Jute ...	... March 15	0.75* 1.25	18/2/60 to 29/2/60
Lawrence June ...	... March 15	7.00* 2.00	18/2/60 to 29/2/60
Auckland Jute ...	... March 15	7.00* 20.00	18/2/60 to 29/2/60
Alkali and Chemical ...	... March 16	0.95 0.80	27/2/60 to 29/2/60
Kesar Sugar ...	... March 17	6.00 4.00	3/3/60 to 16/3/60
Carew & Co. ...	... March 21	Nil 0.25	14/3/60 to 17/3/60
Madura Mills ...	... March 24	12½% Nil	26/2/60 to 21/3/60
Burrakur Coal ...	... March 24	13% 8½%	12/3/60 to 24/3/60
Eastern Investments ...	... March 25	14 9%	18/3/60 to 24/3/60
Calcutta Steam ...	... March 30	1.00 1.00	18/3/60 to 25/3/60
Martin Burn ...	... March 30	2.75 2.50	17/3/60 to 30/3/60

*Interim for year ended 31st March, 1960.

COMPANY REPORTS

Burrakur Coal Produces Excellent Results, Pays More

Balance-Sheet Reviews:

THE Burrakur Coal Company Limited has produced excellent working results for the year ended 30th June 1959, thanks to the rise in raisings, despatches and sales. Raisings have risen to 1.17 million tons from 1.04 million tons; despatches to 1.17 million tons from 1.02 million tons and sales to Rs 2.95 crores from Rs 2.56 crores.

The net profit for the year, before providing for Depreciation and Taxation, is higher at Rs 45.07 lakhs as against Rs 40.30 lakhs in the previous year. Except for Taxation provision, which is reduced to Rs 14.50 lakhs from Rs 15.26 lakhs, all other allocations have been increased:—Depreciation to Rs 11.00 from Rs 10.52 lakhs; Development Rebate Reserve to Rs 75,000 from Rs 44,400; Statutory Development Rebate Reserve to Rs 3.50 lakhs from Rs 1.32 lakhs and General Reserve to Rs 1.50 lakhs from Rs 1.00 lakh.

The directors have recommended a final dividend of 8 per cent on the Ordinary shares, making a total of 13 per cent for the year. This works out to a net dividend of 9.1 as against 8.75 per cent free of tax in the previous year.

The balance-sheet, as at 30th June 1959, shows a paid-up capital of Rs 1,18,42,280, divided into 9,09,248 Ordinary shares of Rs 10 each; 22,998-7 per cent Cumulative Preference shares of Rs 100 each and 45,000-6 per cent Second Cumulative Preference shares of Rs 100 each. Against this, Reserves and surplus are substantially higher at Rs 1.79 crores. 4½ per cent Mortgage Debentures are shown at Rs 20 lakhs.

The gross block at Rs 4.59 crores is depreciated by Rs 2.18 crores to show a net block value of Rs 2.41 crores.

The production of metallurgical coke during the year was 1.29 lakh tons against 1.11 lakh tons in the previous year.

Mg. Agents:—Bird & Co. (Private) Ltd.			
Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Raisings (tons) ...	1,170,123	1,037,484	949,995
Despatches (tons) ...	1,171,427	1,019,418	863,347
Sales ...	29,512,437	25,613,670	22,032,203
Misc. Sales & Income ...	4,065,955	5,063,483	3,631,339
Stocks ...	1,570,711	1,195,999	810,555
Net profit ...	4,507,100	4,030,085	3,922,277*
Taxation ...	1,450,000	1,526,000	1,673,000
Wealth Tax ...	...	147,000	...
Depreciation ...	1,100,496	1,051,808	1,107,74*
Reserve Fund ...	150,000	100,000	...
Res. for Tax Contin- gencies ...	...	...	122,200
Development Rebate Reserve ...	350,000	170,400	83,000
Other Funds ...	75,000	50,000	120,000
Div. Amount Ord. ...	1,182,022	795,592	681,936
Div. Amount Pref. ...	187,986	179,482	179,482
Carry Forward ...	110,738	99,142	95,339
Div. % Ord. ...	13	81	71
Div. % Pref. ...	7	7	7
Div. % 2nd Pref. ...	6	6	6

(Annual General Meeting on 24-3-60 at 10-30 a.m.).
*After transferring Rs 675,000 from General Reserve; Rs 440,000 from provision for Ropeway Rope Replace-
ment and Rs 70,000 from Reserve for Aerial Rope.

Synopsis of balance sheet as on the last day of June			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up: ...	2,299,800	2,299,800	2,239,800
7% C. Pref. ...	450,000	450,000	450,000
6½ T. C. Pref. ...	9,092,430	9,092,460	9,092,480
Ordinary ...	2,000,000	2,000,000	2,000,000
4½ Debentures ...	9,239,739	9,370,962	9,370,962
Capital Reserve ...	1,586,637	1,627,302	1,717,876
Other Funds ...	6,491,802	6,138,934	5,944,929
Loans Secured ...	820,221	783,324	...
Taxation Provision ...	2,718,684	2,388,308	2,064,622
Debts ...	9,493,708	8,033,333	7,449,764
Carry Forward ...	110,738	99,142	95,339
Total ...	44,753,869	42,483,585	40,485,772
Assets			
G. Block ...	45,882,424	44,178,128	43,250,057
Depreciation ...	21,798,561	20,853,739	19,968,073
Block (net) ...	24,083,863	23,324,389	23,281,984
Cap. Exp. in progress ...	396,751	342,082	517,166
Stores ...	3,512,824	3,400,919	2,799,867
Stocks ...	1,570,711	1,195,999	810,565
Outstandings ...	8,802,176	8,082,042	7,023,269
Do. More than 3 months ...	2,557,068	2,405,135	1,585,131
Mis. Deposits and Advances ...	723,721	617,806	931,727
Investments ...	2,998,090	3,015,885	2,995,089
Deposits in Banks ...	...	...	200,000
Cash ...	108,665	99,328	340,974
Total ...	44,753,869	42,483,585	40,485,772

Lower Net Dividend by Martin Burn

The decline in earnings by way of Managing Agency commission from Rs 57.04 lakhs to Rs 50.87 lakhs and in Income from Investments from Rs 13.96 lakhs to Rs 12.94 lakhs, is reflected in the working results of Martin Burn Limited for the year ended 30th September, 1959. Also, sales are lower at Rs 7.67 crores against Rs 9.04 crores.

With the result, the net profit for the year before providing for Depreciation and Taxation, stands reduced to Rs 86.30 lakh against Rs 93.65 lakhs in the previous year. The Depreciation amount is raised to Rs 1.81 lakhs from Rs 1.36 lakhs, while Taxation provision is reduced substantially to Rs 35 lakhs from Rs 53 lakhs and General Reserve to Rs 5 lakhs from Rs 28.50 lakhs. In this connection, it may be added that the larger provisions for the last two items were possible in the previous year by the transfer of Rs 10 lakhs from Contingencies Reserve and Rs 13.16 lakhs from Taxation provision.

The directors have recommended an Ordinary dividend of Rs 2.75 per share, which works out to a net dividend of Rs 1.925 against Rs 2.12 paid for the previous year.

Against a paid-up capital of Rs 2,05,82,750, Reserves and surplus are shown at Rs 1.13 crores. The gross block at Rs 69.07 lakhs is depreciated by Rs 16.26 lakhs to show a net block value of Rs 52.81 lakhs.

Chairman:—Mr. Leslie Martin.			
Year ended Sept.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales ...	76,749,931	90,448,836	76,736,373
Agency Common and Allowances ...	5,086,928	5,735,955	...
Interest, Dividends & Misc. Incomes ...	3,775,854	4,881,682	...
Stocks ...	11,570,560	9,297,352	9,336,758
Works in progress ...	4,122,623	3,370,207	13,578,152
Net profit ...	8,630,069	11,681,462*	9,098,645
Taxation ...	3,500,000	5,300,000	5,050,000
Depreciation ...	181,029	136,428	204,553
Reserve Fund ...	300,000	2,850,000	300,000
Other Funds ...	...	...	200,000
Div. Amount Ord. ...	4,010,256	3,055,713	3,078,992
Div. Amount Pref. ...	428,573	300,000	300,000
Carry Forward ...	254,784	244,633	235,312
Div. % Ord. ...	27½	21½	21½
Div. % Pref. ...	5	5	5

(Annual General Meeting on 30-3-60 at 12 noon).
*After writing back Rs 1,315,749 from provision for
taxation and Rs 1,000,000 from provision for contin-
gencies.

Indian Finance

Synopsis of balance sheet as on the last day of Sept.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up: ...	6,000,000	6,000,000	6,000,000
5% R.C. Pref. ...	14,522,750	14,555,250	14,523,500
Ordinary ...	834,500	889,500	953,000
4% Convertible Notes ...	136,293	136,206	136,298
Capital Reserve ...	7,500,000	7,000,000	2,150,000
Reserve Fund ...	3,382,750	3,355,250	5,323,500
Other Funds ...	4,670,337	2,518,850	2,747,030
Loans Secured ...	...	...	474,000
Loans Unsecured ...	22,688,818	21,662,449	19,830,210
Taxation Provision ...	23,897,220	22,920,597	36,908,047
Debts ...	254,784	244,633	235,312
Carry Forward ...	...	...	...
Total ...	83,947,455	79,282,855	89,380,895
Assets			
G. Block ...	4,380,561	2,917,250	2,564,435
Depreciation ...	1,626,428	1,577,645	1,497,333
Block (net) ...	2,754,133	1,339,605	1,067,102
Good will ...	2,517,685	2,517,685	2,517,685
Stores ...	52,295	48,824	55,776
Stocks in Progress ...	4,012,823	3,378,207	13,578,153
Raw Materials ...	1,126,704	848,796	1,108,693
Stocks ...	11,469,598	9,819,295	10,874,300
Outstandings ...	15,818,578	17,517,624	17,902,102
Do. More than 3 months ...	7,179,906	7,146,339	8,238,501
Mis. Deposits and Advances ...	18,679,955	16,275,980	13,531,042
Investments ...	19,660,548	19,818,933	19,627,089
Cash ...	668,339	770,564	893,643
Total ...	83,947,455	79,282,855	89,380,895

During the year, holders of Rs 55,000 in Convertible Notes exercised their option to convert their holdings into Ordinary shares, resulting in an increase in the Ordinary share capital of the company by 2,750 shares and a reduction of Rs 55,000 in Convertible Notes outstanding. The total Reserve arising from surplus on conversion is Rs 15.83 lakhs.

Dividend Passed over by Carew & Company

Although the working results of Carew & Company Limited for the year ended 30th June 1959 are satisfactory, the directors are not in a position to recommend the payment of a dividend as against 0.25 nP per share paid for the previous year. In this connection, they state that a large part of the profit has risen in Pakistan and the question of the remittance of profits is under negotiation with the State Bank of Pakistan.

Sales are lower at Rs 2.39 crores against Rs 3.25 crores, while the net profit, before providing for Depreciation, amounts to Rs 16.99 lakhs as against Rs 17.44 lakhs in the previous year. The directors have set apart a sum of Rs 3.61 lakhs (Rs 3.57 lakhs for Depreciation; Rs 11.28 lakhs (Rs 19.26 lakhs) for Taxation; Rs 3.00 lakhs (nil) for Debenture Redemption Fund; Rs 3.10 lakhs (nil) for General Reserve and Rs 58,000 (nil) for Development Rebate Reserve. In the previous year, larger allocations were possible by a transfer of Rs 6.50 lakhs from General Reserve.

The balance-sheet shows a paid-up capital of Rs 40 lakhs; First Mortgage Debentures, carrying interest at 6 per cent, at Rs 17.50 lakhs and Second Mortgage Debentures, carrying interest at 5½ per cent, at Rs 4.00 lakhs. Reserve and surplus stand at Rs 30.77 lakhs.

The gross block at Rs 1.52 crores is depreciated by Rs 1.05 crores to show a net block value of Rs 47 lakhs.

According to the directors' report, the profits of the company's two distilleries are slightly higher than in the previous year. While the demand for commercial spirit is satisfactory, the sales of foreign liquor is facing severe competition.

The Darsana factory, in Pakistan, has enjoyed a successful season. The prospects for the current year are not, however, favourable.

March 5, 1960

as the cane areas experienced extensive flooding due to late monsoon rains.

Mg. Agents:—Gladstone Lyall & Co., Ltd.			
Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Sales ...	28,882,992	32,459,801	33,368,758
Stocks ...	11,897,880	7,498,220	8,551,145
Net profit ...	2,159,602*	2,750,427	318,136
Taxation ...	1,128,152	1,926,001	223,802
Depreciation ...	360,998	356,684	338,064
Reserve Fund ...	310,000	...	...
Development Rebate Reserve ...	58,000	49,000	...
Other Funds ...	300,000	...	...
Div. Amount Ord. ...	...	80,000	...
Div. Amount Pref. ...	...	104,000	...
Carry Forward ...	14,180	11,728	223,014
Div. % Ord. ...	nil	2½	nil
Div. % Pref. ...	nil	6½	nil

(Annual General Meeting on 21-3-60 at 11 a.m.).
*After transferring Rs 100,000 from Reserve for
Doubtful debts.

After transferring Rs 650,000 from General Reserve.
Preference dividend for two years ended 30-6-1957
and 30-6-1958 at 6½ per cent per annum.

Synopsis of balance sheet as on the last day of June			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up: ...	800,000	800,000	800,000
6½ R.C. Pref. ...	3,200,000	3,200,000	3,200,000
Ordinary ...	1,750,000	1,950,000	1,950,000
6% Debentures ...	400,000	400,000	400,000
6½ Debentures ...	265,740	265,822	71,529
Capital Reserve ...	1,260,000	950,000	1,600,000
Reserve Fund ...	1,481,000	1,123,000	1,074,000
Other Funds ...	9,733,983	7,447,872	9,087,105
Loans Secured ...	67,428	70,815	109,265
Loans Unsecured ...	1,896,162	1,765,385	308,480
Taxation Provision ...	3,929,730	3,305,205	4,056,812
Debts ...	14,180	11,728	...
Carry Forward ...	...	...	...
Total ...	24,798,223	21,276,337	22,747,271

Assets			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block ...	15,264,278	14,971,234	14,522,324
Depreciation ...	10,544,576	10,201,879	9,894,338
Block (net) ...	4,719,703	4,769,355	4,627,986
Cap. Exp. in progress ...	14,352	3,133	54,332
Stores ...	4,643,965	4,838,807	5,153,577
Stocks in Progress ...	49,122	45,230	45,822
Raw Materials ...	44,337	133,728	115,335
Stocks ...	11,824,064	7,325,218	8,406,802
Outstandings ...	1,360,662	2,122,844	1,889,154
Do. More than 3 months ...	1,227,816	619,686	514,454
Mis. Deposits and Advances ...	358,889	1,206,601	1,445,219
Investments ...	53,555	28,276	45,325
Cash ...	601,758	183,361	226,450
Debit Balance ...	...	...	223,014
Total ...	24,798,223	21,276,337	22,747,271

Eastern Investments Pay More

Thanks to a rise in "Dividends and Interest" received, Eastern Investments Limited has reported a net profit, after providing for Taxation, of Rs 9.19 lakhs for the year ended 31st December 1959 as against Rs 6.29 lakhs in the previous year.

In respect of allocations, the Taxation provision is raised to Rs 7.53 lakhs from Rs 7.34 lakhs, while General Reserve is reduced to Rs 50,000 from Rs 1.87 lakhs. The directors have recommended a dividend of 14 per cent (taxable) as against 9 per cent. This increased dividend is recommended after taking into consideration the effect of the Indian Finance Act 1959 according to which the company has to deduct tax at the prescribed rates from the dividends before payment thereof to the shareholders.

Against a paid up capital of 76.26 lakhs, Reserves and surplus are shown at Rs 57.17 lakhs. The total of the market value of the investments for which rates are available together with unquoted investments, as valued by the directors, exceeds the book value by Rs 80.84 lakhs on the 31st December, 1959.

Secretaries:—Bird & Co. (Private) Limited.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Interest & Dividends ...	1,801,359	1,519,890	1,259,727
Net profit ...	1,672,602	1,551,498*	1,185,538
Taxation ...	753,196	734,214	653,393
Reserve Fund ...	50,000	187,120	70,824
Div. Amount Ord. ...	717,640	461,340	461,340
Div. Amount Pref. ...	125,000	85,625	85,625
Carry Forward ...	352,237	325,471	242,272
Div. % Ord. ...	14	9	9
Div. % Pref. ...	5	5	5

Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up: ...	2,500,000	2,500,000	2,500,000
5% C. Pref. ...	5,128,000	5,128,000	5,128,000
Ordinary ...	5,717,047	5,667,668	5,481,635
Reserve Fund ...	1,563,466	1,972,673	2,151,182
Loans Secured ...	174,659	174,916	338,770
Taxation Provision ...	819,548	639,061	576,028
Debts ...	352,237	325,471	242,272
Carry Forward ...	...	...	

STOCK EXCHANGES

Favourable Reaction to Budget

Watch-Dog Writes:

STOCK markets in general reacted favourably to the announcement of the Central Budget proposals as was disclosed by the pattern of trading during the week under review. The "status quo" in individual and corporate taxation with indirect levies to cover only a fourth of the deficit led to a strong buying wave, resulting in prices being substantially marked up. Rumours about the possibility of an increase in the Bank Rate, however, erased some of the extreme gains at the close.

With operators welcoming the Budget proposals, the Calcutta Stock Exchange exhibited cheerful conditions with prices rallying smartly on a wide front.

Hectic activity was witnessed on the Bombay Stock Exchange where equities recorded a spectacular rise in prices although higher levels attracted some profit-taking toward the close.

The Madras Stock Exchange provided several bright spots due to a buying spree. The market finished the week with minor losses on balance.

Share prices on the London Stock Exchange were widely marked down following a sudden break in the prices of gilt-edged securities.

Wall Street closed barely steady.

Calcutta

Friday Evening.

IT should be said that the Central Budget gave new life to the local Stock Exchange. Even the little hesitation that marked the special Budget session on Monday appeared to have completely subsided.

Though the market had been anticipating some relief in corporate taxation, the absence of any change in the structure and rates of taxation did not fail to enthuse sentiment, especially when second thoughts about the Budget appeared to have placed more reliance on growth prospects.

When it was found that there was some relief in respect of taxation on incomes from inter-corporate investments and dividends paid out of taxed reserves, there was nervous covering and fresh buying, resulting in new high levels being established. The rise in prices would have been more pronounced, but for the rumours about the possibility of an increase in the Bank Rate, which induced some profit-taking toward the close.

Rumours of an increase in the Bank Rate caused some nervous selling of gilt-edged securities by institutional investors. Longdated issues, in particular, were the worst sufferers.

Bank shares were generally quiet.

Although Jute shares were generally dull due to the absence of foreign enquiry for jute goods, prices of a few selected scrip participated in the general trend of the market, not to speak of the belief that such mills might be making satisfactory profits, having already bought raw jute at cheaper prices.

Coal shares responded to selective enquiries on reports of rising consumption and the possibility of an increase in exports to the neighbouring countries.

The fact that this week's auction results were not particularly encouraging and the general feeling that India was gradually losing its

Engineerings:

	As on 27th Feb.	Pre-Budget Closing Rs	Post-Budget High Rs	As on 4th March Rs
Indian Iron	22.70	23.08	24.13	23.94
TEXMACO	25.80	25.90	26.85	26.50
Jessop	23.44	23.37	24.31	24.19
Britannia	14.19	14.25	15.00	...

Miscellaneous:

Orient Paper	38.45	38.80	41.80	41.40
Sree Gopal	22.44	22.69	23.75	23.50
Titaghur	39.25	39.87	41.12	40.75
Sirpur	13.75	13.81	15.12	14.50
India Pulp	20.37	20.12	21.37	21.50
Rohtas	27.32	27.81	31.56	31.50
Dunlop	36.50	37.00	38.75	38.75
NICCO	27.00	27.31	29.62	29.62
Indian Cable	29.56	29.87	32.03	31.87
Indian Aluminium	24.69	24.87	26.50	26.50
Indian Oxygen	35.50	...	37.00	36.87
India Steamship	12.00	...	12.16	12.06
Indian Copper	4.05	4.11	4.40	4.39
Hindustan Motor	16.75	17.31	17.69	17.44
B. I. C.	7.44	7.50	7.62	7.31

Coals:

Bengal	302.00	...	330.00	330.00
Burrakur	18.37	18.44	19.37	19.06
Central India	8.84	9.03	9.50	9.50
East Indian	26.81	27.00	27.37	27.37

Jutes:

Anglo-India	230.00	233.00	238.00	238.00
Birlas	26.25	...	29.50	29.19
Ganges	9.62	9.81	11.12	11.06
Howrah	23.87	24.00	25.00	25.00
National	31.00	...	31.25	31.25
New Central	23.31	24.25	26.56	26.56

Teas:

Bishnauth	19.25	20.00	20.50	20.50
Grob	13.62	...	14.31	14.31
Jayshree	17.50	17.50	19.06	19.06
Tezpor	17.75	...	18.25	17.87

Sugars:

Carew	11.44	...	11.81	11.81
S. K. G.	14.46	14.44	16.00	15.37
Dyer Meakin	19.00	19.00	22.00	20.87

Textiles:

Jayshree	12.62	12.62	13.37	13.06
Kesoram	22.69	23.12	25.37	25.37
Egins	18.06	...	19.50	19.50

Banks:

Punjab National	20.50	21.25	21.50	21.12
United Commercial	69.50	...	70.50	70.50

Giltedged:

3% 1986 Conversion	74.35	74.20	74.05	74.05
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It is learnt that, in view of the steady and sharp rise in the prices of Rohtas, Orient Paper and Indian Irons after the Budget, the Stock Exchange Committee has fixed up interim clearing rates today instead of on Wednesday next—the settlement day. The clearing rate for Rohtas is fixed up at Rs 31.50 (Rs 26.75); Orient Paper at 41.40 (Rs 38.25) and Indian Irons at Rs 23.94 (Rs 22.30). Figures shown within brackets were the last clearing rates.

position in the foreign markets, induced a quieter tendency in the Tea section. But, a few selected scrip came in for some enquiry at improved levels on support lent from special quarters.

Sugar shares maintained generally a firmer tendency on prospects of an increase in production during the current season.

Thanks to the reports of a rise in cloth prices and the absence of any duty on textiles, Cotton Mill shares came in for good demand at enhanced levels.

Following encouraging corporate news, the announcement of higher dividends by a few companies and the emergence of investment support for blue chips due to growth prospects, the Miscellaneous section provided several bright features.

The following table shows the price trends of a few selected scrip during the pre-Budget and post-Budget sessions:—

	As on 27th Feb.	Pre-Budget Closing Rs	Post-Budget High Rs	As on 4th March Rs
Indian Iron	22.70	23.08	24.13	23.94
TEXMACO	25.80	25.90	26.85	26.50
Jessop	23.44	23.37	24.31	24.19
Britannia	14.19	14.25	15.00	...
Orient Paper	38.45	38.80	41.80	41.40
Sree Gopal	22.44	22.69	23.75	23.50
Titaghur	39.25	39.87	41.12	40.75
Sirpur	13.75	13.81	15.12	14.50
India Pulp	20.37	20.12	21.37	21.50
Rohtas	27.32	27.81	31.56	31.50
Dunlop	36.50	37.00	38.75	38.75
NICCO	27.00	27.31	29.62	29.62
Indian Cable	29.56	29.87	32.03	31.87
Indian Aluminium	24.69	24.87	26.50	26.50
Indian Oxygen	35.50	...	37.00	36.87
India Steamship	12.00	...	12.16	12.06
Indian Copper	4.05	4.11	4.40	4.39
Hindustan Motor	16.75	17.31	17.69	17.44
B. I. C.	7.44	7.50	7.62	7.31
Bengal	302.00	...	330.00	330.00
Burrakur	18.37	18.44	19.37	19.06
Central India	8.84	9.03	9.50	9.50
East Indian	26.81	27.00	27.37	27.37
Anglo-India	230.00	233.00	238.00	238.00
Birlas	26.25	...	29.50	29.19
Ganges	9.62	9.81	11.12	11.06
Howrah	23.87	24.00	25.00	25.00
National	31.00	...	31.25	31.25
New Central	23.31	24.25	26.56	26.56
Bishnauth	19.25	20.00	20.50	20.50
Grob	13.62	...	14.31	14.31
Jayshree	17.50	17.50	19.06	19.06
Tezpor	17.75	...	18.25	17.87
Carew	11.44	...	11.81	11.81
S. K. G.	14.46	14.44	16.00	15.37
Dyer Meakin	19.00	19.00	22.00	20.87
Jayshree	12.62	12.62	13.37	13.06
Kesoram	22.69	23.12	25.37	25.37
Egins	18.06	...	19.50	19.50
Punjab National	20.50	21.25	21.50	21.12
United Commercial	69.50	...	70.50	70.50
3% 1986 Conversion	74.35	74.20	74.05	74.05

Bombay

VERTICAL boom conditions have prevailed on the stock market in Bombay following the release of the Budget proposals. Though during the Budget session itself, some profit-taking emanated on account of rumours of increase in Bank rate, the market subsequently rebounded with vengeance. Shorts were caught unaware while some operators who had been in the know of things about a favourable budget and having

already made long commitments, particularly in National Rayon before the release of the Budget accumulated further holdings. Relief of 10 per cent tax on distribution of dividend paid out of the post-taxed profits gave impetus to the bulls in their operations and a spectacular rise was recorded around under the lead of National Rayon. Almost all the groups barring electricity, banks and Insurance participated in the rise. As no relief was forthcoming for electricity as well as banks in the new tax pattern, both these groups failed to attract attention.

The adoption of uniform system of deduction of 30 per cent tax on the amounts of dividends for both individuals and companies will again add to the simplicity in the procedure though the companies have been asked to pay 15 per cent as advance payment of the dividends received. The 45 per cent tax remains unchanged and the Finance Minister has made it plain that he was not going to reduce it. The market was not deterred over this fact and equities scored further sharp rise on hectic buying and covering movement despite occasional bouts of profit-taking. The main drive for the market appears to have been provided by inflationary psychology.

Interest in bank shares remained at a low ebb and prices moved narrowly. Baroda Bank has announced right issue one share for every five shares. Electricity shares were a shade easier. New India Insurance was steadier.

Shipping shares were in doldrums with Scindia Steam having been listed ex-dividend. Following the unanimous re-election of Smt. Sumati S. Morarjee as a director of the company the shares met some buying support to improve to Rs 15-96 but closed at Rs 15.68. Automobile shares were in good shape despite levy of excise duty. Premier shot up to Rs 161 to react to Rs 154. Engineering shares manifested a firm tendency with around sharp rise. Premier Construction despite lack of any relief in bonus tax advanced by Rs 30. Voltas shot up by Rs 40 to Rs 245 while Larsen Toubro gained Rs 5 to Rs 33. Mahindra and Mahindra moved ahead. Cement shares were slightly better. Steel shares rose smartly with Tata Steel and India Iron scoring good rise. Shivrajpur advanced but lacked follow up support. Shares of dyes and chemicals concerns were in active demand. Colour Chem rose upto Rs 355 from Rs 325 while Indian Dyestuffs old rose to Rs 530 and then to Rs 549. Poly-Chems gained Rs 15 to Rs 192. Tata Chemical improved by Rs 16 to Rs 92. National Rayon shot to Rs 464 from Rs 380 to close at Rs 453. Baroda Rayon advanced by Rs 10 to Rs 70. Gwalior Rayon climbed to a new peak of Rs 31. Walchandnagar Industries dropped to Rs 285 after rallying to Rs 311 to finish at Rs 298 on announcement of lower dividend.

Bombay Burmah shot up to Rs 582 from Rs 537. Wimco came up to Rs 255 on active demand. BB Petrol was quietly steady following the 3 per cent interim dividend for the year ended 31st March 1960. Ceat Tyres were firm at Rs 184. Tata Oil

March 5, 1960

moved up to Rs 74 from Rs 65. Hindustan Lever better at Rs 41.25.

Cotton Mill shares were in good shape on feverish buying. Standard Mills shot up by Rs 100 to react to Rs 835 on profit-taking, while Muffat-lal Fine was taken up to Rs 880. Bombay Dyeing forged ahead to Rs 71 from Rs 69 while Century was boosted upto Rs 492 from Rs 446. Khatau gained Rs 35 while Kohinoor made headway to Rs 335. Shreeniwas was better off at Rs 270 and Svadeshi gained Rs 20 to Rs 278. Tata Mills gained Rs 4 at Rs 52.

The week's movements in prices of a few representative scrips were as follows:—

	High Rs	Low Rs	Close Rs
B. Dyeing	71.50	68.00	70.50
Century	492.00	446.00	482.50
Indu Ord.	13.08	12.64	12.60
Kohinoor	342.00	315.00	333.50
Swadeshi	286.00	260.00	278.50
Standard Mills	984.00	876.00	933.00
A.C.C.	149.00	143.75	145.75
Belapur	343.00	320.00	340.00
B. Burmah	581.00	535.00	578.00
N. Rayan	484.00	380.00	456.50
Pr. Construction	360.00	331.00	357.00
Scindia	16.98*	15.55†	15.68
T. Chemicals	16.44	15.84	16.51
Tata Loco	229.00	203.25	224.00
Tata Steel	159.25	150.25	157.50
Voltas	243.00	206.00	243.00

*cd. †td.

Madras

THAT post-Central Budget stock exchange transactions had been least affected was proved by today's buoyant tone in all counters of the local Exchange. Sugars were very good. Textiles vastly improved. There was a sizeable volume of business in plantation shares. Industrials as usual were very well fancied.

Government Securities: Madras Government 4% 1963 loan were traded at Rs 100.35. The same Government's 1960 3% Development Loan stood at Rs 99.40. The Mysore Government's 4% 1963 Taxable loan was quoted at Rs 100.35. The same period and denomination loan of the Kerala State remained at Rs 100.35.

Banks: This counter remained unaffected. Business was reported in Rs 80 paid Indian Bank shares at Rs 152.00. The Rs 100 paid share of the same Bank was quoted at Rs 187.50. The Rs 50 paid Indo-Commercial "C" share was quoted lower today at Rs 14.00. Punjab National Bank at Rs 21.00 and Pandyan Bank at Rs 40.00 were also unchanged.

Electrics: South Madras was quoted two nP higher at Rs 10.12. Cochlin and Karaikkal remained at Rs 10.65 and Rs 9.95 respectively. Kumbakonam was unaffected at Rs 10.70 and Salem-Erode at Rs 12.50.

Sugars & Breweries: Cauvery was at the market rate of Rs 130.00 but Deccan was in demand at Rs 14.05. EID commanded inquiries at Rs 48.50. Transactions were made in India Sugars at the lower rate of Rs 12.80. Jeypore was quoted at Rs 15.50 and KCP remained at Rs 19.50. Kirlampudi at Rs 69.00 and Mysore at Rs 56.75 were unchanged. Travancore improved to Rs 11.35 and United Breweries were available at Rs 65.00.

Plantings: Anandam declined to Rs 15.30. Bababuddin was quoted at Rs 9.65. Balanoor was available at Rs 17.65. Be Be was available at Rs 3.75. Blue Mountain improved slightly to Rs 3.50. Chembras changed hands at Rs 7.45. Coffee Lands and Consolidated Coffee were firm at Rs 23.75 and Rs 23.50 respectively. Devashola appreciated with 10% interim taxable dividend to Rs 33.25. Kil Kotagiri with 35% dividend was transacted at Rs 6.10. Mercara with taxable dividend of 20% was marked at Rs 9.85. Neelamalai again appreciated to Rs 4.75. Ouchterlony Valley was in good demand at Rs 6.09 at which business was done. Savamalai was bought at Rs 4.25. Talayar also was in demand at Rs 1.83. Thamarapally went up to Rs 28.00, appreciating by Rs 1.58 on its overnights closing of 26.62.

Textiles: Textiles showed vast improvement in dealings at higher levels. Anglo-French shares touched Rs 101.00. Balasubramania remained at Rs 52.00, for its Rs 40 rupee share and the Rs 70 rupee share was quoted at Rs 98.00. Bangalore Woollen shot up to Rs 201, five rupees above the overnight closing of Rs 196, and Buckingham Mill shares registered a gain of Rs 12 at Rs 212. Cauvery Spinning registered a spurt to Rs 14.50. Dhanalakshmi with 174% taxable dividend went up to Rs 235, having gained as much as Rs 8 from the previous closing. Janardhana was higher at Rs 69, the previous closing being Rs 66. Lakshmi shares were fancied at Rs 161, two rupees better than their previous rate. Mettur rose to Rs 435 from Rs 430. Rupee 50 paid share of Palani Andavar "A" with 30% dividend was as high as Rs 220, having gained Rs 60 from its last closing of Rs 160. Travancore Rayon was the fancy as usual at an appreciated level of Rs 29.70.

Miscellaneous: Aluminium Industries were fancied and bought at Rs 24.40. Dalmia Cement was another counter which had business reported at Rs 11.50. Hindustan Lever (24% tcd) at Rs 41. India Cements shares were sold at Rs 6.18.

London

PRICES on the London Stock Exchange were widely marked down following a sudden break in the prices of Government securities. Chief sufferers appeared to be the shares of Hire Purchase Finance houses, although falls were also evident in Bank and Industrial shares.

Shares of the United Kingdom Trust—a big Hire Purchase House—tumbled 10sh to 190sh. Other leading hire purchase shares recorded falls of about one shilling, while Bank shares showed losses of nine pence or one shilling. In the Industrial section, prices fell by 3d to 6d on the average.

Government securities opened "nervously" and prices were marked down by about one-eighth after the overnight slump. An additional factor causing unsettlement was a further fall on Wall Street, which led to a renewed slide in Gold shares.

New York

PRICES on Wall Street ruled generally steady. The market suffered initial losses reflecting profit-taking which was centred in Industrials, particularly Steels, Chemicals, Oils and Motors. Even the continued favourable news background including, further good 1959 earnings re-

ports and prospects for the current year, had no effect on sentiment.

Pressure, however, diminished toward the close and the market showed signs of rallying ability except for a few individual issues. Anaconda Copper was quoted at \$57 1/8; General Motors at \$46 and US Steel at \$85 1/2.

ROHTAS INDUSTRIES LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Shareholders of Rohtas Industries Ltd., will be held on Saturday, the 26th March, 1960, at 11 a.m. at the Registered Office of the Company at Dalmianagar, Dist. Shahabad, Bihar, for the purpose of considering and if thought fit, passing with or without modification the following Resolutions:—

(1) (To be proposed as an Ordinary Resolution):—

"Resolved that subject to the approval of the Central Government being obtained under the provisions of the Companies Act, 1956, the Company hereby re-appoints Messrs. Sahu Jain Ltd., as the Managing Agents of the Company for a period of 10 years with effect from 15th August, 1960, on the remuneration and upon the terms, provisions and conditions contained in the draft Agreement (with such modifications, if any, as may be agreed to at this Meeting) proposed to be entered into between the Company of the one part and the said Sahu Jain Ltd., of the other part and the said draft Agreement is placed before this Meeting and for the purposes of identification subscribed by the Chairman thereof with power to the Directors of the Company, subject to the provisions of the Companies Act, 1956, to vary or alter such of the terms, provisions and conditions of the said draft Agreement before execution, as may be required by the Central Government and agreed to by the Managing Agents and the Directors on behalf of the Company."

(2) (To be proposed as a Special Resolution):—

"Resolved that Articles of Association of the Company be altered in the manner following:—

Clause 131 of the Articles of Association of the Company be deleted and be substituted by the following clause:—

"Subject to the consent of the Central Government and subject to the provisions of the Act Messrs. Sahu Jain Ltd., shall be and remain Managing Agents of the Company for the period and upon the terms, provisions and conditions set out in the Agreement entered into between the Company and the Managing Agents, provided that before the expiry of the terms agreed upon the Managing Agents shall be re-appointed for a further period in accordance with the Agreement subject, however, to any notification issued by the Central Government or any provisions contained in the Companies Act."

By Order of the Board for ROHTAS INDUSTRIES LIMITED, A. K. Jain, Managing Director, Managing Agents.

EXPLANATORY NOTES:

(i) Messrs. Sahu Jain Limited were appointed the Managing Agents of the Company under an Agreement dated 6-4-1951 for a period of 20 years. The Managing Agency Agreement between the Company and the Managing Agents was duly approved by the Shareholders of the Company. Under the provisions of Section 330 of the Company's Act term of Office of the Managing Agents will expire on 15th August, 1960, unless before that date the Managing Agents are re-appointed for a fresh term in accordance with the provisions contained in the Companies Act. A copy of the draft Agreement is kept at the Registered Office of the Company and can be inspected by the Shareholders on any working day during business hours and the same will be placed before the shareholders at the above Meeting. An abstract of the Agreement as required under Section 302(3) of the Companies Act, 1956, is enclosed

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 26-2-60	26-2-59
Allahabad 6% 100	104.00	112.00	
Bohar 5% 50	21.00	19.75	
Asso. K'pura 41% 100	50.50	50.50	
Bharat 5% 100	49.50	47.50	
Borree 8% 100	83.50	83.50	
Burrakur 7% 100	101.75	105.00	
Burrakur 6% 100	6.50	6.50	
Equitable 6% 100	90.00	100.00	
Ghuseck 5% 100	100.00	100.00	
Gourangdi 5% 100	40.00	40.00	
K'pura 51% 100	58.00	54.25	
Khas Kajora 5% 100	9.00	7.25	
S. Beerboom 7% 100	11.62	10.00	
N. Churulia 5% 100	2.56	2.50	
N. Huntodh 5% 100	45.00	41.00	
Parasca 51% 100	86.50	81.50	
Parasca 51% 100	50.00	42.50	
Unl. Colliery 5% 100	78.00	83.00	
Basanti 61% 100	8.50	9.00	
B-Nagpur 7% 100	75.00	75.00	
Bowreah 5% 100	152.00	126.00	
Bowreah 7% 100	65.00	65.00	
Elgin 8% 100	110.00	105.00	
Elgin 8% 100	8.00	8.25	
Jagajit 5% 100	38.75	43.75	
Jijayee 51% 100	90.00	87.00	
J. K. Cotton 6% 100	93.00	90.00	
Keorani 7% 100	104.00	100.00	
Mutr 6% 100	3.00	2.94	
N. Victoria 6% 5	80.00		
Orissa 6% 100	80.00		
Shes Madhusu- sudan 41% 100	76.00		
S. Niwas 4% 100	54.00	58.00	
Shree Bhawanil 5% 100	106.00	100.00	
Swadeshi 6% 100	61.00	74.50	
Agarpara 7% 100	93.00	101.50	
Alexandra 7% 100	97.50	96.00	
Alliance 6% 100	68.00	68.00	
Anglo-India 7% 100	91.00	101.00	
Auckland 61% 100	76.00	77.50	
Auckland 41% 100	65.00	61.00	
Bally 7% 100	98.00	100.00	
Barnagore 5% 100	35.50	40.50	
Belvedere 7% 100	97.00	101.50	
Bengal 51% 100	89.00	77.00	
Birla 71% 100	91.00	87.00	
Birla 51% 100	92.00		
Budge-Budge 7% 100	103.50	102.00	
Calcutta 61% 100	77.00	78.00	
Caledonian 7% 100	67.50	77.50	
Cheviot 7% 100	101.00	102.00	
Chitavalah 7% 100	105.50	100.00	
Clive 6% 100	75.00	67.50	
Clive 7% 100	85.00	72.00	
Dalhousie 7% 100	98.00	73.37	
Delta 5% 100	63.25	78.00	
Empire 7% 100	98.00	100.00	
F. Gloster 7% 100	114.00	105.50	
F. Gloster 5% 100	71.00	68.50	
F. William 7% 100	111.50	84.50	
Ganges Mfg. 7% 100	125.00	100.00	
Gourepore 6% 100	81.00	98.00	
Hastings 6% 100	90.00	83.00	
Hooghly 1% 100	10.00	10.31	
Howrah A. Pref. 100	103.00	93.00	
Howrah 7% 100	105.00	99.00	
Howrah 7% 100	98.00	100.00	
Kharab 6% 100	90.00	95.00	
Kharab 6% 100	90.00	71.00	
Kedarnath 6% 100	68.00	68.00	
Kedarnath 7% 100	85.00	85.00	
Kelvin 7% 100	85.00	103.00	
Kharab 6% 100	93.00	86.25	
Kharab 7% 100	89.00	102.50	
Landowne 7% 100	104.50	100.00	
Lawrence 7% 100	91.50	94.00	
Lawrence 51% 100	70.00	72.00	

NAME	Paid-up per Share	Quotation as on 26-2-60	26-2-59
Naihati 7% 100	101.00	78.25	
Naihati 41% 100	68.00	64.50	
National 7% 100	100.00	105.00	
Nellmaria 6% 100	92.00	86.00	
N. Central 7% 100	26.00	91.75	
Northbrook 51% 100	80.50	74.00	
Rameshwara 6% 100	12.44	9.44	
Reliance 7% 100	89.50	69.50	
S. Ambica 71% 100	93.00	58.00	
Scorah 7% 100	88.00	95.00	
Standard 6% 100	97.00	100.00	
Union 7% 100	97.50	103.50	
Waverley 5% 100	34.00	44.00	
Asso. Mining 5% 50	36.00	29.75	
Ch. Mica 51% 100	50.00	51.07	
Metal Corp. 5% 100	79.00	50.00	
Dalmia Bharat 6% 100	8.12	8.00	
Jaipur Udyog 3% 100	37.00	40.00	
K'pura Lime 6% 100	90.00	80.00	
K'pura Lime 6% 100	100.50	100.50	
K'dhubi Fire 7% 100	101.00	101.00	
K'dhubi Fire 51% 100	64.50	64.50	
Orissa Cement 4% 100	35.06	35.06	
Alkali 5% 100	103.00	102.00	
Bathgate 41% 100	28.00	19.00	
Beng. Chem. 71% 100	12.62	12.00	
Beng. Chem. 41% 100	72.00	76.00	
Frank Ross 41% 100	41.00	36.00	
Smith Stani 10% 50	69.62	57.00	
Calcutta 5% 100	10.37	9.94	
Dishergarh 5% 100	78.50	69.50	
Dishergarh 41% 100	75.00	75.50	
Arthur Butler 7% 100	10.15	10.50	
Br. Bldg. 6% 100	60.00	73.00	
Br. Engg. 7% 100	100.00		
Burn & Co. 7% 100	127.50	124.50	
Burn & Co. 7% 100	115.00	115.00	
I. Iron 5% 100	102.00	101.50	
I. Machinery 7% 100	23.00	23.00	
Ind. St. Wagon 7% 100	125.50	122.00	
Jessop & Co. 5% 100	90.00	79.00	
J. K. Steel 7% 100	102.00		
K'dhubi 5% 100	90.00	92.50	
R. Cruddas 51% 100	54.00	54.00	
S. Products 5% 100	2.19	3.69	
Texmaco 51% 100	91.50	86.50	
Texmaco 51% 100	63.00	60.50	
Alum. Corp. 5% 100	75.00	63.00	
Alum. Corp. 6% 100	100.50	85.50	
Amal. Dev. 5% 100	42.00	42.00	
Asso. Hotel 7% 100	50.50	48.00	
Bharat Nidhi 6% 100	53.00	58.00	
Bharat Nidhi 6% 100	59.00	55.00	
Br. Biscuits 8% 100	9.30	9.70	
B. Cey. Corp. 6% 100	8.20	8.20	
B. I. Corp. 8% 100	106.00	101.50	
Cal. Cr. Corp 6% 100	51.00	50.00	
Cal. Cr. Corp 51% 100	34.50	40.00	
Cal. Gas 51% 100	63.00	46.50	
Cal. Silk 6% 100	49.12	40.00	
Cal. Tams 5% 100	8.22	8.12	
Duncan Bros. 4% 100	57.00	58.00	
Dunlop 6% 100	115.00	111.50	
Dunlop 6% 100	87.00	82.50	
Eastern Inv. 5% 100	72.50	75.00	
Gillanders 5% 100	55.00	54.50	
Godfrey Phil. 51% 100	63.25	58.00	
Greaves Cot. 5% 100	40.00	45.00	
Greaves Cot. 6% 100	37.00	43.00	
Hindustan Motors 6% 100	142.00		
Hindustan Nat. Glass 4% 100	93.00	102.00	
Ind. Alum. 5% 100	71.50	71.00	
Indian Cables 6% 100	28.50	25.75	
Ind. Plastics 51% 100	46.00	51.50	
I. Rubber 5% 100	78.00	75.00	
James Wright 6% 50	25.25	23.00	
J. Henderson 51% 100	59.00	57.00	

NAME	Paid-up per Share	Quotation as on 26-2-60	26-2-59
K. Bullen 51% 100	58.25	57.50	
K. Bullen 4% 100	59.00	63.00	
Kusum 51% 100	64.00	69.50	
Macneil & Barry 51% 100	58.25		
Madhya Pradesh Ind. 6% 100	100.00		
Martin-Burn 6% 100	103.25	100.00	
McLeod & Co 5% 100	50.75	61.00	
McLeod & Co. 5% 2nd Pref. 100	69.50	70.50	
Metal Box 6% 100	86.50	79.00	
Nat. Rubber 6% 100	77.00		
Nat. Tannery 5% 100	3.00	4.00	
Nat. Tobacco 6% 100	75.50	71.00	
Nat. Tobacco 41% 100	97.00	59.25	
N. Bhr. Vanija 100	68.00		
Prem. Trans. 5% 100	8.00	5.00	
Raila 6% 100	95.00	70.75	
Rohas Indus. 7% 100	120.00	119.00	
Rohas 41 B 100	61.75	60.00	
Sen Raleigh 5% 100	100.00	85.00	
Shaw Wallace 5% 100	70.75	68.00	
Spencer B. A. 100	6.87	7.50	
Spencer B. B. 100	8.64	9.47	
Standard Vacuum 6% 100	95.50		
Union Tobacco 6% 100	22.00		
Ballarpur 5% 100	117.00		
Beng. Paper 7% 50	43.25	46.75	
Beng. Paper 7% 100	96.50	103.50	
Beng. Paper 6% 100	65.00	62.00	
Orient 51% 100	87.50	90.50	
Orient 51% 100	61.50	60.00	
S. Gopal 8% 100	103.00	108.00	
S. Gopal 71% 100	103.50		
Sirpur Paper 6% 100	85.25	93.25	
Star Paper 5% 100	78.50	73.00	
Star Paper 61% 100	94.00	91.50	
Star 7% 100	53.00		
Titaghar 6% 100	126.00	140.00	
Titaghar 41% 100	84.50	78.50	
Bhagwati 5% 100	35.00	40.00	
Humayan 6% 100	7.45	7.75	
Reg. Estate 5% 100	33.50	33.00	
Ben. Timber 8% 100	30.00	30.00	
B-A Steam 7% 60	60.00	58.00	
I.G.N. 6% 100	70.50	69.00	
I. Steam 5% 100	81.50	90.00	
Carew 61% 100	85.50	86.00	
Cawnpore 8% 100	102.00	104.00	
Jaswant 51% 100	84.00	69.50	
Mohini 5% 100	70.00	70.00	
New India 71% 100	125.00	101.00	
Purab 10% 100	13.75	13.00	
Ramnagar 6% 100	92.00	89.50	
Ryam 6% 100	8.00	9.00	
S. Behar 8% 100	20.50	20.50	
S. Hanuman 5% 100	55.00	60.00	
S. K. Gyan 6% 100	85.50	81.00	
S. K. Gyan 5% 100	65.00	65.00	
Upper Ganges 5% 100	70.00	80.00	
Amluckie 7% 100	37.00	42.00	
Bornah Jan 6% 100	62.00	74.00	
Brook Bond 6% 100	68.00	68.25	
Dhanseri 7% 100	2.94	3.02	

NAME		Paid-up per Share.	Quotation as on	
			26-2-60 Rs nP	26-2-59 Rs nP
Dimakushi 6% ...	100	8.90	9.70	
Kingsley Gola 6% ...	100	80.00	86.00	
Moheema 6% ...	10	9.44	8.19	
Tezpor 2% ...	10	11.19	9.95	
Darjeeling.				
Gielie 6% ...	100	68.00	75.00	
Lingla 6% ...	100	62.00		
Okayti 7% ...	100	79.00	93.00	
Pussimbing 7% ...	100	93.00	95.00	
Singtom 5% ...	100	5.25	6.62	
Doars				
Banarhat 61% ...	100	105.00	106.50	
Birpara 9% (Pref.) ...	100	109.00	105.00	
C'bhutti 61% ...	100	104.50	105.50	
Hantapara 8% ...	100	109.00	103.00	
Hasimara 7% ...	100	106.00	101.00	
N. Doars 61% ...	100	102.60	109.00	
Cachar.				
Sonai River 5% ...	100	93.00	93.00	
Sylhet				
N. Samanbagh 8% ...	10	91.50	101.50	
S. Indian				
Kotamullat 6% ...	25	14.00	16.50	
Terai				
Atal 41% cp ...	10	5.30	4.55	
Tirthmah 0% ...	10	14.00	13.00	

Ordinary Shares

CALCUTTA

NAME		Paid-up per Share.	Quotation as on	
			26-2-60 Rs nP	26-2-59 Rs nP
GOVERNMENT OF INDIA LOANS				
(Non-Terminalable Loans).				
3% Govt. Paper ...		73.60	72.60	
(Terminable Loans).				
3% Loan (1968) ...		74.35	74.22	
21% Loan (1961) ...		98.35	97.20	
21% Loan (1962) ...		98.25	96.97	
21% Loan (1976) ...		83.30	83.15	
21% Loan (1960) ...		92.65	98.07	
3% Loan (1964) ...		99.00	96.80	
3% Loan (1963-65) ...		97.00	96.80	
3% Loan (1965-68) ...		95.62	93.91	
3% Loan (1970-75) ...		92.25	90.00	
31% Loan (1962) ...		99.65	99.20	
31% Loan (1961) ...		99.25	100.10	
31% Loan (1963) ...		100.20	99.95	
31% Loan (1964) ...		99.80	99.80	
31% Loan (1965) ...		99.70	99.65	
31% Loan (1967) ...		99.63	99.23	
31% Loan (1969) ...		99.60	99.10	
31% Loan (1969) ...		99.30		
31% Loan (1967) ...		100.75	100.75	
31% Loan (1968) ...		100.65	99.65	
31% Loan (1974) ...		99.70		
4% Loan (1960-70) ...		100.40	100.00	
4% Loan (1972) ...		101.65	101.45	
4% Loan (1973) ...		101.55	101.48	
4% Loan 1979 ...		100.20		
BANKS				
Allahabad ...	100	344.00	358.00	
Allahabad ...	50	172.00	173.50	
Bank of Bihar ...	100	31.00	28.50	
Bank of Baroda ...	25	48.50	56.00	
Bank of India ...		118.00	126.00	
Hindust. Comm. ...	50	20.12	19.00	
Hindust. Mercan. ...	50	24.00	15.75	
Punjab National ...	10	20.23	23.37	
United D ...	10	5.28	4.97	
United Comm. ...	50	69.50	67.50	
RAILWAYS				
Ahmedpur-Kutwa ...	100	36.50	50.00	
Araah-Sagarim ...	100	45.00	47.98	
Bankura-Damodar ...	100	40.00	49.00	

Indian Finance

NAME	Paid-up per Share	Quotation as on		NAME	Paid-up per Share	Quotation as on		NAME	Paid-up per Share	Quotation as on		NAME	Paid-up per Share	Quotation as on	
		26-2-60	26-2-59			26-2-60	26-2-59			26-2-60	26-2-59			26-2-60	26-2-59
Pearl Invest. ...	10	4.00	1.25	Punjab ...	100	80.00	80.00	Doon Garden							
Phillips India ...	10	24.50	16.87	Punjab ...	10	12.00	13.00	Banarhat ...	100	333.00	285.00				
Phosphate Co. ...	100	173.80	190.00	Punjab ...	10	21.06	19.06	Baradighi ...	10	27.37	20.37				
Publicity Society	4	15.00	9.19	Punjab ...	10	2.65	2.65	Bhatkora ...	10	23.00	23.25				
Prem. Trans. ...	10	1.50	1.50	Punjab ...	10	13.06	12.75	Bhatkora ...	100	206.00	156.50				
Raila ...	100	83.00	51.00	Punjab ...	10	16.44	17.06	Bhatkora ...	10	23.00	23.25				
R.B. Rodda & Co.	10	5.00	4.68	Punjab ...	10	13.00	12.00	Bhatkora ...	10	23.00	23.25				
Robtas ...	10	27.25	18.75	Punjab ...	10	11.00	10.25	Bhatkora ...	10	23.00	23.25				
Sahu Properties	5	3.06	3.03	Punjab ...	10	6.19	2.37	Bhatkora ...	10	23.00	23.25				
Sen Raleigh ...	10	19.87	16.00	Punjab ...	10	1.00	1.37	Bhatkora ...	10	23.00	23.25				
Shaw Wallace ...	10	19.50	16.31	Punjab ...	10	0.25	0.25	Bhatkora ...	10	23.00	23.25				
Spencer's Hotel	2	0.75	1.06	Punjab ...	10	16.00	14.65	Bhatkora ...	10	23.00	23.25				
Spencer & Co. ...	10	18.20	18.00	Punjab ...	10	14.37	10.00	Bhatkora ...	10	23.00	23.25				
Star Co. ...	100	79.00	81.00	Punjab ...	10	10.19	9.00	Bhatkora ...	10	23.00	23.25				
Star Trading ...	25	8.00	8.00	Punjab ...	10	7.12		Bhatkora ...	10	23.00	23.25				
Straw Products	10	12.12	14.00	Punjab ...	100	102.00	127.00	Bhatkora ...	10	23.00	23.25				
Sisal ...	10	7.45		Punjab ...	10	8.75	15.00	Bhatkora ...	10	23.00	23.25				
Union Co. ...	100	73.20	75.00	Punjab ...	10	48.00	65.50	Bhatkora ...	10	23.00	23.25				
Union Carbide ...	10	42.37	28.50	Punjab ...	10	18.00	15.00	Bhatkora ...	10	23.00	23.25				
Union Tobacco	10	0.87	0.62					Bhatkora ...	10	23.00	23.25				
Union Tobacco	10	0.87	0.62					Bhatkora ...	10	23.00	23.25				
Defd. ...	5	2.00	2.00					Bhatkora ...	10	23.00	23.25				
Walford ...	1	3.32	2.03					Bhatkora ...	10	23.00	23.25				
Walford (Po) ...	1	3.12	1.44					Bhatkora ...	10	23.00	23.25				
W. Stockholder	15h	1.66	1.41					Bhatkora ...	10	23.00	23.25				
OILS															
B. B. Petrol ...	3s	2.06	1.78					Bhatkora ...	10	23.00	23.25				
I. B. Petrol ...	10	26.87	24.94					Bhatkora ...	10	23.00	23.25				
Northern India Oil	10	1.75	0.87					Bhatkora ...	10	23.00	23.25				
Tide Water Oil	10	17.00	13.75					Bhatkora ...	10	23.00	23.25				
PAPER MILLS															
Ballarup ...	25	43.00	25.50					Bhatkora ...	10	23.00	23.25				
Bengal Paper ...	25	96.25	87.50					Bhatkora ...	10	23.00	23.25				
India Paper ...	10	20.06	20.37					Bhatkora ...	10	23.00	23.25				
Mysore Paper ...	10	23.65	16.25					Bhatkora ...	10	23.00	23.25				
Orient Paper ...	10	38.55	31.44					Bhatkora ...	10	23.00	23.25				
Shree Gopal ...	10	22.50	15.81					Bhatkora ...	10	23.00	23.25				
Sirpur Paper ...	10	13.75	13.19					Bhatkora ...	10	23.00	23.25				
Star Paper ...	10	11.91	11.37					Bhatkora ...	10	23.00	23.25				
Tilghur P.O. ...	2	3.98	3.94					Bhatkora ...	10	23.00	23.25				
Tilghur Ord. ...	10	39.25	42.25					Bhatkora ...	10	23.00	23.25				
U. I. Cooper ...	100	60.00	60.00					Bhatkora ...	10	23.00	23.25				
West Coast ...	100	142.00	112.00					Bhatkora ...	10	23.00	23.25				
PRESSING															
Bhagwati ...	10	4.10	4.80					Bhatkora ...	10	23.00	23.25				
Camdown ...	100	103.00	118.00					Bhatkora ...	10	23.00	23.25				
Hoghy Ganges ...	10	7.85	5.75					Bhatkora ...	10	23.00	23.25				
Shiva Jute ...	100	53.00	53.00					Bhatkora ...	10	23.00	23.25				
REAL PROPERTY															
Bengal Bonded A	500	545.00	607.00					Bhatkora ...	10	23.00	23.25				
Bengal Bonded B	500	63.92	81.38					Bhatkora ...	10	23.00	23.25				
Bengal Bonded C	100	104.00	141.00					Bhatkora ...	10	23.00	23.25				
Bengal Bonded D	124	13.13	16.24					Bhatkora ...	10	23.00	23.25				
Comm. Prop. ...	5	0.37	0.62					Bhatkora ...	10	23.00	23.25				
Hindustan Bldg.	10	5.00	4.62					Bhatkora ...	10	23.00	23.25				
Humayun Prop.	10	10.35	10.37					Bhatkora ...	10	23.00	23.25				
Humayun Defd.	1	2.50	2.00					Bhatkora ...	10	23.00	23.25				
Midnapore Estate	924	19.50	19.00					Bhatkora ...	10	23.00	23.25				
Regent Estate ...	10	1.00	1.00					Bhatkora ...	10	23.00	23.25				
SAW MILLS AND TIMBER															
Assam Saws ...	3	3.31	3.37					Bhatkora ...	10	23.00	23.25				
Bengal Timber ...	100	18.25	10.00					Bhatkora ...	10	23.00	23.25				
SHIPPING															
B. A. Steam ...	100	87.00	103.00					Bhatkora ...	10	23.00	23.25				
Cal. Landing ...	10	11.94	18.87					Bhatkora ...	10	23.00	23.25				
Cal. Steam ...	10	13.37	12.62					Bhatkora ...	10	23.00	23.25				
Fraser & Co. ...	10	13.25	12.25					Bhatkora ...	10	23.00	23.25				
I. G. Navigation	210	67.50	65.50					Bhatkora ...	10	23.00	23.25				
India Steam ...	10	11.94	14.19					Bhatkora ...	10	23.00	23.25				
Port Shipping ...	10	10.87	13.00					Bhatkora ...	10	23.00	23.25				
SUGAR															
Bahampur ...	5	4.09	7.50					Bhatkora ...	10	23.00	23.25				
Belaund ...	74	13.69	12.00					Bhatkora ...	10	23.00	23.25				
Bharat ...	10	12.50	14.00					Bhatkora ...	10	23.00	23.25				
Bati ...	100	120.00	120.00					Bhatkora ...	10	23.00	23.25				
Carew ...	10	11.87	8.44					Bhatkora ...	10	23.00	23.25				
Cawnpore ...	10	16.06	10.12					Bhatkora ...	10	23.00	23.25				
Champan ...	10	15.94	15.94					Bhatkora ...	10	23.00	23.25				
Darbhanga ...	10	18.69	19.31					Bhatkora ...	10	23.00	23.25				
Deoria ...	5	7.25	9.86					Bhatkora ...	10	23.00	23.25				
Dyer Meakins	10	23.12	14.00					Bhatkora ...	10	23.00	23.25				
Ganesh Sugar ...	10	19.87	19.78					Bhatkora ...	10	23.00	23.25				
Ganesh Sugar ...	10	7.50	8.75					Bhatkora ...	10	23.00	23.25				
Jaswant ...	10	5.88	8.88					Bhatkora ...	10	23.00	23.25				
Mohini ...	10	3.06	2.85					Bhatkora ...	10	23.00	23.25				
Nawabganj ...	100	60.00	60.00					Bhatkora ...	10	23.00	23.25				
New India ...	10	30.00	28.62					Bhatkora ...	10	23.00	23.25				
New Savan ...	10	4.18	5.81					Bhatkora ...	10	23.00	23.25				

Paid-up Quotation as on				Paid-up Quotation as on				Paid-up Quotation as on				Paid-up Quotation as on						
NAME	per Share.	26-2-60	26-2-59	NAME	per Share.	26-2-60	26-2-59	NAME	per Share.	26-2-60	26-2-59	NAME	per Share.	26-2-60	26-2-59			
		Rs nP	Rs nP			Rs nP	Rs nP			Rs nP	Rs nP			Rs nP	Rs nP			
MISCELLANEOUS																		
Amrutnjan 7 1/2	100	128.00	131.00	Anapara	...	2	5.25	4.40	Colmb. Pioneer	100	360.00	263.00	Trav. Chem. Mfg.	10	15.12	12.00		
A. Cement 6 1/2	100	104.00	100.00	Arthala	...	2	4.00	4.00	Colmb. Spinning	50	58.00	45.00	Trav. Ogale	...	10	7.80	5.05	
A. Scientific 5 1/2	10	10.88	8.00	Athimattam	...	2	1.25	1.00	Dhanalakshmi	100	227.00	177.00	Tube Invt.	...	100	235.00	...	
Aspinwall 5 1/2	10	7.83	8.80	Babakudin	...	5	9.65	14.00	Hemalathan	...	10	7.60	8.35	Tube Invt.	...	50	205.00	...
A. V. Thomas 5 1/2	10	6.48	...	Badra	...	2	3.97	4.25	Janardana	...	50	64.00	68.50	United Electrical	...	10	9.50	9.50
A.V. Thomas 1.5 %	10	6.80	8.50	Balanor	...	10	17.65	18.00	Jawana	...	5	9.45	11.50	United India Fire	...	7 1/2	8.05	8.00
Brunton 6 1/2	10	8.28	8.78	Balmadies	...	2	2.75	3.15	Kadri	...	100	120.00	130.00	Vanguard Fire	...	6	3.50	7.00
Cen. Scientific 6 1/2	5	5.85	5.80	Be Be	...	5	3.75	3.52	Kadri	...	10	14.00	15.00	W. I. Plywood	100	265.00	138.00	
Dalmia Cement 6 1/2	10	9.00	9.30	Blue Mountain	...	2	3.43	3.45	Kannapiran	...	10	8.35	9.40					
Enfield 6 1/2	100	100.00	100.00	Chandramalai	...	2	2.85	2.73	Kasthuri	...	25	24.75	24.75					
India Cement 5 1/2	100	96.00	94.50	Chembra	...	2	4.45	3.65	Kothari	...	10	12.00	9.12					
I.S. Rolling 5 1/2	10	9.20	8.30	Cochin Malabar	...	3	7.33	5.80	Kr. Rajendra	...	50	73.50	59.00					
Kasturi & Sons	...	...	...	Coffee Lands	...	10	23.25	22.00	Lakshmi	...	50	150.50	98.50					
8 %	100	100.00	...	Cons. Coffee	...	10	22.60	20.20	Lakshmi A	...	25	73.50	48.00					
Mad. Vana 5 1/2	100	33.00	33.00	Coonor	...	10	27.25	26.37	Loyal	...	50	30.50	24.25					
Mandya Nl. Paper	100	100.00	...	Coorg	...	2	5.50	4.95	Madura	...	15	33.00	25.25					
Marker 8 %	50	50.00	43.50	Cottanad	...	10	14.87	15.25	Mettur	...	100	430.00	329.00					
Medowell Chem.	100	98.00	...	Cowcoody	...	2	6.05	6.65	Polamalai Rangan	100	103.00	103.00						
Mettur Chem. 8 %	100	102.00	95.75	Devashola	...	10	33.00	24.25	Palani Andavar A	50	180.00	126.00						
Mys. Chem. Mfg. 6 %	10	8.40	9.00	Devon	...	10	17.50	16.63	Palani Andavar B	75	225.00	180.00						
Mys. Lamp 4 %	10	6.50	6.50	Emerald Valley	...	5	8.06	6.75	Pankaja	...	100	55.00	37.75					
National Rubber	...	...	...	Gokul	...	2	1.58	1.57	Premier	...	100	215.00	127.50					
Mfrs. 6 %	100	80.00	100.00	Halleburyia	...	10	19.00	17.50	Pullicar	...	100	121.00	121.00					
Panyam Cement	...	...	...	Highland	...	10	14.85	11.25	Radhakrishna	...	25	28.80	...					
5 % A	100	100.00	...	Kadur	...	2	2.84	2.25	Rajalakshmi	...	50	69.50	61.00					
Panyam Cement	...	...	...	Kalais	...	2	5.28	5.00	Rajapalayam	...	100	135.00	117.00					
6 % B	100	100.00	...	Kalpetta	...	10	11.75	12.40	Ramakrishna	...	100	200.00	150.00					
Parry's 5 %	100	9.00	8.35	Karikkode	...	10	0.45	10.00	R. G. Ambikal	...	100	115.00	...					
Ralla 6 %	100	98.00	69.00	Kilkotagiri	...	2	5.75	7.25	Royalclara	...	50	47.00	47.00					
Rane 6 %	5	4.70	4.70	Kumergode	...	2	5.85	5.80	Sivanandha	...	10	119.00	100.00					
Rane 7 %	5	4.65	4.90	Kurchermal	...	10	8.75	7.00	Sivanandha	...	100	94.00	114.00					
Ruby 6 1/2	10	9.10	9.75	Lingapur	...	2	6.85	...	Thirumurti	...	10	9.30	9.40					
Ruby (Madras)	5	10.25	...	Lucky Valley	...	10	13.00	12.00	Thirupati	...	10	26.55	18.58					
Sen Raleigh 5 %	100	140.00	101.00	Malabar Agr.	...	10	7.50	8.55	Trav. Rayon	...	10	11.20	11.70					
Spencer A 6 1/2	10	9.30	8.00	Malabar Indual.	...	10	12.85	14.56	Trichinopoly	...	100	251.50	201.00					
Spencer B 6 1/2	10	11.75	11.05	Malankara	...	10	18.12	18.25	Venkatesa	...	50	134.00	117.00					
Stand. Motor 6 1/2	100	108.90	97.80	Manar	...	2	2.45	2.90	Vijayakumar	...	100	140.50	99.00					
Trav. Chem. 6 1/2	10	10.00	9.20	Manimala	...	5	9.85	8.75	Vilayalakshmi	...	100	90.00	84.00					
T. Stanes 7 1/2	100	88.00	95.00	Mercara	...	10	12.25	11.70	Vijayeswari	...	100	120.00	83.50					
United Elec. 5 %	10	10.00	10.00	Midland	...	10	40.87	36.25	Virudhunagar	...	50	41.75	32.00					
Vanguard Fire 5 1/2	6	4.73	8.73	Misamalai	...	25	40.87	36.25										
W. I. Plywoods	100	100.00	88.00	Mysore Coalgm.	...	5	5.10	5.33										
				Mysore Coffee	...	2	5.10	3.85										
				Mys. Plantations	...	2	1.95	1.42										
				Neelamalai	...	5	4.67	4.45										
				Nellampathy	...	2	2.95	2.80										
				Nellithanam	...	10	12.05	12.25										
				Nemmeny	...	10	17.25	15.65										
				Nilambur	...	10	18.15	15.25										
				Nigriri	...	10	7.43	7.40										
				Nonsuch	...	10	26.25	25.50										
				Oosoor	...	2	3.76	...										
				Oucherlony	...	2	6.05	5.15										
				Panchura	...	1	4.47	3.55										
				Parkside	...	10	25.25	20.75										
				Peermade	...	10	23.00	17.75										
				Perinmal	...	10	22.75	19.50										
				Periakaramalai	...	2	3.78	4.08										
				Pondumdi	...	2	1.40	1.40										
				Pullangoode	...	2	1.91	1.90										
				Puthuthotam	...	2	2.74	3.00										
				Rajagiri	...	10	20.00	17.20										
				Rajendra	...	5	17.62	12.40										
				Rangameswar	...	2	2.80	2.45										
				Savamalai	...	2	4.15	3.50										
				Shevaroy	...	2	1.90	1.84										
				Stanes Amalgam	...	10	15.25	13.25										
				Swinthor	...	2	2.80	2.55										
				Talaray	...	2	1.65	1.58										
				Teekoy	...	10	7.85	7.10										
				Thamrapally	...	10	26.62	27.00										
				Thirumbadi	...	1	2.03	1.92										
				Thrv. Rubber	...	10	15.62	17.58										
				T. R. & K. Co.	...	10	8.25	7.70										
				Tropical	...	25	22.12	21.85										
				Udaygar	...	10	13.00	16.75										
				Udaygar	...	10	13.00	11.15										
				Vakkur	...	10	22.22	19.00										
				Vakkundam	...	10	27.75	25.00										
				Vaylari	...	2	1.67	1.34										
				Vellimal	...	5	6.50	5.70										
				Wartybully	...	3	3.82	...										
				Waterfall	...	2	3.58	3.86										
				Woodcote	...	1	1.67	1.70										
				Woodland	...	10	7.85	7.92										
SUGAR																		
Andhra	...	10	23.90	20.00	Adoni	...	10	8.40	8.00	Alum. Indus.	...	10	23.55	18.60				
Cauvery	...	100	128.00	102.00	Anglo-French	...	100	100.50	70.50	A. Cement B	...	10	9.26	10.00				
Deccan	...	5	13.10	9.80	Asher	...	100	212.80	217.00	Andhra Scientifics	...	10	9.50	5.00				
E. L. Distil.	...	20	48.25	31.00	Bajarama Varma	...	100	91.00	90.00	Ashok Layland	...	5	7.10	6.43				
India	...	10	12.40	12.20	Bajarama Varma B	...	10	8.25	9.00	Aspinwall	...	10	6.90	7.00				
Jeyppor	...	10	15.25	15.10	Balasubramania	...	40	62.00	51.00	Aspinwall Trv.	...	10	5.00	6.00				
K. C. P.	...	10	18.00	43.25	Balasubramania B	...	70	98.00	95.00	Assoc. Ind. and Eng.	...	100	85.50	96.00				
Kirampudi	...	100	69.00	49.50	Bengl. Woolen	...	100	168.00	162.00	A. V. Thomas	...	10	21.00	15.75				
Mysore	...	10	56.75	42.60	Buckingham	...	10	9.70	8.80	A. V. Thomas I	...	10	15.00	15.00				
Travancore	...	10	10.65	10.10	Cambodia	...	10	163.00	138.00	Bang. Pritg.	...	100	167.00	170.00				
United Brew	...	10	54.00	...	Cannanore	...	10	14.12	10.30	Benny	...	100	4.05	4.70				
					Colmb. Cotton	...	100	154.00	127.00	Brunton	...	10	7.10	6.10				
					Colmb. Kamala	...	100	102.00	102.00	Central Scientifics	...	5	11.20	9.90				
					Colmb. Kamala	...	60	80.00	80.00	Dalmia Cement	...	10</						

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Indian Finance

1960-61

BUDGET:

A Study

Contents will include an assessment of excise duties in Union Budgets since the beginning of the planning era, an analysis of the direct tax proposals, comments by Eavesdropper and Watch-dog, a money market approach to the Budget and the Leading Article.

The Supplement will besides contain the full texts of the speeches of the Finance and Railway Ministers and of the Finance Bill 1960.

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Indian Finance

INVESTOR'S SUPPLEMENT

FOR the first time since the beginning of the year, substantial gains in prices were recorded in most of the counters on the Calcutta Stock Exchange, especially toward the end of February. Turnover, too, was fairly heavy. In this connection, it should be said that the Central Budget gave a new life to the market and even the little hesitation, that marked the close of the special Budget session on the last day of the month, appeared to have completely subsided.

Although the market started the month shakily and many operators applied pressure indicating the usual pre-budgetary nervousness, the encouraging trend of results for non-Communists in Kerala elections and the reports of the decision made by the USA to raise her aid to India by 50 per cent had a salutary effect, resulting in a steady recovery in prices from the beginning of the month.

During the second and third week of the month, conditions remained rather dull, as the pre-Budget caution made operators hesitant to extend their commitments beyond what they considered to be the safe level. It was, however, noteworthy that there was no aggressive selling in any of the counters. This appeared to be due to hopes that the Finance Minister might not do anything to undermine the confidence of investors, especially when the country is about to embark on a gigantic Third Plan.

In the above respect, some operators believed that, if the Railway Budget was taken as any indication, the Union Budget might also be undisturbing. Again, they felt that, while the State Budgets had been harmless, no radical tax measures would be proposed, especially when there was the prospect of a substantial rise in revenues due to increased income-tax collections from companies following the changes in the last budget.

It was believed that, additional resources were to be raised, they would have to come from indirect taxes. Optimism was even entertained that there might be some concessions here and there in the structure of direct taxation which, it was felt, had already reached its limits. Hopes were also held that any increase in indirect taxation might be imposed only on producers' goods and not on those commodities entering into the daily consumption of the masses.

As a matter of fact, when the Budget proposals were announced on the last day of the month, there was a fair-up in values due to sustained bull support coupled with nervous short-covering. Of course, there was genuine disappointment over the absence of the

Handsome Gains in Prices Recorded in February

much-needed relief in respect of corporate taxes and the reduction in the levy on bonus issues. But, it was felt that, with the extension of tax exemption to the new industrial undertakings for a period with market expectations. With the result, operators came out as aggressive buyers and the craze for buying infected almost all the sections of the market toward the end of the month.

PRICE TRENDS DURING FEBRUARY, 1960.				
	Opening Rs nP	Highest Rs nP	Lowest Rs nP	Closing Rs nP
GILTEDGED:				
3% 1986 Conversion	74.10	74.75	73.70	74.20
BANKS:				
Punjab National	21.12	21.50	20.50	21.25
UCO	70.00	70.00	69.25	69.50
TEXTILES:				
Kesoram	21.87	23.56	21.75	23.12
Elgin	17.06	18.19	17.06	18.06
COAL:				
Bengal	297.00	302.00	297.00	302.00
Burrakur	18.50	18.75	18.19	18.50
JUTE:				
Anglo-India	211.00	233.00	211.00	233.00
Howrah	23.94	24.37	23.87	23.87
National	30.94	31.00	30.50	31.00
TEA:				
Brooke Bond	17.44	17.81	17.31	17.81
Hasimara	23.00	23.00	21.62	22.00
Tezporc	18.12	18.12	17.69	17.75
SUGAR:				
Carew	12.37	12.50	11.44	11.44
Cawnpore	16.12	16.37	16.00	16.06
Champarun	20.50	20.50	20.44	20.44
ENGINEERING:				
Indian Iron	22.21	23.40	22.08	23.15
Jessop	23.37	23.87	23.25	23.75
TEKMACO	25.55	26.00	25.15	25.60
Guest, Keen, Williams	44.37	48.25	44.37	47.37
MISCELLANEOUS:				
Orient Paper	37.75	38.90	37.40	38.70
Titagur	39.75	40.12	38.50	39.87
Shree Gopal	22.50	22.75	22.12	22.75
H. Motor	16.34	17.31	16.06	16.81
Robtas	27.44	28.44	28.75	28.44
Indian Cable	29.56	30.00	29.19	29.75
Indian Aluminium	25.06	25.25	24.37	24.37
Indian Copper	3.85	4.17	3.87	4.12
India Steamship	11.69	12.00	11.50	12.00
NICCO	25.75	27.31	25.75	27.31

of five years, there would be a boom in new capital issues. Again, the proposal in regard to payment of dividends out of taxed reserves and the levy of excise duties on various commodities were in line

Irrespective of the levy on pig iron and electric motors, Engineering shares met with good support at enhanced levels under the lead of Indian Irons on the belief that the increase in costs would ulti-

mately be passed on to the consumer.

In the Jute section, scrips of selected mills maintained their best levels on the hope that these mills might make satisfactory profits for the current year, having already bought jute in time and at cheaper prices.

Although Coal shares reacted slightly to the announcement of the increase in railway freight on the commodity, they responded well to selective enquiries on reports of rising consumption. Hopes were also entertained that the Government would soon realise the need for encouraging the private sector of the industry and give encouragement to raise production.

The Tea section recorded only a scrumpy business as the auction results for all the weeks of the month were disappointing in view of the poor enquiry from overseas buyers. A few selected scrips, however, showed a marked recovery toward the close of the month following the encouragement derived from the Centre's decision to increase the excise duty as a prelude to the rationalisation of the burden on tea. It was thought that the West Bengal and Assam States would be compensated by a share in the excise duty in case if these States would agree to abolish the Octroi and Carriage Taxes.

Sugar shares came in for selective support in anticipation of increased production during the current season. The absence of any new levy on the sweet commodity had also a favourable effect.

Although Textile scrips participated in the general rise in prices in the absence of any fresh levy, the reports, that the Government of India had accepted the recommendations of the Central Wage Board, induced small liquidation at the close of the month.

Thanks to good corporate news, the announcement of satisfactory dividends by a few companies and the emergence of investment support for the blue chips to growth prospects, the Miscellaneous section provided several bright features.

Paper shares were buoyant throughout the month in the absence of any fresh levy.

Even the heavy excise duty on cars was ignored on the belief that the producers would increase the price without difficulty.

The possibility of raising cement retention prices in order to cover the increased wage bill induced renewed firmness in Cement shares.

Other shares in the section naturally participated in the general recovery in prices, although profit-taking erased some of the extreme gains at the close of the month.

Indian Finance JUTE

NAME	Managing Agents Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents Commission and allowances Rs. 000	Year ended Rs. 000	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hession	Sacking								Latest	First previous	Second previous
Aspirin ...	B. N. Elias & Co. 7% C. P. ...	554	325	6,458	17,268	2,367	124	3-59	(a) 3,653	755	5	24	24
Atasandra ...	McLeod & Co. Ltd. 7% C. P. ...	296	150	10,498	17,310	4,185	42	12-58	(a) 627	(a) 1,561	10	10	10
Alliance ...	McLeod & Co. Ltd. 5% C. P. ...	797	467	9,438	20,024	1,383	50	5-59	(a) 1,134	-63	nil	nil	nil
Anglo India ...	Duncan Bros. & Co. 7% C. P. ...	1,589	972	25,175	62,869	13,412	333	3-59	(a) 4,364	2,752	12	10	7
Auckland ...	Bird & Co. Private Ltd. 5% C. P. ...	450	360	14,401	22,772	6,064	204	3-59	2,232	(a) 1,658	20	5	nil
Bally ...	Birla Bros. Private Ltd. 7% C. P. ...	659	300	12,191	19,672	4,243	180	3-59	1,706	1,257	10	6	2
Barnagore & ...	Jardine Henderson 5% C. P. ...	1,200	690	...	...	...	...	3-59	341	42	10	nil	nil
Belvedere ...	Andrew Yule & Co. Ltd. 7% C. P. ...	601	219	8,335	12,671	679	57	12-58	(i) 835	(a) 10,923	7	5	5
Bengal Jute ...	Seorajmull Nagarmall 5% R. C. P. ...	350	250	14,694	26,139	2,404	50	6-58	(w) 816	(h) 24	5	nil	10
Bharat ...	Das Group. Private 4% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Birla ...	Birla Brothers Private 7% C. P. T. ...	982	391	29,251	48,138	6,045	608	3-59	7,436	4,152	10	10	10
Budge Budge ...	Andrew Yule & Co. Ltd. 7% C. P. ...	552	439	10,127	15,998	720	50	10-59	565	(a) 9,335	5	5	5
Caledonia ...	Andrew Yule & Co. Ltd. 7% C. P. ...	371	245	6,830	10,741	592	54	11-58	841	(a) 6,357	15	nil	nil
Champany ...	James Finlay & Co. Ltd. 7% C. P. ...	761	639	18,823	30,510	4,797	50	3-59	1,813	1,045	7	7	7
Chariot ...	Andrew Yule & Co. Ltd. 7% C. P. ...	480	50	5,631	8,599	455	50	11-58	312	(m) 198	5	nil	2
Chitavalah ...	McLeod & Co. Ltd. 7% C. P. ...	124	576	7,433	15,700	3,178	156	7-58	1,669	1,306	12	11	12
Clive ...	S. K. Invest. Co. Ltd. 6% C. P. ...	546	423	5,791	10,912	2,675	50	3-58	-38	-380	nil	nil	6
Dalhousie ...	Bird & Co. Private Ltd. 7% C. P. ...	496	270	11,533	18,230	3,762	45	3-59	1,281	259	nil	nil	nil
Delta ...	Andrew Yule & Co. Ltd. 5% C. P. ...	458	321	7,954	12,428	836	50	11-58	(a) 731	(a) 184	8	nil	5
Empire ...	McLeod & Co. Ltd. 7% C. P. ...	299	205	6,928	13,380	2,211	76	7-58	951	400	10	7	10
Fort Gloster ...	Kettlewell Bullen & Co. 7% C. P. ...	1,898	784	22,664	38,663	8,948	330	3-59	3,328	2,313	20	20	10
Fort William ...	Bangor Brothers Ltd. 7% C. P. ...	633	381	17,527	28,355	4,117	118	3-59	1,448	1,382	15	15	15
Gangra ...	Directors 8% C. P. ...	1,001	788	2,805	29,866	1,681	...	3-59	894	791	nil	nil	nil
General Indust. Society ...	Directors Deb. ...	409	198	16,349	23,436	3,507	...	12-58	1,263	(a) 960	20	20	16
Gouropore ...	Macneil & Barry 6% C. P. ...	962	492	23,738	39,047	1,832	245	3-59	2,667	1,874	25	20	24
Hastings ...	Bangor Bros. Ltd. 6% C. P. ...	661	417	14,798	24,151	6,118	208	3-59	2,487	1,957	6	5	5
Hughly ...	Directors 10% Pref. (i) ...	466	254	9,805	16,128	2,401	...	3-59	1,127	658	6	6	6
Hawrah ...	Jardine Henderson Ltd. 7% C. P. ...	1,234	706	21,859	37,675	9,082	171	3-59	(a) 3,397	(i) 5,761	10	10	10
Hukmchand ...	Ramdevi Ramkrishna 7% C. P. ...	1,519	759	32,620	50,205	9,443	356	3-59	9,978	2,819	20	20	20
India ...	Directors ...	522	554	15,566	23,038	4,747	...	3-59	(a) 12,681	2,370	9,92	128	71
Kamarhaty ...	Jardine Henderson Ltd. B. Ord. ...	1,250	547	22,638	38,958	7,967	281	12-58	3,393	-498	5	6	6

March 12, 1960

COMPANIES

NAME	Market Quotation as on the Last Day of		Paid-up per share Rs.	Capital paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Deprecia- tion Rs. 000	LIQUID ASSETS				
	February 1959 Rs. np.	February 1958 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Scries Rs. 000	Out- standings Rs. 000	Cash Balances Rs. 000	Others Rs. 000
Agarpara ...	11 81	9 56	10	6,000	4,922	930	25	2,478	11,727	4,527	405	5,819	2,334	592	35
7% Cum. preference ...	91 00	104 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	920 00	905 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Alexandra ...	172 00	182 00	100	600	400	772	193	5,596	6,839	4,034	70	5,082	1,247	127	...
7% Cum. preference ...	97 50	96 00	100	900	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	455 00	455 00	500	600	...	...	...	...	...	...	...	...	...	...	...
Alliance ...	116 00	119 00	100	3,000	...	279	-188	3,950	12,670	9,941	210	4,721	719	161	...
6% Cum. preference ...	68 00ad	68 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Anglo India ...	233 00	205 00	100	4,921	5,900	2,261	215	14,252	30,977	22,693	4,133	14,136	3,794	294	9
7% Cum. preference ...	96 00	101 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Auckland ...	173 00	176 00ad	100	4,000	1,138	2,596	43	5,568	15,140	7,019	334	6,901	1,969	17	5
5% Cum. preference ...	76 00	74 75ad	100	1,000	...	...	...	...	...	...	...	...	...	...	...
4% R. Cum. preference ...	65 00	58 75ad	100	1,500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	780 00	770 00	1000	1,500	...	...	...	...	...	...	...	...	...	...	...
Bally ...	215 00	205 00	100	2,000	2,000	702	4	4,950	10,752	7,106	644	4,867	1,506	993	...
7% Cum. preference ...	98 00	107 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Barnagore & ...	150 80	131 00	45	275	215	412	68	449	1,578	990	17	765	228	21	...
5% Cum. preference ...	38 50	40 50	45	200	...	...	...	...	...	...	...	...	...	...	...
Belvedere ...	154 50	160 00	100	2,800	1,249	1,649	16	2,563	9,777	5,482	73	3,894	687	28	...
7% Cum. preference ...	97 00	101 50	100	700	...	...	...	...	...	...	...	...	...	...	...
Bengal ...	11 50	11 62	10	1,000	1,424	1,185	205	11,846	6,087	3,697	5	5,886	3,541	10,336	4
5% R. C. P. ...	69 00	77 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	900 00	900 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	900 00	900 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Bharat Jute ...	6 12	18 81	10	9,126	4,750	21,445	-3,624	4,185	1,323	303	...	373	596	112	17
Birla ...	26 25	87 00	100	2,364	...	...	...	...	...	...	...	...	...	...	...
7% C. P. T. ...	91 00	87 00	100	10,000	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. ...	124 00	130 00	100	3,600	1,196	740	33	2,439	11,796	7,059	93	3,637	439	2	...
Budge Budge ...	103 50	102 00	100	900	...	...	...	...	...	...	...	...	...	...	...
7% Cum. Preference ...	176 00	197 00	100	1,800	2,369	277	36	1,550	8,440	4,652	63	2,834	347	...	...
Caledonia ...	69 50	77 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	125 00	117 00	100	5,916	...	7,658	92	3,700	11,145	2,071	205	5,868	1,817	53	28
Champany ...	168 00	185 00	100	1,595	1,301	831	18	830	8,351	5,861	84	2,540	459	5	...
Chariot ...	101 00	102 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	14 75	15 31	10	3,015	1,900	1,750	72	3,471	8,914	5,494	1,231	3,946	2,251	775	154
Chitavalah ...	105 50	100 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% Debenture ...	442 50	442 50	500	1,069	...	...	...	...	...	...	...	...	...	...	...
Clive ...	12 37	14 00	10	2,400	...	900	-312	2,005	8,189	6,173	6	3,299	1,787	22	...
6% Cum. preference ...	75 00	67 50	100	800	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	84 00	72 00	100	800	...	...	...	...	...	...	...	...	...	...	...
Dalhousie ...	131 50	130 00	100	3,149	836	3,778	-642	3,896	13,988	6,131	464	4,744	1,319	...	7
7% Cum. preference ...	99 00	73 37	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	900 00	900 00	1,000	1,873	...	...	...	...	...	...	...	...	...	...	...
Delta ...	154 00	170 00	100	2,800	1,488	2,370	7	1,931	10,358	5,084	49	3,417	334	21	...
5% Cum. preference ...	68 00	78 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Empire ...	16 87	19 94	10	1,500	2,450	1,244	26	2,876	10,188	6,599	937	2,960	2,316	181	...
7% Cum. preference ...	98 50	100 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	450 00	450 00	500	886	...	...	...	...	...	...	...	...	...	...	...
Fort Gloster ...	380 00	210 00	100	4,200	6,127	1,305	194	13,985	26,127	15,943	209	10,591	4,418	402	3,669
7% Cum. preference ...	114 00	105 50	100	1,400	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference ...	71 00	69 50	100	700	...	...	...	...	...	...	...	...	...	...	...
5% Debenture ...	98 00	96 00	100	1,561	...	...	...	...	...	...	...	...	...	...	...
Fort William ...	23 62	23 75	10	2,100	1,900	23	167	7,572	12,775	6,881	132	4,784	1,769	172	10
7% Cum. preference ...	111 50	84 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Ganges ...	9 81	...	10	8,432	...	...	-877	13,268	22,372	14,432	198	10,594	2,464	226	...

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessian	Sacking								Latest	First previous	Second previous
Kanknarrah...	Jardine Henderson Ltd. ... B. Ord. ... 6% C.P. ... 4% R.C.P. ... 5 1/2% Debentures	1,239	285	21,907	34,940	8,217	50	12-58	1,591	-1,021	Nil	Nil	Nil
Kelvin ...	McLeod & Co. Ltd. ... 7% C.P. ...	394	309	8,926	15,248	4,738	144	5-59	1,683	1,742	14	12 1/2	9
Khardah ...	Anderson Wright Ltd. ... 6% C.P. ...	914	616	19,264	30,340	10,210	169	3-59	(p)2,495	1,069	20	8	7
Kinnison ...	F.W. Heilgers & Co. Pri. ... 7% C.P. ... 5% Debentures	672	575	21,860	35,162	8,530	109	3-59	1,978	(a11)1,400	6	6	6
Lansdowne ...	Bird & Co. Private ... 7% C.P. ...	579	352	14,246	20,758	4,808	45	3-59	749	(a12)569	Nil	Nil	Nil
Lawrence ...	Bird & Co. Private ... 7% C.P. ... 5 1/2% 'B' C.P.	484	356	2,114	5,280	90	40	3-59	1,793	(a13)619	2	Nil	3 1/2
Mahabir ...	Agrawal Brothers & Co. ... Directors	28	123	3,315	5,399	1,219	30	9-58	118	(b)267	Nil	Nil	Nil
Megna ...	Directors	612	396	24,363	32,823	12,265	...	3-59	2,942	3,368	10	17 1/2	5
Naibati ...	Directors	493	322	9,587	13,682	4,731	...	3-59	732	(i) 442	Nil	Nil	Nil
Naskarpara ...	Howrah Trading Co. Private ... 5 1/2% Debentures	333	92	6,733	10,668	443	40	10-58	272	233	2 1/2	2 1/2	Nil
National ...	Andrew Yule & Co. ... 7% C.P.	573	279	7,921	12,945	7	50	10-57	(a20) 658	(k) 474	7 3/4	7 3/4	17 1/2
Nellimarla ...	McLeod & Co. Ltd. ... 6% C.P. ... 4 1/2% Deb.	100	216	6,458	13,256	2,704	113	7-58	1,149	689	10	9	10
New Central ...	Sahu Jain Ltd. ... 7% C.P.	10,39	7,26	51,788	71,606	5,752	233	3-59	(c)4,268	(D)4,674	15	15	15
Northbrook ...	Bird & Co. Private Ltd. ... 5 1/2% C.P. ... 4% Deb.	214	353	11,327	18,141	4,537	106	3-59	1,504	(a32)385	12 1/2	Nil	Nil
Nuddea ...	Macneill & Barry ...	644	448	16,399	25,914	715	109	3-59	1,707	1,412	6	5	Nil
Orient ...	Andrew Yule & Co. ...	551	50	3,521	8,611	607	50	11-58	209	(a21)117	2 1/2	Nil	3
Frenchand ...	R. J. Roy Bros. Private Ltd. ... McLeod & Co. Ltd. ... 4% Deb.	364	240	285	1,782	...	25	4-59	(u)339	-604	Nil	Nil	Nil
Presidency ...	...	238	162	6,638	14,297	2,204	62	7-58	778	594	7 1/2	6	6 1/2
Rameshwara ...	Birla Bros Private Ltd ... 6% C.P.	...	305	5,290	9,651	2,219	80	3-59	795	260	Nil	Nil	Nil
Ralliance ...	Jardine Henderson ... 7% C.P. ... 5% Deb.	924	332	...	1,433	...	50	3-59	758	-528	Nil	Nil	Nil
Shree Ambica ...	Bagaria More ... 7 1/2% C.P.	703	208	15,080	24,947	3,569	89	3-59	1,110	1,024	6	5	5
Soorah ...	Hand Inv. Corpn. ... 7% C.P.	201	200	7,899	10,503	2,888	66	12-58	1,039	1,005	12 1/2	15	15
Standard ...	Bird & Co. Private Ltd. ...	367	283	6,243	7,509	219	40	3-59	(a)503	(a33)1,531	2 1/2	5	Nil
Union ...	Bird & Co. Private Ltd. ... 7% C.P. ... 4 1/2% Deb.	758	568	11,610	18,849	4,010	192	3-59	2,412	(a16)3,258	20	15	Nil
Waverley ...	McLeod & Co. Ltd. ... 5% C.P.P. ... 5 1/2% Debenture	806	159	...	711	...	35	5-59	423	(y)607	25	Nil	5

(a) After transferring Rs 275,000 from General Reserve.
(b) After writing back Rs 107,889 being excess provision for taxation and including Rs 20,880 being refund of taxes.
(c) After transferring Rs 420,000 from General Reserve.
(d) After transferring Rs 200,000 from Stores and Spare Parts Reserve and Rs 100,000 from Debenture Redemption Reserve.
(e) After transferring Rs 112,500 from Dividend Equalisation Reserve and Rs 34,843 from Investment Realisation Surplus.
(f) After transferring Rs 60,000 from General Reserve.
(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.
(h) After transferring Rs 573,255 from General Reserve.
(i) After writing back Rs 223,804 from Depreciation written off in respect of Machinery sold.
(j) After transferring Rs 31,000 from General Reserve.

(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contracted for; Rs 14,000 being excess provision for taxation and Rs 1,96,000 from Dividend Equalisation Fund.
(l) After transferring Rs 1,371,250 from General Reserve No. 1.
(m) After transferring Rs 103,000 from General Reserve and Rs 70,000 from Dividend Equalisation Reserve.
(n) After transferring Rs 120,000 from General Reserve.
(o) After writing back Rs 59,017 from Taxation Reserve.
(p) After transferring Rs 5,33,375 from General Reserve.
(q) Includes Rs 971,500 being Refund of Contribution to Pension Fund and interest and Rs 93,317 being refund of I.T. and B.F.T.

(r) After writing back Rs 56,600 being Development Rebate.
(s) After transferring Rs 7,00,000 from Reserve No. 1.
(t) Preference shares carry a dividend of 10 Per cent of which only 5 per cent is cumulative.
(u) After writing back Rs 1,00,000 from provision against jute stocks and jute contracted for.
(w) After writing back Rs 63,282 being excess provision and adjustments and Rs 11,585 being sundry balances.
(x) After transferring Rs 150,000 from Contingency Reserve.
(y) After transferring Rs 115,000 from General Reserve.
(z) After transferring Rs 2,70,000 from General Reserve; Rs 25,000 from Dividend Equalisation Reserve and Rs 34,500 from Investment Realisation Surplus.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capita. paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Deprecia- tion Rs. 000	LIQUID ASSETS				
	February 1960 Rs. np.	February 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balance Rs. 000	Others Rs. 000
Kanknarrah ...	113 00	91 00	100	3,000	600	285	-3,178	13,639	17,562	10,504	1,86	9,664	2,152	212	1,165
B. Ordinary ...	97 00	84 00	100	2,400											
6 1/2% Cum. preference ...	90 00	71 00	100	1,000											
6% R. C. P. ...			100	423											
5 1/2% Debentures ...	90 00	90 00		1,269											
Kelvin ...	159 00	243 00xd	100	2,800	4,550	360	164	3,500	14,371	9,871	866	5,718	1,091	199	
7% Cum. preference ...	85 50	99 00xd	100	1,000											
Khardah ...	162 00	159 00	100	5,400	1,800	413	10	15,093	22,006	13,249	365	11,741	2,468	283	
6% C. P. ...	93 00	66 25	100	900											
Kinnison ...	125 00	176 50xd	100	5,759	2,502	5,584	51	9,923	24,109	11,728	2,101	10,239	3,077	22	
7% Cum. preference ...	89 00	99 00xd	100	1,500											
5% Debentures ...	900 00	900 00	1000	2,500											
Lansdowne ...	137 00	134 00	100	2,448	1,085	2,601	-758	7,840	13,028	6,302	330	5,917	1,664	66	8
7% C Preference ...	104 50	100 00	100	1,500											
Lawrence ...	143 00	112 00	100	2,800	104	2,265	60	988	8,989	3,914	411	1,472	543	215	
7% Cum. preference ...	91 50	87 00xd	100	500											
5 1/2% 'B' cum. preferen	70 00	66 50xd	100	1,000											
Mahabir ...	85 00	85 00	100	1,078		1	-39	1,571	2,084	1,546	30	1,841	131	71	
Megna ...	12 27xd	14 25	10	8,165		2,813	282	15,021	23,462	14,389	26	11,664	5,059	659	
Naibati ...				2,999	1,199	2,237	-1,161	5,112	16,407	9,433	177	5,840	1,591	9	45
7% cum. preference ...	101 00	78 25	100	750											
4 1/2% R. C. P. ...	66 00	64 50	100	1,000											
5 1/2% Debentures ...	900 00	900 00	1000	2,500											
Naskarpara ...	12 50	14 25	10	2,000	1,299	15	5	1,177	3,684	2,427	5	1,749	1,114	3,871	
5 1/2% Debentures ...			1000	500											
National ...	31 00	25 25	10	3,500	2,170	1,781	20	1,577	4,849	1,231	203	3,053	920	1,754	
7% C. P. ...	100 00	105 00	100	500											
Nellimarla ...	12 19	12 19	10	2,625	1,775	1,144	91	4,762	3,774	2,334	703	3,439	4,561	481	772
6% Cum. preference ...	92 00	86 00	100	500											
4 1/2% Debentures ...	460 00	460 00	500	500											
New Central ...	24 25	13 00xd	10	12,824	10,780	9,068	1	65,511	41,268	12,864	1,817	18,050	7,873	682	44,659
7% Cum. preference ...	96 00	91 75	100	3,300											
Northbrook ...	19 94	18 75	10	1,680	1,575	3,320	35	4,988	13,611	6,954	440	5,623	2,049	4	26
5 1/2% Cum. pref. ...	80 50	71 25xd	100	1,500											
4% Debentures ...	850 00	800 00	1000	2,000											
Nuddea ...	58 50	57 50	50	6,680	2,300	144	16	10,504	22,221	11,701	440	6,695	1,744	244	
Orient ...	156 00	179 00	100	2,491	1,797	505	20	735	7,667	5,440	71	2,829	268	36	
Frenchand ...			100	3,996			-4,142	1,915	6,201	4,620	76	44	20	48	
Presidency ...	6 00	5 94	5	2,500	500	419	17	3,044	9,303	7,004	112	2,562	1,194	292	78
4% Debenture ...			1000	61											
Rameshwara ...	8 69	5 87	10	2,000		20	3	2,436	3,175	997	72	2,721	78	106	
6 1/2% Cum. preference ...	12 44	9 44	10	700											
Reliance ...	7 75	7 75	10	4,950		20	-3,896	1,904	12,461	6,673	191	1,071	554	54	
7% C. P. ...	89 50	69 50	100	2,030											
5% Debenture ...	820 00	850 00	1000	2,500											
Shree Ambica ...	13 40xd	11 37	10	3,030	975	209	70	9,520	12,450	9,165	1,328	4,430	5,333	361	
7 1/2% Cum. preference ...	50 50xd	88 00	100	1,170											
Soorah ...	19 37	19 50	10	1,400	1,080	64	69	3,548	7,131	5,003	1,360	3,238	405	31	
7% Cum. pref. ...	88 00	95 00	100	1,000											
Standard ...	112 50	112 50xd	70	1,764	405		66	2,118	918	388	291		1,180	2,132	
Union ...	208 00	209 00xd	100	3,599	2,255	3,335	76	3,433	10,668	4,670	672	4,849	2,903	74	2
7% C. P. ...	97 50	98 00xd	100	600											
4 1/2% Debenture ...	950 00	900 00	1000	1,200											
Waverley ...	3 44xd	4 00	1	250	185	335	104	392	5,513	4,449	60	409	393	1,088	
5% Cum. P. P. ...	34 00xd	41 50xd	50	750											
5 1/2% Debenture ...	400 00	400 00	500	1,000											

MISCELLANEOUS

NAME	Managing Agents Agents/Secretaries	Salary and Wages	Other Major Expenses	Sales	Stocks	Managing Agents allowances and Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA												
Alembic Chemical	Bhalai Amin & Sons private Ltd.	3,141	13,558	22,395	4,039	284	12-58	3,085	2,670	12	12	10
	61% 1st Cum. Pref.	...	...	...	...	...	...	...	...	61	61	61
	5% 2nd. R. C. P.	...	...	...	...	...	...	...	...	5	5	5
	6% 3rd. Cum. Pref.	...	...	...	...	...	...	...	...	6	6	6
Amar Dye-Chem	Amritlal & Co. Private	649	6,736	10,628	5,074	...	12-58	1,602	97	nil	nil	nil
Anil Starch products	Kasturbhai Lalbhai & Co.	1,058	9,243	19,518	1,572	84	12-58	(a)2,272	(c)2,314	20	20	10
Associated Cement Cos.	Cement Agencies Private Ltd.	45,155	126,873	257,706	12,969	3,714	7-59	(a)21,59,602	53,001	11	11	9
Associated Stone Industries.	Rajputana Mining Agen. Pri. Ltd.	...	...	4,510	1,060	129	9-58	652	635	35	35	30
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Atul Products	Lalabhai Sons & Co.	1,223	15,340	28,952	7,626	400	12-58	5,329	5,065	10	8	6
Automobile Products	Directors	2,111	12,392	16,914	6,481	...	7-58	145	342	nil	nil	5
	5% R. C. P.	...	...	...	...	...	...	...	...	nil	nil	5
	6% R. C. P.	...	...	...	...	...	...	...	...	nil	nil	5
Bagalkot Cement	Tendulkar Indus. Private Ltd.	937	4,363	7,332	432	80	12-58	1,603	1,521	7	6	6
Bharat Line	Dinshaw Private	3,013	...	18,666	...	84	12-58	(v)3,887	6,455	12	12	6
Bombay Burma Trading	Wallace & Co.	1,414	...	42,800	5,255	322	5-58	7,506	15,140	18	32	30
	Old Shares	...	...	...	...	...	...	...	...	...	...	...
	New shares	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas	Directors	616	5,436	9,405	...	...	12-57	1,261	(a)10,006	4	121	...
Bombay Potteries & Tiles	Directors	569	500	2,242	137	...	9-58	765	628	10	9	6
	61% C. P.	...	...	...	...	...	...	...	...	61	61	61
	41% C. P.	...	...	...	...	...	...	...	...	41	41	41
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.	...	...	134	5,021	459	9-58	63	76	13	13	13
Bombay Uganda Co.	Directors	2,332	15,763	20,898	6,219	...	12-58	2,074	2,730	161	161	15
W. H. Brady & Co.	Directors	11,772	32,976	133,271	...	...	12-58	73,481	75,476	15	15	...
Barmah Shell	Directors	...	...	...	...	...	...	...	...	...	...	...
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...
Caltex Oil	Directors	5,598	5,167	39,727	1,276	...	12-58	25,910	12,925	nil	nil	...
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...
C. Claridge & Co.	W. H. Brady & Co. Ltd.	1,066	1,983	3,378	147	30	12-58	318	184	15	15	15
G. G. Dandekar Machine Works	Dandekar Engineers	321	615	1,327	11	20	6-58	211	176	10	9	8
	Partly Paid Ordinary	...	...	...	...	...	...	...	...	...	...	...
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Delhi Safe Deposit	Directors	...	...	162	28	...	12-58	86	69	71	71	71
	Ordry. P. P.	...	...	...	...	...	...	...	...	...	...	...
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Dena Investment	Directors	8	...	184	...	...	3-59	134	121	3,48	3,24	3,24
Dharamai M. Chemical	D. Moraji & Co.	1,492	5,603	9,079	146	155	12-58	1,778	1,023	12	10	6
Digvijay Cement	Shree Laxmi Agents Ltd.	2,043	17,097	24,189	2,070	162	12-58	(m)4,902	4,755	9	9	81
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Eastern Shipping Corp.	Scindia Steam Navigation	2,431	17,467	25,537	18,84	33	3-56	4,138	6,961	nil	nil	nil
Estrela Batteries	Chemical Manilal Ltd.	14,19	23,27	57,54	...	...	...	4,79	2,70	6	4	6
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping	S. H. Bhiwandiwala & Co. pri.	720	...	31,282	...	359	6-59	(d)19,817	(l)12,073	15	15	15
	51% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co.	Directors	3,419	36,776	45,098	9,038	...	3-59	3,864	13,309	71	10	71
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	6% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Gwalior Rayon	Birla Gwalior Private	4,900	44,878	71,776	4,140	1,195	3-59	22,960	6,731	10	nil	nil
	6% R. C. P. "A"	...	...	...	...	...	...	...	...	...	...	...
	6% R. C. P. "B"	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co.	Dharamsinh & Co.	2,524	16,934	18,926	8,276	91	4-59	1,269	1,286	7	7	6
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever	Directors	24,155	387,092	367,299	68,410	...	12-58	35,007	28,385	15	14	121
Indian Cement	Directors	...	...	...	...	...	3-58	94	61	25	25	30
Indian Plastics	Directors	1,436	4,705	7,121	1,766	...	3-59	284	287	nil	nil	31
	51% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Indian Vegetable Products	F. F. Campbell & Co. pri.	699	21,834	26,051	1,736	52	9-58	514	670	10	10	10
Indust. Cr. & Inv. Corp.	Directors	378	...	5,722	...	...	12-58	4,922	4,551	4	4	31
Industrial Investment	Premchand Roychand & Sons	24	...	739	...	52	12-58	640	637	6	51	5
Jyoti	Adem Services	2,235	6,960	11,059	3,495	102	12-58	1,512	1,258	12	12	10
Kemp & Co.	Directors	701	5,005	6,904	1,014	...	3-59	259	245	71	71	71
Killick Industries	Managing Director	...	...	2,238	648	...	11-58	3,564	2,995	13	11	11
Machinery Manfr. Corp.	Mahindra & Mahindra	2,457	2,281	6,287	3,578	...	3-59	499	1,000	nil	nil	nil
	4% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	41% C. P.	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspathi & Chem.	Mohatta Bros.	286	12,395	15,735	1,436	30	12-58	529	450	nil	nil	nil
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
National Elect. Industries	Navin Kumar Hanaraj pri. Ltd.	1,391	5,670	7,823	1,296	64	3-59	652	606	9	9	9
	41% C. P.	...	...	...	...	...	...	...	...	...	...	...
National Machinery Manfrs.	Directors	7,014	17,881	23,992	6,775	...	12-57	4,041	3,384	nil	nil	nil
National Newsprints & Paper	Directors	...	...	...	...	...	3-58	286	7,679	nil	nil	nil
National Rayon Corp.	Chinai & Co. private Ltd.	7,704	33,247	63,936	4,971	1,601	12-58	19,064	13,674	14	14	14
	Ordry. Partly Paid	...	...	...	...	...	...	...	...	...	...	...
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...
Palampur Veg. Products	Investa Industrial Corp.	...	...	...	...	...	12-57	104	123	nil	nil	nil
	51% C. P.	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesite Works	N. Pestonjee & Co.	141	...	1,030	186	20	12-57	102	80	31	2	41
	Ordry. Partly Paid	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd.	Polson Agencies & Co. Ltd.	960	4,781	10,782	1,751	101	12-58	1,138	1,281	10	10	121
	6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
Polychem	Directors	421	6,666	10,781	3,722	...	3-59	2,197	718	6	6	6
	71% T. R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Radio Lamp Works	Jamnalal Sons Private	1,590	10,079	11,269	4,935	71	3-58	688	...	9	5	...
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
Sanitex Chem. Industries	M. B. Amin & Co.	592	1,773	3,170	643	20	12-58	190	81	20,46	nil	nil
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	Sathe Food Industries pri. Ltd.	239	2,427	4,080	615	30	3-59	226	408	nil	6	6
	Partly Paid	...	...	...	...	...	...	...	...	...	...	...
	7% R. C. P.	...	...	...	...	...	...	...	...	...	...	...

(a) Traffic Revenue. (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income. *Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVED AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS					
	February 1960	February 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others	
	Rs. np.	Rs. np.			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	
WESTERN AND CENTRAL INDIA																
Alembic Chemicals	212 00	163 25	100	6,500	2,800	2,058	53	9,852	14,747	5,633	2,424	7,636	2,577	23	...	
54% 1st C. P.	86 00	71 40	100	500	...	...	...	...	...	...	...	...	...	...	...	
5% 2nd R. C. P.	79 00	85 50	100	500	...	...	...	...	...	...	...	...	...	...	...	
6% 3rd C. P.	75 00	72 00	100	500	...	...	...	...	...	...	...	...	...	...	...	
Amar Dychem	260 00	122 50	100	5,598	...	110	30	6,047	7,467	1,127	421	5,890	1,684	233	38	
6% R.C.P.	103 00	98 30	100	2,000	...	...	...	...	...	...	...	...	...	...	...	
Anil Starch Products	...	...	100	2,988	101	2,117	1	7,616	10,760	4,069	6	3,924	2,627	124	...	
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...	
Associated Cement	144 50	150 50	100	190,586	21,250	89,691	92	144,736	403,085	146,678	7,672	116,331	19,869	14,589	15,660	
Associated Stones Indust	21 00	16 03	10	850	1,450	40	33	1,189	1,306	713	91	1,336	1,577	1,113	...	
6% C. P.	100 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...	
Atul Products	...	...	100	19,950	...	2,550	38	29,876	32,704	8,568	10,245	10,468	4,902	2,068	...	
Automobile Products	...	...	100	1,200	...	113	-571	14,666	10,742	1,968	...	8,136	1,340	10	336	
5% R. C. P.	...	...	100	28,000	...	...	...	...	...	...	...	...	...	...	...	
6% R. C. P.	...	...	100	388	...	...	...	...	...	...	...	...	...	...	...	
Bagalkot Cement	8 52	8 52	10	8,414	...	42	1	12,476	19,040	2,457	8	2,270	1,412	87	574	
Bharat Line	9 00	11 60	10	10,000	6,826	4,337	318	15,614	39,909	17,762	878	2,506	7,921	1,522	2,119	
Bombay Burma Trading	...	...	2500	250	6,392	27,983	50	23,720	52,819	22,041	8,365	10,412	14,472	9,92	1,873	
Old Shares	552 00	489 00	125	8,925	...	...	...	...	...	...	...	...	...	...	...	
New Shares	187 00	170 00	50	4,200	...	...	...	...	...	...	...	...	...	...	...	
Bombay Gas	...	...	51	4,000	665	2,375	1	3,329	8,320	3,930	2,945	1,358	1,439	238	...	
Bombay Potteries & Tiles	143 00	120 00	100	1,418	40	389	5	918	2,744	1,329	10	566	215	1,599	...	
61% C. P.	76 00	76 00	100	113	...	...	...	...	...	...	...	...	...	...	...	
41% C. P.	58 50	60 50	100	865	...	...	...	...	...	...	...	...	...	...	...	
Bombay Safe Deposit	405 00	361 00	200	240	64	...	1	168	584	427	261	...	...	17	37	
Bombay Uganda Co.	49 00	47 00	80	1,596	200	59	31	613	266	148	1	2,310	59	14	...	
W. H. Brady & Co.	324 25	325 00	150	4,500	2,150	3,942	84	6,459	1,133	539	3,499	6,572	4,845	1,630	...	
Burns Shell	...	...	100	138,200	80,000	26,560	5,397	68,179	258,284	61,024	...	28,553	164,249	2,429	5,844	
51% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Calicut Oil	...	...	100	45,000	...	10,254	15,223	57,600	141,377	13,307	...	17,597	812	1,598	...	
51% Debentures	...	...	...	20,000	...	...	...	...	...	...	...	...	...	...	...	
G. Claridge & Co.	200 00	170 00	100	900	600	721	3	904	2,332	1,584	1	1,446	780	54	...	
G.G. Dandekar Mce. Works	...	...	100	399	105	118	1	543	1,088	599	278	169	311	270	...	
Partly Paid Ordy	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...	
5% R. C. P.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...	
Delhi Safe Deposit	10 00	10 00	10	194	82	29	5	388	446	102	424	2	119	46	...	
Ordy P.P.	7 00	...	7	37	...	...	...	...	...	...	...	...	...	...	...	
6% C.P.	100 00	...	100	200	...	...	...	...	...	...	...	...	...	...	...	
Dens Invst.	10 84	11 00	25	2,500	85	...	1	504	5	4	2,908	76	...	...	105	
Dharamrai M. Chemical	161 00	85 00	50	1,369	1,020	304	7	3,206	4,856	3,254	21	2,449	1,341	5	...	
Dignity Cement	154 06	131 00	100	13,410	9,300	2,142	58	21,557	39,845	14,932*	5,234	10,488	6,659	155	1,212	
5% R. C. P.	85 00	85 00	100	7,934	...	...	...	...	...	...	...	...	...	...	...	
Eastern Shipping Corpn.	...	...	50	55,000	1,450	6,015	30	20,699	68,251	14,026	6,017	57	10,345	8,045	4,505	
Estrela Batteries	49 50	38 50	50	1,497	313	7	22	15,50	28,261	1,941	3	17,66	12,81	70	3,50	
5% C. P.	36 75	34 50	50	997	...	...	...	...	...	...	...	...	...	...	...	
Great Eastern Shipping	17 56	22 96	10	9,000	7,500	12,975	334	57,918	87,620	17,430	274	116	4,187	15,510	...	
51% R. C. P.	90 00	92 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
Greaves Cotton & Co.	138 00	102 50	100	13,500	2,700	1,516	25	20,079	1,740	589	15,867	9,115	29,368	3,186	...	
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
6% R.C.P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
Gwalior Rayon	29 00	15 04	10	25,000	...	6,335	1,263	14,522	62,030	55,854	45	17,293	8,553	11,149	...	
6% R.C.P. 'A'	104 25	...	100	15,000	...	...	...	...	...	...	...	...	...	...	...	
6% R.C.P. 'B'	...	...	100	76	...	...	...	...	...	...	...	...	...	...	...	
Hindustan Electric Co.	111 50	105 50	100	4,000	300	114	57	12,342	6,224	2,198	236	8,743	5,518	290	...	
6% C. P.	82 00	81 00	100	1,988	...	...	...	...	...	...	...	...	...	...	...	
Hindustan Lever	41 00	29 00	10	55,700	4,132	7,917	13,502	49,105	52,761	16,648	4	75,830	15,217	2,291	...	
Indian Cement	25 00	27 00	10	152	100	50	2	124	142	178	...	...	...	...	...	
Indian Plastics	...	...	10	2,988	10	19	2	4,512	4,920	1,593	...	4,364	1,955	91	...	
51% Cum. preference	...	...	100	2,250	...	...	...	...	...	...	...	...	...	...	...	
Indian Vegetable Products	143 00	114 00	100	2,117	276	465	5	1,796	2,714	2,030	79	2,300	1,530	67	...	
Indus. Cr & Invest. Corp.	62 30	78 00	100	50,000	2,000	120	177	84,172	143	73	49,901	...	25,507	60,576	...	
Industrial Investment	73 00	85 80	100	9,999	2,022	192	182	805	20	16	12,686	...	235	94	...	
Jyoti	191 00	150 00	100	3,000	300	1,306	3	4,862	5,109	1,532	155	3,592	2,138	10	...	
Kemp & Co.	280 00	206 50	200	1,200	350	274	26	1,782	2,597	1,303	12	1,113	1,156	57	...	
Killick Industries	120 50	148 00	100	10,624	500	2,934	9	9,518	4,550	1,445	16,523	1,126	2,334	38	459	
Machinery Manfrs. Corpn.	...	...	100	3,926	...	488	-2,438	9,459	13,648	4,130	21	5,082	750	398	63	
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...	
41% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
Malwa Vanaspathi Chems.	...	...	10	3,134	...	...	-1,381	2,716	5,155	1,631	29	2,157	131	127	...	
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...	
National Elec. Industries	76 80	75 00	50	...	125	799	25	3,920	2,358	1,028	307	2,742	1,783	37	...	
41% C. P.	80 00 N	80 00 N	100	542	...	...	...	...	...	...	...	...	...	...	...	
National Machy. Manfrs.	...	...	100	25,240	...	...	30	18,743	27,078	7,081	234	19,640	3,850	292	...	
National Newspaper & Paper	...	...	10	12,748	...	74	-17,321	64,225	49,495	7,871	3	4,936	4,687	6,177	2,300	
National Rayon Corpn.	427 00	256 00	100	16,062	4,600	11,022	97	20,382	109,432	43,200	110	19,693	2,946	1,941	...	
Ordy Partly Paid	...	...	80	6,331	...	...	...	...	...	...	...	...	...	...	...	
5% Cum. Preference	73 50	76 80	100	17,425	...	...	...	...	...	...	...	...	...	...	...	
51% Debentures	101 00	101 50	100	150,000	...	...	...	...	...	...	...	...	...	...	...	
Palanpur Veg. Products	...	...	10	1,500	...	...	-2,617	3,051	2,727	...	10	165	...	...	28	
51% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
Pioneer Magnesia Works	...	...	100	1,189	11	66	2	749	1,455	708	480	466	305	17	2	
Ordy. Partly Paid	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...	
Polson Ld.	154 00	151 25	100	2,695	966	1,440	48	1,377	6,553	1,635	3	2,356	628	620	...	
6% C. P. T.	80 00	80 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...	
Polychem	182 50	78 00	50	4,000	...	733	18	3,289	5,913	840	5	4,034	1,712	1,214	...	
71% T.R.C.P.	50 00	50 50	50	3,997	...	...	...	...	...	...	...	...	...	...	...	
Radio Lamp Works	110 00	114 00	100	2,500	94	144	12	9,108	1,262	346	2,934	5,360	3,566	186	7	
5% C.P.	74 00	65 00	100	718	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	10	173	...	...	...	...	...	...	...	...	...	...	...	
Saniter chem Indus.	...	...	50	1,362	...	25	9	1,665	1,866	276	...	1,341	599	42	...	
5% C. P.	...	...	100	511	...	...	...	...	...	...	...	...	...	...	...	
Satho Biscuits	100 00 N	100 60 N	50	473	...	219	29	1,559	3,110	926	1	637	402	66	...	
Partly Paid	50 00	50 00 N	50	511	...	...	...	...	...	...	...	...	...	...	...	
7% R. C. P.	94 20	94 20	100	500	...	...	...	...	...	...	...	...	...	...	...	

MISCELLANEOUS

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages Ra. 000	Other Major Expenses Ra. 000	Sales Ra. 000	Stocks Ra. 000	Managing Agents Commission Ra. 000	Year ended	Net Profit		Dividend per Cent	
								Latest	Previous	Latest	Previous
								Ra. 000	Ra. 000	Latest	Previous
Scindia Steam ...	Directors 4½% Debentures	20,185	117,260	176,613	...	...	6-59	36,513	39,539	6½	6½
Shangrila Food Products ...	Directors 5% C. P.	323	788	2,018	123	...	3-53	287	432	nil	nil
Shivrajpur Syndicate ...	Killick Industries Ltd. Birla Bros. Private	4,491	...	13,409	2,319	292	11-58	3,017	3,297	80	80
Sirpur Paper ...	6% R. C. P.	4,614	11,805	27,921	671	4.33	6-58	5,854	3,151	6½	5
Supreme Industries ...	Mody & Co. 6½% Cum. Pref.	168	2,159	1,743	1,025	8	3-59	220	141	9	7½
Tata Chemicals ...	Tata Industries Private 5% Cum. preference	5,538	10,178	35,227	...	445	6-59	6,438	(a)24,357	7½	7½
Tata Oil Mills ...	5% Debentures Tata Industries Private	9,777	39,651	65,108	1,276	455	3-59	4,865	3,137	13	10
United Salt Works & Indus. Volta Ltd.	4½% Cum. preference Salt & Industry Agency Pr. Lt.	521	...	3,528	247	30	9-57	124	26	4½	4½
Western India Match ...	Directors Dishwash Match Co.	16,408	121,792	171,221	...	898	8-59	10,012	7,941	11	9
West Coast Paper ...	6% C. P.	18,064	116,604	156,872	3,046	...	12-58	9,246	8,605	11	11
Zandu Pharmaceutical Works	Directors Jugram & Co. 6% C. P.	1,305	4,514	6,869	1,741	54	3-58	586	428	7	7
NORTHERN INDIA											
Alkali & Chemical ...	Imp. Ch. Industries Private 5% Cum. preference	4,045	12,951	34,393	5,601	...	9-59	(a)10,689	6,132	9½	8
All India Finance & Commerce	Kavell Sijal & Co. Ordinary 7½% C. P.	30	...	1,69	...	20	5-56	96	88	7½	5
Aluminium Corpn. ...	J. K. Industries Private Ltd. 6% Cum. preference	3,650	3,157	12,578	3,555	295	3-59	3,590	2,720	10	9
Amrit Banaspati ...	5% Cum. preference 5% Debentures Amrit Agency Ltd. 6% C. P.	2,06	334.43	367.26	66.68	18	3-55	22.07	19.54	nil	nil
Anderson Wright ...	5% R. C. P. Deferred Directors	152	8,884	9,645	...	...	12-58	147	279	nil	34
Angelo Brothers ...	4½% Cum. preference 4% Debentures	718	14,935	17,190	...	134	8-59	1,228	1,126	20	15
Ashoka Cement ...	Directors 6½% Debentures	865	3,004	10,756	1,820	...	3-59	1,204	52	40	nil
Assam Bengal Cement ...	Eastern Corporation Private Deferred 4% Debentures	928	3,634	5,649	772	48	3-58	539	953	nil	nil
Assam Match Co. Assam Saw Mills Assam Sillimanite Associated Hotels	Directors U. P. Comm. Corpn. Oberoi Hotels (India) Private Ltd. 7% Cum. preference Tax 6½% Debentures	1,653 640 322 1,463	13,133 3,108 276 1,027	17,744 820 294 6,397	692 ...	...	12-58 9-58 3-58 3-58	1,179 (a)-62 411 956	1,225 204 311 1,067	12½ nil nil 7	12½ nil nil 12
Associated Mining ...	5% Cum. preference Deferred	25,612	100	114	9	...	12-57	123	324	4½	11
Ballarpur Paper ...	K. C. Thapar & Bros. Ltd. 5% R. C. P. P.	1,689	5,566	19,413	230	511	6-58	5,851	4,500	nil	nil
Balmer Lawrie & Co. Barrow coke Bathgate & Co.	Directors Jardine Henderson Directors 6% Cum. preference	8,811 1,039 319	107,975 3,391 795	128,705 3,391 1,619	6,138 395 545	...	12-58 3-59 12-57	4,908 206 31	3,054 206 17	20 5 nil	15 8½
Bihar Rice Mills Bengal Assam Steamship	H. V. Low & Co. Andrew Yule & Co. Ltd. 7% Cum. preference	932	1,814	3,629	...	53	6-54 10-58	36 601	33 (a)240	nil 6	nil 5
Bengal Chemicals ...	Directors 7½% Cum. preference 4½% Cum. preference 5% Debentures	3,361	8,053	17,539	2,311	...	3-59	2,050	1,620	7½	6
Bengal Flour Bengal Paper	Balmer Lawrie & Co. Ltd. 7% Cum. preference 7% 'A' Cum. preference 6% 'B' R. C. P. T.	627 4,341	18,305 8,872	21,623 26,331	651 481	157 276	12-58 12-58	1,464 3,813	2,173 2,156	25 22	25 12½
Bengal Pottery ...	B. R. Bhagat & Co. Ord. P. Paid Jardine Henderson	3,299	1,957	12,066	1,221	130	12-58	1,554	1,391	10	10
Bengal Timber ...	8% Cum. preference Ramdutt Ramkisensdas 5% Cum. preference	8	...	160	...	...	12-58	138	114	7	7
Bharat Carbon & Ribbon	Murari Lal Batra & Co. 'B' Ordinary 6½% C. P.	481	4,910	4,531	1,965	26	12-58	285	210	5	5
Bharat Commerce ...	Directors 5% C. P.	584	3,298	3,113	479	...	12-57	(a)1138	130	nil	nil
Bharat Nedhi ...	Directors 6% C.P.T.	...	2,903	577	...	...	12-58	2,743	1,863	6	5
Bharat Starch & Chemical ...	K. C. Thapar & Bros. Directors	414	4,056	5,834	1,495	15	1-59	217	509	6	6
Bharat Investments ...	Lowlock & Lewis 5½% Cum. preference	...	863	...	...	12	9-59	2,68	3,24	nil	nil
Bira Stone Lime Britannia Biscuits	Bird & Co. Private Ltd. Directors 8% Cum. preference 5½% Debentures	5,536	...	11,256	637	155	3-59	1,629	1,130	5½	5½

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INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1960	February 1959			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
	Ra. np.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Scindia Steam	16 64	21 00	20	112,799	8,000	100,600	360	191,384	320,226	83,584	88,593	3,310	53,532	53,352	15,192
4½% Debentures	99 60	98 50		37,478											
Shangrila Food Products			100	1,700			1,299	3,672	4,047	616	32	544	323	30	13
5% C. P.			100	300											
Shivra. Syndicate	81 00	96 00	10	700				5,544	9,216	3,375	302	4,282	2,335	1,357	107
Sirpur Paper	13 92	13 20	10	21,855	4,815	5,922	58	30,230	39,385	11,056	75	8,947	3,928	170	19,826
6% R.C.P.	83 80xd	100 00 N	100	4,048											
Supreme Industries	140 00	120 00	100	462		272	2	1,327	1,457	379	130	1,062	395	20	
6½% C. P.	71 80	72 50	10	25,172	526	2,508	7	28,857	49,541	18,653	1,878	19,797	6,431	886	5,690
Tata Chemical	16 16	16 52	100	5,997											
5% Cum. Preference	99 50	93 50	100	2,500											
5% Debentures	98 25	99 00		7,007	1,842	2,295	12	35,371	23,911	14,584	1,175	25,394	10,832	2,215	574
Tata Oil Mills	69 50	46 50	25	2,989											
4½% C. P.	59 00	61 00	100	1,335	2,125	1,231	18	954	7,384	4,014	255	725	234	1,061	
United Salt Works Ind.			250	25,500	2,200	358	299	84,856	8,234	1,874	272	42,890	60,945	2,537	136
Voltes	240 00	190 00	100	27,500	9,500	6,227	163	21,700	44,223	17,637	71	18,680	11,048	7,381	1,371
Western India Match	154 00	113 00	100	9,999				26,603	34,469			1,966	2,145	849	3,930
West coast Paper	118 00	96 30	100	5,999											
6% C.P.	112 00	112 50	100	1,500	504	397	4	1,980	2,527	1,083	412	1,741	1,221	69	
Zandu Pharmaceutical W.			100	500											
6% C.P.															
NORTHERN INDIA															
Alkali & Chemical	24 00	18 87	10	30,997	1,800	7,350	140	25,628	57,440	9,228	22	12,415	6,041	330	1,995
5% Cum. Preference	103 00	102 00	100	3,100											
All India Finance & Com.			100	300	53	18		13,21		36	8	73	10,66	7,76	68
Ordinary				190											
7½% C. P.			110	128											
Aluminium Corpn.	16 06	11 00	10	5,750	2,500	17,996	52	5,647	38,999	11,044	798	5,121	1,914	3,399	
6% Cum. preference	100 00	85 50	100	2,000											
5% Cum. preference	75 00	63 00	100	2,000											
Deferred			2½	250											
5% Debentures	920 00	920 00	1000	1,000											
5½% Debentures			1000	3,500											
Amrit Banaspati			10	5,325	19,25	3.83	14,14	152,86	160,85	53,32	36,36	85,91	25,33	1,40	
6% C. P.			10	1,600											
5% R. C. P.			10	2,450											
Deferred			1	100											
Anderson Wright			10	2,000	325	1,100	6	6,992	84	53	5,189		3,979	29	4,154
4½% C. P.			100	2,000											
4% Debentures			1000	1,000											
Angelo Brothers	19 87	18 37	10	3,000	2,530	1,414	225	2,578	3,606	2,556	1,025	2,169	3,473	2,020	
Ashoka Cement	9 25	8 44xd	10	5,990		322	3	11,233	17,294	673	2	4,225	1,326	28	96
6½% Debentures			2½	4,750											
Assam Bengal Cement	5 75	3 45	10	4,314	1,054	259	746	7,203	14,859	7,454	534	3,352	2,874	2,380	
Deferred	1 25	0 65	1	471											
4% Debentures			500	2,498											
Assam Match Co.	17 75	17 3½	10	3,000	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	125
Assam Saw Mills	3 50	3 37	3	1,400	720	1,950	710	1,471	3,402	1,515		2,012	869	50	12
Assam Sillimanite	11 19	10 69	10	3,000				1,489	2,863	1,113	821	220	201		
Associated Hotels	6 00	8 37	10	2,000	1,000	2,685	155	3,030	10,572	4,222	4,279	794	1,545	788	
7% C. P. T.	30 50	48 00	100	2,167											
4½% Debentures	850 00	850 00	1000	2,200											
6½% Debentures	920 00	920 00	1000	520											
Associated Mining	7 85	8 75	10	892			3	924	742	191	1,293	216	796	16	44
5% C. P.	36 00	29 75	50	500											
Deferred	4 98	5 22	5	410											
Ballarpur Paper	43 00	25 50	25	5,709		559	867	11,598	24,996	20,104	1,500	5,379	3,724	2,173	1,140
5% R.C.P.P.	117 00			1,809											
Balmor Lawrie & Co.	206 00	152 00	100	8,001	6,564	1,077	303	19,342	7,447	5,877	11,377	7,068	12,049	1,725	
Barrack coke	14 12	12 87	10	1,200	800		235	3,545	3,977	3,374	7	1,350	1,016	250	
Bathgate & Co.	1 05	0 69	10	2,000		17	48	820	2,313	169	2	1,047	567	27	
6% C. P.	28 00	19 00	10	1,000											
Bohar Rice Mills	1 05	1 50	10	1,692			4,34	3	769	495	9,60	1	13	2	
Bengal Assam Steamship.	87 00	103 00	100	2,000	825	9,106	89	1,820	12,259	2,072	256	26	841	2,831	
7% C. P.	60 00	58 00	60	300											
Bengal Chemicals	102 00	97 00	100	4,816	2,075	2,997	1,380	7,054	14,781	7,085	1,693	5,562	5,965	988	
7½% C. P.	12 62	12 00	10	900											
7% C. P.	72 00	76 80	100	1,191											
5% Debentures			100	1,500											
Bengal Flour	36 25	30 00	10	1,200	1,700	260	219	1,022	3,487	2,867	35	846	1,954	946	
Bengal Paper	96 25	87 50	25	4,500	3,800	325	93	7,039	22,092	16,334	129	6,863	3,883	489	1,319
7% C. P.	43 25	46 75	50	200											
7% A. C. P.	95 50	103 50	100	400											
6% 'B' R. C. P. T.	66 00	62 00	100	2,000											
4½% Debentures			500	84											
Bengal Potteries	5 44	4 06	2½	5,523	293	716		11,669	14,747	4,132		3,504	3,870	212	
Ordry. P. Paid			1												
Bengal Timber	15 25	10 00	100	600			961	395	567	567	64	5	256	9	
8% C. F.	30 60	30 00	100	300											
Bhagwati Pressing	4 10	4 80	10	400	165		3	228	972	262	75		172	140	
5% C. P.	35 00	40 00	100	300											
Bharat Carbon & Ribbon			10	250	200	102	3	3,312	1,267	445	83	2,079	1,791	16	
B. Ordry.			100	340											
6½% C. P.			100	380											
7½% R. C. P.			100	200											
Physal Commerce	13 08	5 50	10	5,000			4,119	1,774	4,171	86		769	739	62	
5% C. P.			100	3,000											
Bharat Nidhi	8 81	5 75	10	14,777		1,673	36	11,211	70	45	16,692	577	13,641	872	
6½% p. t.	53 00	58 00	100	5,357											
Bharat Starch & Chemical	8 06	8 06	10	1,000		175	1,671	5,230	3,606	2,312	38	28 24	813	44	98
Bhartia Company	34 75	44 75	100	2,100	50		9	79				12,92	8,59	69	
Bird Investment	16 25	14 42	100	2,000	227	633	55	4,805				6,418	3,654	47	
5½% C. P.	59 00	55 00	100	2,400			36	5,085	8 122	3,830	6	2,014	3,248	131	293
Biera Stone Lime	38 00	32 50	10	1,000	300	3,568	216	4,003	11,785	4,856	200	2,864	2,233	2578	31
Britannia Biscuits	27 31	18 94xd	10	4,597	2,600										
8% Cum. preference	9 30	9 70xd	10												
5½% Debentures	99 0%	96 00		1,400											

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
NORTHERN INDIA (Continued)												
Dr. Burma Petroleum & Co. Ceylon Corp.	A. T. G. Invt. Co. Directors	...	...	842	...	...	3-59	13	31	nil	2	nil
British India Corp.	6% Cum. Part preference	178.72	428.71	79,095	37,754	...	12-57	509	1,482	15	15	15
Brushware	8% Cum. preference	145	142	515	188	1	11-58	14	23	5	71	10
Burma Lime	S. C. Chunder & Co. Partly Paid	18	70	24	...	...	9-54	31	30	nil	nil	nil
Calcutta Chemical	6% Debentures	2,003	7,889	13,138	2,235	...	6-58	772	760	12	12	...
Calcutta Credit Corp.	4 1/2% C. P.	638	...	9,288	1,927	63	6-58	836	889	40	20	10
Calcutta Gas Co.	Jainarain Ram Chander 5 1/2% T. C. P.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Calcutta Hydraulic	6% Debentures	...	1,093	...	...	120	9-57	811	748	5	6	6
Calcutta Investment Co.	5 1/2% R.C.P.T.	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Calcutta Landing & Shipping	4% Debentures	39	...	81	...	...	6-58	95	47	5	3	nil
Calcutta Safe Deposit	Ramdukt Ramkisendass Gladstone Lyall	791	424	1,647	...	33	12-58	439	355	3 1/2	2 1/2	5 1/2
Calcutta Steam Nav. Co.	Amritlal Ojha & Co. 4 1/2% Debentures	89	...	332	...	9	3-58	105	106	5	5	5
Camby Invt.	Hoare Miller & Co. 6% Cum. preference	1,299	...	3,223	...	...	6-59	1,188	636	10	10	13
Camperdown Pressing	Pyne & Co. 6% Cum. preference	2	...	8,124	5,120	3	10-58	557	1,091	10	10	10
Central Hydraulic	Andrew Yule & Co. 6% Cum. preference	13	...	60	...	...	7-58	46	15	7	9	4
Cherra Chhatrak Ropeway	Tantia Bros. Private 5 1/2% Cum. preference	...	10,503	14,269	4,037	163	12-57	1,575	1,755	7 1/2	7 1/2	6 1/2
Cherra Mica Indus.	Deferred share	...	...	...	...	...	...	...	...	5 1/2	5 1/2	5 1/2
Chive Buildings	Gillanders Arbuthnot & Co. 4 1/2% Debentures	97	...	643	...	36	12-58	278	243	3 1/2	2 1/2	3 1/2
Chive Row Invt.	Management Shares	...	...	...	...	...	...	...	...	3 1/2	2 1/2	3 1/2
Dalmia Cement (Bharat)	6% Cum. preference	...	...	19,684	1,998	...	12-58	(a20)4,622	6,379	10	12 1/2	12 1/2
Darjeeling Properties	Deferred	...	...	...	...	...	...	...	...	6	7	7
Darjeeling Ropeway	Goenka & Co. 6% preference	...	...	12	...	...	3-58	16	3	nil	nil	nil
Delhi Flour Mills	Goenka & Co. 5 1/2% Debentures	432	23,322	24,110	595	11	3-58	85	65	7 1/2	7 1/2	5
Dhrangadhra Chem. Works	Directors 7% Cum. preference	...	...	...	...	...	10-58	282	388	10	10	10
Duncan Brothers	7% Debentures	3,570	8,206	12,874	1,460	...	3-58	920	1,828	6	7 1/2	9
Dunlop Rubber Co.	8% R. C. P. Directors	24,426	135,917	223,216	...	...	12-58	20,204	19,488	16 1/2	16 1/2	15
East India Hotel	4% Cum. preference	125	228	639	...	...	3-59	80	18	nil	nil	nil
Eastern Investments	6% Cum. preference	...	...	1,801	...	6	12-59	1,673	(1)5,551	14	9	9
Eastern Manufg. Co.	5% Cum. preference	19,22	19,19	78,33	3,73	1,10	12-54	10,44	2,25	5	5	5
Electric Construction	McLeod & Co. Ltd. 6% Cum. preference	1,326	5,866	8,124	5,121	...	10-58	957	1,092	6	6	6
Frank Ross	Directors	222	3,156	3,650	965	...	2-59	65	64	nil	nil	nil
Fraser & Co.	4 1/2% Cum. preference	...	...	1,297	...	20	3-59	271	323	nil	4 1/2	4 1/2
French Motor	Kilburn & Co. Ms. Director	1,819	33,816	39,096	5,634	...	3-58	1,268	1,530	12 1/2	12 1/2	12 1/2
Ganges Rope	Macneill & Barry Ltd. 5% Cum. preference	1,541	4,036	7,557	1,517	87	3-59	867	8,34	17	15	12 1/2
Gillanders Arbuthnot	General Invt. & Trust 5% Cum. preference	...	...	42	...	3	2-59	30	10	3 1/2	2 1/2	7 1/2
Gladstone Lyall & Co.	5% Cum. preference	5,535	15,187	23,816	3,377	...	3-59	2,555	2,170	10	10	10
Godfrey Phillips	5% R. C. P. T. Directors	1,787	2,507	...	...	...	10-58	215	697	5	5	5
Great Eastern Hotel	6% C. P. T. Directors	1,742	10,971	52,684	264	...	12-58	2,984	2,139	30	15	20
Hindustan Building	5 1/2% C. P. T. B. P. R. Syndicate	...	...	7,357	362	40	3-59	725	754	5 1/2	5 1/2	5 1/2
Hindustan G. E. Corp.	Directors 4% C. P.	568	1,414	2,322	1,867	...	7-58	291	121	4	4	2 1/2
Hindustan Housing	K. C. Thapar & Brothers 5% c. p. p.	...	...	...	...	...	...	...	...	nil	nil	nil
Hindustan Ice	Deferred	8	...	...	...	26	3-53	33	49	1 1/2	1 1/2	1 1/2
	Jainarayan Ramchander 4% Debentures	40	1,21	2,69	...	18	9-54	65	37	nil	nil	nil
	R. N. Jhan Jhan Wals 5% Debentures	...	...	...	...	...	...	...	...	...	...	...

March 12, 1960

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1960	February 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standing	Cash	Others
	Rs. np.	Rs. np.													
NORTHERN INDIA (Continued)															
Dr. Burma Petroleum (E)	2 25	1 78	4ab	563	...	182	2	205	...	...	761	...	37	158	...
Br. Ceylon Corporation ...	7 00	4 12	10	3,500	2,500	6,185	163	2,306	8,925	3,680	1,685	7,657	1,233	585	...
6% Cum. Part Pref. ...	8 20	8 20	10	1,750	...	...	...	...	...	...	...	...	...	...	...
British India Corporation ...	7 50	5 62	5	32,500	4,000	10,213	1,136	49,158	35,140	24,721	14,163	46,827	22,263	8,745	418
1% Cum. preference ...	106 00	104 09	100	8,100	...	...	...	...	...	...	...	...	...	...	...
Brushware ...	...	...	10	100	170	131	6	60	243	241	129	230	123	1	...
Burma Lime ...	8 25	7 50	10	200	10	...	6	96	4.81	1.09	2	66	63	7	...
Partly Paid ...	...	...	5	63	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	1000	135	...	...	...	...	...	...	...	...	...	...	...
Calcutta Chemical ...	16 00	15 00	10	963	901	1,750	111	4,255	3,042	1,339	1,968	2,235	1,874	766	...
6% C. P. ...	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P. ...	...	...	10	337	...	...	...	...	...	...	...	...	...	...	...
Calcutta Credit Corp. ...	9 44	4 12	10	500	1,250	66	129	5,885	892	402	65	2,028	5,761	121	...
6% C. P. ...	51 00	50 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5 1/2% T. C. P. ...	34 50	40 00	100	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures ...	...	...	100	335	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co. ...	5 00	8 25	10	6,500	100	...	37	2,658	1	1	11,616	...	2,725	853	100
5 1/2% R. C. P. T. ...	63 00	45 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	810 00N	810 00N	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic ...	...	...	100	800	...	52	4	78	14	14	891	...	2	39	...
Calcutta Investment Co. ...	43 70 Nad	47 35xd	100	5,500	2,250	412	12	4,061	1,801	616	5,280	5,755	15	...	...
Cal. Landing & Shipping ...	11 94	13 87	10	625	240	...	21	1,208	1,922	1,320	142	27	1,191	131	...
Calcutta Safe Deposit ...	7 87	7 81	10	742	14	105	3	467	1,406	199	46	...	128	15	...
4 1/2% Debentures ...	...	...	1000	65	...	...	...	...	...	...	...	...	...	...	...
Calcutta Steam Nav. Co. ...	13 37	12 62	10	1,260	524	852	159	2,155	7,846	4,558	...	261	1,396	5	...
Camby Invt. ...	100 00	101 00	100	2,000	...	2,130	85	6,477	1	1	4,242	63	2,368	18	...
Camperdown Pressing ...	103 00	118 00	100	430	85	2	12	110	689	495	280	...	14	151	...
Central Hydraulic ...	...	...	100	500	...	125	5	81	843	698	506	...	22	38	...
Cherra Chhatrak Ropeway ...	7 25	6 00	5	475	470	2	19	442	1,248	1,050	11	211	924	27	...
Cherra Mica Indus. ...	10 06	11 12	10	3,000	1,000	4,084	247	11,262	7,409	1,649	4,675	5,071	9,955	132	...
5 1/2% Cum. preference ...	50 00	51 07	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Deferred share ...	5 64	6 00	5	1,500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	830 00	830 00	1000	1,500	...	...	...	...	...	...	...	...	...	...	...
Chive Building ...	...	...	150	1,500	261	961	118	536	4,887	795	414	...	52	430	...
Management Shares ...	...	...	15	15	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	410 00	410 00	500	1,598	...	...	...	...	...	...	...	...	...	...	...
Chive Row Invt. ...	9 00	11 12	10	13,880	1,000	330	334	5,361	...	...	19,357	...	698	20	...
Dalmia Cement ...	11 25	10 06	10	14,422	2,595	2,424	22	24,968	13,621	5,018	18,614	9,812	3,213	1,489	9,158
6% Cum. preference ...	8 12	8 56	10	6,158	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	2 06	2 00	1	500	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties ...	...	...	10	532	...	7	116	54	528	55	1	...	32	3	2
6% preference ...	...	...	10	34	...	15	...	87	413	198	15	25	113	6	10
Darjeeling Ropeway ...	7 75	8 00	10	248	33	...	1	...	...	...	...	...	...	...	...
5% Debentures ...	...	...	500	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills ...	15 00	16 00	10	560	1,000	...	3	1,725	3,964	2,655	521	768	1,516	95	...
7% Cum. preference ...	...	...	100	90	...	...	...	...	...	...	...	...	...	...	...
7% Debentures ...	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
7% Debentures ...	...	...	500	330	...	...	...	...	...	...	...	...	...	...	...
Dhrangadhra Chem. Works ...	160 00	103 00	100	6,425	4,900	1,431	10	11,162	14,865	5,790	...	5,578	5,655	2,075	5,749
6% R. C. P. ...	...	...	100	4,204	...	...	...	...	...	...	...	...	...	...	...
Duncan Brothers ...	117 00	122 00	100	9,000	6,750	3,265	390	10,621	2,794	1,033	18,174	441	10,935	3,215	...
4% Cum. preference ...	57 00	56 00	100	4,500	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co. ...	37 00	29 75	10	30,000	35,410	11,101	2,246	97,112	87,740	29,757	1,391	50,330	33,348	290	...
6% Cum. preference ...	115 00	111 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax ...	87 00	82 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures ...	106 00	104 00	100	20,455	...	...	...	...	...	...	...	...	...	...	...
East India Hotel ...	...	...	10	4,655	...	...	9	542	2,950	39	...	27	41	147	3,296
6% C.P. ...	...	...	100	1,249	...	...	352	2,558	...	...	...	...	...	...	...
Eastern Investments ...	142 00	143 00	100	5,126	5,717	...	...	...	...	...	16,057	...	196	...	...
5% Cum. preference ...	72 44	72 50	100	2,500	...	...	10	16,10	28,71	19,24	1	17,29	5,21	1,09	35
Eastern Manufacturing Co. ...	...	...	100	850	5,00	3,70	...	...	...	...	...	...	...	...	...
6% Cum. preference ...	...	...	100	200	...	...	30	5,986	2,190	1,030	20	5,272	2,762	25	2
Electric Construction ...	12 56	11 00xra	10	2,538	650	36	...	...	...	...	...	...	...	...	...
Frank Ross ...	2 75	1 87	6	495	1	55	2	659	210	132	...	965	370	24	...
4 1/2% Cum. preference ...	41 00xd	36 50	100	275	...	461	331	308	1,432	526	1	...	342	3	...
Fruer & Co. ...	13 25	12 25	10	605	200	1,544	226	7,742	2,945	1,492	939	5,634	3,509	377	...
French Motor ...	29 00	24 38	20	3,000	400	...	...	...	...	...	...	...	...	...	...
Ganges Rope ...	209 00	176 50	100	1,400	200	939	23	3,223	3,747	2,170	3	2,270	1,920	15	...
General Invt. & Trust ...	...	...	75	225	18	38	16	57	...	...	...	...	...	...	...
5% Cum. preference ...	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax ...	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot ...	11 56	11 50	10	6,500	2,000	1,920	157	23,489	2,597	1,424	11,482	3,619	16,680	1,411	1,800
5% R. C. P. T. ...	55 00	54 50	10	2,500	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co. ...	...	...	100	4,000	525	134	24	5,869	891	481	3,839	1,523	4,720	113	1,375
6% C. P. T. ...	...	...	100	1,417	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips ...	20 75	19 75	10	4,000	...	1,107	1,035	7,347	6,842	3,678	...	9,018	4,130	115	63
5 1/2% C. P. T. ...	63 25	58 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel ...	230 00	250 00	250	3,000	1,000	740	17	1,287	8,667	4,092	2	479	816	172	...
Hindusthan Building ...	5 00	4 62	10	1,500	12	...	1	596	8	3	1,471	...	356	33	1,134
4% C. P. ...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindusthan C. E. Corp. ...	...	...	10	1,900	...	70	4,072	11,909	5,446	1,155	13	4,591	936	43	953
5% c. p. p. ...	...	...	100	845	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	5	175	...	...	2	...	...	...	...	...	...	...	...
Hindusthan Housing ...	...	...	75	1,500	...	...	...	6,38	23,87	...	1	2,50	...	4,67	38
4% Debentures ...	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindusthan Ice ...	1 05	0 90	5	1,000	45	...	...	1,73	22,57	10,00	...	31	1,33	26	13
5% Debentures ...	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...

**Indian Finance
MISCELLANEOUS**

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
Hindustan Pilkington	Talukdar Law & Co Private	276	3,168	6,769	408		10-58	1,717	1,159	6	6	nil
Hindustan Woollen	Directors	6		182			3-58	135	96	1	12	12
Hoare Miller	Directors	1,154	88,701	91,673	1,534		12-58	499	499	5	5	nil
Hooghly Flour	Shaw Wallace & Co.	560	10,181	11,804	774	64	12-58	634	732	40	45	261
Hooghly & Ganges Hyd.	B. N. Elias & Co.	78	42	1,53			6-54	43	1,08	nil	21	5
	41% R. C. P.									41	41	41
	4% Debentures											
Imperial Tobacco	Directors			344,605	100,702		3-59	33,334	35,680	6	7	
India Genl. Navigation & S.	Kilburn & Co. Private			3,523			12-57	56	(7)-10	nil	nil	5
	6% C. P.									nil	nil	6
India Linoleums	Hindustan Investment	2,76	12,01	23,83	9,07		3-56	6,19	2,01	nil	nil	nil
India Paper Pulp	Andrew Yule & Co. Ltd.			15,103	1,102	202	3-59	(a)3,358	(u)1,578	10	10	14
India Steamship.	Lionel Edwards Private	6,821	45,920	81,392		659	3-59	(a)15,623	23,434	10	10	10
	5% R. C. P.									5	5	5
India Aluminium	Directors	10,147	41,718	74,297			12-58	13,706	8,683	7	6	10
	5% C. P. T.									5	5	5
Indian Cable	Directors	10,458	5,190	72,670	23,176		3-59	(a)12,695	11,517	15	15	15
	6% C. P. P.									15	15	15
	54% Debentures											
Indian Copper & S.	Gillanders Arbuthnot & Co.		1,911	2,521	436	72	12-58	991	1,125	18	18	20
Indian Oxygen	Directors	9,661	14,018	55,418	10,720		9-59	8,940	9,320	15	10	10
Indian Rubber Manfrs.	G. S. Moulton & Co Private					34	3-56	3,68	1,80	6	5	7
	5% C. R. P.									5	5	5
Indian Wood Products	Gill. Arbuthnot & Co.	785		4,958		163	9-58	1,504	1,487	25	27	30
Indo Burma Petrol	Steel Bros. & Co. Limited	3,304	14,285	30,174		557	12-58	(y)6,663	(a7)5,848	20	20	20
	7% C. P. T.									7	7	7
Investment & Finance	Shred & Co. Private			123		6	2-59	66	62	5	4	7
	5% C. P.									5	5	5
	6% C. P.									6	6	6
J. K. Comm. Corp. Ltd.	Directors			4,54			6-55	5,69	2,22	5	8	8
J. K. Investment Trust	Directors			6,93			6-55	5,86	4,47	nil	nil	nil
	B. Ordinarw									8	8	8
Jaipur Udyog	Sahu Jani Ltd.	2,691	23,506	30,904	4,104	1,22	3-58	5,697	4,081	12	12	12
	3% C. P. T.									3	3	3
	6% Debentures											
James Wright	Directors	127	4,345	6,848	457		12-57	(h)31	23	nil	nil	5
	6% C. P.									6	6	6
	Deferred									nil	nil	nil
Jardine Henderson	Directors	2,206	153,580	162,618	3,915		3-59	2,752	(w)1,714	5	2	2
	54% C. P. T.									5	5	5
Jaewanal (1929) Ltd.	Directors	2,285	15,817	22,870	7,553		12-58	542	901	nil	nil	nil
Jenson & Nicholson	Directors	3,945	17,718	7,186			12-58	1,521	1,521	6	6	6
	74% R. C. P.									7	7	7
John Paterson	Khalitan Corp. Private	28	458	747	12		3-58	(a)195	102	nil	2	7
Kalimpong Ropeway	Directors	49	32	94			3-54	14	-32	nil	nil	nil
Kalyanpur Lime & Cement	Directors	665		3,207	934		12-57	-91	13	nil	nil	nil
	7% P. T.									nil	nil	nil
	6% 2nd Pref.									6	6	6
Kangra Valley Slate	Directors	13	1,92	10	18		6-52	1,37	1,57	18	15	18
Karapura Development	Bird & Co. Private Ltd.		1,299	73	43		12-58	560	271	nil	nil	nil
	Founders			948			12-58	795	735	6	5	5
Kettlewell Bullen & Co.	Directors									5	5	5
	54% C. P. T.									4	4	4
	4% C. P.											
Kishore Trading Co.	Directors		1,87				12-54	1,73	1,37	2	3	3
Kumardhubi Fireclay	Bird & Co. Private Ltd	5,438	15,336	826	178		12-58	2,355	2,039	12	12	10
	54% R. C. P. T.									5	5	5
	54% Debentures											
Kurum Products	East India Development Co.	631	32,723	38,447	2,951	67	3-58	766	442	nil	nil	nil
	54% R. C. P. T.									5	5	5
	44% Debentures											
Macfarlane & Co.	James & Co. Ltd.	243	1,288	2,055	669		3-57	180	1	nil	nil	nil
	7% C. P.											
	Deferred									7	7	nil
Macneill & Barry	Directors	5,879	9,966	21,826			3-59	4,766	4,838	7	8	11
	54% C. P. T.									5	5	5
	5% Debentures											
Martin Burn	Directors	7,733	69,953	85,636	15,983		9-59	8,630	(k)11,681	27	21	21
	5% C. P.									5	5	5
	4% Convertible Notes											
Marwar Trading Corp	Directors			35,970	4,451		12-57	(a)19,213	5	5	5	5
Midland & Co.	Directors						12-58	1,955	1,845	12	12	8
	5% 1st C. P. T.									5	5	5
	5% 2nd C. P.									5	5	5
	Deferred									7	7	7
	Convertible Notes											
Metal Box Co.	Directors		33,669	71,144	18,495		3-59	11,159	8,616	12	12	17
	6% R. C. P. T.									6	6	6
Metal Corporation	Eastern Smelting & Refining Pri.		7,435	8,000	3,204	35	3-53	326	924	nil	nil	nil
	5% C. P. T.									nil	nil	nil
	Deferred									nil	nil	nil
	54% Debentures											
Midnapore Zamindary	Andrew Yule & Co.	67		169			4-58	-124	-491	nil	nil	nil
Moradabad Water Supply	Noorulla Chazanfarulla	469	1,658	3,819	656	9	10-58	54	53	5	5	5
C. & E. Morton India Ltd.	Cotton Agent. Private	78		1,346		4	6-58	142	298	nil	6	15
Motor & Genl. Finance	Gupta & Sval Ltd.						6-55	7,88	3,94	40	15	15
	10% 1st C. P.									10	10	10
	7% 2nd C. P.									7	7	7
	7% 3rd C. P.									7	7	7
National Insulated Cables	Asso. Indust. Development Co.	1,948	14,724	28,496	1,147	656	3-56	6,096	(a)7,096	20	20	20
	54% Debentures											
National Pipes & Tube	Asso Indust. Dev. Co.	1,022	4,632	8,240	1,886	166	9-58	1,662	1,492	12	20	20
	54% R. C. P.									5	5	5

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INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	REVENUE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1960 Rs. n.p.	February 1959 Rs. n.p.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Outstand- ings Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Continued)															
Hindustan Pilkinton	13 25	13 62	10	8,600	200	5	102	2,343	9,649	2,659	9	1,892	541	1,719	...
Hindustan Woollen	...	...	10	3,497	...	...	...	...	...	...	...	...	...	...	...
Hoare Miller	7 30	6 12	10	3,520	2,000	...	...	233	48	...	581	...	3,129	29	...
Hooghly Flour	21 91xd	36 37	10	600	590	103	22	8,972	1,550	843	2,237	1,551	8,285	19	1,766
Hooghly & Ganges Hyd.	7 35xd	5 75	10	800	54	86	7	1,162	1,642	1,322	...	846	1,123	18 8	...
4% R. C. P.	...	...	100	400	...	...	...	1,62	15,50	4,70	5,92	10	1,21	6	...
4% Debenture	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	10 75	11 75	10	151,600	46,500	43,373	2,464	27,079	109,389	24,739	3,778	105,151	44,006	30,432	...
India Genl. Navigation	63 03	65 50	£ 10	636	170	959	-193	2,213	5,811	3,539	28	697	991	59	2
6% C. P.	70 50	69 00	£ 10	244	...	...	...	...	...	...	...	...	...	...	...
India Linoleum	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
India Paper Pulp	20 12	20 37	10	6,300	1,055	5,492	55	9,436	23,207	10,324	112	5,120	3,732	211	278
India Steamship	12 00	14 19	10	22,500	14,000	18,453	209	133,350	187,741	40,093	760	368	17,970	26,497	...
5% R. C. P.	81 50	90 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Indian Aluminium	24 87	17 03	10	38,606	1,500	11,402	1,526	52,682	92,460	24,887	13	29,391	10,955	1,171	614
5% C. P. T.	71 50	71 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Indian Cable	29 56	28 94	10	23,578	8,095	10,385	4,000	22,942	27,617	12,013	76	32,593	26,319	5,475	...
6% C. P. P.	28 50	25 75	10	1,288	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	101 50	...	10	10,090	...	...	...	...	...	...	...	...	...	...	...
Indian Copper & S.	4 11	3 62	2ah	1,371	1,473	494	71	1,503	2,925	1,742	643	1,554	1,476	258	...
Indian Oxygen	35 50xd	24 62	10	20,050	7,050	2,942	973	33,731	52,628	21,475	446	14,843	12,384	2,582	3,286
Indian Rubber Manfr.	17 17	18 00	100	828	5,00	53	63	4,1	16,75	9,50	4	6,15	7,94	5,85	...
5% C. R. P.	78 03	75 10	100	828	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products	32 00	43 37	10	2,000	1,600	450	106	1,725	2,145	1,670	2	4,313	450	641	...
India Burma Petrol	26 87	24 94	10	10,000	3,244	11,774	329	14,472	9,960	5,131	24,185	2,764	7,587	5,454	...
7% C. P. T.	90 00	83 50	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance	...	...	100	200	149	117	33	1127	...	...	...	1,314	...	7	5
6% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
J. K. Comml. Corp. Ltd.	...	...	10	2,080	822	3	...	48,15	29	17	41,67	...	35,46	...	...
J. K. Investment Trust	...	...	700	7,008	25,50	46	7	40,23	2	1	115,02	...	15,78	8,03	...
B. Ord.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
Jaipur Udoys	12 37	10 75	10	15,000	145	40	93	41,310	67,292	12,470	58	11,406	7,298	230	...
5% C. P. T.	37 00	40 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
6% D bentures	...	...	...	9,726	...	...	...	...	...	...	...	...	...	...	...
James Wright	2 62	2 75	5	588	38	53	...	877	300	73	581	458	530	7	...
6% C. P.	25 25	23 00	50	130	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 69	0 62	1	117	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	69 00	82 50	100	20,000	6,700	502	540	54,361	4,109	1,460	46,229	3,915	31,693	113	2,565
54% C. P. T.	59 00	57 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Jeevanlal (1929) Ltd.	8 37	6 00	10	7,200	800	...	-170	6,687	3,887	2,631	6	7,899	4,755	598	12
Jenson & Nicholson	...	...	10	3,250	1,750	709	599	10,782	5,703	3,160	93	7,524	9,429	59	...
74% R. C. P.	...	...	100	2,569	...	...	...	...	...	...	...	...	...	...	...
John Paterson	4 50	2 00	10	529	...	17	36	345	512	58	13	38	458	...	4
Kalimpong Ropeway	2 25	3 12	10	450	65	...	-1,28	1,38	5,97	2,63	9	1,34	33	13	...
Kalyanpur Lime & Cement	103 00	105 00	100	5,425	...	2,929	-514	9,806	15,469	1,775	52	2,845	2,338	149	502
7% P. T.	80 00	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref.	100 50	100 50	100	5,425	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate	95 00	95 00	100	1,58	183	1,57	25	1,72	1,95	68	63	10	27	4,59	8
Karapura Development	13 87	12 56	10	1,900	998	...	314	3,761	4,479	1,308	1,904	128	798	2,582	...
Founders	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Kentwell Bullen & Co.	137 00	143 00	100	4,000	951	1,840	205	3,492	...	224	126	8,010	5,371	10	...
54% C. P. T.	58 25	57 50	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	59 00	63 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Kinshore Trading Co.	75 00	75 00	100	2,000	175	24,15	53	4,03	...	1	46,77	...	1,45	1,24	...
Kumardhobi Fireclay	22 75	22 75	10	3,000	902	8,020	30	5,747	16,187	5,448	131	4,007	4,676	67	59
54% R. C. P. T.	22 75	22 75	10	3,000	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	54 50	54 50	100	400	...	...	...	...	...	...	...	...	...	...	...
Kutum Products	96 00	101 00	...	2,000	...	...	...	...	...	...	...	...	...	...	...
54% R. C. P. T.	64 00xd	69 50	100	800	...	41	88	3,570	4,211	2,690	13	3,471	1,165	127	...
44% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Macfarlane & Co.	4 00	3 12	5	634	...	13	94	866	734	556	151	892	743	17	...
7% C. P.	...	...	100	309	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 87	0 75	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneill & Barry	98 50	...	100	15,000	3,700	4,982	304	8,521	5,408	1,575	25,562	1,306	13,175	132	6,000
54% C. P. T.	58 25	...	100	10,800	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	850 00N	840 00N	1000	7,500	...	3,519	255	51,256	4,389	1,626	19,661	16,661	41,678	667	2,918
Martin Burn Limited	28 06	30 00	10	14,583	7,500	...	...	...	...	...	...	...	...	...	...
5% C. P.	100 25	100 00	100	6,000	...	...	...	...	...	...	...	...	...	...	...
6% Convertible Notes	650 00	550 00	500	835	...	...	...	...	...	...	...	...	...	...	...
Marwar Trading Asson.	200 00	200 00	100	2,400	...	51	5	325	...	...	1,874	...	684	223	...
McLeod & Co.	219 00	187 50	100	4,000	5,200	3,387	250	21,969	2,970	1,195	26,409	4,478	10,297	346	1,500
5% R. C. P. T.	50 75	51 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P.	69 50	70 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes	410 00	465 00	...	4,500	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co.	34 50	30 75	10	11,500	8,500	6,100	1,934	18,760	30,915	11,273	369	19,863	8,265	1,704	...
6% R. C. P. T.	66 50	79 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Metal Corporation	12 06	9 37	10	4,000	...	935	-1,597	5,986	11,395	5,123	15	5,239	569	27	...
5% C. P. T.	79 00	50 00	100	700	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 00	2 00	1	300	...	...	...	...	...	...	...	...	...	...	...
54% Debentures	...	...	1000	1,800	...	...	...	...	...	...	...	...	...	...	...
Midnapore Zamindary	19 50	...	924	9,400	...	4,247	-1,862	2,314	154	61	51	...	9,906	4,048	...
Moradabad Water Supply	5 35	4 90	10	446	...	5	1	123	733	286	1	36	55	29	9
C. E. Morton (India) Ltd	...	...	10	885	822	214	2	1,340	2,520	1,412	70	1,389	609	86	...
Motor & General Finance	...	...	10	400	11,00	4,00	10	70,63	63	24	11,42	26	82,39	1,60	...
10% C. P.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P.	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P.	...	...	10	275	...	...	...	...	...	...	...	...	...	...	...
National Insulated Cable	27 31	30 50	10	5,997	7,000	4,526	61	15,753	9,633	4,483	8	11,283	16,916	880	...
54% Debentures	...	...	2,000	1,000	...	...	...	...	...	...	...	...	...	...	...
National Pipes & Tubes	18 37	...	10	1,000	1,500	6	116	2,692	4,519	2,156	2	3,427	2,245	277	...
44% R. C. P	...	...	100	1,003	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
National Rubber	Directors ... 6% C. P. ...	2,851 ...	13,222 ...	16,486 ...	4,426 ...	...	12-58 ...	885 ...	719 ...	6 6	10 6	20 7
National Tobacco	B. N. Elias & Co. Private 5% R. C. P. 4% R. C. P. 4% Debentures	22,578	64,111	85,050	5,983	751	12-58	5,712	6,333	11 5 4	9 5 4	7 4 4
New Bharat Varniya	Directors ... 41% C. P. ...	6 ...	3,256 ...	3,282 ...	3,509 ...	...	5-58 ...	208 ...	-278 ...	nil nil	nil nil	nil nil
New India Investment	Ramduit Ramkiesandas	4	842	888	3,577	21	12-58	258	61	5	3	...
Oscarica Steel & Co.	Directors ... 6% C. P. T. ...	1,368 ...	... ...	4,610 ...	... ...	...	12-57 ...	2,476 ...	2,255 ...	8 6	7 6	10 6
Orient Paper	Birla Brothers Private Ltd. 5% C. P. 5% C. P. T. 5% Debentures	8,195	33,012	61,065	8,039	1,070	3-59	14,742	12,680	15 5 5	15 5 5	15 5 5
Orissa Cement	Dalania Agencies Private 4% C. P.	... ...	... ...	27,212 ...	3,300 ...	578 ...	12-58 ...	7,926 ...	6,892 ...	15 4	15 4	12 4
Orissa Minerals	Bird & Co. Private Ltd.	4,195	...	11,716	952	287	6-59	2,869	3,817	36	25	20
Philips India	Directors ... Andrew Yule & Co.	6,140 1,907	... 1,129	45,301 2,943	... ...	... 20	12-58 12-58	(a)5,458 -210	5,504 (a)2,394	8 12	20 12	... 15
Port Shipping	Directors ... Publicity Society	262 4	253 33	1,005 43	... ...	... ...	3-58 9-58	330 1	210 nil	50 nil	37 5	50 5
Punjab Minerals	Bird & Co. Private Ltd. Director	... 117	... 1,041	... 2,047	... 61	... ...	... 3-59	... 182	... 199	... 6	... 6	... 5
R. B. Rodda	51% R. P. Directors ... 6% C. P. T. ...	... 5,491 ...	... 162,079 ...	... 173,777 ...	... 21,130 ...	... ...	... 8-58 ...	... 1,820 ...	... (b)2,120 ...	... nil ...	... nil ...	... nil ...
Reliance Firebrick	Sahu Jata Ltd.	1,872	1,816	5,338	354	...	2-57	1,780	743	40	20	10
Robtas Industries	7 to 9% C. P. 4% C. P. 4% Debentures 6% Debentures	13,573	114,194	151,074	37,159	1,550	3-59	24,725	(a)524,329	15 9 4	20 9 4	10 6 4
Sahu Properties	Directors ...	3	...	170	...	...	12-57	121	92	5	5	3
Scientific Instrument Co.	Directors ...	...	...	38,20	5,77	...	3-55	1,91	...	8	8	...
Shaw Wallace & Co.	Directors ... 6% C. P. T. Kedarnath Mohanlal	6,545 ... 30	43,153	60,705	11,469	... 6	12-58 6-55	4,771 Ra. 3,07	3,774 40	10 nil	10 1	10 1
Shree Gopal Paper	6% C. P. P. 7% R. C. P. 5% Debentures 6% Debentures	3,663	15,860	31,039	1,410	528	12-57	5,494	4,533	12 8	12 8	12 8
Smith Stanistreet	Directors ... 10% Pref. Cum. a to 7%	1,566 ...	10,162 ...	14,269 ...	4,129 ...	...	6-58 ...	1,011 ...	784 ...	16 10	20 10	20 10
Sonakunda Baling	Bird & Co. (Pak) Ltd. 8% C. P. 5% C. P.	344	186,39	200,88	52,00	6 ...	2-55 ...	-2,50 ...	-2,32 ...	... nil	... nil	... nil
Sone Valley Port Cement	Directors ...	7	...	19,372	957	...	12-58	1,106	1,038	6	6	3
Star Co.	Directors ... Bajoria & Co.	3,53 ...	19,83 ...	33,24	11,10	52	9-55 11	3,59	3,47	7	5	2
Star Paper Mills	5% C. P. 5% Debentures	... ...	... ...	... ...	... ...	... ...	... ...	... ...	... ...	... ...	... ...	... ...
Star Trading & Inv.	Bajoria & Co.	7	...	25	...	3	6-53	-32	-14	...	...	...
Straw Products	J. K. Agents Private Ltd.	1,026	3,498	6,333	2,015	93	12-58	(a)10,216	1,161	12	12	12
Sutna Stone & Lime	Directors ...	687	985	2,265	3	...	12-58	438	334	17	17	13
Tide Water Oil	Andrew Yule & Co. Ltd. F. W. Hailgers & Co. Private	791 14,624	5,105 38,259	6,235 94,533	3,064 1,176	25 1,214	10-58 3-59	219 13,763	281 11,664	15 25	12 23	12 23
Titagur Paper Mills	Pref. Ordinary ... 8% C. P. 4% C. P. 5% Debentures	... ... ... ...	... ... ... ...	... ... ... ...	... ... ... ...	... ... ... ...	... ... ... ...	... ... ... ...	... ... ... ...	... ... ... ...	... ... ... ...	... ... ... ...
Tungabhadra Industries	Cotton Agents Private Debentures	733 ...	24,421 ...	32,221 ...	3,637 ...	66 ...	9-58 ...	676 ...	520 ...	nil ...	nil ...	nil ...
Union Co.	Directors ...	6	...	1,58	...	...	3-54	12	-1,31	...	...	...
Union Carbide	Directors ... Shaw Wallace & Co. Ltd.	9,927 446	31,796 8,121	60,507 9,577	20,363 589	...	12-58 11-58	10,553 525	8,927 664	14 37	14 45	15 45
United Flour	Directors ... 6% C. P.	1,161 ...	12,959 ...	14,292 ...	2,279 ...	...	12-58 ...	305 ...	844 ...	14 12	14 12	14 12
Walford Transport	Pref. Ordinary ...	...	...	...	...	...	...	...	...	...	...	...
SOUTHERN INDIA												
Amman Industries	Seshasayee Brothers Pri. R. N. Brothers	2,178 94	21,707 1,473	33,589 2,543	4,023 23	271 38	3-59 3-58	3,355 350	3,239 532	12 35	12 60	12 50
Amman	7% C. P. Andhra Engineering Co. Pri.	... 1,202	... 4,591	... 9,083	... 188	... 65	... 12-58	... (a)7,670	... (a)13,698	... 7	... 6	... 6
Andhra Cement	6% C. P. Srinanth Industrials Pri. Ltd.	... 330	... 693	... 1,752	... 769	... 29	... 6-57	... 293	... 179	... nil	... nil	... nil
Andhra Scientific Co.	5% C. P. Directors	... 793	... 3,027	... 6,660	... 977	... ...	... 12-57	... 10	... 148	... 8	... 8	... 8
Aspinwall & Co. (Trav.)	Directors ... 6% C. P.	1,872 ...	6,501 ...	10,717 ...	1,691 ...	...	12-58 ...	(a)486 ...	684 ...	6 14	6 14	10 14
Aspinwall & Co.	Directors ... 6% C. P.	... ...	... ...	... ...	... ...	... ...	... ...	... ...	... ...	... ...	... ...	... ...
Asso. Industrial Engg.	Gannon Dankerley	68	...	4,944	1,378	55	3-59	524	412	9	9	9
Bangalore Printing	Directors ... Second Ordinary	194 ...	161 ...	496 ...	223 ...	...	12-58 ...	84 ...	79 ...	10 ...	10 ...	10 ...
Bisby & Co.	Directors ...	1,536	3,881	9,812	439	...	12-58	2,384	2,840	10	10	10
Central Scientifics	Guru Agencies Private 6% C. P. P.	88 ...	630 ...	1,054 ...	178 ...	11 ...	3-59 ...	112 ...	100 ...	10 8	10 8	10 8
Coimbatore Chem. & Fert.	Venus & Co.	...	...	8,92	...	5	3-55	11	15	8	7	8

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1960	February 1959			General Ra. 000	Others Ra. 00	Carry Forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Out Standings Ra. 000	Cash Ra. 000	Others Ra. 000
	Ra. np.	Ra. np.														Ra.	Ra. 000
NORTHERN INDIA (Continued)															
National Rubber	13 00	14 71	10	4,990	400	322	97	8,317	7,258	3,103	10	8,167	2,611	219	105
6% C. P.	77 00	...	100	945	...	...	...	...	...	...	...	...	...	...	...
National Tobacco Co.	17 50	14 00	10	7,997	213	2,837	960	14,897	13,038	7,143	79	24,055	5,339	2,234	...
5% R. C. P.	75 50	71 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P.	67 00	59 25	100	1,998	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00	810 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
New Bharat Varijya	4 00	...	5	1,500	...	...	172	1,396	4	2	...	3,309	149	3	61
4% C. P.	66 00	...	50	1,000	...	...	...	...	...	...	...	...	...	...	...
New India Investment	46 00	35 50	75	2,332	725	102	21	543	5	4	3,577	...	122	24	...
Oceanus Steel & Co.	...	...	100	5,000	3,300	2,321	299	5,357	766	262	8,359	...	8,186	228	...
6% C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Orient Paper	38 80	31 25	10	14,682	1,700	27,439	169	41,139	96,523	23,615	2,357	17,356	15,164	769	...
5% C. P.	87 50	90 50	100	7,445	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	61 50	60 00	100	6,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	915 00	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Cement	13 06	14 25	10	15,000	...	3,374	1,870	30,386	47,301	14,989	3,022	11,399	4,623	195	5,175
4% C. P.	35 06	35 06	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Orissa Minerals	40 12	27 58	10	2,000	1,055	4,346	88	7,737	6,443	3,199	3,860	2,557	5,120	530	142
Philips India	25 06	16 75	10	22,000	346	4,297	36	22,777	11,735	3,812	229	18,266	21,358	925	755
Port Shipping	10 87	13 00	10	1,408	625	1,865	368	1,258	5,023	1,103	101	122	738	9	...
Publicity Society	15 00	9 19	4	191	150	217	43	1,673	194	180	56	...	2,120	84	...
Punjab Minerals	...	...	10	650	...	...	130	25	164	2	...	1	22	1	9
R. B. Ridda	5 00	4 68	10	300	100	92	5	312	137	61	43	701	660	89	...
5% R.C.P.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
Rallis India	84 00	51 50	100	22,500	...	1,094	3,248	18,198	8,513	4,627	1,106	22,528	13,148	3,352	25
6% C. P. T.	95 00	70 75	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	20 00	25 00	10	600	319	922	51	2,801	3,453	2,460	383	921	1,220	986	...
Robtas Industries	27 81	19 06	10	22,800	18,200	3,945	4	81,995	145,458	55,272	6,270	50,163	14,209	304	658
7 to 9 C. P.	120 00	119 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	61 75	60 00	100	6,476	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	990 00	910 00	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
Sahu Properties	3 06	3 03	5	750	10	355	2	173	15	10	1,660	61	32	32	...
Scientific Instrument Co.	...	...	100	999	1,45	1,29	4	14,91	1,71	...	72	5,80	18,27	1,16	...
Shaw Wallace & Co.	19 50	16 37	10	7,500	1,250	1,762	487	35,121	8,330	1,826	16,349	12,461	17,724	342	239
6% C. P. T.	70 75	68 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Shree Jute Press	53 00	53 00	100	450	1,10	10	42	50	9,69	4,96	32	...	1,53	3	...
Shree Gopal Paper	22 69	15 81	10	12,549	3,775	5,648	20	12,503	18,524	11,142	5,032	10,360	7,044	2,109	10,602
8% C. P. P.	103 00	108 00	100	250	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	103 50	...	100	5,214	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	950 00	950 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	960 00	950 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet	12 75	10 12ad	5	500	500	806	87	3,755	2,005	1,448	1	4,366	1,312	414	...
10% Pref. cum. a. to 7	69 62	57 00ad	50	500	...	...	...	...	...	...	...	...	...	...	...
Sonakunda Baling	...	...	100	600	502	16,73	3,67	60,25	38,53	13,27	...	54,01	7,79	77	...
8% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
Sons Valley Port Cement	5 59	5 28	5	7,500	1,415	435	28	6,440	22,478	15,997	521	5,430	2,515	657	214
Star Co.	79 00	81 00	100	1,040	7,25	2,38	85	7,26	14	5	16,74	...	6,21	...	3,41
Star Paper Mill	11 91	11 37	10	3,000	3,00	3,50	14	37,07	65,85	31,83	28	32,25	25,47	89	...
3% C. P.	78 50	73 60	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Star Tracing & Invst	8 00	8 00	25	500	40	...	57	6,14	2	1	9,39	...	1,54	2	...
Straw Products	13 12	14 00	10	1,500	2,700	6,766	5	3,781	11,570	2,422	954	2,633	1,414	230	...
Sutna Stone & Lime	17 50	19 25	10	484	65	371	31	539	1,518	605	17	154	240	166	...
Tide Water Oil	17 00	13 75	10	600	450	486	71	4,084	238	175	2	3,098	1,986	341	200
Titaghar Paper Mills	39 87	42 25	10	11,205	4,805	35,431	101	45,753	72,692	40,288	1,007	26,985	27,204	795	19,988
Prefd. Ordinary	3 98	3 94	2 1/2	437	...	...	...	...	...	...	...	...	...	...	...
3% C. P.	126 00	140 00	100	1,150	...	...	...	...	...	...	...	...	...	...	...
4% Cum. preference	84 50	78 50	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	8,000	...	...	...	...	...	...	...	...	...	...	...
Tungabhadra Industries	...	...	10	3,059	...	30	390	7,816	6,869	1,209	25	4,396	1,396	201	...
5% Debentures	...	...	...	1,503	...	...	...	...	...	...	...	...	...	...	...
Union Co.	73 20	75 00	100	1,250	7,50	4,62	93	25,16	14	10	23,15	...	25,64	...	...
Union Carbide	42 37	28 44	10	20,800	2,500	6,306	3,383	22,482	28,279	7,878	303	22,243	5,139	3,584	3,000
United Flour Mills	50 00	29 87	10	500	220	355	19	957	807	528	18	628	547	144	...
Walford Transport	3 32	2 06	1	841	1,000	1,002	141	1,785	1,238	875	127	2,536	1,560	348	...
Prefd. Ordinary	3 12	1 44	1	210	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Aluminium Industries	24 15cd	18 60	10	7,999	2,000	6,306	49	14,782	11,899	4,370	...	7,573	9,142	770	2,165
Amrutajani	...	...	100	200	125	156	20	883	794	82	189	147	432	232	...
7% C. P.	128 00	131 00	100	350	...	...	...	...	...	...	...	...	...	...	...
Andhra Cement	9 20	10 00	10	7,102	235	397	6	9,371	15,825	6,115	576	5,010	2,282	20	...
6% Cum. preference	104 00	100 00	100	249	...	...	...	...	...	...	...	...	...	...	...
Andhra Scientific Co.	9 50	5 00	10	800	...	...	487	1,588	926	534	...	838	842	28	...
5% C. P.	10 88	6 00	10	200	...	...	...	...	...	...	...	...	...	...	...
Aspinwall & Co. (Trav.)	5 00	6 00	10	1,000	...	365	9	705	625	337	95	1,128	519	30	...
Aspinwall & Co.	6 90	7 00	10	3,588	44	934	1	4,653	3,336	1,810	596	1,997	5,025	289	...
6% c. p.	7 83	8 80	10	214	...	...	...	...	...	...	...	...	...	...	...
Asso. Indval. & Engg.	85 50	96 00	100	2,480	35	2	5	837	313	170	433	2,081	674	28	...
Bangalore Printing	15 00	10 00	10	316	195	107	6	165	758	443	70	224	188	23	...
Second Ordinary	...	...	10	31	...	...	...	...	...	...	...	...	...	...	...
Binay & Co.	167 00	170 00	100	10,000	3,650	753	427	6,449	3,964	2,019	16,240	51	2,272	311	...
Central Scientifics	7 10	6 10	5	150	...	165	...	...	...	...	...	...	...	...	...
6% C. P. P.	5 65	5 50	5	150	...	...	...	...	...	...	...	...	...	...	...
Combustion Chem & Fert	...	...	25	139	...	...	...	3,39	1,45	29	1	3,11	21	30	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second previ- ous
SOUTHERN INDIA (Continued)												
Enfield India	Directors	584	6,017	6,801	2,442	...	12-38	492	106	nil	nil	nil
Fertilisers & Chemicals	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Forest Industries	Seshasayee Bros. Private	4,013	9,259	24,727	927	355	12-58	5,983	(a) 16,834	6	nil	nil
	Seshasayee Bros.	107	1,175	2,489	153	...	3-58	871	1,159	4	nil	nil
General Papers Ltd.	Gany & Co.	52	2,385	2,980	879	41	3-59	365	303	12 1/2	12 1/2	8
Hyderabad Inv. Synd.	M. Amolachand Bros. Ltd.	...	...	1,58	...	17	9-55	54	67	2 1/2	2 1/2	ni
Indie Cements	Essen Pri. Ltd.	1,828	6,033	17,690	1,611	378	3-59	3,669	3,591	18	9	8 1/2
	7 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.	...	...	70	...	6	9-59	54	60	5	5	5
Jeyore Mining	R. S. Indus'l Corp.	64	1,14	5,76	7,17	9	6-55	1,08	1,00	10	5	51
Madras Indusl Invt. Corp.	Directors	...	...	6,37	...	...	6-54	5,43	5,29	3	3	3
Madras Sile Deposit	Kothari & Sons	12	...	56	...	1	6-59	21	31	5	5	5
Madras Vanaspathi	Kubera Vanspathi	...	...	...	4	...	4-58	-141	-153	nil	nil	nil
	Ordinary	...	...	...	...	...	...	...	...	nil	nil	nil
	5 1/2% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri.	207	5,622	6,239	675	13	3-59	153	130	9	9	9
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
McDowell & Co.	Directors	173	3,588	3,871	825	...	12-57	337	235	24	6	6
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Mettur Chem. & Indus. Corp.	Seshasayee Bros. privat. Ld.	1,228	6,865	12,137	623	200	3-59	2,099	2,068	8 1/2	8 1/2	7 1/2
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	Directors	...	...	...	...	...	6-58	2	...	...	...	...
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem. & Fert.	Directors	461	1,697	3,173	573	...	3-59	867	451	9	5	5
Mysore Chem. Manfra.	Directors	127	1,481	2,935	417	...	3-59	625	303	20	20	20
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Mysore Chrome	Directors	...	...	464	165	...	6-58	-25	-37	6	6	6
Mysore Coffee Caring	Directors	93	319	95	76	...	12-58	375	144	12 1/2	10	10
Mysore Elec. Industries	Directors	677	2,949	5,155	276	...	3-59	639	556	15	11	8
Mysore Glass & Enamel	Directors	...	...	1	4	...	3-59	7	...	...	...	...
Mysore Indus. & Test Lab.	Directors	304	523	1,536	185	...	3-58	325	244	12	11	12 1/2
Mysore Lamin	Directors	272	387	1,777	296	...	3-59	312	297	16	15	15 1/2
	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
Mysore Match	Directors	...	...	1,20	8	...	6-56	3	10	4	4	4
Mysore Paper	Directors	2,068	7,673	12,535	402	...	3-59	1,648	1,901	12 1/2	10	10
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.	...	...	1,188	96	38	3-59	368	356	10	10	10
Mysore Tobacco	Directors	455	1,067	1,989	246	...	3-59	313	190	12 1/2	12 1/2	15
Mysore Veg. Oil	Directors	38	2,200	...	332	...	6-57	34	119	11	11	11
National Chemicals	Murthy & Co.	...	...	...	...	...	6-54	-89	-95	nil	nil	nil
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ogale Glass Works	S. P. Ogale & Co.	1,387	2,761	6,302	296	21	12-58	325	512	4	nil	nil
Perry & Co.	Directors	7,919	56,231	72,784	14,726	...	9-58	1,868	2,413	5	5	5
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
	4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Perry's Confectionary	Perry & Co.	1,101	5,303	8,872	2,266	87	3-59	830	897	20	20	20
Punahar Paper	A. & F. Harvey	1,593	5,148	9,372	383	167	6-58	1,922	1,020	10	7 1/2	5
Radio & Electricals	Directors	47	1,421	1,950	2,189	...	12-58	259	306	7 1/2	9	9
Radio & Electricals Manfr.	Directors	918	...	6,341	376	...	3-59	2,242	1,643	16	16	13
Rene (Madras)	Iyer & Co. Ltd.	183	6,524	7,583	1,937	41	3-59	395	238	10	6	10
	7% 'A' C. P.	...	...	...	...	...	...	...	...	...	...	...
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ruby Rubbers	Ruby Industries Private	88	1,375	1,743	833	18	6-58	226	192	6	6	6
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co.	Directors	1,731	48,485	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Spencer & Co.	Directors	4,616	19,190	30,407	7,655	...	6-58	2,412	2,876	15	15	15
	6 1/2% 'A' C. P.	...	...	...	...	...	...	...	...	...	...	...
	8 1/2% 'B' C. P.	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T	Directors	456	4,695	6,474	779	...	9-58	542	671	20	20	...
	7 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	Directors	882	5,765	8,714	1,265	...	3-58	567	591	7	7	7
Thomas & Co. A. V.	Directors	292	446	1,345	95	...	12-58	233	236	25	15	15
	"B" Ordinary	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. Preference	...	...	...	...	...	...	...	...	...	...	...
A.V. Thomas & Co., (India) Ltd.	Directors	29	262	525	210	...	6-58	20	66	6	6	6
	5% Cum. Preference	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	Directors	1,111	2,134	6,802	452	56	12-58	996	963	6	6	6
Trav. Chem. & Manfr. Co.	Directors	106	1,734	2,115	425	...	3-59	315	213	10	7	6
	6 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Travancore Ogale Glass	Ogale Bros. Private Ltd.	339	425	1,066	10	10	12-58	177	108	6 1/2	6 1/2	6 1/2
	Directors	452	3,883	5,364	802	...	6-58	...	...	...	...	...
United Coffee Supply	Asso. Eggs Corp. Private Ltd.	150	2,030	3,068	197	6	12-57	203	193	11	10	15
United Elec. Industries	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...
Vaninad Matches	Directors	85	4,24	5,43	1,36	...	12-54	18	31	5	5	5
	6 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	Ramkrishna & Sons	20	197	240	9	6	12-57	-11	-20	nil	nil	nil
	5 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
W. I. Plywood	Directors	585	2,429	5,922	705	...	3-59	1,524	1,569	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.
(b) After transferring Rs 1,404,391 from Property Reserve and Rs 525,000 from provision for taxation and taxation contingencies.
(c) After transferring Rs 905,246 from General Reserve.
(d) After transferring Rs 1,500,000 from General Reserve.
(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.
(f) After writing back Rs 50,00,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax and Rs 10,850 being expenses and Rs 5,85,025 profit on realisation of investments, Rs 8,45,030 surplus on revaluation of stores, and Rs 34,300 surplus on sale of machinery.
(g) After transferring Rs 1,300,000 from provision for Bad and Doubtful debts.

(h) After transferring Rs 62,000 from General Reserve.
(i) After writing back Rs 676,904 being over provision in previous years.
(j) After writing back Rs 180,000 from provision for taxation.
(k) After writing back Rs 1,316,749 from provision for taxation and Rs 1,000,000 from provision for contingencies.
(l) After writing back Rs 8,39,728 from provision for taxation.
(m) After transferring Rs 800,000 from General Reserve.
(n) After transferring Rs 508,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.
(o) After writing back Rs 931,978 from provision for taxation and Rs 28,867 from excess provision made in previous years.

(p) After transferring Rs 300,000 from General Reserve.
(q) Bonus shares in the ratio of one fully paid ord. share for every five ord. shares will be issued in lieu of Dividend.
(r) Includes Rs 17,99,170 being indemnity payable to the Government of India.
(s) After transferring Rs 700,000 from Repair and Replacement Reserve and Rs 64,000 from Taxation Reserve.
(t) Includes Rs 1,773,324 being profit on realisation of investments, Rs 18,970 being surplus on sale of Machinery Rs 56,828 being provisions no longer required and Rs 125,779 being items relating to previous years.
(u) After transferring Rs 175,000 from Dividend Equalisation Reserve and Rs 64,000 from Taxation Reserve.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1960	February 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standings	Cash	Others
	Rs. np.	Rs. np.			Rs.	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
SOUTHERN INDIA (Continued)															
Enfield Industries	14 62	10 00	10	1,455	...	200	4	4,508	3,940	359	...	2,756	410	137	42
6% C. P.	100 00	100 00	100	759	...	...	...	...	...	...	...	...	...	...	...
Fertilisers & Chemicals	9 75	7 45	10	34,598	...	1 126	438	25,065	49,337	25,836	2,575	9,181	7,826	2,401	13,748
Forest Industries	2 95	3 00	2 1/2	1,992	...	...	-210	1,627	613	438	...	324	1,163	1,747	...
General Papers Limited	13 25	12 33	10	750	300	166	6	490	121	43	46	878	616	89	4
Hyderabad Inv. Synd.	...	...	50	2,142	1,00	...	1	2,65	...	...	11,52	...	9,65	3,91	...
India Cements	6 15cd	5 40	5	14,582	...	3,041	70	21,221	22,308	8,480	865	7,417	7,811	490	11,488
7 1/2 Cum. preference	96 00cd	94 50	100	2,985	...	196	8	99	...	...	1,209	...	12	121	...
Inv. Trust of India	70 50	65 00	100	1,090	...	...	...	...	...	...	...	...	...	...	...
Jeyore Mining	...	...	100	400	2,40	31	46	10,94	6,35	1,63	36	8,83	4,10	4	...
Madras Indusl Invt. Corp.	47 50	50 00	1000	12,756	...	2,75	7	5,98	...	...	36,48	9	93,58	6,22	...
Madras Safe Deposit	15 00	15 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Madras Vanaspathi (a.z.)	...	...	100	193	...	...	-1,234	2,817	3,943	...	...	58	9	1	61
Ordinary	...	...	100	714	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P.	33 00	33 00	100	436	...	...	...	...	...	...	...	...	...	...	...
Alankar (Motor)	51 00	36 00	50	436	400	...	2	1,300	247	...	89	686	930	395	...
6% C. P.	50 00	42 50	50	209	...	...	...	...	...	...	...	...	...	...	...
McDowell & Co.	27 35	...	100	314	324	...	21	945	1,262	862	81	901	504	50	...
6% C. P.	96 00	...	100	330	...	...	...	...	...	...	...	...	...	...	...
Mettur Chem. & Indl Corp.	12 55	12 00	10	4,050	2,42	1,644	19	3,910	12,192	6,682	1,430	3,435	2,434	1,31	...
6% C. P.	102 00cd	95 75cd	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	83 00	83 00	100	1,400	...	...	...	...	...	...	...	...	...	...	...
Modern Housing	...	...	100	1,792	...	...	-1,259	307	577	227	249	696	740	130	5
6% C. P.	...	...	100	1,272	...	...	...	...	...	...	...	...	...	...	...
Mysore Chem. & Fert	9 90	7 80	10	2,481	623	343	11	1,959	5,535	3,742	336	1,850	560	476	...
Mysore Chem. Manfr.	24 50	22 00	10	608	400	234	41	1,065	1,013	577	35	921	1,110	38	...
6% C. P.	8 40	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
Mysore Chrome	...	...	10	494	90	...	-206	405	634	...	169	1	265	42	9
Mysore Coffee curing	16 30	10 50	10	785	52	177	1	2,824	708	451	62	575	1,911	36	...
Mysore Electric Indus.	175 60	109 00	10	905	130	259	5	2,023	1,215	517	...	1,074	1,547	3	...
Mysore Glass & Enamel	...	...	10	631	...	...	-144	30	523	219	...	87	41	61	24
Mysore Indus. & Test. Lab.	7 50	6 90	5	916	60	257	4	800	653	437	436	576	819	189	...
Mysore Lamp	20 52	17 25	10	656	535	404	3	469	1,219	685	...	928	778	77	...
4% C. P.	6 30	6 50	10	250	...	...	...	...	...	...	...	...	...	...	...
Mysore Match Co.	...	...	10	499	...	...	-1,30	77	3,65	...	84	16	97	20	30
Mysore Paper	23 75	17 50	10	2,500	900	2,029	44	5,742	15,202	9,637	57	3,457	1,537	59,5	...
Mysore Stoneware Pipes	15 10	13 10	10	600	300	223	8	676	1,081	720	159	317	451	528	...
Mysore Tobacco	13 30	12 10	10	1,000	180	176	...	737	1,930	1,127	188	626	401	77	...
Mysore Veg. Oil	...	...	8	1,090	213	74	-51	355	129	...	312	655	465	110	...
National Chemicals	...	...	10	670	...	...	-4,68	6,44	7,97	54	10	1,91	67	2	40
5% C. P.	...	...	10	208	...	...	...	...	...	...	...	...	...	...	...
Orag Glass Works	3 50	...	5	1,487	...	275	5	3,945	5,100	2,081	8	1,943	620	122	...
Kang & Co.	...	...	2	4,000	4,300	1,879	219	29,765	4,936	2,597	2,546	4,954	20,605	1,987	...
5% C. P.	9 00	8 35	10	3,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	1	268	...	...	...	...	...	...	...	...	...	...	...
Farr's Confectionery	4 40	3 80	1	750	400	282	87	3,182	1,121	504	12	2,507	1,477	55	...
Punalur Paper	...	...	25	1,505	750	2,679	156	3,951	9,640	4,375	1	2,200	1,449	176	...
Radio & Electricals	4 25	5 75	5	1,500	100	9	3	1,906	840	290	11	2,203	741	7	...
Radio & Electricals Manfr.	20 60	16 70	10	2,457	150	78	43	5,915	3,381	1,822	...	2,421	4,390	273	30
Rene (Madras)	6 05	6 00cd	5	919	340	13	8	2,440	782	438	225	1,939	1,454	...	...
7% 'A' C. P.	4 65	4 90cd	5	175	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	4 70	4 70cd	5	190	...	...	...	...	...	...	...	...	...	...	...
Ruby Rubbers	9 25	9 70	10	834	...	...	1	1,004	1,110	166	...	854	250	19	30
6 1/2% C. P.	9 10	9 75	10	239	...	...	...	...	...	...	...	...	...	...	...
Simpson & Co	...	...	10	7,500	2,500	10	1,887	20,422	14,009	7,263	16,355	7,778	1,175	265	...
Spencer & Co.	20 37ad	18 75	10	4,000	5,609	4,295	913	5,158	12,883	7,351	2,545	8,025	5,350	4,490	82
6 1/2% 'A' C. P.	9 30	8 00	10	2,320	...	...	...	...	...	...	...	...	...	...	...
8 1/2% 'B' C. P.	11 75	11 05	10	3,680	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co T.	24 10	23 50cd	10	1,156	136	920	46	1,913	1,152	647	1,352	885	1,199	380	...
7% C. P.	88 00	95 00cd	100	150	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	...	...	100	691	400	1,438	7	944	931	477	208	1,338	832	649	...
Thomas & Co. A. V. (Allep.)	21 00	15 75	10	200	300	308	6	750	686	356	152	118	1,012	182	...
B. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
6% Cum Preference	6 43	6 90	10	121	...	...	9	116	41	31	6	253	285	72	...
A. V. Thomas & Go India	4 00	4 50	10	300	...	...	...	...	...	...	...	...	...	...	...
6% Cum Pref.	6 50cd	6 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	9 50	9 25	10	5,000	...	941	268	5,331	10,504	5,238	25	2,634	450	256	...
Trav. Chem. & Manfr. Co.	15 12	12 00	10	700	69	...	22	1,559	1,541	505	25	1,274	313	2	...
6 1/2% R. C. P.	10 00	9 20	10	300	...	...	...	...	...	...	...	...	...	...	...
Travancore Orag Glass	7 80	5 65	10	998	...	...	10	465	1,556	595	...	273	96	144	...
United Coffee Supply	...	...	15	600	314	419	8	1,086	1,050	590	356	857	545	215	...
United Elec. Industries	9 50	9 50	10	936	20	...	-95	1,624	623	115	...	1,504	341	146	...
5% C. P.	10 00	10 00	10	15	...	...	-14	2,43	7,72	3,94	9	3,66	1,61	23	9
Vaninad Matches	...	...	6	270	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Cum. preference	...	...	10	450	...	49	-393	413	454	168	...	92	25	4	8
Varant Soap Works	...	...	100	225	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P.	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
W. J. Plywood	265 00	138 00	100	2,700	250	1,243	17	4,417	3,563	2,358	1	835	2,090	885	60
6% C. P.	100 00	88 00	100	618	...	...	...	...	...	...	...	...	...	...	...
a5) After transferring Rs 300,000 from Contingency															
(a13) After transferring Rs 929,283 from Reliability Contingency Fund. Rs 900,000 workers' amenities															

COAL

March 12, 1960

COMPANIES—(All India)

NAME	Managing Agents Agents/Secretaries	Colliery expenses	COAL		Sales	Stock	Managing Agents Commission and allowances	Year ended	NET PROFIT		DIVIDEND %		
			Raisings (000) Tons	Despatches (000) Tons					Latest Ra. 000	Previous period Ra. 000	Latest	Pre- vious	Second pre- vious
Analgamated	Shaw Wallace & Co. Ltd.	15,845	946	939	19,182	215	173	3-59	(d)2,464	1,659	15	124	124
Associated Karanpura	K. L. Dutt & Co. Private	290	42	38	742	5	13	3-58	146	79	13	Nil	Nil
Associated Lakshid	44% R. C. Preference	...	...	...	...	...	...	...	...	...	...	...	...
	K. L. Dutt & Company Pri.	137	24	21	411	25	3	3-58	60	46	Nil	Nil	Nil
	5% Debenture	...	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujana	Parshotam Co.	2,94	58	60	1,014	39	30	9-53	2,31	2,03	5	4	5
Bengal	Andrew Yule & Co. Ltd.	15,723	2,862	3,071	62,653	1,583	643	10-58	(b)5,416	(m)9,705	174	174	174
	41% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Bhatdeo	Kalyani Mawt & Co.	1,247	89	86	1,665	153	6	12-58	120	236	41	41	41
Bengal Nagpur	Andrew Yule & Co. Ltd.	100	6	5	114	10	10	12-58	41	15	Nil	Nil	Nil
Bhagora	H. V. Low & Co. Pri.	1,883	132	95	2,412	243	29	9-57	358	271	5	5	5
Bharat	Sahu Jain Ltd.	7,140	455	442	9,108	457	...	6-58	(i) 1,162	(a)757	5	5	5
	51% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Bhulanbararee	Directors	...	149	142	2,733	174	...	12-58	-79	-259	Nil	Nil	Nil
Bhuranaga	Ram Saran Das & Rathor Pri	508	30	27	544	6	...	3-59	-135	95	Nil	Nil	Nil
Borra	F. W. Heiglers Private	...	171	174	3,702	19	37	12-58	362	220	71	71	15
	61% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Burra	Bird & Co. Pri	...	1,170	1,171	34,479	1,196	438	6-59	4,507	4,038	13	8	7
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% 2nd C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
	41% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Central India	Hindustan Inv. Corporation	4,195	310	297	5,328	190	75	3-58	950	771	5	5	5
Central Kurkend	Directors	1,618	89	86	1,769	84	...	12-58	102	167	5	5	5
Churulia	F. W. Heiglers Pri.	...	...	...	...	...	...	...	...	...	...	...	...
Dhomo Main	Macneill & Barry	...	2,74	2,71	5,351	1,57	31	12-58	3,65	40	Nil	Nil	Nil
East Indian (E)	Jardine Henderson Ltd.	...	525	469	...	...	...	...	...	...	...	...	...
Equitable	Macneill & Barry	...	1,763	1,758	36,561	1,322	158	12-58	(p)2,512	2,334	15	15	15
	6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Ghasick and Muslie	Bhatia's Agency	2,532	143	137	2,594	225	...	3-58	-131	65	Nil	Nil	24
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Gourangi	Bhatia's Agency	134	19	16	284	...	...	3-58	31	34	Nil	Nil	Nil
	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	Debitures	...	...	...	...	...	...	...	...	...	...	...	...
Guzdar Kajora	Oha Brothers	...	39	35	553	26	12	12-56	17	59	Nil	Nil	Nil
Harnadib	Macneill & Barry	...	112	100	1,865	259	30	12-57	(c)41	226	Nil	15	Nil
Jainy Central	Villiers	...	3	2	24	15	...	12-54	56	23	Nil	Nil	Nil
Joga	Bajpai Trust Private	...	176	149	...	...	...	12-58	153	63	Nil	Nil	Nil
Kalaphari	Andrew Yule & Co. Ltd.	497	93	85	1,634	285	17	2-59	184	163	5	Nil	Nil
Karanpura Collieries	Bird & Co. Private	...	171	173	3,475	83	55	2-59	617	569	5	5	5
	51% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Katras Jheriah	Andrew Yule & Co., Ltd.	1,765	345	354	7,368	119	109	1-59	1,127	1,373	65	65	65
Khas Kajora	Directors	3,53	35	36	5,54	76	...	12-55 H	1,25	...	...	...	...
	8% Preference (a)	...	...	...	...	...	...	...	...	...	...	...	...
Khas Shampore	Ramsaran Das & Rathor P. Ltd.	...	33	27	574	22	...	10-58	-78	-65	Nil	Nil	Nil
Kuadi	H. V. Low & Co.	481	24	23	422	11	...	6-57	-179	65	Nil	Nil	Nil
Lakurda	H. V. Low & Co.	1,285	99	86	4,703	51	25	4-58	273	(j)37	10	18	18
Mahabir	Daulat Rawatmull	3,57	...	...	6,21	40	13	12-55	1,65	1,36	74	10	18
	44% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Mandapoor	Directors	464	...	...	5,05	1,41	...	6-54 H	-79	...	...	...	...
Mazim	Tantia Brothers Private	434	14	15	519	...	10	12-58	62	166	74	74	5
New Boorboon	Andrew Yule & Co. Ltd.	3,379	622	626	12,932	108	...	10-58	(o) 1,053	(i) 956	10	71	84
	7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
New Churulia	Business Development	...	15	15	249	290	...	9-57	-51	37	Nil	Nil	Nil
	5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	41% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
New Hantodib	Daulatram Rawat Mull	3,42	...	...	4,95	1,30	12	3-55	25	11	Nil	Nil	Nil
	5% Cumulative Preference	...	...	...	...	...	...	...	...	...	...	...	...
New Joyrampore	R. S. Das & Rathor Private	...	...	...	...	...	...	6-58	-10	-17	Nil	Nil	Nil
New Manbhoon	Octavius Steel	1,723	130	122	2,439	85	40	3-59	126	100	5	5	5
North Damoda	Directors	861	78	69	961	46	...	1-56	63	-172	Nil	Nil	Nil
North West	Andrew Yule & Co. Ltd.	2,461	137	137	2,659	...	10	3-59	103	119	15	15	15
	Partly Paid Ord	...	...	...	...	...	...	...	...	...	...	...	...
Ondal	F. W. Heiglers Private	...	...	...	...	...	23	12-58	167	87	5	5	74
	64% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Oriental	K. C. Thapar & Bros. Private	3,725	211	203	4,454	88	...	12-58	339	453	24	64	54
	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Parsoa	Deepchand Kishanlall	2,089	146	138	2,574	84	30	12-57	385	133	5	5	10
	51% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Pench Valley	Shaw Wallace & Co. Ltd.	...	500	503	10,255	70	77	3-59	1,151	(a)1,208	10	20	20
Pure Sitalpur	Amritlal Oja	1,69	22	16	2,50	37	5	6-55 H	36	36	24	24	20
	Debitures	...	...	...	...	...	...	...	...	...	...	...	...
Raneegunge	B. N. Elias & Co. Private Ltd.	6,342	454	411	8,323	1,387	165	3-58	1,559	1,355	10	74	74
Rewa	Shaw Wallace & Co. Ltd.	...	409	410	7,611	124	47	12-58	(m)949	(a)579	10	10	15
Samia	Directors	5,704	348	340	6,673	142	...	12-58	379	795	5	9	124
Searole	Directors	365	36	32	597	28	...	1-58	-5	50	Nil	5	15
Seepore	Andrew Yule & Co. Ltd.	360	78	81	1,614	27	36	12-58	393	383	25	25	32-21
	5% Cum. Preference	...	...	...	...	...	...	...	...	...	...	...	...
Sendra	Directors	...	...	...	...	...	...	12-58	...	...	...	...	...
Sh. so Mahakali	Amritlal Oja & Co. Pri.	479	38	36	716	3	...	12-57	20	(b)53	Nil	24	24
	Debitures	...	...	...	...	...	...	...	...	...	...	...	...
Singareni	Indus. Dept. Govt. of Andhra	...	2,116	2,023	53,590	915	313	12-58	6,746	5,912	74	15	10
South Karanpura	Bird & Co. Private Ltd.	2,043	193	182	3,443	148	47	8-58	507	(f)386	74	74	34
Standard	F. W. Heiglers Private	...	...	...	...	...	...	12-58	(b)346	(a)107	124	10	10
Talcher	Villiers	4,92	55	56	8,44	5	...	9-55	15	23	Nil	Nil	Nil
	Debitures	...	...	...	...	...	...	...	...	...	...	...	...
Union	Directors	1,245	84	82	1,514	58	16	12-57	163	110	34	Nil	Nil
United Collieries	K. C. Thapar & Bros.	10,7	2,15	2,13	31,60	62	1,45	12-54	10,38	9,98	34	Nil	Nil
	5% C. B. P.	...	...	...	...	...	...	...	...	...	...	...	...
West Chusick	Bhatia's Agency	1,11	19	13	1,83	1,76	...	3-54	-21	-5	Nil	Nil	Nil
West Jamuria	Macneill & Barry & Co. Ltd.	...	277	278	5,504	161	24	12-58	23	...	Nil	Nil	Nil
West Lakshid	K. L. Dutt & Co. Private	...	32	29	560	26	...	12-58	81	69	Nil	Nil	Nil
Western Bengal	Hindustan Inv. Corporation	2,532	255	249	4,904	28	60	3-59	828	673	4	4	5

(a) After writing back Rs 162,341 from provision for liabilities, Rs 87,808 being items relating to previous years, Rs 13,065 from provision for taxation and after providing Rs 134,136 for Labour Award.

(b) After writing back Rs 200,000 from Taxation Reserve.

(c) After transferring Rs 4,00,000 from General Reserve; and Rs 76,000 from Reserve for Reduction in valuation of Stores.

(d) After writing back Rs 500,061 being provision for liabilities.

(e) After transferring Rs 1,00,000 from General Reserve.

(f) Includes Rs 80,190 being Refund of Income-tax.

(g) After transferring Rs 28,000 from General Reserve.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Deprecia- tion	Liquid Assets				
	February 1960	February 1959			Revenues	Other	Carry Forward				Invest- ment's	Stocks and Stores	Out- standings	Cash	Others
Amalgamated	22 00	22 19	10	2,550	2,400	836	39	5,739	10,935	7,739	...	3,464	3,835	358	665
Asso. Karanpura	4 75	4 75	10	900	14	64	...	342	1,177	115	...	31	274	1	21
41% R. C. preference	50 50	50 50	100	150	...	...	...	...	...	...	...	...	...	...	...
Asso. Lakshid	3 50	2 94	10	800	...	2	-28	208	1,194	241	...	48	161	5	15
5% Debentures	...	...	500	201	...	...	...	...	...	...	...	...	...	...	...
Bagdigi Kujana	9 00	3 51	10	2,000	...	90	1	3,21	21,72	4,51	...	3,94	3,94	2,29	...
Bengal	302 00	281 00	100	10,000	11,200	5,816	1,049	26,997	66,804	45,571	1,310	14,727	3,321	1,071	...
41% C. P. T.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Bengal Bhadrac	3 43	4 00	10	449	30	100	4	807	1,084	616	15	403	458	77	...
Bengal Nagpur	12 50	12 75	10	225	383	132	-106	125	2,441	2,216	354	...	71	100	...
Bhalgura	6 50	6 31	10	1,597	114	373	-21	1,581	1,845	2,518	...	381	914	64	...
Bharat	6 94	6 75	10	4,000	...	61	391	3,984	14,887	8,027	2,065	1,530	4,026	88	...
41% C. P. T.	49 50	47 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	500 00	900 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Bhulanagar	5 87	6 00	10	715	662	771	-645	1,773	5,524	3,844	64	463	1015	53	...
Bhuranaga	1 81	2 60	10	1,000	...	3	-1,317	1,716	1,882	855	31	59	245	10	19
Borra	19 25	18 62	10	750	643	1,845	20	888	4,951	2,835	791	177	1,041	304	106
41% C. P.	63 50	63 50	100	400	...	...	...	...	...	...	...	...	...	...	...
Burrucul	18 44	17 31ad	10	9,092	1,987	15,781	111	13,032	45,882	21,798	2,593	5,083	12,083	109	397
7% C. P.	91 75	105 10	100	2,300	...	...	...	...	...	...	...	...	...	...	...
6% 2nd C. P. T.	7 00	6 85	10	450	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	850 00	870 00	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
Central India	9 01	7 56	10	4,997	...	82	11	1,421	5,520	1,760	170	766	1,566	245	...
Central Kurkan	11 25	9 56	10	800	6	1,292	...	721	5,304	3,435	...	302	548	98	...
Chaurulia	3 81	3 44	10	600	154	...	1	223	...	...	675	...	178	131	...
Dhomo Main	9 00	9 25	10	1,600	...	...	...	3,013	5,447	3,185	...	5,72	1,696	66	...
East Indian (Ei	27 00	24 00	£ 1	240	100	263	19	244	1,071	777	238	155	167	13	...
Equitable	30 60	30 66	10	2,964	3,400	6,833	33	20,603	45,553	32,276	1,526	8,871	13,502	6,61	...
6% C. P.	50 00	100 00	100	400	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	1000 00	1000 00	...	4,835	...	...	...	...	...	...	...	...	...	...	...
Guswick & Musia	13 00	15 0 ards	10	1,000	40	...	-199	2,149	1,806	621	300	968	976	66	...
5% C. P.	100 00	100 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Gourangdi	7 00	7 00	10	375	...	...	-154	239	664	115	...	220	89	1	...
5% R. C. P.	40 00	40 00	100	125	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Gusdar Kajora	6 00	8 25	10	650	...	...	-25	170	811	368	2	53	287	9	...
Harnaladi	14 37	14 25	10	800	2,50	...	...	6,44	2,418	1,967	49	3,94	3,88	3,72	...
Jamny Central	0 48	2 00	24	242	...	...	-2,60	5,03	16,24	12,08	...	51	19	...	...
Jogia	1 97	1 56	10	2,200	...	500	-483	412	3,054	1,175	19	1	611	110	10
Kalashahi	27 73	22 00	100	350	431	140	-30	400	1,525	779	...	358	172	26	...
Karanpura	125 03	104 00	100	2,000	...	347	20	1,105	3,793	894	4	349	836	164	209
41% C. P. T.	58 00	54 25	100	990	...	...	...	...	...	...	...	...	...	...	...
Katras Jheriah	34 00	66 75	10	500	1,860	114	127	2,258	5,222	3,991	329	612	1,933	704	...
Khas Kajora	12 00	9 50	10	138	...	...	-1,83	11,03	13,53	6,93	...	2,35	3,55	1	...
8% Preference (a)	9 10	7 25	10	193	...	...	...	...	...	...	...	...	...	...	...
Khas Shampora	1 05	1 06	10	500	...	...	-513	587	1,139	424	4	76	178	1	...
Kuardi	3 81	2 75	10	1,100	68	...	-206	182	1,696	1,118	295	65	203	3	...
Lakurka	14 87	15 50	10	900	573	450	...	980	2,904	2,341	570	90	1,597	90	...
Mahabir	12 25	12 25	10	400	1,80	...	9	4,30	6,18	3,68	1,36	51	6,81	21	...
41% R. C. P.	...	...	...	100	...	...	...	...	...	...	...	...	...	...	...
Mundulpoor	1 50	1 05	10	566	85	...	-11,29	23,13	18,81	7,96	...	2,67	4,73	10	...
Nazim	8 47	1 50	10	748	230	...	24	537	1,373	1,021	701	63	406	17	...
New Beerhoom	22 87	19 94	10	1,776	...	1,990	87	5,234	14,015	9,789	4	1,242	3,631	183	...
7% C. P. ...	11 62	10 00	10	200	...	...	...	...	...	...	...	...	...	...	...
New Churulia	2 19	2 00	10	710	...	5	-698	869	1,218	541	...	398	193	17	...
9% C. P. ...	2 56	2 50	10	200	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	...	...	...	400	...	...	-2,09	6,02	7,54	1,96	...	1,39	2,57	25	13
New Huntodhi	4 00	4 01	100	200	...	...	...	...	...	...	...	...	...	...	...
9% Cum Preference	45 00	44 00	100	455	...	...	-279	14	448	275	...	2	14	1	...
New Jamrapora	3 50	3 50	10	600	125	...	97	1,129	3,276	2,315	2	360	594	36	...
New Menkhom	12 31	11 75	24	250	...	76	-274	2,043	2,080	812	2	372	420	33	...
North Damuda	1 10	1 25	24	115	310	75	47	459	1,300	941	...	116	518	169	...
North West	21 50	23 87ad	74	158	...	...	...	...	...	...	...	...	...	...	...
Partly Paid Ord	19 00ad	18 56ad	74	158	...	...	...	...	...	...	...	...	...	...	...
Onda	11 50	12 00	10	750	624	957	42	171	398	278	2,152	...	252	311	...
61% C. P.	86 50	91 50	100	200	...	...	...	...	...	...	...	...	...	...	...
Orental	8 12	8 00	10	1,000	110	112	51	3,553	5,886	2,591	23	700	1,425	29	354
3% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Parasa	18 56	15 00	10	834	30	61	8	1,525	2,469	1,057	634	212	1,011	28	160
41% R. C. P.	50 00	42 50	100	800	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	...	200	...	...	...	...	...	...	...	...	...	...	...
Poch Valley	19 62	24 25	10	1,575	1,506	1,533	33	3,466	6,860	4,484	245	2,003	2,129	168	139
Pure Shalpur	5 75	6 25	10	250	10	10	2	2,00	7,80	2,80	60	64	1,51	7	...
Debentures	...	...	...	250	...	...	...	...	...	...	...	...	...	...	...
Ranogunga	17 06	14 00ad	10	2,400	731	2,148	4	4,589	14,352	9,670	17	2,084	2,992	97	...
Rewa	19 56	17 87	10	1,350	870	158	32	3,707	4,816	3,425	319	1,519	2,453	350	...
Samla	12 00	12 94	10	3,750	350	3,462	66	4,246	10,153	2,638	169	882	3,813	23	...
Searsole	2 69	4 75	24	250	...	62	-26	531	1,563	1,283	340	73	112	12	...
Seebpora	27 12	26 25	7	280	800	163	44	997	2,963	2,015	327	121	1,087	206	...
3% Cum. preference	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
Sendra	12 75	11 37	10	800	468	18	1	55	52	29	175	...	187	936	...
Sree Mahakali	3 31	4 12	100	550	...	...	-327	238	850	431	...	111	152	35	...
Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Singareni	...	...	...	6,321	5,154	5,471	55	40,681	61,030	29,093	842	15,074	8,9 5	1,805	...
South Karanpura	12 25	12 62	10	1,750	332	743	14	1,057	4,352	1,816	32	350	1,045	3	31
Standard	18 00	13 50	10	800	847	715	15	410	169	29	2,501	...	38	107	...
Talcher	...	...	24	1,000	...	13	-3,70	8,34	31,30	15,44	1	1,60	2,75	4	...
Debentures	...	...	...	500	...	...	...	...	...	...	...	...	...	...	...
Union	14 00	14 25	10	350	230	50	178	334	1,915	1,479	...	80	593	37	...
United Collieries	12 25	19 94	100	2,758	...	75	39	11,63	55,42	22,01	...	4,32	4,50	9,73	95
9% C. P.	78 00	83 00	100	1,256	...	...	...	...	...	...	...	...	...	...	...
West Chusick	14 06	13 50	10	800	...	...	...	6,82	10,82	2,916	...	2,14	90	...	2
West Jamrapa	6 37	6 72	10	700	...	...	-4,86	4,557	5,974	2,916	...	2,17	1,444	51	...
West Lakshid	3 12	2 94	10	600	...	6	13	447	948	213	...	49	355	25	...
Western Bengal	6 50	5 97	10	4,998	...	166	8	2,671	7,861	2,999	150	739	2,014	60	...

Indian Finance
COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Material	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Semi- Annual
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private	49,144	1,016	11,474	18,804	5,611	50	6-59	(a3)1,436	(a10)529	7	5	5
	5% Cum. preference										5	5	5
	5% Debentures										5	5	5
Ahmed Mfg. & Calico	Karamchand Premchand Pri.	139,120	2,372	21,645	91,565	22,020	1,068	3-59	12,810	12,787	17 1/2	17 1/2	24 1/2
	4 1/2% 1st Cum. preference										4 1/2	4 1/2	4 1/2
	4 1/2% 2nd Cum. preference										4 1/2	4 1/2	4 1/2
	4 1/2% 3rd Cum. preference										4 1/2	4 1/2	4 1/2
Aja Mills	Chimubhai Naranbhai	25,376	513	5,035	11,855	2,300	50	12-58	(a3)706	(a13)736	12 1/2	14	16
	4 1/2% 'B' R. C. preference										4 1/2	4 1/2	4 1/2
	5% 'C' R. C. preference										5	5	5
	4 1/2% 'D' R. C. preference										4 1/2	4 1/2	4 1/2
Arvind Mills	Rajputana Textiles Print & Co.	56,468	898	7,566	15,358	3,291	25	12-58	-2,475	-1,739	nil	nil	9 1/2
	Narottam Lalbahai	66,412	1,216	7,846	35,863	4,498	760	12-58	8,323	6,710	23	35	35
	5% Cum. preference T.										5	5	5
	4 1/2% Cum. preference T.										4 1/2	4 1/2	4 1/2
	4 1/2% R. C. preference T.										4 1/2	4 1/2	4 1/2
Asan Mills	Lalbahai Dalpatbhai	37,360	914	3,653	20,303	2,010	103	12-57	1,594	3,601	30	30	30
	5% C. P. T.										5	5	5
	4 1/2% R. C. P. T.										4 1/2	4 1/2	4 1/2
Arum Jahi Mills	Government of Andhra	36,136	716	10,017	12,474	5,125	...	9-58	30	607	nil	4 1/2	5
B. R. Cotton	Directors	50,596	1,021	8,986	14,647	2,936	...	3-59	-693	-624	nil	nil	nil
	6% Cum. preference										6	6	6
	4 1/2% Debentures										4 1/2	4 1/2	4 1/2
Bisod Mills	B. Ram. Balchand	60,640	1,338	141,15	203,58	28,53	6,69	12-55	24,54	6,30	10 1/2	10	10
Dashway Dyeing	Nowrojee Wadia & Sons Private	223,552	3,984	47,644	90,563	29,160	503	12-58	(a25)10,267	(a9)13,173	10	10	10
Central India	Tata Industries Private	115,188	2,062	11,206	24,613	6,592	...	6-58	-4,261	-2,079	nil	nil	5
	5% Cumulative preference										5	5	5
Century Spg. & Mfg.	Birla Brothers Ltd.	126,752	2,752	41,100	82,868	23,706	891	12-58	(a)14,648	(a)3,893	22	22	22
	6% R. C. P.										6	6	6
Coorla Spg. & Wvg.	Cowasjee Jehangir & Co.	24,848	680	4,316	14,379	1,061	42	3-59	(a)1,060	(a)4,145	7 1/2	12 1/2	12 1/2
Dawn Mills	Ramnarain Sons Ltd.	40,962	...	90,98	134,77	10,42	1,65	12-55	14,70	6,01	30	12	12
Edward Textiles	P. Subba Sona	48,718	923	...	22,525	3,000	36	12-58	-54	(a7)-201	7 1/2	7 1/2	8
Elphinstone Spg.	Director	41,300	886	7,804	17,756	7,572	...	12-58	-453	150	nil	nil	10
	7% C. P.										7	7	7
Empire Dyeing & Mfg.	W. H. Dady & Co. Ltd.	...	1,074	3,734	97	37	37	12-58	(a26)495	317	20	20	20
Finlay	James Finlay & Co. Ltd.	49,528	784	7,393	23,004	4,677	135	12-58	(a36)2,581	(a15)1,901	16	20	20
Gokak Mills	F. F. Campbell & Co. pri.	74,286	...	17,360	25,466	6,920	151	12-57	(a10)1,631	1,884	8	13	15
	5% Debentures										5	5	5
Gold Mohur	James Finlay & Co.	45,268	1,108	8,565	19,163	6,479	133	12-57	1,452	2,109	15	15	15
Hind Mills	Hind Agents Private	71,595	1,387	185,72	324,27	115,33	2,80	6-56	22,77	15,63	6	4	4
	5% C. P.										5	5	5
Hindustan Spg.	Directors	49,448	1,122	11,420	16,158	4,603	...	3-59	(a37)1,651	(a17)1,536	35	35	35
	4 1/2% R. C. P. T.										4 1/2	4 1/2	4 1/2
India United	Agarwal & Company	244,300	6,278	44,666	77,097	43,523	34	12-57	-3,852	6,399	nil	18 1/2	18 1/2
	Deferred										18 1/2	18 1/2	18 1/2
Indore Malwa	Directors	51,160	1,420	24,665	7,524	2,944	...	12-58	284	-289	5	5	5
Jaipur Spg. & Wvg.	Shree Laxmi Traders	...	...	3,484	6,166	...	...	12-58	-221	-551	nil	nil	nil
	5 1/2% R. C. P.										5 1/2	5 1/2	5 1/2
Khatav Makenji	Khatav Makenji & Co. Private	92,852	1,489	16,105	49,000	7,503	482	6-59	5,814	2,758	16	10	10
	4% Cum. Preference										4	4	4
Kabinoor Mills	Kilik Industries Limited	120,504	1,846	24,991	49,019	13,423	44	12-58	(a27)1,914	(a)3,253	10	18	18
Lalbahai Cotton	Directors	48,996	1,219	7,746	19,457	5,149	...	12-58	(a32)2,504	(1)385	6	6	17
	5% Cum. preference T.										5	5	5
Mafatal Fine Spg.	N. C. Parashotamdas & Co.	51,996	896	5,922	22,361	2,505	374	12-58	4,287	(a18)3,225	18	15	18
	4 1/2% 1st R. C. P.										4 1/2	4 1/2	4 1/2
	4 1/2% 2nd R. C. P.										4 1/2	4 1/2	4 1/2
Marden Spg. & Mfg.	Marden Agents Co. Pri.	23,508	482	6,660	14,445	4,239	...	12-57	(a19)851	1,365	nil	7	7
Minerva Mills	N. Sirur & Company Private	39,896	704	7,69	14,280	3,214	40	12-58	-765	(w)4	nil	nil	6
Model Mills	B. A. Dadabhai & Co.	52,408	952	8,983	141,66	36,34	54	6-55	4,85	-7,72	nil	nil	3
Modern Mills	N. Sirur & Company Private	49,200	644	9,575	17,517	6,005	44	10-58	(a4)966	801	6	10	16
	5% Debentures										5	5	5
Mocogram Mills	M. Babubhai & Sons, Private	27,460	528	6,751	15,126	6,703	...	12-57	618	1,346	6	7	7
Morajee Goudas	Piramal Sons Privt. Ltd.	70,416	1,652	14,508	37,457	10,782	271	6-59	3,300	(1)3,466	21 1/2	15	14
	4 1/2% Cum. preference										4 1/2	4 1/2	4 1/2
Mysore Spinning	N. Sirur & Company Private	50,480	500	9,630	19,764	3,835	48	2-59	387	(a8)724	10	10	18
	4 1/2% Cum. preference T.										4 1/2	4 1/2	4 1/2
New City of Bombay	W. H. Brady & Co. Ltd.	45,944	432	6,988	13,159	2,150	...	12-58	(m)15	(e)136	nil	5	10
New Commercial	Tricunlal Bhogilal	45,836	666	10,937	21,686	4,085	105	12-57	(a20)2,354	2,835	10	10	8
	4% 2nd R. C. P.										4	4	4
New Great Eastern	W. H. Brady & Co. Ltd.	49,012	1,018	8,326	19,842	3,900	...	12-58	(p)101	(f)74	nil	nil	10
	5 1/2% Cum. preference T.										5 1/2	5 1/2	5 1/2
New Kaiser-I-Hind	Directors	54,052	12,67	13,135	24,405	12,874	...	3-58	-2,181	702	nil	6	8 1/2
	5% C. P.										5	5	5
New Shorrock Spg	Mafatal Chandulal & Co.	51,106	907	12,319	23,651	2,695	462	12-57	(a21)5,549	5,230	24	32	28
Omanahahi Mills	Rennilal Bisesardas Private	37,788	902	8,567	12,145	5,601	20	9-58	(a34)45	-11	nil	nil	3
Padar Mills	Padar Sons Private	32,600	930	8,247	10,651	3,807	24	12-58	(a36)1,271	265	10	10	12 1/2
	4% Cum. preference										4	4	4
Raymond Woollen	I. K. (Bm.) private	15,080	...	9,340	20,147	9,403	148	12-58	3,001	1,031	8	nil	...
	5% C. P.										5	5	5
Robit Mills	Directors	33,156	648	9,050	22,117	7,028	...	12-57	1,235	3,108	5 1/2	5 1/2	5 1/2
	5 1/2% Cum. preference T.										5 1/2	5 1/2	5 1/2
	4% R. C. P. (2nd)										4	4	4
	4% R. C. P. (5th)										4	4	4
Saroon & Alliance	Directors	9,520	277	2,653	4,559	2,498	...	12-58	-73	-285	nil	nil	2 1/2
Saroon Spinning	M. G. Invst. Corporation Pri.	94,884	2,127	24,510	49,669	4,326	50	12-58	(a28)2,464	(a29)3,897	20	20	20

March 12, 1960

MILLS

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS					
	February 1960 Rs. no.	February 1959 Rs. no.			General	Others	Carry Forward				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Rs. 000	Others Rs. 000	
WESTERN AND CENTRAL INDIA																
Ahmed Advance	142 50	129 00	100	4,000	1,362	1,200	11	17,365	19,497	7,903	889	12,224	2,552	501	178	
5% Cum. Preference	81 00	83 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
5 1/2% Debenture	955 00	950 00	1000	3,000	20,625	2,589	314	51,348	68,844	30,448	303	30,198	33,025	1,770	...	
Ahmed Mfg. & Calico	...	...	125	200	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% 1st cum. preference	...	...	125	200	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% 2nd cum. preference	...	...	50	600	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% 3rd cum. preference	...	...	50	1,933	...	...	...	...	...	...	...	...	...	...	...	
Ajit Mills	...	...	200	1,100	1,763	1,063	8	5,476	6,388	3,866	125	4,476	2,375	437	...	
4 1/2% 'B' R. C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...	
5% 'C' R. cum. pref.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% 'D' R. cum. pref.	...	...	25	125	...	...	...	...	...	...	...	...	...	...	...	
Apollo Mills	1 30	1 20	2	5,000	38	515	—3,755	10,968	11,186	4,403	932	4,006	862	13	...	
Arvind Mills	...	...	100	6,000	18,050	10,641	128	9,257	23,446	12,421	11,687	8,097	7,437	8,454	...	
5% cum. preference T.	...	...	100	525	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% cum. preference T.	...	...	100	1,050	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% R. cum. pref. T.	...	...	100	1,050	...	...	...	...	...	...	...	...	...	...	...	
Asoka Mills	...	...	100	1,200	10,000	4,047	1	6,182	9,992	6,729	3,224	6,129	7,690	2,331	...	
5% Cum. preference T.	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% R. C. P. T.	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...	
Asam Jahi Mills	65 00	58 00	100	7,200	1,212	607	61	15,605	18,974	6,827	2,379	9,102	889	113	...	
B. R. Cotton	32 00	17 52	100	4,000	1,600	900	—1,301	4,231	11,821	7,724	456	4,223	2,338	18	...	
5% C. P.	65 00	43 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% Debenture	...	...	100	800	...	...	...	...	...	...	...	...	...	...	...	
Binod Mills	...	...	100	60,000	12,60	22,34	1,81	103,12	150,46	61,57	8,25	69,20	28,38	5,16	...	
Bombay Dyeing	69 90	59 40	25	25,098	19,563	15,025	50	30,188	90,144	44,294	3,840	31,484	7,331	1,419	...	
Central India	107 00	89 00	100	4,687	1,407	1,088	...	37,990	35,544	15,186	3,290	14,022	1,307	441	6,493	
5% cum. preference	406 25	336 50	500	5,000	...	...	...	...	...	...	...	...	...	...	...	
Century Spg. & Mfg.	460 00	452 00	100	12,276	17,527	15,134	953	35,211	81,108	31,275	1,127	36,575	5,616	1,453	...	
5% R. C. P.	106 00	106 00	100	12,100	...	...	...	...	...	...	...	...	...	...	...	
Coorla Spg. & Wvg.	153 75	125 00	100	2,600	1,173	2,013	61	3,529	12,143	7,338	84	4,123	346	19	...	
Dawn Mills	112 00	78 00	50	1,650	12,63	13,31	2,17	37,92	69,11	52,46*	90	28,73	19,18	16,57	...	
Edward Textiles	290 00	215 50	200	3,400	3,496	...	—1,635	3,696	8,542	6,450	1,374	4,383	993	116	...	
Elphinstone Spg.	38 25	30 50	50	3,000	1,050	671	—552	9,902	14,344	8,121	53	9,108	1,101	36	...	
7% C. P.	66 50	64 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
Empire Dyeing & Mfg.	...	...	15	900	410	462	8	904	2,135	1,578	219	223	544	1,130	...	
Finlay	322 00	270 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	...	
Gokak Mills	167 05	131 00	100	4,881	3,313	727	4	7,679	13,600	7,714	209	8,149	2,563	40	3,750	
6% Debentures	100 50	100 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...	
Guld Mohur	234 00	182 50	10	5,000	2,374	2,524	10	5,861	9,492	6,137	81	10,708	1,624	2	...	
Hind Mills	...	...	10	5,000	4,27	5,46	25	127,39	144,07	82,06*	10	124,26	20,36	65	...	
5% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...	
Hindustan Spg.	4700 00	4800 00	1000	1,200	4,993	7,508	—627	5,322	19,491	14,031	1,369	9,621	2,866	279	...	
4 1/2% R.C.P.T.	650 00	...	1250	1,200	...	...	...	...	...	...	...	...	...	...	...	
India United	12 72	8 92	10	200,00	7,019	867	—5,883	46,796	50,512	36,818	2,84	57,228	1,500	354	...	
Delmar	1 50	1 12	1	5,000	...	...	...	...	...	...	...	...	...	...	...	
Indore Mahru	114 50	99 00	100	5,000	1,622	110	—1,253	13,025	16,445	12,108	2,606	9,232	1,599	331	...	
Jampur Spg. & Wvg.	...	...	100	2,500	139	366	...	686	4,203	2,281	...	3,231	112	194	...	
5 1/2% R.C.P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
Khatana Makenji	253 00	156 25	100	5,985	3,647	2,452	24	20,093	33,300	25,417	1,948	16,364	6,272	743	...	
4% Cum. preference	74 00	73 50	100	2,992	...	...	...	...	...	...	...	...	...	...	...	
Kabinoor Mills	323 50	240 00	100	10,000	1,700	10,137	68	11,181	37,523	29,025	720	22,459	1,364	62	...	
Lakshmi Cotton	505 00	400 00	250	3,209	3,071	1,925	1	6,821	19,817	14,439	160	8,393	2,676	69	...	
5% cum. preference T.	170 00	160 00	250	1,600	...	...	...	...	...	...	...	...	...	...	...	
Mafatal Fine Spg.	830 00	390 00	100	5,800	9,613	3,495	17	4,689	20,322	13,939	7,852	5,018	3,713	3,059	...	
4 1/2% 1st R. C. P.	86 00	86 00	100	1,450	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% 2nd R. C. P.	92 00	92 00	200	1,450	...	...	...	...	...	...	...	...	...	...	...	
Marsden Spg. & Mfg.	...	...	100	2,731	2,661	862	30	6,503	7,777	5,013	92	6,521	2,789	479	...	
Minerva Mills	64 05	59 00	100	2,960	1,149	183	—773	9,774	9,766	5,102	846	6,476	1,230	48	...	
Model Mills	60 00	153 75	250	9,334	392	21,99	—2,59	84,32	169,26	78,82*	25	99,68	789	2,72	...	
Modern Mills	57 00	46 00	50	4,647	1,750	1,251	32	8,180	14,123	7,057	124	9,261	570	62	...	
5% Debenture	...	...	500	1,200	...	...	...	...	...	...	...	...	...	...	...	
Monogram Mills	...	...	200	2,600	3,000	463	12	7,575	7,427	4,899	75	8,402	2,482	162	...	
Morarjee Goudas	310 00	240 00	100	5,175	4,000	518	238	14,263	28,453	20,523	14	16,531	1,405	40	...	
4 1/2% cum. preference	70 00	72 00	100	1,725	...	...	...	...	...	...	...	...	...	...	...	
Myers Spinning	67 00	79 00	50	2,394	3,195	868	34	7,497	11,767	7,186	2,792	6,600	764	85	...	
4 1/2% cum. preference	26 75	28 25	50	745	...	...	...	...	...	...	...	...	...	...	...	
New City of Bombay	125 00	92 00	100	2,400	1,377	899	...	2,110	8,293	4,870	8	3,114	92	401	...	
New Commercial	...	...	100	6,300	1,363	1,489	21	12,330	14,438	10,262	1,243	9,262	7,196	151	...	
4% 2nd R. C. P.	...	...	100	3,000	235	466	...	3,979	10,927	6,337	10	5,424	361	252	...	
New Crest	167 00	210 00	200	800	...	...	...	...	...	...	...	...	...	...	...	
5 1/2% C. P.	112 00	130 00	100	4,500	...	40	—1,077	16,536	12,454	9,733	1,164	13,658	3,401	281	...	
New Kaiser-I-Hind	57 00	58 20	100	1,500	...	...	...	...	...	...	...	...	...	...	...	
5% C. F.	74 50	74 50	125	5,200	5,434	3,720	93	9,728	15,549	10,788	3,613	7,423	6,526	1,358	493	
New Shorrock Spg.	...	...	100	8,721	2,840	90	...	7,750	17,686	6,786	204	8,053	535	210	...	
Omanashahi Mills	40 50	43 00	100	4,000	3,231	1,148	20	4,614	7,633	2,716	3,218	4,576	930	70	...	
Padar Mills	148 00	130 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
4% Cum. Preference	64 00	61 50	100	7,500	980	440	221	14,958	15,492	7,275	2,049	13,125	2,357	290	5,58	
Raymond Woolen	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...	
5% C. P.	...	...	100	4,875	1,504	1,652	10	16,267	13,375	7,360	141	12,009	6,726	333	...	
Rohit Mills	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...	
5% C. P. T.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...	
4% R. C. P. [2nd.]	...	...	100	250	...	...	...	...	...	...	...	...	...	...	...	
4 1/2% R. P. [5th.]	...	...	10	1,000	...	...	—183	3,714	2,920	1,712	...	2,659	6,51	2	...	
Season & Alliance	9 92	9 76	10	1,000	...	...	...	10,646	23,180	14,972	190	10,703	4,429	512	...	
Season Spinning	50 30	43 75	10	3,770	6,544	5,322	5	...	...	...	...	...	...	...	...	

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents/Commission	Year ended	Net Profit	Net Profit for the previous period	Dividend per cent		
											Latest	Previous	Second Previous
		Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Shalapur Spinning	Morarka & Co. ... Half. Ord.	95,332	2,234	106,34	127,51	92,54	28	3-55	-23,04	-60,15	nil	nil	nil
Shorech Spinning	3% R. Cum. preference ... Mafatal Chandulal Ahmed...	36,648	720	7,865	18,268	1,518	230	12-57	(a22)3,115	3,511	nil	nil	nil
Shree Nivas Cotton	Marwar Textiles (Agency) ... 4% R. Cum. preference	69,070	1,640	21,120	28,994	10,235	50	12-57	964	2,923	20	30	25
Shree Sujan Mills	C. Laladhar & Co. ... 5% Cum. preference	17,880	440	25,75	60,56	13,77	22	3-55	1,81	42	4	4	4
Sari Ashika	H. Kalidhar & Company ... 4% Cum. preference (2nd)...	94,128	1,790	18,786	47,321	9,774	970	12-58	10,264	7,351	30	25	30
Shree ...	F. F. Campbell & Co. (Pri.) ... Birla Brothers private	34,846	1,274	15,092	23,126	5,838	82	3-58	(a23)1,811	(a24)1,335	17	17	24
Sir Silk	6% C. P.	...	...	2,923	21,671	4,942	12	9-58	1,500	49	nil	nil	nil
Standard	Mafatal Gegalbhai & Sons ... 4% 1st R. C. P.	97,588	2,409	26,028	57,926	6,059	678	12-57	(a24)8,838	11,125	22	22	20
Standard	4% 2nd R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Sudeshi Mills	Tata Industries pri. Ltd. ... 5% Cum. preference	72,236	2,000	15,118	31,355	7,867	115	12-58	2,769	2,298	10	9	14
Swan Mills	James Finlay & Co. Ltd. ... 5% Cum. preference	39,328	551	6,864	21,480	4,080	219	12-58	3,352	1,874	25	25	25
Tate Mills	Tata Industries Pri. Ltd. ... 5% Debentures	65,448	1,800	13,328	25,033	7,496	...	12-58	200	1,246	6	8	14
Victoria Mills	Mangaldas Mehta ... 4% R. Cum. preference	50,056	958	8,559	21,097	3,394	50	12-58	1,326	(a39)1,341	20	20	...
Vijaya Mills	H. Achralal & Co. ... 4% 2nd Cum. Preference T.	36,176	760	7,960	19,487	3,697	73	12-57	1,432	2,090	4	4	4
Vishnu Cotton	4% 3rd R. Cum. Pref. T. ... Directors	47,240	1,331	7,575	18,107	4,130	...	12-58	(a1)0,050	(h)909	nil	nil	8
Vishnu Cotton	7% Cum. preference T.	...	...	...	...	...	...	...	...	...	7	7	7
NORTHERN INDIA													
Besanti Cotton	Calcutta Agency ... 6% C. P.	13,044	356	26,320	7,418	...	47	12-57	543	613	6	6	5
Bengal Luxmi Cotton	5% Debentures ... Directors	6,601	...	6,247	11,264	3,641	...	3-58	(a30)369	570	nil	10	10
Bengal Nagpur	Ordinary Partly Paid ... 5% R. C. P.	29,936	810	...	7,154	5,578	...	12-57	(a)-671	(a) 171	5	5	nil
Birla Cotton	7% C. P.	39,896	1,088	26,910	38,434	5,821	99	3-58	1,312	2,859	7	15	15
Bowrah Cotton	Kettwell Bullen & Co. Ltd. ... 8% 'A' C. P.	42,960	841	9,646	17,764	6,694	45	12-58	152	116	nil	nil	nil
Cannore Textiles	7% 'B' Pref.	...	...	...	...	...	...	12-58	-850	412	nil	nil	5
Dalhi Cloth	Begg Sutherland & Co. Private ... Bharat Ram Ch. Ram & Co. Pri.	141,180	2,352	139,422	300,800	39,104	1,626	6-59	23,378	21,636	8	4	4
Dunbar Mills	Ordinary ... 4% 1st 2nd C. P.	42,944	518	9,607	18,399	5,791	50	12-58	281	-537	7	10	12
Elgin Mills	Debentures ... Begg Sutherland	48,452	1,198	17,440	29,828	6,991	177	9-58	2,596	5,486	8	8	8
Jagatjit Cotton	8% C. P.	26,560	530	...	24,927	2,045	405	1-58	4,450	4,120	11	5	5
Jay Shree Textiles	5% C. P. p.	...	...	...	...	...	...	12-58	1,865	1,150	6	5	3
Kesoram Cotton	Debentures ... Birla Brothers Private Ltd.	74,672	1,992	25,766	48,630	13,079	10	3-58	920	4,557	2	7	10
Mahini Mills	7% C. P.	23,484	435	9,012	18,792	6,043	213	12-57	2,261	3,052	12	12	12
Muir Mills	Chakravarti Sons & Co. ... Ordinary	88,640	1,834	145,19	218,04	...	60	12-55	-5,06	-10,24	5	5	5
New Victoria	5% R. C. P.	70,072	1,333	12,938	23,797	10,887	...	12-57	-635	-2	nil	nil	nil
Orissa Textiles	J. P. Srivastava & Sons Pri ... 6% C. P.	47,728	864	13,642	24,120	7,907	36	3-58	-134	-2,156	nil	nil	nil
Raza Textiles	B. Patnaik & Co. Private ... 5% R. C. P.	34,532	600	6,617	11,409	7,736	...	12-57	-440	401	nil	nil	nil
Saraj Cotton	J. P. Srivastava & Sons ... 6% 'A' C. P.	27,340	992	11,567	31,029	6,154	530	3-59	5,158	5,728	60	60	60
Sudeshi Cotton	6% 'B' C. P.	112,216	2,081	46,756	100,510	25,679	...	12-58	753	5,083	nil	7	7
Adoni Spinning	Birla Brothers Private ... Directors	24,000	...	2,746	4,180	282	...	12-58	374	269	nil	nil	...
Ashar Textiles	6% c. p.	20,000	...	5,017	7,401	1,961	15	6-59	335	293	6	6	12
Bangalore Woollen	Satna & Co.	40,603	1,157	20,734	55,418	8,715	635	12-58	6,448	4,930	10	10	30
Buckingham & Carnatic	6% C. P.	120,288	2,762	31,490	100,140	10,910	751	12-58	(a2)8,674	(r)9,859	10	10	10
Buckingham & Carnatic	7% C. P.	...	...	...	...	...	...	...	...	...	7	7	7
Buckingham & Carnatic	5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...

Includes Stock on hand.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depreci- ation	Liquid Assets				
	February 1960	February 1959			General	Other	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Ra. np.	Ra. np.			Ra.	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
WESTERN AND CENTRAL INDIA (Contd.)															
Sholapur Spinning	...	...	1000	1,590	126.86	29.53	-1,70.07	253.16	293.66	204.66	19.76	118.88	55.09	1.72	...
Half. Ordinary	...	...	500	10	...	...	...	...	...	...	...	...	...	...	...
3% R. C. P.	...	...	100	3,196	...	...	...	...	...	...	...	...	...	...	...
Shorrock Spinning	...	...	100	2,925	5,411	1,550	18	4,988	10,070	7,348	...	3,917	3,678	3,904	...
Shree Nivas Cotton	260 00	139 50	100	8,000	9,870	600	59	19,627	12,766	6,773	7,211	14,719	3,974	36	631
4% R. C. P.	61 00	62 00	100	480	...	...	...	...	...	...	...	...	...	...	...
Shree Sajan Mills	...	...	100	2,615	...	27	-66	34.83	36.43	17.73	94	38.81	1.85	27	...
Shri Ambica	...	...	100	6,376	22,828	7,316	57	9,520	23,218	13,223	4,894	15,326	12,681	5,460	...
5% cum. preference	...	...	100	560	...	...	...	...	...	...	...	...	...	...	...
4% cum. preference (2nd)	...	...	100	700	...	...	...	...	...	...	...	...	...	...	...
Simplex	152 50	171 00	50	4,200	2,810	270	8	15,540	19,586	7,984	110	7,860	3,251	6	...
Sir Silk	...	...	10	9,427	...	...	-1,810	45,239	57,038	1,000	21	9,504	5,977	1,320	...
5% C. P.	...	...	100	20,000	...	...	...	...	...	...	...	...	...	...	...
Standard	943 00	432 50	100	8,780	5,865	19,161	156	011.29	29,616	18,799	557	13,444	5,939	13,570	...
4% 1st R. C. P.	70 00N	70 00N	100	600	...	...	...	...	...	...	...	...	...	...	...
4% 2nd R. C. pref.	70 00N	209 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Sudeshi Mills	265 50	209 00	100	10,000	9,102	492	29	11,680	30,249	15,954	698	12,862	3,331	733	884
5% Cum. preference	88 00	85 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Swan Mills	490 00	348 00	100	3,600	6,409	764	26	5,348	15,987	10,292	72	7,618	2,755	8	...
Tata Mills	46 25	35 50	25	6,558	3,403	1,523	18	15,464	24,099	9,195	363	12,394	2,492	394	372
5% Debentures	92 25	93 25	1000	3,951	...	...	...	...	...	...	...	...	...	...	...
Victoria Mills	381 25	245 00	100	1,600	4,396	1,785	28	5,709	9,718	5,932	64	5,960	4,431	77	...
4% R. Cum. preference	...	...	25	800	...	...	...	...	...	...	...	...	...	...	...
Vijaya Mills	...	...	500	3,500	1,762	2,038	23	8,411	12,890	9,020	560	6,303	3,402	230	...
4% 2nd C. P. T.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
4% 3rd R. C. P. T.	...	...	100	280	...	...	...	...	...	...	...	...	...	...	...
Vishnu Cotton	115 00	93 50	100	3,200	1,240	2,106	-1,482	8,102	19,448	13,003	367	7,313	2,363	98	146
7% Cum. preference T.	422 50	432 50	500	1,566	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	96 00%	96 00%	...	3,000	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Basant Cotton	7 25	6 50	10	1,500	115	296	115	2,361	3,828	2,404	1,155	2,563	219	115	...
6% C. P.	8 56	9 00	10	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	425 00	425 00	500	700	...	...	...	...	...	...	...	...	...	...	...
Bengal Luxmi Cotton	33 00	52 00	40	711	1,350	19	22	5,498	8,351	5,915	20	4,213	709	41	...
Ord. partly paid	...	...	20	170	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	40	523	...	...	...	...	...	...	...	...	...	...	...
Bengal Nagpur	4 12	3 81	10	2,700	...	...	-812	6,840	8,045	6,024	37	6,634	681	55	...
7% C. P.	75 00	75 00	100	300	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	85 00	89 00	10	400	...	...	...	...	...	...	...	...	...	...	...
Birla Cotton	20 00	25 00	10	3,500	5,923	1,357	104	14,393	14,125	11,021	2,051	12,830	5,945	596	...
Bowrah Cotton	145 00	90 00	100	2,400	150	...	-35	14,327	12,017	4,703	53	8,716	1,770	166	23
8% 'A' C. P.	152 00	126 00	100	600	...	...	...	...	...	...	...	...	...	...	...
7% 'B' Pref.	65 00	65 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Lampore Textiles	6 12	4 57	5	3,000	800	2,863	-1,294	2,964	8,100	6,288	986	3,865	1,431	97	...
Delhi Cloth	...	...	25	338.36	12,853	28,263	285	91,594	135,090	78,037	2,639	88,798	24,276	11,135	...
Ordinary	...	...	25	100	...	...	...	...	...	...	...	...	...	...	...
4% 1st & 2nd C. P.	...	...	25	2,000	...	...	...	...	...	...	...	...	...	...	...
4% 3rd C. P.	...	...	25	3,735	...	...	...	...	...	...	...	...	...	...	...
4% 4th C. P.	...	...	10	1,195	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
Dumbar Mills	175 50	141 00	100	1,900	2,537	83	12	9,707	14,294	7,089	58	7,417	1,880	89	88
Debentures	...	...	...	2,500	...	...	...	...	...	...	...	...	...	...	...
Elgin Mills	18 06	12 25	10	6,300	300	10,570	65	11,972	17,356	14,869	8,649	13,681	5,315	525	...
6% C. P.	110 00	105 00	100	1,100	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	8 00	8 25	10	420	...	...	...	...	...	...	...	...	...	...	...
Jagati Cotton	15 37	8 88	100	3,855	250	1,613	87	15,343	17,815	10,919	1,724	11,651	3,734	890	7,99
5% C. P. P.	38 75	43 75	100	1,545	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	10	3,000	...	...	...	...	...	...	...	...	...	...	...
Jayashree Textiles	12 62	8 62	100	4,917	...	714	133	3,266	8,132	3,332	19	4,085	1,184	173	...
5% Debentures	...	...	1000	1,371	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	10	68	...	...	...	...	...	...	...	...	...	...	...
Kesoram Cotton	23 12	11 87	100	160.00	5,400	15,945	5	19,117	40,600	13,872	3,990	15,999	11,722	2,887	2,081
7% C. P.	104 00	100 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	25	600	5,00	3,045	73	9,899	11,101	9,664	1,558	6,996	5,753	3,768	...
Mohini Mills	...	...	10	3,399	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	100	1,997	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	3,000	25.00	25.00	-31.31	105.33	164.51	115.59	1.05	105.64	7.36	1.03	...
Madr Mills	80 00	50 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	83 00	66 00	25	2,742	...	...	-1,807	17,071	12,305	7,649	121	13,579	2,513	51	...
New Victoria	1 62	1 23	1	307	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	2,605	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	3 00	2 94	10	4,740	...	...	-2,874	21,543	23,377	11,020	10	11,442	1,855	142	...
Oriana Textiles	8 33	5 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	80 00	...	10	6,000	...	661	-954	8,979	11,019	5,139	1,778	9,790	2,487	146	...
Raza Textiles	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
6% 'A' C. P.	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
6% 'B' C. P.	...	...	10	1,500	28,200	8,134	3,106	9,109	11,552	8,802	18,952	14,344	4,656	9,347	...
Sathi Cotton	91 00	75 50	10	1,750	6,000	17,528	3	68,197	63,382	19,698	19,516	32,668	14,589	2,206	64
Swadesh Cotton	10 25	10 25	10	157.50	...	...	...	...	...	...	...	...	...	...	...
Prefd. Ord.	9 50	10 19	10	3,500	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	61 00	74 50	100	...	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Adoni Spinning	8 40	8 00	10	2,996	...	...	23	3,016	7,091	622	40	889	312	138	182
6% C. P.	10 30	9 80	10	1,998	...	...	...	...	...	...	...	...	...	...	...
Asher Textiles	212 80	...	100	1,199	82	59	...	3,383	4,699	2,374	35	2,177	177	8	...
Bangalore Woollen	196 00	162 00	100	12,150	3,300	12,224	298	9,884	16,974	29,209	855	20,114	3,322	5,192	1,205
6% C.	117 00	118 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic	199 00	173 00	100	17,848	7,206	23,293	183	18,070	76,367	45,051	1,073	32,772	6,472	611	3,285
7% C.	136 50	120 00	100	2,130	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	1010 00	955 00	1,000	6,794	...	...	...	...	...	...	...	...	...	...	...

NAME	Market quotations as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	LIABILITIES				
	February 1960	February 1959			General	Others	Carry Forward				Investments	Stocks and Bonds	Outstandings	Cash	Others
	Rs. p.p.	Rs. p.p.													
SOUTH INDIA (Contd.)															
Cambodia ...	9 80	8 80	10	2,030	1,323	19	-1,860	3,308	5,125	2,615	31	2,580	613	32	...
7% C. P. ...	103 00	110 00	100	1,500	511	5	15	2,662	5,265	3,155	22	2,136	387	39	...
Cannanore Spg ...	163 00	136 00	100	937	...	536	10	1,821	6,128	2,980	32	1,336	275	40	...
Cauvery Spg ...	14 12	10 80	10	652	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P. ...	97 00	95 75	100	475	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures ...	150 50	127 00cd	100	3,597	900	1,249	1	3,671	8,158	3,622	215	2,072	1,849	8	...
Coimbatore Cotton ...	102 00	102 00	100	341	...	...	-477	3,226	2,860	1,547	12	1,083	938	45	...
Coimbatore Kamala ...	50 00	50 00	50	72	...	...	...	...	...	...	...	...	...	...	...
Partly Paid ...	500 00	500 00	500	250	...	...	...	...	...	...	...	...	...	...	...
0% Debentures ...	95 00	91 00	100	1,750	306	160	-137	3,259	4,504	2,602	140	2,014	1,255	36	...
Coimbatore Marugau ...	68 00	68 00	100	71	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	360 00	263 00	100	2,000	...	1,628	1	6,464	8,021	4,409	2,410	2,917	1,320	134	...
Coimbatore Pioneer ...	85 25	91 75	100	100	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P. ...	58 00	45 00	50	2,077	...	5	-1,578	12,758	13,750	8,679	13	7,182	937	60	...
Coimbatore Spinning ...	227 00cd	177 00cd	100	2,440	12 00	33	18	44 09	67 23	34 91	13 16	34 68	13 81	20	...
Davangere Cotton ...	...	...	100	4,859	1,700	915	1	4,184	9,847	5,514	478	4,573	1,273	1,063	...
Dhanalakshmi Mills ...	...	...	100	927	2 76	...	...	11 70	16 99	8 06	...	11 49	3 04	48	...
Gnanambika Mills ...	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Cum Preference ...	7 60	8 35	10	1,500	125	52	21	1,466	2,933	1,624	...	2,015	131	130	...
Hemalatha Textiles ...	68 00	75 00	100	431	...	...	...	...	...	...	1 20	8 21	4 12	5 35	...
5% Cum Preference ...	64 00	68 50	50	890	8 56	2 10	...	10 75	31 40	19 97	37	2 495	1 145	74	...
Jandana Mills ...	9 45	11 50	5	890	1,050	1,091	-221	4,890	7 36	3,750	...	...	...	...	...
Jawahar Mills ...	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
Ordinary ...	...	...	10	2,699	...	...	...	27 88	43 67	1 24	...	15 65	2 05	16	2 37
Kapila Textile Mills ...	...	...	100	699	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. P. ...	...	...	10	105	...	...	...	...	...	...	...	...	...	...	...
7 1/2% R. C. P. ...	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	24 75	24 75	25	750	...	311	-251	1,170	3,206	1,937	18	611	104	9	...
Kasturi Mills ...	12 60	9 12	10	6,710	800	1,025	32	6,659	14,172	4,050	415	3,962	1,803	240	583
Kasturi Textiles ...	10 00	8 65	10	1,200	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Preference ...	...	...	10	600	...	...	...	...	...	...	...	...	...	...	...
6% 'B' Cum. Preference ...	151 75	98 50	50	7,100	1,400	6,116	155	10,656	27,735	13,243	2,009	6,455	5,815	290	...
Lakshmi Mills ...	73 50	48 00	25	1,555	...	...	...	...	...	...	...	...	...	...	...
A. Class Ordinary ...	31 25	24 25	50	3,152	...	255	-401	4,347	8,656	3,133	24	3,127	544	35	...
1% Textile Mills ...	63 50	56 00	100	1,499	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference ...	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	33 25	23 13	15	17,502	12,650	27,140	205	18,209	42,573	42,519	5,220	39,533	9,203	795	849
Madura Mills ...	...	...	200	1,200	350	17	-5 12	1,858	29 08	1,954	60	1,806	111	2	...
Madurai Spinning ...	...	...	100	6,000	825	21 7	...	5,763	6,814	4,952	2,811	4,808	2,383	2,863	...
Alcur Industries ...	430 60	339 30	100	972	...	...	-8 63	151	2 30	...	...	...	3 15	14	...
Alkora Silk Filature ...	...	...	10	1,362	...	...	...	14 13	29 12	17 83	8	15 22	78	41	...
Alkora Spun Silk ...	103 00	103 00	100	240	...	...	-1 98	1,630	1,549	523	10	611	126	6	...
Palamalai Ranganathar ...	...	...	50	109	...	...	...	...	...	...	...	...	...	...	...
Partly Paid ...	160 00	126 00	50	400	100	1,062	...	4,414	7,629	3,197	16	1,829	348	151	...
Palani Andavar Mills ...	225 00	180 00	75	600	...	...	...	...	...	...	...	...	...	...	...
'B' Ordinary ...	92 00	55 00	50	200	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	92 00	37 75	100	1,500	...	...	-2,120	3,824	3,730	1,370	4	772	631	29	...
Pankaja Mills ...	55 00	...	100	2,500	350	475	2	6,162	11,015	4,533	206	2,137	535	129	...
Premier Mills ...	215 00	127 50	100	1,661	1,400	...	4	2,610	10,779	6,227	1,412	3,516	617	157	...
Radha Krishna Mills ...	...	...	50	841	...	...	...	...	...	...	...	...	...	...	...
'B' Ordinary ...	...	...	25	...	...	...	...	...	...	...	...	...	...	...	...
C. Ordinary ...	24 75cd	...	100	1,614	403	901	...	3,926	6,367	2,332	31	2,152	501	97	...
Rajapalayam Mills ...	135 00	117 60	50	893	1,01	1 89	3	12 55	22 90	7 74	2 00	4 63	1 96	1 68	...
Rajeswari Mills ...	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Ordinary ...	...	47 00	50	1,502	534	563	-527	2,763	5,466	2,881	333	1,819	449	49	...
Sri Ranga Vilas Ginning ...	47 00cd	100 00	100	2,232	750	380	6	1,915	5,665	2,587	119	1,261	805	18	...
Rajalakshmi Mills ...	119 00	13 00	10	1,000	500	144	3	3 055	5,157	2,399	215	1,118	422	388	...
Sivananda ...	21 00	59 00	50	3,670	800	1,520	23	4,274	9,930	6,687	730	4,550	1,432	53	...
Sri Kr. Rajendra ...	73 50	...	100	635	...	...	1	25 15	27 24	9 11	11	13 60	3 44	19	...
Sri Sarada Mills ...	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
7% C. P. ...	94 00	114 00	100	876	330	95	-133	2,819	4,665	2,339	1	1,304	342	13	...
Tirumurti ...	9 30	9 40	10	1,276	...	...	2	3,474	4,310	350	60	1,278	99	32	45
Tirupati Cotton ...	9 30	10 00	10	743	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Cum. Preference ...	10 00	16 62	10	10,000	6,000	3,686	198	6,126	41,724	23,017	37	6,447	2,295	5,432	2,674
Travancore Rayona ...	27 00	9 20	10	5,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference ...	9 90	...	5,000	1,900	...	...	...	...	...	...	...	...	...	...	...
4% Debenture ...	11 20	11 70	10	1,399	250	625	...	402	2,072	1,438	12	1,027	598	404	...
Trichinopoly Mills ...	251 50	201 00	100	2,100	1,800	1,684	...	3,362	8,772	5,503	752	4,217	1,019	324	...
Vasanta Mills ...	105 00	101 00	100	300	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P. ...	105 00	90 00	100	150	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	143 00	117 00	50	3,365	150	1,092	6	6,324	14,040	7,587	60	2,716	1,739	23	...
Sri Venkatesa Mills ...	47 00	50 00	50	50	...	...	...	...	...	...	...	...	...	...	...
6% C. P. ...	90 00	84 00	100	1,000	2,90	1 00	3	20 71	39 37	17 65	33	14 72	3 06	22	...
Vijayalakshmi Mills ...	117 00	79 00	50	1,600	...	...	...	1 639	2 813	1 31	...	490	101	9	...
Vijayawara Textiles ...	41 75	32 00	50	1,214	...	396	-459	900	2,485	1,254	...	896	66	402	...
Vrudhanagar Textile ...	60 00	55 00	100	241	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference ...	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...
Deferred ...	...	...	As. 4	...	8	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

(a8) After transferring Rs 882,000 from General Reserve.	(a19) After transferring Rs 598,860 from General Reserve.	Engine and Machinery Fund Rs 318,095 from Building Fund Rs 246,800 from Dividend Fund and Rs 60,000 from Reserve Fund. (a33) After transferring Rs 150,000 from General Reserve. (a34) After transferring Rs 1,070,571 from General Reserve.
(a9) After transferring Rs 2,300,000 from Dividend Equalisation Reserve and including Rs 655,246 being profit of previous years on sale of Govt. Securities.	(a20) After transferring Rs 772,517 from General Reserve and Rs 78,483 from Development Rebate Reserve.	
(a10) After transferring Rs 250,000 from General Reserve No. 1.	(a21) After transferring Rs 460,000 from General Reserve.	(a35) After transferring Rs 137,557 from Contingent Reserve and Rs 117,601 from provision for refund taxes.
(a11) After transferring Rs 250,000 from Dividend Equalisation Reserve.	(a22) After transferring Rs 355,000 from General Reserve.	
(a12) After transferring Rs 320,000 from Contingent Reserve.	(a23) After transferring Rs 714,000 from General Reserve No. 1.	(a36) After transferring Rs 800,000 from General Reserve No. 1.
(a13) After transferring Rs 150,000 from General Reserve.	(a24) After transferring Rs 110,000 from Dividend Equalisation Reserve.	(a37) After transferring Rs 474,000 from Dividend Reserve.
(a14) After transferring Rs 100,000 from Dividend Reserve and Rs 163,764 from Taxation Reserve.	(a25) After transferring Rs 1,700,000 from Dividend Equalisation Fund. (a26) After transferring Rs 10,000 from General Reserve.	(a38) After transferring Rs 440,000 from Dividend Equalisation Fund and Rs 320,000 from Reserve Fund.
(a15) After transferring Rs 200,000 from Dividend Equalisation Reserve.	(a27) After transferring Rs 550,000 from Machinery Reserve and Rs 400,000 from Dividend Equalisation Reserve. (a28) After transferring Rs 240,000 from General Reserve and Rs 600,000 from Dividend Equalisation Reserve. (a29) After transferring Rs 325,000 from General Reserve. (a30) After transferring Rs 658,935 from General Reserve. (a31) After transferring Rs 100,000 from Dividend Equalisation	(a39) After transferring Rs 352,000 from Dividend Reserve.
(a16) After transferring Rs 300,000 from Reserve and Rs 100,000 from Dividend Equalisation account.		(a40) After transferring Rs 66,558 from General Reserve.
(a17) After transferring Rs 470,000 from Dividend Reserve.		(a41) After transferring Rs 133,484 from Dividend
(a18) After transferring Rs 425,000 from General		

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1960	February 1959			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Ra. n.p.	Ra. n.p.													
Ambulckie	27 12	28 62	10	446	671	482	...	911	2,030	748	15	944	180	41	122
1% C. P. P.	37 06	42 09	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	19 00	20 00	10	277	450	251	7	1,435	1,297	482	508	919	137	43	...
Anandabag	23 00	21 50	10	700	250	441	45	1,415	1,472	423	...	935	445	226	...
Arcuttipore	7 00	7 00	10	300	...	...	198	478	536	195	1	217	24	3	...
Atal	6 00	6 06	10	450	...	65	2	947	1,536	430	36	453	327	126	17
41% C. P.	5 30	4 55	10	300	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Baghmari	22 25	21 75	10	550	862	516	22	783	2,416	897	53	937	151	10	...
Baitakhal	7 90	7 37	10	400	270	14	43	247	927	318	64	338	77	45	...
6% Debentures	950 00	950 00	1000	150	...	...	...	...	...	...	...	...	...	...	...
Banarhat	333 00	285 00	100	2,700	2,826	6	81	3,288	5,746	2,487	81	3,569	1,329	1,063	...
84% C. P.	105 00	106 50	100	400	...	...	...	...	...	...	...	...	...	...	...
Baradighi	27 31	28 37	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	21
Basmatia	27 56	28 25	10	510	1,070	6	41	1,086	1,539	631	77	355	289	482	...
Bateli	23 37	18 25	5	495	240	151	60	1,015	1,559	997	...	716	532	196	...
Belagach	26 03	48 00	10	250	250	196	41	603	430	246	925	152	58	16	...
Behan	23 87	23 81	10	640	470	493	34	1,929	1,432	488	...	1,302	606	714	62
Bhatkawa	23 00	23 37	10	900	900	893	22	942	2,560	1,206	54	1,181	735	206	...
Bijoynagar	...	...	25	869	1,650	928	170	1,159	3,231	1,006	483	1,517	250	282	...
Birpara	206 00	156 50	100	900	625	916	39	1,223	2,687	917	...	1,350	279	319	...
8% C. P.	109 00	105 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Bismuth	20 00	19 75	10	3,300	700	818	550	5,770	8,208	3,299	326	4,802	1,010	92	...
Bloomfield	2 50	3 00	10	400	...	...	384	568	203	102	8	121	24	30	...
Dalmenures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Dakshin	14 87	14 87	10	600	200	126	52	620	1,357	317	...	303	53	1	...
Dakshin	19 00	18 12	10	750	450	352	51	617	1,355	391	53	652	201	64	...
Darmahian	62 00	74 00	100	100	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	16 56	18 37	10	450	150	33	86	924	1,321	509	2	606	210	12	...
Borpukhuri	17 81	17 25	10	3,500	535	745	440	3,396	9,094	3,287	509	1,753	639	3,206	201
Brooke Bend	65 00	66 25	100	3,500	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Caron	200 00	138 50	100	600	370	360	6	352	1,438	454	15	562	99	27	...
Central Cachar	73 50	60 50	100	1,000	525	240	119	1,891	2,785	1,017	3	1,103	423	149	16
Chamong	10 31	11 00	100	280	75	50	11	182	429	84	1	189	58	5	...
Chandypore	...	...	100	250	...	...	47	47	58	...	2	...	9	277	...
Chooanbhatti	291 00	260 00	100	900	1,320	14	114	1,411	2,277	944	599	1,009	494	424	...
61% C. P.	104 50	106 50	100	200	...	...	...	...	...	...	...	...	...	...	...
Chundocherra	24 94	27 50	10	300	450	358	558	2,034	1,290	461	...	696	503	1,445	225
Cleveland	...	...	10	400	400	313	20	890	918	268	2	521	199	367	...
Douracherra	9 69	9 75	10	600	610	394	58	555	991	248	103	364	231	777	...
Dojoi Valley	69 00	72 00	100	120	325	382	17	555	1,088	348	1	501	109	29	...
Doi & Purbuttia	162 00	152 00	100	840	650	127	118	2,187	4,104	1,856	...	1,013	1,365	18	61
Dholakhat	22 12	24 00	10	1,753	975	83	30	2,032	2,678	692	872	776	741	498	...
Dhanseri	18 87	17 25	3	469	400	159	9	664	1,414	513	2	621	194	113	...
1% C. P.	2 94	3 02	10	120	...	...	...	...	...	...	...	...	...	...	...
Dibrugarh	28 44	29 00	100	450	577	528	63	1,124	1,429	343	59	786	234	364	215
Dikran	28 44	29 00	100	200	107	62	1	54	390	170	1	136	43	23	...
Dikran	102 00	95 00	10	473	500	160	166	793	1,602	706	149	759	46	313	...
Dumakusi	29 12	27 75	10	70	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	8 90	9 70	10	701	900	150	462	1,792	2,541	1,418	...	1,105	202	1,348	...
Dufflaghur	40 00	34 50	10	701	900	150	462	1,792	2,541	1,418	207	1,105	202	1,348	...
East India	22 00	18 69	10	1,000	500	350	116	1,915	3,034	1,108	117	1,455	384	1	...
Eastern Cachar	18 81	4 19	100	700	...	...	566	1,084	873	135	1	359	78	42	...
Eldebarrie	149 00	155 00	100	300	100	277	6	460	986	439	...	472	96	28	...
Ego	275 00	400 00	100	120	264	...	60	315	499	285	2	326	63	35	...
Elhelbarrie	10 19	11 75	10	490	33	28	31	963	1,002	277	290	379	61	28	...
Gairkhat	165 00	140 00	100	750	270	355	13	1,345	914	1,136	2	1,376	441	110	...
Galle	12 31	8 94	100	200	176	124	121	238	844	319	48	156	71	17	...
6% C. P.	68 00	75 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Galgukri	27 75	30 25	10	504	533	69	20	2,000	1,603	577	868	516	688	28	...
Calcutta	19 87	23 81	10	676	300	175	143	966	2,118	957	146	792	119	42	...
Calcutta	22 62	20 00	25	1,050	500	498	132	766	1766	749	3,12	826	394	396	...
Calcutta	...	...	10	1,192	900	2,319	45	3,822	5,903	1,755	8	2,779	1,018	80	...
Calcutta	13 62	14 75	5	361	...	...	8	...	...	...	...	...	...	...	...
Calcutta	148 00	138 00	100	1,344	760	1,280	...	691	2,745	1,035	458	1,513	289	113	...
Hanoqua	19 50	16 50	10	500	510	547	17	391	1,451	446	124	669	89	8	...
Hanoqua	159 00	122 00	100	3,600	1,025	2,159	19	2,637	6,882	2,120	508	3,560	365	294	...
8% C. P.	109 00	103 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Hassman	22 00	23 25	10	3,200	2,125	3,619	248	4,095	11,068	5,491	869	5,395	1,307	446	...
1% C. P.	106 00	101 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Hattichira	14 00	12 44	10	1,260	950	250	75	949	3,045	1,329	2	1,527	172	26	...
Hongkong	25 37	28 75	100	500	576	...	6	477	985	403	52	569	92	264	...
Hongkong	205 00	177 00	100	870	1,280	65	91	1,234	2,935	1,404	9	1,221	465	313	...
Huddibari	26 62	22 05	10	825	700	1,299	134	1,163	2,533	1,115	190	1,808	371	334	...
Jaybirpara	15 75	15 50	10	700	512	...	61	312	1,120	511	2	617	64	171	...
Jaybirpara	17 50	12 50	100	5,857	4,900	486	91	5,979	16,370	5,470	798	3,638	2,062	145	...
6% R. C. P.	...	...	50	195	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	10	38	...	...	...	...	...	...	...	...	...	...	...
Jeonkollee	21 05	20 62	10	600	741	448	112	1,151	1,738	860	273	755	206	976	...
6% C. P.	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
Jutlibari	20 50	18 81	10	900	525	274	53	1,712	1,728	...	1	1,272	207	774	...
Kaliti	5 37	8 18	10	246	381	...	10	1,007	...	...	2	...	1,240	382	...
Kalinugger & Khoree	102 00	96 00	100	450	200	169	36	739	307	...	6	406	328	497	84
Kilchoi	20 06	19 37	100	900	750	911	34	941	2,367	696	307	1,271	193	95	...
Kanyakul Galahat	160 00	130 00	100	360	1,000	302	91	2,383	1,653	779	1,250	1,618	583	53	...
6% Preference	80 00	86 00	100	240	...	...	...	...	...	...	...	...	...	...	...
Kotamallai (m)	14 25	11 69	5	180	...	4	232	3,657	2,467	354	3	1,231	164	266	...
6% Pref.	14 00	16 50	25	218	...	...	...	...	...	...	...	...	...	...	...
Krishnachari	10 22	10 82	10	500	230	25	1	493	1,153	231	3	262	36	6	...

COMPANIES

NAME	Managing Agents Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PERCENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. '00	Ra. '000	Ra. '00	Ra. '000	Ra. '000
Kunchanpore	Duncan Bros and Co. Ltd.	4,497	1.71	3,602	1.68	10	12-58	(a)20	(b)8	nil	nil	nil
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	12,612	1.92	12,139	2.23	1	12-57	13	22	5	7	5
Lekatorah	Directors	5,962	1.80	5,641	2.03	15	12-58	881	1,130	30	30	10
Ledo	Duncan Bros and Co. Ltd.	8,163	3.16	8,096	2.79	34	12-58	355	(a)241	17	20	30
Lingia	6% C. P.	9,558	...	9,536	...	39	12-56	186	120	2	5	20
Longview	Octavius Steel and Co. Ltd.	4,229	1.58	3,836	1.59	20	12-57	23	2	nil	nil	nil
Loobah	Tania Bros. Private	15,266	2.37	15,042	2.63	54	12-58	559	668	25	25	35
Lukwah	5% Cum Prof.	13,325	1.78	11,447	1.66	33	12-58	4,06	220	10	5	20
Malhati	D. C. Ghose & Co. Private	7,011	...	7,062	...	25	12-58	29	141	5	15	20
Manabari	Directors	4,958	1.13	4,363	1.00	25	12-53	2,06	4	nil	nil	nil
Manipur	Gill, Arbutnot and Co. Ltd.	4,535	3.36	4,283	3.06	20	12-58	186	94	10	7	10
Margareta Hope	McLeod and Co. Ltd.	2,126	...	2,016	...	3	12-56	26	22	nil	nil	nil
Marionbarrie	Lohia Bros Private Ltd.	5,818	...	5,484	...	16	12-56	1,96	715	12	25	40
Maud	Octavius Steel and Co. Ltd.	10,362	2.93	10,584	2.54	70	12-58	703	510	22	15	20
Methoni	Andrew Yule and Co. Ltd.	1,978	3.93	2,062	3.45	9	12-58	46	20	nil	nil	10
Mim	6% C. P.	4,628	2.58	4,560	1.11	10	12-56	36	(b)111	nil	nil	nil
Mohema	Kathwell Bullen & Co.	6,957	2.21	6,620	2.12	25	12-58	(a)191	81	40	60	60
Murphulani (Assam)	Andrew Yule & Co. Ltd.	5,171	2.75	5,544	2.45	33	12-58	331	275	20	17	20
Naga Hills	Preferred Ordinary	7,506	1.66	9,248	1.78	...	12-57	1,75	211	25	22	25
Nagajurce	Directors	10,858	1.85	10,565	1.82	24	12-58	(a)146	(v)167	5	7	15
Nagri Farm	Williamson Magor	4,889	3.44	4,993	3.01	32	12-58	303	224	30	25	35
Namburadi	Directors	7,565	1.96	7,380	2.29	...	12-57	171	184	18	15	10
New Assam Valley	Macneil Barry	10,683	2.65	9,752	2.76	...	12-58	661	556	25	25	30
New Chumta	Davenport & Co. Private Ltd.	7,206	1.86	6,085	1.77	14	12-58	146	91	10	12	25
New Cinnatollah	Duncan Bros. & Co. Ltd.	5,430	2.72	5,209	2.17	10	12-58	21	(b)24	nil	nil	nil
New Doars	Andrew Yule & Co. Ltd.	22,413	1.98	19,432	1.84	77	12-58	815	(a)10,552	25	35	35
New Samanbagh	6% C. P.	12,168	2.05	12,503	1.93	48	12-57	462	(b)554	30	57	25
Nilpur Tea	Shaw Wallace & Co. Ltd.	3,010	1.88	3,035	2.23	6	12-57	86	159	20	30	40
N. W. Cachar	Directors	10,543	1.69	8,829	1.71	...	12-58	380	158	20	15	15
Okayti	Duncan Bros. & Co. Ltd.	2,246	4.80	1,867	3.90	20	12-58	287	11	32	nil	nil
Oodlabari	7% C. P.	7,354	1.75	7,476	1.58	...	12-58	166	148	7	10	15
Pathamara	Directors	6,159	1.70	5,815	1.66	20	12-58	41	46	nil	nil	nil
Patrakola	Octavius Steel & Co. Ltd.	50,325	...	41,375	3.20	10	12-58	(d)3,768	2,022	20	10	25
Phakowa	Duncan Bros. & Co. Ltd.	3,219	1.76	3,130	1.75	10	12-58	(a)115	10	nil	nil	7
Poobong	Duncan Bros. & Co. Ltd.	1,518	3.27	1,419	2.86	10	12-58	(b)3	(b)14	nil	nil	1
Pueimbing	Directors	2,346	2.53	1,656	2.58	...	12-58	31	84	nil	nil	nil
Putinbarce	7% C. P.	2,306	1.50	2,733	1.81	...	12-58	11	96	nil	nil	nil
Rajabhat	Directors	9,459	2.06	6,235	1.99	25	12-58	43	294	nil	nil	12
Rajgarh	McLeod & Co. Ltd.	5,755	2.19	5,597	2.16	8	12-58	112	135	25	22	40
Rajnagar	Andrew Yule & Co. Ltd.	5,818	2.18	4,701	1.91	23	12-58	222	101	11	11	10
Ranicherra	Shaw Wallace & Co. Ltd.	12,748	1.99	11,606	1.83	30	12-58	336	209	7	25	20
Roopacherra	McLeod & Co. Ltd.	8,657	1.93	6,795	1.72	20	12-58	45	66	nil	nil	5
Rungamattio	Duncan Bros. & Co.	6,918	1.75	8,715	1.72	20	12-58	(a)7137	2	78	20	20
Runglee Rungliot	Duncan Bros. & Co. Ltd.	2,451	3.45	1,962	3.49	11	12-58	140	59	30	25	35
Rydat	Jardine Henderson Ltd.	26,144	...	25,416	...	77	12-57	867	1,365	20	30	50
Sepoi	Directors	15,712	...	15,981	...	...	12-58	437	432	15	15	25
Saragion	Directors	9,273	1.92	7,809	1.78	...	12-58	419	251	50	20	30
Seajuli	Williamson Magor & Co.	5,489	2.74	5,253	2.91	20	12-58	218	237	22	7	15
Seyok	Directors	2,344	3.09	2,405	2.91	...	12-58	132	131	15	10	nil
Selumbong	Gill, Arbutnot & Co. Ltd.	2,164	3.59	2,285	3.33	10	12-58	22	35	nil	nil	nil
Singell	Hoare Miller & Co. Ltd.	3,407	3.08	2,680	2.75	6	12-58	93	116	nil	nil	nil
Singtem	Coenka & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	176	(c)134	7	5	5
Sonai River	5% C. P.	4,520	1.63	4,967	1.97	...	12-57	1,30	50	nil	nil	nil
Soom	Directors	3,905	3.49	3,768	3.26	36	12-58	331	279	50	35	40
Sungma	McLeod & Co. Ltd.	4,580	4.29	4,418	3.49	57	12-58	564	246	15	7	15
Taipoo	Gill, Arbutnot & Co. Ltd.	5,242	1.89	5,208	1.82	17	12-58	35	40	nil	nil	5
Tam Ali	Octavius Steel & Co. Ltd.	8,020	2.42	7,735	2.60	39	12-57	397	474	25	30	20
Tasata Valley	Davenport & Co. Private Ltd.	4,153	2.89	4,321	2.83	15	12-58	3	90	10	10	25
Telapara	Duncan Bros. & Co. Ltd.	11,778	2.17	9,753	2.04	38	12-58	601	(f)381	12	6	15
Telapara	McLeod & Co. Ltd.	9,945	2.33	10,300	2.25	41	12-58	423	449	25	30	35
Tengpani	Gill, Arbutnot & Co. Ltd.	8,507	2.80	7,494	2.76	36	12-58	378	220	15	15	10
Tengporo	Shaw Wallace & Co. Ltd.	35,023	1.92	30,308	1.81	71	12-58	753	178	12	nil	12
Tilbah	8% pref. cum as to 5	...	...	...	...	...	12-55	1,40	5,80	nil	nil	nil
Tiriharn	McLeod & Co. Ltd.	8,010	1.89	8,084	2.22	12	12-57	218	512	30	25	30
Tongani	10% C. P.	...	...	...	...	26	12-56	67	173	10	10	10
Tukvar	Daga & Co. Private Ltd.	9,866	...	9,186	...	...	12-57	11	25	nil	nil	nil
Tycoon	Directors	15,467	2.47	16,082	2.16	46	12-58	562	423	15	30	15

(a) After writing back Rs 60,000 from provision for Taxation.
(b) After transferring Rs 1,08,000 from Dividend Equalisation Reserve and Rs 10,000 from Provision for taxation.
(c) After transferring Rs 65,000 from General Reserve.
(d) After writing back Rs 375,257 from Depreciation Reserve.
(e) After transferring Rs 125,000 from Reserve.
(f) After transferring Rs 50,000 from Building and Machinery Reserve.
(g) After transferring Rs 60,000 from Revenue Reserve.
(h) After transferring Rs 35,000 from Revenue Reserve; Rs 72,507 from Depreciation Reserve and Rs 48,794 from Building and Machinery Reserve.
(i) After transferring Rs 25,000 from Revenue Reserve; Rs 121,000 from Building and Machinery Reserve and Rs 18,000 from Hall Reserve.
(j) After transferring Rs 77,795 from Building and Machinery Reserve.

(l) After transferring Rs 55,000 from Revenue Reserve; Rs 98,181 from Depreciation Reserve and Rs 23,386 from Building and Machinery Reserve.
(m) The Indian Estates of The Patrakola Tea Co. Ltd. were transferred to this company at book value as on 1-12-1954.
(n) After transferring Rs 30,000 from Revenue Reserve; Rs 71,688 from Building and Machinery Reserve; Rs 27,445 from Replanting Reserve and Rs 10,000 from provision for taxation.
(p) After transferring Rs 68,450 from General Reserve and Rs 50,000 from Tax provision.
(q) After transferring Rs 40,000 from Building and Machinery Reserve.
(r) After transferring Rs 50,000 from Revenue Reserve and Rs 45,000 from Building and Machinery Reserve.
(s) After transferring Rs 79,539 from Depreciation Reserve and Rs 8,000 from Development Reserve.

(t) After transferring Rs 1,00,000 from Revenue Reserve and Rs 1,20,000 from Building and Machinery Reserve.
(u) After transferring Rs 151,220 from Depreciation Reserve; Rs 60,000 from Replanting Reserve; Rs 25,000 from Development Reserve and Rs 20,000 from General Reserve.
(v) After transferring Rs 53,223 from Building and Machinery Reserve and Rs 18,000 from provision for taxation.
(w) After transferring Rs 145,000 from Revenue Reserve and Rs 5,000 from Development Reserve.
(x) After transferring Rs 30,000 from General Reserve and Rs 50,000 from provision for taxation and including Rs 88,623 being dividends forfeited.
(y) After transferring Rs 298,782 from Building and Machinery Reserve and Rs 175,000 from Revenue Reserve.
(z) After transferring Rs 110,000 from Revenue Reserve.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1960 Ra. up.	February 1959 Ra. A.			General	Others	Carry Forward Ra. 000				Investments	Stocks & Stores Ra. 000	Outstanding Ra. 000	Cash Ra. 000	Ra. 000
Kunchanpore	8 00	7 12	10	360	55	55	4	292	644	268	...	302	62	20	
Kyang Tea Seeds	5 25	5 12	10	200	35	...	1	38	183	2	42	8	39	4	
Lachtoorah	19 75	19 00	10	400	503	296	192	2,181	1,157	393	5	883	540	1,576	
Lado	14 75	18 31	10	650	140	726	10	527	1,389	389	188	620	243	1	
Lindo	20 25	18 12	10	700	150	61	31	705	1,535	686	387	686	197	27	
6% C. P.	62 00	...	100	506	600	...	32	...	...	...	...	...	...	...	
Longview	10 12	6 50	10	1 032	...	568	32	1 032	2 623	623	209	871	163	18	
Loobah	2 31	3 19	10	469	600	58	112	718	664	107	2	232	247	189	
Lukwah	...	...	...	800	600	391	441	2 228	1 664	493	1 981	1 140	304	39	
5% Cum Prof.	...	...	...	475	...	...	...	...	...	...	...	...	...	...	
Malhati	17 00	15 00	10	900	1 505	605	106	638	2 813	916	422	962	146	329	
Manabari	65 62	66 50	10	200	486	86	3	1 031	705	325	...	321	846	46	
Manipur	...	...	100	420	210	40	6.20	8 82	7 31	1 80	...	326	32	22	
Margareta Hope	14 06	13 50	10	400	200	205	65	454	823	387	2	349	247	304	
Marionbarrie	...	...	10	154	90	100	7	1 094	1 049	163	2	110	55	3	
Maud	14 12	14 75	10	800	700	550	62	1 031	1 384	388	194	540	137	160	
Methoni	23 44	21 44	10	1 000	335	16	5	1 233	2 265	699	95	1 014	306	564	
Mim	226 00	226 00	100	159	335	16	5	204	498	220	1	252	101	89	
Mohema	13 31	12 87	10	480	...	30	2	5 00	1 004	2 32	...	4 74	30	16	
6% C. P.	9 44	8 19	10	320	...	...	...	...	...	...	...	...	...	...	
Mothola	510 00	395 00	100	150	781	...	40	553	11	10	150	310	136	1 459	
Murphulani (Assam)	25 87	27 87	10	175	...	641	50	677	1 244	621	2	638	195	416	
Paid. Ord.	27 62	28 50	10	200	...	...	...	...	...	...	...	...	...	...	
Naga Hills	22 50	29 00	100	960	311	61	209	1 136	805	431	583	432	289	18	
Nagawuro	205 00	132 00	100	900	265	864	20	365	2 635	909	406	912	230	100	
Nagri Farm	25 12	26 75	10	300	250	175	124	510	688	201	114	322	121	315	
Namburadi	13 25	14 00	10	535	175	30	3	691	1 169	509	...	493	225	5	
New Assam Valley	...	...	225	475	850	151	45	1 169	1 678	505	193	1 274	242	16	
New Chumta	38 25	38 37	100	300	200	618	60	1 415	952	358	150	512	171	167	
New Cinnatollah	114 00	108 00	100	500	...	20	59	758	906	312	...	300	48	76	
New Doosar	291 00	268 00	100	1 400	2 000	27	86	1 917	2 776	1 130	649	1 622	733	980	
6 1/2% C.P.	102 50	109 00	100	200	...	...	...	...	...	...	...	...	...	...	
New Samenbagh	25 12	20 00	10	400	400	508	78	1 441	1 231	527	1	507	299	1 416	
8% C. P.	91 50	101 50	100	100	...	...	...	...	...	...	...	...	...	...	
Nipuri Tea	...	...	100	149	60	...	50	...	...	...	...	...	...	...	
North Western Cachar	154 00	94 00	100	700	500	172	140	264	292	132	1	262	18	83	
Obayti	600 00	500 00	100	100	60	152	13	1 254	471	320	159	567	673	28	
1% C. P.	79 00	93 00	100	50	...	...	...	237	471	249	...	111	39	240	
Oodlabari	15 00	15 12	10	640	330	247	10	268	1 238	303	2	382	100	76	
Pathamara	7 03	7 19	10	259	...	...	223	1 205	654	94	1	619	60	...	
Patrakola	195 00	143 00	100	3 600	4 525	1 460	184	9 170	6 424	2 585	100	3 947	2 934	8 121	
Phakora	145 00	129 00	100	250	185	192	7	149	571	210	...	266	50	68	
Peabong	7 12	7 00	10	300	...	4	15	148	612	241	...	107	57	2	
Pussimbong	10 50	10 12	10	205	113	95	87	173	540	97	48	140	57	15	
7% C. P.	93 00ad	95 00	100	205	...	...	...	...	...	...	...	...	...	...	
Putinbarre	48 00	50 09	10	100	60	135	13	173	376	168	1	198	38	10	
Rajabhat	18 50	17 06	10	600	577	530	332	528	1 521	656	54	778	156	50	
Rajpur	42 50	47 25	10	200	844	2	39	620	1 138	492	2	558	204	294	
Rajnagar	9 56	9 56	10	320	100	43	141	638	810	433	1	339	187	338	
Ranacherra	21 31	16 81	10	260	781	117	81	784	926	1 443	54	1 084	306	83	
Roopacherra	16 37	12 37	10	525	455	577	2	1 221	959	319	1	926	145	51	
Rungmatte	80 00	68 00	100	140	270	231	23	429	1 511	435	99	551	231	30	
Runglee Rungliet	360 00	385 00	100	1 493	1 804	881	50	2 619	444	207	224	210	35	204	
Rydek	35 00	27 50	10	900	203	49	22	5 520	3 112	4	2 225	396	1 775	...	
Sapo	21 12	22 11	10	346	600	234	8	3 172	1 212	500	685	640	55	...	
Sarugeon	32 00	25 06	10	249	300	85	110	1 318	635	27	739	894	73	...	
Seajuli	25 62	23 75	10	300	125	202	4	455	1 239	665	2	530	41	35	
Seeyok	10 50ad	11 00	10	300	105	10	28	353	600	196	...	173	54	198	
Shrimboog	...	...	100	625	...	1	762	1 034	696	106	1	295	121	17	
Singell	27 75	22 00	10	900	...	19	7	341	1 323	294	207	148	147	22	
Singtom	6 25	6 84	10	300	...	...	...	...	...	...	...	146	90	102	
3% C. P.	5 25	6 62	10	400	32	304	109	339	1 111	378	3	285	31	15	
Socai River	9 12	12 50	100	100	...	...	...	...	...	...	...	...	...	...	
8% C. P.	93 50	93 00	10	300	300	115	183	665	763	382	200	293	91	597	
Soom	39 50	34 00	10	625	600	351	32	658	1 694	469	2	381	90	515	
Songma	14 00	17 75	10	500	205	58	28	629	1 125	478	1	556	135	26	
Taipoo	...	...	10	450	600	250	72	924	1 311	517	197	836	256	207	
Tera Ali	...	...	10	320	400	454	8	630	896	166	309	364	124	355	
Tosta Valley	17 00	19 87	100	900	1 525	584	22	1 173	2 080	656	49	1 074	320	1 336	
Tetipara	140 00	131 00	10	598	854	449	47	1 135	1 686	555	56	805	405	457	
Talapan	27 50	30 30	10	800	275	287	50	1 546	1 311	453	...	974	417	709	
Tangpani	35 87	37 37	10	1 983	1 350	17	41	1 676	4 808	2 065	82	1 915	684	79	
Tazore	17 75	16 62	10	205	...	...	...	...	...	...	...	...	...	...	
8% Pref. Cum. asto 5	11 19	9 95	10	375	3 75	56	30	17 50	16 15	1 94	1	8 77	1 70	85	
Tilish	10 00	10 00	10	220	400	575	34	858	1 361	557	2	720	216	440	
Tirihanoob	40 00	32 75	10	100	...	...	...	...	...	...	...	...	...	...	
10% C. P.	14 00	13 00	10	390	...	...	...	...	...	...	...	...	...	...	
Tongani	7 75	7 56	10	600	...	...	...	1 170	1 328	307	...	734	114	16	
Tukrar	8 00	8 75	10	801	...	...	...	1 396	1 679	459	2	688	175	32	
Tyoon	38 50	40 50	10	520	1 050	1 260	61	2 162	4 158	1 488	53	1 516	287	251	

SUGAR

MILLS

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed	Sugar Produced	Sales	Stock	Managing Agents Allowance and Commission	Year-ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second
		Mds. 000	Mds. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Andhra	Ranga Rao & Co.	...	...	16,442	2,198	126	9-58	2,332	2,068	15	12	10
Balampur	Directors	5,481	537	20,500	5,736	...	6-58	(a)596	(b)766	5	5	nil
Basti	Narang Bros.	5,688	...	11,055	9,422	47	4-57	568	727	10	10	10
Belapur Co.	Ord. B. Class	...	...	...	...	...	...	...	...	10	10	10
Belaund	W. H. Brady & Co.	...	...	147.07	47.68	7.44	9-57	70.43	52.24	36	32	32
Bharat	Bangur Bros. Ltd.	2,491	260	7,525	3,259	79	9-58	782	796	13	13	13
Bhopal	Cotton Agents Private	1,875	...	7,140	2,253	44	6-59	674	(b)429	15	10	15
Bhopal	5% R. C. P. T.	...	...	...	...	...	...	...	...	5	5	5
Bhopal	Bhiwandwalla & Co.	12.29	1.11	24.98	12.13	43	9-55	4.40	(a)7.21	10	10	6
Bhopal	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Carew	Gladstone Lyall & Co. Ltd.	...	...	28,883	11,898	296	6-59	2,160	2,750	nil	2	nil
Carew	6% R. C. P.	...	...	...	...	...	...	...	...	nil	6	6
Carew	6% Debentures	...	...	...	...	...	...	...	...	nil	6	6
Cauvery	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Cauvery	Pary & Co.	...	...	...	...	...	...	...	...	...	...	...
Cauvery	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	Begg Sutherland & Co. Private	10,194	983	36,149	4,373	...	10-58	-696	-53	nil	nil	8
Cawnpore	8% C. P.	...	...	...	...	...	...	...	...	nil	nil	7
Champanan	Begg Sutherland & Co. Pri. Ltd.	5,789	570	20,309	7,128	130	6-59	1,355	995	15	10	nil
Deccan	Pary & Co. Ltd.	...	...	32,819	11,927	355	5-58	3,535	3,100	18	14	15
Deoria	7% preference	...	...	...	...	...	...	...	...	...	...	...
Deoria	K. C. Thapar & Bros.	2,706	...	7,869	2,897	...	8-57	89	129	nil	5	5
Deoria	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	Directors	28.65	2.99	70.36	18.31	...	8-54	9.94	16.78	15	15	7
Dyer Meakin Breweries	Directors	...	...	20,467	2,596	...	3-58	4,451	2,825	15	12	11
East India Distillery (S)	Pary's Holding Private Ltd.	...	...	10,851	...	...	9-58	831	829	20	15	7
Ganesh	7% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	Directors	2,956	310	9,693	1,441	...	10-58	573	-410	10	nil	10
Gobind	Directors	...	...	19,298	15,066	...	3-58	2,839	1,970	12	17	20
Gobind	Cotton Agent Private Ltd.	1,880	...	8,689	2,125	...	6-58	558	1,075	nil	5	...
Gwalior	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Gwalior	Sir J. P. Srivastava & Sons Pri.	3,124	...	14,456	3,821	161	6-58	1,647	1,461	10	10	6
Gwalior	7% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Gwalior	7% Cum. preference	...	...	...	...	...	...	...	...	...	...	...
Hanuman	Narayana Banuila	...	...	126.91	38.01	1.07	9-53	9.36	7.28	7	7	7
Hanuman	Ordinary	...	...	...	...	...	...	...	...	...	...	...
Hindusthan	Bachhra & Co.	10,324	...	38,553	15,569	371	6-58	5,087	4,831	15	15	15
India	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
India	7% C. P. T.	1,378	...	19,333	2,255	58	9-58	(p)1,699	(n) nil	10	10	11
Jagriti Sugar	Narang Bros & Co.	...	...	3,128	54.99	60	4-55	4.28	4.25	10	10	10
Jawant	Directors	5,557	...	22,365	8,512	...	5-58	2,378	2,080	15	15	15
Jawant	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Jaypore	R. S. Indus. Corpn.	...	...	5,856	2,956	36	6-58	854	...	6	6	6
Jaypore	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Jaypore	7% C. P.	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	V. Ramakrishna Sons Pri. Ltd.	2,15	20	...	...	...	6-56	29.01	14.73	7	7	7
K. C. P.	5% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	Deferred	...	...	...	...	...	...	...	...	...	...	...
Kurlampudi	Kubera Sugar Manager. Private	...	...	12,937	6,242	24	6-58	624	748	nil	nil	nil
Kurlampudi	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Kurlampudi	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Madura Sugar	Pandia Rajan & Co. Private	351	...	5,610	982	...	7-58	758	551	2	nil	nil
Modi Sugar	R. B. Multanil & Sons	4,220	...	54,021	4,362	189	10-58	2,178	1,666	9	7	6
Mohini	K. C. Thapar & Bros.	1,711	...	6,782	1,230	15	11-57	-332	-215	nil	nil	nil
Mohini	Founders	...	...	...	...	...	...	...	...	...	...	...
Mohini	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Murree Brewery	Directors	...	...	...	...	...	8-51	-1.25	...	...	...	...
Mysore	Directors	...	...	38,006	3,033	...	6-58	3,458	1,095	30	20	20
Nawabganj	Narang Bros. & Co. Private	4,407	...	13,564	153	25	10-57	345	47	nil	10	6
Nawabganj	'B' Class	...	...	...	...	...	...	...	...	...	...	...
Nawabganj	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
New India	Cotton Agents Private	3,288	...	13,622	3,367	125	6-59	1,333	1,392	36	25	25
New India	5% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...
New India	7% C. R. P. P.	...	...	...	...	...	...	...	...	...	...	...
New Savan	K. C. Thapar & Bros.	1,695	230	...	...	6	5-58	102	238	2	3	3
Nizam Sugar	Hyd. Govt. Indus. Trust Fund	...	...	58,858	29,161	799	6-58	7,853	6,434	18	18	18
Nizam Sugar	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Nizam Sugar	4% C. P.	...	...	...	...	...	...	...	...	...	...	...
Phalan Sugar	Malatal Apte & Kantilal	1291	...	12,546	3,688	271	9-58	2,806	3,389	20	24	18
Punjab Sugar	Narang Bros Private	2,764	...	9,313	2,258	25	10-58	183	25	6	nil	nil
Punjab Sugar	Begg Sutherland & Co. Private	2,475	232	7,515	1,829	6	10-57	(h)185	(b)670	nil	7	7
Punjab Sugar	10% C. P.	...	...	...	...	...	...	...	...	...	...	...
Rannugger Cane	Anderson Wright Ltd.	1,615	...	6,805	2,274	13	8-58	(a)385	863	15	15	20
Rannugger Cane	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Rannugger Cane	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	Ratna Agents	2,201	...	6,225	2,619	2	6-58	145	372	3	6	nil
Ratna Sugar	9% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ravalgong Sugar	Walchand & Co. Private	...	...	132.56	42.66	3.01	9-56	26.46	13.26	24	18	4
Ravalgong Sugar	5% Cum Pref.	...	...	...	...	...	...	...	...	...	...	...
Ravalgong Sugar	Deferred	...	...	...	...	...	...	...	...	...	...	...
Ravalgong Sugar	Debentures	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	Cowan Bros. (Rampur)	8,592	885	32,039	2,997	198	10-58	(a)4,255	2,763	12	15	15
Ryan	Directors	2,229	222	9,216	3,528	...	6-58	425	476	15	15	17
Ryan	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
Samatipur	Directors	2,091	207	4,535	2,828	...	6-58	(i)436	(e)-74	2	nil	nil
Shadilal	H. R. Sarup & Bros	8,798	888	27,398	7,425	...	9-57	2,339	2,120	18	8	20
Shree Anand	8% C. p.	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	Directors	1,361	137	3,621	954	...	9-58	157	7	3	8	28
Shree Chandoo	Debentures	...	...	...	...	...	...	...	...	...	...	...
Shree Chandoo	A. H. Bhiwandwalla & Co.	...	...	15,505	3,172	73	9-58	1,770	2,450	18	18	40
Shree Hanuman	D. Ramchawallil	2,394	...	11,434	2,719	52	9-57	957	546	6	7	9
Shree Hanuman	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	Sahu Jain Ltd.	8,552	...	29,912	18,491	203	7-59	2,298	1,474	15	10	10
Shree Krishna Gyanoday	6% 'A' Pref.	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	5% 'B' Pref.	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	5% Debentures	...	...	...	...	...	...	...	...	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1960 Rs. up.	February 1959 Rs. up.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash	Others
Andhra	23 90cd	20 00	10	3,600	1,650	690	22	5,277	8,559	2,423	210	3,255	916	182	...
Balampur	4 12	7 50	5	1,400	1,200	1,540	59	9,356	4,348	3,235	1,178	6,730	1,621	154	10
Basti	120 50	120 50	100	1,200	950	2,268	983	6,420	5,581	3,785	2,236	11,193	365	70	...
Ordinary 'B' Class	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Belapur	335 00	281 00	50	7,050	75.19	43.24	3.00	9,014	150.48	108.77	22.79	116.52	14.02	87.02	...
Belaund	13 69	12 10	7	1,949	725	100	67	6,600	3,356	2,571	718	4,166	3,183	102	...
Bharat	12 50	13 00cd	10	1,500	650	756	5	2,529	2,344	1,491	1,366	2,719	945	45	...
5% R. C. P. T.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bhopal	25 00	25 50	10	1,750	8.87	37	5	8.22	33.04	21.37	3.34	20.58	9.89	1.96	...
Bhawal	84 50	85 00	100	1,250	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	11 44	8 37	10	3,200	1,260	1,747	14	15,627	15,264	10,544	54	16,561	2,947	502	14
Carew	65 50	36 00	100	800	...	...	...	...	...	...	...	...	...	...	...
5 1/2% R. C. P.	980 00	920 00	1000	1,750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	900 00	100	400	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	128 00	102 00	100	3,983	...	...	...	6,038	1,177	...	...	860	1,466	638	7889
Cauvery	116 00	95 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	16 05	19 12	10	3,000	2,050	4,252	-2,224	8,961	16,483	9,860	264	7,005	2,456	283	427
Channarayana	102 00	104 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	15 94cd	17 15	10	1,800	1,440	2,805	17	6,440	8,499	6,358	37	8,342	1,578	355	29
Channarayana	13 40	9 95	5	3,984	2,109	2,461	150	14,709	11,944	6,695	395	14,528	2,218	1,315	370
Deccan	6 25	6 00	10	700	...	...	...	...	...	...	...	...	...	...	...
7% Preference	7 25	9 56	500	958	145	1,57	-40	5,328	2,648	1,727	1,077	3,707	606	31	703
Doria	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	13 69	19 31	10	2,500	31.00	2,36	1.12	19.16	57.53	37.24	2.58	36.93	12.89	6.97	...
Darbhanga	19 04cd	14 10	5	1,620	3,500	2,274	25	4,157	4,541	1,918	264	3,950	3,262	1,043	116
Dyer Maslin	47 50	33 25	41	550	1,000	1.75	55	1,275	1,431	791	609	915	800	247	...
G. I. D. (E)	17 75	10 25	10	2,000	150	3,480	25	3,840	6,972	2,235	2,136	2,067	536	18	...
7% C. P.	19 87	19 75	10	5,492	1,200	515	20	23,939	13,006	3,509	2,149	15,754	2,772	60	36
Ganga Sugar	7 50cd	8 75	10	500	160	57	5	2,792	2,511	1,240	24	2,655	123	31	...
Gobind	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% R. C. P.	...	...	100	1,594	...	761	9	6,091	4,569	2,788	170	4,956	2,250	473	...
Gwalior	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	10	250	10.00	1.50	14	63.39	57.63	30.49*	4.86	44.81	27.49	74	...
Haryana	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Deoria	215 00	220 00cd	100	6,000	5,662	1,950	43	20,229	21,144	8,621	284	18,201	2,156	121	...
Hindustan	97 00	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	12 40	12 20	10	6,377	337	573	25	9,892	7,860	2,377	3,133	3,148	6,471	84	...
India	18 25	92 00	100	1,100	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C. P. T.	...	...	100	1,109	11.54	5.37	9.81	50.08	16.18	15.41	13.75	59.97	2.81	53	...
Jagdish Sugar	5 25	5 25	10	2,100	1,200	353	73	12,079	12,650	7,379	62	9,825	1,120	93	134
Jawahar	84 00	69 50	100	1,630	...	...	...	...	...	...	...	...	...	...	...
5 1/2% R. C. P.	15 25cd	15 10	10	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,650	48	32
Jaypee	160 00cd	90 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	106 00cd	100 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	19 00	100 00	100	1,052	57.50	23.00	27	193.11	179.03	35.20	25.10	93.18	24.95	2.70	...
K. C. P.	95 00	100 00	10	325	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	10	287	...	...	...	...	...	...	...	...	...	...	...
Deferred	69 00	41 50	100	1,197	...	1,649	-19.96	9,083	7,260	2,557	1,912	6,679	462	254	...
Kidlampudi	132 00	99 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C. P.	101 50	101 50	100	3,430	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	10	2,009	...	...	...	...	...	...	...	...	...	...	...
Maharaja Sugar	...	...	100	7,339	1,240	896	83	6,546	12,360	5,689	44	6,766	2,133	490	...
Medi Sugar	...	...	10	1,000	...	216	-2,846	8,769	5,516	1,831	20	2,117	1,476	23	44
Mohini	3 06	2 56	10	25	...	...	...	...	...	...	...	...	...	...	...
Founders	70 00	70 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	10	2,400	6.13	2.00	-7.88	5.52	7.56	...	...	...	...	...	...
Murree Brewery	56 75	43 25	100	1,179	6,250	3,023	144	13,313	15,331	9,618	4.84	6.87	4.28	4.56	2.05
Mysore	60 00	60 00	100	2,200	550	910	789	3,524	3,622	3,052	1,660	1,537	1,619	434	453
Nawabganj	...	...	50	1,000	...	...	...	...	...	...	...	...	...	...	...
'B' Class	...	...	10	789	2,150	769	6	5,441	5,291	3,083	1,684	4,202	1,957	109	...
5% Debentures	30 00	26 12cd	10	1,000	...	...	...	...	...	...	...	...	...	...	...
New India	125 00	92 00cd	100	49	1,100	2.75	178	3	561	4,909	2,920	...	...	...	...
5 1/2% R. C. P. T.	3 87cd	5 91	100	10,977	5,252	3,305	102	47,825	29,270	17,639	343	59,772	16,404	2,162	681
7 1/2% C. R. P. P.	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
New Savan	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
Nizam Sugar	...	...	25	5,000	4,074	1,793	150	11,343	11,877	7,042	207	8,503	4,720	4,603	23
5% C. P.	166 00	152 00	100	1,200	270	957	11	4,161	3,642	2,166	1,231	2,977	580	61	251
5% C. P.	80 00	80 00	100	900	200	1,764	16	2,414	4,388	3,294	35	2,711	1,703	39	312
Phalton Sugar	12 00	13 00	10	600	...	...	...	...	...	...	...	...	...	...	...
Punjab Sugar	13 75	13 00	10	1,660	1,825	2,008	20	3,701	7,292	3,626	...	5,650	330	12	536
Punjab Sugar	21 06	19 06	100	400	...	...	...	...	...	...	...	...	...	...	...
10% C. P.	92 00	89 50	100	595	...	...	...	...	...	...	...	...	...	...	...
Ramnagar Cane	...	...	10	1,175	...	114	-285	3,148	3,242	2,324	10	3,073	155	34	...
6% C. P.	2 63	2 63	100	39	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	126 25	142 00	50	2,000	11.00	25.27	68	41.30	95.61	56.01	14.35	84.38	2.71	1.21	...
Ratna Sugar	64 50	69 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum Pref.	30 00	30 00 N	10	400	...	...	...	...	...	...	...	...	...	...	...
Deferred	495 00	625 00	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Debenture	13 06	12 75	10	6,359	1,840	902	7	6,200	8,710	3,413	1,697	5,152	2,895	255	...
Raza Buland	16 44	17 06	10	800	150	500	1	3,957	2,927	2,393	270	4,252	653	539	...
Ryan	9 00	9 00	10	1,199	345	1,342	21	3,489	4,813	2,603	...	3,527	500	126	39
Samastipur	13 00	12 00	100	857	1,100	1,319	228	14,901	12,580	5,534	816	8,749	1,986	58	513
Shidhal	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
8% C. preference	...	10 25	10	2,000	...	2,239	4	3,712	4,819	1,682	1,545	1,299	908	16	...
Shree Anand	11 00	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Debentures	28 60	30 50	124	3,750	1,500	163	2	5,821	7,912	5,351	1,396	6,051	992	129	100
Shree Chandee	16 08	14 65	10	2,500	50	1,050	12	5,080	6,446	3,441	66	4,765	1,524	331	...
Shree Hanuman	55 00	60 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	14 44	10 00	10	3,999	2,100	663	41	12,263	13,684	8,062	860	12,695	2,639	40	511
Shree Krishna Gyanodev	85 50	81 00	100	600	...	...	...	...	...	...	...	...	...	...	...
6% 'A' Pref.	65 00	63 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed	Sugar Produced	Sales	Stock	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds. 000	Mds. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
Siroe Sitaram	Directors	2,651	...	8,785	3,302	...	8-58	(q)262	257	5	5	10
Sitapur	Directors	23,98	...	43,06	34,35	...	6-56	2,03	72	...	...	...
South Behar	Directors	...	...	10,425	1,267	...	10-59	177	190	...	...	...
	9% pref. cum as to 7	...	...	...	...	...	...	...	...	...	...	...
	Deferred	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery & Distillery	K. C. Thapar & Bros.	8,15	...	63,83	7,13	18	12-54	1,54	3,39	5	10	10
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Travancore	Parry & Co Ltd.	133	11	13,052	4,927	103	4-59	943	1,539	7	10	10
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
United Breweries	Directors	...	...	3,542	97	...	3-58	1,482	(k)886	60	20	20
United Provinces	Directors	2,953	321	9,938	2,055	...	9-58	6,54	736	10	78	6
Upper Doab Sugar	R. Lal Debi Prasad & Bros.	...	...	168,22	37,97	150	9-55	14,86	22,22	12	15	2
Upper Ganges	Cotton Agents Private	6,070	...	32,329	5,245	246	6-59	2,960	3,666	71	50	50
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	5% C. P. T.	...	...	...	...	...	...	...	...	5	5	5
Upper India	Mitra Mandal Private	6,151	...	20,452	12,284	136	4-58	(r)2,205	1,642	15	15	15
	'B' Class Ord.	...	...	...	...	...	...	...	...	15	15	15
Vizagapatam	Kantilal & Sheth	...	...	...	...	12	6-54	-2,06	-2,30	...	...	5
Walchandnagar Industries	Walchand & Co. private	2271	...	50,561	7,031	487	9-58	5,370	6,573	21	21	21
	7% C. P.	...	...	...	...	...	...	...	...	7	7	7
	41% Debentures	...	...	...	...	...	...	...	...	...	...	...

NOTES.

(a) After transferring Rs 2,039,237 from General Reserve.
 (b) After writing back Rs 1,30,000 from taxation, Rs 50,000 from contingencies and Rs 38,599 from Gratuity. (c) After writing back Rs 85,000 from contingencies for stock realisation Rs 12,576 from provision for taxation. (d) After writing back Rs 2,80,018 being provision for liabilities no longer required. (e) After writing back Rs 100,000 from Reserve for stock debts and advances.

ELECTRIC

NAME	Managing Agents/ Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000			
Agra Electric Supply	Martin Burn Ltd.	36,283	4,229	31,513	3,876	115	3-58	(f)1,083	(a)1,123	10	10	10
Ahmedabad Electricity Co.	41% Debentures Killick Industries Ltd.	548,693	326,45	485,981	269,18	6,60	9-56	(b)113,46	77,54	61	5	61
Aligarh	41% Debentures Jain & Co.	...	...	...	...	31	3-54	1,70	1,68	91	10	91
Amalgamated Elec'ty Co.	N. C. Javeri & Co.	40,491	8,154	43,589	7,211	319	3-59	1,939	1,664	9	81	8
	51% C. P.	...	...	...	...	...	...	...	...	51	51	51
Anand	5% C. P. Sawale Co. Private	...	506	...	474	15	3-59	92	189	10	10	...
	6% C. P.	...	...	...	...	...	...	...	...	5	5	5
Andhra Valley Power	Tata Hydro Elec. Agencies Pri.	...	19,026	...	17,420	426	3-59	(i)6,878	(h)7,153	6	6	5,62
	7% C. P.	...	...	...	...	...	...	...	...	8	8	5,25
	4% Debentures	...	...	...	...	...	...	...	...	7	7	...
Bareilly Elec'ty Supply	Martin Burn Ltd.	12,787	2,142	13,482	2,420	61	3-58	413	(d)590	10	121	10
Benares Electric	41% Debentures Martin Burn Ltd.	38,063	4,414	38,063	4,912	115	3-58	(j)1,048	1,234	10	121	121
Berhampur Electric Supply	41% Debentures Directors	2,029	625	1,778	570	...	3-59	113	134	3	6	6
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
Bhagalpur Elec. Supply	Octavius Steel & Co.	4,831	1,253	4,316	1,316	32	3-58	189	269	5	81	61
Bombay Suburban Elec.	Killick Industries Ltd.	99,869	10,143	83,581	8,690	261	3-59	(m)3,384	2,863	71	7	7
Brosch Elec. Supply	Rajputana Textiles Agencies	2,068	588	1,917	550	27	3-59	191	146	6	5	...
	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply	Directors	1,899,400	5,292	13,027	4,996	...	12-54	19,00	16,17	6	6	6
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
Cochin State Power	5% Debentures Chandrie & Co.	45,12	5,71	44,20	5,49	...	3-54	1,83	1,99	10	10	51
Cuttack Elec. Supply	Octavius Steel & Co. Ltd.	4,695	1,205	4,246	1,352	46	3-58	276	274	61	8	61
Dharwar	Directors	571	...	339	...	...	3-59	140	118	7	7	7
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1960	February 1959			General	Other	Carry Forward				Investment	Stocks & Stores	Outstand- ings	Cash	Other
	Rs. np.	Rs. np.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Shree Sitaram	10 19	9 00	10	1,589	854	470	18	6,421	3,804	2,175	3,101	4,097	383	56	88
Sitalpur	6 19	2 37	10	1,000	...	27	-4,25	31,11	24,21	13,52	23	36,39	5,23	53	...
South Behar	1 00	1 37	10	650	45	...	-1,777	9,090	5,171	1,147	1,497	2,002	2,605	29	...
9% Pref. Cum. as to 7	20 50	20 50	100	915	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 25	0 25	21	440	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery	...	...	10	964	4,33	39	12	44,27	8,36	3,34	91	17,17	36,89	3,73	4
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Travancore	10 60	10 10	10	3,000	350	1,717	107	4,444	6,737	3,050	...	5,742	1,376	282	21
5% C. P.	9 00	7 45	10	1,500	...	...	...	...	...	...	...	...	...	...	...
United Breweries	46 00xd	...	10	600	960	...	9	1,820	3,065	2,685	1,562	1,246	171	31	...
United Provinces	18 00	15 00	10	1,680	356	422	50	3,289	3,564	2,787	70	3,166	1,628	270	...
Upper Doab Sugar	...	...	100	2,000	12,50	...	1,26	68,91	66,46	40,07	5,36	48,93	21,59	41	...
Upper Ganges	48 00xd	65 50	10	800	2,200	2,167	44	10,911	18,328	9,743	852	7,243	2,032	110	...
5% C. P.	70 00xd	80 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	70 00xd	80 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Upper India	102 00xd	127 00	100	350	1,700	1,376	23	17,989	9,869	3,931	101	13,072	3,395	40	...
'B' Class Ordinary	8 75xd	15 00	25	2,162	...	...	...	...	...	...	...	...	...	...	...
Vizagapatam	...	...	10	747	42	...	-4,83	39,40	29,22	8,99	25	14,44	7,00	55	...
Walchandnagar Indrs.	301 25	277 50	100	10,100	2,800	9,239	174	18,789	29,528	11,768	921	22,573	1,859	2,016	...
7% C. P.	115 25	118 75	100	350	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	91 00	94 00	...	2,500	...	...	...	...	...	...	...	...	...	...	...

(f) After transferring Rs 60,000 from Dividend Equalisation Reserve.
 (g) After transferring Rs 1,76,125 Div. Equal. Fund. (h) After writing back Rs 66,578 from provision for taxation. (i) After transferring Rs 225,000 from General Reserve.
 (j) After transferring Rs 1,00,000 from Renovation and Renewal Reserve. (k) After transferring Rs 1,07,000 from provision for taxation.
 (l) After writing back Rs 150,000 from provision for contingencies no longer required; Rs 55,000 from provision for taxation and including Rs 68,837 being Railway claims recovered. (m) The entire loss of Rs 388,405 had been wiped off by transfer from Reserve Fund. (n) After transferring Rs 650,000 from General Reserve.
 (p) After transferring Rs 075,000 from General Reserve. (q) After transferring Rs 79,450 from Dividend Equalisation Fund. (r) After transferring Rs 400,000 from General Reserve. (s) After transferring Rs 175,000 from General Reserve.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	February 1960	February 1959			General	Other	Carry Forward				Invest- ments	Stocks and Stores	Outstand- ings	Cash	Other
	Rs. np.	Rs. np.	Rs.	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	
Agra Elec. Supply. ...	139 00	144 00	100	1,999	1,857	2,563	49	5,669	11,231	3,325	455	2,146	2,031	239	362
41% Debentures	89 00	90 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Ahmedabad Elec'ty Co ...	90 10	97 80	100	87,472	5,39	65,65	...	94,83	134,166	248,28	15,41	54,00	59,33	6,88	13,39
41% Debentures	985 00	985 00	1000	20,000	...	...	...	...	...	...	...	...	...	...	...
Aligarh	10 00	9 10xd	10	459	53	72	1	6,17	11,30	5,68	68	2,13	3,39	21	...
Amalgamated Elec'ty Co	10 92	11 08	10	2,250	55	2,151	1,395	5,303	21,823	5,204	216	1,753	1,293	296	624
51% C. P.	91 50	85 20	100	2,415	...	...	...	...	...	...	...	...	...	...	...
1% C. P.	81 50	76 50	100	2,031	...	...	...	...	...	...	...	...	...	...	...
Anand	64 00N	64 00	50	222	13	281	3	293	305	181	6	50	84	14	44
6% C. P.	30 00N	50 25	1000	30,276	3,887	5,321	21	39,426	94,652	26,477	2,248	4,917	7,029	539	9,963
Andhra Valley Power	1045 00	1080 00	1000	4,934	...	...	...	...	...	...	...	...	...	...	...
1% C. P.	1065 50	1080 00	1000	9,828	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	1010 60	1002 50	1000	...	...	...	...	...	...	...	...	...	...	...	...
Bareilly Elec'ty Supply ...	14 44	14 44	10	800	550	910	17	2,056	5,097	1,872	190	612	253	535	13
41% Debentures	88 00	86 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Benares Elec'ty	15 06	14 19	10	1,700	1,650	2,366	41	7,464	13,323	4,012	318	1,398	1,860	710	805
41% Debentures	90 00	90 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
Berhampur Elec. Supply	6 65	6 70	10	738	125	7	17	647	1,747	620	262	117	121	8	...
6% C. P.	8 05	8 65	10	100	...	...	...	...	...	...	...	...	...	...	...
Bhagelpur Elec. Supply ...	7 47	7 37	8	591	258	382	24	1,216	2,201	1,040	60	608	232	464	6
Bombay Suburban Elec'ty	98 00	107 25	100	17,500	242	6,833	4	8,652	36,655	8,753	839	1,395	2,110	248	737
Breach Elec. Supply	7 00	6 92	10	707	...	115	4	441	1,669	811	61	92	109	176	121
6% Debentures	...	...	...	151	...	...	...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply & ...	16 06	14 75	£ 1	4,262	19,00	47,32	1,53	32,91	279,88	91,58	2,43	7,03	5,25	33	2,50
5% Com Preference	10 25	9 94	£ 1	1,900	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	99 50	98 00	...	4,445	...	12	...	...	...	...	...	...	...	...	...
Cochin State Power	10 65	10 00	10	787	1,33	4,60	1,66	4,30	13,37	3,31	8	1,95	1,72	1,77	...
Cuttack Elec. Supply	8 60	7 41	10	660	426	86	61	1,781	2,905	833	34	433	252	129	92
Dharwar	51 00	51 00	50	499	56	467	85	311	1,483	294	14	202	117	28	47
5% C. P.	...	...	100	178	...	...	...	...	...	...	...	...	...	...	...

ELECTRIC

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowances and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Seco- nd Pre- vious
Dahargarh Power	Andrew Yule & Co. 5% 'A'. C. P. 4½% 'B'. C. P.	...	6,621	...	5,603	118	3-59	1,222	1,056	7½	7	6½
Ellore Elec. Supply	Chandrie & Co.	1,608	3,20	14,65	2,91	14	3-54	68	63	7½	7½	6½
Gourepore Elec. Supply	Macneill & Barry 4% Debentures	...	6,679	...	6,151	91	3-59	1,106	1,245	10	10	7½
Gudivada Elec. Supply	Mechelec Engineering Co.	...	1,66	...	1,18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Mo-nna Lall & Sons 6% Debentures	27,23	9,42	21,85	7,82	32	12-53	1,47	1,38	6½	8½	8½
Jarhat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1,37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	Martin Burn Ltd	32,109	3,588	28,076	2,869	140	3-58	(a) 158	(b) 604	9 20	9 20	9 25
Kanadukathan	Directors	...	1,93	...	2,14	...	3-56	82	88	3	3	3
Karakikal Elec. Supply	A. S. Ahilamand	553	1,87	883	1,75	13	3-59	49	41	8	8	7
Kumbakonam Elec. Supply	India Company Private 6% Cum. Pref.	7,657	1,264	7,343	1,186	24	3-59	460	426	9	10	12½
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36,50	10,02	34,22	9,37	42	3-56	2,36	1,44	10	10	10
Mirzapur Elec. Supply	Octavius Steel & Co.	2,047	577	1,777	577	14	3-58	105	117	8	10	5½
Mozaffarpore Elec. Supply	Octavius Steel & Co.	3,533	1,162	3,108	1,220	42	3-58	275	311	10	10	10
Muttia Elec. Supply	Directors	36,26	6,41	31,87	5,39	...	3-56 H	1,62	1,23	7	6	6
Nadiad	Sonsala Co. Private 6% C. P.	...	624	...	529	27	3-59	169	146	9	7½	6
Nasik Deolali	Rajputana Textiles Agency 7% Cum. Pref. 6% Debentures	7,019	1,689	6,563	1,622	54	3-59	436	361	8½	6½	7
Negapatam Elec. Supply	India Co. Private Ltd. 6% C. P.	5,431	535	4,993	500	12	3-59	156	157	7½	8	...
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	32,986	4,456	32,296	4,919	149	3-58	1,456	1,596	7½	10	7½
Poona Electric	Rajputana Textiles Agencies pri. 7% Cum. Pref. 6% Debentures	73,202	5,677	76,754	6,324	144	3-59	(a) 1,597	(a) 1,137	8	7½	nil
Saharanpur	Directors	...	5,87	...	781	...	3-59	113	96	6	5	...
Salem Erode Elec. Supply	Partly Paid	...	...	...	...	...	...	...	...	...	...	...
Saugor Elec. Supply	Octavius Steel & Co. 6½% R. C. P.	25,596	2,254	23,172	2,002	74	3-58	452	453	10	10	10
Shahjahanpur Elec. Supply	Martin Burn Ltd.	1,678	547	1,906	621	36	3-58	98	101	5	6½	5
Shilong Hydraulic	Octavius Steel & Co. Development of Industries	2,845	773	2,424	1,007	38	3-58	188	177	5	5	5
Sijua (Jheriah) Elec. Supply	Partly Paid Bird & Co. pri. Ltd.	...	6,392	...	5,927	96	3-59	543	566	7½	6½	7½
South Arcot Elec. Supply	5% Debentures Directors 6% C. P. 5½% C. P.	21,265	1,786	17,425	1,427	...	1-234	366	272	6½	6½	6½
South Madras Electric	Sahasra Bros Private Ltd. 5½% 1st C. P. 5½% 2nd Pref. 4% Debentures 5% Debentures 5½% Debentures	81,763	6,929	83,689	6,660	80	3-59	m) 1,983	1,625	9	8½	12
Surat Elec. Supply Co.	Killick Industries Ltd. 6½% C. P.	...	7,551	...	7,106	143	3-59	1,483	1,271	7	7	7
Tata Hydro Electric	Tata Hydro. Elec. Agencies Pri. 7% C. P. T.	...	15,353	...	11,830	467	3-59	(a) 7,725	(a) 4,783	8	8	5 5/2
Tata Power Co.	Tata Hydro. Elec. Agencies Pri. 7½% C. P. T. 4% Debentures 4% Debentures	...	32,144	...	30,293	678	3-59	(p) 13,251	(h) 10,971	8	8	5 6/2
Tinnevely Tuticorin Elec.	Octavius Steel & Co. 6½% R. C. P.	18,220	1,708	16,844	1,488	53	3-58	389	337	10	10	10
United Provinces Elec.	Martin Burn Ltd. 4½% Debentures	80,442	9,715	75,694	9,098	155	3-58	(a) 2,224	2,142	10	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,902	1,943	11,960	2,076	57	3-58	284	287	10	12½	9½
Upper Jumna Valley	Martin Burn Ltd.	16,685	2,705	13,602	2,244	...	3-58	400	310	12½	12½	12½
Vellore Elec. Corp.	Chandrie & Co. Private 6% C. P.	106,03	9,24	87,02	7,68	37	3-56	2,77	1,95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5½% C. P.	116,22	10,92	120,77	11,89	58	3-53	2,60	2,51	10	10	7½

(a) After transferring Rs 60,000 from Deferred Taxation Reserve.
(b) After transferring Rs 1,06,848 from Tariff and Dividend Control Reserve and Rs 44,000 from Defd. Taxation Reserve.
(c) After transferring Rs 3,814 from General Reserve. (b) After transferring Rs 8,80,000 from Dividend Control Reserve.
(d) After transferring Rs 60,000 from provision for other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

march 12, 1960

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COMPANIES—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreci- ation	LIQUID ASSETS				
	February 1960 Rs. np.	February 1959 Rs. np.			General Rs. 000	Other Rs. 000	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Outstand- ings Rs. 000	Cash Rs. 000	Others Rs. 000
Dahargah Power ...	67 00	74 50	100	4,320	2,000	163	377	2,173	8,009	3,586	3,575	1,044	711	71	8
5% A.C.P.	78 50	69 50	100	1,600											
4 1/2% B.C.P.	75 00	79 50	100	1,200											
Ellore Electric Supply ...	10 35	11 00	10	300	...	37	4	2,33	6,26	1,73	18	75	61	67	1
Gourepore Electric Supply	...	...	100	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,009	1,583	51	...
4% Debenture	850 00	840 00	1000	2,500											
Gudivada Electric Supply	...	...	100	118	...	3	3	1.03	2.01	62	6	23	38	18	1
Jhansi Electric Supply ...	6 62	6 62	10	535	...	29	3	9.71	21.44	9.16	5	2.98	4.18	25	...
6% Debentures	850 00 N	850 00 N	1000	380	...										
Jorhat Electric Supply ...	...	...	10	250	...	8	—17	1.48	5.88	2.44		32	82	17	1
6% Cum Preference	...	...	100	50	...										
6% Debenture	...	...	...	35	...										
Jubbulpore Electric Supply	13 44	13 25	10	2,250	1,175	1,352	29	4,085	9,831	3,584	169	890	1,312	145	127
Kanadukathan	...	...	500	500	...										
Karakikal Electric Supply	9 95	9 90	10	210	...	54	27	353	538	152	57	81	62	11	56
Kumbakonam Elec. Supply	10 70	12 12	10	1,500	75	455	2	2,009	4,804	1,486	85	390	246	253	...
6% Cum. Pref.	9 60	9 45	10	250	...										
Mangalore Electric Supply	...	...	10	560	28	3.09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	...
5% Debentures	...	...	500	137	...										
Mirzapur Electric Supply	7 00	8 38	10	495	125	97	22	444	1,278	602	20	255	126	105	...
Mozafferpore Elec. Supply	7 62ad	8 12	10	582	183	152	39	2,140	3,264	1,147	28	350	343	168	91
Muttia Electric Supply	9 12	9 14	10	700	60	1.06	15	5.92	14.28	6.97	1.33	1.62	1.63	2.77	...
Nadiad	61 50	61 50	50	350	...	359	...	414	1,345	332	14	91	1,23	86	26
6% C. P.	45 00	42 50	100	1,168	...	1,000	1	1,424	4,237	1,460	222	394	286	348	28
Nasik Deolali	105 00	72 00	100	1,000	...										
7% Cum. Pref.	91 50	100 00 N	100	1,000	...										
6% Debenture	...	...	10	498	...	170	1	368	1,436	520	53	107	158	103	...
Negapatam Electric Supply	10 00	10 59	10	100	...										
6% C. P.	9 50	9 00	100	200	...										
4 1/2% Debentures	...	...	...	...	...										
Patna Electric Supply	10 81	11 25	10	3,507	2,300	1,451	191	3,362	13,215	5,166	763	1,798	1,793	407	...
5% Debentures	450 00	450 00	500	2,000	...										
Poona Electric	112 25	111 75	100	4,889	17	962	3	7,000	14,803	5,738	2,289	466	1,103	1,001	148
7% Cum. Pref.	101 00	101 00	100	400	...										
6% Debentures	...	...	...	800	...										
Sahasranpur	...	...	100	469	...	93	4	872	1,415	570	181	158	227	6	...
Partly Paid	...	...	10	28	...										
Salem Erode Electricity	12 50	13 00	10	880	580	...	24	2,040	4,705	1,572	237	493	357	207	...
6 1/2% R. C. P.	9 24	9 90	10	400	...										
Saugor Electric Supply	...	...	10	300	142	69	2	971	1,431	329	24	248	...	32	7
Shahjahanpur Elec. Supply	6 75	8 81	10	910	165	29	41	624	1,190	511	154	418	368	134	14
Shillong Hydraulic	4 96	5 50	2	773	1,66	1,56	60	911	2,161	9,00	21	53	3,02	88	3,40
Partly Paid	...	...	10	1,680	224	980	7	1,383	6,693	4,376	312	1,151	926	987	322
Sijua (Jheriah) Elec. supply	9 62	10 32	1000	1,200	1,10	88	15	36,27	53,94	13,65	3,19	5,57	2,91	1,01	6,15
5% Debentures	910 00	910 00	100	1,674											
6% Cum Preference	...	...	100	200	...										
6% Cum Preference	...	...	100	200	...										
South Arcot Electricity	...	...	10	5,600	...	1,140	5	8,652	19,603	6,106	1,196	2,182	1,830	19	...
6% Cum Preference	10 10	11 90	10	2,200	...										
South Madras Electric	9 97	9 15	10	800	...										
5 1/2% 1st Cum Preference	9 42	8 39	100	200	...										
5 1/2% 2nd Cum Preference	90 00	90 00	100	100	...										
4% Debentures	93 50	93 50	100	200	...										
5% Debentures	95 00	95 00	100	200	...										
5 1/2% Debentures	...	...	...	...	...										
Surat Electric Co.	97 50	114 50	100	6,062	454	1,880	5	3,833	14,331	4,680	375	1,231	1,049	340	72
5 1/2% Cum. Preference	108 00	111 00	100	500	...										
Tata Hydro Electric	109 75	123 50	100	23,999	5,221	3,775	25	30,148	68,399	17,569	4,242	3,010	5,895	197	7,824
1% C. P. T.	101 00	112 50	100	8,928	...										
Tata Power Company	1105 00	1221 25	1000	51,536	10,360	12,282	29	60,243	167,307	36,050	3,600	8,733	10,121	1,272	15,938
7 1/2% C. P. T.	1100 00	1108 75	1000	8,997	...										
6% Debentures	867 50	862 50	...	4,773	...										
5% Debentures	1000 00	1001 00	...	25,000	...										
Tinnevely Tuticorin Elec.	12 25	12 50	10	970	268	457	21	1,743	4,129	1,462	231	472	373	145	...
6% R. C. P.	9 57	9 50	10	450	...										
United Provinces Electric	132 00	136 00	100	5,600	2,190	4,898	83	12,375	32,303	12,897	974	3,665	2,972	813	316
4 1/2% Debentures	90 00	90 00	100	3,000	...										
Upper Ganges Valley	14 00	17 62	10	598	243	224	9	1,800	2,109	936	92	464	522	415	10
Upper Jumna Valley	18 75	16 75	10	500	500	489	34	2,080	3,055	986	115	463	590	341	20
Vallore Elec. Corporation	13 00	13 75	10	400	48	1,57	1,45	16,94	24,17	6,57	63	2,46	2,16	2,76	9
6% Cum Preference	6 75	7 04	10	125	...										
West Coast Electric	12 00	13 50	10	1,000	...	1,67	52	15,16	26,59	6,42	45	3,25	2,68	1,41	1,30
5 1/2% Cum Preference	7 00	7 10	10	250	...										

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	February 1960 Rs. ps.	February 1959 Rs. ps.			General	Others	Carry- forward				Investments	Stocks & Stores	Out Standings	Cash	Others
Alageswar	2 60	2 40	2	600	530	61	8	575	1,648	386	65	165	190	93	...
Amalgamated Office	13 75	13 40	10	675	...	112	57	668	1,775	241	...	9 1/2	91	46	...
6% C. P.	8 75	8 10	10	600	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	495 60	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	15 50	15 50	10	250	...	574	20	214	1,283	99	6	74	36	8	...
7% C. P.	8 30	9 00	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	100	123	...	...	...	...	...	...	...	...	...	...	...
Anapara	5 25cd	4 50cd	2	906	530	...	41	1,765	1,837	192	259	1,224	471	27	...
6% Debentures	96 50	97 00	100	384	...	...	...	...	...	...	...	...	...	...	...
Ariahala	4 00	4 00	5	300	...	11	-119	1,360	992	148	723	115	49	11	10
6% C. P.	9 20	9 20	10	200	...	...	...	...	...	...	...	...	...	...	...
Aithimattam	1 25	1 00	2	325	...	50	3	55	370	17	...	5	49	27	...
Jababuddin	9 65	14 00	5	200	270	207	3	237	695	64	...	372	10	223	...
6% C. P.	8 35	8 35	10	300	...	...	...	...	...	...	...	...	...	...	...
Badra	3 97	4 25	2	425	250	102	36	477	827	74	12	514	15	147	...
7 1/4% C. P.	9 27	9 62	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	17 65	18 00	10	1,099	376	110	5	561	1,651	310	22	586	307	341	...
7 1/4% C. P.	11 00cd	11 25	10	250	...	...	...	...	...	...	...	...	...	...	...
Balmadies	2 75	3 15	2	300	150	85	2	66	424	43	34	6	105	151	...
6% C. P.	8 80	7 90	10	75	...	...	...	...	...	...	...	...	...	...	...
De Br	3 75	3 62	5	866	...	287	2	234	12,66	...	456	51	44	2	...
6 1/2% R. P. T.	2 76	3 03	5	143	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R. C. P. T.	6 02	6 44	10	286	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	3 42	3 50	2	5,250	1,100	1,068	179	2,166	7,586	1,216	13	417	1,699	1,265	...
Chandramale	2 85	2 73	2	550	550	7	...	303	1,515	303	...	177	137	22	...
7 1/4% C. P.	2 15	2 09	2	137	...	...	...	...	...	...	...	...	...	...	...
Chembra Peak	4 45	3 75	2	933	1,450	30	76	641	2,470	740	1	241	967	101	...
Cochin Malabar	7 40	5 87	3	2,691	...	...	15	1,514	5,055	698	...	1,559	314	128	...
7% C. P.	52 50	46 70	50	113	2,025	...	...	...	...	...	...	...	...	...	...
Coffee Lands	23 21	22 25	10	2,250	2,800	259	128	2,490	5,062	1,130	117	1,014	3,420	485	...
5% C. P.	84 50	60 00	100	1,041	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	23 25	20 35	10	7,155	5,275	603	80	7,056	15,168	3,594	796	1,358	8,152	664	...
6% C. P.	25 50	26 00	25	1,875	...	...	...	...	...	...	...	...	...	...	...
Conoor Tea	27 25	26 50	10	378	313	946	22	347	2,126	140	3	118	15	34	...
6% C. P.	93 85cd	98 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	5 70	4 95	5	480	57	413	4	304	1,089	195	11	275	108	221	...
6 1/4% R. P.	4 69	4 45	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	14 67	15 25	10	400	80	487	3	369	1,243	60	1	244	104	10	...
7 1/4% C. P. P.	10 25	10 75	10	100	...	...	...	...	...	...	...	...	...	...	...
Cow Coody	6 70	6 65	2	409	175	...	29	410	272	60	15	252	15	529	...
Devashola	33 00cd	24 75	10	600	455	40	6	323	1,241	308	131	168	25	195	...
Devon	17 50	16 62	10	449	250	105	38	314	1,037	211	10	315	112	95	...
7 1/4% C. P.	105 00cd	104 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	8 06	7 00	5	350	125	8	3	97	369	60	...	87	12	175	...
Gokul Rubber	1 58	1 57	2	450	20	...	1	104	323	11	1,30	25	15	92	...
Haileyburia	16 01	18 25	10	1,875	850	1,013	19	2,032	4,515	832	4	1,451	294	836	...
6% C. P.	72 50	69 00	100	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	230	...	...	...	...	...	...	...	...	...	...	...
Highland	14 65	11 25	10	1,600	491	518	21	678	3,013	640	416	401	219	389	...
6% C. P.	8 45	9 05	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 84	2 25	2	120	30	12	4	93	163	4	...	131	4	15	...
6 1/4% C. P.	6 84	7 17	10	50	...	...	...	...	...	...	...	...	...	...	...
Kailas	5 40	5 00	2	600	600	...	30	324	1,244	46	...	209	10	1,38	...
6% Debentures	500 00	500 00	500	...	...	...	...	...	...	...	...	...	...	...	...
Kailasa	4 15	3 55	2	600	600	114	68	245	1,405	282	...	282	28	412	...
Kelasa	502 50	502 50	500	218	...	...	12	...	...	...	...	...	...	...	...
7% Debentures	12 40	12 40	10	800	498	207	12	596	1,967	306	23	271	91	122	...
Kalpetta	9 45	10 00	10	200	...	125	6	94	526	30	15	58	32	28	...
Karikode Rubber	7 50	7 33	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Cum Pref.	100 00	100 00	...	55	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	6 00	7 20	2	859	1,325	356	109	619	2,990	426	...	605	42	301	...
Kil Kotagiri	9 72	8 97	10	250	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kamersode	5 85cd	5 57cd	2	400	220	...	44	290	864	111	...	169	2	158	...
7 1/4% Debentures	502 50	502 50	500	127	...	...	...	...	...	...	...	...	...	...	...
Kurchumale	8 75	7 00	10	345	...	430	2	264	1070	94	1	146	31	16	...
6 1/4% Cum Pref.	6 37	7 12	10	130	...	...	...	...	...	...	...	...	...	...	...
Lucky Valley Tea	13 00	12 00	10	500	36	...	30	460	904	47	...	134	24	8	...
Malabar Agricultural Co.	7 50	8 55	10	500	180	100	-130	1,004	2,149	213	1	163	52	2	...
6% C. P.	16 56	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	12 85	14 56	10	450	61	123	7	404	672	24	45	46	161	145	...
Malankara	18 12	18 25	10	1,350	143	281	...	566	2,041	339	...	162	7	500	...
Manar	2 15	2 80	2	350	...	17	1	29	343	17	6	15	3	47	...
Manimala	8 75	8 75	10	400	...	...	-28	114	775	7	...	5	...	6	...
5% C. P.	9 00	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	1000 00	1000 00	1000	100	...	...	...	...	...	...	...	...	...	...	...
Mercara Rubber	9 85	8 00	5	325	250	...	9	178	733	7	...	132	50	104	...
6% Preference	8 25	7 71	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	12 25	11 70	10	4,050	310	1,370	34	1,787	8,824	1,108	201	906	374	72	...
6% C. P.	8 40	8 35	10	1,720	...	...	...	...	...	...	...	...	...	...	...

(a) Arrears of Preference dividend from 1-6-1947 to 31-3-1955 at the rate of Rs. 535 per preference shares amounting to Rs. 2,14,000, will be paid by the issue of one new preference share for every two preference shares already held and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

SOUTH INDIA

NAME	Managing Agents Agents/Secretariat	CROP HARVESTED			Sales Rs. 000	Stock Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Previous	2nd Previous
		000 lbs.	000 Cwts.	000 lbs.					Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Latest	Previous	2nd Previous
Malamalai ...	Directors 7½% C. P.	54	...	...	878	91	...	3-59	198	162	20	15	18
Mysore Amalgamated ...	Prakash Agencies Private 6% C. P.	...	...	...	290	...	...	5	3-59	53	46	7½	7½
Mysore Coffee ...	Pavan & Co. (Private) Mg. Director	...	...	...	882	...	...	24	6-59	212	157	15	15
Mysore Plantations ...	6% C. P.	120	2	...	434	179	...	3-59	61	84	6	6	6
Neelamalai ...	A. V. Thomas & Co. 5% C. P.	1,548	3	...	3,639	1,269	78	6-58	8.83	9.45	7½	7½	7½
Nelliampathy ...	A. V. Thomas & Co. Ltd. 6% C. P.	1,137	...	85	2,213	430	53	6-58	4.92	8.19	15	20	10
Nellithanam ...	Directors 7% C. P.	22½	5*	67	...	...	...	3-52	57	65	7½	7½	6
Nemmeny ...	A. V. George & Co. 7% C. P.	...	...	5.34	7.59	2.45	21	12-58	2.00	1.51	15	7½	15
New Glen Morgan ...	Ramu & Co. Private Associated Planters (Private)	4.15	...	235	5.86	78	23	12-55	94	2.21	nil	nil	nil
Nilambur ...	6% C. P.	...	...	...	393	64	9	12-58	96	80	20	15	15
Nilgiri Tea ...	Debtentures A. V. George & Co. 6½% C. P.	3.45	...	...	7.87	1.29	12	3-53	1.49	2.38	12½	15	15
Nonsuch Tea ...	Harrisons & Crossfield Peirce Leslie & Co. 5% Debtentures	1,020	...	...	3,300	805	55	6-59	1,097	1,557	20	35	20
Ochoerlony ...	Peirce Leslie & Co. 5% Debtentures	1,219	10	...	601	230	28	3-59	139	351	15	13	15
Panchura ...	Directors Math. Bosanquet & Co.	162	13½	...	5,452	1,188	43	10-58	(b)336	(b)1,615	10	30	10
Parkside ...	Aspinwall & Co. (Trav.) Ltd. 6% C. P.	653	...	...	2,202	159	58	6-59	125	68	40	30	20
Peermade ...	Aspinwall & Co. (Trav.) Ltd. 6% C. P.	2,093	...	...	3,505	43	...	12-58	837	914	27½	25	17½
Peninsular ...	Directors Peirce Leslie & Co. Ltd.	...	16*	342	...	...	...	...	(a)608	901	16½	25	37½
Periakaramalai ...	Peirce Leslie & Co. Ltd.	4,874	2	...	637	244	...	2-59	378	208	6	6	6
Pariyar & Pareekanni ...	E. I. Agencies Private Ltd. 7½% R. C. P.	...	...	3.23	5.11	1.46	15	12-56	2,017	2,133	20	15	23
Ponmudi Rubber ...	6½% Debtentures Directors 6½% C. P.	...	...	...	...	...	...	...	1.64	...	12	...	...
Pullangode ...	Aspinwall & Co. Ltd. 6% C. P.	...	...	57	102	15	...	7-59	...	...	7½	...	...
Puthutottam ...	Ruby Co. Private	2.65	...	14½	892	140	14	3-59	39	38	nil	5	6½
Rajagiri ...	A. V. Thomas & Co. Ltd. 6% C. P.	...	...	648	1,910	62	51	3-59	243	186	5	14	5
Rajendra Coffee ...	Associated Planters Private 6% Cum. Pref.	...	3	...	1,910	62	51	3-59	514	624	10	10	10
Sangameswar ...	Peirce Leslie & Co. (India) Ltd. 5½% Debtentures	...	...	1,435	2,099	196	93	6-59	514	624	10	10	10
Savamlai ...	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd.	...	4	...	2,099	196	93	6-59	859	927	20	20	20
Shavary ...	T. Stanes & Co. Ltd. 5½% Debtentures	...	5	...	312	559	...	3-59	...	...	6	6	6
Swinton ...	Directors 6½% Debtentures	...	...	...	...	...	...	...	288	449	9	9	9
Talayor Tea ...	Srinivas Agencies 6% C. P.	733	...	...	...	...	...	...	...	...	7	7	...
Tekoy ...	East India Agencies Private 6% C. P.	...	...	...	...	...	...	...	...	...	6	6	...
Thamarapally ...	A. V. George & Co. 6½% C. P.	...	...	...	...	...	...	...	...	...	6	6	...
Thirumbadi ...	Peirce Leslie & Co. 7½% Debtentures	...	...	...	241	65	15	12-58	1.43	1.66	30	30	30
Travancore Rubber ...	Directors Aspinwall & Co. (Trav.) 6% C. P.	...	...	...	710	1,160	28	9-58	...	...	6½	6½	6½
Tropical Plantations ...	Directors Parkins Private Ltd.	562	...	592	1,160	3.42	28	9-58	3.86	1.95	10	5	12½
Twyford ...	A. V. George & Co. 7% C. P.	1,180	...	1,058	6.97	1.12	16	12-57	1.83	2.20	15	20	30
Udayagiri ...	6% C. P.	...	...	...	...	...	...	...	780	(a)261	5	4	7½
United Nilgiri ...	Directors Parkins Private Ltd.	562	...	592	1,803	148	...	12-58	391	252	6	4	12
Vaikundam ...	Padinjareka Bror. 5½% Debtentures	1,213	...	...	1,655	517	26	12-58	296	362	15	15	20
Vaytri ...	Opppoottil Kurien & Co. (Pri.) 7% C. P.	304	...	...	4.38	50	5	12-58	35	31	7½	6	7½
Velimalai ...	6% Debtenture Kothari Mehta & Co. Private	1,427	...	...	4,045	2.88	101	3-59	1,334	1,087	19½	16	17½
Waterfall ...	6% R. C. P. Peirce Leslie & Co. 5% Debtentures	...	...	...	...	...	...	...	...	...	...	...	...
Wartyhully ...	Goodall & Co. 6½% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Woodcote ...	Directors 6½% C. P.	...	...	...	...	...	...	...	...	...	...	...	...
Woodlands ...	6½% R. C. P. 6% Debtentures	221	...	234	777	129	...	3-59	184	171	5	5	10

(a) Cardamom (in lbs.).

(b) After transferring Rs 82,000 from Dividend Equalisation Fund.

(c) After transferring Rs 64,862 from General Reserve.

(d) After writing back Rs 100,000 being estimated surplus provision of previous years.

(e) After writing back Rs 80,000 being excess provision in previous years.

(f) Includes Rs 60,388 being surplus provision and Refund of Income-tax written back.

(g) Includes Rs 270,000 being estimated surplus provision of previous years written back.

PLANTINGS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital Ra. 000	RESERVE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities Ra. 000	Grass Block Ra. 000	Depreciation Ra. 000	LIQUID ASSETS				
	February 1960 Ra. np.	February 1959 Ra. np.			General Ra. 000	Others Ra. 000	Carry- forward Ra. 000				Invest- ments Ra. 000	Stocks & Stores Ra. 000	Out Standings Ra. 000	Cash Ra. 000	Others Ra. 000
Malamalai	40 87	36 25	25	300		617	3	220	1,177	263	77	116	67	265	...
7½% C. P.	26 25	24 50	25	300											...
Mysore Amalgamated	6 10	5 33	5	225	45	15	8	141	335	27		210	6	26	...
6% C. P.	7 00	6 40	10	117											...
Mysore Coffee	5 10	3 65	2	600	100	150	18	978	1,207	114		166	550	36	...
Mysore Plantations	1 95cd	1 42	2	500	95	55	2	375	1,139	159		194	92	10	...
6% C. P.	7 60cd	6 65	10	250											...
Neelamalai	4 75cd	4 45	5	3,600	675	1,303	78	1,813	8,014	1,204	45	1,175	642	398	...
5% C. P.	6 91cd	7 10	10	1,800											...
Nelliampathy	2 95cd	2 85	2	1,200	230	2.80	33	1,194	2,705	501	12	536	267	368	...
6% C. P.	8 70	8 55	10	450											...
Nellithanam	12 05	12 25	10	190			19	4.42	4.40	11	1.03	24	50	54	...
7% C. P.			10	10											...
Nemmeny	17 25	15 65	10	335	408	6	35	552	1,586	249		282	10	...	...
7% C. P.	9 75	9 25	10	300											...
New Glen Morgan			2	650	2.00	3.02	4	3.48	11.68	1.30	82	1.09	1.51	1.11	...
Nilambur	18 15	15 25	10	200	120	208	2	280	955	68		73	56	93	...
6% C. P.	6 90	7 46	10	200											...
6% Debentures	98 00	98 00		100											...
Nilgiri Tea	7 45	7 40	10	563	1.50	1.50	13	2.14	15.16	1.96	1	1.86	71	2.98	...
6½% C. P.	4 72	4 35	5	280											...
6% Debentures	501 00	497 50	500	500											...
Nonsuch Tea	26 50	25 50	10	2,310		922	35	1,587	3,215	364	449	922	67	594	...
Ossoor	3 76		2	650	94	471	4	323	734	54	95	250	28	889	...
5% Debentures	100 00			400											...
Ochterlony	6 17	4 90	2	1,946	1,094	1,225	5	641	4,693	1,575		1,440	175	177	...
Panchura	4 30cd	3 55	1	150	150	2	65	310	261	19	128	160	140	6	...
Parkside	25 25	19 12	10	1,354	450	1,197	50	1,096	3,158	472		406	119	936	...
Peermade	23 25	17 75	10	1,700		784	63	1,159	3,921	1,311	150	551	155	392	...
6% C. P.	92 00	95 00	100	150											...
Peninsular	22 75	19 50	100	600	2.40	6	124	458	848	63	43	256	16	309	...
Periakaramalai	3 85	4 02	2	5,795	2,600	101	146	2,020	10,678	3,157	65	2,611	258	199	...
Pariyar & Pareekanni			5	500		40	4	2.99	10.09	33	15	1.55	9	2.86	...
7½% R. C. P.			100	203											...
6½% Debenture															...
Ponmudi Rubbers	1 40	1 40	2	165	48		1	43	314	11		18	2	5	...
6½% C. P.	8 70	9 35	10	70											...
Pullangode	1 98	1 88	2	1,650	200	29	72	384	2,156	552	201	221	13	446	...
6% C. P.	8 65	8 65	10	150											...
Puthutottam	2 77	3 00	2	2,100	1,200	365	82	584	3,363	312	195	175	665	245	...
Rajagiri	20 10	17 20	10	1,350	300	600	45	1,469	4,774	448		283	113	1,230	72
6% C. P.	7 60	8 05	10	2,260											...
Rajendra Coffee	17 62	12 40	5	200	154	12	42	396	350	35	100	358	116	114	...
6% Cum. Pref.	7 75	8 46	10	100											...
5½% Redem. Cum. Pref.	6 65	7 00	10	100											...
Sangameshwar	2 80	2 45	2	1,200	25	110	16	378	1,824	68		641	4	278	...
7% C. P.	10 30	9 90	10	350											...
7% Debentures	500 00	500 00	500	600											...
Savarnalai	4 20	3 54	2	1,350	194	50	1	182	406	107	4	77	25	118	498
Shavayor	1 81cd	1 86	10	1,500	1,70	2.50	54	5.66	9.80	86	3.22	4.12	3.53	2.66	...
Stanes Amalgamated	13 25	13 25	100	200	190	1,185	4	389	2,735	763	208	222	248	46	...
5½% Debentures	450 00	460 00	500	90											...
Swinton	2 60	2 35	505	125	12		1	63	187	5		9	60	3	21
6½% Debentures	503 00	505 00	505	75											...
Talayar Tea	1 88	1 58	10	750	110	982	1	1,040	3,356	303	2	664	196	217	...
6% C. P.	7 50	7 90	10	1,000		248	14	457	2,250						...
Tenkor	7 90	7 35	10	600						179		89	72	387	...
6% C. P.	8 22	7 35	100	300											...
6½% Debentures	100 00	100 00	100	250	75	200	32	1.73	3.98	42	45	69		135	...
Thamirapally	26 62	4 62	5	175											...
6½% C. P.	4 60	1 82cd	1	915	450	50	30	862	2,293	158		430	48	195	...
Thirumbadi	2 07	495 25	500	500											...
7½% Debentures	498 75	17 35	10	600		14	1	304	781			140	22	117	...
Trevancore Rubber	15 62	7 60	10	4,100	750	671	24	1,097	8,555	1,644	200	590	265	274	...
T. R. T. & Co.	8 30	7 70	10	1,600											...
6% C. P.	8 00	7 70	25	2,000		96	9	571	3,128	827		216	12	152	...
Tropical Plantations	22 12	21 85	10	1,125	1,543	101	1	871	2,682	288	1	701	202	342	...
Twyford	13 00	17 00	10												...
Udayagiri	13 00	11 15	10	220	148	282	1	223	973	93	1	67	5	2	...
7% C. P.	9 60	10 30	10	80					7.71						...
6½% Debentures				300											...
United Nilgiris	22 22cd	19 10cd	10	2,193	300	1,169	102	1,093	4,415	1,568	520	438	171	882	...
Velkudam	27 75	23 00	10	880	165	119		519	976	32	250	133	49	297	10
Vayitri	1 57	1 44	2	400	75	30	29	54	559	57	2	12	52	19	...
5½% Debentures				32					5.01						...
Velmalai	6 50	5 70	10	600	373	81	6	385	1,746	102	1	220	133	95	...
7% C. P.	9 00	8 90	10	250											...
6% Debentures	500 00	500 00	500	397											...
Wartyhully	3 62		2	1,200	500	640	156	811	1,472	89	254	772	71	1,377	...
5% Debentures	100 00		2	550											...
Waterfalls	1 50	3 90	10	3,150	2,000	1,078	118	2,504	6,041	778	27	521	2,091	1,450	...
6% C. P.	9 60	8 00	10	500											...
Woodcote	1 67	1 70	1	100		53	3	30	324		84	5	8	10	2
54% C. P.	3 14	3 46	5	60											...
6½% Debentures			500	50											...
Woodlands	7 85	7 92	10	695	42	205	2	196	1,419	72	1	196	162	92	...
6½% C. P.	7 80	8 15	10	100											...
6½% R.C.P.	7 67	8 32	10	132											...
6½% R.C.P.	502 50	502 50	500	415											...

ENGINEERING COMPANIES

NAME	Managing Agency/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of				Paid-up per Share	Reserves Including Later Allocation			Sundry Liabilities	Gross Block	Depreciation	Liquid Assets					
			Latest	Previous Period	Latest	Previous Period	February 1960	February 1959	Paid-up Capital	Reserve		Other	Carry forward	Investments				Stocks and Bonds	Outstandings	Cash	Other		
CALCUTTA																							
Archer Butler	N. Bhar Trading Co. ... 7% C. P.	10-54	-3.45	-1.71	nil	nil	12 75	9 12	10	6.00	4.00	15	-4.73	17.37	12.78	9.57	6	11.99	4.68	5	6.29	82	
Barker Engineering	5% Debentures K. C. Thapar & Brothers	3-55	-5	-15	nil	nil	10 75	10 50	9000	3.00	...	...	-2.61	9.15	3.68	2.61	...	1.74	1.49	10	1.58	1.86	
Bharat Elec.	Deferred Bharat Co. Ltd.	12-58	3.264	4.025	12 1/2	12 1/2	14 00	15 25	10	50.00	2,500	183	54	8.705	13.820	8.527	36	7.135	3.884	94	9.336	457	
Bharat Elec. & Engg.	Directors Bharat Lamin & Co. Ltd.	12-58	4.223	4.372	20 20	20 20	29 00	30 75	10	5.60	2,900	4,091	175	7,940	6.663	946	1.846	1.292	1.454	664	9,336	457	
Bridges & Roof	5% Debentures Holmes Wilson & Co.	12-58	(m) 2.371	1.733	20 20	20 20	25 00	27 00	500	1.200	2,431	499	148	9,950	7.360	3,643	5	2.525	3.460	306	3,987	222	
Bris. Building	6% Redeem. Cum. pref. McLeod & Co.	3-58	419	531	5	5	7 08	6 00	100	1,988	500	23	100	5,654	3.725	1,180	261	3.680	2.709	36	...	...	
Bris. Engg.	6% C. P.	12-58	1,224	962	6 6	6 6	10 25	11 65	100	4,000	2,100	1,140	78	13,546	9.144	4,256	2	13.043	6.147	34	...	254	
B.L. Elec. Co.	31% Debentures Bharat Lamin & Co. Ltd.	12-58	872	713	20 20	20 20	32 00	30 75	100	2,000	550	15	68	4,305	2.270	1,304	2	2,366	1.311	11	782	...	
Burn & Co.	Marine Bureau Ltd. 7% C. P.	4-58	12,845	13,778	20 20	20 20	122 50	124 50	100	13,000	1,70	18,245	130	72,360	44,287	27,168	806	12,551	22,075	11,234	36,032	-1,813	
Guest Keen	5% C. P.	12-58	(a) 14,555	(a) 16,149	20 20	20 20	47 37	37 12	...	20,000	10,026	11,278	...	44,875	44,483	18,934	603	28,158	21,517	237	25,115	...	
Hindustan Motors	51% Debentures 81% Debentures	3-59	11,686	8,354	5 6	5 6	142 00	7 81	10	49,613	1,951	519	14,554	53,044	28,653	1,448	37,566	8,090	16,658	...	...		
Monthly Docking	6% R.C.P. Marine Bureau Ltd.	12-57	552	618	10 12 1/2	10 12 1/2	110 00	118 00	50	120	1,250	1,100	6	6,037	6,007	3,860	...	1,065	2,581	27	2,491	48	
India Machinery	Dm Group Ltd. 7% C. P.	6-58	328	288	nil	nil	23 00	23 00	100	2,195	...	184	46	737	2,203	494	...	569	1,138	59	...	...	
I. Calcuttizing	Debnature Bharat Lamin & Co.	12-58	(b) -557	645	nil	nil	21 50	15 62	10	3,685	...	...	-274	1,975	4,681	2,861	13	2,571	1,125	150	...	...	
Indian Iron	6% C. P. T. Marine Bureau Ltd.	3-59	(a) 86,318	(a) 70,617	10 10	10 10	23 08	22 16	100	124,409	26,400	155,524	1,027	560,649	385,399	122,585	24,398	147,603	164,966	35,583	...	59,640	
I. Mail Casting	5% C. P. 4% First Debn.	3-58	131	132	6 7 1/2	6 7 1/2	4 50	5 05	1	385	...	...	13	3,117	1,753	817	149	1,587	1,279	18	...	...	
I. St. Wagon	Deferred 4% Debentures	3-58	5,214	5,869	20 20	20 20	125 50	86 00	100	3,988	750	4,714	43	52,751	10,040	6,495	303	16,282	13,134	1,090	28,972	...	
I. Steel & Wire	Marine Bureau Ltd. 7% C. P.	3-58	6,988	8,663	40 40	40 40	36 75	79 25	10	32,000	10,445	20,658	1,095	10,921	21,550	13,716	5,135	6,677	9,135	17,964	...	...	
Jay. Engg. works	India Singh & Sons. Pri Fifty Paid	3-55	28,600	23,76	12 6	12 6	196 00	183 00	100	20,25	39,10	15,35	20	118,66	147,89	48,03	...	79,53	51,50	4,67	...	...	
Jessop & Co.	M. M. Shrivastava & Co. 5% Debentures	10-58	(a) 8,872	7,657	6 5	6 5	23 37	25 75	100	42,000	7,582	597	58	48,413	25,478	7,258	7,516	7,504	21,883	222	12,388	718	
Kanwarbhai	5% C. P. Bird & Co. Private Ltd.	11-58	1,303	1,658	10 15	10 15	7 12	9 06	3	1,843	290	3,360	100	10,629	8,722	2,947	46	5,588	4,883	14	2,711	1,406	
Marshall Sons	4% Debentures Marshall (Dm) Pri Ltd.	6-58	527	681	20 20	20 20	42 00	40 00	500	1,050	1,850	454	84	15,258	1,791	1,409	126	11,108	6,762	316	...	1,020	
National Iron	Directors 4% Debentures	3-59	1,355	1,247	61 61	61 61	9 06	9 00	10	4,906	250	1,328	133	7,883	13,033	7,526	305	5,127	2,580	241	...	...	
National Rolling Steel	Assoc. Indus. Develop. 6% C. P.	6-58	1,808	1,370	6 6	6 6	15 25	13 75	100	4,000	2,000	510	23	2,610	8,349	2,223	3	2,681	1,812	20	...	...	
National Screw & Wire	6% C. P. Directors	12-58	700	-207	15 10	10 10	8 02	5 06	10	1,500	10,000	32	-71	2,581	1,214	437	2	1,097	1,918	18	...	...	
Richardson & Girdhar	S.B. Indus. Dev. Co. 5% C. P.	6-55	33,02	31,91	5 1/2	5 1/2	54 00	54 00	100	40,000	10,000	17,01	10	116,52	50,38	13,59	13,39	52,73	85,00	1,76	24,64	31,31	
Saras	B. Subramaniam & Private Co. Directors	3-59	505	635	6 6	6 6	7 50	6 50	4	6,000	30	874	22	2,351	3,108	2,019	50	1,716	830	123	170	728	
Sen Rukh India	5% C. P. D. Khaitan & Sons	9-58	1,958	2,164	6 5	6 5	160 00	85 00	100	3,000	...	1,959	43	21,266	18,475	4,266	1,382	7,592	1,947	908	2,666	...	
Steel Products	5% C. P.	4-52	49	17	Nil	Nil	3 00	3 00	34	2,800	...	1,00	-6.16	9.56	4.76	3.78	...	2,47	6.71	4	...	...	
Test Machy.	Birla Bros. Private 51% C. P. T.	12-58	10,040	10,252	15 15	15 15	25 83	20 95	10	15,000	2,575	2,909	37	46,901	39,033	17,191	304	27,735	7,005	135	7,907	93	
	51% R.C.P.T. 5% Debentures	...	...	...	51	51	63 00	55 60	100	13,000	...	...	...	...	...	...	...	...	...	...	...	...	...

March 12, 1960

BOMBAY

NAME	Managing Agency/ Agents/Secretaries	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up Capital	Reserves Including Later Allocation		Sundry Liabilities	Gross Block	Depreciation	Liquid Assets		
			Latest	Previous Period	Latest	Previous Period	February 1960	February 1959	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Investments	Stocks and Bonds	Other
Acme Manfg.	Wickland & Co. Private 6% C.P.	6-56	3.51	1.81	nil	nil	270 00	268 00	100	240	18	...	...	...	...	...	...
Alcock Ashdown	Turner Morrison Deferred	12-58	(a) 682	558	12 1/2	12 1/2	15 00	15 00	100	3,142	3,090	1,863	24	4,060	7,736	6,100	837
Brady Engineering	W.H. Brady & Co. ... 5% C.P.	12-58	284	306	3 3	3 3	156 50	128 50	60	1,500	245	23	4	282	1,661	638	4
Camper Engineering	Wickland & Co. Pri Ltd. 5% R.C.P.T.	6-56	8,11	6,66	7 6	7 6	55 50	58 00	100	2,520	1,000	10,28	95	43,25	52,91	36,45	1,22
Hind cycles	Director 5% R.C.P.T.	3-59	(a) -439	(a) 961	5 5	5 5	100 00	104 50	100	3,018	702	694	-482	11,673	11,736	7,251	4
Inves. Machine Tools	Invest Industrial Corp. 4% C.P.	12-55	-1,21	-71	nil	nil	...	...	100	1,500	...	...	...	...	...	...	...
Jainpur Metals	Pennamchand & Bros. Pri. 6% C.P.	12-58	841	449	6 6	6 6	59 50	58 00	100	1,000	...	...	...	...	...	...	...
Jain's Engg.	Director 5% C.P.	3-59	1,321	1,43	10 10	10 10	91 50	90 00	50	1,000	200	215	5	586	156	173	9
Kanani Engineering	Kanani Bros. Private 5% C.P.	9-58	1,392	559	5 5	5 5	55 50	55 50	100	4,000	275	38	11	14,355	5,691	2,352	188
Kanani Metals	Director 5% C.P.	6-59	1,501	2,128	5 5	5 5	55 50	55 50	100	2,000	60	65	6	3,759	8,342	4,935	503
Kishor Bros.	Kishor Bros. Private 5% C.P.	7-56	11,63	8,53	12 1/2	12 1/2	83 00	80 00	100	1,350	3,831	14,61	6	31,98	70,38	39,89	11,12
Larsen & Toubro	L. & T. Management 5% Pref.	7-58	(a) 624	578	5 5	5 5	100 00	100 00	100	1,500	1,400	499	37	17,636	5,644	2,441	903
Mahindra & Co.	Director 5% C.P.	10-58	(a) 6,781	4,309	22 6	22 6	101 00	101 00	100	5,500	2,500	1,051	99	74,716	13,344	2,312	2,423
Mahindra	Director 6% R.C.P.	3-59	3,424	2,240	10 5	10 5	101 00	101 00	100	3,970	1,200	2,280	34	6,688	9,741	3,560	899
Mukund Iron	Jeevan Private 5% R. C. P.	6-53	1,544	1,128	7 6	7 6	125 00	130 00	100	2,472	845	1,472	3	5,161	8,126	4,124	1
Nyore Kirloskar	Kirloskar Associates Ltd. Ord. shares	12-54	-309	72	Nil	Nil	...	...	50	6,981	...	...	...	...	...	...	...
Praga Tools	Praga Tool Fund 4% C.P.	6-58	4,745	6,705	4 6	4 6	177 50	96 00	100	21,233	1,972	4,146	478	75,110	29,061	19,368	466
Premier Automobiles	Auto Private Ltd. Walchand & Co. Ltd.	12-55	18,78	12,25	28 1/2	28 1/2	347 00	251 00	30	2,250	6,800	118,17	94	50,82	74	31	227,38
Premier Construction	Premier 6% C.P.T. (2nd)	3-59	(a) 1,496	(a) 1,203	6 6	6 6	154 00	154 00	100	1,500	...	...	...	...	...	...	...
Tata Iron	Tata Industries Private New Only	...	...	...	6 6	6 6	133 00	150 00	150	7,500	...	...	...	...	...	...	...
Tata Locomotive	6% C.P.T. 2nd Tata Industries	3-59	26,759	(a) 27,059	7 1/2	7 1/2	206 00	179 50	100	79,954	4,383	10,389	195	170,459	203,208	71,984	272
Tata Locomotive	5% C.P.	...	...	...	10 10	10 10	990 00	990 00	1000	30,000	...	...	...	...	...	...	...
Tata Locomotive	5% Debentures	4-58	749	2,060	12 20	12 20	162 00	163 25	100	1,992	500	731	30	10,992	5,361	1,869	16
Abhak Lohand	Director A.V. Thomas & Co.	12-58	3,943	1,858	6 6	6 6	7 20	6 45	5	18,210	650	1,023	28	12,953	17,081	4,209	1
Brenton & Co.	6% C.P.	12-55	23	87	6 6	6 6	4 75	4 75	10	7,57	36	56	5,28	9,81	3,76	3,76	11
Indian Steel Rolling	Director 5% C.P.	12-58	380	435	7 10	7 10	14 50	14 50	10	2,370	3	237	1	840	3,226	1,491	4
Standard Motor P. n.	Standard Motor Co. ... 6% C.P.	12-58	1,203	1,530	5 5	5 5	107 00	107 00	100	3,000	600	1,348	51	7,595	10,030	2,392	...
T. I. Cycles	Director Deferred	6-55	7,299	2,616	10 10	10 10	...	...	100	7,010	2,450	5,997	64	10,374	14,170	3,274	476
Tatool Co.	Balaam Ram & Co. ... 5% Debentures	4-58	749	2,060	12 20	12 20	162 00	163 25	100	1,992	500	731	30	10,992	5,361	1,869	16

(a) After writing back Rs. 30,000 being provision for taxes made in previous years not required. (b) After transferring Rs. 455,000 from General Reserve. (c) Includes Rs. 1,50,000 being excess provision for sales tax made in previous years. (d) Includes Rs. 61,073 being unclaimed dividend as forfeited and Rs. 22,465 being refund of R.P.T. (e) Includes Rs. 1,50,000 being excess provision for sales tax made in previous years. (f) An additional dividend of Rs. 5,914 per cent has been paid for the year ended 31-12-54 under Section 23(A). (g) Includes Rs. 20,14,912 transferred from General Reserve. (h) After transferring Rs. 4,18,000 from General Reserve. (i) After writing back Rs. 137,854 from provision for taxation. (j) Includes Rs. 20,14,912 transferred from General Reserve. (k) Includes Rs. 10,29,967 being provision for taxation. (l) After writing back Rs. 2,00,000 from General Reserve. (m) After transferring Rs. 22,70,792 from General Reserve No. 1. (n) Dividend for the year ended 31-12-1952. (o) After transferring Rs. 15,336 from Tax Contingencies Reserve and writing back Rs. 10,00,000

Month-end Quotations of companies not included in Tabulated Balance-sheets

February
1960

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 29.2.60
GOVERNMENT OF INDIA LOANS					
Rupee Loans					
NON-TERMINABLE LOANS.					
89 34 100	3	1895-97	3 Months' notice	30-6/31-12	73-60
TERMINABLE LOANS.					
7,00,69,000	2½	1946	1961	1-2/1-8	98-35
45,63,07,000	2½	1946	1960	15-1/15-7	99-65
75,86,72,000	2½	1947-48	1962	15-5/15-11	98-25
14,77,48,000	2½	1946	1976	16-3/16-9	83-30
30,33,10,000	3	1938	1963-65	1-6/1-12	98-06
116,17,46,000	3	1950	1964	15-6/15-12	99-00
110,11,78,000	3	1943	1968-68	1-4/1-10	95-82
115,05,83,000	3	1945	1970-75	15-4/15-10	92-20
248,91,37,000	3	1946	1986	16-3/16-9	99-65
87,27,37,000	3½	1956	1982	16-1/16-7	99-95
73,29,00,000	3½	1953	1981	1-6/1-12	100-20
98,54,92,000	3½	1958	1983	12-5/12-11	99-80
158,17,90,000	3½	1954	1964	19-4/19-10	99-70
103,67,92,000	3½	1955	1965	1-1/1-7	99-70
53,81,83,000	3½	1956	1967	16-1/16-7	99-62
30,00,00,000	3½	1958	1968	26-2/26-8	99-60
66,63,54,000	3½	1959	1969	1-1/1-7	99-25
56,99,30,000	3½	1956	1974	16-1/16-7	99-70
34,31,89,000	3½	1957	1967	1-2/1-8	100-75
49,17,27,000	4	1958	1968	12-5/12-11	100-65
63,30,26,000	4	1957	1972	1-2/1-8	101-65
49,51,44,000	4	1926	1960-70	15-3/15-9	100-40
...	...	1958	1973	12-5/12-11	101-65
...	...	1959	1979	1-1/1-7	100-20
STATE GOVERNMENT LOANS					
WEST BENGAL.					
1,75,00,000	3½	1951	1962	17-3/17-9	98-25
1,62,23,300	4	1953	1963	15-1/15-7	100-40
2,00,00,000	4	1952	1964	1-2/1-8	100-50
7,00,00,000	4	1955	1967	1-3/1-9	100-40
7,00,00,000	4	1956	1968	3-3/3-9	100-35
5,00,00,000	4½	1958	1970	15-1/15-7	102-10
...	...	1971	...	...	100-10
BOMBAY.					
2,92,30,300	3	1950	1960	31-1/31-7	99-25
5,63,12,400	3	1949	1962	1-2/1-8	97-35
2,97,86,300	3½	1953	1963	17-9/17-3	99-50
5,50,35,400	4	1953	1963	15-1/15-7	101-00
3,61,30,900	4	1952	1964	1-2/1-8	100-90
9,00,00,000	4	1955	1967	1-3/1-9	101-03
7,50,00,000	4	1956	1970	3-3/3-9	100-90
...	...	1970	...	...	100-95
6,00,00,000	4½	1957	1969	16-3/16-9	102-65
10,00,00,000	4½	1958	1970	15-1/15-7	102-60
10,00,00,000	4½	1958	1970	15-1/15-7	102-50
MADHYA PRADESH.					
1,01,44,700	3	1950	1960	31-1/31-7	98-40
2,01,28,800	3	1948	1964	1-3/1-9	95-00
1,02,18,100	3½	1951	1962	17-3/17-9	98-25
1,02,18,100	4	1953	1963	15-1/15-7	100-45
1,50,00,000	4	1955	1967	1-3/1-9	100-40
1,50,00,000	4	1956	1968	3-3/3-9	100-30
2,00,00,000	4½	1958	1970	15-1/15-7	101-80
UTTAR PRADESH.					
2,20,93,600	2½	1946	1961-66	1-3/1-9	92-75
2,17,89,700	3	1945	1960	14-3/14-9	99-50
1,57,42,600	3	1936	1961-66	15-3/15-9	97-75
1,94,11,700	3½	1951	1962	17-3/17-9	98-90
5,65,15,500	4	1953	1963	15-1/15-7	100-45
6,11,45,200	4	1952	1964	1-2/1-8	100-50
8,50,00,000	4	1955	1967	1-3/1-9	100-35
9,50,00,000	4	1956	1968	3-3/3-9	100-35
7,00,00,000	4½	1958	1970	15-1/15-7	102-05
MADRAS.					
3,81,77,200	2½	1946	1961	1-3/1-9	98-40
2,78,44,000	3	1946	1960	14-3/14-9	99-40
3,88,25,400	3	1950	1960	31-1/31-7	99-40
3,01,49,000	3½	1951	1962	17-3/17-9	99-20
1,03,309,100	4	1953	1963	15-1/15-7	100-35
2,42,81,200	4	1952	1964	1-2/1-8	100-30
7,00,00,000	4	1955	1967	1-3/1-9	100-35
12,50,00,000	4	1956	1968	3-3/3-9	100-25
5,00,00,000	4½	1958	1970	15-1/15-7	101-90
...	...	...	1971	...	100-10
MADRAS GOVERNMENT.					
5,99,72,900	3	1936	1956-61	20-10/20-4	99-80
2,95,85,200	4	1933	1953-63	1-6/1-12	101-75
2,33,47,200	4	1953	1963	15-1/15-7	100-25
3,25,00,000	4	1955	1967	1-3/1-9	100-25
4,10,00,000	4	1956	1968	3-3/3-9	100-20
3,00,00,000	4½	1957	1969	16-3/16-9	102-00
5,00,00,000	4½	1958	1970	15-1/15-7	102-00
...	4	...	1971	...	100-10
COCHIN.					
30,00,000	3½	1937	1956-61	1-6/1-12	98-00
TRAVANCORE.					
300,00,000	4	1953	1963	15-1/15-7	99-82
...	4	1956	1968	3-3/3-9	99-85
...	4	1958	1970	15-1/15-7	100-87
...	...	...	1971	...	99-90
MUNICIPAL LOAN					
BOMBAY MUNICIPAL LOAN.					
25,00,000	5	1928	1958	1-1/1-7	...
26,21,000	5	1929	1959	1-2/1-8	...
17,97,000	3	1950	1960	1-6/1-12	...
110,00,000	4	...	1963	1-3/1-9	...
215,00,000	4	...	1964	1-3/1-9	...
244,14,500	4	...	1964	1-3/1-9	...
200,00,000	3½	1950	1965	15-2/15-8	...
10,00,000	3½	1951	1965	16-2/16-8	...
9,00,000	3½	1936	1966	14-3/14-9	...
175,34,000	3½	1951	1966	3-4/3-10	...
33,00,000	3½	1952	1966	3-4/3-10	...
60,00,000	3½	1952	1966	16-2/16-8	...
24,50,000	3	1936-37	1967	1-2/1-8	...
69,00,000	4	...	1967	1-3/1-9	...
30,00,000	3	1938	1968	14-3/14-9	...
30,00,000	3	1939	1969	1-3/1-9	...
64,00,000	3	1940	1970	1-3/1-9	...
48,00,000	3	1940-41	1971	1-3/1-9	...
25,00,000	3½	1941-42	1972	1-3/1-9	...
135,00,000	4	...	1973	1-3/1-9	...
20,00,000	4	1943-44	1974	1-3/1-9	...
20,60,000	4	1913-15	1974	1-6/1-12	...
22,00,000	3½	1944-45	1975	1-3/1-9	...
25,00,000	3½	1945-46	1976	1-3/1-9	...
54,00,000	3	1947-48	1977	1-3/1-9	...
75,00,000	3½	1947	1977	1-2/1-8	...
61,00,000	3	1949	1979	1-3/1-9	...
88,14,500	3	1949	1979	15-3/15-9	...
10,00,000	5	1920	1980	1-5/1-11	...
80,00,000	3½	1950-51	1980	1-3/1-9	...
CALCUTTA MUNICIPAL LOANS.					
10,00,000	5½	1932	1962	1-4/1-10	...
33,91,000	3½	1935	1965	1-1/1-7	...
60,00,000	3	1936	1966	1-4/1-10	...
47,50,000	3	1938	1968	1-6/1-12	...
17,64,400	3½	1942	1969	1-5/1-11	...
21,10,000	3½	1942	1972	1-4/1-10	...
15,49,000	3½	1951	1960	1-2/1-8	...
16,33,000	3½	1951	1961	1-2/1-8	...
66,88,000	3½	1951	1966	1-4/1-10	...
87,36,000	4	1952	1962	1-5/1-11	...
72,50,000	4	1954	1979	1-3/1-9	...
2,22,72,000	4	1955	1965	1-6/1-12	...
1,67,12,000	4½	1958	1970	1-7/1-11	...
1,60,35,000	4½	1958	1968	1-9/1-3	...
MADRAS MUNICIPAL LOANS.					
2,67,300	6	1925	1955	15-2/15-8	...
15,00,000	3½	1951	1961	30-9/31-3	...
12,00,000	3½	1952	1962	17-1/17-7	...
PORT TRUST LOAN					
MADRAS PORT TRUST.					
33,30,862	3½	1947	1977	15th of each month	...
9,68,000	3	1947	1977	...	...
3,00,000	3	1949	1979	...	...
BOMBAY PORT TRUST.					
35,00,000	3½	1929	1959	1-2/1-8	...
14,35,000	4	1913	1960	1-4/1-10	...
10,00,000	4	1915	1960	1-4/1-10	...
66,61,000	4	1922	1960	1-6/1-12	...
11,51,000	4	1924	1960	1-4/1-10	...
10,25,000	3½	1926	1960	1-5/1-11	...
12,50,000	3½	1930	1960	1-5/1-11	...
48,04,000	3½	1936	1960	1-4/1-10	...
12,50,000	3½	1931	1961	1-5/1-11	...
13,50,000	3½	1932	1962	1-3/1-9	...
36,50,000	4	1904	1964	1-1/1-7	...
35,00,000	4	1905	1965	1-2/1-8	...
15,00,000	3½	1936	1966	1-3/1-9	...
15,00,000	4	1906	1967	1-3/1-9	...
44,00,000	4	1907	1968	1-5/1-11	...
10,00,000	3½	1938	1968	15-3/15-9	...
75,00,000	4	1908	1969	1-3/1-9	...
40,00,000	4	1909	1970	1-1/1-7	...
56,00,000	4	1910	1971	1-4/1-10	...
7,00,000	3½	1941	1971	1-5/1-11	...
75,00,000	4	1911	1972	1-6/1-12	...
110,00,000	4	1912	1973	1-2/1-8	...
80,00,000	4	1913	1974	1-1/1-7	...
88,25,000	4	1914	1975	1-4/1-10	...
55,00,000	4	1915	1975	1-6/1-12	...
24,58,000	3½	1935	1975	30-3/30-9	...
CALCUTTA PORT TRUST.					
149,30,000	5	1928	1958-88	15-3/15-9	...
100,00,000	3	1949	1959	15-2/15-8	...
50,00,000	3	1949	1959	20-2/20-8	...
100,00,000	3	1950	1960	15-6/15-12	...
100,00,000	3	1950	1960	15-6/15-12	...
150,00,000	3½	1951	1961	1-6/1-12	...
50,00,000	4	1953	1963	14-2/14-8	...
25,00,000	3½	1938	1963-68	1-6/1-12	...
60,00,000	3½	1935	1965	15-3/15-9	...
98,24,000	4	1914	1974	8-2/8-8	...
76,50,100	4	1915	1975	1-4/1-10	...
50,00,000	3	1945	1975	1-2/1-8	...
50,00,000	3	1946	1976	15-3/15-9	...
50,00,000	2½	1947	1977	31-3/30-9	...
50,00,000	3	1948	1978	15-1/15-7	...
50,00,000	3	1950	1980	15-4/15-10	...
68,02,300	3	1921	1981	1-10/1-4	...
150,00,000	6½	1921	1981	20-2/20-8	...
50,00,000	3	1951	1981	15-4/15-10	...
50,00,000	4	1953	1983	14-2/14-8	...
80,00,000	4	1931	1991	15-4/15-10	...
50,00,000	3	1945	2005	1-2/1-8	...
50,00,000	3	1946	2006	15-3/15-9	...
£892,600	5	1923	1953-83	1-1/1-7	...
£901,000	5	1924	1954-84	1-1/1-7	...
£835,100	5½	1932	1962	1-4/1-10	...
90,00,000	4	1955	1985	1-3/1-9	...
155,00,000	4	1956	1986	1-4/1-10	...
124,00,000	4½	1957	1987	26-2/25-8	...
100,00,000	4	1959	1969	10-2/10-8	...
50,00,000	4½	1959	1989	17-2/17-8	

CALCUTTA STOCK EXCHANGE			J. K. Cotton			TEA:			R. C. Ambika		
BANKS:			Preference.			Preference.			Preference.		
Allahabad 5%	100	104.00	Maharaja Shree Umaid	100	100.00	Barduar Tea	6	6.50	Vijayakumar	100	115.00
Behar 5%	50	21.00	Rampur	10	10.13	Darjeeling	100	143.00	MISCELLANEOUS:		
JUTE:			Ramporia Dmd.	1	2.50	Dobra Dm	100	83.00	Dalmia Cement	10	11.20
Calcutta 5%	100	77.00	Shree Madhusudan	10	9.94	Rajpan Furhat	18	14.80	Dalmia Dmd.	1	2.51
Kedarnath 5%	100	68.00	Shreebivas	100	23.00	Kodak	10	12.12	Hindustan Ideal	25	24.50
Kedarnath 7%	100	85.00	Shree Bhawan	10	11.00	Kornafull	10	10.50	Hindustan Laver	10	39.50cd
COTTON:			MINING:			New Tural	10	16.75	Jeevanlal	10	8.50
Jijayecrao 5%	100	90.00	Burma Mines	1sh	1.60	Oodalah	10	19.00	Kirloskar Elec.	10	13.50cd
J. K. Cotton 5%	100	93.00	Consolidated Tin	1sh	0.44	Pahargomah	10	28.75	K. I. O.	10	11.40
Shree Madhusudan 4%	100	76.00	ELECTRICS:			Pashok	10	20.00	Mandya NL Paper	10	10.00
Shreenivas 4%	100	54.00	Dharwar	50	45.80cd	Tea Producing	10	19.37	National Rubber Mfrs	10	13.82
Shree Bhawan 5%	100	106.00	Eastern U.P.	10	7.00cd				Odessa Cement	10	12.90
ENGINEERING:			ENGINEERING:						Panyam Cement	100	50.10
J. K. Steel 7%	100	102.00	Calcutta Steel	10	14.00				Rails	100	83.50
MISCELLANEOUS:			J. K. Steel	10	15.00				Ruby (Madras)	100	10.00
Amalgam. Develop. 5%	100	42.00	National Engg.	21	8.22				Sen Raleigh	10	21.50
Calcutta Silk 5%	100	19.12	INSURANCE:						Singerei	10	16.50
Calcutta Trams 5%	100	8.22	Concord of India	5	11.44				Tube Inv.	100	236.00
Greaves Cotton 5%	100	40.00	General Assurance	25	19.25				Tube Inv.	100	208.00
Greaves Cotton 6%	100	37.00	Hercules	10	24.37				United India Fire	75	3.05
Hindus. National Glass 4%	100	93.00	Indian Trade	40	23.50				Vanguard Fire	6	3.50
Indian Plastics 5%	100	46.00cd	National	100	344.00						
Madhya Pradesh Ind. 5%	100	100.00	New Asiatic	5	3.82						
Spencer 'A' 5%	10	6.87cd	Ruby General	8	7.00						
Spencer 'B' 5%	10	8.64cd	Standard General	10	4.25						
Stand. Vacuum 5%	100	95.50	Triton	25	147.50						
Union Tobacco 5%	100	22.00	MISCELLANEOUS:								
ON:			Always	10	4.56						
N. I. Oil	100	40.00	Albion Plywood	10	11.00						
PAPER:			Amalgam. Develop	100	50.00						
Sirpur 5%	100	85.25	Bhartia Stone	10	2.56						
Star Paper 5%	100	94.00	Calcutta Silk	10	4.37						
Star Paper 7%	100	97.00	Calcutta Trams	21	14.75						
REAL PROPERTY:			Firpo	10	5.40						
Humayan 5%	10	7.45	Greaves Cotton	100	138.50						
Regent 5%	100	33.50	Hindustan Gas	7	12.12						
Ordinary.			Hindustan Laver	10	39.25						
BANKS:			Hindus. National Glass	10	7.00						
Allahabad	100	244.00	Indian Plastics	10	8.19						
Allahabad	50	172.00	Industries Corp.	10	6.51						
Baroda B	25	48.50	Ivan Jones	2	1.56						
Behar	100	31.00	James Alexander	10	10.56						
India	50	118.00	Khandewal Ferro Alloys	50	65.00						
Hindustan Comm.	50	20.25	Madhya Pradesh Indus.	10	19.19						
Hindustan Mercantile	50	24.00	Mahindra and Mahindra	10	25.62						
Punjab National	10	21.25	National Tannery	10	0.30						
United Tr	10	5.25	Pearl Investments	10	4.00						
United Comm.	50	69.50	Phosphate Co.	100	173.30						
RAILWAYS:			Premanth Trams	10	1.30						
Ahmednagar-Katwa	100	36.50	Siralk	10	7.45						
Arrah-Basarsar	100	45.00	Spences Hotel	2	0.75						
Bankura-Damodar	100	40.00	Spencer & Co.	10	18.20cd						
Bardwan-Outwa	100	39.00	Union Tobacco	10	0.87						
Buxhtarpur-Bihar	100	27.75	Western Stockholders	1sh	1.70						
Chaparmukh-Silghat	100	35.00	OILS:								
Dehri-Rohtas	10	19.13	N. I. Oil	10	1.75						
Patnab-Lalampur	100	34.50	PAPER:								
Howrah-Amta	100	44.00cd	Mysore	10	23.55						
Howrah-Chakshala	100	35.50cd	Sirpur Paper	10	13.81						
Katkhel-Lalabazar	100	36.13	U. I. Couder	100	62.00						
Shahdara (Delhi)	100	65.00	West. Coast	100	149.00						
COAL:			REAL PROPERTY:								
Thowra Kankanee	10	11.12	Bengal Bonded A	500	545.00						
Bokaro & Ramgar	10	14.50	Bengal Bonded B	524	63.92						
JUTE:			Bengal Bonded C	108	104.00						
Calcutta	10	8.00	Bengal Bonded D	134	13.13						
Kedarnath	10	10.12	Commercial	5	0.37						
Ab. Luchminar	10	7.00	Humayan	10	10.35						
Ab. Luchminar	5	8.26	Regent	10	1.00						
COTTON:			SUGAR:								
Bengal Fine Spg.	10	8.00	Tulsiur	5	7.25						
Century	100	398.10mrs									
Jijayecrao	10	12.00									

MADRAS STOCK EXCHANGE		
Preference.		
BANKS:		
Canara Bank 5%	50	40.00cd
Canara Bkg. 5%	50	50.00cd
Canara Bkg. 4%	50	47.75cd
Canara 1 & B. 5%	100	97.00cd
Canara 1 & B. 5%	10	9.85cd
TEXTILES:		
Anglo-French 5%	100	73.00
Rajalakshmi 5%	50	50.00
Vijayakumar 5%	100	90.00
MISCELLANEOUS:		
Dalmia Cement 5 to 9%	10	9.00
Kasturi & Sons 5.3%	100	100.00
Mandys NL Paper	100	100.00
Natl. Rubber Mfrs. 5%	100	80.00
Panyam Cement 'A' 5%	100	100.00
Panyam Cement 'B' 5%	100	100.00
Rails 5%	100	98.00cd
Ruby Madras 7 1/2%	10	10.25
Sen Raleigh 5%	100	140.00
Vanguard Fire 5 1/2%	5	4.73
Ordinary.		
BANKS:		
Andhra	100	102.00
Andhra	50	88.00
Mysore	100	365.00cd
Canara Bank	50	80.00cd
Canara Banking	50	75.00cd
Canara I & B. Svs.	100	160.00
Canara I & B	10	16.00
Canara I & B. Svs.	1	1.75
Indian	100	181.00
Indian	50	148.00
Indian Overseas	100	178.50cd
Indo-Commercial 'A'	100	41.50
Indo-Commercial 'B'	25	11.00
Indo-Commercial 'C'	50	16.75
Pandyan	25	34.00cd
Punjab National	10	21.50
Travancore Forward	10	6.20
Travancore Forward	5	2.00
PLANTINGS:		
Lingapur	2	6.95
TEXTILES:		
Anglo-French	100	100.30
Belarama Varma	100	91.00
Belarama Varma	10	9.28
Belasutramania	40	82.00
Belasutramania	70	98.00
Kadri	200	129.00
Kadri	10	14.00
Kannapiran	10	8.35
Fullcar	100	131.00
Rajalakshmi	50	69.25
Ramakrishna	100	209.00

BOMBAY STOCK EXCHANGE		
Preference.		
TEXTILES:		
Adani 5%	10	10.00 N
Adani B 5%	10	10.00 N
Bhawani 5%	100	100.00 N
Bradbury 7%	50	53.50
Indian Manfg. 4 1/2%	1000	630.00
Indian Manfg. 4 1/2%	500	315.00
Jijayecrao 5%	100	95.00
Kothari 5%	10	10.00 N
Mahendra 5%	100	90.00 N
Navsari 5%	100	91.00 N
Swadshi (Kanpur) 5%	100	86.00 N
Western India 4 1/2%	1000	610.00
ELECTRIC:		
Nagpur 5 1/2%	25	18.92
PLANTATION:		
Highland 5%	10	9.40 N
Midland 5%	10	8.40
Nellampathy 5%	10	9.20
Rajagiri 5%	10	8.24
Waterfall 5%	10	8.80 N
SUGAR:		
Cauvery 5%	100	100.00 N
Maharashtra 7%	250	240.00
South Behar 7%	100	20.00 N
CEMENT:		
Andhra 5%	100	104.00 N
Dalmia 5 to 9%	10	8.88
India Cement 7 1/2%	100	95.00 N
STEEL:		
Indian Iron 5%	100	102.00
MISCELLANEOUS:		
Alumn. Corpn. 5%	100	75.00 N
Alumn. Corpn. 5%	100	100.00
Anil Hardboards 5%	100	110.50
Asso. Rubber 7%	100	100.00 N
Bombay Silk 5%	100	47.50
B. I. Corpn. 5%	100	115.00
Brunton Eng. 5%	10	7.00 N
Drang. Chem. 5%	100	95.00
Diavjay Woollen 5%	100	134.00
East India Hotels 5%	100	100.00
Ferro Alloys 5%	100	100.00
Hindust. Cons. 5 1/2%	100	68.00
Hindus. Motors 5%	75	142.00
Mingir Ramgur Coal	50	32.00 N
Indian Dye Stuff 5%	100	117.00
Ind. Huine Pipe 5%	100	58.00
Indian Rayon 7%	25	37.80

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Indian Finance

Khandewal Ferro Alloys 7 1/2% ... 50 ... 51.70	Indian Mercantile ... 60 ... 45.25	Kalpatta ... 10 ... 12.28	East India Hotels ... 10 ... 10.00
Madhusudan 4% ... 12 1/2 ... 7.50	Jupiter ... 15 ... 6.00	Midland ... 10 ... 12.12	Empire Dyeing ... 15 ... 80.00
Madhya Pradesh Ind. 5% ... 100 ... 106.00 N	Neputane ... 10 ... 1.46	Nellampathy ... 2 ... 2.88	Ferro Alloys ... 100 ... 100.00
Motor & Genl. Fin. 10% ... 25 ... 36.00	New Aalatio ... 8 ... 2.78	Rajagiri ... 10 ... 13.92	Outrat Investment ... 80 ... 11.00
National Rubber 6% ... 100 ... 82.00	New Great ... 20 ... 23.00	Twiford ... 10 ... 13.24	Outrat Safe ... 75 ... 120.00
New Central Jute 5% ... 100 ... 107.00	New India ... 15 ... 61.00	Waterfall ... 2 ... 3.80	Harvey & Sabapathy ... 500 ... 265.00
N. I. Fisheries 6% ... 100 ... 101.00	New India 'A' ... 15 ... 61.00	SUGAR:	Hindustan Motors ... 10 ... 18.84
Orient Paper 5 1/2% ... 100 ... 93.20	Sentinel ... 50 ... 52.00 N	Cauvery ... 100 ... 107.50	Hindustan Housing ... 25 ... 25.00 N
Orient Paper 5 1/4% ... 100 ... 88.50	Univerway ... 10 ... 12.00	Keskar ... 40 ... 70.00	Hingir Rampur Coal ... 80 ... 23.00
Parashuram Pott. 6% ... 25 ... 25.00 N	Vulcan ... 10 ... 20.16	Krishna Gyanoday ... 10 ... 14.00	Indian Dyestuffs ... 100 ... 470.00
Parashuram Pott. 4% ... 25 ... 16.00 N	SHIPPING:	Maharashtra ... 50 ... 238.00	Indian Copper ... 25 ... 4.10
Rohtas Indus. A. Pref. 100 ... 110.00	Great Eastern New ... 5 ... 12.00	New Swadeshi ... 100 ... 290.00 N	Indian Rayon ... 35 ... 37.50
Rohtas Indus. B. Pref. 100 ... 60.50	Malabar Steam ... 10 ... 11.68	Oudh ... 100 ... 162.00	Indian Tool ... 100 ... 112.00
Sen Raleigh 5% ... 100 ... 145.00	TEXTILES:	Ugar ... 100 ... 140.00	Inv. Corp. ... 100 ... 138.50
Standard Motors 6 1/2% 'A' 100 ... 103.00 N	Adoor ... 10 ... 8.20	Vishnu ... 100 ... 235.00	Khandewal Ferro Alloys ... 50 ... 67.50
Standard Motors 6 1/2% 'B' 100 ... 102.00 N	Shawani ... 10 ... 10.00 N	CEMENT:	Kirloskar Oil Eng. ... 10 ... 16.68
Stanvac 6% ... 100 ... 95.50	Bradbury ... 80 ... 132.30	Andhra B ... 10 ... 10.44	Laxmi Starch ... 100 ... 150.00
Star Paper 5% ... 100 ... 73.00 N	Burhanpur Tapti ... 100 ... 87.00 N	Ashoka ... 10 ... 8.52	Madhusudan A ... 100 ... 81.00
Star Paper 6 1/2% ... 100 ... 100.00 N	Davangere ... 100 ... 114.00	Dalmia ... 10 ... 11.44	Madhusudan B ... 20 ... 13.82
Structural Eng. 5% ... 100 ... 105.50	Cackwar ... 100 ... 261.60	India Cement ... 5 ... 6.00	Madhya Pradesh Ind. ... 10 ... 19.24
Structural Eng. 6 1/2% ... 100 ... 106.50	Eukumchand ... 100 ... 108.00 N	Jaijpur Udyog ... 10 ... 12.16	Man. Indust. Corp. ... 100 ... 95.00
Sundatta Foods 6% ... 50 ... 50.10	Indian Mig. ... 100 ... 2270.00	Orissa ... 10 ... 13.36	Motor & Genl. Fine ... 10 ... 40.00 N
Termaco 1st 5 1/2% ... 100 ... 85.00 N	Jam Shri Ranjit ... 1800 ... 1800.00	STEEL:	National Rubber ... 10 ... 13.96
Termaco 2nd 5 1/2% ... 100 ... 82.00	Jijelao ... 10 ... 13.00	Indian Iron ... 10 ... 23.12	New Central Jute ... 100 ... 23.80
W. I. Plywood 6% ... 100 ... 90.00 N	Khandesh ... 1000 ... 1450.00	MUSCELLANEOUS:	N. I. Fisheries ... 100 ... 92.00
	Khandesh ... 280 ... 878.00	Alumina Corp. ... 10 ... 16.36	New India Indus. ... 100 ... 400.00
BANKS:	Kothari ... 10 ... 10.00 N	Ambika Silk ... 100 ... 165.00	Orient Paper ... 10 ... 37.10
Baroda ... 50 ... 98.30	Mahendra ... 100 ... 315.00	Andl Hardboards ... 100 ... 323.75	Parashuram Pottery ... 25 ... 60.00
Baroda B ... 25 ... 47.00	Mahendra ... 40 ... 40.00 N	Asso. Rubber ... 100 ... 105.00	Raymond Woolen ... 100 ... 98.50
Central ... 25 ... 48.75	Nasari ... 100 ... 220.00	Baroda Rayon ... 50 ... 63.00	Rohtas Industries ... 10 ... 27.45
Central 'A' ... 25 ... 50.00	Phoenix ... 100 ... 143.75	Bombay Cycle ... 20 ... 22.00	Sardar Carbonic ... 100 ... 320.00
Derankaran Nanjee ... 50 ... 55.50	Pulgaon ... 10 ... 10.24	Bombay Silk ... 50 ... 5.00	Sen Raleigh ... 10 ... 20.24
Hindus. Mercantile ... 50 ... 14.00	Raja Motilal ... 100 ... 62.00	Bom. Swadeshi Stores ... 5 ... 6.21	Standard Batteries ... 100 ... 150.00
India 'A' ... 50 ... 108.00	Ruby ... 88 ... 82.00	British Burma Petrol ... 35h ... 2.16	Standard Motors ... 10 ... 16.24 N
India ... 50 ... 112.00	Shubhikam ... 100 ... 125.00 N	British India Corp. ... 5 ... 7.36	Star Paper ... 10 ... 12.40 N
Maharashtra ... 40 ... 55.70	Swadeshi (Kampur) ... 10 ... 12.00 N	Brunton Eng. ... 10 ... 4.00	Star Paper A ... 10 ... 12.40 N
Punjab National ... 10 ... 21.24	Swadeshi (Kampur) P.O. ... 10 ... 10.40 N	Cest Tyres ... 75 ... 180.00	Straw Products ... 10 ... 16.00
State Bank ... 100 ... 345.00	Western India ... 1000 ... 4400.00	C. I. Coal ... 10 ... 6.36	Structural Eng. ... 100 ... 328.00
Union ... 6 ... 7.08	ELECTRIC:	C. I. Machinery (old) ... 10 ... 10.00 N	Sundatta Foods ... 50 ... 83.00
United Comm. ... 60 ... 70.00	Baselin ... 10 ... 8.80 N	C. P. Railway ... 100 ... 80.00	T. Maneklal Mfg. Old ... 100 ... 140.00
INSURANCE:	Nagpur ... 25 ... 23.00	Chemo. Pharma (old) ... 25 ... 26.00	Taxmco ... 10 ... 25.45
All-India General ... 8 ... 2.50	PLANTATIONS:	Colour Chem. ... 100 ... 320.00	Thacker ... 50 ... 41.00
British India ... 10 ... 14.24	Blue Mountain ... 2 ... 3.84	Commerce (1938) ... 10 ... 17.00	Tractors (India) ... 100 ... 34.00
Devkaran Nanjee ... 80 ... 32.25	Halleyburia ... 10 ... 18.00	Dehri-Rohas ... 10 ... 17.24	United Motors ... 20 ... 18.00
Kmpire ... 100 ... 268.75	High land ... 10 ... 12.60	Dhrang. Chemical ... 100 ... 151.00	W. B. Coal ... 10 ... 6.40 N
Indian Globe ... 25 ... 8.00 N		Divijay Woolen ... 10 ... 14.36	W. I. Plywood ... 100 ... 236.00
			W. I. Veg. ... 100 ... 100.00 N

Indian Finance

HIGHLIGHTS OF THIS ISSUE

Indian Finance

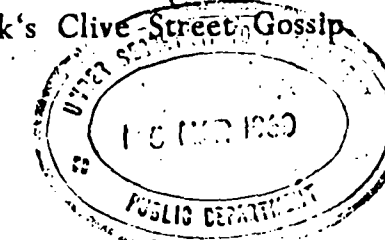
Saturday

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The issues arising from the State Bank strike are discussed by Eavesdropper in this week's Clive Street Gossip



Indian Finance

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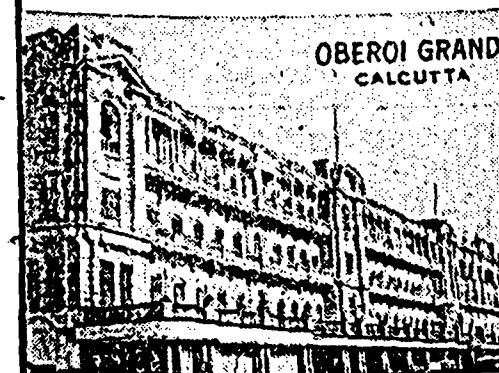
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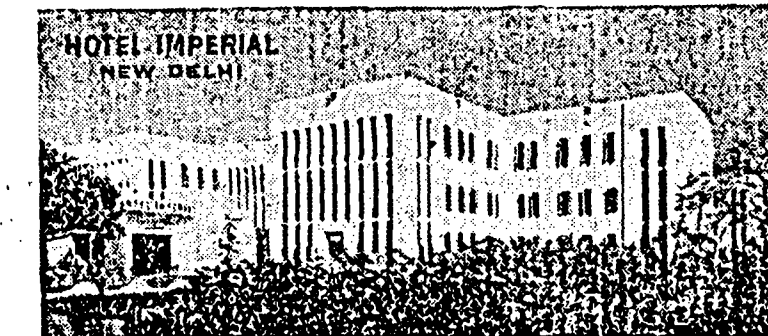
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PRICE TRENDS DURING FEBRUARY, 1960

	2nd	3rd	4th	5th	6th	8th	9th	10th	11th	12th	13th	15th	16th	17th	18th	19th	20th	22nd	23rd	24th	26th	27th	Pre-Budget	Post-Budget
8% 1986	74.20	74.25	74.25	74.30	74.45	...	74.23	74.20	74.25	...	74.25	74.50	74.30	74.30	74.26	...	74.15	74.20	74.10	71.30	74.35	74.20	...	...
United Commol.	70.00	...	70.00	69.75	...	...	70.00	69.50	69.50	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kesoram	21.75	21.87	21.87	22.06	22.31	22.75	22.69	23.26	23.00	22.75	...	...	...	...	...	...	...	...	...	22.69	...	...	...	...
Bengal Coal	...	...	...	298.50	...	298.00	...	298.50	...	298.00	...	...	...	...	...	...	...	...	...	298.00	...	...	...	...
Burrakur	18.50	18.37	18.37	18.44	18.50	18.44	18.44	18.37	18.56	18.56	18.44	16.69	18.50	18.37	18.25	18.37	18.25	18.25	18.25	18.25	18.50	18.37	18.44	18.50
Howrah	24.06	24.00	24.00	24.12	24.12	24.31	24.19	24.00	24.06	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.12	23.67	24.00	23.67
National	...	31.00	30.87	31.00	...	...	30.76	...	30.87	...	30.69	30.76	30.75	30.25	30.76	...	...	...	30.50	31.00	...	...	...	...
New Central	22.82	23.00	22.94	23.06	23.56	23.47	23.50	23.06	23.12	23.25	23.19	23.37	23.25	23.12	23.00	...	23.00	23.06	...	22.94	23.50	23.31	24.25	24.56
Brooke Bond	17.50	17.89	...	...	...	...	17.50	...	17.50	17.97	17.44	17.50	...	...	...	...	...	...	...	...	...	...	...	...
Hasimara	...	22.94	22.69	22.75	22.69	...	...	...	...	...	...	...	21.94	21.87	21.89	...	...	...	...	...	21.82	22.00	...	...
Tarpore	...	...	...	18.12	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Carew Sugar	12.50	12.44	...	...	...	...	12.25	12.37	12.37	...	...	...	12.25	...	...	...	...	...	...	17.69	17.75	...	...	...
Jessop	23.37	...	...	23.31	23.50	23.50	23.50	...	23.06	23.31	23.37	23.37	23.25	23.12	23.31	...	...	...	23.50	23.50	23.31	23.37	23.44	23.37
Indian Iron	22.24	22.16	22.12	22.34	22.31	22.33	22.22	22.20	22.25	22.20	22.16	22.14	22.17	22.16	22.14	22.18	22.18	22.15	22.17	22.30	22.75	22.70	23.06	23.15
TEKMACO	25.60	25.40	25.35	25.45	25.55	25.50	25.50	25.30	25.50	25.40	25.40	25.40	25.45	25.35	25.20	25.30	25.25	25.25	25.20	25.25	25.55	25.60	25.90	25.60
L. Copper	3.84	3.83	3.82	3.84	3.86	3.90	3.93	3.90	4.02	4.03	4.00	4.02	4.07	4.06	4.03	4.05	...	4.03	4.01	4.00	4.05	4.05	4.11	4.12
Orient Paper	37.65	37.55	37.45	37.80	37.95	37.85	38.50	38.45	38.50	38.10	38.35	38.50	38.30	38.30	38.20	38.10	38.20	38.25	38.55	38.45	38.80	38.70	...	...
Shree Gopal	22.37	22.37	22.31	22.37	22.44	22.50	22.62	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44	22.44
L. Cable	29.50	29.37	29.50	29.56	29.56	29.56	29.56	29.37	29.50	29.37	29.37	29.37	29.37	29.25	29.25	29.19	29.37	...	29.31	29.69	29.56	29.87	29.75	...
L. Steamship	11.75	11.75	11.62	11.66	...	11.69	...	...	...	11.75	11.81	11.78	11.78	11.78	11.84	11.84	...	11.82	11.75	11.50	11.94	12.00	...	...
Rohtas	27.37	27.29	27.06	27.37	27.31	27.31	27.31	27.31	27.37	27.25	27.25	27.19	27.12	27.00	26.94	26.81	26.81	26.76	26.75	27.25	27.31	27.81	28.44	...
Dunlop	36.31	36.25	36.16	...	36.25	36.25	36.25	36.25	36.62	36.62	36.62	36.62	36.62	36.19	36.00	36.00	36.00	35.62	35.62	36.37	36.50	37.00	36.87	...
I. Aluminium	25.00	24.75	24.89	24.87	24.87	24.75	24.75	24.89	24.75	24.69	24.69	24.69	24.69	24.62	24.50	24.44	24.44	24.37	24.31	24.75	24.69	24.87	24.37	...
H. Major	16.31	16.25	16.19	16.35	16.31	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	16.35	...
I. Oxygen	29.12	30.00	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

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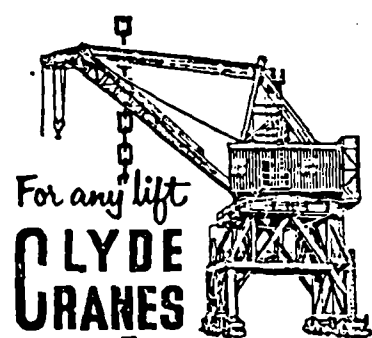
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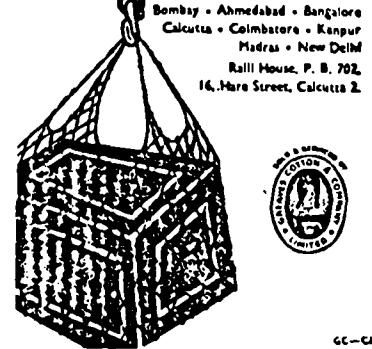
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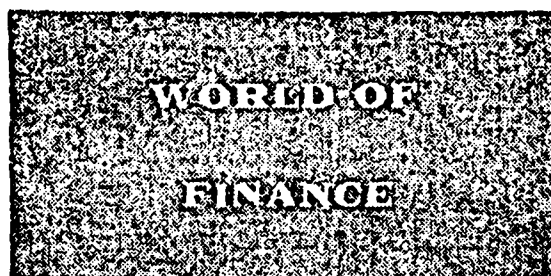
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BANK LIMITED

Central Office, Madras

M. Ct. Muthiah
Chairman

C. P. Dorakannu
General Manager

March 12, 1960



Rise in Note Circulation, Bank Advances

IN view of the State Bank strike, the latest
banking returns are necessarily incomplete,
and analysis has therefore to wait until the
statements of the institution are to hand.
Nevertheless, there is evidence enough of the
continued busy season pressure, in the figures
both of the Reserve Bank and of the Scheduled
Banks.

During the week ended March 4, Active
Note circulation has expanded sharply by Rs
21.93 crores to Rs 1820.91 crores. Rupee Coin
has flowed out into circulation in the conside-
rable amount of Rs 2.41 crores. Governmental
disbursements presumably accounting for a
moiety of the demand for funds, deficit finan-
cing has been resorted to, probably for Rs 25
crores, and expansion of currency has taken
place for Rs 20 crores against Rupee Securities.
In the result, the Reserve Bank's cash in the
till has been drained by Rs 4.53 crores to Rs
21.42 crores.

In the Banking Department, it is to be
noticed that the Centre's payments have been
heavy. Notwithstanding created money for
perhaps Rs 25 crores, its balances have been
marked down by Rs 1.40 crores at Rs 50.37
crores. State Governments may have received
some payments from the Centre, since their
balances have improved by Rs 4.05 crores to
Rs 34.27 crores; but, then, their indebtedness
to the Reserve Bank in respect of ways and
means borrowings has also risen by Rs 1.78
crores to Rs 27.77 crores.

Busy season pressure, combined, of course,
with the demand occasioned by month-early
disbursements, is also suggested by figures re-
lating to Scheduled Banks in the Reserve
Bank returns. The Reserve Balances of
member banks are, it is true, higher by Rs 1.96
crores at Rs 81.92 crores. But the Other
Loans and Advances of the Reserve Bank, re-
presenting presumably increased accommoda-
tion to Scheduled Banks in the main, have
risen further by Rs 5.46 crores to Rs 126.52
crores.

Balances Held Abroad are again lower, by
Rs 2.07 crores at Rs 33.73 crores.

According to the return of Scheduled Banks
for February 26, Advances continue to advance,
the latest week indicating a rise of Rs 3.34
crores to Rs 1061.00 crores. In the next week,
with busy season pressure aided, abetted, ag-
gravated by beginning of the month disburse-
ments, the expansion may be of severe propor-
tions. However, the pressure on banks was
partly alleviated by the fact that Deposits rose
further by Rs 4.37 crores to Rs 1910.78 crores,
though the whole of this is accounted for by
the State Bank; on the other hand, almost the
full quantum of the rise in Advances being
ascribable to the other Scheduled Banks.
Borrowings from the Reserve Bank (the State
Bank again not figuring significantly) are
higher by around Rs 1½ crores at Rs 41.49
crores. Cash balances show some slight im-
provement in rising from Rs 159.36 crores to
Rs 160.59 crores, but, then, the State Bank in
the relevant week reported a rise in the por-
folio of Rs 4.49 crores. Lastly, the gilt-edged

holdings of Scheduled Banks are seen to have
gone up by Rs 2.49 crores to Rs 764.14 crores;
in that week, the State Bank added to its
gilt-edged by Rs 6.25 crores, and the inference
is that other Scheduled Banks disinvested in an
amount of around Rs 4 crores.

Allahabad Bank's Fine Results

IN a year in which banking results, particu-
larly of the bigger banks, have been mak-
ing poor showing, the accounts of Allahabad
Bank Limited offer a heartening contrast. A
study of the figures shows that such a perfor-
mance is the result of optimum use of funds.
For example, during a year in which almost
every bank has reported an increase in its
gilt-edged portfolio, Allahabad Bank reveals a
decline, fractional though it is; and this is
because the bank was able to expand its Ad-
vances by an amount almost equalling its in-
crease in Deposits.

Deposits and other accounts are marked
higher by Rs 4.71 crores at Rs 50.13 crores.
Current accounts are a shade lower, and the
rise has occurred mainly under the head of
Fixed Deposits, which have increased by Rs
4.23 crores to Rs 33.29 crores. But, then, the
bias in Allahabad Bank Deposits has always
been in favour of Fixed Deposits and Savings
Bank Deposits, which have also gone up by Rs
0.62 crores to Rs 6.04 crores. What though
Advances rose, borrowings in the latest
balance-sheet are lower as compared with the
previous year by Rs 1.07 crores at Rs 1.28
crores. The balance-sheet total marks a rise
from Rs 53.46 crores to Rs 59.20 crores.

Advances, including Bills Discounted and
Purchased, have expanded by Rs 3.31 crores to
Rs 28.36 crores. The other direction in which
assets show a rise is in respect of cash in hand
and with Reserve Bank and State Bank, which
has gone up from Rs 3.81 crores to Rs 4.26
crores. As already noted, gilt-edged invest-
ments are down a bit, by Rs 29 lakhs at Rs
14.33 crores.

Improved earnings are fully reflected in the
profit and loss account. The income by in-
terest and discount is higher by Rs 22 lakhs
at Rs 2.39 crores, while commission, exchange
and brokerage have fetched a shade over Rs 3
lakhs more at Rs 35.34 lakhs. Gross income
is marked up by almost exactly 10 per cent at
Rs 2.76 crores against Rs 2.50 crores.

A tight rein has clearly been kept on ex-
penses. Interest paid is higher only by Rs 12
lakhs at Rs 1.35 crores, while the rise in Sala-
ries and Allowances is one of Rs 4 lakhs odd
to Rs 87.62 lakhs. In the result, the balance
of profit is sharply improved from Rs 13.71
lakhs to Rs 16.27 lakhs. We may note here
that, but for an undue rise of over Rs 5½ lakhs
in rent, taxes, insurance, lighting, etc., the net
profit earned (which, in the case of Allahabad
Bank, is after provision made for taxation and
depreciation) would have showed an even
more significant increase.

The Directors' Report indicates that the rate
of dividends is to be maintained both on the
ordinary and preference shares, though, in
view of the new requirement of deduction of
tax at source on dividend payments, the return
to the shareholder will be reduced. Allaha-
bad Bank has seen to it that the staff benefits
from the improved performance; the provi-
sion for bonus has been raised from Rs 7.28
lakhs to Rs 7.60 lakhs; and, furthermore, a
transfer of Rs 2 lakhs is to be made to the
Trustees, Staff Pension Fund, against nil in
the previous year.

Bank Announcements

Subject to audit, the net profit of the Indian
Bank Limited, Madras, for the year 1959, after
providing for contingencies and meeting all
expenses, together with the sum carried from the
previous year's account, amounts to
Rs 37,45,143.18 nP. An ad-interim dividend at
the rate of 5 per cent and bonus of 2½ per cent
(subject to tax) has been paid. The Directors
now propose to recommend to the General
Meeting payment of a final dividend of 5 per
cent and a bonus of 2½ per cent for the year
1959, thereby making the dividend and bonus
for the year amount to 15 per cent.

The Manager, The Chartered Bank, Calcutta,
has received the following cabled information
from his Head Office in London:—

"At the Annual General Meeting of Stock-
holders 30th March Directors will recom-
mend final dividend 7½ per cent actual sub-
ject income tax. In the consolidated ac-
counts of the Chartered Bank and its wholly
owned subsidiaries the following appropria-
tions have been made:—

£ 2,50,000 written off Bank Premises
£ 125,000 Pension Fund
£ 20,000 Widows and Orphans Fund
£ 1,50,000 Contingencies leaving
£ 4,91,994 to be carried forward
Net Profits £ 1,014,696 compared with
£ 993,590 in 1958."

The profit of United Bank of India Ltd for
the year 1959 was Rs 14.29 lakhs after provid-
ing for the taxes, as against Rs 14.15 lakhs in
the previous year. The Directors of the Bank
have recommended a gross dividend at 4.50
per cent which, after deduction of tax, will
work out at the same net rate of tax-free
dividend as in the last year, i.e., 3 per cent.
Payment of dividend will take up Rs 11.39
lakhs and allocation to Reserves Rs 2.90 lakhs.
There will remain Rs 1.81 lakhs to be carried
over which is same as in last year.

The Hongkong and Shanghai Banking Corpo-
ration has received an advice from its Head
Office in Hongkong of an increase in its paid
up capital and in its reserve fund.

The new figures are:
Capital Authorised Hong Kong \$100,000,000
Capital Issued and Fully Paid Hong Kong
\$78,974,750; Reserve Fund Sterling £10,949,165.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Gov-
ernment of India Treasury Bills were opened
on Tuesday, the 8th March 1960. Total amount
offered was Rs 2,00,00,000. Tenders at
Rs 99.310 and above were accepted in full.
Total amount accepted was Rs 2,00,00,000, the
average rate of accepted tenders being Rs 2.755
per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Gov-
ernment of India Treasury Bills will be re-
ceived at all centres (Bangalore, Bombay, Cai-
cutta, Kanpur, Madras, Nagpur and New
Delhi) upto the close of business on Monday,
the 14th March 1960. Successful tenderers
should make payment on Friday, the 18th
March 1960. Other conditions are as usual.

During the week ended the 4th March 1960
Government of India Treasury Bills for
Rs 49,24,75,000 were sold in favour of Reserve
Bank of India.

91 days' Intermediate Treasury Bills will be
sold from the 9th to 12th March 1960 at
Rs 99.326 per cent. Sales can be stopped at
any time without notice if Government think
it necessary.

There were no sales of 91 days' Intermediate
Treasury Bills during the period 2nd to 5th
March 1960.

The Trade Split in Europe

By Paul Einzig

As a result of the decision of the European Economic Community Commission in Brussels to accelerate the pace of tariff integration and unification, and the recent settlement of practically all outstanding differences in respect of the unification of external tariffs, a clash between the six countries of the EEC and the seven countries of the European Free Trade Association has become almost inevitable. Although hopes are entertained that some solution might be reached at the forthcoming meeting of the Governments of all Western European countries plus the United States and Canada on March 29th, at the time of writing the prospects look none too favourable. It is therefore necessary to envisage the possibility of a trade war between the two camps as from July 1, 1960, when the proposed tariff changes by the EEC will become operative.

From the point of view of underdeveloped countries the prospects of Western Europe splitting into two hostile camps are anything but cheerful. Apart altogether from the effect of a discrimination against their products by the EEC countries, it seems probable that such a development will greatly affect the extent to which Europe and even North America would be able to assist in the industrialisation of the backward countries. This is because a considerable proportion of their resources available for investment abroad will be invested in the countries of the rival camps.

Already a large number of British, American, Scandinavian and Swiss industrial firms have made arrangements to establish branches or affiliates within the EEC countries, so as to ensure that their manufactures are not excluded from the benefits of the expanding market to be created through the economic integration of the six countries. This movement is likely to assume considerable dimensions once it becomes certain that no agreement is possible between the EEC and the EFTA.

To the extent to which the movement means the establishment of new factories or the extension of existing factories within the EEC by firms outside it, it means that these countries will have so much less financial and technical resources to assist in the industrialisation of underdeveloped countries. A large proportion of their balance of payment surpluses will be invested in countries which are in no need of an influx of foreign capital. Resources in management and skilled labour, too, will be diverted to countries where they are not really needed. Even to the extent to which this

penetration assumes the form of acquiring financial interests in firms established in EEC countries it would reduce the financial surplus available for investment in underdeveloped countries.

Nobody would stand to benefit by such development. The firms which want to establish themselves in EEC countries merely seek to safeguard their existing markets there in face of the threat of discrimination against them. The EEC countries, with the possible exception of Italy, are already fully employed, and any additional demand for labour would merely accentuate their inflationary wages spiral. If firms in the EEC countries should in turn seek to establish themselves or expand in EFTA countries this futile process would be done on a reciprocal basis. The net result will be a great deal of capital expenditure where it is not needed. Indeed it is no exaggeration to say that if all the financial and technical resources which are likely to be expended in the process were to be made available to underdeveloped countries it would make quite a difference to the latter's progress towards much-needed industrialisation.

The United States, too, embarked on the establishment of branch factories in Western Europe, in anticipation of discrimination against American imports. In view of the outflow of gold from the United States during the last two years or so, even American financial resources are no longer considered to be virtually unlimited. To the extent to which this process affects the American balance of payments it will reduce the ability of the United States to help in the industrialisation of underdeveloped countries.

This aspect of the problem has received little or no attention so far. It is indeed high time for the Governments and public opinion in underdeveloped countries to realise what is at stake. What is happening is that the industrialised Western countries are engaged in reducing their capacity to help, partly by cutting working hours in their industries, and partly by unnecessarily investing in each other's territories instead of reserving their capacity for the countries that need it the most.

It is for the Governments and the Press of the underdeveloped countries to raise a voice of protest against such frittering away of surplus resources. Whenever a leading European or American statesman speaks about help to underdeveloped countries he should be reminded that unless something is done quickly the extent of any possible help is bound to be greatly curtailed. The underdeveloped countries, by showing themselves aware of this situation, and by putting the blame where it belongs, could to some extent exert their influence in the right direction.

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Indian Finance

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A Good Year Ends Badly for Jute Goods

WITH the attainment of raw jute self-sufficiency in the jute year 1958-59, and with the commendable progress made by mills in the modernisation of their machinery, it was generally anticipated that 1959 would herald the end of uneconomic working for the Indian jute goods industry. The expectation has largely been fulfilled. In reviewing the working of the industry last year, Mr Kenneth E. Tosh, Chairman of the Indian Jute Mills Association, has stated at last week's annual general meeting that 1959 has witnessed gains in a number of directions. Exports have been the highest for the last 10 years and the industry has been able to effect an increase in production. Sacking stocks, which were a drag on the market, have been reduced to a remarkably low level. The industry's earnings, too, improved, and hopes have been entertained that, with a continuance of the favourable trading conditions, jute mills would before long be in a sound financial position. But, even before the year was out, these hopes proved to be dupes. And we are now told by Mr Tosh that the factor that put the clock back with the industry is excessive speculation in the jute futures market.

It all started toward the lag end of last year, that is, some time in November. The basic fact was that, mainly because of unfavourable weather conditions at sowing time, the 1959-60 jute crop would not be as large as its predecessor. All sorts of rumours were built around this fact; and, by November, operators in the jute market were freely discussing the possibility of a shortage of raw jute developing toward the end of the current season. This provided ideal material for speculation; and, before many could realise what was happening, raw jute prices were several rupees higher than previous markings. And soon, all in the Indian World of Jute were caught in the vicious circle of raw jute prices chasing goods prices and vice versa. The upshot of all this was that the stability of jute markets was jeopardised and foreign buyers promptly withdrew from the Calcutta market.

What were Government doing mean time? They did take steps to curb speculation; but, by the time they came to grips with the problem, the mischief had already been done. It was toward the end of December that Government, at a hurriedly called press conference, declared that 'uneconomic raw jute prices would damage the position of jute goods overseas. It was officially pointed out that, with the large carryover from the previous season, raw jute supply in the current season would be sufficient to meet all domestic requirements in full. Furthermore, it was announced that licences were to be issued immediately for the import of 2 lakh bales of jute from Pakistan. This clarification and such sanction for import of jute from Pakistan had no doubt a sobering effect; but it also became evident that stability, once disrupted, took a long time to return.

Unless Mr Tosh has made a serious mistake in his assessment of the conditions in the jute goods trade since last November, the inference is inescapable that Authority, whose main responsibility it is to ensure that nothing untoward happens to the interests of this vital

industry, has committed a costly blunder. Mr Tosh puts it rather mildly when he says that mistakes in timing of the remedial measures are chiefly responsible for the present high level of raw jute prices. It may be argued that Government through the Forward Markets Commission, which is directly responsible for the proper working of the futures market in jute, had taken steps to curb speculation. It is true, the East India Jute and Hessian Exchange imposed margins in quick succession two or three times within the space of a fortnight. All the same, it is a sad commentary on Government's ability to cope with the situation. The fact that the special margin proved as fuel to the raging fire of speculation shows that the motive force in the jute market was an apprehension of a shortage—an apprehension which had gained wide acceptance by the middle of November. Evidently, Government were pitifully slow in finding out the root cause of the speculation.

The effect of this lapse on the part of Government has been disastrous to the industry. Of course, abiding interest is evinced by Authority in the jute industry. None can deny that, but for the concerted efforts taken by Government, raw jute production in India would not have recorded such resounding progress in the span of about 10 years. In other directions also, particularly in the matter of modernisation, Government help is being made available in sizable measure. But all this does not absolve Government of their patent failure last year in stemming the tide of unbridled speculation which so grievously has hurt the industry. To say that a handful of people in the jute market have been responsible for the serious dislocation caused to so vital an industry as the jute goods industry is to admit that there is something woefully inadequate with Government's jute policy.

Even with the most favourable trading conditions, the jute industry has to labour hard to market its production. As a predominantly export industry, it is governed by, besides domestic developments, developments in the principal consuming countries overseas. Mr Tosh has drawn pointed attention to the continued difficulty in marketing sacking goods abroad in view of the growing competition from other jute goods manufacturing countries, especially from Pakistan. Although the Pakistani industry is still in its infancy, it is growing fast. Moreover, Pakistan has the added advantage of having good quality jute and its mills can get jute at a much lower cost than the Indian mills because of the higher acreage yield obtained in that country.

Hessian has fared well, and there is every indication that it will continue to be popular in the US, its principal market. Thanks to the unremitting publicity conducted by the IJMA, hessian has very much improved its position with American consumers. The finding of new uses for hessian also promises to bring good custom from this country. But, even here, the gains will be nullified if price stability is not ensured. It would appear that, if there is one factor that can surely put hessian in the good books of the American consumer—or, for that matter, in any other country—it is price stability.

Indian Finance
Established 1928

March 12, 1960

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

A lasting remedy, of course, lies in having an adequate supply of raw jute at equitable prices for the mills. It is equally important to ensure that the cultivator gets an equitable return for his labour. Allowance has naturally to be made for the uncertainty of weather. But the main aim of jute production should be to increase the yield per acre. This will greatly simplify the task of finding a price level for jute which is at once equitable to the industry and the cultivator. In the meantime, it is incumbent on Government to keep in close touch with the jute situation in the country from day to day and take appropriate measures to allay all fears about a shortage of raw jute. Mr Tosh has laid down the wholesome principle of extending price support when there is a bumper crop and liberalising imports when a shortage is apprehended. Government's task is very much simplified, now that the Committee of the IJMA have agreed in principle to endeavour to operate a regular support scheme for raw jute prices, should they fall to levels which may discourage future sowings. If unbridled speculation is not to sully the good name of Indian jute goods in overseas markets, it is up to Government to ensure that stability of the jute markets is not disrupted by factors which are well within their control.

Growth Trends in Union Finances—1

NOW that the Central Budget for the last year of the Second Plan has been presented to Parliament, it would be opportune to bring into focus certain long-term trends which have been in operation in the structure of Union finances. In this the first instalment of the study are presented the trends in respect of tax revenue and non-tax revenue, expenditure on defence and civil administration in relation to total revenue, tax revenue in relation to national income and per capita incidence of taxation. Since the analysis, done here through a series of statistical tables specially constructed for the purpose, covers such long periods as 1948-50 in some cases and 1948-61 in some others, the trends disclosed may be validly assumed to be present, in more or less the same form, during the period of the Third Plan. It is hardly likely that long-term growth trends in respect of tax revenue, for example, will be significantly reversed or modified during a short period of five years.

The most important or, what may be called, the basic trend disclosed is that an increasing proportion of the increasing national income since 1948-49 has been appropriated by way of taxation by the centre. It will be seen from the following table (No. 1) that the increase is about a third in either case. But, while this has meant a near-doubling of tax revenue over the decade, it is not worthy that only about 10 per cent of the additional income generated in 1957-58 as compared to 1948-49 has been appropriated by way of additional tax revenue. The chances of this 10 per cent being reduced in the next five or six years are slender; if anything, the growing compulsions

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of defence and development expenditure may well justify its being increased. But, even at the present rate, tax revenue may be expected to reach a level of about Rs 1,000 crores by the end of the Third Plan.

TABLE 1

Year	National Tax Revenue Income at (including cost current of collection) (3) as prices (Rs crores) (Rs crores) per cent of (2)	1	2	3	4
1948-49	8,650	317.3	3.7		
1949-50	9,010	309.3	3.4		
1950-51	9,530	353.6	3.7		
1951-52	9,970	456.6	4.6		
1952-53	9,820	365.0	3.7		
1953-54	10,480	343.1	3.3		
1954-55	9,610	379.8	4.0		
1955-56	9,980	407.0	4.1		
1956-57	11,310	489.8	4.3		
1957-58	11,360	571.6	5.0		
1958-59	11,570	549.8	...		
(at constant prices)					

Another noteworthy trend is the increasing importance of non-tax revenue in the structure of union finances. It will be seen from Table 2 hereunder that the proportion of non-tax revenue in total revenue has maintained a steady upward trend especially since the close of the First Plan. In view of the increasing activities of State enterprises, it may not be surprising if non-tax revenue comes to represent as much as 25 per cent of total revenue by the end of the Third Plan. In which case, total revenue may be expected to reach a level of about Rs 1,300 crores in 1965-66.

TABLE 2

Year	Total revenue (Rs crores)	Non-tax part (3) as per of total revenue nue (Rs crores) (2)	1	2	3	4
1948-49	366.3	49.0	13.4			
1949-50	344.7	35.4	10.3			
1950-51	403.7	50.1	12.4			
1951-52	507.4	50.8	10.0			
1952-53	408.5	48.5	10.6			
1953-54	390.6	47.5	12.2			
1954-55	431.6	51.8	12.0			
1955-56	478.4	71.4	14.9			
1956-57	581.4	71.6	12.8			
1957-58	672.6	101.0	15.0			
1958-59	670.2	120.4	18.0			
1959-60	740.7	138.8	18.7			
(Revised)						
1960-61	802.7	153.3	19.1			
(Budget)						

So much on the revenue side. On the expenditure side, the most conspicuous trend is that an increasing proportion of the increasing revenue has been accounted for by defence and civil administration. It will be seen from Table 3 hereunder that while these heads together accounted for about half of total revenue in 1948-49, they have come to account for about two-thirds in recent years. A fair approach to this question of increase in expenditure would be that security has an indirect developmental import and that civil administration in a planned economy is virtually synonymous with administration of developmental and social services. Where defence industries are, also directly related to development and the civil administration is called upon to perform a whole range of additional developmental functions besides the usual ones, it would be difficult to draw a line and separate the expenditure on defence and civil administration into two distinct categories—namely, "development" and "non-development". It is too late in the day to expect a

reversal of this trend of expenditure on defence and civil administration even if it is assumed that such expenditure comes wholly under the "non-development" category. And it is also difficult to believe that this expenditure will range between half and two-thirds of total revenue instead of between two-thirds and three-fourths during the Third Plan period.

TABLE 3

Year	Total Revenue (Rs crores)	Defence expenditure and civil administration* (Rs crores)	(3) as per cent of (2)
1948-49	366.3	190.3	52.0
1949-50	344.7	197.5	57.3
1950-51	403.7	228.4	56.6
1951-52	507.4	242.6	47.8
1952-53	408.5	249.6	61.1
1953-54	390.6	271.1	69.2
1954-55	431.6	282.0	65.3
1955-56	478.4	285.4	59.7
1956-57	581.4	335.2	57.7
1957-58	672.6	450.4	67.0
1958-59	670.2	470.6	70.2
1959-60	740.7	505.3	68.2
(Revised)			
1960-61	802.7	569.1	70.9
(Budget)			

*Civil administration includes superannuation allowance, stationery and printing and civil works as these are directly related to it.

Thus far the long-term trends in respect of national income, tax revenue, non-tax revenue and expenditure on defence and civil administration have been presented without any reference to growth rates as such. To complete this part of the study it is necessary to work out, on the basis of the index numbers constructed in Table 4 hereunder, the average annual rates of growth, over the last decade, of national income, tax revenue, non-tax revenue, etc. Calculations based on these index numbers show that national income has registered an average annual rate of growth of 2.7 per cent in the period 1948-57 and that tax revenue, non-tax revenue and expenditure on defence and civil administration have registered rates of growth of 7.2 per cent, 13.6 per cent and 13.6 per cent per annum respectively during the period 1948-50.

TABLE 4

Year	Index Number of National Income at Current Prices	Index Number of Tax Revenue	Index Number of Non-tax Revenue	Index Number of Expenditure on Defence and Civil Administration
1948-49	100.0	100.0	100.0	100.0
1949-50	104.2	97.5	72.2	103.4
1950-51	110.2	114.6	102.2	120.0
1951-52	115.3	143.9	103.7	127.5
1952-53	113.5	115.0	88.8	131.2
1953-54	121.2	108.1	96.9	142.5
1954-55	111.1	119.7	105.7	148.2
1955-56	115.4	128.3	145.7	150.0
1956-57	130.8	154.4	146.1	176.1
1957-58	131.3	180.1	206.1	236.7
1958-59	...	173.3	245.7	247.3

Here, the growth rate in respect of national income would have to be interpreted with some caution because the figures refer to national income at current prices which are subject to fluctuations from year to year. Since figures of tax revenue, non-tax revenue, etc., have necessarily to be related to figures of national income at current prices, the growth rate of the latter has been worked out accordingly. Actually, as far as national income is concerned, its growth at constant prices is a more reliable index of the progress of the

economy. It may be recalled here that the average annual rate of growth of real national income in the period 1948-59 has been worked out as 3.4 per cent. (Vide: Leading Article entitled "Decade Growth of National Income" in the issue of "Indian Finance" of October 24, 1959.)

Broadly speaking, over the long-term, the growth of tax revenue is nearly twice as fast as the growth of national income. On the face of it, this may seem to be a disquieting trend from the point of view of the taxpayer. Actually the trend is not so very disquieting if the money burden of taxation is considered in per capita terms. It will be seen from Table 5 hereunder that while per capita money income (as of 1958-59) has increased by about 20 per cent since 1948-49, per capita money burden of Union taxation has not doubled itself but increased only by about 50 per cent. If the money burden of taxation increases with the per capita money income, that is as it should be.

TABLE 5

Year	Per capita income at current prices (Rs)	Per capita money burden of taxation (Rs)	(3) as per cent of (2)
1948-49	246.9	9.1	3.7
1949-50	253.9	8.7	3.4
1950-51	265.2	9.8	3.7
1951-52	274.0	12.5	4.6
1952-53	266.4	9.9	3.7
1953-54	280.7	9.2	3.3
1954-55	254.2	10.0	4.0
1955-56	280.6	10.6	4.1
1956-57	291.5	12.6	4.3
1957-58	289.1	14.5	5.0
1958-59	297.0	13.8	4.7
(guestimate)			

India's Debt is Growing

By a Special correspondent

NOT the size or the composition of India's public debt but the expansionary trend will excite comment. Critics may find the trend disturbing, but little can be done to arrest it. There is no statutory ceiling (as in the USA) to the debt contracted by the Union and, in this case, it may be said the sky is the limit. The Budget papers issued last week analyse the debt in the bare, official style. The debt is expected to rise from Rs 4,842.78 crores at the end of 1959-60 to Rs 5,263 crores at the end of 1960-61. India's sterling debt is insignificant, but the loans taken from the USA are still rising. As on March 31, 1961 the debt to the USA will stand at Rs 342.74 crores. The loans from the World Bank and the Export-Import Bank will increase, as also from Japan. There will be an addition of Rs 115 crores to the net obligations, raising the external debt from Rs 519.74 crores to Rs 810.47 crores.

Before the Swatantra Party started operations, some of its leading lights were concerned over the growth of external debt, the consequent strain on the balance of payments, and the new "drain" arising from the new dollar debt. All that may be mere financial history, but the fact remains that, while external assets are down, the liabilities certainly are going up. The Budget memorandum in its cold recital states that the pre war total of Rs 949.77 crores has been left a long way behind and the growth of public debt is now barely matched by the rise in rupee securities held as reserve for the paper currency. As is known widely, the external reserve in gold or sterling stocks is small and the country is reconciled to the currency resting largely on the Government's credit. New borrowing at home will be matched by the rise in other obliga-

tions, including the depreciation funds and the deposits received by the Government. These extra-budgetary funds are useful for supporting the gilt-edged market, which is now subdued owing chiefly to rumours of a rise soon in the Bank Rate. But the present vast figures relating to debt outstanding suggest that the Government have given many hostages to fortune and will be averse to raising the cost of fresh borrowing. The States are in a way in good company and their creations—the Electricity Boards, Financial Corporations, and Mortgage Banks—have an eye on the capital market. The competing claims of the borrowing parties certainly will lead to staggering in the so-called slack season. But, to the average citizen of India, it is plain that Ike's visit means more borrowing in dollars and Mr K's recent visit also means an addition to debt—of course, for approved purposes. A lot of money has been borrowed for creating assets and publicly owned property means something like security for the holders of Government loans. The railways, like the investments in the public sector, are a commercial asset but the Government still list the Rs 300 crores due from the Pakistan government as an item among the assets. But the Government are also frank enough to admit that the unproductive debt will have risen to a total of Rs 991 crores as against the pre war figure of Rs 183 crores. Much of this increase is attributable to grants made to the States which are always in need. But new offices for the revenue establishment or the defence department contribute in a way to the power and earning capacity of the Republic.

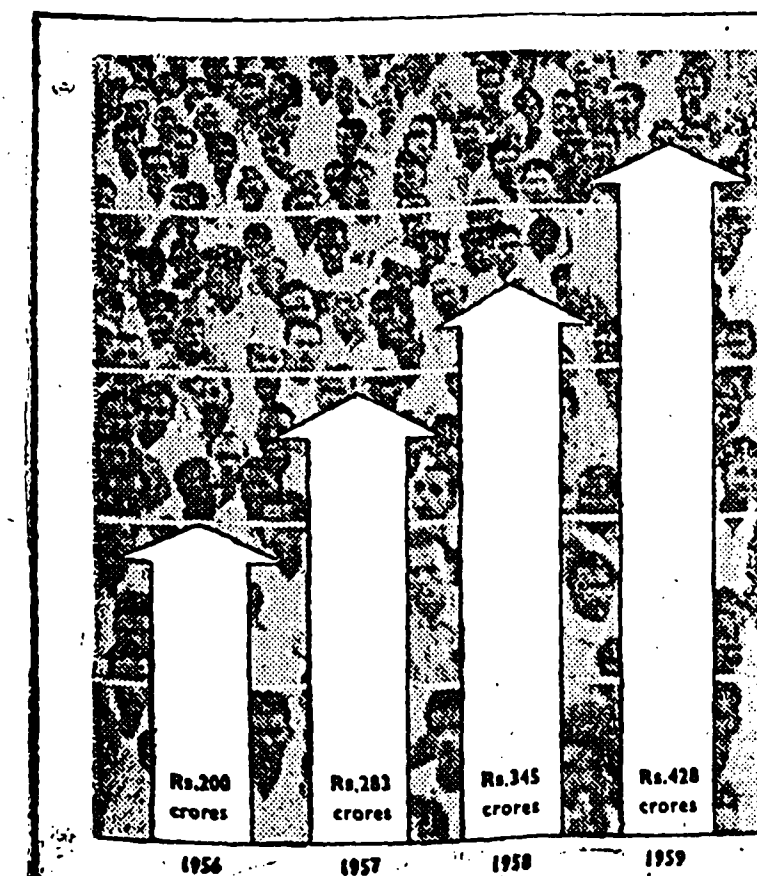
Enough has been said already by critics about Mr Desai's proposal to raise money by the issue of Treasury Bills. The inflationary

aspect upsets the worrying kind among our MPs. And the trend of interest rates abroad makes it difficult to assume that new loans contracted abroad for Rs 115 crores can be raised on the same modest terms as before and India, in order to settle the canal waters dispute, must raise money; it cannot get gifts even for the purpose of a pact blessed by the World Bank—the big lender who lays out borrowed money, in dollars, sterling, guilders, or Swiss francs—frankly to promote peace by economics. Borrowing from the UK is on the way. But how is it to be put through when there is already a loan from a British syndicate of banks? And there is also Mr Heathcoat-Amory's policy of tighter credit at home to keep down inflation. That is a point to remember, when it is presumed that India's credit rating is good, as the visiting mission of international bankers is told to bear in mind.

The figures available indicate also, that capital invested in commercial concerns owned by the Government will go up from Rs 460.14 crores to Rs 533.78 crores. This may be sign that the non-tax revenue in future will really go up, but too much should not be read into this prospective addition to income, when it is noted that the surplus of liabilities over assets will rise to Rs 1114.82 crores. This may mean that interest charges will absorb about Rs 45 crores per annum and the taxpayer will have to pay for regular annual debt service alone, a sum that is growing like an oak tree. This is equal to a year's net income from the Railways. Though Government intend to pay off debts in order to raise new loans, taken for the Plans at a lower rate in the past, the interest represents a real burden. The Union Government must feel they are lucky in having

taken over the Hyderabad loans and bless Sir Archibald Rowlands for conversion of 3½ per cent Paper into a 3 per cent loan repayable only after September 1, 1986.

There is obviously no moral to the story of mounting debt and growing interest burdens. It is not a sequel to the war, since India had managed to pay back vast sums due to the UK in 1942-45 and it is a fair comment that post-war strains have imposed additional liabilities. The cost of annual service is up from Rs 60.14 crores to Rs 69.59 crores in the latest Budget estimates. Suggestions for economy will certainly sound hollow in the face of this rising liability, and the public should realise that Rs 5 crores provided in the Budget framed every year for reduction or avoidance of debt is a trifle compared with the recurring addition to debt, and consequently to interest charges. Of course, if a lot of people are holding government loans, the social fabric is strong, but the denunciation of the rentier class will also get stronger. There is yet no condemnation since the big creditors of the Government are the big banks and the LIC, whose main concern is to pay out less than they receive and to lend the surplus to the Government for the sake of interest. The debt outstanding may not be very big in comparison with a year's revenue, but the succession of deficits makes the steady increase in debt ominous. Some MP may well raise the issue of an ever-increasing debt, though it is easy to say that, by borrowing, the burden is passed on to posterity whose claims are negated by the simple fact that it has no vote. And all that can be said about vigilance in borrowing and arranging for the best terms may sound thin to an administration facing grave new tasks in relation to national security.



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NATIONAL NOTES

Prices and the Plan

The problem of prices dominated the general discussion on the budget, and rightly too. For the movement of prices over the last year has been such as to cause grave concern regarding the cost of planning. Over the first four years of the Plan, the index number of wholesale prices had increased by 25.4 points or 27.5 per cent, from 92.5 in 1955-56 to 117.9 in December 1959. The index had further increased by two more points to 119.9 by the second week of past month. A comparison of the figures would indicate that prices have overtaken the growth of national income and masked the gains in national output. During 1955-56 to 1958-59, per capita income, at 1948-49 prices, had only increased from 110.8 to 117.7 or slightly more than six per cent against increase of over 20 per cent in wholesale prices over the same period. The fall in real income and the consequent hardships press with exceptional severity on the fixed income groups of the middle class. These lead in turn to inflation of the pay bill, which has already pushed up the cost of planning. The claim that the total outlay on the Plan will be only Rs 200 crores below the original target will have to be viewed against this background. The Pay Commission's recommendations have already pushed up the cost of Civil Administration by about Rs 50 crores without satisfying the Government employees.

And now the Government have to deal with what the Finance Minister described as the "fantastic demands" of the State Bank employees.

It was perhaps inevitable in the circumstances that critics of Government in Parliament should fasten on the scale of deficit financing as the obvious cause of the price increase. But the position in a developing economy is more complicated, and the Finance Minister could easily show that there is no necessary connexion between fluctuation of prices and expansion of Treasury Bills. Changes in the level of population, production, investment and imports are all relevant to the problem of prices as the Finance Minister had explained earlier to Parliament's Consultative Committee on Finance. An objective assessment would have to take all these factors into consideration. The country, however, will expect of the Government and the Finance Minister something more than an objective assessment. The crux of the problem, as the Governor of the Reserve Bank pointed out last month, during the Golden Jubilee of the Economics Department of the Calcutta University, is how to balance the development of the economy at an appropriately rapid rate with the maintenance of the stability of the currency.

The fact which the Finance Minister has emphasised, that the rise in prices in India had been less than in many other countries, cannot be regarded as a source of comfort. A comparison of the impact of prices in India and other countries, should take prices along with figures of national income or, to be more exact, the changes in the net personal incomes after taxation. For example in the United Kingdom, prices have increased by 66 per cent in the last decade against 13 per cent in India. But still, Mr Macmillan was able to win a hotly contested election on the strength of the slogan: "We never had it so good". Even the brashest politician would hesitate to put forward a similar slogan in India.

Allocation for Agriculture

The need for giving top priority to schemes for increasing agricultural output in the Third Plan has been rammed home by the experience of the Second. There is now general awareness of the inter-relation between the levels of agricultural output, prices and investment. But the scale of outlay, necessary to secure the agricultural front, remains a matter for tough bargaining between the Ministry of Agriculture and the Planning Commission.

The Ministry which has the assignment of boosting agricultural production to 110 million tons by 1967, that is by 35 million tons during the five years of the Third Plan, has calculated the requirements on the basis of outlays and achievements during the Second Plan. An outlay of 294 crores on development of agriculture during the Second Plan is expected to increase output by ten million tons. On this basis it is estimated that the minimum provision for agri-

culture during the Third Plan should be Rs 1000 crores, apart from the provision of Rs 92 crores for the package deal. But agriculture is a field in which it is not possible to establish close correspondence between input and output. The vagaries of the weather and of biology can play funny tricks with arithmetical calculations. So there is scope left for argument on the size of the allotment which will have to be fitted within the total resources in sight.

The details of the allocation and the methods employed to increase production are at least as relevant as the size of the total allocation. The total provision is intended to cover a variety of programmes, including fertilisers, minor irrigation, soil conservation, land development and research, seed farms, storage, plant protection, agricultural implements and so on. While there may be room for avoiding wastage under these individual programmes and for choice of comparatively less costly methods, the Ford Foundation Team's report has repeatedly stressed the need for a comprehensive approach to the problem of agricultural planning. And that is the rationale of the package programme. Still it should be possible to economise on the total outlay, by integrating the agricultural programme with Community Development and the programme for the development of community assets by utilising unemployed resources of rural manpower.

Public Enterprise Accounting

There are at present 45 Government companies, 14 Statutory Corporations, eight Committees, seven Boards, three Councils, three Akademis and the Khadi and Village Industries Commission which come under the category of public undertakings, and more are likely to be added to the number. These have been set up with the money provided out of public funds, for undertaking, commercial, financial or promotional activities on behalf of the Government. A rough estimate places the total investment on these undertakings at over Rs 765 crores. Are the existing methods of furnishing information to Parliament on their programmes and working results adequate and satisfactory? The question is answered emphatically in the negative by the Estimates Committee.

The Committee in its 73rd report points out that, under the existing arrangement, Parliament does not get a comprehensive picture of the undertakings. Consolidated information is not available, either regarding total investment made by the Government in the public undertakings, or about the working of the undertakings and its results. Except in the case of four public undertakings, others have no legal obligation to present their budgets to Parliament. Statutory bodies like the Port Trusts, the Reserve Bank and the State Bank are not required to submit their accounts to Parliament. The reports of companies in-

which Government has a substantial stake, even though they do not come under the category of Government companies, (that is companies in which Government holds not less than 51 per cent of Share Capital) are also not required to be laid before Parliament. The reports when they are required to be submitted are often delayed and the information furnished is inadequate.

Under the Companies Act, undertakings in the private sector are obliged to hold annual meetings within nine months of the close of their financial year, and their shareholders get the annual reports and statement of Accounts at least three weeks before that date. In the case of the State undertakings, the time taken in laying the reports on the Table of the House ranges from four months to two years eleven months. In the majority of the cases the reports are delayed by over one year. In the USA public enterprises are obliged to present their reports to Congress within the time limit of six and a half months after the conclusion of the fiscal year. While there is no specific time limit in the U.K., the reports are usually available to Parliament within six months.

The Estimates Committee has recommended that the reports and accounts for the previous year of all public undertakings may be laid before Parliament before the general budget for the following year is presented. They have also reiterated a suggestion made earlier that, along with the report for the previous year, a performance and programme statement should also be submitted, as in the usual practice in United States. The obligation to present reports to Parliament will be one of the most effective means of toning up the administrative efficiency of public undertakings.

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FOREIGN NOTES

Supplies for Nepal

A new trade pact with Nepal to replace that of 1950 is overdue. Negotiations in Delhi followed the visit of Mr Koirala who is now off to Peking. The transit trade of Nepal must have suffered. The pact of 1950 provided for a Nepali tariff at the Indian level. But import control in India plus high duties and surcharges must operate to the disadvantage of Nepal which can be served only by the port of Calcutta. Nepal's new-found political stability must be sustained by economic growth for which a large supply of consumer and capital goods is indispensable. New Delhi has perhaps recognised the just and pressing claims of Nepal and the duty to maintain special bonded warehouses for goods imported by Nepal via Calcutta, Indian export trade to Nepal is bound to benefit and there is a case for large exports of salt, sugar, tea and tobacco, exempt from excise.

The depreciation of the Nepal rupee has been arrested and Nepal may be able to buy more rice from Burma and piecegoods from Hong Kong or Japan by payment in Indian rupees by exporting more jute or timber to India. The future intake of capital goods or light engineering products may also improve, if the pact takes account of the general needs of Nepal and India's present foreign policy may demand special terms for permitting a landlocked State to get supplies from the nearest source or to get over the prohibitions enjoined by import control in India. The special circumstances of Nepal will entail relaxation of restrictions applied in India and the authorities will have to distinguish between supplies given on credit or as aid by the USA or Russia to Nepal and the purchases made in India. The STC may find new opportunities and adapt Russian trade practices to the trade across the land frontiers. The only point that requires some emphasis at present is that ordinary rules cannot apply and Nepal therefore should be enabled to obtain imports via Calcutta or Bombay, be it paper, sugar or liquor and woollens without undue concern for Indian import policy. A closed economy is a luxury that Nepal cannot afford at present.

Ceylon's Import Rules

Ceylon's import policy distinguishes between the dollar area and the sterling group. While imports from the rouble bloc require an individual import licence, there

seems to be a restriction on imports from the ECM area also since December 1959. The OGL applies to grains, bran and pollards, cattle-feed as well as meat and drink. The Island lets in coffee as well as coriander and fruits and fish without any excessive concern for either exchange stability or home production. The free entry of infant foods calls for mention in view of the quota restrictions still obtaining in India. The absence of Prohibition explains the inclusion of wines and spirits in the schedule of permitted items. Far more important for India is the inclusion of tobacco, both manufactured and unmanufactured. According to official figures (for the first half 1959-60) Ceylon buys bidi tobacco as well as a small quantity of chewing tobacco from India. But it is not apparently buying cigarettes or cigars. The explanation may be in the rise of local factories.

The licensing policy in Ceylon is not governed by any special concern for the indigenous angle as in India; on the other hand, discretion is vested in the controllers to issue licenses to imports, though in the case of coir or furniture no permission can be had and, in the case of soap, textiles and footwear, licences are reserved for registered Ceylonese traders only. In this respect, Ceylon may be said to follow Burma. But India still exports more than it buys from Ceylon and licensing cannot be criticised harshly. There is a total ban on crackers as also rubber toys but, in the case of stationery, some lines, not manufactured locally, are permitted imports. Ceylon does not seem to prohibit bullion imports, since the Controller is allowed discretion in authorising imports of gold or gold coin, perhaps for specified or proved needs. In regard to textiles, the policy of curbing the import of lungis is continued but piecegoods, except hosiery of Indian origin can enter while there is an absolute ban on the import of goods from the dollar area. And in regard to chillies and dry fish, Ceylon is not only the leading importer of these items from India, but India has made it clear that export policy is governed by other considerations than the needs of the domestic consumer at present.

St. Lawrence Seaw

With the opening of the ice-bound St. Lawrence Seaway little more than a month off, both ocean-going and inland ship lines are looking forward to a banner year—a year which should mean notable gains over the record results of last year, the first of the Seaway's operation.

Final reports show that in 1959 more than 20 million tons moved through the new waterway between opening date, April 25, and its closing on December 3. While this was about five million tons less than had been expected, it was still a full 71 per cent higher than the volume achieved in 1958, when the Seaway

was limited to shallow-draft vessels. Failure to meet estimated tonnage totals is attributed mainly to a sailing season which, because of the weather, was one month shorter than anticipated.

As perhaps was to be expected with the widening and deepening of the Seaway channels, the most dramatic gain last year was made in direct overseas commerce with inland U.S. and Canadian ports on the Great Lakes. According to official reports, total direct overseas traffic last year amounted to nearly 4.6 million tons, compared with less than 900,000 tons in 1958. Based on preliminary data, the traffic for 14 U.S. Great Lakes ports engaged in direct foreign commerce was 3.6 million tons in 1959 as against 600,000 tons the year before.

Looking ahead, shipping men predict that last year's 20 million-ton total of domestic and foreign traffic should be exceeded by at least five million tons or more this year. They agree that the biggest gains in the coming eight-month season will be in bulk cargoes, chiefly grain and ore.

American shippers are particularly optimistic, since last year's lengthy steel stoppage in the United States idled most of the U.S. ore fleet for nearly four months. This left to Canadian carriers the bulk of the iron ore movement from Canadian mines to American steel mills on the Great Lakes.

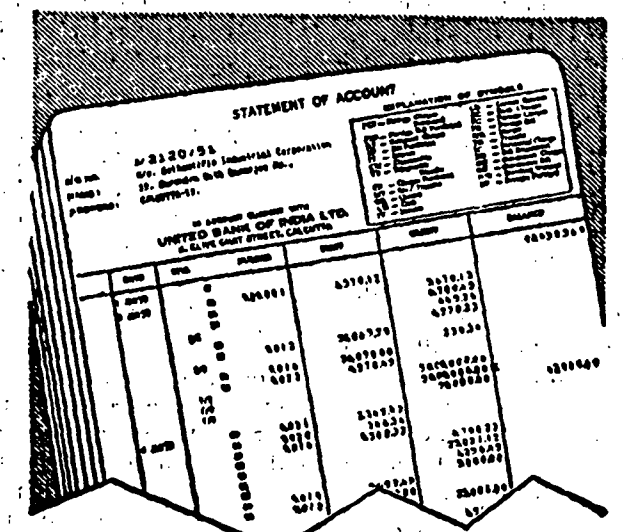
Another reason for optimism is the possibility of an early opening of the St. Lawrence Seaway this year—earlier than last year at any rate.

Canadian officials usually open the channels around April 15, and it is significant that icebreakers already have smashed through to Montreal Harbour, the eastern entrance to the Seaway.

It also should be remembered that last year, the first of the Seaway's operation, saw the inevitable delays in transit and in the handling of cargo that can be expected to accompany the opening of a new and crowded waterway. Now, with last year's experience behind them, shippers and port officials should be in position to overcome many of the earlier difficulties.

Operators of foreign lines, who profited most from the Seaway last year, are reported planning to place additional ships in the Great Lakes-overseas service this season, and some may be replacing their smaller ships with larger and faster carriers. One American line also is considering using larger and faster ships on its Great Lakes-overseas runs. In all, 1960 is expected to see the greatest number of ocean-going ships on the Great Lakes in the shipping history of North America.

Lending an important boost to the Seaway traffic, of course, has been the remarkable expansion of world commerce generally and of U.S. demand for foreign goods in particular. Last year, U.S. merchandise imports reached a spectacular \$15,300 million, the largest annual total by far, and they are expected to increase further this year. U.S. exports also are expected to gain in 1960, in line with the general economic growth around the world.



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STATES NOTES

AP's Industrial Growth

An official note on industrial development in Andhra Pradesh deals with the chances of making the most of the minerals and power supply. Under the Second Plan loans to large industries took Rs 283.72 crores in order to help raise output of paper and sugar. It is hoped to raise output of the paper mill at Rajahmundry to 50 tons a day by getting new machinery from Japan on credit. The installation of a fertilizer plant to meet the present demand for 200,000 tons of ammonium sulphate a year is taken to be urgent. And it may be noted that the private sector, too, is keen and the interest of EID & SF in the production of fertiliser perhaps at Vijayawada may be the reflection of the Government's interest in producing more manure to raise output of sugarcane and tobacco. The Singareni collieries is raising funds for expanding output to 30 lakh tons and the Union Government are obtaining a share in the control of the State-owned company. The present bonus issue to shareholders is a prelude to the virtual take-over of the Company. The Government's ambition to start coir and sericulture industries may excite criticism but all will approve the scheme for manufacture of stoneware pipes through the purchase of the East Coast Ceramics at Rajahmundry or the making of splints for the four small match factories set up in Andhra Pradesh also. The additions and extensions made to sugar factories have enabled Andhra to export sugar to adjacent states and the two new co-operative mills are drawing machinery from the KCP, which has improved its large workshop in Madras City.

Wage Board's Impact on Madras Textiles

Implementation of the recommendations of the Textile Wage Board would result in the closure of a majority of units of textile mills in South India and would be the starting point of acute and acrimonious industrial disputes in the surviving units.

This is the view very strongly held by the Southern India Millowners' Association, Coimbatore. The Association (spokesman, Mr R. K. Kandaswamy, who is also the Chamber's vice-chairman, in a press statement contended that the wage Board's recommendations were very controversial, vague, and

particularly "discriminatory to Madras State."

Mr Kandaswamy's statement is said to have been issued on behalf of the Association of which he is the Vice-Chairman. He pointed out that the Wage Board had not taken into consideration the fact that, in Madras State, for every thousand spindles, the mills employed fourteen workers as against 11 in Bombay and Ahmedabad up to spindle point. In addition, seven reelers were employed, he said, for every 1,000 spindles. This was very peculiar to the spinning industry, he stated, on account of the nature of the consumer requirements of the handloom industry. In Bombay and Ahmedabad, which have composite mills, there was no necessity for such additional labour.

It was necessary to rationalise, but he asserted the Wage Board "has failed to make the increase in wages conditional upon the extent to which rationalisation is accepted and implemented by the employees." He avers that the Madras State textile industry would be hard hit and could not withstand and survive the impact of the implementation of the recommendations of the Textile Wage Board.

Furthermore, Mr Kandaswamy's statement emphasised that the Board's report has failed to take into account the very large number of workers employed in the South as compared to Bombay or Ahmedabad. In Madras State, industry is predominantly spinning industry catering to handlooms and providing special kind of packing required.

A third of the total labour force was reelers. He contends that, to equate wages paid in Madras State with those paid in Bombay or Ahmedabad, would be inequitable to the Madras area in view of the large number of workers in Madras State.

Nor had the handloom industry been considered by the Wage Board, Mr Kandaswamy charges, and asks whether the Board had ever taken into account the factor of the handloom industry itself taking on the increase in yarn prices. It was a fact well known that the handloom industry had proved itself incapable of meeting any increase in the price of yarn resulting even from market fluctuations. Therefore, any substantial increase in yarn prices consequent to the liberal wage increase recommended by the Board could not be borne by the handloom industry.

Possibly, this oversight was due to the absence of any handloom representative in the Board. The Southern India textile industry looked forward to the Government of India taking a realistic view of the situation, but Mr Kandaswamy records with regret the serious repercussions likely to be caused by the industry's acceptance of the recommendations.

The Southern India Millowners' Association has a membership of 100 mills with 28.81 lakh spindles and 8,826 looms. This Association is organising an urgent meeting of representatives of all mills in Madras and neighbouring States to discuss the situation arising from the acceptance of the report by the Government.

Cumbersome Labour Laws

Comments on India's labour laws from foreign experts have always been unwelcome to the authorities, but the outspoken view that labour legislation in India was being enacted too fast and that it was cumbersome, by Professor Charles Orr of the International Labour Organisation, should have been quite embarrassing to the authors of the nation's labour codes.

Prof. Orr expressed some frank views at the meeting of the Managing Committee of the Federation of Andhra Pradesh Chamber of Commerce and Industry at Hyderabad last week. He said that, in India, there was so much legislation in labour that neither the employers nor the employees, nor the labour officers themselves clearly understood and knew them. He told the meeting of the complaints from labour leaders themselves that the State employer units were worse than the private sector. At the same time, he also spoke of mediaeval conception of the dignity of labour entertained by some employers supposedly representing advanced types.

It was not far wrong to think, he believed, that the Government leaders themselves were as much in need of education as the workers. Workers were human and needed to be treated as such, and he had to state this because many Government leaders did not trust workers to make up their mind.

What was the type of workers' education? He answered this question by saying that it should be toward minimising the strikes. India was a country beginning to get industrialised with frequent strikes by workers. Worker-teachers from among the workers trainees should be able to inform their coworkers as to the interests of consumers (as also the social and national interests).

It was Prof. Orr's considered view that workers' participation in industrial management could not progress fast in this country. It might be, of course, desirable, but it appeared to him that workers were not prepared for that task yet. Rationalisation and standardisation should grow apace without detriment to labour progress. No unemployment should result through standardisation. Industrial relations were well organised and honest in Europe, as to make the Workers understand the need for both rationalisation and standardisation for high quality production.

Contrasting labour in India and America, Prof. Orr said that in America workers were so well paid that they did not bother themselves about politics. Not did the American Government interfere with labour affairs. Practically no labour legislation was there in America. The task of the United States Government was only to ward controlling quality and not quantity.

Fast industrialisation would generate a new kind of industrial workers who would pose a problem to the State. He advised more fertilizer factories for India for a balanced economy rather than steel plants. It was his view that India could export its iron ore to Japan and import steel at rates cheaper than the Indian manufactured steel. The investment on fertilizer factories, would get far higher returns than from steel factories as fertilizer was far more important to India at present than steel plants.

Shipping appears a depressed industry and shipping shares are out of favour at present. But over half the Indian tonnage is composed of fairly new vessels less than ten years old, and only 15 per cent can be described as middle aged. Additions to tonnage are still being made and the total registered may go up to 845,000 tons as against 744,000 tons at the end of 1959. It is known that these vessels are on the run to the Gulf and one small refrigerated vessel will operate shortly as a banana-carrier. This will be welcomed by the oil companies, too. A fairly high proportion of the present fleet is engaged in foreign trade, but the complaint made by ship-owners is against the present level of rates and the absence of any reservation of Government cargo for Indian bottoms, according to the current practice in Brazil. Cheap loans for buying ships are in vogue in Belgium which makes new capital available at 1 per cent for buying coastal vessels. Lower building costs and careful buying of used ships may help to raise India's present low tonnage, but it is the diversion of railway traffic that will really help coastal vessels (307,000 tons total) to earn more soon. In spite of safeguards devised by the Government, the operating results of shipping companies have been below expectations and the Government, as a big creditor, should be in a position to restore capacity to repay. The improvements to ports may not help much when import trade is substantially lower at present. The shipping interests are agreed at present that policy should be shaped by the persistence of keen competition and the rise in working costs in this industry.

Depressed Industry

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Clive Street Gossip

"I must have liberty
Withal, as large a charter as the wind
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dred per cent. There was, therefore, some justification for Mr Desai's description of the demands as "fantastic." Presumably, the employees themselves have framed their demands, not on the basis that they were minimal, and a rather liberal allowance of bargaining elbow room has been made. Subsequently, there were talks between the federation and the management, and according to Mr Desai, the employees were told that their demands were completely unrealistic, and that they should frame an order of priority in their demands so that the matter may be further examined. Mr Desai also avers that this was not done, but negotiations were still going on. Some time in November last year, the federation felt that there was no further room for negotiation, and passed a resolution asking the management to agree to voluntary arbitration; they also asked for interim relief that would have involved an expenditure of Rs 2½ crores. On the question of arbitration, the management, according to Mr Desai, said that the question should be considered, not in isolation but as part of a general question of the entire banking system. Employees of other banks had also served similar charters in their employers, and therefore Government were thinking of devising a machinery for dealing with the entire question. Meantime, the strike notice was served and, during further discussion between the management and the federation, it would appear that the management said that, since it was the employees' own view that negotiations had failed, it could not resume them without consulting the Government. On consultation, Government said that negotiation should continue, but that a reasonable basis for negotiation should be determined. No such basis was afforded by a demand that involved a further annual outlay of Rs 4½ crores. On this, apparently, the strike was precipitated. It was said by Mr Khadilkar that the strike was provoked by the management taking the stand that there could be no negotiation unless the demands were withdrawn. Mr Desai repudiated this, and said, "We can never say 'no' (to negotiations) however unreasonable the demands may be." But he also added that he would not accept unreasonable demands. He further made it clear that there could be no negotiation until the strike was

called off. Subsequently, the employees offered to call off the strike "if they get a written undertaking to resume negotiation and arrive at an amicable settlement within seven days failing which the matter should be referred to arbitration." As I write, reports in the press say that Government are to announce shortly their decision on the question of suitable machinery for dealing with the demands of all bank employees.

I have set out in some detail the background of the dispute the more easily to draw the morals. First among these is the tortuous equivocation and quibbling that emanate from both sides on such occasions. The Finance Minister is ready to negotiate, even on unreasonable demands, but he says in advance that he will not concede unreasonable demands. There is, I suppose, a distinction of a subtle sort embedded here, but practical people may not see it. Likewise, the employees are willing to meet management halfway by not insisting on the charter, provided they get an assurance of a "sincere" desire to settle the dispute within seven days, failing which there should be arbitration. How they expect this offer to be accepted in this form is difficult to see, for, arbitration has already been ruled out by the Finance Minister except in the context of the entire bank-

ing business. Of course, all this is the familiar cut and thrust of the strike game. In fact, the reported desire to devise an arbitration machinery for all bank employees' demands is probably authority's riposte for the employees' offer. In that they have tacitly given up the charter of demands as a basis of negotiation, but they insist on safeguarding the rear by eventual arbitration, should negotiations on the new basis fail. Of course, Government's offer of a general machinery for arbitration meets their wishes only halfway. Indeed, from the State Bank employees' point of view, it may even be a snare: first, there is the inevitable delay involved in the machinery starting to function. Second, and more important, in the context of the entire banking business, the State Bank employees' grievances would appear relatively exaggerated, for, among banking employees, they are probably the best off. Thus, the involutions of the offer and counter offer hide innumerable mental reservations on both sides.

Indeed, on the question of arbitration, authority's equivocation has been unwittingly exposed by different reasons being advanced for its reluctance to submit to the employees' demand for it. Mr Desai was more adroit than the "spokesman" of the State Bank. Mr Desai's short answer to the demand for arbitration was that such a machinery would have to be devised for the entire banking business. This seems so reasonable that none—not even the State Bank employees, who may have thus been hoisted with their own petard—can demur on principle.

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But the State Bank's own explanation as reported in the press was more specious. It was explained that "it was not possible for the bank as a public-owned institution to agree to voluntary arbitration as this would take away the rights of Parliament, Supreme Court and the Government to review the arbitrator's award—a right which they had retained even in matters which were adjudicated by a Tribunal under the Industrial Disputes Act." Mr Desai himself does not mention this reason, and, in his re-

ported readiness to think of machinery for considering the charters of all bank employees, this particular argument seems to have been abandoned by implication. And yet, the fact that it should have been advanced shows a crucial ambiguity in authority's attitude to such questions. Strictly speaking, there is no reason why a public-owned bank should, in labour-management relations, have special considerations. In the past, special "awards" have been devised for other bank employees, and the bankers in the "private

sector" can legitimately ask why the State Bank should be immune. Indeed, theoretically and in other contexts, Government (in the person of the Labour Minister) have said there should be no distinction between workers in public and private undertakings. And yet, when it comes to the sticking point a (not often openly avowed) different criterion is invoked. What is perhaps even more glaring is that, in situations in which a member of the private sector is embarrassed by precisely such situations, authority has been all

too ostentatiously keeping aloof. Ability to shoulder the burden, inelasticity in earning capacity and the legitimate interests of the other partner in the enterprise—the shareholder—are considerations that loom large enough, but do not seem somehow to make any impression at such times.

This, of course, is nothing so crude as an anti-labour jibe. Government's responsibility in securing the legitimate rights of labour is denied only by morons. Nor am I insensible of the fact that, on the whole, Government as an employer have been striving to set an example and succeeding in a large measure. The cheerful acceptance of an additional burden of Rs 55 crores per annum is impressive enough evidence of that. It is also quite true that Mr Desai's description of the demands of the State Bank employees as "fantastic" is not far off the mark. But the principle that increase in wages must have some relation to rise in productivity can be abjured only by the fiscally irresponsible. And this is an argument that has validity in all contexts. Much has been said recently of the dangers of inflation, and it is true that one of the factors that aggravates it is wage increases unrelated to increased productivity. In the coming years, Government's responsibility as an industrial employer will rise enormously. Many of the enterprises to be taken on by them are crucial to the national economy. Strikes in these undertakings would have incalculable effect on the economic health of the nation. It is time that Government took thought to avoid situations like the one created by the State Bank strike.

West German collaboration in India's industrial development has come to cover an expanding field. A vital link in this is represented by the activities of Demag, the 140 year old German company headquartered in West Germany's smoke city of Duisburg. Notable among its achievements was the building of steel plants in Egypt, Korea, the Philippines, Burma, Brazil and Argentina. In India itself, it is with the erection of steel plant that the Demag is associated. Considerable importance thus attaches to the visit of Dr Erich Kemna, the 56-year old Vice President of Demag, to the country. The visit has coincided with the fructification of a joint venture between Demag and Indian enterprise represented by Mr Tulsidas Kilchand, a name well known in the country. Dr Kemna has evinced keen interest in the study of the developments in heavy engineering and its ancillary industries as also of port development. The visit should, therefore, foreshadow further developments in the direction of increased collaboration on the part of Demag in Indian industrial development.

EAVESDROPPER

Indian Finance

March 12, 1960

GATEWAY GOSSIP

Textile Wage Board

IN accepting the unanimous recommendation of the Central Wage Board for Textiles, Government have urged employees, workers and State Governments to take immediate steps to implement the recommendations. The Board's recommendations relating to wages may be summarised as follows:

1. An increase at the average rate of Rs 8 per month for worker shall be given to all workers in mills in category I from 1st January 1960 and a further flat increase of Rs 2 per month for worker shall be given to them from 1st January 1962.

2. An increase in the average rate of Rs 6 per month per worker shall be given to all workers in mills of category II from 1st Jan. 60 and a further flat rate of Rs 2 per month shall be given from 1st January 1962.

For the purposes of wages, the industry should be divided into two categories, mills in Bombay city and Island (including Kurla), Ahmedabad, Baroda, Billimora, Navsari, Nadiad, Surat Phagwara, Hissar, Delhi, Modinagar, Calcutta City, the whole of Madras State and Bangalore, coming in the 1st Category, and mills in other centres in category II.

The increases in the basic wage are subject to the conditions that the said sum of Rs 8 and Rs 6 shall ensure not less than Rs 7 and Rs 5 respectively, to the lowest paid, and that the increase of Rs 2 from 1st January 1962 shall be flat for all. As regards dearness allowances, it has been recommended that it should be linked to the cost of living index in all centres and further that it should be consolidated with the basic wage at an index which will yield an amount equal to three-fourths of the average dearness allowance of the first 6 months of 1959. The remaining 25 per cent dearness allowance shall continue as dearness allowance and shall have a flexible character.

In making its recommendations, the Board expressed regret that ever after a century's existence the industry is unable to pay a need-based wage. Government's resolution on the recommendations also expresses the hope that having regard to the need for building up a healthy industry and the necessity to maintain industrial peace which will assist in rehabilitation and modernisation of the industry, the industry and employees will take necessary steps to implement the recommendations.

Speaking in Bombay last week Mr Gulzarilal Nanda, Union Minister for Planning and Labour em-

phasised the need for accepting the recommendations of Wage Boards in a spirit of goodwill. In his opinion the lead should come from employers so that employees may follow suit. While admitting that an ideal way to settle employer-labour differences is yet to be devised, Wage Boards, whenever they have been applied with vision, have yielded good results.

Prospects for ready acceptance of the Central Wage Board for the textile industry do not, however, appear to be encouraging. For, the Committee of the Indian Cotton Mills Federation views with grave concern what it terms as the enormous burden which will fall on the industry as a result of the recommendation for a flat increase without linking it with productivity. It has been estimated that the increased wages will impose an additional expenditure of Rs 9 crores per annum and Rs 11.25 crores per annum two years hence. In addition to this, mills in certain areas may have to pay increased dearness allowance as a result of this

allowance being linked with the cost of living index. In a press note, the Committee of the Federation has pointed out that already about 40 units have gone out of production and more mills will find it difficult to continue because of the new financial burden imposed by the Wage Board recommendations.

Government naturally expect that both employers and employees will show a spirit of accommodation in interpreting the recommendations of the Board since the recommendations represent agreed conclusions between their representatives. They have also expressed the hope that difficulties, if any, will be solved by direct discussion between the parties concerned and, if necessary, with the assistance of the State Government concerned. The tripartite Wage Board for Textile industry was constituted in March 1957 with Mr F. Jeejeebhoy as Chairman. Employers were represented by Mr Arvind N. Mafatal and Mr Bharat Ram, and workers by

Mr G. Ramanujam and Mr S. R. Vasavada. The independent members on the Board were Mr Asoka Mehta and Prof. M. V. Mathur.

It is, however, gratifying to note that the Board have emphasised the importance of speedy rationalisation. In their resolution Government have also said that it is very necessary that work loads and working conditions in the industry should be rationalised as early as possible. But as the Board has stipulated that as a result of rationalisation there should be no retrenchment or loss of earnings of the existing employees, difficulties may be encountered. The machinery at Regional and National levels recommended by the Board to deal with disputes arising out of rationalisation may not be able to solve all the problems that may come up. But if the importance of a speedy rationalisation of the industry is fully realised by all sections of the industry, the achievement of the desired result may prove to be surprisingly easy.

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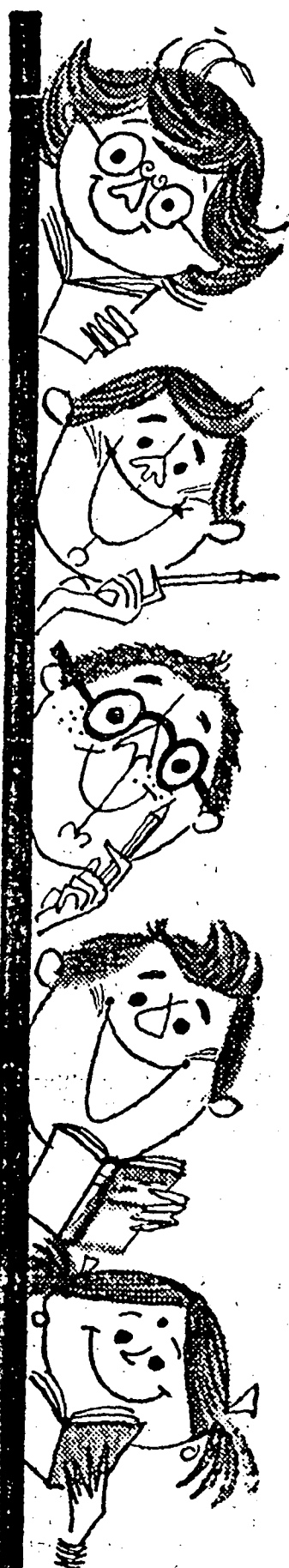
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Finance
Ministry's Report

THE Union Finance Ministry's Report contains a succinct review of developments in 1959-60. Some of these are highlighted in this despatch. At the outset, it is mentioned in the report that 11,31,533 income-tax assessments were completed during the year 1958-59 against 10,03,134 completed during the year 1957-58. It is not known whether the larger number of completed assessments in 1958-59 reflects greater speed in the work of assessment or it is due to an increase in the number of assessees. It is probably the latter because the number of pending assessments as on 1st October, 1959 is 10,82,103 as against 9,60,315 on 1st October, 1958.

While dealing with the Wealth Tax, the report says that "though the experience of this new measure is still limited, no serious difficulties in the working of the Act were experienced during the year". If there have been "no serious difficulties" in the working of the Wealth Tax Act, it is rather surprising that only 9,490 cases had been disposed of between 1st April and 31st October 1959 out of 45,250 cases for disposal during the year 1959-60, including the cases brought forward from the previous year. This slow pace of disposal probably accounts for the fact that the revenue from Wealth Tax has not substantially gone up even in its third year. Perhaps the work of disposal of Wealth Tax cases will get speeded up in the wake of a recent development, namely, that the constitutional objection raised against the levy of wealth tax on Hindu Undivided Families has been decided by the Bombay High Court in favour of the Department. As for the Expenditure Tax, the total number of cases for disposal in 1958-59 was 7,774, out of which 5,768 cases were disposed of during the year. In spite of such speedy disposal total collections against

the Revised estimate of Rs 1 crore for 1958-59 amounted to only Rs 65 lakhs. It would appear that if this tax, even after two years, has not turned out to be a fruitful source of revenue, it is not due to any slackness in assessment and disposal as in the case of the Wealth Tax.

The Finance Ministry's Report has also dealt with the position regarding the Estate Duty. The Estate Duty (Amendment) Act, 1958, has not yet been brought into force, as Government have not received resolutions under Article 252 of the Constitution from all the States. The Legislatures of ten States have passed resolutions asking Parliament to apply the provisions of the Amendment Act to the levy of estate duty on agricultural lands. The Legislature of Orissa has passed a resolution to the effect that the parent Act should not apply to agricultural lands in the State from 1st April, 1959. In the States of West Bengal and Jammu and Kashmir the original Act does not apply to agricultural lands. In the remaining State of Bihar, the resolution has been passed by the Legislative Council and remains to be passed by the Legislative Assembly. It is proposed to bring before Parliament a Bill to give effect to the resolutions passed by the various State Legislatures after the Bihar Assembly passes the resolution under Article 252 of Constitution.

As for the Gift Tax, 4,778 assessments were made during the year 1958-59 and the collection came to Rs 1 crore. The Finance Ministry's report has referred to the Writ petitions before the Andhra High Court challenging the competence of the Central Government to levy a tax on gifts of agricultural lands. It is noteworthy that this question too has been decided in favour of the Government.

Among the other highlights of the Finance Ministry's Report are the sections dealing with the Economy Division of the Department of Expenditure, the Small Savings movement, capital issues control, and the Economic and Insurance Divisions of the Department of Economic Affairs. Firstly, in the section dealing with the Economy Division it is stated that the Special Reorganisation Unit has carried out, since the reorientation of its methods towards the end 1956, work-studies in 25 organisations, besides a number of ad hoc studies. Besides economies resulting from work simplification and improvement of standards of performance, the direct economies resulting from implementation of the staffing assessments made so far will alone be of the order of Rs 50-55 lakhs per annum. At this rate, it would be idle to expect any substantial economies in the expenditure on civil administration. The scope for such economies seems to be limited in the work-studies of the Special Reorganisation Unit are assumed to be thoroughly impartial and reliable. If they are, there is no reason why they should not be made

available to the public if they have not been published so far.

Secondly, the Finance Ministry's Report has recorded with satisfaction that as a result of the various measures taken to intensify the collections under the small Savings movement, the actual net realisations during the year 1958-59 reached the record figure of Rs 78.5 crores. But at least two of the new measures do not appear to have produced substantial results. For example, under the new Pay Roll Scheme, permitting deductions to be made from the wages, with the consent of the employees in large establishments, factories, etc., for investment in Small Savings, collections have amounted to just Rs 16 lakhs from about 69,000 employees upto 31st December, 1959. Again, under the new Cumulative Time Deposit Scheme, which was introduced with effect from 2nd January, 1959 to encourage regular savings from persons with regular incomes, the total amount collected till the end of December, 1959, has been just Rs 51 lakhs. It may be noted here that the deposits under this scheme are to be repaid with income tax free return of 3.3 per cent per annum on a 5-year account and 3.85 per cent on a 10-year account.

Thirdly, on the subject of capital issues control, the Report says that 468 applications were received during the calendar year 1959. Out of these, 286 were disposed of during the year for a total issue of capital amounting to Rs 206.5 crores. Out of these 286 consents, 196 for a total amount of Rs 174.3 crores related to industrial companies. Of the applications disposed of, 98 involved participation, amounting to Rs 32.8 crores, by non-residents in companies registered or to be registered in India. It may be recalled here that the exemption limit for the issue of capital in a period of 12 months without Government's permission has been increased from Rs 5 lakhs to Rs 10 lakhs with effect from 29th August, 1959.

Fourthly, the Economic Division, which keeps under review the emerging trends in the economy and advises the Finance Ministry on questions of economic policy as they arise from time to time, has expanded its activities. During the year 1959-60 a Tax Research unit has been set up in the Division to assemble and compile systematically the data on taxation both at the Centre and in the States and to study problems such as incidence of taxation, economic effects of taxes and the like. The Public Finance and Planning Section of the Division has undertaken, during the year, special studies in the field of incidence of direct and indirect taxes, on measurement of price and income elasticities of some important consumer goods, on resources for the Plan, on shifts in income, distribution, additional taxation, etc. The sections in Monetary Economics and International Economics have done, during the year, a number of studies

of monetary, banking and foreign exchange trends including assessment of policy in the fields. It is good that the Finance Ministry has referred to the growing volume of research under way. But it is a matter for regret that a Government Department treats the results of its research as "confidential". Surely, there is a world of difference between market research carried out by competing industrial concerns and economic research done in Government Departments. That the results of the latter research with its bearing on public revenue and public expenditure should be available to the public is a reasonable expectation. That will also serve as a damper on biased, distorted or imperfect non-official research which cannot hope to have all the data which the Finance Ministry has.

Lastly, the Finance Ministry's Report has recorded that the final figures of Life Insurance business written by the Corporation during the calendar year 1958 stood at Rs 343 crores as against Rs 282 crores during 1957. During the year 1959, the Corporation has completed new business to the extent of Rs 384 crores, including Rs 8 crores for foreign business. But the business under the Janata policy from 1st January, 1959, to 30th November, 1959, has been just Rs 1.2 crores only.

Iron Ore Export:

The latest agreement between the Government of India and the Japanese Steel Mission for the supply of four million tons of iron ore every year, for a period of 15 years beginning from 1966, from the Bailadila iron ore project, in Madhya Pradesh is a heartening development. It is noteworthy that the Bailadila project, which involves the development of the iron ore mine, a railway line connecting the mine to the Visakhapatnam port and the improvement of facilities at the port, is to be undertaken with the collaboration of the Japanese who are to purchase the ore. The entire project will cost about Rs 82 crores, of which the railway construction part alone will account for Rs 65 crores. Japanese assistance is expected to be of the order of Rs 10 crores. The latest agreement is in addition to another agreement concluded with the Japanese steel mills, under which India is to sell two million tons of iron ore per annum from 1964 onwards for a period of ten years.

A Correction

In the "Olympus" despatch entitled "Cement Wage Board's Award" in last week's issue, it was mentioned by mistake that the minimum wage for cement factories in Gujarat and Saurashtra was Rs 94 and that for the cement factories in the rest of the country was Rs 101. Actually, it is Rs 101 for the Gujarat and Saurashtra factories and Rs 94 for factories in the rest of the country. The mistake is regretted.

THE
PENINSULA

Road Transport

THAT road transport is being given a treatment that bears no relation to its importance and potentialities is a complaint that is now and then voiced by people concerned with the development of the industry. A general reckoning of the results of the transport policy pursued by the Government would also reveal that road transport is lagging in pace of development behind the railways, and is attributed by spokesmen of road transport to the overlooking of the claims of road transport by the Government in comparison with railways. The argument is not that railways have overridden road transport in respect of equal development. Such an argument would be open to the objection of being unrealistic about the special needs arising in the wake of massive industrialisation. Planning postulates a system of priorities which is no less applicable to transport development than to any other sector of activity. That, having regard to this consideration of special needs, railways have to have the larger allocation cannot be questioned. But when the charge is made of transport policy being deliberately fashioned to develop railway transport at the expense of road transport, it is not the superiority or inferiority of either mode of transport that is involved but the claim of road transport for uninhibited development on the basis of a beneficial policy from the Government. This, according to spokesmen of road transport, is far being the case under the present Government policy.

Mr T. S. Santhanam, Managing Director of Messrs T. V. Sundaram Motors of Madras, who was speaking on this theme, had a wealth of facts to point to the one-sided transport policy of the Government. Why should there be a simultaneous duty on diesel oil and motors every time a cess is levied on railway freight? The argument that it is a matter of simple coincidence does not sound convincing when such coincidence tends to reveal an unaccountable regularity. Mr Santhanam feels that the disorganised nature of the industry lends itself to being taxed at almost every point. That the motor transport industry bears the burden of excessive taxation should be evident from the fact that the total amount accruing to the Central as well as State Governments from this source is of the order of Rs 100 crores. What the industry has reaped for such contribution to general revenue is the prospect of uneconomic competition with railways. Such a result would do flagrant violence even to the principle of rail-road co-

ordination now accepted by the Government.

The question of a facilitating motor transport policy assumes importance in the context of the growth in the volume of traffic arising from future plans. In this connection, Mr Santhanam referred to the report of the Chief Engineers on Road Transport Development for 1960-61 in which it has been estimated that, by 1981, the long distance traffic will reach a volume of 800 million tons, to be met by railway capacity at 525 million tons and road transport capacity at 245 million tons. Railway capacity is presently of the order of 161 million tons and is estimated to go up to 220 million tons by the end of the Third Plan. A more than doubling in capacity after the completion of the Third Plan is involved in achieving the target for railway capacity at the end of 1981. Railway expansion has obvious limitations in view of the increase in locomotives, wagons and speed of trains called for. The average speed of goods train has already decreased from 10.7 miles to 9.28 miles on the broad gauge and from 9.6 miles to 8.23 miles in meter gauge over the period 1949-58. Moreover, the non-revenue traffic of railways is at a high figure of 22 per cent against not more than 7 per cent in other countries. Considering all these, the importance of fostering motor road transport should be obvious.

The description of the road transport industry as "capital equipment on wheels" by Mr Santhanam involved no exaggeration of either its present position or the industry's role in the economic development of the country. The total investment on these vehicles, which number more than 215,000 buses and trucks, is, inclusive of fixed assets and ancillaries, estimated at over Rs 400 crores. Taking into consideration other subsidiary and ancillary industries such as petroleum industry supplying gasoline, tyre industry, the automobile industry, and its ancillary wings such as automobile workshops, garages, service stations, road making and maintenance, the total investment traceable to the motor transport industry would reach a high figure.

A more rapid growth of the motor transport industry is desirable on grounds of the special benefits which its development holds out, particularly with reference to employment generation and potentialities. With an average number of persons employed per truck at 6 and indirect employment offered at more than 10, the road transport industry is more labour intensive than railways which offer less employment potential. An additional advantage of the road transport industry as compared with railways is that the employment potential has spread and consequently its development tends to bring about a wide dispersal of employment. In the case of railways, on the contrary, employment tends to con-

centrate on terminals. The springing up of automobile workshops in the taluk towns serving as ancillary to the village craftsmen is a development that owes to the expansion in road transport witnessed in recent years. It is also worth mentioning that, at 1,290,000, the total employment in the road transport industry is more than the total employment offered by either railways or the cotton textile industry.

Another characteristic of the industry advanced by Mr Santhanam as entitling it to encouragement for development is the fact of its middle-class ownership. In this connection, Mr Santhanam pointed out that not only was the industry

owned by the middle class but also that it was operated and controlled by the same class. The industry therefore deserves the treatment that is due to a middle-class enterprise.

Mr Santhanam considers the present tax policy of the Government with reference to the motor transport industry as inconsistent with the principle of greater expansion accepted by them. He focussed attention on the invidious discrimination being made by the Government so that the public would get interested in the development of the industry and espouse its cause for a more sympathetic understanding of its needs at the hands of the Government.

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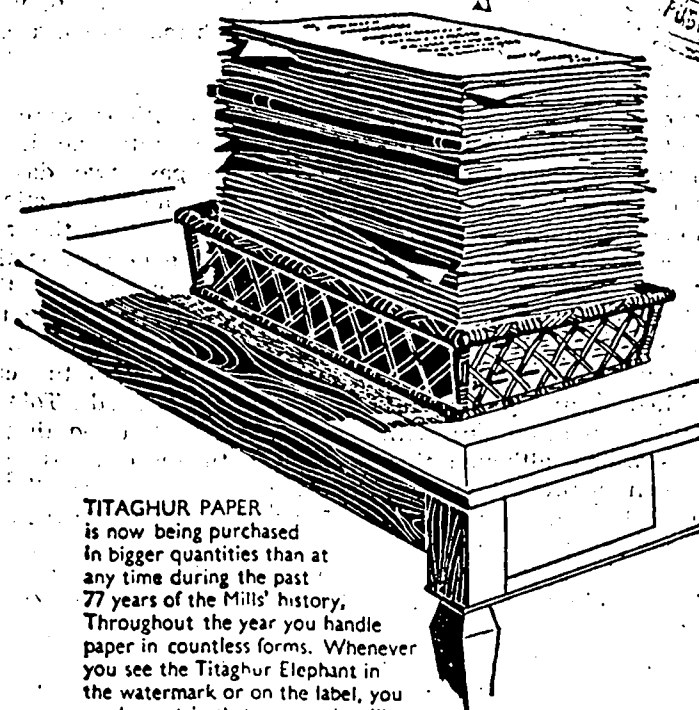
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WORLD OF JUTE

Bane of Speculation

SPEAKING at the annual general meeting of the Indian Jute Mills Association last week Mr Kenneth E. Tosh, the IJMA Chairman, said that the year 1959, which seemed full of promise, ended on a less optimistic note. The encouraging developments were (1) exports of jute goods were the highest for more than 10 years; (2) Excessive stocks of sacking were eliminated; (3) production was higher than in the previous year; and (4) financially, too, the industry fared better, thanks to increased supply of raw jute and a more realistic relationship between jute and gunny prices. But, as the year was nearing its close, the favourable conditions came to an abrupt end and since November last, trading has tended to be difficult.

The IJMA Chairman attributes the reversal of the trend to excessive speculation that characterised trading last November. Considering the fact that a large number of people, and in a manner of speaking, the entire nation—because of the considerable amount of foreign exchange that jute goods earn for the country have a vital stake in the jute industry, it is surprising that a handful of speculators should have been allowed to hurt it grievously. Mr Tosh has, however, pointed out that timely action by Government would have averted the present predicament of the industry. Too little and too late have been the import of raw jute. "Had a more liberal import policy been announced six weeks earlier," says the IJMA Chairman, "this speculative activity would have probably been nipped in the bud, and we should not now find ourselves saddled with jute prices that are still far too high and with goods prices which, although they have not risen in proportion, are nevertheless at levels which cannot help our exports trade."

One of the main problems that continue to cause considerable worry to the industry is the persistently disappointing offtake of sacking. The comparatively better performance of sacking in 1959 is largely due to the unexpectedly large Chinese order of about 50,000 tons. But for this large offtake, sacking stocks would have recorded a rise instead of a decline of 20,000 tons that has been the case. The slow movement of sacking in overseas markets is a

clear indication of the increasing competition in the sacking markets and, if India is to maintain its sacking exports at a satisfactory level, it is imperative that it has to achieve "still greater efficiency in its manufacturing processes." Hessian, however, has fared very well indeed, as exports of this category of goods have improved by nearly 50,000 tons, thanks largely to the sizably increased buying from the USA.

The past year has again demonstrated that, unless extreme vigilance is exercised by Government, even a vague apprehension of a shortage of raw jute is capable of violently upsetting the balance of the Indian world of jute. It is undeniable that the problem of computing a price level for raw jute which is at once fair to the industry and the cultivator is not an easy one. But this does not relieve Government of their responsibility in the matter. A lasting remedy is a sizable increase in the yield per acre—there is considerable room for improvement in India, because the average yield per acre in India is only 2.85 bales while it is about 4 bales in nearby Pakistan. The IJMA Chairman has pointed out that, in order to achieve this, Government should step up the distribution of improved seeds and fertilizers to the cultivators. In the meantime, much damage can be avoided by taking timely remedies. Liberal imports of raw jute when a shortage is apprehended and price support for raw jute when there are definite indications of a bumper crop, between them will be largely able to bring about the desired result. It is gratifying to note that the IJMA has agreed in principle to operate a regular support scheme for raw jute prices should they fall to levels which may discourage future sowings.

Steady conditions were noticeable in the jute goods market during the past two days especially in the hessian section. It would appear that the renewed interest in the hessian section has primarily stemmed from the fact that the mill stock figures for February have shown a small decline of 200 tons in the case of this category of goods. Total stocks at the end of last month as compared with those at the end of January show a small rise of 1500 tons—sackings have increased by 100 tons, other varieties by 1600 tons while Hessians have declined by 200 tons. The announcement of the February-end stock figures was greeted by the jute goods market with buying support for both the categories of goods presumably because the market had anticipated that the rise in stocks would be rather heavy in view of the reportedly small shipping orders received during the month. Other contributory factors for the steadiness of hessian are the rumours of an enquiry from Russia and covering business in regard to

some recent foreign orders. The market opened last Friday on a quiet note due to selling pressure in the futures market. The reactionary tendency was particularly evident in the heavy goods section where B Twills March receded rather sharply to Rs 111.40. Hessian was also subdued in sympathy with Hessian 40"x10 oz March done at Rs 41.30. There was no marked change in sentiment although the lower levels attracted some buying interest. With the announcement of the February-end stocks however, renewed support was noticeable, especially in the hessian section, and on Tuesday the closing prices were as follows: B Twills March Rs 111.65 and Hessian 40"x10 oz March Rs 41.60. Rumours of a Russian order sent hessian prices up on Wednesday and B Twills also improved in sympathy. Prices closed the day as follows: B Twills March Rs 112.15 and Hessian 40"x10 oz March Rs 41.95. In the raw jute market also, prices have advanced moderately during the week with Assam Bottoms quoting at close of Wednesday at Rs 31.50 per maund as against its quotation last Friday of Rs 31. The improvement in sentiment in the raw jute section appears to be partly due to increased mill interest at the rising price levels and partly due to the steadiness of the goods section.

Description	29-2-60	31-1-60	28-2-60
Hessian Cloth & Bag	27.0 (27.4)	27.2 (27.6)	15.5 (15.8)
Sacking Cloth & Bag	32.0 (32.6)	31.9 (32.5)	79.9 (81.2)
Others	14.3 (14.5)	12.7 (12.9)	15.4 (15.6)
Grand Total	73.3 (74.5)	71.8 (73.0)	110.8 (112.6)

(000 Tons/Metric Tons)

	As on 3-3-60	Week's Low	As on 9-3-60
Hessian:			
40" x 10 Ozs.:			
Ready	41.55	41.25	41.95
April-June	41.75	41.50	42.05
July-Sept.	41.55	41.25	41.90
40" x 8 Ozs.	34.25	33.00	34.25
40" x 7 1/2 Ozs.	31.65	31.45	31.95
Sackings:			
B. Twills:			
Ready	112.60	111.50	112.25
April-June	111.50	110.60	111.15
July-Sept.	109.85	109.00	109.40
Hy. Oecs (Green)	115.00	114.00	115.00
Corn sacks	113.65	113.00	114.00
Cubans	134.00	133.50	134.25
A. Twills	140.00	139.00	139.50
L. Twills	126.50	125.00	126.50
D. W. Flours	135.00	134.00	134.75
Sugar Twills	128.75	127.25	127.50

Futures:			
Hessian—May	41.78	41.22	41.44
Sacking—May	111.40	109.60	110.70
Raw Jute—March	31.12	30.58	31.16
Raw Jute—Sept.	29.16	28.90	29.80

*This delivery opened off the 7th March.

WORLD OF TEA

A Rs 2-Crore Scheme

THE Government of India have approved a Rs 2-crore scheme to give financial assistance to the Tea industry in the country. The Scheme, to be operated immediately by the Tea Board, provides for a total expenditure of Rs 2 crores with a limit of Rs 2 lakhs on the supply of equipment and machinery to individual concerns.

In this connection, it would be recalled that a section of the tea industry had been finding it difficult on account of financial stringency to introduce, renovate or replace much-needed equipment and machinery at the tea estates or in the factories. The Board has, therefore, prepared the above scheme after considering ways and means of affording relief to this section of the industry which will enable them to buy the required equipment and machinery on suitable hire-purchase terms.

The Government have also declared the export allotment of tea for the year 1959-60 at 507.5 million pounds. This represents 67 per cent of the crop basis for the year, which is estimated at 757.5 million pounds. The Tea Board have already allotted export quota at 65 per cent of the crop basis to all tea estates. Arrangements are being made to allot balance quota at the rate of 20 per cent of crop basis as early as possible. The allotment does not include the quantity of Dust teas, which are exported under licence without cover of export quota.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 69,265 packages. The market opened with a fair demand, but eased as the sale progressed. Prices declined by 6 nP to 10 nP per pound for plain and orthodox medium teas, Fannings grades often selling at 10 nP to 12 nP below last rates and sometimes more. The few bright liquoring teas with autumnal character were, however, sold well and any clear black-leaved grade showed only a slight decline in value.

The demand for CTC teas was not as strong as in recent weeks and prices were irregular often registering a fall of 10 nP to 15 nP per pound although the very best were generally sold well. Bright liquoring leg-cut teas came to a ready market at 4 nP to 6 nP below last rates; but the plainer liquoring fibrous sorts were considerably easier.

Whole Leaf grades were a little irregular with an easier tendency

and Darjeelings again encountered a very limited enquiry. Following rates were quoted:—Clean Black Pekoe Rs 2.12 to Rs 2.16 (nominal); Plain BP Rs 1.80 to Rs 1.86 (nominal); Plain Fannings Rs 1.84 to Rs 1.96 (nominal); Medium BP Rs 1.80 to Rs 1.84; Medium Fannings Rs 1.90 to Rs 2.00; Best Assam CTC BP Rs 2.45 to Rs 2.65 and Best Assam CTC Fannings Rs 2.45 to Rs 2.85.

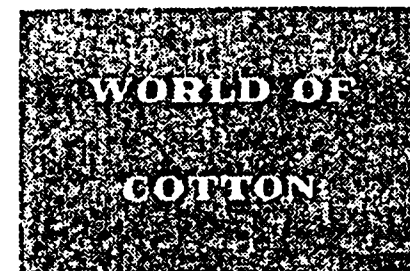
According to official sources, direct exports of North-east Indian tea to the UK during the nine months ended December 1959 were lower at 153.81 million pounds as against 156.32 million pounds in the corresponding period of the previous year. While shipments for London auctions fell from 147.65 million pounds in April-December 1958 to 143.98 million pounds during the period under review, those against private sales and forward contracts increased from 8.68 million pounds to 9.89 million pounds.

Production of tea in British East Africa, including Nyasaland, during December 1959, increased to 7.1 million pounds from 6.8 million pounds in the corresponding month of last year. This places the total British East African tea output last year higher at 69.1 million pounds as against 63.1 million pounds in 1958 and 54.3 million pounds in 1957.

In the Internal Sale, offerings consisted of 23,562 packages of Dusts and 3,056 packages of grades. Demand for Dusts was fair, but prices were considerably lower. Grainy orthodox kinds met with restricted enquiry and were easier by 14 nP to 16 nP per pound, while leg-cut Doosars teas registered a decline of 8 nP to 12 nP and sometimes more. Medium CTC descriptions were well supported at rates which were around 20 nP below last levels. The best were irregular and easier except for the few with quality, which were sold well. Following rates were quoted:—Medium Doosars Dust Rs 2.02 to Rs 2.10; Medium Assam Dust Rs 1.96 to Rs 2.04; Medium Assam CTC Dust Rs 2.06 to Rs 2.18 and Best Assam CTC Dust Rs 2.40 to Rs 2.75 (nominal). There was only a fair demand for Leaf grades and prices generally followed an easier tendency.

In the Cochin market, a total of 1,060,000 pounds was offered. Against a strong general demand, prices were fully firm to dearer for every sort, particularly improved quality high-grown broken and Fannings grades.

In the Colombo market, offerings were 7,017,627 pounds. The quality from the Western districts generally showed an irregular improvement. The few best liquoring Dimbula/Dikoya Broken met with a strong demand at firm to dearer rates; but the market for below the best types was irregularly lower. There was also less demand for medium broken orange pekoes, which declined by 5 to 10 cents per pound. Low-grown



Subdued Tone in Raw Cotton

THE Raw cotton market was again in the limelight and after a further smart rise reacted partially on lack of follow-up support as well as the implications of the Government's decision to accept the Wage Board's decision for increase in the wages of labour in the cotton textile industry. The general view was that prices had reached the peak levels for the time being as anti-inflationary measures such as by way of credit squeeze or increase in the bank rate were expected to be taken by the monetary authorities as a result of the previous weeks conference in New Delhi between the Central Board of Directors of the Reserve Bank and the Finance Ministry. It is difficult to say as to whether such measures will be announced immediately in the light of the defence of the Budget proposals by the Finance Minister in the Rajya Sabha. Anyway, markets were left conjecturing on the nature of such steps being taken.

ICC August contract which had climbed upto Rs 777 on March 4 from Rs 763 receded to Rs 766 to recover to Rs 773. The maturing March contract hovered between Rs 818 to Rs 820 to be placed almost at the ceiling level of Rs 820. So far tenders of about 12000 bales have been issued against the March Contract.

CONSUMPTION:

In view of the dearth of supplies of indigenous cotton and the teas were also lower; but the commonest descriptions ruled fully firm.

In Indonesia, production rose to 9.8 million pounds in November 1959 from 9.00 million pounds in the corresponding month of 1958. Despite this increase, total Indonesian production, in the first eleven months of last year, was lower at 87.1 million pounds as compared with 92.6 million pounds in the similar 1958 period.

In London auction, offerings were 26,605 packages including 23,481 packages from North India. Demand was less active and prices were very irregular. Best quality met with fair competition, but at slightly lower levels. Bright liquoring and coloury mediums were in demand and prices ruled about steady. Plain thin stalky teas were again a weak feature.

various restrictions such as introduction of quality survey and curbs on buying by mills, consumption of Indian cotton has showed a declining trend. Consumption of indigenous cotton during the month of January is placed at Rs 388,852 bales which is lower by 14,285 bales as compared to the preceding month and less by as much as 24,329 bales as compared to January 1959. In view of the restrictions as well as difficulties of getting adequately the requirements, the general feeling is that the overall consumption of Indian cotton during the current season might range between 44 to 45 lakh bales as against 46.16 lakh bales in the last season.

On the other hand, consumption of foreign cotton shows some improvement and it is expected that this tendency might be accelerated in the next few months when actual quantum of imports will increase. During the month of January, foreign cotton consumption by mills in India increased to 42,823 bales as against 40,848 bales in December 1959 and 34,370 bales in January 1959.

Since the beginning of this season, the consumption figures for both Indian as well as foreign cotton were as follows:

	(In bales of 392 lbs)	
	Indian	Foreign
September '59	396,354	42,154
October '59	395,050	39,728
November '59	383,961	37,028
December '59	408,137	40,848
January '60	388,852	42,828

SPOT:

Business in the Sewri market continued to be restricted though mills were reported to be taking interest in cottons spinning 14s to 24s counts. The price basis was, however, reported firm. The Vijay and Digvijay cottons have started coming in the terminal markets of Gujarat and the quality of the crop is stated to be somewhat satisfactory in relation to earlier ideas.

Business in Digvijay was reported between Rs 1050 to Rs 1080. Dabhoi was placed at Rs 1030 and Palej at Rs 1035. Spot and Sadabi Digvijay at Rs 1115 subject to survey. Kalyan Wagad and Kalagivi cottons were being avidly sought after in the producing centres. Khandwa Co2 was done at Rs 1015 to Rs 1020. Kalyan spot was reported between Rs 895 to Rs 940. Khangaon changed hands at Rs 981. Sailu at Rs 930 to Rs 970, Surat Rs 1095 and Rajpipla Rs 1065. Subject to survey results, Akot was done at Rs 935, Akola Rs 960. Chalisgaon Rs 970 and Yedind 0934 old Rs 1010. Among foreign growths, mills are evincing interest in practically all varieties in American which appears to be relatively cheaper to other growths. Renewed interest thus displayed by mills has been attributed to the directive issued by the Textile

Commissioner to mills to apply for import licences before the end of March. American on sample was put through at Rs 1080 to Rs 1120, Bushoga Rs 1310 to Rs 1315, California 1 5/32" Rs 1205 to Rs 1220, Sudan G22 Rs 1801, Sudan XG35 at Rs 2065 and Elpaso Rs 1345 to Rs 1380. Syrian cotton was reported at Rs 1295 and BP52 at Rs 1360.

IMPORTS:

Imports of foreign cotton in Bombay from 1st September 1959 to 3rd March 1960 amounted to 169,604 bales as against 116,560 bales in the previous year. Particulars of imports are as follows:—

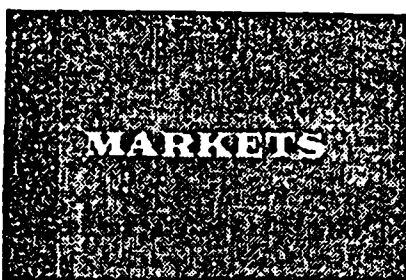
	(In bales)	
	1959-60	1958-59
American	24,127	5,352
East African	31,604	62,100
Egyptian	61,588	23,669
Pakistan	2,595	..
Sudan	47,057	24,439
Other sorts	2,653	1,000
Total	169,624	116,560

CLOTH MARKET:

Conditions on the cotton piece-goods market were slightly better during the past week but inquiries on behalf of upcountry centres were restricted due to Holi festival. Conditions in the export trade continue sluggish and as a result of the rise in prices, it is wondered as to whether the export performance this year will be as encouraging as in 1959. The outlook on the export front at the moment is somewhat gloomy. The increase in the wages of the workers as well as higher costs of raw materials has jeopardised the competitive position of the industry.

NEW YORK COTTON:

The New York Cotton market has remained dull with narrow movements. The July position stood at 32.56 cents as against 32.50 cents a week ago. The carryover of US Cotton as on 1st April 1960 is estimated 8.34 million bales as against 8.61 bales on 1st April 1959. Production during the current cotton season is placed at 14.56 million bales and with imports of about 60,000 bales, the total supply will be 23.24 million bales. Domestic consumption will be to the tune of 8.9 million bales and exports are estimated at 6 million bales, thus leaving a carry-forward of 8.3 million bales as on 1st April 1960. Speculation in New York cotton futures market has dwindled considerably for some months past due to Government agencies' intervention in the trade at various stages.



Hedge Trading in Gur Baisakh

THE Forward Markets Commission has granted permission to the Rajdhani Grains & Jaggery Exchange Limited, Delhi, to start trading in Gur Baisakh from March 2. The Commission has fixed the following margin slabs:

A special margin shall be payable on the next working day when the closing price on any day of the Baisakh 2017 delivery in gur hedge contract is or exceeds Rs 15.10 per maund (hereinafter referred to as the "margin line") at Rs 110 per unit by members holding net long position from 1 to 10 units; at Rs 140 per unit by members holding net long position from 11 to 1,000 units and at Rs 250 per unit by members holding net long position from 1,001 to 2,000 units.

When the closing price on any day of the Baisakh 2017 delivery is or exceeds Rs 16.60 per maund, a margin at Rs 110 per unit shall be payable by members holding net long position from 1 to 10 units and at Rs 750 by members holding net long position from 11 to 2,000 units and, when the closing price on any day of the contract is or exceeds Rs 18.10 per maund, at Rs 110 per unit by members holding net long position from 1 to 10 units and at Rs 825 per unit by members holding net long position from 11 to 2,000 units.

Provided that during delivery period, whenever the closing price on any day is at any level at or above the marginal line, special margin at a flat rate of Rs 1,000 per unit shall be payable on the next working day by all members having net long position irrespective of the quantity held. The Commission has further directed, that no member having long open position in Baisakh 2017 delivery shall increase the same during its currency, provided that any persons having a long open position less than 63 units and any other person having any short open position may acquire long open position upto 63 units.

While sanctioning the opening of trading in Baisakh delivery, the Commission has directed the Hapur Chamber of Commerce that no member shall have, at any time, a long open position of more than 31 units. A special margin shall be payable on the next working day when the closing price on any day of Baisakh delivery is or exceeds Rs 14.75 per maund, at Rs 225 per unit by members holding

net long position from 1 to 5 units; at Rs 280 per unit by members holding net long position from 6 to 500 units; at Rs 500 per unit by members holding net long position from 501 to 1000 units.

When the closing price on any day is or exceeds Rs 16.25 per maund, a special margin at Rs 225 per unit shall be payable by members holding net long position from 1 to 5 units and at Rs 1,500 per unit by members holding net long position from 6 to 1000 units and, when the closing price is or exceeds Rs 17.75 per maund, at Rs 225 per unit by members holding net long position from 1 to 5 units and at Rs 1,600 per unit by members holding net long position from 6 to 1000 units.

Meanwhile, Gur prices have eased sharply by over Re 1 a maund in the Hapur market due to slack outside demand. The Balti quality is not in request from the South as a part of despatches were damaged in transit. Daily arrivals are modest, at an average rate of 2,500 maunds. Total arrivals, since the beginning of the current season, are put at 5.5 lakh maunds, showing an increase of about 30,000 maunds over the corresponding figure of last year. Many of the crushers are reported to have stopped manufacturing gur due to an increase in cane prices in the face of a declining trend in gur. Pansera quality is quoted at Rs 15.50 and Balti at Rs 15.62 a maund.

Khandsari

The Khandsari market remains generally depressed, as demand is slack and loading facilities are restricted. Moreover production is maintained at a large scale and producers are buying cane upto Rs 1.12 maund. Stocks are reported to be mounting. Superior quality is quoted at Rs 40 to Rs 43 a maund.

Sugar

Quiet conditions have been prevailing in the Sugar market. Following a sharp fall in ready gur prices and increase in the cane purchasing price by two annas to Rs 1.75 a maund by some of the sugar mills, the cane supply position is reported to have improved. In the Hapur market, the rate for the sweet commodity is quoted around Rs 118 per bag.

In the Muzaffarnagar market, the supply position is better and the demand for the same is lacking. The rates are moving between Rs 112 to Rs 116 a maund, according to quality.

The Government of India has decided to release 1.75 lakh tons of sugar. There will be no release for free sale from the factories in Uttar Pradesh, North Bihar and the Punjab except a small quantity which will be released to each factory for sale to its employees. The controlled ex-factory price for Uttar Pradesh and North Bihar factories is Rs 37.85 per maund

and for factories in the Punjab Rs 38.35 per maund for ISS D-29 grade with the prescribed price differentials for other grades. The fixed f.o.r. destination prices in respect of allotments made to Kanpur and Calcutta will be Rs 38.60 and Rs 29.85 per maund respectively for Sugar ISS D-29 grade.

Pepper

Prices in the Pepper market have been developing a slightly easier tendency during the past two weeks, as consumer buying has remained small. In the Cochin market, the rate is quoted at Rs 285 per cwt.

In the New York market, Malabar/Lampong spot is quoted around 61 cents per pound. Stocks in the USA or afloat appear to be about 5,000 tons, and over 4,000 tons are available in London. These are comfortable, though not high figures.

In spite of the lack of consumer interest, it looks as if the market can become firmer within the next few months. Consumption of pepper, last year, was greater than production, while stocks in Singapore and the consuming countries were run down to make up the difference. The position will probably be much the same this year. Further, speculative activity by the Chinese Syndicate in Singapore must also be reckoned with.

Non-Ferrous Metals

Conditions in the Bombay Non-Ferrous Metal market remained generally quiet. Copper Scrap was quoted at Rs 210 per cwt. For the past two months or so, the demand for utensils has been very slack and in spite of the fact that the major sheet producers have continued to raise their prices, the market for copper shows no change.

The Lead market remained steady with price movements confined to a narrow range. The rate was quoted around Rs 76 per cwt. Demand is rather poor, while certified industries are reported to be coming out as sellers.

Weaker Singapore advices have had a demoralising effect on the already weak Tin market. In the absence of any appreciable demand, the metal continues to be depressed with the rate quoted around Rs 136 per quarter. Doubts are being expressed whether the import policy will be on the same basis in the coming period in view of the glut of the material prevailing in the market as reflected in the easy tone which leaves the importers with a margin well under 4 per cent.

Bullion

Silver prices during the past week recorded an all time high level on speculative buying and covering but later on reacted moderately. The Gold market once again developed a reactionary

tendency on increased arrivals as well as somewhat restricted off-take. The Holi festival has no doubt affected the demand for the actual and it is expected that the demand might once again broaden. As pointed out last week, the Bombay Government did not agree with the suggestion of the Bullion Board for relaxing margins in favour of the bull. The same terms of margin were applied in Chaitra delivery as have been enforced in the case of Falgun delivery.

Chaitra delivery in silver which started on 2nd March at Rs 215.56 spurted to Rs 217.69 to react to Rs 216.75. Falgun which was quoted at a discount of annas 6 was placed at 3 annas discount. Gold Chaitra delivery after commencing at Rs 130.87 firmed up to Rs 132.12 receded sharply to Rs 130.50 to be placed at Rs 130.56. Sovereign was quoted at Rs 88.25. Floating stocks of silver and gold in Bombay market are estimated around 1000 bars and 35,000 tolas respectively.

Yarn

The yarn market has generally ruled easier with restricted demand from consuming centres which have still not reconciled with the levy of 2 annas on staple fibre cloth. Staple fibre yarn was hit and sellers outnumbered buyers in view of the general feeling that the off-take of staple fibre cloth issued contract in view of higher prices. The April delivery for Staple fibre yarn after dropping to Rs 690 recovered to Rs 702. Art silk yarn prices ruled easier with Bombay April delivery dropping to Rs 1804 from the week's high level of Rs 1820. Cotton yarn prices were relatively steady.

Oils & Oilseeds

The Oilseeds Market in Bombay staged a smart rebound on reports of reduction freight for overseas and especially US but higher levels in castor lacked follow-up due to paucity of export business with US. Groundnuts, however, depicted a firm tone due to strong statistical position and smaller arrivals in the terminal markets. However, no fresh export business either in groundnut oil or cakes expeller variety in terms of the new quota was reported. The freight reduction for HPS groundnuts kernels is applicable only to US Atlantic ports and not to Canada which is the main buyer. The Karmahan Conference has made a reduction of sh 10 per ton in freight rates on all oils, oilcakes and extractions and has also amended the freight rebate system to be applicable quarterly instead of half yearly Trade quarters, however, do not look with equanimity the rebate system as it gives rise to monopolistic tendencies.

US did not evince fresh interest in purchases of Indian castor oil and as spot prices are quoted at a fair discount in relation to futures

position, sentiment turned apathetic at higher levels. It is estimated that since the beginning of 1960, export sales of about 10,000 tons of castor oil have been undertaken but in view of the crop movement it is generally felt that the supply position will bear the impact. Castor May have fluctuated erratically. The rate which was marked down to Rs 172.50 on March 2 recovered to Rs 178.50 to relapse to Rs 174.75 to improve to Rs 177.25 but after falling once again to Rs 173.50 stood at Rs 174. Castor oil commercial quality has come down to Rs 17.69 from Rs 18 while this year the highest rate touched was Rs 19.37 last month.

Groundnuts May delivery rebounded to Rs 211.50 from Rs 240.50 to react to Rs 208 to quote at Rs 209.50. In February delivery total tenders amounted to 6100 candies. Groundnut oil April-May delivery improved to Rs 22.12 from Rs 21.81. Linseed May after being done as low as Rs 32 in the previous week was taken upto Rs 33 to recede to Rs 32.44. Linseed-oil was done at Rs 15.75 to 15.62. Castorseeds were steadier around Rs 150.

In the month of February exports of HPS groundnuts from Bombay amounted to 2771 tons and castor oil 4054 tons. There was no shipment of groundnut oil, but exports of groundnut-oil cake expeller variety came to 2663 tons and meal 1802 tons. Linseed oilcake accounted for 2322 tons and niger oil cake 2085 tons.

Though conditions in the Madras seeds and oil market here were steady, there was however not much activity. Arrivals of groundnut kernels bordering on 35 to 40 tons daily did not help briskness in trade. Calcutta interests too did not display any inclination to buy in large quantities. Today's quotations were:

Groundnut oil per candy of 500 lbs ex-Madras godown expeller ready 3% F.F.A. Rs 390.

April Rs 392/8; May Rs 396. Kernels per candy of 500 lbs Rs 208/209.

Castor oil too did not show activity. Per candy of 500 lbs the price quoted today was Rs 325 sellers: Rs 322 buyers.

Gingelly oil per maund Rs 21/12. Coconut oil per tin Rs 40 to Rs 40/4.

Groundnut cake was dull at Rs 25/4 to Rs 25/8 per bag.

United Kingdom spot groundnut oil export quotation was £124 per ton.

The Price for Burma consignment was Rs 1,800 per ton. (Nominal).

The firmer outlook throughout last week in the groundnut and oil markets steadied from Monday when activities turned up to be a bit dull. Budget uncertainties are not there. Therefore operators entered with a boldness to pick up quantities. But they probably were not in hurry when they thought there might be subsequent recession in prices in as much no duties had been levied on oils or seeds. Therefore there the dullness is now prevalent. Now it was also believed that medium and small sized power-driven crushers would go in for good quantities of

kernels. This was also encouraged by the modification in the collection of excise duty by the Central Board of Revenue. According to the revised method of collection, the quantum of levy these crushers would have to pay would be significantly less than under the old method. Also these people would be free from the too many cumbersome and routine statements.

Naturally this concession is also expected to be extended to those bigger groups or factories owing more than two expellers. It should be remembered that nearly 99.5% of the oil-crushing factories in this State fall within the definition of small scale industry. There is also a feeling among this circle that the old rates of excise duty fixed were not in consonance with the capacity of the machinery

installed in each unit. Because under "baby expellers and other expellers" the different types of plants vary in their daily crushing capacity.

Coming to the trade trend, the brisk bull support from Bombay last weekend helped price gains both in groundnut and in groundnut oil. No fresh business was put through in spite of the export quota allocation of 10,000 tons of oil and corresponding incentive quota for expeller variety of groundnut cake. Thus the kernels gained Rs 34/35 per ton and oil Rs 44/45 per ton.

Hides and Skins

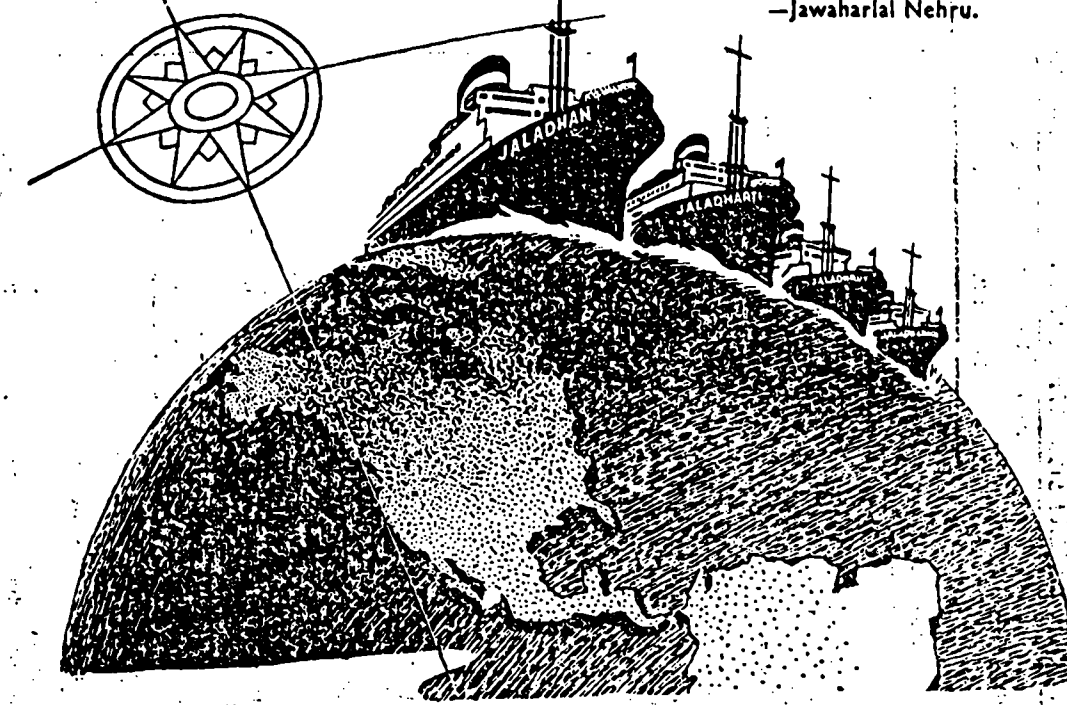
Prices in the tanned cow hides market remained unaltered. London did a little business this week

due again probably to the prices being high. Only in the fifties there seemed to be demand from United Kingdom. But then the latter were disinclined to deal at the prices which continued at least two pence higher per lb. Tanned Buffalo hides was in good demand. Even cow calf tanned hides were limited in supply. Export sales with either United States or United Kingdom were meagre since the importers apparently wanted to bring prices further down.

Tanned goatskins of market quality sold here were 2,000 in number and sheepskins in larger demand sold numbered 88,000. Still the leftover was 7,000 goatskins and 47,000 tanned sheepskins. These tanned skins did not change in prices. Raw skins prices receded further this week.

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the Indian flag across
the distant Seas

"...I am impatient to see Indian ships carrying the flag of India across the distant seas to far away countries."
—Jawaharlal Nehru.



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STATE BANK OF INDIA

BALANCE SHEET OF THE STATE BANK OF INDIA AS AT 31st DECEMBER 1959

As at 31st December 1959.			As at 31st December 1958.			PROPERTY AND ASSETS			As at 31st December, 1959.		
Rs.	p.P.	Rs.	p.P.	Rs.	p.P.	Rs.	p.P.	Rs.	p.P.	Rs.	p.P.
CAPITAL AND LIABILITIES.											
1. Capital:						1. Cash:					
Authorised Capital—20,00,000 shares of Rs. 100 each						In hand and with Reserve Bank (including foreign currency notes)					
20,00,00,000 00				20,00,00,000 00		52,79,57,495 82		2,73,52,994 59		60,31,65,943 66	
Issued, Subscribed and Paid-up Capital—						2. Balances with other Banks:					
(pursuant to Section 5(1) of the State Bank of India Act, 1955)—8,82,800 shares of Rs. 100 each						On current account					
8,82,80,000 00				8,82,80,000 00		2,73,52,994 59		4,52,19,195 83		4,52,19,135 83	
7,00,00,000 00				7,20,00,000 00							
2. Reserve Fund and Other Reserves						3. Money at Call and Short Notice					
1,48,40,000 00				1,69,89,641 00		Investments A/c. (Securities valued in accordance with Regulation 73; shares, debentures or bonds at or below cost):					
						(i) Securities of the Central and State Governments and other Public Securities including Treasury Bills of the Central and State Governments 362,84,44,192 92					
						(ii) Shares authorised under the State Bank of India Act, 1955					
						Fully paid-up					
						Partly paid-up					
						(iii) Debentures or Bonds					
						(iv) Other Investments—Pakistan and other Government Securities, etc.					
						{Of which investments of the face value of India Rs. 11,50,00,000 and Pakistan Rs. 2,37,80,600 are pledged against borrowings from other Banks, Agents, etc., per contra					
						284,55,39,287 30					
						3. Advances:					
						{(i) Loans, Cash Credits, Overdrafts, etc.—					
						(i) In India					
						(ii) Outside India					
						{Include medium term advances amounting to Rs. 10,09,33,333					
						{(i) Bills discounted and Purchased—					
						(i) Payable in India					
						(ii) Payable outside India					
						{Of which bills of the value of India Rs. 1,00,00,000 are held by the Reserve Bank of India and Pakistan Rs. 1,50,00,000 are held by the State Bank of Pakistan as security against borrowings as per contra					
						Particulars of ADVANCES: See separate Statement appended					
						172,06,19,819 40					
						6. Bills Receivable being Bills for Collection as per contra:					
						(i) Payable in India					
						(ii) Payable outside India					
						2,50,43,190 79					
						7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra					
						1,18,58,959 83					
						8. Premises less Depreciation:					
						Total Cost up to the 31st December, 1958					
						Additions (Rs. 2,89,683 85) less Deductions (Rs. 277 50) during the year					
						1,26,54,284 20					
						9. Furniture and Fixtures less Depreciation:					
						Total Cost up to the 31st December 1958					
						Additions (Rs. 28,67,254 07) less Deductions (Rs. 27,055 40) during the year					
						90,82,383 21					
						10. Other Assets, including Gold and Silver:					
						Bullion					
						Adjusting Account of interest, commission, etc.					
						Stationery, Stamps, Suspense (including tax recoverable), etc.					
						Shares in Subsidiaries					
						1,22,41,085 73					
						11. Non-banking Assets Acquired in Satisfaction of Claims					
						12. Profit and Loss					
						Total					
						523,82,39,380 31					
						Total					
						628,82,39,380 31					

In addition to the credit of Rs. 24,75,000 pertaining to the final dividend for 1958, a sum of Rs. 30,93,750 was credited to this Fund on account of the interim dividend declared in July 1959. A sum of Rs. 35,31,909 was appropriated from this Fund during the year under the authority of the Reserve Bank of India. In respect of the losses for the years 1957 and 1958 of the new branches established under Section 16(5) of the State Bank of India Act, 1955, vide item 7 of the Profit & Loss Account.

Includes State Welfare Fund and State Co-operative Housing Fund, ownership whereof vests in the Bank.

*Of which Rs. 30,83,760 is to be credited to the Integration and Development Fund, (item 2A above) bringing the amount in the said Fund to Rs. 1,99,80,561.

Particulars of Advances

As at 31st December, 1959.			As at 31st December, 1958.		
Rs.	p.P.	Rs.	p.P.	Rs.	p.P.
164,91,57,987 76		150,59,99,960 34		150,59,99,960 34	
1,92,06,974 85		231,06,147 45		231,06,147 45	
15,81,94,537 09		13,96,09,601 67		13,96,09,601 67	
172,06,19,819 40		166,88,05,709 46		166,88,05,709 46	
9,37,464 83		9,22,755 88		9,22,755 88	
81,02,53,674 29		49,79,72,500 68		49,79,72,500 68	
9,72,698 45		11,91,419 55		11,91,419 55	
83,23,43,378 61		60,47,64,641 27		60,47,64,641 27	
7,22,11,035 72		8,07,53,498 20		8,07,53,498 20	

REPORT OF THE AUDITORS

TO THE PRESIDENT OF INDIA.

We, the undersigned Auditors of the State Bank of India, appointed under Section 41(1) of the State Bank of India Act, 1955, do hereby report to the Central Government upon the Balance Sheet and Accounts of the Bank as at the 31st December, 1959.

We have examined the above Balance Sheet and the Profit and Loss Account and the Accounts relating thereto of the Local Head Offices at Bombay and Calcutta and the Returns submitted and certified by the Secretaries and Treasurers of the Local Head Offices at Madras and New Delhi, by the Manager, Pakistan Branches and by the Secretaries and Treasurers of the Local Head Offices at the above Balance Sheet and Accounts, and report (i) that, in our opinion, the Balance Sheet is a full and fair one containing all the necessary particulars and properly drawn up so as to exhibit a true and correct view of the affairs of the Bank, according to the best of our information and the explanations given to us and as shown by the Books of the Bank; (ii) that where we have called for any record or information such explanation and information have been given to us and have been satisfactory; (iii) that the transactions of the Bank at Madras and New Delhi and from the Branches of the Bank have been found adequate for the purpose of our audit; (iv) that the Profit and Loss Account shows a true balance of profit for the period covered by such account; (v) that, in our opinion, the Balance Sheet and Profit and Loss Account are drawn up in conformity with the law; and (vi) that, in our opinion, Books of Account have been kept by the Bank as required by law.

The audit of the Books and Accounts of the Central Office has been carried out jointly by Messrs. S. B. Billimoria & Co. and Messrs. Ray & Ray. The audit of the Books and Accounts of the Local Head Offices has been carried out at Bombay by Messrs. S. B. Billimoria & Co. and at Calcutta by Messrs. Ray & Ray.

P. C. BHATTACHARYYA, Chairman
MANGALDAS PAKVASA, Vice-Chairman

S. B. BILLIMORIA & CO.

RAY & RAY

S. P. PATEL

S. P. PURI

J. D. CHOKSI

PRATAPSINH MATHURADAS

M. H. HASHAM PREMJI

RAMNATH A. PODAR

D. R. GADGIL

B. VENKATAPPAH

SACHINDRA CHAUDHURI

W. H. S. MICHELMORE

TRIGUNA BEN

11th February, 1960.

EXPENDITURE		Year ended 31-12-1938.	Year ended 31-12-1939
Rs.	pP.	Rs.	pP.
1. Interest paid on Deposits, Borrowings, etc.		62,459,623	23
2. Salaries and Allowances and Provident Fund (including Salaries and Allowances of Chairman Rs. 44,405.76 and Managing Directors Rs. 1,05,285.50 for the year)		6,005,256	48
3. Directors' and Local Board Members' Fees and Allowances		1,02,210	00
4. Rent, Taxes, Insurance, Lighting, etc.		32,23,209	53
5. Law Charges		1,32,041	07
6. Postage, Telegrams and Stamps		25,94,513	86
7. Auditors' Fees		75,000	00
8. Depreciation on and Repairs to the Bank's Property		17,14,557	76
9. Stationery, Printing, Advertisement, etc.		35,20,805	45
10. Loss from Sale of or Dealing with Non-banking Assets			
11. Other Expenditure		43,36,821	97
12. Balance of Profit		1,90,14,183	02
Total		15,77,97,432	48
		18,52,69,541	33

(less provision made during the year for bad and doubtful debts and other usual or necessary provisions after taking credit for excess income tax deducted at source)		Year ended 31-12-1938.	Year ended 31-12-1939
Rs.	pP.	Rs.	pP.
1. Interest and Discount		12,211,007	32
2. Commission, Exchange and Brokerage		8,53,49,780	09
3. Fents		3,36,645	07
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and other Assets			
5. Net profit on revaluation of Investments, Gold and Silver, Land, Premises and other Assets			
6. Income from Non-banking Assets, and Profit from Sale of or Dealing with such Assets			
7. Other Receipts—Recoveries from the Integration and Development Fund for the years 1937 and 1938			
8. Loss			
Total		15,77,97,432	48
		18,52,62,541	33

*Consequent upon the new procedure of deduction of tax at source introduced by the Finance Act, 1939, credit has been taken in the accounts for the year 1939 for anticipated tax refunds; previous year's figures are therefore not strictly comparable.

Speech of the Chairman, Shri P. C. Bhattacharyya at the Fifth Annual General Meeting of the Shareholders held in Bombay, on the 4th March, 1960

The Profit and Loss Account shows that the balance of profit available for distribution for 1959 is Rs. 187 lakhs as compared to Rs. 190 lakhs for 1958. I had mentioned last year that the increased earnings of the Bank for the year 1958 were some what fortuitous. This continued to be the position in 1959 also. A sizable portion of the Bank's deposits continued to consist of the United States P. L. 480 Funds which remained with us and were invested in Government securities. The balance of profit available for distribution this year reflects the result of the Bank's normal operations, so as to give a realistic picture to the shareholders and the public. This explains why the net profit shown in the Profit and Loss Account for the year ended 31st December 1959 is somewhat lower than that shown in the accounts for the year ended 31st December 1958, even though the tax payable by the Bank on its profits before declaration of dividend was provided at a somewhat lower rate in 1959 than that in 1958. The profit of Rs. 187 lakhs for 1959 should be appropriately compared to the figure of Rs. 156 lakhs which was the profit for the year 1956, when the Bank did not have any United States P. L. 480 Funds deposited with it.

There has been a continuous rise in the expenditure of the Bank since 1956. The total expenditure of the Bank which amounted to Rs. 7.11 crores in 1956 more than doubled itself to Rs. 16.66 crores in 1959. Up to the end of 1959, we opened 359 new branches out of which only 44 branches have reached a profit earning stage. As many as 315 of these branches are still running at a loss. Compared to 1956, the increase in the expenditure on Salaries, Allowances and Provident Fund of employees alone has been of the order of Rs. 260 lakhs. This represents an increase of roughly 60 per cent. In spite of this, we have been fortunate enough that the increase in expenditure over the last three years has been covered by the increase in the income of the Bank. We cannot however be complacent. Even though the original branch expansion programme is nearing completion, this is one of our activities which has to be carried on in the future also, if we are to continue to serve the wider national interest as we have been doing. This, together with the expansion of the other developmental activities undertaken by the Bank, will lead to a further increase in establishment expenses. Over and above this, the year-to-year increase in the expenditure of the Bank will have to be provided for. If we are to meet such

increases in expenditure without impairing the strength of the institution, it is absolutely imperative that the traditional business of the Bank must expand.

I had drawn your attention last year to the fact that the traditional business of the Bank had not been showing any marked progress since June 1958 and that in January and February 1959 the average advances and bills of the Bank had been actually lower than those in the corresponding months of 1958. This trend generally continued throughout 1959. As you are aware, our advances to industry constitute almost 70 per cent of our total advances. In 1959, there was a marked decline in the Bank advances to the cotton textile and sugar industries. With the revival in the external demand and an increase in the internal demand for its products, the Indian cotton textile industry was able to turn the corner in the year and with the decline in the stocks required to be held, the industry was able to reduce its dependence on the Bank's funds. The decline in the Bank's advances against sugar was mainly due to lower sugar production in 1959 consequent on short supply of sugar cane. Recently, with the accretion of large funds to the banking system, banking business in this country has also become highly competitive. Special facilities, some of which we are not in a position to extend, are being given by some banks to new concerns in order to attract business. In a rapidly expanding institution like ours with obligation to undertake numerous activities in the public interest, it is essential that the Bank should record progress in all spheres of its activities, traditional as well as developmental. This matter is constantly engaging the attention of your Directors. I do hope that the present position is just a passing phase. I hope that our new branches will justify their existence in the near future and will enable us to show better working results. I also hope that we shall continue to enjoy the support of all—both in the public and the private sectors—in our endeavour to play our recognised role in the monetary and banking system of the country.

Your Directors regret that this year, the net dividend to the shareholder after payment of taxes has had to be slightly reduced. The Bank has declared a dividend of Rs. 20/- per share for 1959 compared to Rs. 18/- per share paid for 1958. I wish it were possible for us to declare a dividend which would have given the shareholder the same net amount as in the past even after deduction of tax at source as required under the

new procedure introduced by the Finance Act of 1959. But, having taken into consideration the incidence of the new system of taxation, the probable increase in the Bank's expenditure in the near future and the necessity for an institution like ours to be in a position to maintain a particular rate of dividend over a reasonably long period, the Board of Directors were compelled to reduce the net dividend to some extent. I feel confident that it will be possible for the Bank to maintain for some years to come, the rate of dividend that has now been fixed.

It will not be out of place here to refer to a particular matter, viz., the 'Charter of Demands' that we had received some time ago from the Federation of our Staff Associations. This charter demands a radical revision of the pay scales, a point-to-point adjustment in the revised scales, abolition of areawise classification and increased Provident Fund and Pension facilities for all the subordinate and clerical staff with effect from 1st January 1959. A rough computation shows that if the demands are met, the present cost per employee would increase by a hundred per cent. I can understand the desire of our employees to secure an increase in their emoluments but that must obviously be related to the capacity of the Bank to bear the additional cost. Further, the wage structure demanded must be in line with that prevailing in other comparable employments and one which

can be justified in the context of the prevailing economic conditions in the country. I regret to say that the demands put forward by the Federation cannot be said to satisfy any of these tests. We have always endeavoured to maintain cordial relations with the staff and the Federation and have always agreed to discuss across the table any issues raised by them. The Federation should consider whether this does not cast on them an obligation to take account of all the considerations, enumerated by me, before framing their demands. I explained earlier the extent to which the developmental activities of the Bank claim our attention and resources. I take it that the employees of the Bank, as citizens of the country, are equally interested in seeing that neither the developmental programme of the Bank nor its financial position is adversely affected. I would earnestly request those who are conducting the affairs of the Federation to adopt a more realistic approach to the question of the improvement of their prospects and in the interest of the maintenance of cordial relations in the Bank desist from putting forward demands which it is impossible to meet. On my part, I can give them the assurance that the management will not be found wanting in willingness to respond to reasonable demands.

I shall now give you some more particulars of the branch expansion.

sion programme and other developmental activities of the Bank referred to in the Annual Report. Out of the 359 new branches opened upto December 31, 1959, 66 branches have been opened at towns with a population below 10,000; 182 branches at places with a population of 10,000—25,000 and 86 branches at places with a population of 25,000—50,000. Thus the vast majority of the new branches opened by the Bank operate at comparative small places and has been increasing banking facilities in the rural and semi-urban areas. Actually at 55 places where we have opened branches, no other scheduled, non-scheduled or co-operative bank had a branch or office; and 29 of our branches have been opened at places where no banking facility was available within a distance of 20 miles. The deposits received and advances granted at the 359 new branches stood at Rs. 28.29 crores and Rs. 11.96 crores respectively on December 31, 1959. This is an indication of the contribution made by the Bank to the mobilisation of the national resources and to the provision of cheaper banking facilities in the rural and semi-urban areas of the country. I may also mention here that during 1959 the Bank opened several temporary pay offices to meet the special requirements of the Assemblies, conferences and fairs held at various places, so as to serve both Indian nationals as well as visiting foreigners. These facilities, I need hardly add, were well appreciated.

As I mentioned in my speech at the last Annual General Meeting, the Bank emerged out of the pilot stage of its scheme for financing small scale industries. From 1st January 1959, the Bank has been financing small scale industries at all of its branches. Financing of small scale industries has now become a part of the normal business of the Bank. The total credit limits sanctioned to small scale industries have increased from about Rs. 237 lakhs in 1958 to about Rs. 462 lakhs at the end of 1959, the number of accounts going up from 696 to 1496 during the year. You must have observed from the Report that the Bank has been making special efforts at some of its branches which have been styled as "intensive centres". The main object of operating these centres is to secure best possible results from the co-ordination of the Bank's activities in this respect with the activities of other agencies interested in the promotion of small scale industries. The progress achieved at these centres, I may tell you, has been quite encouraging. Apart from the fact that both the credit limits as well as the number of accounts at these centres have been steadily increasing, as many as 85 per cent of the borrowers have been granted limits of less than Rs. 50,000 each. The bulk of finance provided by the Bank is thus made available to relatively small units.

The finance made available by the Bank to various co-operative institutions also steadily increased during the year. The co-operative central financing agencies as well as co-operative marketing and processing societies have been drawing more on the Bank's resources and the efforts made by the Bank in several directions to fill the gap in the institutional framework for finance to co-operatives as also to impart strength and support to co-operative central financing agencies are well appreciated. Most of the doubts, misgivings and fears which were entertained in this regard initially have proved to be unreal and a workable arrangement has been arrived at in which the Reserve Bank of India, the State Bank of India, and the co-operative financing agencies have been operating in a co-ordinated and harmonious manner. I do hope this relationship will grow stronger in future so as to benefit both the State Bank of India and the co-operatives, which must in turn benefit the entire community.

Another important development of the year, to which I would like to refer is the formation of the State-associated banks as subsidiaries of the State Bank of India. One of these State-associated banks was taken over on 1st October 1959 and the four others were taken over on 1st January 1960. One more has become our subsidiary on 1st March 1960. Arrangements are being made to take over the remaining two of these banks shortly, so that all the eight State-associated banks will have then been taken over. I would like to assure you and the general public that each of these subsidiary banks, being autonomous, will continue to maintain its individuality and independence in its day-to-day operations. The State Bank of India will have just the general powers of control, supervision and direction. The object of taking these banks over is, as you know, to impart to them additional strength and stability, so that they, as well as the State Bank of India, can play a more useful role in the country's economy.

I may also tell you that arrangements are being made by the State Bank of India as well as the State-associated banks with a view to enabling the latter to fall in line with the policies adopted by the State Bank of India in respect of the various developmental activities. The branch expansion programme of these banks is being co-ordinated with that of the State Bank of India. Each of these banks will ordinarily limit its branch expansion to the area in which it has been functioning. Some of the centres selected by the State Bank of India for opening its branches have been handed over to the respective State-associated banks and each of these banks will also be opening a few more branches in its own area. I do hope this integrated banking

structure will before long provide banking and remittance facilities within easy reach from all places of importance and be sufficiently responsive to national policies adopted for a rapid development of the country's economy.

**NEW CENTRAL JUTE MILLS
COMPANY LIMITED**

NOTICE is hereby given that an Extraordinary General Meeting of the shareholders of the Company will be held on Thursday, the 31st March 1960 at 11-30 A.M. at the Registered Office of the Company at 11, Clive Row, Calcutta to consider and if thought fit to pass with or without modification the following resolution:—

"RESOLVED THAT A FURTHER DIVIDEND IN RESPECT OF
The year ended 31st March 1959 be and is hereby declared out of General Reserve 'No. 1 at the rate of Rs. 1.50 nP per share i.e. 15% (without deduction of income tax) on Ordinary shares payable to the shareholders whose names stand registered in the books of the Company on 31st March 1960".

The Share Transfer Books of the Company will remain closed from 28th March 1960 to 31st March 1960 both days inclusive.

By Order of the Board.
for NEW CENTRAL JUTE MILLS
CO. LTD.,
for SAHU JAIN LIMITED
A. K. Jain
Managing Director,
Managing Agents

Calcutta,
7th March 1960.

N.B. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Explanatory Note:

The profits of the Company on the working of the jute mill during the current year ending 31st March 1960 are substantial; higher than those for the preceding year. As against same, Development Rebate in respect of the Chemical Fertiliser Plant switched into operation during the current year to be provided out of the current year's profits as per provision of the Finance Act 1958 would be substantial. The Directors, therefore, do not propose to recommend payment of any dividend on ordinary shares in respect of the current year ending 31st March 1960. The Directors recommend further dividend as mentioned in the proposed resolution aforesaid.

This Weekly is Printed

By

DORCHESTER PRINTING WORK
116, LOWER CIRCULAR ROAD,
CALCUTTA 14.

31-12-58	PROPERTY & ASSETS—(Contd.)				
Rs.			Rs.	nP.	Rs. nP.
53,21,76,312	Brought forward ..				58,94,31,941 08
10.	Other Assets including Silver:				
	(i) Interest accrued on Investments but not collected ..	18,96,914 86			
15,94,788					
5,86,490	(ii) Stationary at cost	6,14,285 86			
20,739	(iii) Stamps	24,184 99			
5,000	(iv) Nominee Company	5,000 00			
22,07,017					25,42,365 51
	The net assets of the Nominee Company amount to Rs. 5,000 represented by deposit with the Bank, per contra.				
11.	Non-Banking Assets acquired in satisfaction of Claims	Nil			Nil
11.	Profit and Loss ..	Nil			Nil
53,45,83,329	GRAND TOTAL ..				59,19,74,306 58

31-12-58 Rs.	EXPENDITURE.	Rs.	nP.	31-12-58 Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions).	Rs.	nP.
1,23,54,562	1. Interest paid on Deposits, Borrowings, etc. ...	1,35,38,495	98	2,16,46,407	1. Interest and Discount	2,38,65,954	18
83,30,600	2. Salaries and Allowances and Provident Fund (General Manager Rs. 72,400, last year Rs. 72,400)	87,62,038	27	32,23,887	2. Commission, Exchange and Brokerage ..	35,33,687	86
15,000	3. Directors' and Local Committee Members' Fees and Allowances	15,000	00	1,77,569	3. Rents	1,83,822	59
11,95,805	4. Rent, Taxes, Insurance, Lighting, etc.	17,81,286	75	Nil	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil	
87,621	5. Law Charges	66,256	67		5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	Nil	
4,14,575	6. Postage, Telegrams and Stamps	4,41,291	19	Nil	6. Income from non-banking assets, and profit from sale of or dealing with such assets	Nil	
10,000	7. Auditors' Fees	10,000	00	Nil	7. Other Receipts	11,722	70
2,31,530	8. Depreciation on and repairs to the banking company's property	2,54,683	03	Nil	8. Loss (if any)	Nil	
3,58,716	9. Stationery, Printing, Advertisement, etc. ...	3,89,817	13				
Nil	10. Loss from sale of or dealing with non-banking assets	Nil					
6,78,215	11. Other Expenditure	7,39,639	74				
13,71,219	12. Balance of Profit	16,26,676	54				
2,50,47,843	GRAND TOTAL Rs. ...	2,75,95,187	30	2,50,47,843	GRAND TOTAL Rs. ...	2,75,95,187	30

No Profit and Loss Account has been prepared as the Company has no income and the expenses are paid by the Holding Company.

CALCUTTA:
The 26th February, 1959

A. F. FERGUSON & CO.
Chartered Accountants.

hold office according to the provisions of Article 84 of the Articles of Association and in respect of whom the Company has received a

(a) The Transfer Books of the Company will be closed from

4. Regarding Item No. 8; Mr. Shiavax S. Khambata was appointed

12, Mission Row,
Calcutta,
10th March, 1960.

12, Mission Row,
Calcutta,
10th March, 1960.

DEVKARAN NANJEE BANKING COMPANY, LIMITED

Head Office: DEVKARAN NANJEE BUILDINGS, HORNIMAN CIRCLE, BOMBAY-1.

AUTHORISED CAPITAL - Rs. 1,00,00,000 SUBSCRIBED AND PAID-UP - Rs. 50,00,000 RESERVE FUNDS - Rs. 52,00,000.

BRANCHES

BOMBAY CITY

*Horniman Circle—Head Office, Andheri, Bhuleswar, *Botivli, Chombur, *Colaba, *Dadar, *Ghatkopar, Gol Deval, Goregaon, Kalbadevi, Kandivli, Khar, Kharek Bazar, Kurla, *Malabar Hill, *Malad, Mandvi, *Matunga, Sandhurst Bridge, *Santa Cruz, *Share Bazar, Tardeo, Thakurdwar, *Vile Parle (East), *Vile Parle (West), *Zaveri Bazar.

GUJARAT

AHMEDABAD: *Delhi Chakla, *Gandhi Road, Manek Chowk, *Maninagar, Maskati Market, Saraspur; Anand, Bardoli, Baroda, Borsad, Broach, Bulsar, Dharmaj, Godhra, Lunawada, Nadiad, Navsari, Padra, Patan, Sidhpur, Surat, Viramgam.

SAURASHTRA

Amreli, *Bhavnagar, Damnagar, Dhrangadhra, Jamnagar, Junagadh, Mahuva, Morvi, Porbandar, *Rajkot, Savar Kundla, Surendranagar, Veraval.

MAHARASHTRA

Ahmednagar, Baramati, Burhanpur (M.P.), Malegaon, Maramad, NASIK: Nasik City, Nasik Road; POONA: Budhwar Peth, *Camp, *Raviwar Peth; Sholapur, Walchandnagar.

CALCUTTA

Brabourne Road, Burra Bazar, *Bhowanipore.

NEW DELHI

DELHI

MADRAS

BANGALORE

MANGALORE

COCHIN

*Has Safe Deposit Vault.

DIRECTORS' REPORT FOR THE YEAR ENDED 31st DECEMBER, 1959

To
THE MEMBERS OF
DEVKARAN NANJEE BANKING CO., LTD.

1. Your Directors beg to submit herewith the audited Balance Sheet as on 31st December, 1959, and the Profit and Loss Account for the year ended 31st December, 1959. The Auditors' Report is also annexed.

2. The Bank has, during the year, made good progress generally. The Bank's deposits, at the end of the year, were about Rs. 35 crores, the total working funds about Rs. 45½ crores, and the number of accounts over 1,75,000. Eight branches were opened during the year—at Malabar Hill, Tardeo and Kharek Bazar in Bombay, Bhowanipore in Calcutta, Dharmaj in Gujarat, Bangalore and Mangalore in Mysore State, and Cochin in Kerala—bringing the total number of the Bank's offices to 83 at the end of 1959. Five Safe Deposit Vaults were opened—at Malabar Hill and Vile Parle (East) in Greater Bombay, Poona Camp, Delhi Chakla in Ahmedabad, and Bhowanipore in Calcutta—bringing the total number of Safe Deposit Vaults to 21. Attention was also concentrated on the existing units with a view to expand them. The Reserve Funds of the Bank at Rs. 52 lakhs have now exceeded the paid-up Capital of Rs. 50 lakhs.

3. The Bank has made a net profit of Rs. 15,30,286.70, which, together with the sum of Rs. 3,02,014.77 brought forward from last year's account, amounts to Rs. 18,32,301.47. Out of this, your Directors have made the following appropriations:

	Rs.	nP.
To Add-Interim Dividend for the half-year ended 30th June, 1959, at the rate of Rs. 1.86 per share	1,86,000.00	
To Amount Provided for Bonus to Staff	2,25,000.00	

	Rs.	nP.
To Reserve Fund under Section 17 of the Banking Companies Act	6,00,000.00	
and propose to appropriate the balance as under:		
To Pay a Final Dividend for the half-year ended 31st December, 1959, at the rate of Rs. 2.52 per share (making in all 8.76 per cent. per annum, subject to deduction of tax)	2,52,000.00	
and to Carry Forward	5,69,301.47	
Total Rs.	18,32,301.47	

4. Shri Jayantilal R. Trivedi was appointed on 27th January, 1960, as a Director in the casual vacancy in the Board of Directors and he ceases to hold office as a Director at the Annual General Meeting. In accordance with Article 100 of the Articles of Association, Shri Laxmikant S. Dabholkar, Shri Harshadrai B. Parekh and Shri M. A. Master retire from the Board of Directors by rotation but being eligible offer themselves for re-appointment.

5. You are requested to appoint Auditors for the ensuing year and to fix their remuneration.

Yours faithfully,
For the Board of Directors,
LALITCHANDRA C. D. NANJEE,
Chairman.

BOMBAY, 4th February, 1960.

BALANCE SHEET AS AT 31st DECEMBER, 1959

CAPITAL AND LIABILITIES.		PROPERTY AND ASSETS.	
	Rs. nP.		Rs. nP.
1. CAPITAL—		1. CASH—	
Authorised—		In hand and with Reserve Bank and State Bank of India	3,34,66,319.89
2,00,000 Ordinary Shares of Rs 50 each	1,00,00,000.00	2. BALANCES WITH OTHER BANKS—	
Subscribed—		(i) In India on Current Accounts	59,55,809.51
1,00,000 Ordinary Shares of Rs. 50 each	50,00,000.00	(ii) Outside India on Current Accounts	34,97,585.49
fully paid	50,00,000.00	(iii) Outside India on Deposit Account	1,76,836.62
2. RESERVE FUND AND OTHER RESERVES	52,00,000.00	3. MONEY AT CALL AND SHORT NOTICE	96,30,231.62
(Including Shares Premium Account Rs. 9,00,000)		4. INVESTMENTS: At or below Market Value—	1,50,000.00
3. DEPOSITS AND OTHER ACCOUNTS—		(i) Securities of the Central and State Governments, and other Trustee Securities	15,32,43,828.31
Fixed Deposits	17,44,58,004.91	(ii) Shares—	
Savings Bank Deposits	7,80,01,993.59	(a) Fully paid Preference Shares	12,87,390.00
Current Accounts, Contingency Accounts, etc.	10,33,88,587.51	(b) Fully paid Ordinary Shares	11,21,362.00
	35,38,48,586.01	(c) Partly paid Preference Shares	35,825.00
4. BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC.—		(d) Partly paid Ordinary Shares	2,25,750.00
(i) In India	2,50,00,000.00	(iii) Debentures or Bonds	27,33,325.00
(ii) Outside India	Nil	(iv) Other Investments	Nil
	2,50,00,000.00	(v) Gold	Nil
PARTICULARS—		5. ADVANCES—	15,86,27,289.31
(i) Secured by part of Investments as per contra	2,50,00,000.00	(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors).	
(ii) Unsecured	Nil	I. Loans, Cash Credits, Overdrafts, etc.—	
5. BILLS PAYABLE	31,77,867.17	(i) In India	15,65,32,931.52
6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE as per contra—		(ii) Outside India	Nil
(i) Payable in India	1,79,32,964.65		15,65,32,931.52
(ii) Payable outside India	2,23,390.19	II. Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—	
	1,81,56,354.84	(i) Payable in India	3,43,14,541.96
7. OTHER LIABILITIES—		(ii) Payable outside India	37,36,578.85
(a) Branch Adjustments	96,89,330.36		3,80,51,121.81
(b) Unclaimed Dividends	81,129.00		19,45,84,053.33
(c) Rebate	50,263.11		39,64,57,965.15
	98,00,722.47		
Carried over	42,01,83,530.49	Carried over	

March 12, 1960

DEVKARAN NANJEE BANKING COMPANY, LIMITED—(Continued.)

CAPITAL AND LIABILITIES—(Contd.)		Rs.	nP.
Brought forward		42,01,83,530.49	
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS as per contra		3,76,32,222.65	
9. PROFIT AND LOSS—			
Profit as per last Balance Sheet	4,77,014.77		
Less—Appropriations for Dividend	1,75,000.00		
	3,02,014.77		
Add—Profit for the year as per the Profit and Loss Account	13,05,286.70		
	16,07,301.47		
Less—Ad-interim dividend paid	1,88,000.00		
	14,21,301.47		
Less—Transferred			
1. To Reserve Fund under Section 17	6,00,000.00		
2. To Provision for Taxation	Nil		
	6,00,000.00		
		8,21,301.47	
10. CONTINGENT LIABILITIES—	Rs.	nP.	
(i) Claims against the Banking Company not acknowledged as debts	Nil		
(ii) On Investments in shares of Joint Stock Companies and Banks, etc.	9,98,125.00		
(iii) On Letters of Guarantee on behalf of Constituents	1,60,33,358.34		
(iv) On account of outstanding Forward Exchange Contracts	88,187.03		
(v) On Bills of Exchange Rediscounted	Nil		

NOTE:—Provision to the full extent for future gratuities to staff has not been made, the liability for which has not been ascertained.

PROPERTY AND ASSETS—(Contd.)		Rs.	nP.
Brought forward		39,64,57,885.15	
PARTICULARS OF ADVANCES—			
(i) Debts considered good in respect of which the Banking Company is fully secured	16,94,73,676.25		
(ii) Debts considered good for which the Banking Company holds no other security than the debtor's personal security (the above includes Rs. 36,77,298.15 debts for which more than one person is liable on the pro-note)	1,37,23,216.92		
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of debtors	1,13,87,160.15		
(iv) Debts considered doubtful or bad, not provided for	Nil		
	19,45,84,053.33		
(v) Debts due by Directors or officers of the Banking Company or any of them either severally or jointly with any other persons	1,570.00		
(vi) Debts due by the companies or firms in which the Directors of the Banking Company are interested as directors, partners or Managing Agents or, in the case of private companies, as members	99,26,830.07		
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors, or managers or officers of the Banking Company or any of them either severally or jointly with other persons	1,740.00		
(viii) Maximum total amount of advances, including temporary advances granted during the year to the Companies or firms in which the directors of the Banking Company are interested as directors, partners or Managing Agents or, in the case of private companies, as members	1,15,85,371.70		
(ix) Due from Banking Companies	1,07,634.81		
6. BILLS RECEIVABLE BEING BILLS FOR COLLECTION as per contra—			
(i) Payable in India	1,79,32,964.65		
(ii) Payable outside India	2,23,390.19		
	1,81,56,354.84		
7. CONSTITUENTS' LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS as per contra	3,76,32,222.65		
8. PREMISES Less Depreciation—			
At cost as per last Balance Sheet	32,50,561.32		
Additions during the year	21,153.43		
	32,71,714.75		
Less—Depreciation to date	5,00,000.00		
	27,71,714.75		
9. FURNITURE AND FIXTURES Less Depreciation—			
At cost as per last Balance Sheet	20,65,845.97		
Additions during the year	4,84,209.91		
	25,50,055.88		
Less—Sales during the year	43,325.99		
	25,06,729.89		
Less—Depreciation to date	9,13,862.59		
	15,92,867.30		
10. OTHER ASSETS INCLUDING SILVER—			
(a) Advance Payment of Tax	5,96,182.68		
(b) Interest accrued on Investments	11,29,492.68		
(c) Small Silver Bars	32,897.70		
(d) Stamps and Stationery	1,32,309.86		
(e) Sundry Deposits	1,35,127.00		
	20,26,009.92		
11. NON-BANKING ASSETS ACQUIRED IN SATISFACTION OF CLAIMS	Nil		
	Nil		
TOTAL Rs.	45,86,37,054.81	TOTAL Rs.	45,86,37,054.81

Profit and Loss Account for the year ended 31st December, 1959

EXPENDITURE		Rs.	nP.
1. Interest paid on Deposits, Borrowings, etc.	79,43,705.93		
2. Salaries, Allowances and Provident Fund (includes Salary and Allowances of Managing Director Rs. 48,500.00)	41,32,429.32		
3. Directors' and Local Committee Members' Fees and Allowances	32,290.00		
4. Rent, Taxes, Insurance, Lighting, etc.	5,39,833.89		
5. Law Charges	7,759.75		
6. Postage, Telegrams and Stamps	3,49,044.01		
7. Auditors' Fees	10,000.00		
8. Depreciation on and Repairs to Banking Company's Property	2,09,873.00		
9. Stationery, Printing, Advertisement, etc.	7,28,465.77		
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil		
11. Other Expenditure	3,99,458.11		
12. Balance of Profit (subject to Taxation)	13,05,286.70		
Total Rs.	1,56,58,146.28		
INCOME		Rs.	nP.
(Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)			
1. Interest and Discount	1,26,82,590.25		
2. Commission, Exchange and Brokerage	22,01,385.44		
3. Rents	1,21,206.80		
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	3,003.59		
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves, or any particular Fund or Account)	Nil		
6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	Nil		
7. Other Receipts	6,49,960.20		
Total Rs.	1,56,58,146.28		

Note.—Remuneration received by three Directors for their own use from other companies by virtue of nomination by the Bank on the Board of other companies amounted to Rs. 2,985.00 during the year.

DEVKARAN NANJEE BANKING COMPANY, LIMITED—(Continued.)

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the foregoing Balance Sheet of the DEVKARAN NANJEE BANKING CO., LTD., as at 31st December, 1959, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the unaudited returns from all the Branches in India not visited by us for the purposes of this Report.

In accordance with the provision of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-section (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956, they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that—

- we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
- the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for Banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1959, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

K. S. AIYAR & CO., Chartered Accountants.
DALAL & SHAH, Chartered Accountants.

BOMBAY, 5th February, 1960.

HARIDAS K. SWALI, Chief Superintendent.
C. V. SUBRAMANIAM, Chief Accountant.

RATILAL R. MERCHANT, Superintendent of Advances.
B. RAGHAVENDRA BALIGA, Chief Inspector.

LALITCHANDRA C. D. NANJEE, Chairman.

UDAYBHAN
NATVARLAL S. CHOKSEY } Directors { M. A. MASTER
JAYANTILAL R. TRIVEDI } HARSHADRAI B. PAREKH
LAXMIKANT S. DABHOLKAR } D. N. MEHTA
PRAVINCHANDRA V. GANDHI, Managing Director.

MARTIN BURN LIMITED

NOTICE.

In view of the proposals relating to the basis of deduction of tax at source from dividends on Preference Shares as contained in the Finance Bill 1960, the announcement regarding the payment of the dividend on the 5% Preference Shares of the Company for the period 1.10.59 to 31.3.60 will be deferred until the enactment of the Finance Act 1960.

By Order of the Board,

A. G. GIDLEY,
Secretary.

12, Mission Row,
Calcutta-1.
10th March, 1960.

BENGAL JUTE MILL COMPANY LIMITED

8, Dalhousie Square East,
Calcutta.

2nd March, 1960.

NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the Company will be held at the Registered Office of the Company at No. 8, Dalhousie Square East, Calcutta on Thursday the 31st March 1960 at 3 P.M. for the purpose of receiving the Directors' Report, passing the Audited Accounts, declaring the Dividend recommended by the Directors for the year ended 30th June, 1959, appointing Auditors and—

1. To appoint and/or approve the appointment of Sri M. L. Jalan who retires by rotation and is eligible for reappointment and to consider and if thought fit to pass the following resolution, as a Special Resolution of which a Special Notice as required by Section 190 & 261 of the Companies Act 1956 has been received by the Company.

"Resolved that pursuant to the provisions of Section 261 and other

applicable provisions (if any) of the Companies Act, 1956 the appointment of Sri M. L. Jalan a Director of the Company, who is also a Partner of Messrs. Soorajmull Nagarmull the Managing Agents of the Company, be and is hereby made and/or approved as required by the provisions of the said Section".

2. To appoint and/or approve the appointment of Sri B. L. Jalan who retires by rotation and is eligible for reappointment and to consider and if thought fit to pass the following resolution as a Special Resolution of which a Special Notice as required by Sections 190 & 261 of the Companies Act 1956 has been received by the Company.

"Resolved that pursuant to the provisions of Section 261 and other applicable provisions (if any) of the Companies Act, 1956, the appointment of Sri B. L. Jalan a Director of the Company, who is also a Partner of Messrs. Soorajmull Nagarmull the Managing Agents of the Company, be and is hereby made and/or approved as required by the provisions of the said Section".

3. To appoint a Director in place of Sri M. L. Shah who retires by rotation and is eligible for reappointment subject to compliance with the provisions of Section 281 of the Companies Act 1956 and to consider and if thought fit to pass the following resolution as an ordinary resolution of which a Special notice as required by Section 281 of the Companies Act 1956 has been received by the Company.

As an ordinary Resolution:

"Resolved that pursuant to the provisions of Section 281 of the Companies Act 1956 Sri M. L. Shah who has attained the age of 65 years and who retires by rotation be and is hereby reappointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him".

4. Any other business that may be brought forward.

EXPLANATORY NOTE

Item No. 1 of the Notice, Section 261 (1) (f) of the Companies Act 1956 read with sub-Section (4) of the same Section of Companies Act 1956 requires the re-appointment of any Director retiring by rotation who is an associate of the Managing Agents to be made by a Special Resolution.

And since it is desirable for the benefit of the Company to avail of the valuable advice of Mr. M. L. Jalan at present a Director of the Company who is an associate of the Managing Agents by retaining him as a member of the Board of Directors of your Company it will be desirable that the above proposed Special Resolution, Special Notice of which has been received by the Company, be passed.

In respect of Item No. 2 of the Notice Section 261 (1) (f) read with sub-Section (4) of the same Section of the Companies Act 1956 requires the appointment of any Director who is an Associate of the Managing Agents to be made by Special Resolution.

And since it is desirable for the benefit of the Company to avail of the valuable advice of Mr. B. L. Jalan at present a Director of the Company who is an associate of the Managing Agents by retaining him as a member of the Board of Directors of your Company it will be desirable that the above proposed Special Resolution, Special Notice of which has been received by the Company, be passed.

In respect of Item No. 3 of the Notice Sri M. L. Shah who is proposed to be appointed a Director of the Company has attained the age of 65 years and under Section 280 (2) of the Companies Act, 1956, retires at the conclusion of this Meeting which is the 29th Annual General Meeting since the commencement of the Companies Act, 1956. The resolution includes a declaration that the age limit of 65 years prescribed by Section 280

of the Act shall not apply to him as provided in Section 281 of the Act.

During his long association with the Company Sri M. L. Shah has rendered very valuable services and his guidance and advice have been of considerable benefit to the Company. As it is in the interest of the members that the Company should continue to receive the benefit of his advice as a member of the Board, it is desirable that he be re-appointed a Director.

The Share Transfer Register of the Company will remain closed from the 24th March 1960 to 31st March 1960 both days inclusive.

By order of the Board,
For and on behalf of
BENGAL JUTE MILL CO. LTD.
Soorajmull Nagarmull
MANAGING AGENTS

8, Dalhousie Square East,
Calcutta.
Dated the 2nd March 1960.

N.B.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of himself and a proxy need not be a member.

THE ALKALI & CHEMICAL CORPORATION OF INDIA, LIMITED

ANNOUNCEMENT

The Preference Share Registers of the Company will be closed from the 28th March, 1960 to the 6th April, 1960 both days inclusive.

By Order of the Board
IMPERIAL CHEMICAL
INDUSTRIES (INDIA) PRIVATE
LTD.

Calcutta
2nd March 1960.

March 12, 1960

The Chartered Bank

Continued Expansion of Business

Accounts Reveal High Degree of Liquidity

Larger Profits Despite Increasing Costs

Importance of Raising Asian Living Standards

Mr V. A. Grantham's Statement

The One Hundred and Sixth Annual General Meeting of The Chartered Bank will be held on March 30 at 38, Bishopsgate, London, E.C.2.

The following is an extract from the statement by the Chairman, Mr. V. A. Grantham, which has been circulated with the report and accounts for the year 1959:—

THE BANK'S BALANCE SHEET

The accounts indicate the continued expansion of the Bank's business and reveal a high degree of liquidity. The total of our own balance sheet at £270,390,101 is the highest we have ever recorded being £27,271,915 up on last year's figure which was itself a record.

Our Consolidated Balance Sheet shows a total of £317,021,709, which is £31,591,207 up on that of last year.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

The net profits for the year at £1,014,696 are higher by £21,106 than last year, in spite of continually increasing working costs in all parts of the world, and may be considered very satisfactory.

We paid an interim dividend in September last of 7½% less income tax, absorbing £229,688 and it is now proposed that out of the balance available a final dividend of 7½% less income tax be paid, costing £229,687. We have repeated the allocations made last year of £250,000 to Bank Premises and Furniture and £125,000 and £20,000 respectively to the Pension Fund and Widows' and Orphans' Fund. £150,000 has been transferred to Reserves for Contingencies and the increased balance carried forward is £491,994.

THE IRANO BRITISH BANK

Our joint venture in Iran has now completed its first working year and I am pleased to report that good and steady progress has been made, and this is reflected in the figures of the first balance sheet. These good results have been achieved mainly through the industry and application of the staff, both European and Persian, and it is particularly gratifying to find a feeling of loyalty amongst

the bank's national employees and the promise that many of them will, with more training, be able to fill key positions in the expanding organisation.

This expansion so far has led, in addition to the head office in Tehran and the original branch in Khorramshahr, to the opening of a bazaar branch in Tehran and a branch at Abadan. A further branch is shortly to be opened at Ahwaz. All this has been achieved in the face of a general shortage of local funds, increasing competition from new banks and perhaps a less helpful officialdom than we were led to expect.

Outwardly at least the country gives an impression of stability although the Bank Melli is having to take steps to conserve foreign exchange. Without being critical of the present arrangements, I believe that it would facilitate trade and be in the country's interests were the Bank Melli to deal freely in foreign exchange, both ready and forward, with the commercial banks at special rates in a manner similar to the operations of central banks in other countries.

The great need is, of course, for exports in addition to oil.

OVERSEA SURVEY.

As a bank primarily engaged in financing overseas trade we were vitally interested in the findings of the Radcliffe Committee, for in 1957 when it was appointed, there was widespread anxiety that internal inflation might jeopardise the hard won progress which had been made in rehabilitating and modernising British industry and there was considerable doubt, both at home and abroad, whether it would prove possible to maintain sufficient confidence in sterling to assure its status as a major international medium of exchange.

In the light of the steps taken by the government in the interim to deal effectively with both those problems it is interesting to note that the report, which was published in August, gives tacit approval to the working of the monetary system and I hope we shall hear no more from the politicians and economists who would restrict the use of sterling in international

trade. The Chartered, and all other British banks trading overseas, welcome the continuance of conditions which allow us to handle worldwide trade and to contribute thereby to the United Kingdom's invisible earnings.

Last year I mentioned the European Economic Community and the fears that existed in Asian countries that any addition to the six countries of E.E.C. might mean surrounding Europe with tariff barriers. There was in fact no such addition but in any case fears were, to some extent, allayed by figures produced at the recent meeting of G.A.T.T. in Tokyo showing increased trade between the E.E.C. area, and in particular the undeveloped countries. This helps to confirm my own views that an integrated free trade area for the whole of Europe must ultimately result in an expansion of the trade of the Asian countries in which this Bank has branches, and I trust that Her Majesty's ministers and officials will, in the not too distant future, see a successful outcome to the patient and difficult negotiations in which they have played such a prominent part.

CYPRUS

Cyprus commences its independent career with a very substantial trade deficit and, although the government finances have recently benefited from the cessation of the emergency and from the increased yield of import duties, it is clear that the new state will be in need of assistance from abroad for some years to come. The British government has already indicated that it will be giving financial support and this, with expenditure in respect of British forces based on the island, will continue to be a material factor in sustaining employment and trade.

LEBANON

By the end of 1959 the Lebanon seemed to have recovered almost completely from the disturbances of 1958. Present indications are that the country, given tranquillity, should have a good future.

IRAQ

There were signs during 1959 of a gradual return to more normal

business conditions. This was helped by a rise in oil exports, which totalled thirty-nine million tons. This was unfortunately offset to some extent by poor harvests and it was necessary for the government to prohibit the export of barley and to arrange for the import of fairly large quantities of wheat.

Import policy was liberalised in the second half of the year but the resultant improvement in business conditions was offset by the steep rise in overhead charges. The country is still in a state of transition and it is too early yet to say how the new pattern of trade relations will work out. It is clear however that, given peaceful conditions, the country will go forward with its development schemes and will for many years be a buyer of both capital and consumer goods.

PERSIAN GULF

New "Gulf rupee" currency notes were brought into circulation during the year by arrangement between the government of India and the Rulers. The great increase in the commercial importance of the area during the past twenty years has made the continued use of ordinary Indian rupee notes as customary tender an embarrassment to the Exchange Control authorities in India. The distinctive "Gulf" notes preserve the link with India but ensure that control can be maintained.

BAHRAIN

Bahrain is still dependent for its development on its oil revenue which shows little change. Business has continued satisfactorily but with three banks in competition and a fourth likely to open soon there is a temptation for merchants to over-trade and the bazaar to become over-stocked.

DOHA

Doha has had another uneventful year, with development continuing. Oil royalties are buoyant and off-shore drilling has been resumed.

SHARJAH

Business has shown some signs of improvement. Various deve-

development projects are in hand at the neighbouring port of Dubai.

BADHRAHAUT

Mukalla

Business shows a distinct improvement but is still on a very small scale. So far no oil has been found in the area though prospecting continues.

ADEN

Following the first elections under the new constitution last January a measure of self-government has been introduced into Aden Colony and it appears to be working effectively.

The fall in the year's trade figures from those for 1958 can be attributed to strikes in the oil bunkering establishments, which were particularly serious for a port dependent upon an entrepot trade. In the Western Protectorate the cotton producers had a poor year, but there is confidence that the crop for the coming season will be better and, meanwhile, irrigation facilities are being extended to expand substantially the area under cultivation. Politically, more stability was given to the Western Protectorate by the formation last February of a federation of six states.

INDIA

Thanks to generous assistance from abroad the shortage of foreign exchange which threatened to retard India's development last year was overcome, and it appears that most of the production targets will be reached in the second five-year plan which is approaching its final year. India is now at the stage when it should begin to reap the benefit of the vast expenditure which has been made under the two five-year plans although there has been criticism, much of it well founded, of the various priorities under the plans and also of the methods by which they have been financed. This criticism however should not be allowed to obscure or minimise the very real progress which has been made in many sectors of the national economy. The completion of the three new steel plants and the expansion of the two existing ones should assist in the further development of the many lighter industries in the private sector, which have been established during the last few years and are now going into full production. In order to finance this development on a national scale it has been necessary to resort to the potentially inflationary expedient of deficit financing, and it says much for the manner in which the Indian authorities handled the country's internal finances that there has been no major inflation. In fact, the price level has risen less in recent years than in many highly industrialised countries with stronger economies than India's.

In the banking field the expansion in deposits, to which I referred last year, has continued and the liquidity of the banking sys-

tem has increased. There would seem little point, therefore, in the prevalent practice of quoting high deposit rates in order to attract funds for which profitable employment is lacking. It was reassuring to have an official government statement in the Lok Sabha that the Planning Commission had come to the conclusion that the nationalisation of banks was not a desirable step.

PAKISTAN

A year ago it seemed that the situation in Pakistan was rather more hopeful than for some years past and in the event the country has made satisfactory progress during 1959. In recent years governmental instability and lack of leadership have cost Pakistan dear, and for this reason the population has responded well to the military regime which at present controls its affairs. Stern measures were required to eradicate the corruption and inefficiency which had previously been such a feature of the country's administration and it is to the credit of the present regime that, although it has dictatorial powers, it has used them with moderation and with justice. More settled conditions have been reflected in a noticeable improvement in Pakistan's trading and payments position, and the augmented foreign exchange holdings have permitted a more liberal import programme, which will be of benefit to the country's new manufacturing industries.

It is encouraging that the government has effected an improvement in the agricultural sector of the economy in the relatively short time since it assumed power and, once again, Pakistan's prospects for the coming year appear reasonably favourable, particularly if the improved relations with India lead to a settlement of some of the outstanding disputes between the two countries.

CEYLON

Politically the past year in Ceylon has been a difficult one. The assassination of the Prime Minister, Mr. S. W. R. D. Bandaranaike, brought to a head the instability which had been apparent for so long, and the difficulties experienced by his successor in holding the government together led to the dissolution of parliament in December. A general election is due to take place in March and, unless the country obtains a government with a working majority, sufficient to cope successfully with the many problems which have accumulated and require resolute action, the future outlook is poor indeed.

In the economic field a basic trouble has been the labour disputes, which have been allowed to develop and continue to the extent of jeopardising the country's production and trade and the living standards of the population. In the circumstances it is satisfactory to be able to note the extent to which the producing and mercantile communities, by adopting a "business

as usual" policy, have been able to maintain the trade of Ceylon despite the handicap of strikes and political unrest and to raise tea production once again to a record level.

BURMA

Under the able leadership of General Ne Win, the "caretaker government" which has been in office for just over a year has brought about a steady and appreciable improvement in conditions in Burma. The drive by the government against terrorists has been singularly successful and law and order in all but a few outlying and isolated areas has now been restored.

The attainment of greater internal stability has, notwithstanding the restrictive effects of excessive state interference in commerce, resulted in improved trading conditions. A direct outcome was that exports have increased in value although a secondary factor contributing to this was an example of a more liberal policy, that by which the State Agricultural Marketing Board helped to expand rice shipments to overseas markets. Quite rightly, the government regards it of the greatest importance to expand agricultural production but the emphasis has been on more intensive cultivation of the rice crop and improved facilities for milling and storage rather than on extending the acreage under tillage.

SINGAPORE

The first elections under Singapore's new constitution were held last May and the new government, which was voted into office by an overwhelming majority, has acted soundly and responsibly. Great care has been taken to avoid any official action which might have effects prejudicial to trade and industry, and in particular to the island state's traditional entrepot business. The government clearly recognises that the living standards of the expanding population can only be assured and improved if the national income grows at the same rate and conditions in Singapore remain attractive to capital and enterprise from abroad. By the imposition of strict economies the gap between revenue and expenditure has been bridged and the current financial position of the state appears sound.

Singapore's prosperity is likely to be based for a very long time to come on trade and it is, therefore, satisfactory that last year's trade turnover increased. This was largely because of the high prices of rubber and tin and the increased export quotas of the latter commodity.

FEDERATION OF MALAYA

Under the wise leadership of Tengku Abdul Rahman the Federation of Malaya has had an encouraging start as an independent state and, now that the Alliance Party has secured a decisive majority in the general elections held last August, the country should

again be assured of stable government for the next few years. One of the most satisfactory features of the period since independence has been the virtual ending of the emergency. Most of the country has now been declared "white", and the population can go about its business unhindered by security restrictions.

Last year was a favourable one for overseas trade and the improvement in business conditions in the United States was an important factor in stimulating demand for the Federation's staple commodities, rubber and tin. This led to a substantial increase in the total value of exports and, with imports remaining at much the same level as in 1958, a larger trade surplus is in prospect. An interesting development since the close of the year is that, as the result of a recent meeting of the Currency Board in Kuala Lumpur, it has been decided that the common currency, i.e. the Malayan dollar, is to continue in the Malayan and Borneo territories and remain linked to sterling at the 2/4d. parity. However, the Board is now to be permitted to invest up to about twenty-five per cent. of its assets in locally issued securities instead of wholly in sterling securities as at present.

NORTH BORNEO

Once again North Borneo's trade turnover last year reached record levels and the modest surplus achieved in 1958 was substantially exceeded. The country should undoubtedly have a great future provided its inhabitants of differing races live and work in harmony with one another and avoid the errors which have contributed to the misunderstandings that have arisen in nearby territories in South East Asia.

BRUNEI

Economically the territory still depends almost entirely on the oil-field although production has begun to fall off. It is estimated however that oil reserves will be adequate for at least twenty years and there is always a possibility that further fields will be discovered off-shore. In the circumstances it would seem worthwhile to encourage the development of a more broadly based economy. The sound financial position of Brunei State enabled the authorisation of a further loan of M\$100 million to the Federation of Malaya.

SARAWAK

While there were hopes a year ago that 1958 would prove a more prosperous period for Sarawak than the previous year, there was little expectation that it would turn out to be the best trading year since the Korean war boom. The high prices ruling in international markets for the territory's principal exports, namely rubber, pepper and timber, plus the record illipe nut crop exported early in the year, substantially raised the aggregate trade turnover. As a result, notwithstanding an increase

Indian Finance

March 12, 1960

In imports and disregarding the oil transit trade, Sarawak has for the first time for four years enjoyed a favourable balance of trade.

INDONESIA

Sympathy must be felt for Indonesia, where galloping inflation dominates everything including politics. The daily depreciation of the internal value of the rupiah is the outcome of progressive deficit budgeting, aggravated by heavy expenditure on the armed forces for security measures, and it seems that, without a drastic change of policy, little can be done to halt government expenditure and the consequent rise in the note circulation.

After the President's Cabinet was formed in July ministers made commendable attempts to economise in such things as the use of transport, the collection of monies owing to government and action to revitalise and prune government departments and embassies abroad. For one reason or another these efforts were nullified, but the biggest setback came when the drastic measures taken in August to reform the currency failed.

On the other hand, it is encouraging that although the monetary situation is deteriorating the external trading position shows improvement. This is due partly to severe restrictions of imports but also to exports having been substantially higher in value than in 1958. Potentially the richest country in South East Asia, there can be little doubt that economic recovery would be swift if effective steps were taken to curb inflation, especially now that the principal export commodities are fetching good prices in the world market.

THAILAND

Thailand continues to enjoy the benefits of a stable regime.

Again last year the country had an adverse balance of trade but, in spite of this, the exchange reserves have actually increased thanks to the extent of American aid. The authorities are naturally concerned at the trade deficit and it is to be hoped that their exhortations to curb the import of luxury goods will have the desired effect. The alternative would be to impose import restrictions and it would be particularly unfortunate if this were to prove necessary, for Thailand's return to a free economy a few years ago was not only almost unique in Asia, but also a particularly courageous experiment which has, so far, abundantly justified itself.

VIETNAM

The firm rule of the government of President Ngo Dinh Diem, despite sporadic incidents, continues to provide the country with the law and order necessary if the damage of the long years of war is to be repaired and the national economy rehabilitated. The economic task which confronts the country is indeed formidable, for Vietnam is still dependent on American aid for approximately seventy

per cent of its imports. The obvious remedy for this situation is to increase sales abroad of the country's staple exports; this has become more than ever necessary now that the United States, in view of its own balance of payment difficulties, has indicated that a reduction in aid is to be made during the coming year.

CAMBODIA

The latest figures available indicate that the trade deficit last year was substantially lower than in 1958, mainly by reason of a contraction in imports. Export figures rose as a result of increased rubber production and a higher level of prices for this commodity. Rice shipments on the other hand have been lower.

Cambodia, apart from the cost of maintaining its armed forces, which is financed by American aid, is in the happy position of being able to pay for its own imports. The government is well aware however of the need to stimulate the development of agriculture, which is and will remain the mainstay of the national economy. Efforts have also been made to encourage the establishment of light industries and in this field foreign investment can play a useful part.

THE PHILIPPINES

The stabilisation programme which, as I mentioned last year, has been approved by the Monetary Board on the initiative of Governor Cuaderno of the Central Bank, has been instrumental in effecting an improvement in the economic situation of the Philippines during the past year. The disinflationary measures introduced early in the year were later supplemented by the controversial foreign exchange margin tax, which came into effect in July and has brought about a significant contraction in imports. For the first time since the war the country has enjoyed a favourable balance of trade and there has been an increase in the international reserve. The overseas trade surplus owes much to the industrial recovery in the United States, which stimulated demand for Philippine primary products, and to the high prices in international markets obtainable for copra and coconut products.

HONG KONG

Very little complaint, if any, has been heard from any section of Hong Kong's industry about business conditions in 1959 and some of the major industries are at present enjoying boom conditions. During the year the value of total exports showed a ten per cent. rise, nearly all of which is accounted for by increased shipments to the United States, and it was particularly fortunate that the restriction of textile exports to the United Kingdom has been more than counterbalanced by expanding markets elsewhere. Despite this general picture of prosperity it cannot be said that 1960 opens too propitiously for the Colony, for the

increasing tendency for countries to apply trading restrictions against Hong Kong's products is disconcerting, especially as Hong Kong is now heavily dependent upon the marketing of its manufactured goods to sustain its economy and avoid large scale unemployment. Private building continued apace last year both in Hong Kong and Kowloon and there are still no signs of a slackening of activity in this direction. Even to the frequent visitor the rapidity with which the skyline changes is a thing to be wondered at, and perhaps nothing has done this more effectively than the completion of our own eighteen storeyed building, which is universally acclaimed as both imposing and attractive. Our next venture in this line is to be a new branch in Kowloon, which we expect to open towards the end of 1960.

CHINA

It is unfortunate that prospects for an increase of trade with the United Kingdom recently suffered a setback when the British government, in the process of administrative adjustments in its foreign trade policy, unfortunately conveyed the impression that it was increasing restrictions on Sino-British trade instead of relaxing them. It is to be hoped that the consequence will not be reduced sales of British goods to China, which would penalise those sections of British trade and industry whose enterprise in the last few years has gained a footing in the China market.

Our Shanghai office continues to do useful business, particularly in connection with the financing of China's export trade.

JAPAN

The steady recovery in the Japanese economy which had begun in 1958, and to which I referred in my last report, continued throughout the early months of the year and led to a new phase of industrial expansion. The results so far have been very satisfactory and exports have reached a record level, largely by increased shipments to the American market. As was to be expected with an expanding demand for industrial raw materials, imports have also risen, but the record rice crop which was harvested last year in spite of the damage done by disastrous typhoons holds out the possibility of Japan attaining self-sufficiency in this essential foodstuff within a few years, thus effecting a significant saving in foreign exchange.

With the trade deficit at its lowest since the war Japan's external reserves have increased steadily over the year, despite the fact that war reparations are being paid to four countries. It is evident that Japan is now reaping the benefit of the extensive modernisation and development of the country's industries which have been put in hand in recent years and as a result of which Japanese products embodying the latest advances in industrial technique, including automation and

electronics, are competing successfully in markets throughout the world.

NEW YORK

In the banking field the most noticeable feature during the latter part of the year has been the rise in short-term interest rates; a rise accentuated by congressional reluctance to raise the legal limit on interest rates relating to government borrowing for periods exceeding five years. On the initiative of the New York Clearing House Association efforts are being made to revise the state banking law to permit, with certain safeguards, foreign banks in New York state to accept local deposits. A draft bill to this effect is to be considered by the state legislature early in 1960. We appreciate having had an opportunity of putting forward, in common with the other British banks concerned, our views on the proposed legislation and we will continue to follow closely the progress of the bill.

HAMBURG

Thanks largely to a stable government 1959 was for Western Germany another prosperous year and the economic activities were such that the authorities finally felt constrained to raise interest rates to check over-expansion. Possibly the only danger to continued prosperity is the inflationary pressure arising from the growing strength of the trade union movement and its demands on industry.

Our Hamburg agency continues to function as an active link between our branches in the East and trade and industry in West Germany. In co-operation with The Eastern Bank and The Franco-British Bank our agency is gaining an increasing share of the financing of German trade with the Middle East.

WEST END, LONDON

Last autumn our branch in the West End of London was transferred to more modern and conveniently situated premises at 2, Regent Street. The design and decor of the new office have been commented in the technical press and a coloured illustration of a section of the public space appears in this report.

CONCLUSION

The importance of raising Asian living standards is now generally accepted and the highly industrialised nations have recognised that they have a responsibility for assisting in the process. This assistance will, for the most part, be in some form of aid, either direct from country to country or through one of the international funds. Those exporting the capital or making the grants, and the United Kingdom is one of the countries likely to be increasingly involved, will want to be sure that their contributions are genuinely devoted to the development of the receiving country and the benefit of its people. The tremendous national pride of the young coun-

tries will not allow them to accept aid with terms attached and yet, as some of these countries are run today, aid will not put them on their feet and give them viable economies.

The problem then is to find a formula which gives to these countries, with their consent, a control-free administration which would eliminate opportunities for bribery and corruption and a unit of currency having the same internal and external value, thus eliminating the rewards of smuggling and the other forms of currency evasion which run down the country's external assets—possibly in far greater sums than the aid received.

It is not uncommon these days for leaders of new nations to state that democracy does not work with them but what is not said is that their inexperienced politicians and civil servants often find it beyond their powers to run restricted and controlled economies. Cannot, therefore, those advisers of the World Bank and the International Monetary Fund, and those negotiating direct loans with these countries, advocate with more persuasiveness the freeing of rates of exchange, the concentration of trade in private hands, with the elimination of that increasing economic menace, state trading, and the ceasing of discrimination against the nationals and the trading of those highly-taxed countries whose peoples are bearing the cost of the aid?

Copies of the full text of the statement will be sent on application to the Secretary of the Bank at 38, Bishopsgate, London, E.C.2.

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

NOTICE IS HEREBY GIVEN that the Directors have decided to declare a second Interim Dividend on 30th March 1960 (additional to the Interim Dividend of 2½%, subject to tax, declared on 7th August 1959) in respect of the Company's financial year ending 31st March 1960, of 2½%, subject to tax, payable on or after 20th April 1960 to registered shareholders whose names appear in the Register on 30th March 1960 or to their mandatories.

Transfers received at the Company's Registered Office before close of business on 26th March 1960 will, if in order, be registered in time for the transferees to receive the Dividend.

By Order of the Board

J. R. Blaikie
Secretary.

Virginia House,
37, Chowringhee,
Calcutta.

11th March 1960.

N.B. Shareholders should inform the Registrar of any changes in their registered addresses.



End of Bull Phase?

Investment Gossip:

The stock market has continued its onward march upto the end of transactions on Friday without showing the least concern for the various rumours about imminent steps from the monetary authorities to hold the price line not excluding that in the stock markets. Throughout the week enthusiasm has known no bounds and fresh new levels have been recorded by many a scrip. The price advance was widespread. It was, however, evident that unlike the previous week, the market this week has largely been in the hands of speculators.

Friday night's Reserve Bank announcement regarding steps to check price rise and speculation may put an end to what may be described as unbridled speculation in equities. Immediately after the announcement korb rates have recorded a sharp decline for pivotal shares. An indication of the possible repercussions of the Reserve Bank directive on the share market can be had from the fact that the President of the Calcutta Stock Exchange Association has notified late last night that the Calcutta Stock Exchange will remain open on Saturday although it had earlier been announced that it will be closed today.

As has been generally expected the Reserve Bank has expressed concern at the trend of activity in the stock markets in the past few days and has now issued certain directives. The first directs banks to keep a minimum margin of 50 per cent in respect of all advances against equity shares above the amount of Rs 5,000. Banks are further prohibited from engaging themselves in direct financing of budia transactions. The directive has revealed that the credit control measures pertaining to the stock market operations have stemmed from the Bank's finding that the rise in share prices has been at least partly assisted by larger extension of bank credit. That more curb measures may be in the offing it need be indicated by the Bank's statement that Friday's measures have been taken for the present.

It is, however, to be noted that the Reserve Bank directive has made it clear that while taking the restrictive measures on speculative activity on the stock markets there is no intention to interfere with the progress of genuine investment.

So investors need not look upon the directive with undue alarm. The only people who should be worried and rightly so, are those who look upon the stock market as a gambling den.

New Issue Notes

SINGARENI Collieries have convened a general meeting on the 19th March to consider a scheme to increase the authorised capital of the company to Rs 4 crores, divided into 40 lakh equity shares of Rs 10 each. This is proposed to be done by deleting the provisions relating to preference shares of Rs 10 lakhs and increasing the issued and subscribed capital from Rs 63,21,450 to Rs 3 crores, divided into 30 lakh shares of Rs 10 each in the following manner:

By declaring bonus shares in the ratio of one for one and by effecting the balance of 17,35,710 equity shares to the existing shareholders in the proportion of their respective holdings in the first instance and to offer the shares, not taken up by the present shareholders, to the extent of 1.20 crore equity shares to the Central Government and to dispose of the balance in a manner the directors think fit.

The Balrampur Sugar Company Limited has decided to raise the paid-up capital by issuing 2.30 lakh Ordinary shares of Rs 2.50 each, at par, in the proportion of one share for every share held to those shareholders whose names stand on the register as on the 22nd March, 1960.

The Ryam Sugar Company Limited has proposed to increase the authorised capital from Rs 32 lakhs to Rs 38 lakhs by the creation of 40,000-8 per cent Redeemable Preference shares of Rs 10 each, to be redeemed at par, after 10 years from the date of their issue. The company has, however, the option to redeem them at any time after the expiry of 5 years by giving three months' notice. The new shares shall rank pari passu with the existing 6 per cent Cumulative Preference shares.

Western India Plywood Limited has proposed to issue 4,500 equity shares of Rs 100 each, at a premium of Rs 25 per share. Time for the submission of coupons has been extended from 29th February to 31st March, 1960.

INRS

Investment Notes:

New Central Jute has proposed to pay a further dividend of Rs 1.50 per Ordinary share, without deduction of tax, in respect of the year ended 31st March 1959. This will be paid out of General Reserve No. 1 and payable to those shareholders whose names are registered as on the 31st March, 1960. In this connection, the explanatory note, issued by the company, states that the working of the mill, during the current year ended 31st March 1960, are substantially higher than those for the preceding year. As against the same, Development Rebate in respect of the Chemical Fertilizer Plant, which is switched into operation, is to be provided out of current year's profits. The directors do not, therefore, propose to recommend payment of any dividend on the Ordinary shares in

respect of the year ended 31st March, 1960. Shares are presently quoted around Rs 29.00.

Indian Aluminium Company Limited has recommended a dividend of 12 per cent, subject to tax, for 1959. This works out to a net dividend of 8.4 per cent as against 7 per cent paid for the preceding year. As a result of the opening of the Hirakud smelter, production of primary ingot amounts to 14,600 tons, while that of semi-fabricated aluminium goods has also increased. Sales have risen from Rs 743 lakhs to Rs 970 lakhs. Net profit for the year is reported at Rs 68 lakhs (Rs 37 lakhs for 1958) after providing Rs 57 lakhs (Rs 28 lakhs) for depreciation and depletion; Rs 55 lakhs (Rs 60 lakhs) for Taxation and Rs 62 lakhs (Rs 11 lakhs) for Development Rebate Reserve. The shares are ruling very firm at Rs 25.87.

The following table shows the total production (in tons) of both the IISCO and the TISCO:—

	11 months ended 29.2.1960	11 months ended 28.2.1959
IISCO		

Pig Iron ..	964,072	864,871
Steel Ingots ..	756,861	537,318
Saleable Steel ..	574,887	436,400

TISCO		
Pig Iron ..	1,436,300	1,009,700
Steel Ingots ..	1,386,700	1,026,300
Saleable Steel ..	1,090,100	784,000

INRS

Investment Briefs:

Bengal Coal Company Limited has proposed a final dividend of Rs 15, subject to deduction of tax, making a total of Rs 25 per share for the year ended 31st October, 1959. This works out to a net dividend of Rs 17.50 per share, same as in the previous year.

Union Carbide of India Limited has recommended a final dividend of Rs 1.05 per share, subject to tax, making a total of Rs 1.80 per share for the year ended 25th December, 1959. The net dividend works out to 12.6 per cent against 14 per cent paid previously.

Walchandnagar Industries have decided to recommend a gross dividend of Rs 20 per share for the year ended 30th September, 1959. The net dividend comes to Rs 14 as against Rs 21 paid for the past several years.

The following textile mills have reported the net profits (in lakhs Rs) and the dividends (per share) for 1959 as compared to 1958:

Mills	1959 Rs	1958 Rs
Standard ..	33.34	15.89
Dividend+Bonus ..	25+4	20
New Shorrock ..	23.30	...
Dividend+Bonus ..	40+15	30+5
Mafatal Fine ..	25.79	14.66
Dividend+Bonus ..	25+4	18
Ahmedabad Jupiter ..	33.56	29.60
Dividend+Bonus ..	25+3	15+3
Shorrock Spinning ..	8.81	6.49
Dividend+Bonus ..	25+5	20+2
Sassoon Spinning ..	4.12	7.303
Dividend ..	2.50	2.00
Ambika Mill ..	45.26	30.48
Dividend ..	45.00	30.00

COMPANY REPORTS

J. K. Steel Produces Excellent Results

Balance-Sheet Reviews:

J. K. STEEL has produced excellent working results for the year ended 30th June 1959. While sales have reached a new level of Rs 94.95 lakhs from Rs 56.21 lakhs, the net profit, before providing for Depreciation and Taxation, is substantially higher at Rs 16.88 lakhs as against Rs 7.09 lakhs in the previous year.

Apart from providing a sum of Rs 2.02 lakhs for General Reserve, the Depreciation amount is raised to Rs 5.12 lakhs from Rs 3.18 lakhs and Development Rebate Reserve to Rs 4.33 lakhs from Rs 3.50 lakhs.

The directors have recommended a dividend of 12½ per cent, subject to tax, on the increased ordinary capital as against 12½ per cent, free of tax, in the previous year. In this connection, it would be recalled that the Controller of Capital Issues gave his consent on the 26th July 1958 to the company to issue further share capital of Rs 25 lakhs comprising 10,000-7 per cent income-tax free Cumulative Redeemable Preference shares and 15,000 Ordinary shares, both of Rs 100 each. These shares were fully subscribed.

It may be further recalled that the Ordinary shares of the company, which were originally Rs 100 each, were sub-divided into shares of Rs 10 each, vide a special resolution passed by the share-holders on the 29th June, 1959.

Against a total paid-up capital of Rs 30 lakhs, General Reserve is shown at Rs 17.48 lakhs and Development Rebate Reserve at Rs 3.50 lakhs. The gross block at Rs 76.16 lakhs is depreciated by Rs 17.48 lakhs to show a net block value of Rs 58.68 lakhs.

According to the directors' report, the company has obtained licences for the manufacture of Electric Hoists and Chain Pulley Blocks. It has already entered into a technical collaboration with a leading Finish firm in this regard. It is hoped that the project will be completely shortly.

The company has also obtained Government's approval for the installation of Electric Furnace for the production of steel. The completion of this project will, to a large extent, make the company self-sufficient in its requirements of raw materials.

Mg. Agents:—J. K. Industries (Private), Ltd.			
For ended June.			
	1959 Rs.	1958 Rs.	
Sales ..	9,495,366	5,621,499	
Works ..	765,615	262,106	
Stocks in Progress ..	265,833	323,783	
Raw Materials ..	1,423,659	552,841	
Net profit ..	1,687,970	708,856	
Taxation ..	202,000	...	
Depreciation ..	512,006	318,013	
Reserve Fund ..	200,000	...	
Development Rebate Reserve ..	432,500	350,000	
Div. Amount Ord. ..	250,000	62,500	
Div. Amount Pref. ..	24,019*	...	
Carry Forward ..	75,109	7,664	
Div. % Ord. ..	12½	12½	
Div. % Pref. ..	7	...	

(Annual General Meeting on 30-3-60 at 4-15 p.m.)
* Pref. dividend at 7 per cent on 5,888 shares from the dates of their allotment up to 4th June, 1959 and at 7 per cent on 10,000 shares for the period from 5-6-1959 to 30-6-1959.

Synopsis of balance sheet as on the last day of June			
Liabilities			
	1959 Rs.	1958 Rs.	
Capital Paid-up:			
7½ R. C. Pref.	1,000,000	...	
Ordinary	2,000,000	500,000	
Reserve Fund	1,570,313	1,370,313	
Other Funds	782,500	350,000	
Provident Fund	139,210	96,167	
Loans Secured	2,739,797	2,822,004	
Loans unsecured	...	300,000	
Taxation Provision	1,281,853	2,207,000	
Debts	2,367,000	2,728,339	
Carry Forward	75,109	7,664	
Total	11,955,782	10,381,477	
Assets			
G. Block	7,616,494	7,490,670	
Depreciation	1,747,993	1,235,987	
Block (net)	5,868,501	6,254,683	
Stores	437,293	319,616	
Stocks in Progress	265,833	323,783	
Raw Materials	1,423,659	552,841	
Stocks	765,615	252,198	
Outstandings	114,533	99,733	
Do. More than 3 months	3,245	63	
Mis. Deposits and Advances	1,640,684	2,035,572	
Investments	624,001	534,001	
Deposits in Banks	800,000	...	
Cash	12,418	9,017	
Total	11,955,782	10,381,477	

Kesar Sugar Works Reports Increased Profits

Although sales are lower at Rs 1.97 crores against Rs 2.35 crores, the Kesar Sugar Works Limited has earned a higher profit of Rs 11.23 lakhs for the year ended 31st July 1959 as against Rs 8.55 lakhs in the previous year, mainly due to the cut in manufacturing expenses from Rs 86.38 lakhs to Rs 79.28 lakhs. The directors have provided Rs 1.00 lakh for General Reserve and raised the Taxation provision from Rs 3.50 lakhs to Rs 4.50 lakhs. The Depreciation amount is, however, reduced to Rs 2.48 lakhs from Rs 2.49 lakhs and Development Rebate Reserve to Rs 40,000 from Rs 50,000. A taxable dividend of Rs 6.00 per share is recommended on the Ordinary shares against Rs 4.00 paid for the previous year.

The balance-sheet, as at 31st July 1959, shows a paid-up capital of Rs 33 lakhs divided into 45,000 Ordinary shares of Rs 50 each (Rs 40 paid-up) and 15,000 Redeemable 5½ per cent Cumulative Preference shares of Rs 100 each. The company has the right, after the 31st December 1951, to redeem from time to time all the Preference shares or such of them as the directors of the company may from time to time decide, at a premium of Rs 5 per share, after giving six months' notice. Against the paid-up capital, Reserves and surplus are shown at Rs 14.42 lakhs. The gross block amounts to Rs 85.26 lakhs and this is depreciated by Rs 54.42 lakhs to show a net block value of Rs 30.84 lakhs.

The quantity of cane crushed was 42.33 lakhs maunds as compared with 47.18 lakh maunds, while sugar manufactured amounted to only 4.04 lakh maunds against 4.67 lakh maunds, mainly due to the decline in the recovery percentage from 9.9 to 9.55.

The directors state that, looking to the present condition of the cane crop, larger crushing is expected than the previous season provided large-scale diversion of cane to manufacture of khandari does not take place. With further renovations of machinery which are being carried out, efficiency in production, is also expected to increase.

The production of distillery products is the highest on record, although offtake was poor. The working of doubling the capacity of the distillery is progressing well and most of the machineries ordered have been received and installed. The expansion is expected to be completed this year.

In this connection, it may be of interest to know that, under a project sanctioned by the Government, a factory to manufacture synthetic rubber is to be established near Bareilly and this will require a very large quantity of alcohol as basic raw material. It is, therefore, expected that the problem of finding a market for the surplus alcohol will be solved. The company's chemical factory has been able to increase its production and sales and the progress is being maintained this year also.

Chairman:—Mr. Tulsidas Kilachand.			
Year ended July			
	1959 Rs.	1958 Rs.	
Cane Crushed (mds.) ..	4,232,944	4,717,631	
Sugar (mds.) ..	404,236	467,384	
Sales ..	19,722,192	23,468,001	
Stocks ..	5,362,784	7,223,999	
Net profit ..	1,123,105	854,911	
Taxation ..	450,000	350,000	
Depreciation ..	245,914	249,177	
Reserve Fund ..	100,000	...	
Development Rebate Reserve ..	40,000	50,000	
Div. Amount Ord. ..	270,000	180,000	
Div. Amount Pref. ..	82,500	56,513	
Carry Forward ..	9,576	74,885	
Div. % Ordinary ..	15	10	
Div. % Preference ..	5½	5½	

(Annual General Meeting on 17-3-60 at 4 p.m.)			
Synopsis of balance sheet as on the last day of July			
Liabilities			
	1959 Rs.	1958 Rs.	
Capital Paid-up:			
5½ R.C. Pref.	1,500,000	1,600,000	
Ordinary	1,800,000	1,800,000	
Capital Reserve	110,625	110,625	
Reserve Fund	1,100,000	1,000,000	
Other Funds	231,001	191,001	
Loans Secured	3,273,740	4,230,611	
Loans unsecured	785	103,305	
Taxation Provision	2,341,216	1,946,648	
Debts	2,772,068	3,130,402	
Carry Forward	9,576	74,885	
Total	13,139,011	14,087,377	
Assets			
G. Block ..	8,526,100	8,223,561	
Depreciation ..	5,442,213	5,213,596	
Block (net) ..	3,083,887	3,009,965	
Cap. Exp. in progress ..	330,110	...	
Stores ..	1,287,034	1,389,025	
Stocks in Progress ..	335,634	380,940	
Raw Materials ..	5,362,784	7,223,999	
Outstandings ..	539,389	286,553	
Do. More than 3 months ..	145,221	188,276	
Mis. Deposits & Advances ..	1,583,568	1,043,349	
Investments ..	176,698	247,297	
Cash ..	274,516	316,873	
Total	13,139,011	14,087,377	

Central India Again Passes Over Dividend

The continued disruption and dislocation of normal working caused by the large-scale renovation programme of Mills No. 1 and 2 (which is now nearly completed), the unsatisfactory trading conditions for a considerable part of the year and further increases in the cost of production, are fully reflected in the working results of the Central India Spinning, Weaving and Manufacturing Company Limited for the year ended 30th June 1959.

While sales are lower at Rs 2.25 crores against Rs 2.46 crores, the accounts for the year reveal a loss of Rs 52.89 lakhs against a loss of Rs 42.61 lakhs in the previous year. Naturally, the directors have not been able to recommend any dividend, either on the Ordinary or Preference shares. The debit balance carried forward to next year is as much as Rs 95.30 lakhs.

The balance-sheet, as at 30th June 1959, shows a paid-up capital of Rs 96,87,500 divided into 46,875 Ordinary shares of Rs 100 each and 10,000-5 per cent income-tax free Cumulative Preference shares of Rs 500 each. Reserve against assets taken over from Jannadhar Poddar and Company is shown at Rs 5.00 lakhs; Investment Reserve at Rs 5.00

lakhs and Dividend Equalisation Fund at Rs 87,822.

The gross block is shown at Rs 4.54 crores, which is depreciated by Rs 1.51 crores to show a net block value of Rs 3.03 crores. The value of new plant and equipment, installed during the year under report, amounted to Rs 84 lakhs and new construction work completed has cost Rs 17 lakhs. The present installed capacity of the mills is 1,15,188 spindles and 2,032 looms.

Mg. Agents:—Tata Industries Ltd.			
Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	22,461,192	24,613,392	24,865,760
Stocks	9,157,472	5,932,477	6,115,747
Works in progress	702,247	659,976	561,153
Net profit	5,269,282	4,260,971	2,079,433
Carry Forward	9,530,253	4,260,971	nil*
Div. % Ord.	nil	nil	nil
Div. % Pref.	nil	nil	5

(Annual General Meeting on 24-3-60 at 4-30 p.m.)
*The debit balance of Rs 2,058,213 after deducting the amount brought forward from the previous account has been wiped off by a transfer from General Reserve.

Synopsis of balance sheet as on the last day of June			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
5% C. Pref.	5,000,000	5,000,000	5,000,000
Ordinary	4,687,500	4,687,500	4,687,500
Reserve Fund	1,408,728	1,406,728	1,406,728
Other Funds	1,087,822	1,087,822	1,318,007
Loans Secured	18,380,354	14,017,620	10,855,671
Loans unsecured	26,844,718	18,166,675	7,255,200
Taxation Provision	4,149	10,658	...
Debts	5,388,092	5,775,549	5,448,233
Total	62,799,163	50,172,352	35,771,339

Assets			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	45,350,203	35,543,835	24,210,703
Depreciation	15,009,402	15,185,676	15,486,354
Block (net)	30,289,801	20,358,159	8,724,349
Cap. Exp. in progress	295,831	6,492,938	4,263,618
Stores	3,087,484	3,005,581	2,542,977
Stocks in Progress	702,247	659,976	561,153
Raw Materials	5,061,870	4,424,419	8,328,664
Stocks	9,157,472	5,932,477	6,115,747
Outstandings	207,673	342,159	800,671
Do More than 3 months	163,837	172,799	154,791
Mis. Deposits and Advances	844,111	791,780	482,294
Investments	2,790,487	3,290,050	3,351,671
Cash	688,317	441,003	465,604
Debit Balance	9,530,253	4,260,971	...
Total	62,799,163	50,172,352	35,771,339

Nelliampathy Tea Reports Lower Profits

The Nelliampathy Tea and Produce Company Limited has reported a net profit of only Rs 2.14 lakhs for the year ended 30th June 1959 as against Rs 4.92 lakhs in the previous year, mainly due to the decline in sales from Rs 22.13 lakhs to Rs 19.02 lakhs. The Depreciation amount is reduced to Rs 36,572 from Rs 39,270 and Taxation provision to Rs 80,000 from Rs 2.40 lakhs. The directors have recommended a dividend of 10 per cent, subject to tax, as against 15 per cent paid for the previous year.

The company has reported a shortfall in tea production at 746,000 pounds as against an estimate of 900,000 pounds. The coffee crop harvested is, however, substantially higher at 729.63 cwts as against 222.78 cwts. The cardamom crop is shown at 24,162 pounds against 24,626 pounds.

Against a paid-up capital of Rs 16.50 lakhs, General Reserve stands at Rs 5.03 lakhs and Dividend Equalisation Fund at Rs 1.34 lakhs. The gross block at Rs 26.24 lakhs is depreciated by Rs 5.36 lakhs to show a net block value of Rs 20.88 lakhs.

According to the directors' report, conditions so far in the new season are favourable and better results than last season are expected.

Mg. Agents:—A. V. Thomas & Co. Ltd.			
Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Tea (lbs)	746,000	1,136,900	928,200
Rubber lb.	82,881	84,500	76,300
Sales	1,902,479	2,212,774	2,267,956
Stocks	301,285	430,418	293,022
Net profit	230,283*	492,074	819,308
Taxation	80,000	240,000	440,000
Depreciation	36,572	39,270	39,296
Other Funds	...	50,000	...
Div. Amount Ord.	120,000	180,000	240,000
Div. Amount Pref.	27,000	27,000	27,000
Carry Forward	150	33,439	77,835
Div. % Ord.	10	15	20
Div. % Pref.	6	6	6

(Annual General Meeting on 14-3-60 at 9-30 a.m.)
*After transferring Rs 16,000 from Dividend Equalisation Fund.

Synopsis of balance sheet as on the last day of June			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
6% C. Pref.	450,000	450,000	450,000
Ordinary	1,200,000	1,200,000	1,200,000
Reserve Fund	502,838	230,000	230,000
Other Funds	184,000	260,000	210,341
Staff Gratuity Fund	20,000	20,000	20,000
Taxation Provision	332,591	633,274	611,839
Debts	339,222	560,407	496,528
Carry Forward	150	33,439	77,835
Total	3,028,801	3,387,120	3,299,143

Assets			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	2,624,009	2,704,888	2,551,703
Depreciation	535,572	501,002	461,732
Block (net)	2,088,437	2,203,886	2,089,971
Stores	111,366	84,066	64,725
Nurseries	29,330	36,833	19,727
Stocks	287,652	415,248	280,821
Outstandings	29,519	54,577	124,667
Do More than 3 months	...	107	856
Mis. Deposits and Advances	148,280	212,226	176,223
Investments	7,000	12,300	11,300
Deposits in Banks	50,000	100,000	200,000
Cash	297,217	267,877	330,853
Total	3,028,801	3,387,120	3,299,143

Rayalseema Mills Maintain Dividend

Despite a higher profit, the Rayalseema Mills Limited has just maintained the dividend at 10 per cent for 1959. Yarn prices during the first half of the year were quite low and, at the end of June, the company made a loss. But, yarn prices improved beyond all expectations during the second half of the year and this has resulted in the company having made such satisfactory profits as has been disclosed in the accounts.

Sales have improved to Rs 70.54 lakhs from Rs 59.20 lakhs, while the net profit amounts to Rs 6.42 lakhs against Rs 6.22 lakhs in the previous year. The directors have set apart Rs 2.69 lakhs (Rs 2.72 lakhs) for Depreciation; Rs 1.54 lakhs (Rs 1.57 lakhs) for Taxation and Rs 1,038 (Rs 20,000) for Development Rebate Reserve.

Against a paid-up capital of Rs 22.33 lakhs, Reserves and other Funds amount to Rs 11.20 lakhs. The gross block is shown at Rs 56.79 lakhs; total depreciation at Rs 28.56 lakhs and the net block at Rs 28.23 lakhs.

Mg. Agents:—The Rayalseema Development Co.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	70,54,020	5,919,960	5,214,318
Stocks	152,630	377,118	352,608
Net profit	641,900	682,141*	456,290†
Taxation	151,781	131,000	51,140
Wealth Tax	2,175	20,316	13,288
Depreciation	268,524	271,775	196,208
Development Rebate Reserve	1,038	20,000	...
Div. Amount Ord.	223,380	223,380	223,380
Carry Forward	968	5,956	5,286
Div. % Ord.	10	10	10

(Annual General Meeting on 24-3-60 at 11 a.m.)
*After transferring Rs 80,000 from Dividend Equalisation Fund.
†After transferring Rs 90,000 from Dividend Equalisation Fund.

Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
2,233,300	2,233,300	2,233,300	2,233,300
Reserve Fund	750,000	750,000	750,000
Other Funds	370,038	369,000	390,000
Staff Gratuity and Prov. Fund	13,953	11,103	18,803
Loans Secured	199,893	893,400	1,054,898
Taxation Provision	432,706	475,854	333,288
Debts	573,313	540,156	393,933
Carry Forward	958	3,958	5,288
Total	5,070,365	5,283,768	5,778,257

Assets			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	5,878,526	5,885,412	5,372,978
Depreciation	2,655,667	2,587,551	2,315,892
Block (net)	3,222,859	3,297,861	3,057,086
Stores	221,053	238,106	244,423
Stocks in Progress	82,209	43,988	66,113
Raw Materials	692,364	608,866	1,101,102
Stocks	152,530	377,118	362,008
Outstandings	108,706	100,931	209,854
Mis. Deposits and Advances	624,834	704,720	625,903
Investments	122,070	118,567	98,120
Deposits in Banks	100,000	...	...
Cash	295,740	17,612	23,251
Total	5,070,365	5,283,768	5,778,257

A. V. Thomas & Co. Pays Only Preference Dividend Arrears

Although sales are lower at Rs 1.38 lakhs against Rs 4.05 lakhs, the working of A. V. Thomas and Company (India) Limited has resulted in a net profit of Rs 52,004 for the year ended 30th June 1959 as against Rs 19,611 in the previous year. Apart from setting aside a sum of Rs 22,500 for Taxation, the Depreciation amount is raised to Rs 2,739 from Rs 1,871. The directors have recommended the payment of 5 per cent dividend on the preference shares for 1958-59, subject to tax, and also arrears of 5 per cent dividend for 1948-49 and 1949-50, subject to deduction of income-tax.

The balance-sheet shows a paid-up capital of Rs 5.00 lakhs divided into 30,000 equity shares and 20,000-5 per cent Cumulative Preference shares, both of Rs 10 each.

Director: Mr. J. Thomas.			
Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	137,853	405,008	385,565
Agency Common. and Allowances	96,885	120,886	92,683
Stocks	213,090	210,363	330,344
Net profit	52,004	19,611	66,413
Taxation	22,500	...	...
Depreciation	2,739	1,871	2,079
Div. Amount Pref.	30,000	...	...
Carry Forward	5,725	8,990	8,780
Div. % Ord.	Nil	Nil	Nil
Div. % Pref.	15*	Nil	Nil

(Annual General Meeting held on 7-3-60.)
*Pref. dividend for year ended 30-6-59 and arrears of Cum. Pref. dividend for the years ended 30-6-49 and 30-6-50 at 5 per cent per annum.

Synopsis of balance sheet as on the last day of June			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
5% C. Pref.	200,000	200,000	200,000
Ordinary	300,000	300,000	300,000
Loans Unsecured	...	...	137,545
Taxation Provision	22,500	...	...
Debts	54,763	116,421	174,872
Carry Forward	3,725	8,990	...
Total	582,978	625,381	812,417

Assets			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	47,044	40,886	40,251
Depreciation	30,338	31,320	29,449
Block (net)	16,706	9,566	10,802
Stores	37,820	37,920	74,635
Stocks in Transit	2,574	4,569	...
Stocks	213,090	210,363	293,629
Outstandings	83,390	181,416	101,843
Do More than 3 months	21,390	25,115	58,571
Mis. Deposits and Advances	45,813	78,006	131,458
Investments	100,223	6,250	14,850
Cash	60,212	72,077	117,849
Debit Balance	...	...	8,780
Total	582,978	625,381	812,417



Buying Spree Despite Profit-Taking

Watch-Dog Writes:

SINCE the publication of the Budget proposals, stock markets have been enjoying a veritable boom. With demand becoming more insistent, the rise in share values has gathered momentum, resulting in an impressive turnover, especially when fears of an increase in the Bank Rate appear to have receded. Profit-taking, however, has erased some of the extreme gains at the close of the week.

Despite profit-taking at higher levels, the Calcutta Stock Exchange witnessed cheerful conditions last week.

Trading on the Bombay Stock Exchange was featured by irregular price pattern.

On the Madras Stock Exchange, buying support gathered momentum in active trading in selected scrip. Quiet conditions were experienced on the London Stock Exchange.

Wall Street closed with an irregularly lower tendency.

Calcutta

Friday Evening.

CONDITIONS akin to a boom were witnessed on the local Stock Exchange during the week under review. Almost all the sections participated in the rise and fresh higher levels were recorded by selected shares, although profit-taking caused a slight setback toward the close of the week. One reason for the sustained buoyancy in the market is the fact that the bull operators have now fully understood the implications of the Central Budget and are now proceeding on the basis that the impact of large-scale development expenditure will be favourable to the stock markets. As a result, bouts of profit-taking have been easily absorbed without any material setback.

Some of the operators, however, appear to be somewhat concerned over the possibility of credit squeeze being attempted to check the inflationary pressures. Again, it is considered that, in the absence of genuine investment support, the present rise in prices is overdone due to speculative activity. There are even unconfirmed rumours with regard to the possibility of a few operators being unable to meet their commitments in the current settlement. It is even wondered whether the present steady rise in prices will be maintained without

leading to a vulnerable position in the market. The developments in the coming weeks will, therefore, be worth watching.

The Gilt-edged market took a slight turn for the better, thanks to the fears of an impending increase in the Bank Rate having receded. Long-dated issues were, however, still quiet in the absence of institutional support. 3 per cent 1986 Conversion Loan, after touching a new of Rs 73.40 from Rs 74.05, improved toward the close to Rs 73.73.

In sympathy, Bank shares showed a slight improvement over last levels with Punjab National changing hands at Rs 21.50 to Rs 21.75 and United Commercial at Rs 72 to Rs 72.25.

Higher advices from the gunny market had a favourable effect on the Jute section where selected scrip met with good business at enhanced levels on the feeling that the mills might be making satisfactory profits at the present level of raw jute prices. New Central were a special feature and the scrip, after hitting a new high on the recommendation of a further dividend for last year, displayed a slightly reactionary tendency toward the close on the company's decision not to recommend any dividend for the current year ended 31st March, 1960.

Coal shares continued to respond well to selective enquiries on the hope that the Government would soon realise the need for encouraging the private sector of the industry and give encouragement to raise production.

In the Tea section, a few selected shares showed a smart recovery from the recent low levels following the encouragement derived from the Centre's decision to increase the excise duty as a prelude to the rationalisation of the burden on tea.

Sugar shares were rather quiet in the absence of fresh support, although one or two scrip maintained their best levels.

Textile scrip moved within a narrow range, as operators were inclined to await how far the recommendations of the Central Wage Board would affect the working results of the various cotton mills. It was even feared that, on top of costlier raw material supplies, an unexpected increase in wage costs would cut seriously into the profit margins of the mills.

Engineering shares buoyed up under the lead of Indian Irons on the feeling that the levy on pig iron and the consequent increase in costs would ultimately be passed on to the consumer.

Miscellaneous scrip showed a considerable rise over last levels due to the reserved attitude of sellers in view of growth prospects. Paper shares remained buoyant in the absence of any fresh levy. Hind Motor rallied on consistent buying, generated by strong rumours about a right issue.

The following table shows the extent of the rise in the prices of

a few selected scrip from the last week-end levels:

Week-end Review:				
		As on March 5	Week's High	As on March 11
		Rs	Rs	Rs
Engineering:				
Indian Iron	...	23.98	24.49	24.34
Jasraj	...	24.25	25.87	25.62
TEXMACO	...	26.60	27.60	27.20
Miscellaneous:				
Orient Paper	...	41.45	42.80	42.50
Shree Gopal	...	23.50	24.50	24.25
Srpur	...	14.94	15.75	15.75
H. Motor	...	17.69	19.31	19.19
Robts	...	31.69	33.87	33.50
Eunlop	...	38.50	39.16	38.25
NICO	...	29.25	29.75	29.75
Aluminium Corp'n	...	16.12	17.12	17.12
I. Cable	...	31.69	32.25	32.25
I. Oxygen	...	37.00	37.81	37.81
I. Aluminium	...	26.44	26.62	26.44
I. Steamship	...	12.06	12.00	11.72
I. Copper	...	4.43	4.53	4.40
BIC	...	8.75	7.05	6.87

recover to Rs 611 to terminate at Rs 603. Wmco met with investment demand. Hindustan Lever were steady at Rs 40.75 following the publication of the detailed accounts. Shivrampur were steadier around Rs 81.50 while Cent Tyres were done upto Rs 186. B.B. Petrol was slightly better.

Cotton mill shares after early improvement reacted sizably on prompt taking to recover but again succumbed to the close. Standard Mills and Mafatlal lines reacted sizably on poor yield considerations following the announcement of dividends. India United Mills faced heavy selling but later on steadied up. Khataf were well maintained around Rs 292. Bombay Dyeing after reacting to Rs 69.60 from Rs 70.60 rebounded to Rs 71.50 to react to Rs 70.50 but shot upto Rs 72.70 to drop down to Rs 70.70 on announcement of April dividend of Rs 2.50 subject to tax. Century moved upto Rs 431 after mid-week set back to Rs 472 to terminate at Rs 484. Swadeshi Mills were steadier around Rs 283 finally rose to Rs 340 to react at Rs 333.

Madras

SUGAR shares were keenly bought today in the Madras Stock Exchange which witnessed one of the most active days during the season. There was good support of a speculative nature to plantation shares. In anticipation of increased price of rubber, rubber shares boomed. Coffee and tea in sympathy with this also firmed up. Textiles were buoyant. Industrials were quite steady and closed firm.

Government Securities: The 4% Government of India 1979 loan was bought at Rs 100.20. Government of Madras 1963 Madras Loan was quoted at Rs 100.35. That of Mysore Loan of the same period and denomination was bought at Rs 100.35. Other State loans of the various denominations and periods remained at the market prices without any change whatsoever.

Banks: Banks counter did not evince any interest. They were the same in their prices. The Indian Bank Rs 100 paid share was quoted at Rs 189.00 and the Rs 80 paid share was available at Rs 150.00. The Pandyan Bank was unchanged

at Rs 40.00. The Punjab National Bank stood at Rs 21.60.

Electricity: No change was observed in this section too. Cochin remained at Rs 10.65, Ellore at Rs 10.35, Karaikkal at Rs 9.95, Kumbakonam at Rs 10.70, Negapatnam at Rs 10.00, Salem-Erode at Rs 12.50, South Madras at Rs 10.25, Vellore at Rs 13.00 and West Coast at Rs 12.50.

Sugars & Breweries: Andhra with taxable 20% dividend was marked at Rs 24.25. Cauvery was bought at Rs 152.00. Deccan was up at Rs 14.45 and E.I.D. was negotiated at Rs 49.00. India sugars was sold lower at Rs 13.10. Jeypore remained at Rs 15.50. K.C.P. jumped to Rs 20.00. Kirlampudi was sold at Rs 67.00, Mysore at Rs 57.50. Travancore at Rs 11.00. United Breweries increased its value by two rupees at Rs 67.00.

Plantings: Balanor was at Rs 17.65. Be Be at Rs 3.70 was the same. Blue Mountain gained points at Rs 3.68. Chembra was available at Rs 4.68. Cochin Malabar increased its value at Rs 8.20. Coffee Lands registered increase at Rs 25.75 and Cons. Coffee shares also at Rs

24.50. Coonoor was stable at Rs 27.25. Cowcoody was higher by 6 nP per share at Rs 6.10. Haileyburia was marketed at a higher level of Rs 48.50. Kallias too went up to Rs 3.80. Kiri Kotalagiri was bought higher at Rs 6.50. Kumargode remained unchanged at Rs 5.95. Lingapur was available at Rs 7.10. Malabar Agriculture was quoted at Rs 7.50, and Malabar Industrial was rated at Rs 12.85. Mercara increased its quotation to Rs 10.35. Midland too was available only at Rs 12.35. Mysore Coffee remained steady at Rs 5.10. Mysore Plantation with 6% dividend was sold at Rs 1.95. Nelliampathy was sold lower at Rs 2.95. Nenmeny at Rs 12.05 and Nilampur at Rs 17.50 did not show any increase. Nilgiri was available at Rs 7.50 and Nonsuch at Rs 26.75. Ouchterlony increased to Rs 6.55. Panchura at Rs 4.47 was another scrip that was seen steady. Peermade was better at Rs 25.00, while Peninsular was unaltered at Rs 22.75. Perikaramalai at Rs 4.05 was a favoured scrip today. Pullangode was also fancied at a fractionally lower rate of Rs 2.04. Puthuthottam registered a rise of 3 nP at Rs 2.85. Rajagiri went up to Rs 22.25. Savamalai also was fancied at Rs 4.53. Swinton's rate went up by 15 nP per share to Rs 2.75. Thamarapally gained Rs 1.50 at Rs 30.50. Thirumbadi was in demand at Rs 2.16 and Travancore Rubber at Rs 15.62. Travancore Rubber & Tea was also a fancied share at Rs 9.35. Vellimalai went up to Rs 6.80 and Waterfall to Rs 3.75.

Textiles: Anglo-French went up to Rs 107.00 making a bid at six rupees higher. Asher remained at Rs 212.80. Bangalore Woollen at Rs 200 was another share which though in demand did not change, but Buckingham went up to Rs 204.00. Cauvery Spinning at Rs 14.50, Colimbatore Cotton at Rs 152.50, Colimbatore Kamala (Rs 100 share) at Rs 102.00 and the Rs 50 paid share at Rs 50.00, Colimbatore Murugan at Rs 95.00 and Colimbatore Pioneer at Rs 360.00 were unchanged.

*

London

QUIET conditions were experienced on the London Stock Exchange. Buyers were still not disposed to extend their commitments too far ahead although a certain amount of selective support was evident. Any benefit that sentiment might have gained from the February gold reserve figures was offset to some extent, by the decline in prices on Wall Street.

Imperial Chemical were among the leaders to improve in advance of this month's final dividend statement. Oils were quiet and irregular. Tea shares were on the dull side, while Rubbers showed little change.

*

New York

AGAINST a mixed news background, prices on Wall Street continued their downward trend right from the beginning of the week under the leadership of Industrials and Ralls. Losses were at first confined to fractions; but penetration by the Dow Jones Rail Average of last November's low appeared to give the signal for increased selling. As a result, the decline in prices was accentuated.

*

*Excluding borrowings from R.B.I. also.

March 12, 1960

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees)			
	Week Ended		
	4-3-60	26-2-60	6-3-59
LIABILITIES:			
Notes in Banking Dept.	21,41.91	25,94.80	8,33.62
Notes in Circulation...	1820,90.73	1798,97.52	1,888,58.23
	1842,32.64	1824,92.32	1,896,91.85
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India...			
Sterling Securities	163,00.89	163,00.89	178,00.89
Total of A	280,76.92	280,76.92	295,76.92
(B) Rupee Coin	124,41.60	126,85.90	129,70.59
Rupee Securities	1437,14.12	1417,29.50	1271,44.54
	1842,32.64	1824,92.32	1,896,91.85

BANKING DEPARTMENT:			
	Week Ended		
	4-3-60	26-2-60	6-3-59
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	30,00.00	30,00.00	25,00.00
National Agricultural Credit (Stabilisation) Fund	4,00.00	4,00.00	3,00.00
Deposits:			
(a) Central Govt.	50,36.79	51,76.49	52,01.17
(b) Other Govt's	34,26.40	30,22.09	18,31.97
(c) Banks	81,91.75	79,95.97	65,59.68
(d) Others	94,49.41	93,90.36	115,85.40
Bills Payable	13,97.09	19,40.30	23,62.29
Other Liabilities	41,30.57	41,20.41	34,21.05
	435,12.51	435,45.62	426,64.56
ASSETS:			
Notes	21,41.91	25,94.80	8,33.62
Rupee Coin	1.51	1.11	2.84
Subsidiary Coin	5.30	5.58	3.91
BILLS DISCOUNTED:			
Internal			
External			
Govt. Treasury Bills	4,78.53	8,11.38	4,25.06
Balances held abroad*	33,12.57	35,79.61	32,87.84
Loans & adv. to Govt*	27,77.48	25,98.99	23,30.93
Other Loans & Adv.*	126,52.41	121,06.53	90,05.27
Investments	207,16.99	204,71.24	255,71.74
Other Assets	13,95.81	13,75.38	11,95.39
	425,32.51	435,45.62	426,64.56

(1) The item 'Other Loans and Advances' included Rs. 6,70,00,000 advanced to scheduled banks against usance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees)			
	Week Ended		
	27-2-59	19-2-60*	26-2-60*
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	18,30.05	15,62.07	14,81.44
(ii) Other demand liabilities	711,83.83	735,07.72	742,13.20
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	23,25.12	23,22.89	23,57.61
(ii) Other time liabilities...	897,80.33	1,132,57.91	1,130,25.91
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	11,28.46	13,88.86	14,77.07
(ii) Time Liabilities	35.00	27.00	17.00
Borrowings in India from the R. B. I.	31,23.42	40,00.10	41,48.55
Cash in India	40,78.21	45,54.78	46,87.11
Balances with the Reserve Bank of India	73,04.83	71,31.72	74,62.39
Balances with other banks in current account in India	12,65.02	14,92.26	14,32.26
Money at call and short notice in India	33,86.02	25,57.28	24,77.31
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	612,01.06	761,65.67	764,14.23
Advances in India	823,45.44	893,42.69	901,56.18
Inland Bills Purchased and Discounted in India	98,18.90	112,56.78	113,82.70
Foreign Bills Purchased and Discounted in India	37,31.08	46,46.29	45,60.88

*Figures are provisional since complete returns have not been received from Banks.

A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees)			
	Week Ended		
	26-2-60	19-2-60	27-2-59
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	7,20.00	7,20.00	7,00.00
Deposits and other Accounts	604,82.35	600,19.86	493,12.46
Borrowings from other Banks, Agents, etc.	1,29.50	1,61.00	...
Bills Payable	9,45.06	8,92.98	6,94.62
Bills for Collection as per contra	1,64.18	1,57.64	2,45.12
Acceptances etc. for constituents as per contra	1,47.17	1,46.44	1,11.98
Other Liabilities Including Inter-office Adjustments	2,12.36	1,96.52	2,50.61
Total	633,63.12	628,56.94	518,77.29
ASSETS:			
Cash in hand and with R. B. I.	30,41.51	25,61.67	33,25.05
Balances with other Banks	4,30.23	4,47.67	2,51.49
Money at call and short notice	1,46.67	1,60.00	2,13.33
Government and other Trustee Securities	381,35.19	375,10.18	262,97.33
Other Authorised Investments	11,07.00	10,81.99	11,50.88
Loans Advances cash credits & Over Drafts	174,63.70	172,92.08	182,65.14
Bills Discounted and Purchased	15,85.73	16,80.43	13,80.63
Bills for collection as per contra	1,64.18	1,57.64	2,45.12
Constituents' Liabilities etc. as per contra	1,47.17	1,46.44	1,11.98
Dead Stock	2,39.71	2,39.94	2,21.48
Other Assets	9,02.03	15,78.90	4,14.86
Total	633,63.12	628,56.94	518,77.29

CLEARING HOUSE RETURNS

Week ended 4th March 1960			
Clearing House	No.	Amount	
		Rs.	nP.
Madras	85900	11,22,42,216	00
Delhi	52097	9,52,61,337	77
Kanpur	18396	3,46,60,736	00
Bombay	361739	84,38,86,000	00

BANK OF ENGLAND

(In Million £)			
	Week ended		
	24-2-60	17-2-60	25-2-59
Notes in Circulation	2,111.9	2,115.4	2,006.1
Notes in Banking Department	38.4	34.9	44.3
Govt. debt and securities	2,147.2	2,147.3	2,046.5
Other securities	0.8	0.7	0.7
Gold Coin and Bullion	0.4	0.4	0.4
BANKING DEPARTMENT:			
Deposits:			
Public Accounts	13.4	13.8	13.2
Treasury Special Account	260.9	272.5	243.3
Bankers	66.5	62.2	70.2
Other	340.8	348.5	327.3
Total	276.6	288.5	273.7
Government	22.6	21.6	6.0
Discount and Advances	20.6	21.0	21.0
Other	319.8	331.1	307.7
Total	39.4	35.9	45.1
Banking Department reserves	11.5	10.2	13.7
"Proportion" %			

Government debt is £11,015,100. Capital £1,453,000. Fiduciary issue increased by £25 million to £2,150 million on February 10, 1960.

STATE BANK OF PAKISTAN

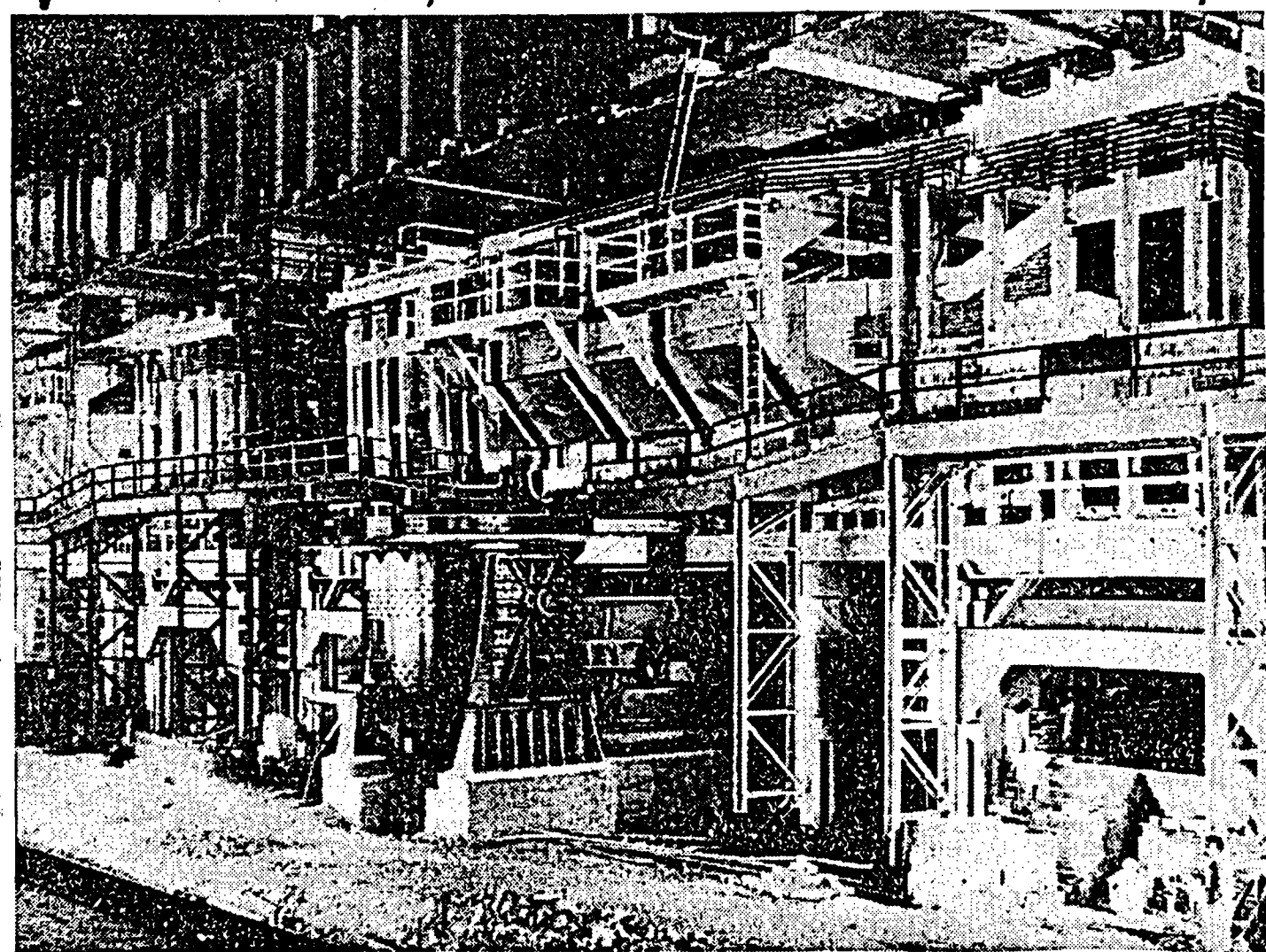
ISSUE DEPARTMENT: (In 000's of Rupees)			
	Week Ended		
	19-2-60	12-2-60	20-2-59
LIABILITIES:			
Notes in Banking Dept.	13,96.08	8,91.22	16,86.86
Notes in circulation	369,49.20	374,43.15	345,85.29
	383,46.18	383,34.37	356,72.15
ASSETS:			
(A) Gold Coin & Bullion	24,66.79	24,66.79	23,07.35
Approved Foreign Exchange	71,95.20	71,95.20	51,43.69
India Notes receivable from Reserve Bank	43,01.61	43,01.61	43,02.28
(B) Rupee Coin	3,52.97	3,41.16	4,18.96
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	234,39.55	234,39.55	229,09.81
Gold coin & Bullion	19.02	19.02	19.02
Sterling Securities	1,40.63	1,40.63	1,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin	29.51	29.51	29.51
Total	383,46.18	383,34.37	356,72.15
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	4,15.00	4,15.00	3,00.00
Deposits:			
(a) Central Govt.	7,21.55	9,21.26	86,75.39
(b) Provincial Govts.	1,15.48	1,36.14	50.82
(c) Banks	16,29.87	17,70.90	13,58.44
(d) Others	81,14.94	79,63.36	5,95.94
Bills payable	9.36	9.29	19.77
Other Liabilities	13,65.58	12,41.41	13,79.10
	126,71.13	127,13.26	126,79.44
ASSETS:			
Notes	13,96.08	8,91.22	16,86.86
Rupee Coin	13	12	55
Subsidiary Coin	13	12	34
Bills purchased & discount			
(a) Internal			
(b) External	74.62	1,24.43	3.90
(c) Govt. Treasury Bills	40,71.24	38,70.84	20,21.06
Balances held outside Pk.	4,13.00	9,73.00	3,27.00
Loans & Adv. to Govts			
Provincial Governments			8,37.26
Debtor Balances	11,11.13	16,73.79	12,75.50
Other Loans & Advances	40,99.61	42,17.54	63,26.68
Investments	9,64.29	9,62.20	9,00.29
Other Assets			
Total	126,71.13	127,13.26	126,79.44

Ratio of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange to Banks' notes issued, 37.88 per cent.

SCHEDULED BANKS IN PAKISTAN

SCHEDULED BANK LIABILITIES			
(In 000's of Rupees).			
	Week Ended		
	19-2-60	12-2-60	20-2-59
DEMAND LIABILITIES :			
(a) General	187,74.07	185,65.10	173,46.45
(b) Deposits from Banks	5,55.47	5,38.78	14,75.97
(i) Borrowings from Banks	6,57.29	5,81.50	4,95.54
TIME LIABILITIES :			
(a) General	101,00.32	100,93.50	69,08.77
(b) Deposits from Banks	4,47.55	3,95.56	3,47.31
(i) Borrowings from Banks	4,85.19	5,76.01	50.00
Borrowings from the state Bk			
(a) Against Usance Bills promissory notes	6,26.25	10,30.25	9,65.25
(b) Other Borrowing	4,53.90	5,92.31	3,12.25
CASH IN PAKISTAN :			
(a) Pakistan Notes	6,12.79	5,60.23	5,03.93
(b) Pakistan Rupee Coins	25.86	22.89	21.73
(c) Pak. Subsidiary Coins	7.67	6.94	16.50
BALANCE WITH THE STATE BANK :			
(a) Principal Office	8,03.49	8,38.19	7,36.77
(b) Other Offices and Branches	6,83.90	6,83.04	0,04.78
Balance with other banks in Current Account in Paktn.	4,34.04	4,42.02	4,63.11
Money at call & short notice in Pakistan	9,55.35	8,52.63	14,40.66
INVESTMENT AT BOOK VALUE :			
(a) In Central Govt Securities including Treasury Bills	101,47.11	106,06.54	90,18.88
(b) In Provincial Govt. Securities including Treasury Bills	17,69.31	17,69.30	13,42.38
(c) In Others	3,13.83	3,13.83	3,12.38
ADVANCES IN PAKISTAN	145,98.88	117,80.97	118,08.48
BILLS DISCOUNTED IN PAK.	6,95.02	6,87.43	8,80.00
FOREIGN BILLS DISCT. PK.	14,75.15	15,64.94	16,24.31

Durgapur Steelworks



The Steel Melting Shop

Stage Two—work goes on

Yesterday we surveyed, planned and builttoday results are being obtained. India's newest steelworks at Durgapur, which is being built by ISCON, is now in production under Hindustan Steel Ltd.

No. 1 Blast Furnace is making iron while work goes on in the second stage, the completion of which will mark the beginning of making and shaping of steel at the steelworks.

ISCON

INDIAN STEELWORKS CONSTRUCTION COMPANY LIMITED

Davy and United Engineering Company Limited. Head Wrightson & Company Ltd. Simon-Carves Ltd. The Wellman Smith Owen Eng. Corp., Ltd. The Cementation Company Ltd. British Thomson-Houston Co. Ltd. The English Electric Co. Ltd. The General Electric Co. Limited. Metropolitan-Vickers Electrical Export Co. Ltd. Sir William Arrol & Company Ltd. Cleveland Bridge & Engineering Co. Ltd. Dorman Long (Bridge & Engineering) Ltd. Joseph Parks & Son Ltd. Iscon Cable Group (Siemens Edison Swan Ltd. and Pirelli General Cable Works Ltd.

BRITISH COMPANIES WORKING FOR INDIA

PSIC 10

Indian Finance

Indian Finance
Saturday
March 19, 1960
Volume LXV-No. 11
Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

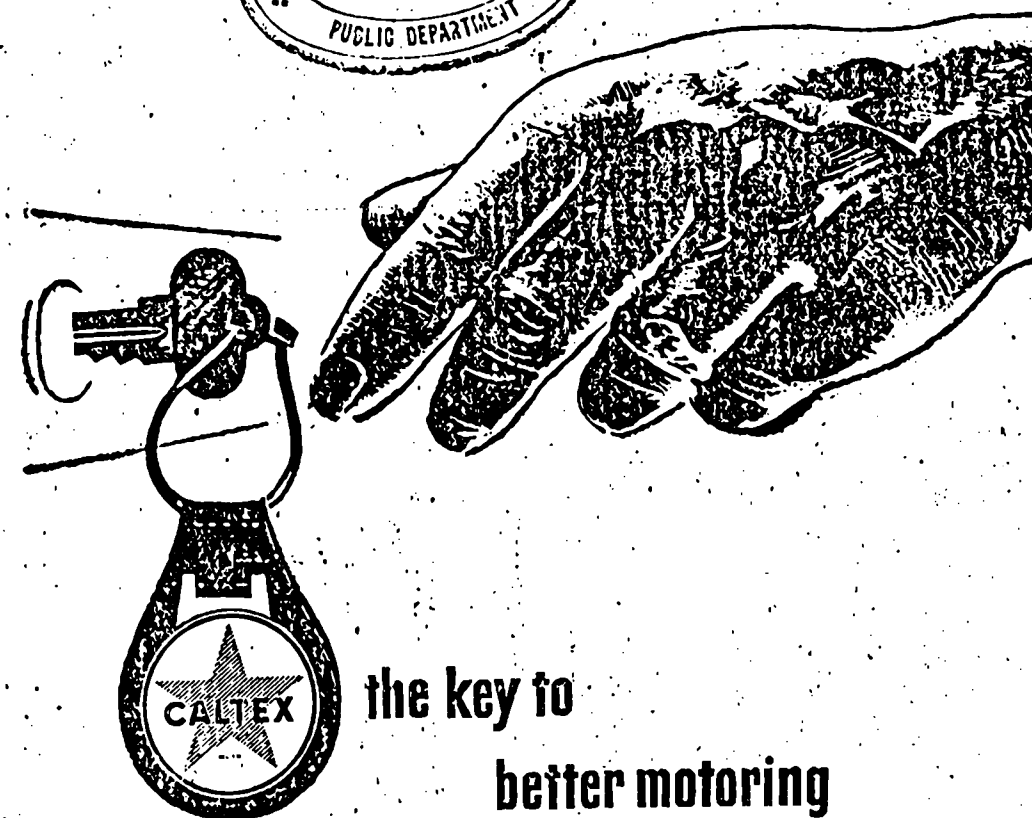
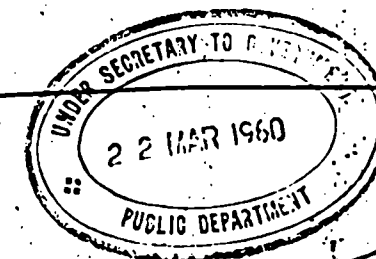
Credit Squeeze?

or Credit Control?

or Credit Restraint?

Read World of Finance

Indian Finance
Founded in
1928
by
C. S. Rangaswami



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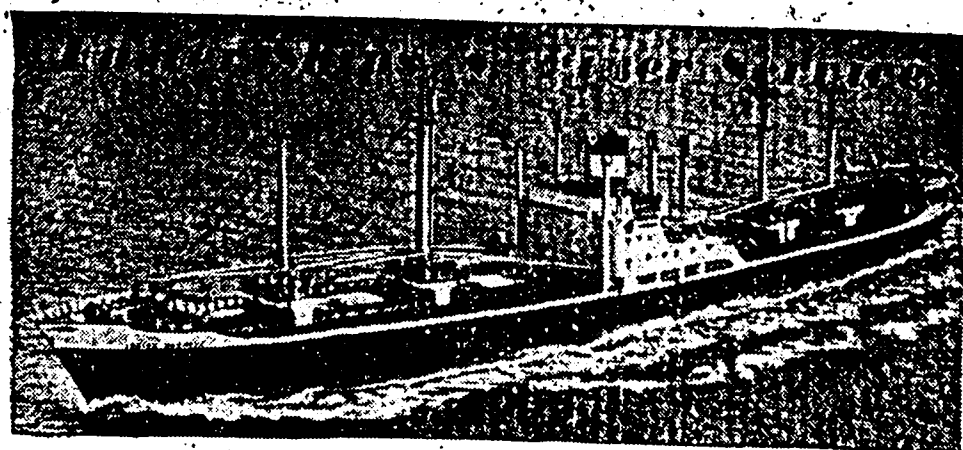
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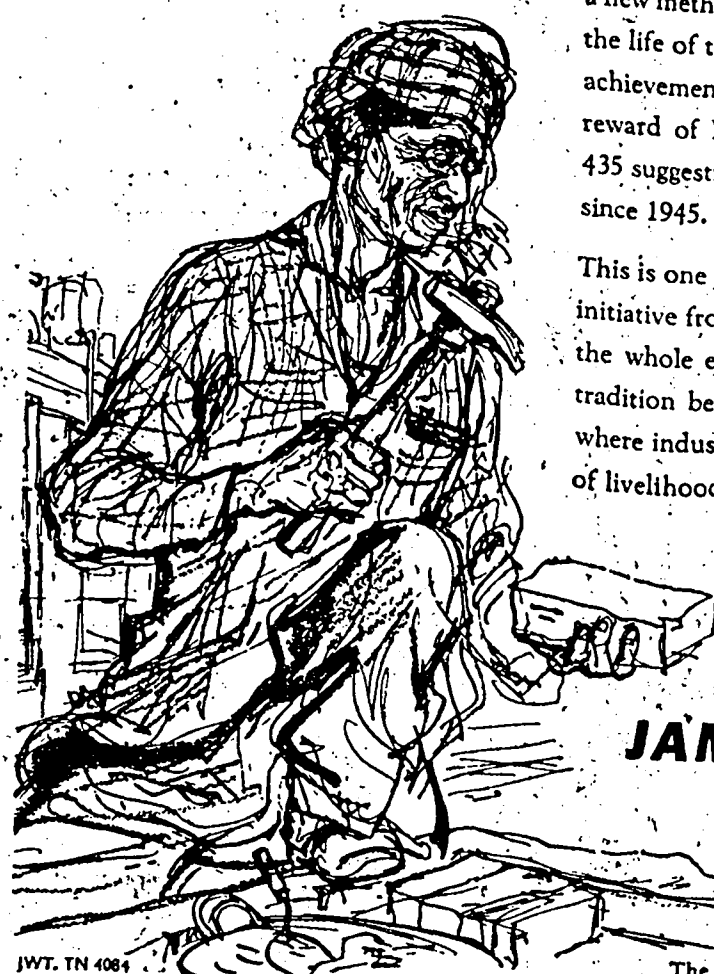
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WORLD OF FINANCE

Credit Squeeze? No Control & Restraint? Yes

THE immediate reaction to the measures initiated by the Reserve Bank last week is that, at long last, the central banking authority has brought out the big guns in its armoury of anti-inflationary weapons and imposed a general credit squeeze. Second thoughts, on the basis of a more careful examination of the measures, should show that the last week's directives of the Reserve Bank in no way run counter to its reiterated desire to ensure that finance is not denied for productive purposes. What is it that has been barred or is affected? Advances, firstly, against ordinary shares; the margin thereon has been raised from 40 per cent to 50 per cent. Now, there cannot be any vestige of doubt that prices have been overdone on the Stock Exchanges; the extent of price rise has in many instances been dizzy; and the Reserve Bank has adduced figures to show that bank finance has played a part, however small, in enabling purchase of shares—and part of this, we may conjecture, has undoubtedly been of a speculative nature. A corrective to share prices was necessary, and if a crash in the future was to be avoided, the Reserve Bank's action in this behalf—already producing the desired effect—is undoubtedly in the interests of the investor.

Secondly, there is an injunction on the proportion of Advances that Scheduled Banks may extend as "clean". This, of course, is in furtherance of the first objective in view; it has happened in the past that directives in respect of specific commodities have had their effectiveness curtailed by the obtaining instead of "clean" Advances. In any case, too high a proportion of clean Advances is not desirable in a bank balance-sheet, and both the investor and depositor in a bank must consider this action to be in their interests. However, some clarification is necessary in respect of Advances which are technically clean, but actually secured.

Thirdly, the financing of budla transactions has been prohibited. The Reserve Bank calls such activity on the part of banks undesirable. It certainly is so when speculative elements cut their frenzied caper. But, in the long run, "budla" financing must be reckoned part of the money market apparatus, and when the Reserve Bank is satisfied that speculators have withdrawn, budla should again be permitted—within prescribed, safe limits—and the new margin requirement of 50 per cent against Advances on equity shares may be relaxed to 45 per cent.

Lastly, there is the impounding of 25 per cent of all new Deposits accruing after March 11; and this is in addition to the existing statutory balances to be maintained with the Reserve Bank. This alone is a measure arising from a desire to secure a general, rather than particular, control over banking assets. Although the Reserve Bank has announced that such enforced deposits will carry an interest to be determined, the fact that it will

be lower than the yields on Government securities has led some circles to describe this particular measure as an attempt by Government at enforcing loans from the banking system at a cheaper rate of interest. But it should be remembered that such enforced deposits will be of little use to the Government; it is the Reserve Bank's cash in the till which will benefit; indeed, the effect of this requirement will be, on the contrary, to reduce the quantum of banking funds that will be available for investment in Government securities. We presume that, when the current busy season ends, and when bank Advances show signs of declining, the monetary authorities will withdraw this requirement—instead, however, raising the quantum of statutory balances to be maintained with the Reserve Bank. We suggest this is a monetary instrument which should be used with flexibility and elasticity.

In brief, the Reserve Bank's actions do not tantamount to a credit squeeze; rather are they an attempt at securing effective credit control and restraint. That is to say, the Reserve Bank will ensure, in the future as in the past, that industrial expansion and productive enterprises are not hampered by lack of banking finance.

Steep Fall in Reserve Balances of Member Banks

BANKING figures have yet to be distorted by the "credit squeeze"; but they no doubt already bear repercussions flowing from the virtual standstill of the operations of the State Bank. Meantime, the busy season continues with unabating relentlessness. It remains to be seen whether the set of measures instituted by the Reserve Bank, effective March 11, will serve to make the rest of the busy season less strenuous. For our part, we believe that the "relieving" of the stringency by the credit squeeze, in a manner of speaking, will be offset by the increased demand resulting from the State Bank strike. At the same time, the end of March approaches, and the hefty governmental end of fiscal year disbursements will undoubtedly be reflected in a considerable accretion to Scheduled Bank Deposits. Thus it is that money market stringency, might be relieved by the end of the month, though the demand for Advances may persist until the end of April.

The returns of the Reserve Bank for March 11 show that spillover of beginning of the month disbursements has, together with the continued busy season pressure, caused another steep rise of Rs 16.99 crores to Rs 1837.90 crores in Active Note Circulation. Rupee Coin has also moved out into circulation in the amount of Rs 0.73 crores. Currency has been expanded, symptomatic presumably of deficit financing, for Rs 5 crores against Rupee Securities; and cash in the till is down by Rs 12.75 crores at Rs 8.67 crores. Foreign Securities are unchanged.

The Central Government's balances are more or less static, being higher by Rs 0.27 crores at Rs 50.64 crores. But, then, there is the likelihood of deficit financing, as also the possibility that State Governments have made some repayment of loans during the relevant week. For, Deposits of the States are lower by Rs 4.50 crores at Rs 29.76 crores, and their borrowings have gone up by Rs 1.72 crores to Rs 29.49 crores. It is for these two reasons that, despite probable considerable disbursements on the part of the Centre, its balances have not declined.

Interestingly, Reserve Balances of member banks have been steeply drawn on, having gone down by Rs 22.86 crores to Rs 71.63 crores; and that Scheduled Bank borrowings have mounted, and substantially at that, is suggested by the rise of Rs 9.08 crores to Rs 135.61 crores in the Other Loans and Advances of the Reserve Bank. Partly, these two changes may be said to reflect the strain experienced by Scheduled Banks in meeting the busy season demand for funds. Partly, also, they may be said to be an offshoot of the State Bank strike, compelling perhaps greater accommodation being sought from the other Scheduled Banks. Lastly, Balances Held Abroad have moved down by Rs 1.46 crores to Rs 32.27 crores.

We surmise that Scheduled Banks must have experienced considerable gross accretions to Deposits during the week ended March 4. For, in that week, Advances are shown to have risen only by Rs 7.40 crores to Rs 1068.40 crores; and, meantime, gross Deposits, too, have gone up net by Rs 2.91 crores to Rs 1913.69 crores. Surely, the superimposition of beginning of the month demand for funds on the busy season would have caused a steeper rise in accommodation sought. So, it seems to us likely that "new" Deposits have immediately been offset by funds drawn by constituents to meet month early expenditure. It is not possible to isolate figures of other Scheduled Banks, since the return of the State Bank from that week onwards is not available. But, by and large it may be stated that the disinvestment in gilt-edged for Rs 6.66 crores is probably on account of the State Bank. As a result, cash balances have improved slightly by Rs 3.12 crores to Rs 163.71 crores. Meantime, however, borrowings from the Reserve Bank are higher by Rs 5.21 crores. In this context, we may mention that the State Bank is likely to have necessity both to disinvest and to borrow from the Reserve Bank. Fortunately, for the State Bank, or perhaps it called back its loans in this respect, Scheduled Bank borrowings from that institution are reduced by Rs 4.11 crores at Rs 10.83 crores.

The next return of Scheduled Banks may, conceivably be, highlighted by (a) a fall in Deposits; (b) a sharper fall in balances with Reserve Bank; (c) a sizeable rise in borrowings from the central banking institution; and (d) an expansion of fair dimensions in Advances. While the first three may be considerably on account of the State Bank, the last would be experienced by other Scheduled Banks as a result of the State Bank strike.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days Government of India Treasury Bills were opened on Tuesday, the 15th March 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.310 were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.760 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days Government of India Treasury Bills will be received at Bangalore, Calcutta, Kanpur, Madras and New Delhi up to the close of business on Monday, the 21st March 1960 and at Bombay and Nagpur on Tuesday, the 22nd March 1960 up to 11 A.M. Successful tenderers should make payment on Friday, the 25th March 1960. Other conditions are as usual.

During the week ended the 11th March 1960 Government of India Treasury Bills for Rs 6,41,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 16th to 19th March 1960 at Rs 99.326 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 9th to 12th March 1960.

Inflation and Interest Rates

By Paul Einzig

ON the occasion of a recent debate in the House of Lords, the Earl of Dundee, speaking on behalf of the Government, attributed the fall in gilt-edged market to the rise in long-term interest rates. This remark is somewhat perplexing, since obviously a fall in the price of Government loans and the rise in the interest rates on them are merely two aspects of the same thing. The only possible interpretation of the remark is that it is meant to convey that the fall in Government loans was the result of the Government policies causing a rise in interest rates. If this interpretation is correct, then Lord Dundee was less than fair to his own Government. He accepted by implication the blame for losses suffered by holders of Government securities.

In reality, responsibility rests with those who have caused the domestic purchasing power of the pound to depreciate since the end of the War. The Governments in office since 1945 shared in that responsibility because of their reluctance to adopt policies preventing inflation. On the other hand, by far the larger part of the responsibility rests with the trade unions which, through their excessive wage demands, have caused sterling to lose much of its purchasing power. It means that, even if Government Loans were still quoted at the high level to which they were raised by Socialist's cheap money policy after the War, holders would only receive less than half of real value for their dividends. It is no wonder that many holders grew tired of holding fixed interest bearing securities unless their prices declined to a level at which their yield compensated them for the fall in the purchasing power of sterling. A 5 per cent yield today has less real value than a 2½ per cent yield had during the days of Dr Dalton.

One of the ways in which inflation can be resisted is by means of raising interest rates. This was done by the Conservative Government soon after they assumed office, though it was not done on a sufficient extent to be effective until the crisis of 1957. It is the tragedy of the unfortunate holders of fixed interest bearing securities that they stand to lose both on the swings and on the roundabouts. They stand to lose if the Government do not take any measures to resist inflation, but they

also stand to lose as a result of effective measures taken by the Government to resist inflation. In addition to the decline in the price of gilt-edged securities resulting from inflation, there has been a further decline resulting from the measures taken to resist inflation.

That being so, it is not strictly correct to attribute the fall in the gilt-edged market to high interest rates. Had interest rates been kept low, inflation would have proceeded at a much faster pace between the advent of the Conservative Government in 1951 and the crisis of 1957. As a result, the price of gilt-edged securities would have declined to an even larger degree owing to the depreciation of the goods value they represented. It is true, by raising interest rates, the Conservative Government made themselves directly responsible for a further fall in the gilt-edged market. In the absence of its dear money policy, however, Government securities would have fallen to an even higher degree.

It is true, thanks to the drastic measures taken in 1957, inflation has been halted for nearly two years; and, in spite of this, there has been a further depreciation of Government securities as a result of the policy of dear money which halted inflation. In this sense, it may be technically correct to argue that the fall in the gilt-edged market was caused by high interest rates during the last two years. Nobody is in a position to tell at what price the Government securities would be quoted today, if money rates had been kept, say, 2 per cent below their present level. The Government would have been in a position to keep short money rates low at the cost of allowing the goods value of the pound to decline further. It would not have been in a position, however, to prevent long term interest rates from rising as a result of a flight of investors from their depreciating fixed interest bearing securities.

A decline of interest rates through Bank rate reductions would bring relief to holders of Government securities, but only in so far as a policy of cheaper money could be adopted without causing a resumption of inflation. Otherwise, any benefit derived by the gilt-edged market from lower short-term interest rates would be offset, and more than offset, by a resumption of the flight of capital from gilt-edged investment.

On the basis of the above argument, it seems that the decline in the gilt-edged market was due not to the rise in interest rates, but to inflationary wage demands by the unions; the unwillingness of employers to resist such wage demands; the unwillingness of consumers to resist the resulting rise in the trend of prices; and the unwillingness of Governments to bring about such resistance by employers and consumers by means of a determined disinflationary policy.

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Indian Finance

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IFC as Catalyst

SOME interesting points that have relevance to problems of industrial growth in this country, especially with foreign financial assistance, have been made by Mr Robert L. Garner, President of the International Financial Corporation, in a paper presented to the International Congress of Scientific Management which met recently in Australia. In this paper, the IFC President has undertaken a comprehensive review of the provision, accumulation and management of capital in a developing country. For the purpose of the discussion, developing countries have been defined as those in which industrialisation is relatively recent, regardless of variations of industrial activities. These countries are under compulsion to achieve a rate of growth which is high in relation to the rate of indigenous capital formation. The gap is sought to be filled by raising funds abroad, mostly from Governmental institutions, though of late there is growing awareness, among forward-looking business leaders of the advanced countries, of the opportunities of the new economic frontier represented by the less developed areas. This awareness is heightened by the recognition of the strategic significance of the developing areas in an era of competitive co-existence. The aim the IFC has set before itself is to act as a catalyst to mobilise private investment funds and to set the pattern to stimulate the flow of such investment into growing private sectors of the developing countries.

Public funds, from both local and external sources, now play a significant role in financing industrial enterprise. While conceding the useful role of public funds in providing the basic facilities and services, Mr Garner has noted that many of the countries have diverted funds from such needs into activities traditionally performed by private enterprise and private capital. The availability of public funds at subsidised rates of interest has also acted as a barrier to the flow of private capital.

As the amount of public funds available is necessarily limited, cheap Government funds, in the long run "may well hinder rather than promote" industrial growth. During the first year of its operations in India, the IFC concluded two substantial loan agreements. It will be useful to know how far the availability of low-cost Government funds has limited the scope of its activities in this country.

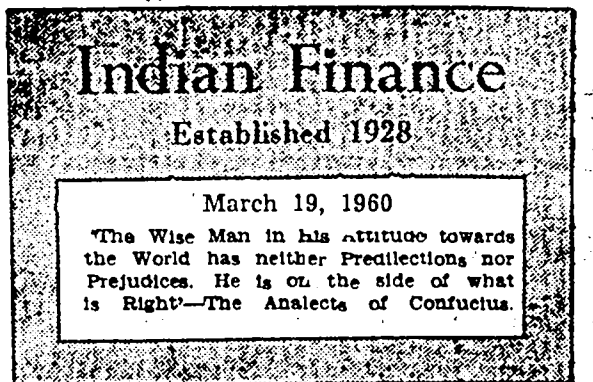
The suggestions made by Mr Garner regarding the capital structure of growing industries and the appropriate dividend policy they might follow, merit the careful consideration of sponsors of new ventures as well as of the public authorities who sanction them. As regards borrowed funds, the IFC generally takes the line that equity should exceed, or at least equal, debt. Mr Garner has also drawn attention to the risks of excessive short-term debt and the disadvantages of reliance on supplier credit to finance construction or purchase of equipment. A fresh appraisal is indicated regarding Government's policy of allowing imports of equipment only against deferred payments agreements. As regards dividends, Mr Garner has suggested that, for successful and

growing companies, payment of dividends in shares may be a sound practice, which will reconcile the claims of shareholders for liberal dividends and the needs of the business to retain a substantial part of the earnings for expansion. This suggestion will meet with enthusiastic approval in business circles, but the Finance Minister may not be inclined to take a more kindly view of the taxation of bonus shares.

Growing Painfully

THE Jha Committee's findings, related to the current prices for motor cars, have been accompanied by a plea for relaxation of import policy for the benefit of the local and still growing automobile industry. It looks as if the Committee is in agreement with Lord Tedder on the issue of the optimum price for a locally made small car. It also looks as if the foreign associates of Indian manufacturers will have to offer new terms for collaboration, especially, if the cheapening of commercial vehicles by removal of present price control takes place. The tacit permission given for keener competition may well affect the fortunes of manufacturers emerging from a long depression and it is also clear that much more capital will have to be raised in India, not only to qualify for approved expansion programme but to enlist the help of the foreign associate—be it GMC or BMC. The increase of indigenous content in motor vehicles made in India was presumably the main aim of the inquiry and the lack of uniform progress to date is no reason for withholding help in relation to essential imports or giving immediate and substantial aid to local makers of ancillary parts. The handicaps of the industry, past and present, have been listed in detail, and the conclusions drawn must only suggest that Tata-Mercedes-Benz have so far done much better than others in the field. But it is transport policy and road construction that are still operative considerations and there is no blinking the fact that the Government's main concern is always over railway revenues in the face of rising costs of operation and competition for road transport.

The justification for tariff protection offered in the report was certainly expected. An official committee could not criticise fiscal policy, though Parliament can comment in such cases. But the industry, like the consumer, has paid the price for economic nationalism, and it is always well to remember that restricted home demand, export difficulties and rising wages are not problems peculiar to India today. The experience of Britain whose motor industry has run into difficulties (not at all expected in 1948 when the PEP assessed the growth and prospects of a new, staple industry) must be kept in view by optimists who hold that the Indian motor manufacturer has a great future. Progressive consolidation after the war has helped, but operation below capacity is due to the handicaps of exporters though exports rose by 19 per cent in 1958 and 1959. The profits saved during the war certainly helped expan-



sion of output, and foreign capital in the UK industry made prompt and full use of its opportunities. But a point to remember now and here is that the manufacture of components and accessories claims more than half the labour force in the UK motor industry. The UK had the advantage of a large share of the Commonwealth market, though local assembly of cars gradually reduced the proportion of exports to manufacture. In comparison with the USA, Canada and Germany, the UK was not well placed and rigid wage costs have long hampered the industry which, during the war, was diverted to other products.

Such an experience is unknown to India, but the current structural changes in the British motor industry may well compel India to ask whether integration or even new location is not possible. The UK industry is looking well away from the Midlands to the Mersey side, Scotland and Wales, and massive investment by the big firms is the cardinal feature of the revolution concerned as much with enlarging local employment, as with restoring advantages to the export trade. The estimate that Britain will be able soon to produce over two million vehicles per annum is offset by the assumption that costs will not be lower, because of the inexperience of new workers in new plants. But one other point demands notice here. The big firms are planning for bigger output. The BMC intends to produce a million vehicles by putting in £50 million for development under special sanction and Vauxhall (a subsidiary of General Motors) means to expand on its own former lines from its own ample reserves. The changed fortunes of the industry in the export field may lie behind the plan to develop further in order to compete with France, Italy and Germany which are rivals in the US market also.

The new pattern of concentration by stronger units, arising from mergers like that of Standard with Triumph, is not without its lessons for India, which will have steel to spare for the industry but must wait for the rapid growth of the engineering industry and, above all, for home demand to increase as expected. The current US preference for smaller cars may influence the trend of UK production, but it will be agreed that the growth potential of the industry is very limited in comparison with that of the UK industry because new motorways may have a bearing on replacement demand, along with the increase in car-buyers in the lower-income brackets. But the latest inquest on the Indian motor industry may dictate a new attitude to the manufacture of ancillary equipment including batteries and tyres in India. It will also suggest the need to copy Japan in the manufacture of vehicles according to foreign blueprints, so that a share in adjacent markets, too, may be acquired before long. There remains the need for rational, uniform taxation by means of a tax on petrol on fuel consumption alone and the State Governments must be induced to make other vehicles bear a part of the cost of road construction and maintenance. While the case for a cheap light car is by no means fully established at present, the Jha

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Committee has indicated that the performance of the car industry has not been quite up to previous anticipation. And its growth in future must be assisted rather than requested on a priori considerations.

Growth Trends in Union Finances—II

[The first instalment of this article appeared in the issue of "Indian Finance" of March 12, 1960—Ed.]

FROM Table 5 at the end of the first instalment of this article, the reader might have seen that, while the per capita income has increased from Rs 265 in 1950-51 to Rs 297 in 1958-59, that is, by Rs 32, the per capita money burden of Union taxation has increased from Rs 9.8 in the former year to Rs 13.8 in the latter, that is, by Rs 4. What he could not have known from that table is that about 60

per cent of that increase of Rs 4 in the per capita tax burden has been accounted for by increases in the excise duties on eight commodities of general or universal consumption. These eight commodities are cotton mill cloth, sugar, matches, kerosene, tea, vanaspati, paper and soap. In a special table (No. 6) hereunder is presented the per capita incidence of excise on account of the respective quantities consumed of these eight commodities in the two years—1950-51 and 1958-59. It will be seen from this table that the per capita incidence of excise has increased from Re 1 in the former year to Rs 3½ in the latter, that is, by Rs 2½. Since the commodities concerned are widely consumed, the increase in the incidence of excise means that, by and large, the "masses" of the population have made their "fair" additional contribution to the Exchequer in the period of planning. That they will be making, in the years to come, an increasingly greater contribution to the State's revenues with the increase in their consumption levels may be postulated with a degree of certainty.

TABLE 6.

Commodity.	Unit.	1950-51		1958-59	
		Per capita consumption.	Per capita incidence of excise on quantity consumed.	Per capita consumption.	Per capita incidence of excise on quantity consumed.
			As Ps		As Ps
Cotton mill cloth ...	Yard	8	4 3	11	20 0
Sugar ...	lb.	8	4 3	12	19 0
Matches ...	Box of 60 sticks	12	4 3	12	7 0
Kerosene ...	lts.	6	0 3	9	1 9
Tea ...	oz.	8	1 6	10	2 0
Vanaspati ...	oz.	18	1 6	26	2 0
Paper ...	oz.	20	...	28	3 3
Soap ...	oz.	10	...	12	1 0
Total ...	...	...	16 0	...	56 0

TABLE 7.

Income Group.	1954-55		1957-58		Percentage increase (+) or decrease (—) in assessed income in 1957-58 as compared to 1954-55.	Percentage increase (+) or decrease (—) in disposable income in 1957-58 as compared to 1954-55.
	Total assessed income per average individual.	Disposable income (after tax) per average individual.	Total assessed income per average individual.	Disposable income (after tax) per average individual.		
	(Rs)	(Rs)	(Rs)	(Rs)		
0—5,000	4,123	4,036	4,108	4,055	—0.4	+ 0.5
5,001—10,000	7,018	6,758	6,871	6,661	—2.1	— 1.4
10,001—25,000	14,895	13,697	14,880	13,629	—0.1	— 0.5
25,001—50,000	34,888	27,349	33,707	26,190	—3.4	— 4.2
50,001—1,00,000	71,304	43,941	66,619	26,716	—6.6	—39.2
1,00,001—2,00,000	1,34,082	62,452	1,33,674	56,524	—0.3	— 9.5
2,00,001 and above	4,14,916	1,47,942	3,84,380	1,14,332	—7.4	—22.7

TABLE 8.

Income Bracket.	1954-55		1957-58		Percentage increase (+) or decrease (—) in assessed income in 1957-58 as compared to 1954-55.	Percentage increase (+) or decrease (—) in disposable income in 1957-58 as compared to 1954-55.
	Total assessed income per average H.U.F. (Rs)	Disposable income (after tax) of average H.U.F. (Rs)	Total assessed income per average H.U.F. (Rs)	Disposable income (after tax) of average H.U.F. (Rs)		
0—5,000	4,214	4,130	4,261	4,198	+1.1	+ 1.6
5,001—10,000	8,214	7,956	7,661	7,451	—6.7	— 6.3
10,001—25,000	14,783	13,621	14,870	13,648	+0.6	+ 0.2
25,001—50,000	34,329	27,296	33,205	25,798	—3.3	— 5.5
50,001—1,00,000	70,942	45,293	66,216	40,212	—6.7	—11.2
1,00,001—2,00,000	1,37,118	68,559	1,32,821	57,949	—3.1	—15.5
2,00,001 and over	4,60,550	1,89,908	4,35,714	1,33,333	—5.4	—29.8

TABLE 9.

Income Bracket.	1954-55		1957-58		Percentage increase (+) or decrease (—) in assessed income in 1957-58 as compared to 1954-55.	Percentage increase (+) or decrease (—) in disposable income in 1957-58 as compared to 1954-55.
	Total assessed income of average unregistered firm (Rs).	Disposable income (after tax) of average unregistered firm (Rs).	Total assessed income of average unregistered firm (Rs).	Disposable income (after tax) of average unregistered firm (Rs).		
0—5,000	4,313	4,216	4,146	4,050	—3.9	— 3.9
5,001—10,000	7,077	6,817	7,040	6,763	—0.5	— 0.8
10,001—25,000	15,065	13,823	14,937	13,581	—0.8	— 1.8
25,001—50,000	34,836	27,541	34,387	26,561	—1.3	— 3.5
50,001—1,00,000	72,274	46,729	68,502	43,392	—5.2	— 7.1
1,00,001—2,00,000	1,40,741	76,297	1,37,705	68,306	—2.2	—10.5
2,00,001 and over	5,08,081	1,79,798	4,23,469	1,98,979	—16.7	+10.7

But it is difficult to make out, on the basis of yield trends of Income-tax, whether the "classes" have made, and will be making, a relatively greater or lesser contribution to the Exchequer. If all those who pay Income-tax are described as the "classes" with reference to their income levels, the ones belonging to the income brackets of "up to Rs 5,000", "Rs 5,001-10,000", "Rs 10,001-25,000" and "Rs 25,001-50,000" do not seem to have made any significant additional contribution to the Exchequer except, perhaps, through indirect taxes on articles of luxury consumption. That the average disposable incomes (after tax) of these groups have maintained, more or less, a constant level since 1954-55 may be seen from Table-7 hereunder. The figures presented in this table are averages worked out from the All-India Income-tax Revenue Statistics pertaining to "Individuals".

It will be seen from the above table that the average total assessed incomes in the relevant brackets have also not increased; this is somewhat intriguing even after allowance is made for the fact that the inflationary impact of deficit financing during the period has been partly contained. It is difficult to believe that inflation has not augmented the average incomes in these brackets, howsoever mild it may have been. If this has not taken place, it may have been partly due to the fact that the number of assesses in the second, third and fourth brackets together has itself increased from 298,930 in 1954-55 to 399,645 in 1957-58, that is, by about a third, and partly due to the fact of tax evasion or avoidance or both. As regards the first fact, the shift in income—the total assessed income of the relevant number of assesses in 1954-55 has increased from Rs 342 crores to Rs 446 crores on account of the relevant number of assesses in 1957-58, that is, by just under a third—has been obscured by the one-third addition to the number of assesses. Whether or not inflation, howsoever mild it may have been, has made the already rich richer, there is prima facie warrant for the inference that it has created more rich men.

It is a matter for consideration whether all those who have benefited by development are making a "fair" additional contribution to the Exchequer. But, at the same time, there is the risk that, if the incidence of income-tax is made heavier in their case, such savings as they effect out of their disposable incomes and employ in productive investments will be correspondingly reduced. Here therefore, is a fiscal dilemma which may be expected to continue into the future. It is, therefore, doubtful if the growth of income in the wake of development and a certain consequential shift in income in favour of the relevant groups will be reflected in a proportionate increase in tax yield.

In the case of the income groups of "Rs 50,001-1,00,000," "Rs 1,00,001-2,00,000" and "Rs 2,00,001 and above", however, the average disposable incomes (after tax) have fallen substantially. Although the total number of assesses in these three brackets together has increased from 6,341 in 1954-55 to 9,276 in 1957-58, that is, by just under half and their total assessed income from Rs 78 crores to Rs 93 crores, that is, by about a fifth, their disposal incomes have fallen pretty steeply. Which suggests that the incidence of income-tax has been far heavier in their case and that such shift in income—relatively modest as it is—as has taken place in their favour has been rendered partly infertile by the operation of tax rates at the higher slabs. By way of comparison, it may be noted here that, while the shift in income to the tune of Rs 104 crores in favour of the

groups, namely, "Rs 5,001-10,000", Rs "10,001-25,000" and "Rs 25,001-50,000", has brought in an additional revenue of only Rs 9 crores to the Exchequer, the shift in income to the tune of Rs 15 crores in favour of the three uppermost groups has yielded an additional revenue of Rs 8 crores.

It is conceivable that, if the tax rates at the higher slabs are reduced, the capacity of the three uppermost groups to save and to invest productively will be increased. But the dilemma facing the Government here seems to be political. When excise duties and the like on commodities consumed by the poorer classes are being increased, it will be extremely difficult to secure Parliament's acceptance for a steep reduction in the maximum rates of income-tax; this is a political difficulty. At the same time, the vicarious satisfaction derived by the poorer classes at the sight of the "rich being soaked" is shrewdly seen as a political asset; this is by no means an expendable asset for any party in power,

considering that subtle exploitation of human jealousy has become a permanent feature of the body-politic.

Thus far, the incidence of income-tax on individuals has been dealt with at some length because they account for most of the revenue from personal income-tax, such revenue being Rs 90 crores as of 1957-58 as against Rs 73 crores in 1954-55. But Hindu Undivided Families and unregistered firms are not unimportant, although their respective contributions to income-tax revenue as of 1957-58 are only Rs 12 crores and Rs 7 crores. That almost similar trends as have been noticed in the case of "individuals" have been in operation in their case, too, may be seen from Tables-3 and 9 hereunder. What has been said about "individuals" is applicable, mutatis mutandis, to these two classes of assesses also. As for company income-tax, no attempt is made here to deal with the trends disclosed by Table-10 because the entire structure of corporate taxation is now undergoing modification.

TABLE 10.

Income Bracket.	1954-55		1957-58		Percentage increase (+) or decrease (—) in assessed income in 1957-58 as compared to 1954-55.	Percentage increase (+) or decrease (—) in disposable income in 1957-58 as compared to 1954-55.
	Total assessed income of average company (Rs).	Disposable income (after tax) of average company (Rs).	Total assessed income of average company (Rs).	Disposable income (after tax) of average company (Rs).		
0—5,000	1,789	1,067	1,838	967	+2.7	— 9.4
5,001—10,000	7,326	4,396	7,336	3,829	+0.1	—12.9
10,001—25,000	16,492	9,714	16,591	8,446	+0.6	—12.8
25,001—50,000	38,087	21,728	36,128	17,879	—5.1	—17.7
50,001—1,00,000	75,182	42,858	72,368	35,444	—3.7	—17.3
1,00,001—2,00,000	1,40,419	60,629	1,40,980	68,220	+0.4	+12.5
2,00,001 and over	12,97,461	7,25,243	12,64,757	6,29,580	—2.5	—13.2

Example or Precept?

By M. SUR

THAT good conduct can be better taught by example than by precept is an accepted maxim. Government, being the largest employer of labour in the country, should surely by now have realised the truth of this maxim; yet, in management-labour relations, we are continually finding evidence that Government do not practice what their Labour Minister preaches to the private employer.

A glance at recent reports in the newspapers illustrate the point quite clearly. Take the Bhilai Project, for example. Discontent among the 30,000 construction workers employed by the project authorities had been growing, it was reported, for the last two years, and finally culminated in disturbances which "bewildered" the officials in charge. But why should there be such bewilderment? The newspaper report goes on to say that there are no Standing Orders for these workmen. Yet, every industrial establishment employing more than 100 workmen must by law have its standing orders, and the public sector has not been excepted. "According to union sources, and largely corroborated by State Government circles", the plant authorities have never fully implemented certain promises relating to wages and promotions. It is said that the authorities had agreed to promote 40 per cent of the men drawing Rs 48 to the next higher grade; but so far only 10 per cent had been so promoted. Yet, how often have private employers been castigated for non-implementation of agreements or awards? In fact, Government have set up machinery in all the States in the form of Evaluation Committees to check on the non-implementation of agreements and awards.

Government have persistently egged on the private sector to provide housing for its workers; and, at the last Conference of Housing Ministers, it was suggested that, if employers did not take advantage of the housing loan scheme, legislation to compel them should be considered. At Bhilai, the camps for construction workers employed by the project are "in sharp contrast to the beautiful quarters built for contractors' men." Living conditions in one camp are reported to be just tolerable, but the others are mere hovels. Water supply is scanty; only one camp has electricity; and sanitary arrangements are non-existent. Yet, in plantations, for instance, standards of workers' housing have been prescribed by Government.

The immediate cause of the disturbance at Bhilai and of the hunger strike of the union leader was the fear of retrenchment. Obviously, the project cannot continue to employ all the construction workers once the construction phase is over, but what the workers were demanding was that preference in recruitment for permanent operatives should be given to suitably qualified construction workers. The General Manager had on 2nd February passed orders that recruitment of new workers should be stopped and arrangements made to absorb surplus construction workers in other branches as workers or artisan trainees on the basis of seniority and merit. Knowledge of this decision might have prevented the disturbance, but when the trouble started a fortnight later the workers had not learnt of the orders. What is the good of preaching sound industrial relations, settlement of disputes by negotiation, better communication between management and workers in private industry, if these things are not practised in the public sector?

Another appalling instance of neglect of basic principles of personnel management was

brought to public notice last week in a press report on the Institute at Sitarampur for training in mining. It was the first institute of its kind, started over half a century ago as a Government school under the State Industry Department. It has trained over 4,000 students, some of whom are now in top positions; but the institute has never been made a permanent school, and its teachers are still given temporary appointments from year to year and are not entitled to pension or gratuity even on retirement after 30 years' service! Yet, in private industry, employees under standing orders must be put on the permanent list after 3 or 6 months' service, and employment even in temporary jobs is as good as permanent after 240 days' continuous service, for, the employee can be retrenched thereafter only according to the provisions of the law.

Sitarampur is an extreme example, but it is well known that Government employees remain on the temporary list for years. Fortunately some action is now being taken as a result of the recent Pay Commissions recommendations, and it was recently announced in the Lok Sabha that, in all permanent departments other than workshops and industrial units, temporary posts in all grades and classes which had been in existence for not less than three years on 1st March, 1959, should be converted into permanent posts up to a limit of 80 per cent if the Ministries concerned were satisfied that such posts were required permanently. This means that 80 per cent of temporary office staff with 4 years' Government service may now be placed on the permanent list. Would any industrial court accept such a position in the private sector? And what about all those in workshops and industrial units in the public sector? The decision is a step in the right direction, but it can hardly be considered equal treatment for the public and private sectors.

A Union Minister recently stated in the Lok Sabha that Government were not bound by a decision taken at the tripartite Indian Labour Conference. They are not legally bound, it is true, for, the decisions of the Conference are in the nature of tripartite agreements on principles. But how can Government say they are not morally bound by such agreements, when they are continually pressing for settlement of dispute by mutual agreement? The General Secretary of the INTUC has complained that Government do not accept the principle of voluntary arbitration so far as their own employees are concerned, though they have been preaching the principle to private industry. The National Federation of Indian Railwaymen has also been pressing Government to accept machinery for voluntary arbitration. The Code for Discipline in Industry agreed at the 15th session of the Indian Labour Conference, and it was subsequently ratified by the national bodies representing employers and workers, on a clause binding management and unions to "settle all future differences, disputes, and grievances by mutual negotiation, conciliation and voluntary arbitration."

The State of Bombay recently lost its appeal in the Supreme Court against the judgement of the High Court holding that hospitals were an industry under the Industrial Disputes Act. The decision was almost a foregone conclusion, since all kinds of institutions have been held to be industries under the Act. The Ministry of Labour deplores the practice of appeals to the Supreme Court. Could not the Government of Bombay have resolved the question by addressing the Law Ministry instead of taking an appeal to the highest court in the land? Could they not have accep-

ted 'voluntarily that, since hospitals are large employers, they should be treated as other employers when it comes to terms of service for their employees?

The National Productivity Council, an autonomous body, but sponsored by Government, and with a Council consisting of representatives of Government, employers and workers, was set up to stimulate productivity consciousness in the country. The editorial of the second issue of its journal, "Productivity", states:—

"A better treated worker, a better educated worker, a more comfortably placed worker who does not pass his time in anxiety about his security and the security of his family, his home and his food is a more productive worker than one who has not had these advantages, and the higher productivity of the worker pays for the advantages that lead to higher productivity. A productive economic system thus is a self-sustaining system. The whole concept of productivity needs to be viewed against this philosophical and social background."

Is not private industry justified in asking that Government should set an example in these matters as the largest employers in the country?

Madras Budget

A STRIKING feature of the finances of the Madras State in recent years is their inherent soundness. From a level of Rs 69.95 crores in the actuals for 1958-59, revenue receipts are estimated in the Budget for 1960-61 at Rs 80.87 crores. It is, however, to be noted that expenditure is tending to outstrip revenue. The final accounts for 1958-59 show expenditure some Rs 160 lakhs lower at Rs 68.35 crores; but in 1960-61, it is estimated to be higher than revenue by Rs 34 lakhs at Rs 81.21 crores. The State Finance Minister, Mr C. Subramaniam, has indicated in his Budget speech that, in view of the additional expenditure that may have to be incurred on the recommendations of the State Pay Commission, who are to submit their report shortly, the deficit may be larger than anticipated in the Budget.

Mr Subramaniam has not only left the small deficit uncovered but has also proposed to afford small reliefs in respect of the liability from sales tax. It may be recalled that, last year, there was a State-wide protest against the imposition of sales tax on perishables. In deciding to exempt perishables, including eggs, meat and fish, and commodities like oil from country chekku and green leaf tea, from sales tax, Government ostensibly appear to have fulfilled their promise that they would review, after one year of working of the amended Sales Tax Act which came into effect from 1st April 1960, the various problems arising from its implementation. But the reliefs now given cannot be deemed to be entirely voluntary on the part of Government.

The Rs 257 lakh higher revenue at Rs 80.87 crores expected in 1960-61, as compared with the revised estimates for the current year, are mainly expected to be accounted for by increases under share of Central taxes, General Sales Tax, Motor Vehicles Tax and interest. Estimated expenditure next year at Rs 81.21 crores will be Rs 349 lakhs more than the expenditure in the revised estimates for the current year. The rise in expenditure is mainly due to increase in debt charges and larger allocation for education, industries and community development. Capital expenditure

for 1960-61 is fixed at Rs 10.85 crores, and in the current year it is now expected to be of the order of Rs 12.77 crores.

Mr Subramaniam has quite appropriately utilised his Budget speech for a detailed review of the State's progress during the first four years of the Second Five Year Plan. Apart from the Budget speech being a proper medium for appraising the legislature of the work that is being done in diverse spheres, Mr Subramaniam has other justifiable reasons for dilating upon the Plan's progress in the State. Moreover, the coming year marks the last year of the Second Plan and, as such, important matters regarding the shape and content of the Third Plan will come up for decision. As far as the current Plan is concerned, the Madras Finance Minister is in a position to tell the legislature that the targets have not only been reached in many instances but have been exceeded in certain cases. Unlike most States, Madras is in the enviable position of having considerably over reached the Plan outlay fixed for it. The State's Second Plan as originally framed visualised an outlay of Rs 152 crores. With the estimated outlay for 1960-61, the total expenditure for the whole of the Second Plan may come to Rs 171.5 crores. Adding to this the cost of Canadian equipment for Kundah project adjusted in 1959-60, the total outlay comes to Rs 180.8 crores. It would appear that the increased outlay has been made possible largely by the substantial stepping up of loans and grants by the Central Government. It had been originally estimated that the Centre's assistance for Plan projects would be to the tune of Rs 73 crores. Such assistance is now expected to amount to Rs 90 crores. Expenditure on plan projects in the first four years is placed at Rs 133.1 crores.

The State has made alround progress during the past four years and in certain important sectors its record is indeed impressive. In the industrial sphere, the Rs 86 crore Neyveli lignite project is fast taking shape and the fertiliser and briquette plants are expected to be commissioned early in the Third Plan period as scheduled. By the end of the next Plan, production of lignite has been planned to be stepped up to 6 million tons from the present target of 3.5 million tons. A steel plant based on ore from Salem and using the Neyveli lignite has been visualised and the matter is now under investigation by a specially constituted technical committee. Exploration of the Cauvery Basin for oil is to be intensified. According to informed opinion, a fairly extensive area in the State may be usefully explored for oil. Notwithstanding the handicaps caused by paucity of coal and inadequate hydro-electric potential, Madras has taken rapid strides in industrialisation. The proposed raw film factory in the Nilgiris district is scheduled to be completed by 1962. A surgical instruments factory with Soviet aid is to be set up at Guindy and three cooperative sugar factories are expected to go into production in the next financial year. Their number will be increased to seven in the near future as arrangements are in train for four more. Private enterprise has also not lagged behind. A caustic soda plant, a rayon factory, a cement factory, a plant to manufacture refractory bricks and a railway wagon building factory either have been completed or are in varying stages of completion. Besides these, arrangements are in progress for the establishment of an aluminium plant, a heavy machinery plant, a paper factory, a factory for making wheels and rims and two fertiliser factories. Mr Subramaniam, however, does not think these developments will suffice. He wants more and more industries, and rightly so.

With the full commissioning of the Neyveli project and the coming into existence of the proposed steel plant, fresh vistas will open up for the enterprising entrepreneurs in the State.

In one important sector—it is really the most important sector food production—the State's record is not satisfactory. It is now expected that, as against the target of additional food production of 1.28 million tons at the end of the Second Plan, the actual achievement will not be more than 900,000 tons. But the State Government are not to blame for this. They have done their part well, but one essential requisite on which the Second Plan food production programme has been based, supply of an adequate quantity of chemical fertilisers, has not been fulfilled by the Centre. That the State is putting forth concerted efforts in the sphere of agriculture is borne out by the crop yield achieved. The average yield of rice in Madras State stands at 1300 lbs as against the all-India average of 816 lbs. It is expected that, in the current year, the average yield will be further higher at 1344 lbs. But the State is not to be satisfied with this no doubt commendable achievement. For, Mr Subramaniam compares the Madras record with those in Japan (2650 lbs), USA (2150 lbs) and China (1610 lbs) and has rightly concluded that the "agriculturists of our State can also do equally well if only they are provided with the necessary facilities."

In narrating the achievements of the State, Mr Subramaniam has not omitted to draw pointed attention to one very disquieting aspect of the economy. The continuous upward trend in prices and the consequent irresistible demands for higher wages and salaries are increasing the cost of both production and administration. The result of this price-wage situation is already evident in a reduction of saving available for investment in the private sector and the diversion of funds to establishments by Governments—funds which otherwise could have been put to productive use. Mr Subramaniam has done well to reiterate the need for devising "special measures to stabilise the price level, especially that of the prime necessities of life". Effective action now in this regard will ensure one essential prerequisite to the success of the Third Plan.

Mysore Budget

THE task of Mr T. Mariappa, Finance Minister of Mysore, in preparing the Budget for 1960-61, has been rendered considerably easy by the buoyancy of the State's finances. With an estimated revenue of Rs 63.71 crores for the next year and an expenditure of Rs 62.63 crores, the revenue Budget shows a surplus of Rs 1.08 crores. This surplus is, however, expected to be converted into a deficit of Rs 42 lakhs in view of the grant of interim relief to the low paid Government employees. The budget estimates have not taken this additional expenditure into account. Mr Mariappa is justified in claiming that the financial position of the State is sound as revenue receipts are expected to increase in the Budget year by Rs 3.72 crores from the revised estimate for the current year.

But it is only in recent years that the State's finances have come to be in good shape. The fact that the State has had to face initial difficulties after its reorganisation five years ago has received due recognition at the hands of the Central Government and consequently larger Central aid has been forthcoming. On its part, the State has taken active measures to mobilise internal resources along with steps to effect economies wherever possible. The cumulative effect of all this is its present

satisfactory financial position. It is gratifying to note that the State Government are fully aware of the need for mobilising further resources. Fortunately, there is still some scope for augmenting income. Survey and resettlements aimed at increasing income from land revenue are yet to yield the expected dividend, but it is to be assumed that the desired results will accrue in a few years' time. Collections of water rate and betterment levy may also improve with the passage of the amendment to the Betterment Levy Act.

For a State which was preoccupied with problems of reorganisation for nearly two years during the current plan period, its record of achievement as regards implementation of Plan projects is praiseworthy. In the last three years of the Plan, the outlay on development schemes has been progressively stepped up. From only Rs 25.6 crores in 1958-59, the estimated outlay in 1960-61 stands at Rs 40.77 crores. The State's Second Plan programme envisaged an estimated total expenditure of Rs 145 crores. Although progress has not been evenly distributed over all sectors, the overall picture of the State's performance during the Second Plan period so far must be said to be satisfactory. The efforts toward implementing Plan projects in the next year are to be greatly intensified as will be evident from the increased allotments made under different heads.

The sound financial position that the State is now enjoying, however, should not lead to complacency as expenditure is even now tending to outstrip income. Mr Mariappa has noted that, with the various ameliorative measures already taken and contemplated and the implementation of certain other measures to which the Government are committed, the financial position may not long remain as comfortable as it is now. In this regard, it may be noted that the problem of determining an equitable pay scale for the State Government employees has only been postponed by the grant of an interim relief of Rs 5 per month in the shape of an increase in the dearness allowance to all the employees drawing Rs 300 and below with effect from January 1960. The State Finance Minister has said that it is proposed to set up a small Committee to review the existing pay structure and other service conditions in the light of the recommendations of the Central Pay Commission and the report of the Madras State Pay Commission, which is expected shortly. On top of all this, there is the Third Plan already looming large on the horizon. As at present conceived, the State's Third Plan will involve an outlay of Rs 279 crores and Mr Mariappa has put the additional resources to be found by way of taxation at Rs 20 crores. With such responsibility ahead of them, the State Government have done well to constitute a Committee to suggest ways and means of finding new resources as well as of effecting the utmost economies.

Punjab Budget

ALTHOUGH the task of most State Finance Ministers this year has been much simplified, thanks to buoyant revenues, it has been the special privilege of Dr Gopichand Bhargava, Punjab's Finance Minister, to announce some tax concessions in his Budget for 1960-61. He has been enabled to do this because revenue expenditure in the next financial year is estimated to be lower than revenue receipts by Rs 1.69 crores. The Budget estimates for 1960-61 place revenue receipts at Rs 59.42 crores and revenue expenditure at Rs 57.73 crores. The capital Budget, however, shows a deficit of Rs 5.16 crores but it is

proposed to be more than covered by the sale of treasury bills to the value of Rs 5.50 crores.

The not too unsatisfactory financial position of the State has mainly stemmed from increased revenue receipts. As in most States, in Punjab also, the rate of increase of revenue receipts is progressively higher in the past one or two years. This is directly attributable to the fruition of part of the plan efforts. The Budget estimates for the current year anticipated only a small surplus of Rs 40 lakhs, but the revised estimates show that there is a surplus of Rs 5.72 crores. This sizable improvement has largely been brought about by a substantial increase in revenue receipts to Rs 56.89 crores. Dr Bhargava has rightly anticipated that revenue receipts would be further higher in the Budget year.

The cue to the buoyancy of revenue in the State can be found in the huge productive investments that have taken place during the past few years. The net debt liability of the State at the end of the Second Five Year Plan period is placed at Rs 234.84 crores. But the explanatory memorandum pertinently points out that "almost the entire liability is in respect of productive schemes, Bhakra Nangal project alone accounting for Rs 172 crores." Already, the investment on productive enterprise is being reflected in the steady rise in revenue, and it is quite on the cards that this trend will be further strengthened in coming years when the full effect of the Second Plan projects come to be felt. As Dr Bhargava has warned, there can be no slackening of efforts, especially at mobilising internal resources, because the State's Third Plan is bound to be much bigger than its predecessors.

There are certain things which have to be done, whether the Budget is surplus or deficit. In many a State, the claim for relief for the low-paid Government servants has received sympathetic attention at the hands of the Finance Ministers. In Punjab also, a specific grievance of Class IV employees has been redressed. Hereafter, Class IV Government employees will get increased daily allowance when on tour and thus will be brought on par with Central Government employees of a similar category. There is also a promise of relief in purchase tax for dealers in respect of some commodities bought by them. Although the total loss to the State Exchequer is expected to be only about Rs 6 lakhs, the concession in the shape of the abolition of electricity duty on industrial concerns which generate power for their own use is significant in that it shows that the difficulties of private enterprise too are getting due attention.

Madhya Pradesh Budget

Madhya Pradesh's Budget for 1960-61 shows a revenue deficit of Rs 62.95 lakhs as estimated revenue receipts are lower at Rs 6467.69 lakhs as against the estimated revenue expenditure of Rs 6530.44 lakhs. Mr Mishrilal Gangwal, the State Finance Minister, has not proposed any new taxation to cover the deficit. If Madhya Pradesh's revenue has not grown as fast as in some other States, the explanation is perhaps to be found in the comparative backwardness of the State, which has necessitated the emphasis in spending to be placed on social welfare. It is true that, during the whole of the Second Plan period, almost all States have been obliged to make heavy outlays on social welfare and allied work. Such expenditure is not productive in the sense of bringing in increased revenue. And, in States like Madhya Pradesh, which have a sizable tribal population to be taken care of, the incidence of unproductive expenditure is

particularly heavy and hence it is idle to expect the revenue of these States to be buoyant till Plan efforts can be fully diverted to productive expenditure. Mr Gangwal, however, is hopeful that some of the plan schemes will begin to bear fruit by the beginning of the Third Plan. Investment on productive work is also to be sizably increased during the final year of the current plan period, and Mr Gangwal has disclosed that 65 per cent of the Rs 37 crore annual plan outlay for 1960-61 has been allocated for the productive sectors.

State Bank & Branch Expansion

A Correspondent Writes:

IT will be noted that, at the State Bank of India's annual meeting last week, no reference was made to the complaint, heard more than once in 1959, that one bank gets all the funds due under PL 480 loans to the USA and that the State Bank is able consequently to make bigger profits and to raise dividends. However, the shareholders are in a defenceless minority against the President of India, to whom the Board reports its results, and the 100 rupee shares are not listed in all markets, because of the take over that has made the State Bank a bigger unit in the banking system. Claims made regarding banking expansion in recent years support the hope cherished after the Gorwala Committee's report on rural credit. But the figures now available suggest that the new branches do not contribute much to the profits of the year, for, Advances and Deposits at the 359 brand-new branches are not at all impressive. Aid to the co-operative banks under Government directions may represent a departure in banking policy, but the maintenance of tradition of dependence is not at all a source of satisfaction. The future of banks taken over this year can be glimpsed from the reference to their qualified autonomy. Branch extension will be guided, and the object is to make the banks regional. The results for the Bank staff may not be wholly welcome, for, the chances in Kerala or Mysore may be limited for able and ambitious men who expected that the take-over would lead to a new pool arrangement enlarging opportunities. But it is clear that regional banking under State Bank auspices will not be a real threat to old-established or new country banks which have set the pace in branch expansion, as proved by the record of the Pandyan Bank, based on Madura, but able to move far afield. The amalgamation of small banks in Kerala canvassed eagerly in 1958, will gain real momentum if the State Bank's regional unit becomes a real rival. They may shed their parochial or communal character, and continue to defend their interests against the monolithic banking directed latterly toward small industries also, promoted by Government for set reasons.

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NATIONAL NOTES

Modified "Universal" Education

Any appraisal of the cost and adequacy of the Union Education Ministry's draft plan cannot evade the uncomfortable fact that the date-line for completion of the requirements under Article 45 of the Constitution has to be postponed to the end of Fifth Plan, if not later. While that realisation should restrain the critics who think that the total outlay envisaged of Rs 980.06 crores is on the high side, it should also induce the educational administrators to re-examine the basis of their estimates, to make sure that these represent the irreducible minimum. The Union Education Ministry's estimate amounts to over ten per cent of the total plan outlay that is, considered practicable at present. This compares with the allocation of the order of seven per cent in the First and Second Plans. It may also be noted in this context that, while seven per cent was provided in the original Second Plan estimates, this was subsequently reduced when the Plan had to be rephased in its second year.

The increased allotment according to the Education Ministry's programme will just enable introduction of universal compulsory primary education for the 6-11

age group. Primary education, naturally, accounts for the largest share of the proposed outlay. In respect of secondary and university education, the emphasis rightly is on consolidation of the progress already achieved and raising of standards rather than on expansion, except to provide for the normal increase in the numbers of students seeking admission to schools and universities.

In the context of the programmes of development that are envisaged, introduction of universal primary education cannot be regarded as a luxury which can be put off for the time being. Literacy is the pre-condition for the success of measures to increase productivity in agriculture as well as in industry. But the relevant question is whether the limited objective that is now being considered cannot be reached at lesser cost. The Second Plan had recognised the need for utmost economy for securing rapid increase in facilities at the primary level. Economies, it was suggested, could be sought by cutting down cost on buildings, organising schools on the shift system and increase in the number of co-educational schools for the age group 6-11 years. Has the Ministry fully explored the scope for achieving economies by the adoption of these methods?

Base or Basic?

Cost of education, for the State as for the parents of the students, will be less if the authorities are able to control the itch for effecting changes. Sweeping attacks on the system of education, of the sort levelled by Acharya Kripalani, are not particularly helpful in this context. Changes so far have worked greater havoc in the fields of secondary and university education. As far as primary schools are concerned, the main change is orientation to the basic pattern. While craft-based education can be very good indeed in the hands of gifted teachers, these do not grow on every other bush. Even if the national minimum of Rs 50 for primary school teachers, suggested by the Ministry, is increased many-fold, the supply is not likely to respond to the demand. And, of some basic schools, it is said that they are institutions that deserve the attention of the Society for the Prevention of Cruelty to Children.

A realistic appraisal of possibilities, in terms of men and material, will show that expansion of primary education will have to proceed mainly with the help of persons who, for one reason or another, have missed the bus for better prospects. The revolutionary changes in social values have made it practically impossible to recruit persons of requisite calibre at the maximum level of remuneration the country is able to offer to its primary teachers. Particular care should, therefore, be taken that the burden that is imposed on them is not heavier than

they can carry. In such conditions, orientation of primary education to the basic pattern, which seems to have become an obsession with planners in New Delhi, will make education not basic, but really base.

Fertiliser Target Short by 500,000 Tons

The fertiliser target of one million tons of nitrogen, which the Planning Commission are reported to have fixed for the Third Plan, is very much short of the minimum requirements. The Union Food Ministry had programmed to make 1,500,000 tons in terms of nitrogen available at the end of the Third Plan Period. The Ford Foundation team, which examined the targets for fertilisers, considered that they were "conservative in relation to need" and the very minima for meeting food production targets. There will be a shortfall of half a million tons of nitrogen unless the Planning Commission propose to fill the deficit with help of imports. In that case, it will be necessary to examine whether it would not be really more economic to set up additional capacity than to pay for imports of this order. World fertiliser prices are currently ruling low. But they may not continue at that level when imports are required on a really substantial scale.

The slow progress of foodgrains production is still attributed to the conservatism of the peasants who are supposed to be reluctant to use "scientific methods" even though it has not been possible to meet the minimum requirements of the different States for fertiliser. The result of the overall shortage is the growth of a black market in fertiliser and complaints that fertilisers are being adulterated with materials that destroy the fertility of the soil. The branch manager of a cooperative marketing society in Madras state was recently convicted of black marketing and prosecutions have been filed against several merchants in the State for adulteration of the fertiliser sold by them. The Union Food Minister has promised larger supplies during the current year as compared to previous years, but, even so, it will only meet 62 per cent of the States' requirements. In this situation, more attention naturally is being paid to green manure and compost, and rightly too, for, all sources of increasing production should be exploited to the maximum possible extent. But, in drawing up the plan for fertilisers, the planners should not overlook the fact that, while green manure and compost are essential to supplement chemical fertiliser, they cannot replace the latter, especially when substantial increase in production has to be achieved in a short period.

The press report does not make it clear whether the plan for fertilisers has made adequate provision for manufacture of what are

called high analysis fertilisers, such as calcium metaphosphate, ammonium metaphosphate, double superphosphate, urea, etc., which contain a higher proportion of plant nutrient than the conventional low analysis fertilisers in use like ammonium sulphate and superphosphate. Emphasising the need to develop the use of these high analysis fertilisers, the Ford Foundation team had drawn attention to the substantial reduction in cost that could be effected, through lower packing, transport and handling charges. The cost of manufacture may not be substantially different, but what matters is not cost at the factory but cost on the field. And the report points out that it takes three times the bags, three times the freight, three times the storage and three times the handling for a 16 per cent material as it does for a 48 per cent material of the same quantity of plant nutrient. This indicates the scope for reduction of cost by a switch-over from low analysis to high analysis fertilisers, for which the production programme should make adequate provision.

It is good, however, that Government have indicated that the private sector may participate in the setting up of additional capacity for the manufacture of fertilisers. Indeed, already, a number of projects under the aegis of private enterprise are reported to be in hand. Against such a background, although, in the perspective of current thoughts on the part of the Food Ministry, a shortfall of fertilisers seems inescapable, there is the offchance that vigorous enterprise in the private sector will make this good. It is to be hoped that the private sector entrepreneurs will rise equal to the occasion.

Swatantra's Suspect Purposes

The long statement of purposes put out by the Swatantra party carries the country not very far, because praise for the Army today is offset by criticism of India's foreign policy. Suggestions made by the party leaders for a defence agreement with Pakistan to ward off the new threat from China will make little impression, because the party overlooks the stubborn fact of Pakistan's insistence on the inclusion of Kashmir in its territory. The party manifesto barely mentions the subject of denationalisation of life insurance, to which a reference was made at the conference in Bangalore held not long ago. The preservation of peasant farming is naturally in the forefront of the Patna programme, and there is a harking back to the old liberal slogan of peace, retrenchment and reform, in this manifesto, one drawn up by ex-Congress leaders who are, however, aware that socialism is very much in the air and it is impossible to look for the restoration of free enterprise. In a sense, the party has shaken loose from the Forum of Free Enterprise, but its objections to high taxation, import restrictions, and economic controls are derived from the arguments of the older organisation.

There is a plea for decentralisation of industry, and its sympathy with the claims of trade unions is made known through the approval given to collective bargaining. All the same, the claim that the Swatantra party is a party with a difference will not be universally accepted, nor will the public take it for granted that the Swatantra party alone stands for ordered progress. A point to bear in mind is that criticism of the Planning Commission, which is regarded as a super-Cabinet, comes very late and the accusation of a totalitarian approach by the Congress ignores the fact that, in Madras, the help of the opposition parties has been enlisted by the Congress Ministry for framing its new plan. There is little doubt that the party's criticism of the preference accorded to heavy industry so far is a hang-over from what was said against the plan frame drawn up four years ago. The manifesto ignores the risk that freedom of expression given to every member of the Party will militate against the discipline which is essential if the Swatantra party is to make any headway. Of course, it has taken the field early in regard to the general elections of 1952, but its eagerness to draw allies even from Communist groups merely to hold Congress in check savours of opportunism, and it is noteworthy that its promises to remove controls and encourage property are based on opinions frequently aired at meetings of Chambers of Commerce. The suspicion that the Swatantra party is the political wing of big business will not be

dispelled by the very elaborate statement of the party's principles and purposes.

Local Preference?

The employment of more Bengalis in private firms is a laudable aim but the issue of directives by the State Government to private employers is hardly the correct procedure. Both employees and employers are not eager to take directions from the Government which must be aware that domicile and language rules are inconsistent with the Constitution. There is a risk that other States would also insist on local preference in filling jobs, and if employers prefer to give jobs to relatives of those serving, the cry of nepotism and jobbery cannot be raised. And if agreements are violated, the prospective employees can be sore, though unemployment is an issue that taxes the Government's energies.

The argument over the employment of non-Bengalis in private firms need not be mixed up with talk about fair employment practices at present. But the freedom of private employers cannot be abridged, though Government can undertake reservation by insisting on a knowledge of the local language for filling public posts. The muted debate on the enlargement of opportunities is a result of the pre-dominance of outside capital in trade and industry. The remedy is the advent of more Bengali capital and enterprise, but that appears distant. And it cannot be forgotten that Bengalis in other States like Bihar and Assam enjoy opportunities, due to historical reasons chiefly, and it would also be dangerous to press employers to fix percentages without due regard to efficiency or output. The judgement of employers cannot be fettered by official directions to personnel officers or managers and the incidents last year in Rourkela arising from the entry of many non-Oriyas for work are a grim reminder that prejudice can work havoc. The freedom of both internal migration and trade must be maintained and the non-Bengali employees may be tempted to ask for guarantees owing to the Government's efforts to raise the intake of local people, including presumably refugees. An issue regarding treatment of linguistic minorities may even be raised by employers and the West-Bengal Government may be reminded that the employers set store by traditional aptitudes and skills, the strength of family ties and the conventions prevailing among Sardars who provide replacements in case of leave or retirement. Reservation for Harijans in public or Railway service may be defended, but surely there is nothing to be said for compelling non-Bengali employers to take Government's advice in filling vacancies by local people, because employers have to meet many claims, and the Government

cannot impose the very modest standards of efficiency in Government offices on employers who risk their capital and insist on a fair day's work for wages given.

Return to Curzon

The Defence Ministry's report dealing with the adjustments on the Northern frontier in the light of Chinese incursions has received more notice than the arrangements proposed to make Ladakh a fully administered territory. It may be due to Kashmir's insistence, that the step is now taken to prevent Chinese claims to more territory. As a prelude to frontier demarcation, it may be unexceptionable and the rapid extension of frontier administration to the mountainous desert will have the support of Kashmir, because that State is relieved of heavy and undefined liability. The Defence bill is bound to rise, if Ladakh is policed as Waziristan was in the past, and there is no prospect of the old caravan trade via Leh reviving in the near future. The step taken will be viewed by Peking as a spring manoeuvre of the usual kind, and its reactions to the close border policy will have to be watched in the light of the integration proposed.

The policy of Lord Curzon is being followed as many will now admit, and India's frontiers are now viewed in a different light. How Pakistan will take it is another question, because of the recent objection taken to Indian maps. There is here no question of raising aboriginals to the accepted standards or of copying Burma's policy in the twenties by suppressing slavery and curbing opium cultivation in the triangle beyond the Shan states. This is clearly a move directed against the large and vague claims of China, in order to supplement the advance made by the Dogra princes in the past century and to emphasise also the integration of Kashmir with India effected by consent already. The reinstatement of non-Regulation or Excluded areas after India achieved independence will not excite much surprise. The administration to suit the needs of the region over which direct control is assumed by the Central Government must necessarily be on the lines devised for the North West Frontier province by Lord Curzon who marked off the five settled districts from the Pathan Tribal area, going up to the Durand Line in order to remind Afghanistan that the Punjab was divided in 1904 in order only to emphasise the differences in population and economic conditions. Had India followed Curzon's forward policy in regard to Tibet, there would be few frontier problems or regrets and it is perhaps the result of India's masterly inactivity in the fifties that Pakistan is now pressing for the definitive acceptance of the Durand Line by the Afghan autho-

rities to force a withdrawal of any demand, even for a Pathan State neutralised by agreement.

Jute for Tobacco

The arrival in Delhi of a mission from Pakistan to examine not only trade possibilities but the restoration of old ties may lead to firm guesses about exchange and payments. The trade by sea in coal and other items is certainly more important than trade across the land border with East Pakistan, and there is little chance of tariffs being adjusted to the requirements of Pakistan which can, however, negotiate a rupee payments agreement to pay for tea or textiles taken from India. But the outstanding debt and other issues must be settled soon, and the regular remittance of profits earned in Pakistan by Indian Companies must be ensured to make any trade agreement satisfactory. The purchase of jute on a fairly generous scale must follow the abrogation of crop control in East Pakistan, but here again it is India that must give a bold lead, as much for political considerations, as for the current needs of the jute mill industry. The removal of quotas to enable East Pakistan to buy more vegetable oil or sugar in India may be called logical and Pakistan must be enabled to ship raw hides and skins for the tanning industry. A substantial reversal of the policy pursued since 1951 is demanded of both countries, but there is an example in Belgium which maintains close ties with Holland in spite of the political and other differences. Indian commercial organisations can hardly tender much advice in the present context, more so as Pakistan buys oil for the State railways and Japanese textiles to avoid large purchases from India.

Relaxation of import control in both countries is a condition precedent to normal trade as also permission to remit funds or repatriate assets. If India suggests removal of quotas, it may be even possible to buy newsprint from Chalna to supplement Indian output and the chances of India selling more tobacco to the new factories in Pakistan must be given due weight. The scope and rate of industrial growth in India is perhaps as weighty a consideration for Pakistan, whose external assets have gone down so that payment in sterling for imports raises fresh problems. However, India can, and perhaps must, buy more cotton to secure a market for manufactured goods, and it is clear that export promotion hereafter must take account of what opportunities Pakistan offers, be it for chillies or for beads. The change of regime may help Pakistan to think of supplies from India rather than the USA, though in regard to foodgrains, India cannot spare any quantity for Pakistan, now or hereafter.

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STATES NOTES

Industrial Housing and Private Profit

The rise in the cost of living has raised industrial wages since 1956, as Mr M. J. Edwards pointed out at the last meeting of the Employers' Federation of South India. In depreciating inflation (and the increase in railway rates by 5 per cent) he certainly joined many MPs and his special reference to the consumer hit by rising prices was by no means superfluous. The latest inflationary budget may be counteracted by new curbs on speculation in markets but the shortages due to restricted imports will have their own effect as usual. The criticism of the industrial housing scheme, subsidised it is true, makes plain the fact that scales for loan subsidy etc., fixed in the past bear no relation to present cost of construction of dwellings for workers. The claims of the tax-gatherer and, of course, the shareholders cannot be ignored, but it may also be asked if some schemes have not been put into effect by some employers in order to inflate costs and to get the benefit of loans, etc. The fact that some schemes have been implemented by the less scrupulous employer in order to produce a private profit must, however, appear of less weight at present than the plea that subsidised housing entails a recurring liability since rent charged is not enough to cover cost of repair, depreciation, rates and taxes. The average employer's view was put convincingly by Mr Edwards, who urged that new machinery would yield a fair better return on the capital invested for the benefit of the shareholders who would certainly favour plant expansion, in spite of the rules about development rebate reserves. The restrictions on choice of investment of reserves and the tax on bonus issue may be said to favour housing projects at present, but not all employers can afford to create brand new towns near the place of work. Loans to approved workers by the employer may present new possibilities, if regular deductions from wages are allowed and Provident Fund contributions are made a security for advances given to houses which need not at all be up to official standard for their own regions where the climate allows both the erection of cheap mud and thatch dwellings and the avoidance of congestion in tenements. One may add that the State as an employer has no shining record in the matter of housing its employees.

Food Plan for West Bengal

West Bengal's food problem, which has been of a chronic character gaining yearly in intensity and which has been the focal point of political demonstrations in the State, is at last to have a permanent solution. A six-man committee appointed by the Cabinet Sub-Committee on food production has charted a six-year plan of action for achieving self-sufficiency in foodgrain production. On the basis of population at 66 million, and per capita consumption at 17 ounces, the total foodgrain requirement by 1966 has been estimated at about 6.3 million tons. Current production being estimated at about 4.1 million tons, additional production required for attaining self-sufficiency by 1966 is of the order of 2.2 million tons.

The plan, which is of a comprehensive character costing more than Rs 125 crores, lays particular stress on irrigation for which an outlay of Rs 110 crores has been allocated. The target for irrigation is 30 lakh acres and will be implemented through construction of deep tubewells, for which there are immense possibilities in the State, and lift irrigation. The recommendations of the Committee for increasing foodgrain output include also stepping up of fertilisers and manures, multiplication of seed farms, and introduction of improved methods of cultivation. The allocations for these three are respectively Rs 7 crores, Rs 1.16 crores and Rs 2.82 crores. Reclamation of waste land is another line of development for which the allocation is Rs 3.4 crores.

The achievement of foodgrain self-sufficiency for West Bengal is a matter that has importance not only for West Bengal but also for the whole of India. The total deficit in the country's foodgrain production is, to no small extent, derived from the deficit in West Bengal's production.

Foreign Interest in the South

The Bombay-based Hungarian Trade Commissioner for the Hungarian People's Republic told reporters in Madras last week that Hungary would collaborate with a private firm in Madras to manufacture fluorescent tube. Negotiations were only in the initial stages, he said; and, if finalised, Hungary would supply the industrialist the technical know-how and machinery.

Mr Laszlo met the Madras Industries Director, the Electricity Board and the Madras Port Trust. Presently, there is a plant for motor winding wires installed at the Guindy Industrial Estate through Hungarian help. Mr Laszlo visited the Estate. He told newsmen that there were many items of industrial venture in which Hungary could advantageously collaborate with India. A glass wool factory

is being erected at Bombay with Hungarian assistance. Hungary could supply technical know-how and machinery for big and small industries. He stated that a pharmaceutical industry would be set up at Hyderabad next year with Hungarian collaboration. Manufacture of Ganz household electric metres would be begun in Delhi soon.

According to the trade agreement Hungary had signed with India, it was buying, from the South, pepper, groundnut kernels, vegetable oils, etc. New items which Hungary could buy from the Southern region were skins and hides, coir products and cashew from Kerala. The quantum of trade between Hungary and India was about Rs 3.5 crores each way, and he hoped it would go up to Rs 5 crores next year.

Ex-King Leopold of Belgium told an Indian Finance reporter, while he was in Madras last week, that Belgium, which has become a great industrialised country in Europe, would help India in erection of industries with both technical know-how and machinery supplies, big or small. He referred, particularly, to raw film manufacture and stated that Belgium would be very happy to assist India in founding a raw film industry in which it has specialised knowledge. The ex-King added that Belgium would be happy to receive young Indians in its engineering institutions and train them.

The ex-King made these offers in the course of a talk with an Indian Finance correspondent at Polambakkam in Chingleput District early this month, when he was there in connection with the inspection of the Belgian Leprosy Centre.

This Polambakkam Leprosy Centre, founded at Brussels with ex-King Leopold and his wife, Mrs Lilliane, as President and patron, is to be handed over to the Government of India next June in accordance with the original intention of handing it over to the Government after five years' working.

In a period of fifty-four months after its foundation at Polambakkam, the Centre had instituted 45 "clinics" treating as many as 650 patients every month covering an area of about 80 square miles and a population of 50,000. Polambakkam centre is considered the most endemic in leprosy in India and holds the world's highest leprosy incidence of 6 per cent while, in the Belgian Congo, the leprosy incidence has been only between 2 per cent and 2.5 per cent.

The Belgian Medical staff at Polambakkam Centre has been doing magnificent work in checking the incidence through mass treatment of the stricken. They don't have brick mortar buildings as clinics, and the shades of village banyan trees provide them the best clinic under which the team has been working. Ex-King Leopold and his wife, watched the treatment of about 650 patients at

Marudadu village, 15 miles south of Polambakkam, when they inspected the Centre early this month. The stayed at the "clinic" for over two hours.

Upper Sileru Stage—I

The Upper Sileru Stage I Hydro-electric project, costing Rs 10 crores and producing 1.20 lakhs kilowatts of power, is being taken up by the Andhra State Government after an agreement with the Orissa Government last week. This was disclosed in the Hyderabad State Assembly by the Finance Minister, Mr K. Brahmananda Reddi. The agreement was arrived at and signed in the middle of this month between the two Governments in the presence of Mr C. M. Trivedi, Planning Commission Member.

Work on the project has begun. Sileru is a branch of Sabari, a tributary of the Godavari and situated on the Andhra-Orissa border.

The Andhra Government had agreed not to interfere with the Orissa construction of Balimela dam. For storing the yield of the river either at Guntewada or Balimela, the alternative dams would be examined and the cheaper of the two would be undertaken. The storage thus created would be shared between the two states equally.

The Upper Sileru scheme Stage II would be considered by the Andhra State so that they could prepare the scheme before the Third Plan. On the construction of the selected dam for the Upper Sileru Scheme Stage II, each state would make an appropriate provision in the Plan.

Company Law in Madras

Twenty-three Companies were registered in Madras in January 1960. All of them were private and limited by shares. Of these, 14 companies would be managed by Managing Directors, eight by Boards of Directors and one by Managing Agents. Among the new incorporations, 17 were transport companies.

The total authorised capital involved in the new registrations was Rs 93.79 lakhs, out of which one company accounted for Rs 50 lakhs.

Twenty-two companies ceased working during the month of which 17 were struck off as defunct and the remaining went into liquidation.

The total paid up capital of the companies increased by Rs 732.75 lakhs during the month, made up of Rs 34.98 lakhs for public companies, and Rs 697.77 lakhs for private companies.

During the same period, seventeen cases were launched for the infringement of the provisions of the Company Law while four cases were disposed of by the court imposing a total fine of Rs 600 on the company and the defaulting officers.

FOREIGN NOTES

Africa Awakening

The new Ghana (formerly the Gold Coast) has come in for praise as a sign of the African awakening and the constitution has been taken as proof of the wisdom and moderation of Dr Nkrumah. But it will be noted that both tribalism and regionalism are disposed of effectively in a construction that seems to be derived from the Paris of General de Gaulle, though it is argued that the US model has been adapted to the circumstances of Ghana. The tradition of the Golden Stool of Kumasi accounts for the honorific position accorded to African chiefs, but Ghana does not think of restoring indirect rule on the British pattern and is thinking of federation with colonies nearby. Whether the constitution will encourage foreign capital and keep the cocoa trade expanding are issues that have not been examined. But it is a fair guess that Ghana, perhaps in the Commonwealth like India, will try to get the best terms from British mining interests and open direct connections with US importers of cocoa.

The rise of Ghana as a republic, different in many ways from Liberia, under US influence for long will certainly not be lost on South Africa, preparing now to cut the painter and to restore the Boer ascendancy in spite of cautions given by Britain. The rapid transition from agitation to supreme power in the case of Dr Nkrumah may encourage African leaders in Tanganyika, Uganda and Kenya to press for great and immediate political changes without due regard for the achievements of British settlers and Asian traders in East Africa. But it may be added that existing differences of religion and language in Ghana have not deflected the leaders from achieving independence on their own terms, and the last war made West Africans aware of what they could aim at, while the famous Achimota college had provided a nursery for leaders prepared to take over the controls when the time came.

Plus Five Per Cent

Before the elections of 1960, the Government of Burma had provided a framework for investment, and the resemblance between the Union of Burma Investment Act (No 41 of 1959) and the post independence Indian legislation covering industrial development will not be overlooked. The creation of an investment committee to examine new proposals, issue permits for new enterprises, afford facilities, and to recommend tax exemption in approved cases, in addition to duty-free imports of machinery, are cardinal features of the Act, which also contains a guarantee against nationalisation for

renewal of such guarantee, when justified. The foreign investor is assured of facilities for remittance of profits or the proceeds of sale of assets by a foreign concern. All this may be inspired by a desire to secure more foreign capital and to reassure the British mining concerns which may not stand in need of technical aid but would require guarantees as to compensation payable in foreign currency, if required. The Committee is invested with power to hear complaints from promoters of new enterprises and to recommend measures for stimulating domestic or foreign investment. The arrangement, which treats reinvested profits on a par with new capital, will certainly be welcomed and it is to be hoped that, after the steps taken in India to encourage or reassure foreign capital, the authorities will not miss the point of legislation even in a country like Burma that is as anxious for social justice and welfare as India today. The provision for employment and training of Burmese nationals and the offer to permit tax paid on behalf of foreign employees as business expenses for computing income-tax on the side of generosity, like the offer to exempt from income-tax accrued profits which are reinvested within a year from allocation to reserve. These principles have a distinct value for all underdeveloped countries, willing to accept foreign capital on terms equitable to the recipients and to the lenders who may think in terms of philanthropy plus five per cent.

Adenauer for Tokyo

The proposed visit of the West German Chancellor to Japan may be regarded as the starting point of a policy of keeping the American alliance with both Germany and Japan in good repair. Since Herr Brentano, too, is going, it is clear that Bonn means to assure Tokyo that the comment on missile bases in Spain is disregarded like the Soviet comment on the US-Japanese treaty for mutual aid. The drawing together of Japan and Germany may not be due wholly to the Sino-Soviet combination, but to the circumstance that defeated nations have a common purpose in developing former trade rather than empire in the usual sense. The Chancellor's position may be defined as one of telling Asia indirectly that its interest lies beyond the undeveloped regions seeking capital in Japan whose Meiji Meiji era was inspired by the achievements of Bismarck's long rule. With Germany divided, it is pointless to compare Adenauer with Bismarck, the civil servant with the Jinkier who believed in brief, successful campaigns. But Adenauer, too, may believe that he can play the honest broker, and open up contacts with Asia through Japan, which can yet enter the Middle Eastern oil preserves of the Anglo-American companies or secure raw materials for new consortiums based on German technical aid.

The spring cruise will perhaps enable Adenauer to examine the consequences of the revolt in Tibet and to ascertain also what Japan can

do by way of exporting some capital to needy countries on terms that must seem onerous to intending borrowers but will appear fair to the lenders who have no rooted preference for cheap money. Some will hold that Adenauer's visit is symbolic in the sense that the German contingent went to Peking during the Boxer rising, but it may be added that the opposition of both to Communism is a stronger tie today than the memory of adventures which must include Japan's capture of Tsingtao and the conquest of Shantung. The rise of Communism in the Far East is the cardinal fact of modern times and the smooth Mr Kishi may be able to convince that, as an island empire, it is Japan that must support the West, including the USA, whose Atlantic alliance does not reduce the value of the political connection with Japan that goes back to the forcing of the door by Commodore Perry.

Eagerness to Give

The present open rivalry to lend money and to increase trade unobtrusively with the weaker nations is in contrast to the economic aspects of Western Imperialism that forced loans on the Manchu empire and led to a mortgage of China's revenues. What is important is not the emergence of Soviet Russia as a lender on the capitalist model with overseas investments but the export of technicians to further projects, from Egypt to Uruguay. The consequences may not be the rise of client kingdoms or dependent republics, since minor States born yesterday are as conscious of their new political status and economic viability as Luxembourg. The fall in US exports and the rise in imports leading to an outflow of gold and weakness of the US dollar

may explain the trend which began with the UN effort to clear the Suez Canal after the miss of 1956-57. The gratitude for the ten year Marshall Plan, appreciation of efforts to shore up Korea, Vietnam, Laos and other areas may underlie the eagerness to receive as well as to give, while US consciousness of the growth of charity at home as a major industry may have a bearing on current efforts to draw in other countries with cash to spare for aid to needy nations. There is also the continuance of the Colombo Plan as a co-operative effort to patch up populous Asian nations that feel economic security is not less important than political emancipation.

The end of empire on the 19th century pattern has compelled Britain to think more of influence and less of power and the new Toryism feels that its task is to reduce the gulf between rich and poor—the two nations to whom Disraeli referred in Sybil. The further development of Africa is viewed as a challenge and the goal is uplift—not the monopoly to which Rhodes bent his efforts. The fact that, in a review of British economic policy after the war by Andrew Shonfield, little is said about new overseas investment and much about the urgent need to catch up with European rivals in costs of production may be due to preoccupation with trade union claims and the revival of Japan. It is, of course, true that the Kariba and Owen Falls schemes were drawn up to help raise UK income from abroad but there was also the idea that extractive industry was not enough and Britain (with a model in the Gezira cotton scheme that made the Sudanese peasant a proprietor, fully able to use new export opportunities) was ready to move forward and to preach scientific farming and co-

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operative marketing under State auspices, even to the colonies. The thrust of US capital into the Dominions, and Guiana too, perhaps compelled Britain to think of less favoured fields of investment and the competition to move on was added by the end of the sterling crisis. It is difficult to estimate the actual gains from Britain now taking a direct share in developing India's steel industry, but it will be seen that partnership in a new venture like Durgapur offers more than material advantages to Britain. But the rivalry in giving assistance is in

part due to India's own small efforts to help Nepal, lend to Burma in need, and to supplement resources by new taxation.

Ardour in the Windy City

Together with most of the United States, Chicago—aptly known as the windy city—was buffeted last week by the kind of icy blasts that are more appropriate to midwinter than to the days just before the onset of spring.

Yet, even the unseasonal weather did not cool the ardour of hundreds of businessmen who gather to attend the twenty-third Annual Chicago World Trade Conference—a conference which has been assuming increasing importance with the growing interest of the American heartland in economic affairs around the world.

Behind that ardour seemed to lie the widely accepted view that what may well be under way today is a new era in international commerce. Involved also was the evident conviction of American businessmen—

bankers, industrialists and traders—that they, along with businessmen everywhere, have an important role to play in contributing to the world-wide economic progress.

It seemed entirely fitting, under the circumstances, that the theme of the two-day (March 9-10) conference should have been "International enterprise—builder of a better world."

An especially compelling exposition of this theme came from Mr Earl A. Denton, President of the International Trade Club of Chicago.

His organization and the Chicago Association of Commerce and Industry, both aggressive private agencies active in midwestern trade, were co-sponsors of last week's world trade conference.

As Mr Denton sees it, "an international enterprise explosion" is under way. "All over the world," he said, "enterprise is building new factories, putting new firms into business, constructing new roads, putting up new buildings—more merchandise is being manufactured, more minerals are being taken from the mines, more food is being harvested from the farms to such an extent that the increased tempo of enterprise is becoming evident everywhere."

What is causing all this activity? First, there is the "tremendously increasing population throughout the world." This, he says, is making for a substantial increase in demands for goods and services, even if it is just to take care of the larger number of human beings at the prevailing levels of living.

But the prevailing levels are hardly considered adequate as objectives. And this leads to the second reason for the increased tempo of enterprise: Vast numbers of people throughout the world are striving for and moving up to higher standards of living.

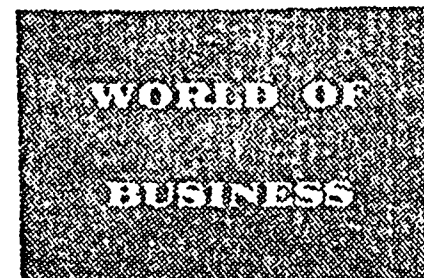
Put these two factors together, Mr Denton says, and you have a need for goods and services such as has never been known before. "The enterprise of intelligent and qualified people everywhere," he notes, "is coming into play to fulfil the requirements of this enormously increased demand."

He points out that businessmen from virtually all nations are not only expanding their operations at home, but to an increasing degree are moving across national boundaries to establish and develop enterprises of a useful and productive nature in other countries. Involved are such activities as setting up new plants or branch plants, merging with foreign firms, and licensing of production processes. The net result is an important boost of the world's gross product—its total output of goods and services.

In the process, "great scientific advances in the fields of agriculture, mining, hydroelectric power, transportation, communication and improved business techniques" are coming into widespread use, particularly as the more developed nations direct their attention, their wealth and know-how to the advancement of the less-developed. This, by its very nature, leads to vast benefits for developing lands.

Indian Finance

March 19, 1960



Vital Metal

The Finance Minister of Madras made special reference to the rise of new industries in the State during 1959. But there was no reference in the economic survey to the advent of small but essential enterprises located in the Southern suburbs at present. It was only in January that the public learnt that the Eyre Smelting Works was in operation in a small factory, and Madras was able to draw supplies of type metal, soldering metal, white metal for bearings and lead plate required for batteries from a local source set up to supplement the production of the bigger works located in Kidderpore. The Eyre Smelting Works is a subsidiary of Fry's Metal Foundries in the UK (the latter is connected with Goodlass Wall, Lead Industries Ltd) and is able to command technical assistance available from the British companies. Fortunately the company is not handicapped by import restrictions and continuous successful operation is made possible by the fairly large stocks of metals imported. The Company is able to secure licences for both lead and tin imported from Malaya and China at present, though under official directions, the works is called upon to obtain through the State Trading Corporation some tin sold by Russia. The Eyre Smelting Works, licensed to produce 1,000 tons per annum, is not operating at full capacity at present, but it is able to meet the requirements of all type foundries and newspapers and is supplying stereo metal. In addition, it is able to provide what the oil companies and can-makers require for soldering tins and the free service to customers, requiring technical guidance, has been appreciated. Imported supplies are supplemented by recovery from dross and the metal reclaimed is put to good use in the foundries which can deal with 15 tons a day. Careful planning of output for weeks ahead and a good knowledge of the market served has enabled the company to look beyond local demand and the new small Madras Factory, employing about 30 workers only, is able to supply Bombay customers by using lorry transport which is regarded as more speedy and efficient than rail transport. Of course, the larger establishment in Calcutta, which has its own laboratory with 7 chemists to examine the properties and behaviour of metals, is able to make a better showing because the Calcutta market produces fluxes in addition to type metal, etc., and is able to maintain the leadership of Fry consistent with quality maintained. While selling arrangements through Heatley & Gresham ensure regular delivery, it is production locally that has given India an assured source of a special type of

non-ferrous metals whose importance must always grow with the spread of education and the increased production of paper. It is good to remember that a foreign enterprise operating in India has carefully considered indigenous needs and it may be added that the Eyre Smelting Works, located on leasehold land, presents a model of neatness and efficiency, though it is quite near the still-expanding industrial estate at Guindy.

Yawning Gap in Paper

The inauguration of the third unit of Titagur Paper Mills Ltd. in Orissa signifies a landmark in the industrialisation of the State. Constructed at a cost of about Rs 3 crores, the project is designed to utilise the forest wealth of the State for manufacturing paper. Mr R. N. Singh Deo, the Minister of Finance and Industry, in his inaugural speech pointed out that the per capita paper consumption in the country is the lowest in the world, at 2 lbs, in contrast to the 412 lbs in the United States and 183 lbs in the UK. He made a strong plea to the mill authorities to conduct an enquiry into the possibility of utilising soft wood and paddy straw as raw materials so that the impending shortage of bamboo will not disrupt the progress of the industry in the long run.

The need for increasing the production of paper in the country has been urgently felt in recent years, especially when the massive campaign for eradicating illiteracy is in full swing. Recent estimates reveal that the gap between demand and supply of paper will be around 50,000

tons and it is feared that this will be pushed further to 143,000 tons by the end of 1963. Sir Walter Michelmore, the Chairman of the Titagur Paper Mills, in his welcome speech, appealed to the Government for the restoration of the recent price cut in paper prices to "strike a balance and allow the industry to earn enough to plough back for further expansion from their own resources". Considering the urgency of the matter, the adoption of a more considerate policy by the Government assisting the industry is eminently desirable.

Muddled Oil

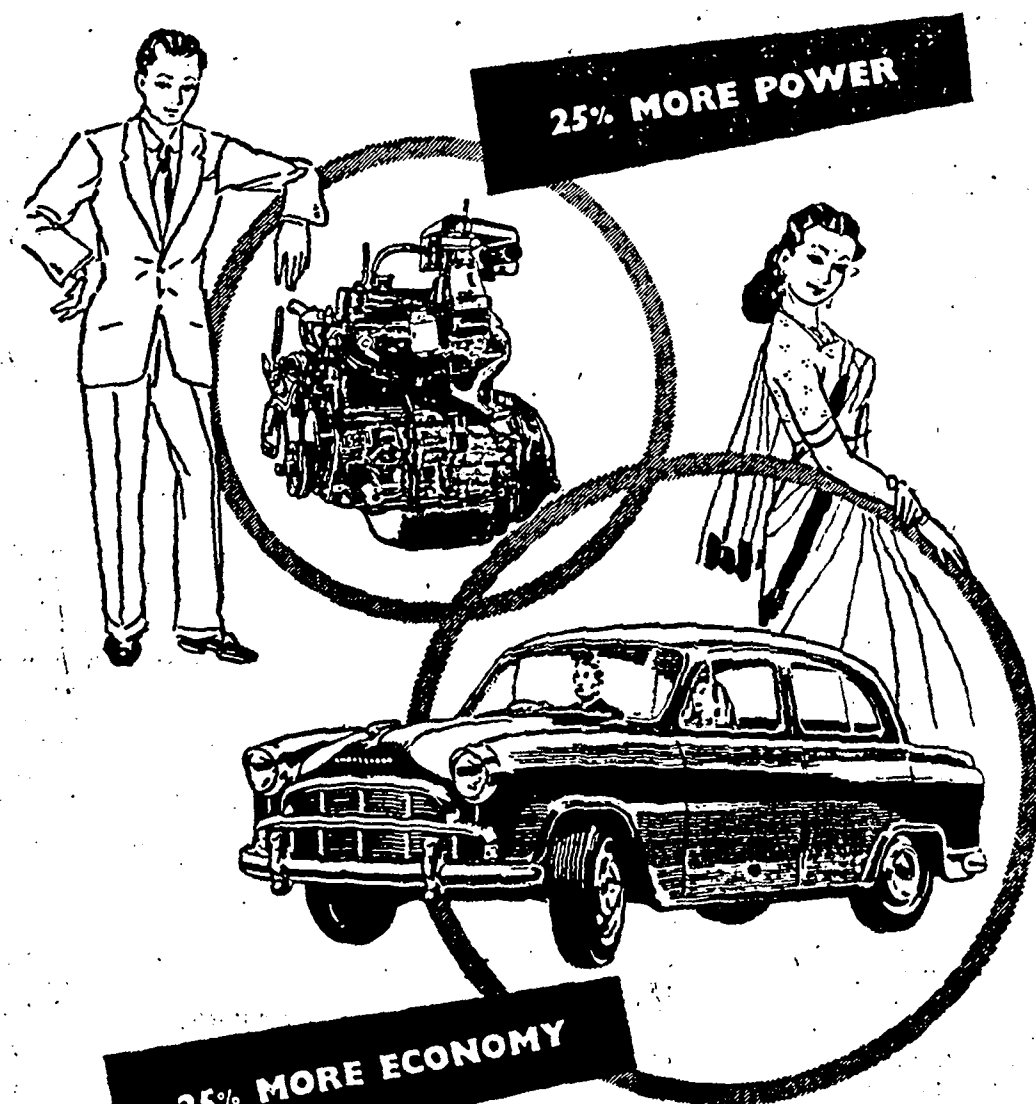
The Government of India's policy on distribution of and exploration for oil came up for discussion in the Rajya Sabha last week. A Communist member alleged that the Government were yielding to the pressure of foreign interests in regard to the programme of exploration and distribution of oil. Another complaint levelled against Government was that nothing substantial was done by the company set up for this purpose. Denying these charges Mr K. D. Malaviya, the Minister for Mines and Oil, revealed that the company had already finalised the programme to be implemented, and that they are intending to import sizeable quantities of petroleum products to meet the growing demand, and the entire quantity will be distributed through machinery in the public sector. It cannot be denied that the programme has been delayed to some extent because of financial difficulties. However, the Minister has stated that, as soon as the

arrangements for storage and distribution were completed, the import programme would be carried out.

The demand for petroleum products in the country is increasing at a rapid rate, and it is estimated that, if the present trend continues, the demand will be around 14 million tons in 1965. But the total supply available in India can meet only a fringe of the demand. This naturally calls for the exploration of new deposits so that the need for importing the products can be eliminated to a great extent and the country will be a gainer, especially when it is facing a severe foreign exchange shortage.

Importers Dwindling

From a class which had a big say in the direction of industrial and commercial activities, import traders have now become a category whose ranks are thinning and whose business is dwindling. This is a phenomenon that is connected with the changes in trade policy effected by the Government in recent times. What exactly wrought the debacle in the conditions of import traders was the restrictions that came to be imposed on imports following the emergence of foreign exchange shortage, and the implementation of the policy regarding issue of import licences to actual users. While prospects of uneasy foreign exchange conditions ahead require importers to shed their nostalgia for the old days, whether they should be left to suffer on account of the policy of issuing actual users' licences is a question that continues to agitate



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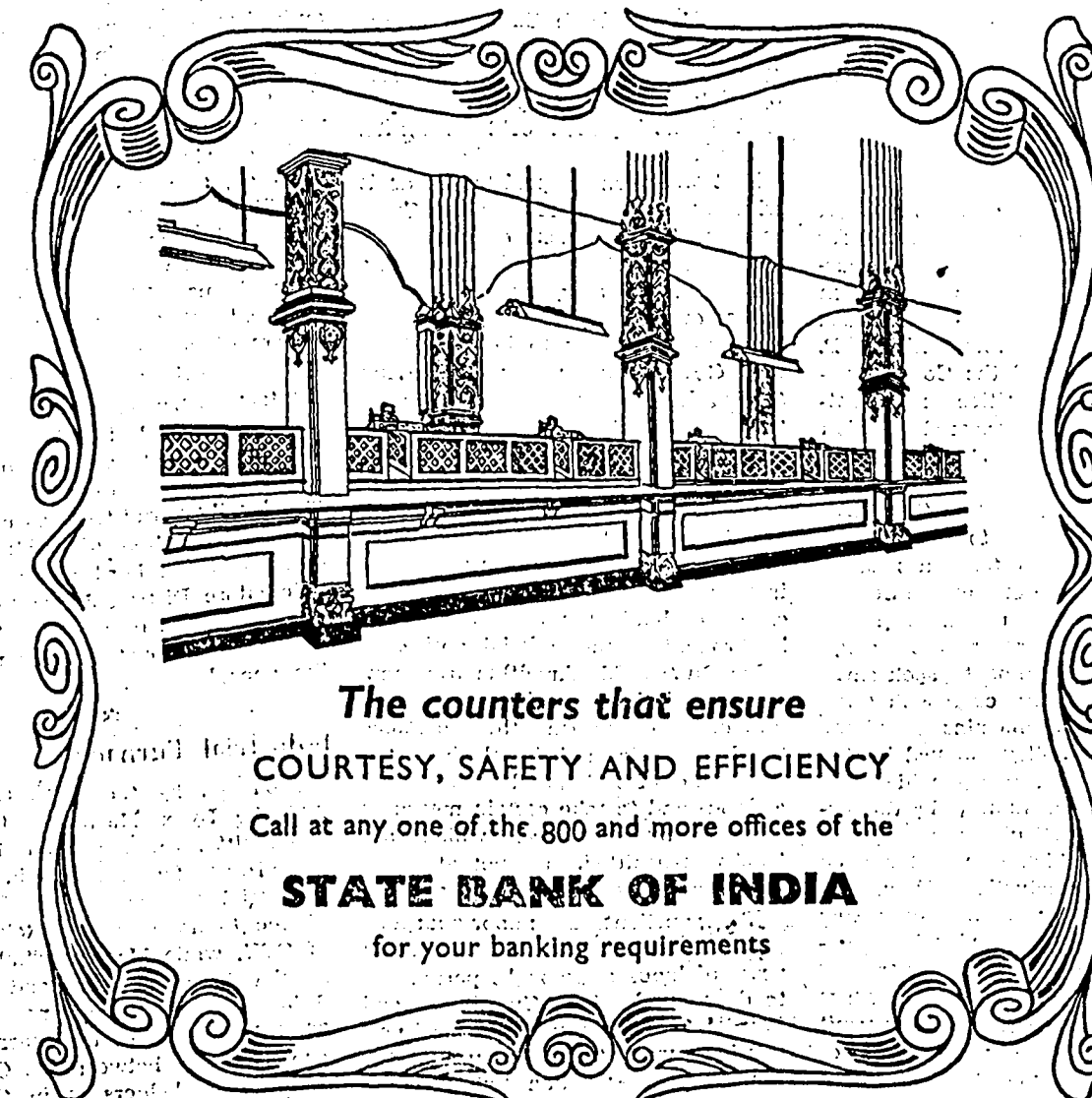
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them. Mr J. K. Foreman, Chairman of the Calcutta Import Traders Association, in the course of his address to the Association's Annual General Meeting, points out that Government's policy in this regard has mistimed. The ostensible object of the policy was to ensure delivery of spare parts to the consumers direct, bypassing the link provided by importers. What on the contrary has followed is a serious imbalance of spares in the country, involving considerable tie-up of capital in unproductive pools. This was a result which was inevitable in a policy which provided temptations for users for indenting for imports in amounts considerably in excess of their requirements. Mr Foreman attributes such imbalance to the amateurish basis on which requirements are assessed by industries. He is of the opinion that such a development could have been forestalled if imports were left to be handled by sole agents who according to him being professionals could gauge the country's requirements correctly.

Mr Foreman also drew attention to the other problems faced by importers. These relate to the present method of valuation by customs of articles imported, the claims of sole agents for discounts, port congestion at Calcutta and classification of articles for assessment of duty. The present method of valuation by Customs, according to him, merely increases the price of the item to the consumer and contributes to inflation. The condition that the agent must import 90 per cent of all the materials for eligibility to discount also works harshly on them. For alleviating congestion at the port, Mr Foreman suggests simultaneous clearance of cargo and elimination of delays in processing documents through Customs.

Government Policy Affects Coal Output

The process of attaining the target of 60 million tons of coal fixed for the Second Plan appears, from current position in respect of production to be in danger of being extended beyond the Second Plan. Mr B. P. Sinha, a member of the Coal Transport Advisory Committee representing the INTUC-sponsored Indian National Mine Workers' Federation, has disclosed in the course of a press statement that it is certain that there would be a shortfall to the tune of some eight million tons in production of coal by the end of the Second Plan. For such a result, which is contrary to the reassurances being held out by Government spokesmen about the possibility of reaching the coal target, Mr Sinha pins the blame on the coal policy pursued by the Government. This policy, which was uncertain and vacillating in the extreme, erred particularly in including elements which militated against increase in production. How, for example, could production of coking coal have been increased, when Governments persisted in controlling output by enforcement of pegging? The refusal of the Government to permit the collieries to sink new pits or extend their workings to the contiguous areas within or outside their

leaseholds on grounds of the sanctity of the revised Industrial Policy Resolution of 1956 was of a piece with the contradiction that characterised Government's coal policy.

Leaving aside the repercussions on industrial production, which should be widespread and particularly severe on steel production in view of what is anticipated to be a shortfall in coking coal to the tune of nearly 1 million tons, what is even more important is the issue that arises in connection with the prospects for implementing the Third Plan for coal. With demand for coking coal at 22.55 million tons, and consumption by railways, electricity, cement and BRK expected to go up to 26 million tons, 13 million tons 6 million tons and 7.50 million tons respectively total requirements add up to a target of 110 million tons of coal for the Third Plan. It is a doubling in production that is involved in meeting the demand at 110 million tons at the end of the Third Plan. Government have a pattern of production envisaging colliery-wise targets that, according to Mr Sinha, would work out only on paper. Moreover, Government policy, which should ensure the implementation of the Plan, suffers because of lack of co-ordination among different departments, overlapping of jurisdiction, duplication of functions, multiplicity of committees and commissions, boards and councils and diversity in approaches. Mr Sinha is right when he warns that "where the Government does not know its own mind it is futile to make elaborate plans and it is idle to expect their accurate and timely implementation."

Anticipatory Sale of Land

The Madras High Court has ruled that there is nothing illegal or opposed to public policy in the sale by a landlord of surplus extent of land in anticipation of land ceiling reforms.

Last week, an appeal was dealt with by the Madras High Court against the judgment of a Coimbatore case in which a minor-guardian wanted to sell away surplus land in excess of 30 acres, at which the ceiling was reportedly to be placed by the Government under the Land Ceiling Reform, in the market at Rs 3,000 to Rs 5,000 per acre. The compensation payable by the Government was reportedly not over Rs 1,000 per acre.

This judgment should be far reaching in character in as much as several instances of anticipatory sales of excess of land at market value may be brought to the judicial notice.

Mr Justice M. Ananthanarayanan, who heard the appeal, noted: "To anticipate a law (in this instance the Land Reform Act placing the ownership of individual at 30 acres of land) and to take certain measures dictated by prudence, which are legally permitted, is not at all in contravention of public policy."

The appellant, a minor-guardian, wanted to dispose of 55 standard acres of lands and sought permission to do so under the Guardians and Wards Act. This petition for permission was filed because of the impending legislation fixing ceiling upon land possession in the State

and the appellant also thought that compensation would be payable only at the rate of Rs 1,000 per acre, but the lands of the minor could be sold between Rs 3,000 and Rs 5,000 per acre. If this sale at this rate was not done it was contended, the minor would suffer great loss.

The Coimbatore District Judge, refusing permission to sell the excess land, observed that nothing definite was known about the talked of land ceiling legislation, and secondly the Court could not countenance the object of the appellant who wanted to get over that legislation.

Dealing with the appeal, the Madras High Court characterised the Coimbatore Judge's argument as "fallacious". The talked of land ceiling, the High Court held, was impending or imminent and its broad outlines had been publicly declared by the Government at the highest level. It was not also disputed, His Lordship held, that the ceiling was likely to be fixed at about 30 acres per individual as far as the existing declarations of policy permitted them to make a forecast at all. The argument that, in any event, the State would pay compensation, His Lordship further noted, could not stand scrutiny, because His Lordship observed, according to the authoritative statements of the principles upon which compensation might be paid, it might either be specified amounts related to different classes of land, or in terms of multiples of land revenue, or in some other manner. It might not necessarily approximate to the market value at all and might be nowhere near the market value of Rs 3,000 to Rs 5,000 which was the alleged rate. There was material of an objective and authoritative nature justifying the Court in considering that the proposed land reform fixing a ceiling and the probable trend of compensation was reasonably certain. All these facts clearly showed, His Lordship observed, that it was greatly to the benefit of the estate of the minor that surplus land should now be sold and the income realised invested in other forms. His Lordship further observed that sales by private owners of land of surplus above the probable ceiling were themselves effective instrumentation of the reform. His Lordship, therefore, held that to anticipate a law and to take certain measures dictated by prudence legally permitted was not at all any contravention of public policy. In the end, His Lordship directed the Coimbatore District Judge to dispose of the permission sought in the light of the High Court findings made on the appeal.

Industrial Furnaces

Promoted by the OFU, Germany, and the Lynx Machinery Company of Calcutta, a new company has been established for the production of Industrial Furnaces. The Chairman of the Company is Dr Rolf Dubois of OFU, while Mr Anandilal Poddar is the Vice-Chairman and K. K. Jajodia is the Managing Director. The distribution of the shares of the new company between the OFU and Indian shareholders is in the ratio of 49:51. The technical control has

been vested in the hands of the OFU. This is to be appreciated in view of the fact that the OFU are one of the largest designers and builders of industrial reheating furnaces in Europe and maintain excellent research facilities in their establishment at Dusseldorf.

The significance of the new venture should be apparent, considering the pivotal importance of furnace production for industrial progress. Being basic requirements of the metallurgical, chemical and ceramic industries, furnaces come into use at almost every stage of production. Uptil now, with the exception of a portion of the erection cost, the total amount required for furnaces was being paid in foreign currency since the industry in India was not in a position to supply the required materials. There should, therefore, result a considerable saving in foreign exchange when the new unit goes into production. The initial turnover is placed at Rs 1 crore. Subsequent expansion to achieve a turnover of Rs 4 to Rs 5 crores is also envisaged. The provision of facilities for the production of component parts of furnaces should create employment opportunities to a greater extent than would have been the case were operations to be confined to the erection of furnaces.

Sugar, Fertilisers

A sugar factory, at an estimated cost of Rs 15,000,000 has been scheduled to be set up in Karaikal on a co-operative basis. This decision was arrived at by an influential committee of Karaikal businessmen attended by Mr M. Ismail Maricar, Government Councillor for Co-operation. The share capital would be collected by the committee.

Increasing attention is now being given by Karaikal business community toward investing their surplus funds in starting of industries in the former French possessions. Karaikal in the Coromandel coast is endowed with good soil for sugarcane cultivation with plentiful water supply. It is near about the Nelveli, the artisan spring well region of South Arcot with underground water supply easily available. Therefore, sugarcane availability is no problem and the installation of a sugarcane factory should no doubt materialise without much difficulty.

A fertiliser factory was the talk of the local business community in Karaikal. It will be feasible, if they come together and pool their resources to start not only a fertiliser factory, but other small ancillary industries on the basis of assurance of power supply from Nelveli.

With reference to a news item we published last week in the columns of Clive Street Gossip, relating to the joint venture between the Demag of West Germany and Indian enterprise a correction is in order. The new company is known as Indmag and is jointly promoted by Demag representing West German interests and Mr R. N. Kilachand representing Indian enterprise. Mr. Tulsidas Kilachand, whose name appeared as representing Indian enterprise in the last week's issue, has nothing to do with the new company.

Clive Street Gossip

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

CERTAINLY once a year—but, unfortunately, more frequently since the Second Plan began—we have been having pointed attention being drawn to the extremely difficult circumstances under which the private sector in coal is working. The once a year occasion is, of course, the annual general meetings of the Indian Mining Association. No Chairman in recent years that I know of has not had grave misgivings to express; and it seems to me that the situation facing the industry is seen steadily to deteriorate from year to year. "I will probably not be contradicted," said Mr Wright, IMA's chairman, "when I say that coal has never before in the history of this country assumed such great importance." Certainly, I'm not going to contradict him. It is a sorry commentary on the governmental attitude to coal, that problems enumerated by earlier Chairmen of the IMA still remain unresolved; it is a sad thing that Mr Wright should have to say, "I was rather disheartened when reading through the speeches of some of my worthy predecessors in this chair to note for how long and on how many occasions the same views have been expressed and warnings given which, at best, have received only limited attention." So far, however, by a great species of good luck, a crisis in coal has been avoided, though, for the first time, in the last year a real shortage was experienced. This may be partly because, in 1958, the tempo of industrialisation bogged down slightly. But, the last year's shortage, the commissioning of the three public sector steel plants, the completion of the expansion schemes of the two private sector steel units, the envisaging of a rather more ambitious railway plan, the certainty of an accelerated tempo of industrialisation during the Third Plan period are all reasons why, finally, we have reached the stage when delayed decisions by Government will cost the country dear—the decisions, of course, pertaining to the World of Coal.

I think this is the most important thing for Government to convince themselves about, that, for the raising of additional coal, the private sector must necessarily have some responsibility. Government can't "go it alone." Once they do make up their mind that the public sector by itself will not be able to produce all the additional coal that the country will need, the next step should not be hard for the authorities. Unless such conviction is born, I am afraid Government as heretofore may be lethargic as to firm decisions taken. After all, the reasoning might be, the while that the private sector has been mouthing complaints of every kind, and has been maintaining that it would not be able to achieve Second Plan targets, it has also happened that development and new output by the private sector has been vigorous; production in December 1959, at an annual

rate of 43.7 million tons, approximates the target set for the private sector under the Second Plan. So, what need, Government might say, of being more solicitous at the present time? The answer is to be found in the performance of the public sector. It is now incontrovertible that, if the Second Plan output target for coal is not going to be attained, it will be because of a considerable shortfall in production by the state sector. Past experience would therefore suggest that, in the Third Plan as well, the public sector may not be able to measure up to targets. It would be more imperative than ever before that the private sector should be enabled to achieve planned output. What is it that stands in the way of the private sector in coal putting its best foot forward?

For answer to that question, I will again seek Mr Wright's extensive help. This is what he says: "In the industry today we have the demand for our coal, but since prices are pegged no advantage can be taken of the present conditions and many coal companies cannot cover rising production costs, let alone find the funds necessary for expansion. Some months ago Government's decision on the Coal Price Revision Committee's Report was made known and I am afraid that this report, although concise and to the point,

contained certain unfortunate anomalies and was based on a number of incorrect assessments. When asking for an opportunity to explain the inaccuracies, we have been told that the matter is closed. The industry feels that this is hardly a fair method of disposing of such an important matter, particularly when undisputed figures relating to 55 public limited companies which between them produce over one-third of the total output of coal in India show that the average return on capital employed is 2.4% only. Gentlemen, one must appreciate the occasional feeling of bitterness expressed by members of our industry. While I agree that the production costs of other industries and the country must be safeguarded, to expect these to be subsidised by the coal industry, on which so much depends, is to run a very grave risk, to say the least of it. Figures available with the Association show that the cost of coal and coke expressed as a percentage of the gross ex-factory value of products is 1.15% for cotton textiles, 0.7% for jute textiles and 11.25% for iron and steel. For the railways it is 16.5%. A reasonable increase in the price of coal would, I submit, not unduly affect these industries and would cause less financial embarrassment than an acute shortage of coal."

Government must rid themselves of the fear that approval of a higher price for coal will contribute to runaway inflation. As Mr Wright has pointed out, coal as an element in costs of the more important industries occupies but a minor place. Surely, the authori-

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ties will be aware of this fact. Why then their great reluctance? Obviously, political rather than economic reasoning, in this matter at least, holds sway with Government. As it is, prices of many a necessity have gone up. Granted Government will not wish to "alienate" the electorate, how are we, in this view, to reconcile their facile increase in railway freights which, as Mr Wright says, "have automatically raised the price of coal to consumers"? No, in all matters relating to coal, the gov-

ernmental attitude can almost be called perverse. More: specious and short-sighted is their thinking. For, let us see what may happen if—God forbid—official policy is such that coal output does not appreciably rise. Industry no less than the home would be starved—the one of a vital raw material, the other of a prime necessity. In the one case, production could be hampered! In the other, the consumer will be at the mercy of the black-market. (It would be ironic if black diamonds were to

be available only in the black market). If industrial production is static (we need not here consider the possibility, though it exists, of a fall in output) that will be enough to generate inflationary tendencies. The pressure of demand, not only for coal, but for the various other articles in short supply because of an insufficiency of coal, would cause a general rise in prices. Is this what Government want? I hardly think so, but this is what Government (and, unfortunately, the country as well)

will get, if their policy in coal does not acquire some enlightenment.

Indian Finance

So it is that the need for encouragement being given to the private sector for raising coal production assumes paramount importance. The paradox is, if inflation is to be avoided, and inflation of the dangerous type, you must immediately set about raising the prices of coal, though that will result in some increase in the prices of industrial goods. But a small rise in the price level is a cheap price to pay, for guarding against the possibility of a steep increase later on.

And so, finally, to Mr Wright on the Third Plan, and what the private sector in coal is capable of: "I now turn to coal production under the Third Five-Year Plan. The industry has been giving this matter considerable thought for some time and it has had various discussions with the Ministry of Steel, Mines & Fuel and with members of the Planning Commission. Recent indications suggest that a target of 90 million tons of coal has been fixed for the Third Five-Year Plan, i.e. an increase of about 37 million tons over the estimated level of production at the end of the present Plan. The amount which the private sector can achieve out of this target will depend on the level of encouragement which the industry will receive from Government. Help in certain directions we must have because our hands are tied by controls. If the present conditions are to continue, and if production is to be confined to contiguous areas, it will not be possible for the private sector to produce more than an extra 7.20 million tons by 1965/66. If, however, coal companies are allowed to expand into new areas, for which they hold mining leases, and our basic requirements are met, it will be possible for us to produce an extra 21.60 million tons of coal—14.40 million tons of which will come from proximate leased areas. Certain units of the industry will require assistance in the form of loans to cover the considerable capital expenditure involved, but the production offered by us will still leave a vast target for the Public Sector—sufficient to strain their resources and cause them many a headache. We would therefore ask Government to take a realistic view and to accept our offer in the best interests of the country."

It is well we remember that the country will turn the corner only if coal does so. The country's prosperity depends upon a sufficient output of coal, and this can be achieved only if governmental policy becomes, in this regard, an enlightened one.

EAVESDROPPER

March 19, 1960

GATEWAY GOSSIP

Banker's View of Indian Economy

THE first quarter of the year usually offers a rich fare to the student of economics in the shape of a plethora of economic surveys from a number of eminent people closely associated with the economy in diverse ways. In recent years, these assessments are having a progressively expanding audience comprising a considerable number of members of the lay public. Matters of economic import are no longer the concern of a specialised section of the community but are becoming topics of lively discussion among the populace in general. This new awareness stems from the realisation that the country's salvation lies in a rapid development of its economy. And people are understandably keen to know the progress our economy is making from year to year.

As I have said at the outset, the first quarter of the year brings a crop of annual reviews. The one from the Union Finance Minister on the last day of February, when he presents the country's budget for the next financial year, is perhaps the most valuable as it provides much important data. The Bankers' surveys, which become available about this time of the year, are also very helpful in arriving at a comprehensive picture of the economy.

Speaking at the annual meeting of the shareholders of the Bank of India, Sir Cowasji Jehangir, the Chairman, has pointed out that the year 1959 has recorded good progress in many directions. In the sphere of industry, steel production has received a fillip during the year with the completion of the expansion of TISCO and the commissioning of the three Government plants. Expansion of manufacturing industries has made further headway, thanks to generous assistance from Government. Referring to the cotton industry, Sir Cowasji has said that, although the past year had brought encouraging trends, the industry's prospects are conditioned by the threats of higher cost of production consequent to the award of the Cotton Textile Wage Board and rising cost of raw material. The food situation has shown considerable improvement. The past year has also witnessed some easing in the foreign exchange situation, largely because of material external help and the continuance of import restrictions. The outlook for private industry has improved as will be seen from the spectacular success of a number of new issues. Money conditions have continued to be easy throughout the year due to a reduction in the demand for import finance and large disbursement of funds due to increased in-

dustrial activity. Public Law 480 Funds have also gone to augment the total Deposits with scheduled banks. The cumulative effect of all these factors has been a further easing of money conditions in the third quarter of the year; and, in order to cope with the new situation banks have had to reduce maximum rates for Deposits further with effect from September 1, 1959 by mutual agreement as in October 1958.

As is to be expected, with the better business conditions, the Bank of India has fared well during the year. Dividend has been maintained at 16 per cent. The net return to the shareholders, however, will be lower because they have now to pay tax on the dividend whereas previous dividends were tax-free.

Sir Cowasji has shown that, under the new dispensation, banking companies are not in a position to compensate the shareholders for the loss sustained by them through the abolition of grossing up of dividends. The Finance Act 1959 reduced the rate of company taxation from 51½ per cent to 45 per cent. In the Budget for 1960-61, the Union Finance Minister has fixed the rate at 45 per cent and has also announced the abolition of the excess dividend tax and the Wealth tax on companies. Under the new procedure, a shareholder of a company will not get credit for the tax paid by the company on the profits from which the dividend has been paid. It has been pointed out on behalf of the Government that, in actual practice, no loss will be sustained by the shareholder under the new procedure because, as their taxation has been reduced, companies will be able to raise suitably their dividend to allow for the tax to be paid by the shareholder. Mr Morarji Desai has said in his Budget speech this year that the scheme has not worked long enough to allow an assessment to be made of its actual impact on the corporate sector. But already a good deal of data is available, and there seems to be a strong case for a downward revision of the rate of company taxation if the objective of status quo as regards return to shareholders is to be achieved. Companies, especially those which distribute a large portion of their profits, have found that the saving resulting from the new procedure will be much less than what they will have to pay as extra dividend to compensate for the loss of tax credit to shareholders. In the case of the shareholders of banking companies, the changes are particularly disadvantageous. Sir Cowasji has pointed out that the saving from the new procedure will be much smaller in the case of banks because they had not to pay Wealth Tax even before the coming into operation of the new tax structure.

Referring to taxation in general, Sir Cowasji is of the view that high taxation does not contribute to business prosperity as it takes

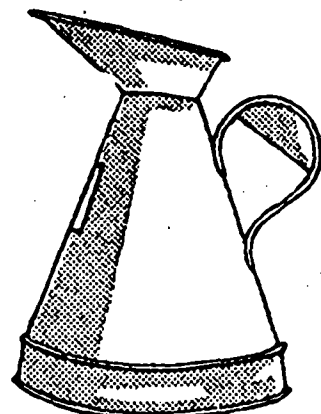
away incentives to earn and save. With inadequate saving by the community, capital formation will be retarded. He has also drawn attention to the creeping inflation in the economy. Currency expansion in recent years has been rather heavy—notes in circulation have increased from Rs 1546 crores in March 1958 to Rs 1806 crores now. Even allowing for the considerable expansion that has taken place in the economy during this period, the currency expansion that has taken place is to be viewed with concern, if not alarm. Sir Cowasji has warned that the danger of creeping inflation is to be constantly kept in view by Government, whose aim should be that their policies do not aggravate the inflationary tendencies in the economy.

It is evident that inflation has begun to cause concern to Authority also. The Union Finance Minister has emphasised the need for holding the price level and a common theme of Budget speeches of State Finance Ministers this year has also been the importance of price stability. The effect of runaway prices is already seen in lower physical achievement, even though financial targets have been fulfilled. If the present situation of wages chasing prices and vice versa is allowed to continue, galloping inflation will be with us in no time. The fact that even the recommendations of the Central Pay Commission have not afforded a full satisfaction to Central Govern-

ment employees is an indication of the depth of the discontent in the country. Many States are faced with similar problems and even though they have taken steps to meet the demand of their employees, there is no certainty that further demands will not be made. It is to be noted that there is a standing demand that, in the matter of emoluments, State Government employees should be placed on a par with Central Government employees. We have now another wage demand from the employees of the State Bank of India. Government are to constitute a Tribunal for the entire banking industry to go into the question of wages. Employees of two industries, cement and cotton textiles, have been awarded wage increases as a result of the acceptance of the recommendations of the respective Wage Boards by Government.

The problem of containing inflation is not to be lightly treated. For, it is not as though outlays on development projects will come to an end with the conclusion of the Second Plan. There is now a consensus in the country that the next Plan period must witness greatly increased national effort as that period is a crucial one in the planned development of the country. For this reason also, it is imperative that price stability is achieved as early as possible so that, when the Third Plan commences, there is no diversion of precious funds to unproductive channels, which is a sure way to inflation.

NOW-METRIC CAPACITY MEASURES



The Metric capacity measure—LITRE—will come into use from April, 1960 when the PAINT and PETROLEUM industries change over to the Metric System. Paint will then be sold in litres and the entire distribution of petroleum will be in litres only.

CONVERSION TABLE

1 GALLON = 4 LITRES approx.

1 LITRE = 1,000 MILLILITRES

FL. OUNCE	MILLILITRES (ml) (to nearest ml)	GALLONS	LITRES	MILLILITRES (to nearest 10 ml)
1	29	1	4	50
2	57	2	8	90
3	85	3	12	130
4	114	4	16	170
5 (1 Gill)	142	5	20	210
6	170	6	24	250
7	199	7	28	290
8	227	8	32	330
9	256	9	36	370
10	284	10	40	410
11	312	11	44	450
12	341	12	48	490
13	369	13	52	530
14	398	14	56	570
15	426	15	60	610
16	455	16	64	650
17	483	17	68	690
18	512	18	72	730
19	540	19	76	770
20	569	20	80	810
21	597	21	84	850
22	626	22	88	890
23	654	23	92	930
24	683	24	96	970
25	711	25	100	1,000
26	740	26	104	1,040
27	768	27	108	1,080
28	797	28	112	1,120
29	825	29	116	1,160
30	854	30	120	1,200
31	882	31	124	1,240
32	911	32	128	1,280
33	939	33	132	1,320
34	968	34	136	1,360
35	996	35	140	1,400
36	1,025	36	144	1,440
37	1,053	37	148	1,480
38	1,082	38	152	1,520
39	1,110	39	156	1,560
40	1,139	40	160	1,600
41	1,167	41	164	1,640
42	1,196	42	168	1,680
43	1,224	43	172	1,720
44	1,253	44	176	1,760
45	1,281	45	180	1,800
46	1,310	46	184	1,840
47	1,338	47	188	1,880
48	1,367	48	192	1,920
49	1,395	49	196	1,960
50	1,424	50	200	2,000
51	1,452	51	204	2,040
52	1,481	52	208	2,080
53	1,509	53	212	2,120
54	1,538	54	216	2,160
55	1,566	55	220	2,200
56	1,595	56	224	2,240
57	1,623	57	228	2,280
58	1,652	58	232	2,320
59	1,680	59	236	2,360
60	1,709	60	240	2,400
61	1,737	61	244	2,440
62	1,766	62	248	2,480
63	1,794	63	252	2,520
64	1,823	64	256	2,560
65	1,851	65	260	2,600
66	1,880	66	264	2,640
67	1,908	67	268	2,680
68	1,937	68	272	2,720
69	1,965	69	276	2,760
70	1,994	70	280	2,800
71	2,022	71	284	2,840
72	2,051	72	288	2,880
73	2,079	73	292	2,920
74	2,108	74	296	2,960
75	2,136	75	300	3,000
76	2,165	76	304	3,040
77	2,193	77	308	3,080
78	2,222	78	312	3,120
79	2,250	79	316	3,160
80	2,279	80	320	3,200
81	2,307	81	324	3,240
82	2,336	82	328	3,280
83	2,364	83	332	3,320
84	2,393	84	336	3,360
85	2,421	85	340	3,400
86	2,450	86	344	3,440
87	2,478	87	348	3,480
88	2,507	88	352	3,520
89	2,535	89	356	3,560
90	2,564	90	360	3,600
91	2,592	91	364	3,640
92	2,621	92	368	3,680
93	2,649	93	372	3,720
94	2,678	94	376	3,760
95	2,706	95	380	3,800
96	2,735	96	384	3,840
97	2,763	97	388	3,880
98	2,792	98	392	3,920
99	2,820	99	396	3,960
100	2,849	100	400	4,000

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Issued by Government of India

DA 20/59



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OLYMPUS

Half Truths, Quarter Truths:

"The word Socialism implies social control of the economy by the Government Five-Year Plans carry the same connotation. It is easy, as a result, to imagine that the Indian economy is managed by the Government and that New Delhi has in its hands the necessary instruments for such control... Nothing could be farther from the fact... By almost any test, the economy of India is less responsive to public guidance and direction than that of the United States. Indeed, it is one of the world's least controlled or 'planned' economies.

"In the United States, the several levels of Government dispose of about 20 per cent of total production... In India, the corresponding figure is not over 10 per cent. By this test—the size of State activity in relation to all activity—more than twice as much of the American economy is managed or planned by Government as is the case in India... Military outlays, which are a sizable part of our figures, may not be a useful index of resources under social control, but even outside the field of direct public activity, our economy is subject to a far greater degree of public guidance and direction than that of India. Our agriculture is much more subject to control and is more extensively controlled by the State. Wages, hours and conditions of labour are much more extensively regulated in the United States and in one way or other we can do more about manpower supply. Taxation and fiscal policy are subject to the same manipulation in free enterprise Washington as in Socialist India, and in our case the tools in the hands of the Government are almost certainly more efficient..."

[What obtains in India is] "a small Socialised sector atop what, no doubt is the world's greatest example of functioning anarchy."

"The Indian Five-Year Plans have no kinship to the Soviet 'Gosplans' but are more akin to a Western capital budget that has been spread out to provide for industrial capital formation."

"It is becoming increasingly clear that Indian economic policy is at its best when it is most self-reliant. Adaptation of action to circumstances has on numerous occasions produced better results than the adoption of foreign models."

—Prof. J. K. Galbraith.

ANY unbiased observer who has no political axe to grind will agree that this is a truer, fairer and more perspicacious description of Indian economic reality than what is contained in the Swatantra Party's Statement of Policy. The image of Indian economic life that this Statement constructs is rather grotesque and, in some ways, untrue. At the outset, for example, it is asserted that the ruling party's "basic philosophy is a fundamentalist belief... that the State sector of the economy must constantly grow until, in the end, the free sector is reduced to inconsequential proportions" and "that the peasantry must somehow be persuaded to extinguish themselves in big 'co-operative' or 'collective farms'."

The first part of this statement is not confirmed by what has been and is being actually practised in relation to the private sector. For one thing, the Government are not wedded to a policy of nationalisation. For another, under both the Plans, they have encouraged and assisted the expansion of existing private industries and the establishment of a number of new industries in the private sector. More or less the same pattern of private investment has obtained during the Second Plan, is being visualised for the Third Plan period also. Above all, the Government's

policy relating to small industries is bringing about a pattern of wider private ownership of the means of production. That the "free sector" is all the time expanding—investing more, producing more and augmenting the ranks of medium and small businessmen—conclusively refutes the Swatantra "scare story" that the free sector will be reduced to "inconsequential proportions". What is more, when some basic and heavy industries involving heavy capital outlays are established in the public sector to serve the private sector, it will be found that, over the long-term, it is the latter that has registered a faster rate of growth. The Congress Party's "fundamentalist belief", if it really has any, is therefore hardly relevant in this context.

The second part relating to "co-operative" or collective farming is an even greater exaggeration. In highlighting the long-term implications of the co-operative farming programme suggested by the Nijalingappa Committee, this correspondent has drawn the conclusion that the proposed six-year programme will cover just 2 per cent of the cultivated area of the country and that, at this rate, no widespread "revolution" on the agrarian front need be expected even after six or seven years. (Vide: 'Olympus' despatch entitled

"The Latest on Joint Farming" in the issue of 'Indian Finance' of February 27, 1960). Whatever be the Congress resolutions on co-operative farming, what is being done or proposed to be done is the addition of a few cooperative farms and a few state farms, on both of which large-scale farming techniques can be adopted as on plantations and on integrated and well-managed farms, sugarcane farms attached to factories, etc., which are being exempted from the land ceilings legislation. Even here, the co-operative farming society of Government's conception will have no recognisable collectivist features as in Russia or in China.

Another dogmatic Swatantra assertion is that the Government have adopted the approach of totalitarian planning. This, again, is untrue. To quote Professor Galbraith:

"Nothing could be less in keeping with Indian temperament and the character of the ruling Congress Party than the vigour and, on occasion, the violence of Soviet governmental techniques. No one has suggested that Indian Socialism is revolutionary Socialism. On the contrary, it identifies itself wholly with the tradition of non-violence.

"Russians must negotiate the chasm between a country that is genuinely Socialistic (in the Soviet sense of the term) and a country that chooses to call itself Socialist but in fact is at the opposite pole in actual organization. The Soviet leaders cannot tell a friendly Socialist country that it is no such thing, nor can they make recommendations which accept the fact of a total absence of central control. Russians are more or less under the obligation to believe that the Indian economy is what it is not."

That, again, is a truer description of Indian style planning. To describe this as totalitarian planning can only be called a species of scare-mongering. Fortunately, the Swatantra Party itself has laid this ghost, in a strange contradiction, when it says in the same breath that "the Government has not adequate control over the allocation of resources" and that it "has, therefore, little control over savings."

The Swatantra stand on inflation is also characterised by exaggeration. That this phenomenon has been kept under partial check is well known. The latest foreign observer, to visit this country, Mr H. Borges da Fonseca, Economic Adviser to the President of Brazil, has also testified to the fact that, "among under-developed nations India has been the most successful in controlling inflation." According to him, "the rate of inflation in India in the last few years has been small when compared to other countries. The ideal for any nation is to have economic development absolutely without inflation but it is almost a dream." (Press

Conference at New Delhi on March 8, 1960.).

On the subject of industrial production, the Swatantra statement says that, "if, despite governmental interference and regulation, industrial output has somewhat risen, it is due to the vitality of the productive forces of the Indian people." After all, governmental regulation which, by and large, has been accepted by the private industrial sector as something in its own interest, does not seem to have had any crippling effect on industry even according to the Swatantra Party. [Then, why condemn regulation as such? Surely, has not the Industries Regulation Act operated to the benefit of a whole range of newer and younger industries?

Some of the Swatantra statements marked by exaggeration and distortion have been critically dealt with so far. There are other such statements, not covered here, which, together with the ones criticised, constitute a bundle of half-truths and quarter-truths, exaggerations, factual distortions and unfair generalisations. All this in a Statement wherein there is profuse reference to God and Gandhiji alike! If these "weapons" can take a party to power, the Communist Party would be ruling the country now, permanently denying to both the Congress and the Swatantra that opportunity. If diagnosis is half the cure, the Swatantra Party is in no position to effect even a partial cure for the simple reason that its diagnosis is not reliable. It is difficult to see what *raison d'être* the Swatantra has, except the one of imprisoning the reactionary right-wing elements within the constitution and thereby neutralising their subversive propensities.

Scientific Books in Indian Languages

To encourage the publication of high class scientific books, both popular and academic, in the various Indian languages, the Union Ministry of Scientific Research and Cultural Affairs have decided to institute an annual award of Rs 10,000 to be given to a publisher each year beginning from 1960.

Award will be given to a publisher for the best series of scientific books published in any Indian language in the course of a year. A series will be defined as consisting of at least five books published during one calendar year. Individual authors will not be eligible for the award.

The books should be of a fairly high standard and, in case they are text-books, they should be for use of students not below the graduate level.

Books published during the calendar year 1960 will be considered for the award.

The need for encouraging production of publication of more and better scientific books has been felt by the Government for some time past. The publication of scientific books, it is hoped, will encourage to create a climate of science in the country.

March 19, 1960

THE
PENINSULA

Madras Shows the Way

THE Madras Budget for 1960-61 discloses a small deficit of Rs 34 lakhs. It contains no fresh taxation. Mr C. Subramaniam, the Finance Minister, who introduced the Budget in the State Assembly on March 10, announced exemption from Sales Tax for perishable articles like fruits, flowers, vegetables, eggs and potatoes. Also, oils crushed by local chekkus and green leaf tea are free from Sales Tax levy. This relief is welcome in as much as agitation for this tax exemption has been going on for the last eighteen months.

Mr Subramaniam does not propose to cover the small deficit. He summarised the State's achievements during the past three years. As one went through the speech, the impression was fostered that Mr Subramaniam richly deserved the congratulation of the people for keeping the finances in good shape and for keeping plan implementation well ahead of the schedule. The total outlay is expected to amount to Rs 181 crores by the end of 1960-61 against the original estimate of Rs 152 crores. Canadian equipment for the Kundah hydel scheme cost Rs 9.3 crores. Even if this is left outside the purview of the Budget the estimated expenditure of Rs 171.5 crores is surely on the creditably high level.

The Finance Minister explained the reason for the high expenditure, as being due to the grant of increased dearness allowance of Rs 5 a month to low paid Government servants, teachers and local board employees. The deficit of Rs 34 lakhs would be higher if the Government of Madras have to implement their own Pay Commission's report. This report is expected to be out by the end of this month, and any commitments by the Government toward implementation of the possible pay rise that may be recommended would increase the deficit of the State.

That was why Mr Subramaniam rightly pointed out: "We must take heed of the inherent contradiction between planned development and uncontrolled prices." This was the same keynote which characterised his Bangalore Congress speech moving the Cooperative Farming resolution.

The revised estimate for 1958-59 was expected to show a revenue at Rs 69.49 crores and expenditure at Rs 66.84 crores, leaving a surplus of Rs 265 lakhs. But the final account shows that receipts stood at Rs 69.95 crores and expenditure at Rs 68.35 crores, leaving a surplus of Rs 160 lakhs. The increase of Rs 5 a month in dearness allow-

ance to Government servants, local board employees and teachers effective from December 1958 was the reason for the increased expenditure and it almost wiped off the surplus. Also, the Government had to spend Rs 35 lakhs on rebates on handloom cloth and Rs 72 lakhs more on buildings and roads. The cash balance at the end of the year was Rs 328 lakhs.

Current year's receipts were estimated at Rs 73.08 crores and expenditure at Rs 71.69 crores. The concession by way of increased dearness allowance cost the Government Rs 180 lakhs. The revised estimate for the current year showed receipts at Rs 78.30 crores and expenditure at Rs 77.72 crores, leaving a surplus of Rs 58 lakhs.

Mr Subramaniam stated that the State's share of Central taxes was expected to be Rs 75 lakhs more than the Budget estimates. Under the State taxes, a sum of Rs 41 lakhs more was expected under Motor Vehicles Tax, Rs 20 lakhs more under Central Sales Tax, Rs 15 lakhs more under Entertainment Tax and Rs 43 lakhs more under Stamps.

The Plan expenditure had been estimated for 1959-60 at Rs 10.59 crores. But it was expected that the expenditure would be Rs 12.77 crores. The main increases in expenditure are Rs 31 lakhs for Zamindari abolition, Rs 85 lakhs for Irrigation, mainly for the Parambikkulam-Aliyar Project, and Rs 120 lakhs for the Madras Government's investment in the share capital of the Madras State Cooperative and Central Banks.

The State Electricity Board had planned a Budget of Rs 11 crores, but the Government would be spending Rs 14 crores, excluding equipment valued at Rs 9.34 crores received from Canada. A sum of Rs 18.84 crores had been set apart for loans to the Electricity Board. The cash balance at the end of the year would be Rs 373 lakhs.

The Budget estimates for 1960-61 place receipts from Revenue account at Rs 80.87 crores. The expenditure on Revenue Account is placed at Rs 81.21 crores. "This has resulted in revenue deficit of Rs 34 lakhs. This small deficit is insignificant in a revenue Budget of the order of Rs 81 crores," the Minister declared.

Next year's receipts are expected to be Rs 257 lakhs more than the receipts anticipated in the Revised Estimates for the current year.

The following are main provisions made in the 1960-61 Budget toward development expenditure:

Education & scientific Departments Rs 15.53 crores; Medical Rs 4.80 crores; Public Health Rs 2.05 crores; Agriculture Rs 3.12 crores; Animal Husbandry Rs 1.11 crores; Cooperation Rs 1.88 crores; Industries & Supplies Rs 4.89 crores; Harijan Uplift Rs 2.95 crores; and Community Development & National Extension Service Rs 3.31 crores. As usual, Madras State has

allotted the biggest amount for Education which has been combined with scientific departments.

Capital expenditure for 1960-61 is fixed at Rs 10.85 crores. It is made up of Rs 370 lakhs on buildings and roads, Rs 171 lakhs on irrigation, Rs 169 lakhs on industrial development, Rs 53 lakhs on bus purchases, and the balance on miscellaneous development.

Mr Subramaniam stated that this year's Budget had special significance as this was the last year of the Second Five Year Plan. He said that only on the basis of the achievements of the Second Plan could the State shape the size and content of the next Plan.

Naturally, the Minister narrated the achievements of the State during the Second Plan period.

Giving figures, the Minister said that, during the last four years, the State had increased rice production by 464,000 tons, millets by 104,000 tons, or both combined together by 568,000 tons. Groundnut production had increased by 87,000 tons during the past four years, cotton by 94,000 bales, and sugarcane by 57,000 tons. The targeted foodgrain production was 1.28 million tons, but the Minister stated that an additional production of only 900,000 tons could be achieved, the shortfall being due to want of chemical fertilisers. This fertiliser shortage, the Minister hoped, would be covered when the Neivell fertiliser unit was expected to go into production of 150,000 tons of urea equivalent to 350,000 tons of ammonium sulphate.

In the matter of yield per acre, Madras State had a better record at 1,300 lbs of cleaned rice than

the all-India average of 816 lbs for 1958-59. The current year's estimate showed a further improvement to 1,344 lbs per acre. Though the figures proved encouraging, the Minister pointed to the higher yields obtained in Japan (2,650 lbs per acre) in the USA (2,150 lbs per acre) and China (1,610 lbs per acre.) Sugar production in the state was inadequate to the tune of 40,000 tons on the basis of present consumption. By the end of the Third Plan, this deficit might go up to 60,000 tons. Plans to produce additionally 600,000 tons of sugarcane in the Third Plan have been made.

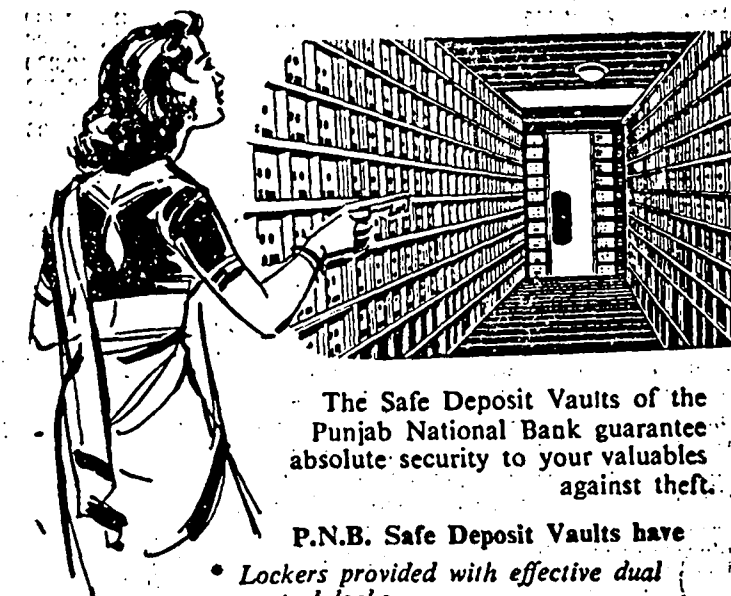
As regards irrigation, the Minister observed that it was their aim to bring under cultivation 292,000 acres. In the first four years of the Plan, 252,000 acres would be brought under irrigation and an additional 40,000 acres in 1960-61, and thus the total target for the Second Plan would be reached.

The Minister pointed out that the Parambikkulam-Aliyar project, the largest Second Plan scheme, would take Rs 1 crore on preliminaries and that further work would be commenced in 1960-61.

Minor irrigation works had naturally been given high priority in view of their being economical and quick-yielding. They are also widely dispersed. The scheme includes tanks improvement, developing and increasing filter points and well-subsidies.

As for community development, the Minister noted that the State had been delimited into 360 development blocks each with a population of 66,000. The last year of the Second Plan would have

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ISSUES: The Prize Bonds (which will be in the form of bearer bonds) will be on sale at:

- (i) the offices of the Reserve Bank of India, Bombay, Calcutta, New Delhi, Madras, Bangalore and Nagpur,
- (ii) branches of the State Bank of India, State Bank of Hyderabad and State Bank of Mysore conducting Government Treasury business,
- (iii) Treasuries and Sub-treasuries in India other than those at any place referred to in item (i) or at any place where there is a branch of any of the banks referred to in item (ii), and
- (iv) all Head Post Offices and Departmental Sub-Post Offices.

Subscriptions will be received in the form of cash only and no written application will be necessary.

PRIZES: The Bonds will be in the denominations of Rs. 100/- and Rs. 5/- and will not bear interest but lots will be drawn quarterly for prizes on the 1st June, 1st September, 1st December and 1st March every year, the first draw being held on the 1st September 1960 and the last draw on the 1st March 1965. Lots will be drawn under the supervision of the Government of India, separately in respect of each series. The total number of prizes to be offered to the holders of winning Bonds each quarter will be 40 of the aggregate value of Rs. 92,000/- and 278 of the aggregate value of Rs. 46,000/- in respect of each series of Rs. 100 and Rs. 5 respectively. Each series of Rs. 100/- will be for Rs. 1 crore (i.e. 1 lakh Bonds of Rs. 100/- each) and each series of Rs. 5 Bonds will be for Rs. 50 lakhs (i.e. 10 lakhs Bonds of Rs. 5 each). Each Bond sold will be eligible for participation in all the draws held after the expiry of two calendar months from the month of its sale. All Bonds pertaining to a series from which any Bonds have been sold will participate in the draw but no prizes will be awarded for unsold Bonds or Bonds sold within two calendar months immediately preceding the month of the draw.

The number and amount of prizes in each series will be as follows:

EACH SERIES OF Rs. 100 BONDS

1 Prize of Rs. 25,000	...	Rs. 25,000
2 Prizes of Rs. 10,000	...	Rs. 20,000
3 Prizes of Rs. 5,000	...	Rs. 15,000
14 Prizes of Rs. 1,000	...	Rs. 14,000
20 Prizes of Rs. 500	...	Rs. 10,000

Total amount of prize money quarterly in each series of one lakh pieces. ... Rs. 92,000

EACH SERIES OF Rs. 5 BONDS

1 Prize of Rs. 7,500	...	Rs. 7,500
2 Prizes of Rs. 2,500	...	Rs. 5,000
10 Prizes of Rs. 1,000	...	Rs. 10,000
20 Prizes of Rs. 500	...	Rs. 10,000
25 Prizes of Rs. 100	...	Rs. 2,500
220 Prizes of Rs. 50	...	Rs. 11,000

Total amount of prize money quarterly in each series of ten lakhs pieces. ... Rs. 46,000

All prize-money will be paid in cash and will not be liable to tax under the Indian Income-Tax Act, 1922.

PAYMENT OF PRIZE: The holder of a prize-winning Bond may present his claim together with the Bond at any time after the date of the relative draw at any of the following offices:

- (i) the offices of the Reserve Bank of India, Bombay, Calcutta, New Delhi, Madras, Bangalore and Nagpur,
- (ii) branches of the State Bank of India, State Bank of Hyderabad and State Bank of Mysore conducting Government Treasury business,
- (iii) Treasuries and Sub-treasuries in India other than those at any place referred to in item (i) or at any place where there is a branch of any of the banks referred to in item (ii), and
- (iv) all Head Post Offices.

The prize money will be paid to him at the office at which he has presented the Bond after the claim has been admitted by the Reserve Bank of India.

PUBLICATION OF WINNING NUMBER: The particulars of the prize winning Bonds will be published in the Gazette of India and the press as soon as possible after the date of the relative draw.

REPAYMENT: Prize Bonds will be repaid at par on or after the 1st April 1965 on presentation.

Further particulars can be obtained at any of the offices authorised to receive subscriptions.

covered 10,500 villages in 211 blocks, out of a total number of 18,000 villages. Out of the amount of Rs. 13.92 crores set apart, the spent amount was Rs. 6.78 crores in 1958-59 and the total expenditure during 1959-60 and 1960-61 would be Rs. 12.74 crores.

With a provision of Rs. 19 crores for the current year, the Minister stated that 50 per cent of the rural population would be covered by 1960-61 in respect of cooperation. Credit provided under the scheme would be Rs. 22.5 crores. The modification of the scheme lies in that the Government, which did not advance loans before to ryots unable to give proper securities, far, had undertaken to guarantee losses to the cooperative organisations advancing such loans. A Guarantee Fund is being constituted for this purpose.

The record in respect of establishment of major industries in Madras has been very good. The Neiveli Lignite Project, Mr. Subramaniam noted with satisfaction, had been progressing very well. The Rs. 86 crore project, with an anticipated outlay of Rs. 46 crores during the Second Plan, had consumed Rs. 11 crores up to March end 1959. In the current year, Rs. 15.47 crores would be spent. As known already, the integrated mining project's yearly output of 3.5 million tons of lignite would be utilised as follows: 1.5 million tons to produce 25,000 k.w. of electric power with Russian assistance; 500,000 tons of lignite in an urea fertiliser plant with a capacity of 150,000 tons and the balance of 1.5 million tons would be briquetted. The fertiliser and the briquetting plants would go into production in the Third Plan period. During the Third Plan, it has been programmed to mine 6 million tons of lignite.

The Minister referred to the preliminary arrangements for steel plant erection utilising this lignite at Salem. The Central Government had already constituted a Technical Committee to go into this question.

The Minister announced that an agreement had been concluded with French firm (Messrs. Bauelet of Paris) to establish a raw film factory in the Nilgiris (Ootacamund). The factory is expected to go into production by 1962 end and the first stage of the project will cost Rs. 5 crores. Initially, it will employ 1,300 persons.

The Rs. 3 crore Surgical Instruments factory to be set up by the Central Government at Guindy with Soviet aid will make 2 million surgical instruments of different kinds yearly, providing employment for 2,000 persons.

By 1960-61, three cooperative sugar mills will be commissioned in Madurantakam, Udumalpet and Ambur, and more such ones would be established in due course.

Listing the major factories in the State under the private sector, Mr. Subramaniam pointed to the Tiru-

nelveli caustic soda factory, which had gone into production and carrying on smoothly. The Madras Government had put in Rs. 10 lakhs share capital in this out of its total outlay of Rs. 3.5 crores. About 1,500 persons are employed in this factory. By the current year the Rs. 1 crore Rajapalayam cement factory, with a targeted capacity of 66,000 tons years, initially would get into commission. This will provide employment for 700 persons. The ultimate capacity is expected to be raised to 132,000 tons yearly.

Messrs. Burn & Company's refractory bricks factory utilising Salem magnesite with a thousand tons monthly capacity has also been completed.

An Italian firm is collaborating in respect of an aluminium plant installation at Mettur.

A thousand unit per year railway wagons factory with a share capital of Rs. 1 crore—Madras Government contributing a token Rs. 2 lakhs—at Pattabhiram has been established. A paper factory at Mettur with daily capacity of 50-60 tons is being established by Messrs. Seshasayee Brothers, who are importing American machinery for this purpose. Messrs. T. V. Sundaram Iyengar & Sons Ltd are proposing a wheels and rim factory with 15,000 wheels and rims monthly at a capital cost of Rs. 1 crore.

With all this, the Minister stated there could be no doubt on the point that the State's development was still far from adequate. He hoped the National Council of Applied Economic Research would help in formulating the State's industrial programme for the Third Plan.

The Minister referred to the continued progress being made by the State in the Small Scale Industries aid programme. In the first three years of the Plan, he said that Rs. 63 lakhs had been disbursed to 7,700 persons. This plan was being continued on the same scale in the current and next year.

About power production in the State, the Minister said that the installed capacity of the Madras Grid was 258,000 k.w. at the end of the First Five Year Plan proposed to enhance the installed capacity to 571,000 k.w. The Madras Plant Extension scheme commissioned in 1958 had increased the capacity by 30,000 k.w. The Periyar Project had added another 105,000 k.w. The Kundah project under progress would add another 180,000 k.w.

Against the provision of Rs. 53.25 crores for Power development, Rs. 41.84 crores had been spent so far in the current Plan. In the current year, against an original estimate of Rs. 11 crores, it was expected that Rs. 14 crores would be spent. Next year's outlay was expected to be Rs. 12 crores. With the value of the Canadian equipment added, the State would be spending Rs. 77 crores as against Rs. 53 crores allotted originally in the Second Plan for Power Development.

WORLD OF JUTE

Continued Firmness in Raw Jute

IT has again been made clear during the past week that those who influence the raw jute market have little concern for what may be happening to our exports. What matters to them is the demand and supply position, or to be more precise, what they imagine is the demand and supply position. It is useless to complain that interested parties are circulating exaggerated reports about a paucity or a plethora of supplies to serve their selfish ends. For, such stories will not hold the field long if they are not sustained by a fairly widespread tendency to rely upon them.

We have noted in this column last week that the IJMA Chairman has made it clear that, without stability in our jute goods market, it will be extremely difficult for our jute goods to continue to be in the good books of overseas consumers. One of the arguments advanced in favour of substitute packaging materials is that, since their prices remain stable over fairly long periods, consumers are enabled to know in advance the cost of packaging to a high degree of correctness. The same cannot be said of jute manufactures. Knowledgeable circles now believe that, partly because of the fact that users have learnt to make do with substitute materials where once they were solely dependent on jute goods and partly due to the ceaseless efforts that are being made by jute's rivals in the packaging field, overseas consumers are apt to put price stability above everything else. These indications seem to have been entirely lost on our market men, as otherwise, it will be difficult to find a justifiable reason for the continued uptrend in prices. And, during the past few days, conditions have been such as to remind one of last December.

A significant feature of the trading during this week is the fairly keen interest evinced by some mills in the raw jute market, notwithstanding the daily rise in price levels. Evidently, these mills do not find themselves as comfortable as others as regards their stocks of raw jute. It is not known how Government view the prevailing conditions in the jute markets. There is no doubt that they will be quite concerned at the runaway prices. The sanction for the import of 200,000 bales of jute from Pakistan last December should have allayed all lingering doubts about shortage of supplies. The impact of this is to be seen in

the increased arrivals from Pakistan during the past two or three years.

Operators in the jute market, however, seem to think that, despite the higher imports, the supply position will be difficult toward the end of the current season. The continued low level of arrivals in the upcountry markets have further sharpened the speculative edge of the market. A few days ago, the fall of early rains in the growing areas encouraged the hope that, in the coming season, sowings will be heavy and that the new crop will be available quite early in the next jute year. Reports now indicate lack of interest among cultivators and consequently it is argued that it will be too optimistic to anticipate a big and early outturn of the new crop. With mills ready to pay the higher price, operators have had little difficulty in pushing up the market.

The jute goods market ruled steady during the past week ended Wednesday largely in sympathy with the raw jute section. After a quiet opening, values hardened following speculative activity in the futures section. Heavy goods were in keen demand and hessian also improved in sympathy. Toward the close, the undertone was slightly easy, especially in the hessian section. It would appear the weakness of hessian has stemmed from the US burlap consumption figures for February 1960. Burlap consumption last month in US has been higher at 75 million yards as compared with 71 million yards in the previous month and 70 million yards in the corresponding month of last year. This is no doubt encouraging, but operators have evidently not been satisfied with the news that stocks at the end of last month are slightly higher at 251.4 million yards as against 251 million yards at the end of the previous month.

Production of jute goods during February 1960 was lower at 86,000 tons as against 86,700 tons during the previous month. It is to be noted that, despite the higher (200.5) number of hours worked during last month—mills worked only 197.5 hours in January—production has declined. Output of hessian is 500 tons lower at 36,200 tons and that of sacking is 1,300 tons lower at 41,600 tons. Production of other varieties is, however, higher by 1,100 tons at 8,200 tons. Taking the two sets of figures—the production and stocks—for the month, it would be evident that despatches during February have been higher than in January, when despatches totalled only 73,100 tons. Total despatches during last month should have been in the environs of 84,000 tons.

	As on 9th Mar.	Week's High 15th Mar.	As on 15th Mar.
Hessian:			
40" x 10 oza	41.95	42.20	41.90
Ready	42.00	42.30	42.05
April	42.10	42.30	42.15
Apr/June	41.90	42.15	41.90
July/Sep	34.25	34.35	34.30
40" x 8 oza	31.95	32.00	31.90
40" x 7 1/2 oza			

Sackings:

B Twills:			
Ready	112.15	113.85	113.75
April	111.15	113.35	113.00
Apr/June	111.10	112.90	112.55
July/Sep	109.40	110.85	110.75
Hv. Cess (Green)	115.00	117.00	116.75
Corn sacks	114.00	115.00	115.00
Cubans	134.25	135.25	135.00
A Twills	139.50	142.50	142.50
L Twills	126.50	128.00	127.50
D W Flours	134.75	135.25	135.00
Sugar Twills	127.50	130.50	130.50
Futures:			
Hessian—May	41.98	42.42	42.00
Sacking—May	110.75	112.75	111.85
Raw Jute—Sep	29.84	30.76	30.24

WORLD OF TEA

Price Prospects

THE quicker rise in Common tea prices, a characteristic feature of the Tea market in the second half of last year, seems to have been arrested. Apart from the price factor, it is believed that, with larger supplies from Africa and elsewhere, the availability of plain teas will be more than sufficient to satisfy world demand.

The UK tea stock, which is an important factor in shaping the market sentiment, has improved in recent weeks and continues to rise. This has enabled the buyer in that country to sit back and watch the price trend. Visible supplies are not overabundant so as to weigh on the market there. Yet, there has been a slow weakening of the market in recent weeks. One reason may be the reluctance of the packers to hold large stocks in view of the large volume of financing required for the purpose.

Judging from the virtual end of direct exports to the UK, there is the possibility that London auctions of Indian teas for this season will end earlier than usual. If so happens, it is felt that it will lead to the opening of the new season's teas on a bright note. In Calcutta also, the last export sale will be held on the 28th March. As such, the impact of the accumulated demand is expected to be felt on the new season's sales.

Meanwhile, in the Export Sale held in Calcutta this week, offerings were 67,034 packages. The market opened with a rather better and more general demand; but an easier tendency became apparent as the sale progressed. Clean-leaved Brokenes were irregular, but showed little change on balance, while plain Fannings tended easier. The few bright liquoring orthodox Assams came in for keen competition, but the plainer stalky kinds were again lower.

The poorer CTC Assams tended easier, but the better sorts were sold well although, at the close, they were often 10 nP to 25 nP below last rates. Non-wither leg-

cut teas declined by 6 nP to 10 nP apart from a few selected lines. There was less competition for Whole Leaf grades, which were sold at lower rates and there was again a very limited enquiry. Following rates were quoted:—Clean Black Pekoe Rs. 2.00 to 1.2.03; Plain BP Rs. 1.80 to Rs. 1.86; Plain Fannings Rs. 1.80 to Rs. 1.90; Medium BP Rs. 1.78 to Rs. 1.88; Medium Fannings Rs. 1.88 to Rs. 2.00; Best Assam CTC BP Rs. 2.40 to Rs. 2.60 and Best Assam CTC Fannings Rs. 2.45 to Rs. 2.65. All rates are nominal.

In the Internal Sale, offerings consisted of 22,672 packages of Dusts and 1,598 packages of Leaf grades. The market opened to good demand, but prices again followed an easier tendency. Grainy orthodox kinds met with less support and were lower by 10 nP to 12 nP, while the smaller stronger-liquoring types declined to a lesser extent. Legg-cut Dooraos descriptions found buyers at a drop of 8 nP to 12 nP per pound. Darjeelings followed the lower trend.

Medium CTC teas were well supported, but sold at prices which were 6 nP to 12 nP below last levels, more activity being seen on the brighter and more powdery grades. The best CTC Dusts were irregular, but generally followed quality. Following rates were quoted:—Medium Dooraos Dust Rs. 1.96 to Rs. 2.00; Medium Assam Dust Rs. 1.90 to Rs. 1.94; Medium Assam CTC Dust Rs. 2.02 to Rs. 2.14 and Best CTC Assam Dust Rs. 2.40 to Rs. 2.75. Demand for Leaf grades was fair, but prices were irregular and generally lower. Green teas were sold well.

Arrivals of tea in Calcutta in the eleven months ended February 1960, were lower at 4,539,834 chests as compared to 4,624,294 chests in the corresponding period of 1958. While arrivals by rail increased to 1,253,016 chests in the period April 1959 to February 1960 from 1,183,668 chests in the eleven months ended February 1959, those by river and air declined to 3,206 chests and 68,493 chests from 3,334,565 chests and 106,062 chests respectively. Arrivals by road amounted to 12,042 chests as compared to nil in the corresponding period of last year.

In the Cochin market, offerings were 975,000 pounds of Leaf tea, Good medium and best liquoring sorts, which were dearer, attracted good demand. Medium and low medium teas were irregularly 5 nP easier. Low-priced teas were firm to dearer, while Whole Leaf teas, particularly Orange Pekoes, were fully firm to dearer.

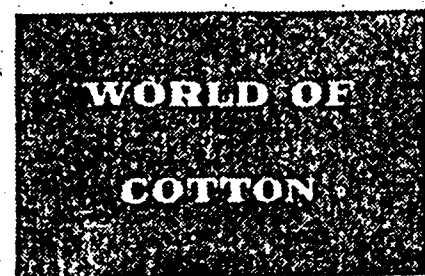
In the Colombo market, offerings totalled 7,125,120 pounds. Quality was irregular. There was a good general demand for high-grown Broken at the opening when prices were generally fully firm to dearer. Later in the sale, however, prices were often easier, particularly where quality showed a good demand at slightly de-

rates, while low-grown teas were 2 to 5 cents per pound lower except for Persian Gulf types.

The final internal sale was held in Chittagong toward the end of last week. Offerings were 17,158 packages of Leaf grades and 5,750 packages of Dusts. As usual, the quality of the Leaf offerings was generally poor and the larger part of the catalogues consisted of undesirable stalky end-of-season varieties and offgrades. After a hesitant opening, a fair demand developed for clean teas with sweet liquors. For most of sale, they were selling at around 6 to 8 annas below previous rates. The best liquoring sorts were, however, generally taken at 2 to 4 annas below valuations. There was only limited demand for the poorer types, which were difficult to sell and were frequently discounted by from 12 annas to over a rupee per pound.

There was a fair demand for Dusts, but at lower rates with sweet liquoring teas selling at 8 to 10 annas per pound below previous levels. Best liquoring sorts and non-wither varieties were a strong feature and only declined by about 2 annas. Plain Sylhet Dust was quoted at Rs 3.10.0 to Rs 3.11.0 per pound.

In the London auction, offerings were 0,507 packages including 18,877 packages from Northern India. From the opening, all teas were markedly easier and, as the sale continued, more and more lots were withdrawn. Sold teas were generally a penny to three pence per pound lower and, with the exception of an odd invoice of quality, all grades lacked competition. Poor quality and thin liquoring types suffered. Plain tea was quoted at 3 sh 8d per pound.



Forward Business Dwindles

THE cotton futures market in Bombay, keeping steady, turned a shade easier following the credit squeeze measures which have been taken during the last week end. Though these steps are directed mainly against the unhealthy speculative activity in the stock markets fed on bank finance, the psychological effect was there. Prices declined moderately, but once again steadied up due to apprehensions of very tight supply position at the far end of the season. Following further downward revision of the crop estimate to only a million bales for 1959-60, the March contract was virtually pegged around the ceiling of Rs.

820 while the distant August contract, after declining to Rs 768.25 from Rs 773.50, recovered to Rs 770 to be placed at Rs 769.

Business in the forward section has dwindled considerably due to the very difficult supply position and it is generally felt that, after the maturity of the March contract, the bull operators might once again concentrate their energies to push up the August contract. It is difficult to visualise how things will shape at the time of the maturity of the August contract, but, more than anything else, the progress of the monsoon will mould the pattern. In the meanwhile a move is already afoot on behalf of the brokers and the jobbers to start trading in the new 1960-61 crop earlier than usual with certain amendments in the by-laws. Usually, business in the new crop for the next season starts every year in the month of June; but, whether official permission could be forthcoming for an early date, appears problematic.

SPOT:

The Serwi spot market was fairly active during the past week. Mill interest was centred on varieties like Co2, Moglai, 197/3 and 0394. A few mills were reported to be eagerly seeking these varieties. Vijay, Digvijay and Laxmi were in good demand and it was reported that some Ahmedabad mills in particular booked a sizable quantity of these varieties in the terminal markets. Fairly good interest was displayed in Kalyan and Wagad descriptions. Hence, the price basis for indigenous varieties continued to be firm. Baroda Paleg and Kapadwang Vijay changed hands at Rs 1065 for spot. Amod Digvijay for spot came to business at Rs 1090 for spot, Kaledia Digvijay spot Rs 1081, Wardha Umakhed and Yestmal Co2 was done at Rs 1045 to Rs 1060 and Adoni Co2 at Rs 1101. Ghatangi Co2 was put through at Rs 1060 subject to survey, Hubli Co2 was reported at Rs 1075, Gadag Laxmi Rs 1095, Hingali Rs 990 and Dharwa Rs 995.

Among foreign varieties, Sudan cotton has gone down to some extent while Egyptian prices, having staged a decline, are in close parity with Sudans. African varieties have gained some ground while American prices are ruling slightly easier. B.P 52 was done at Rs 1340 to Rs 1350 CIF for May-June shipment, BP (Unug) Rs 1390, Sudan G34 Rs 1905 for March, Busoga Rs 1295 for April-May, West Nile Rs 1232 and Syrian on sample at Rs 1101. American (California) 1 5/32" came to business at Rs 1200 per for April Shipment.

BENGAL DESHI:

The export quota of 150,000 bales of Bengal Deshi cotton has been almost exhausted. The position with regard to the quantity

licensed and passed for shipment was on March 5, 1960 out of the quota issued in the current season appears to be satisfactory. Out of the first quota of 75,000 bales, quantity licensed amounted to 72,452 bales while 70,933 bales were passed for shipment. Out of the second quota of 75,000 bales, quantity licensed came to 71,748 bales while only 14,285 bales were passed for shipment till 5th March.

Exports of all descriptions of cotton from Bombay from 1st September 1959 to 10th March 1960 came to 109,776 bales as against 190,513 bales. Out of this, Japan took 88,690 bales as against 124,322 bales.

YARN:

The yarn market was inclined to rule quiet. Stable fibre yarn declined to Rs 682 form Rs 702 for April delivery to rally to Rs 691 to be placed at Rs 686. Art Silk Bemberg Cupressa April delivery moved between Rs 1,794 and Rs 1,803 to quote at Rs 1,795. As some of the Staple fibre power-looms in the country have closed down due to the recent imposition of excise duty on fibre cloth, selling pressure is evident in staple fibre yarn. Cotton yarn prices have continued to rule steady. Exports of cotton yarn in February from Bombay have amounted to 367,212 lbs and cotton sewing threads 27862 lbs. Imports of artsilk yarn during the month into Bombay port accounted to 1,674,560 lbs and synthetic yarn 102,488 lbs.

IMPORT LICENCES:

The Indian Cotton Mills Federation is likely to make representation to allow imports of foreign cotton. The quantity licensed for import of foreign cotton into India in the first half of the current season (1959-60) i.e. till 27th February 1960 totals 469,094 bales, while the actual arrivals in the same period aggregate 226,790 bales. The varietywise breakdown of the licences issued and the actual arrivals from 1-9-59 to 27-2-60 are as follows:—

	(In bales of 400 lbs each)	Licensed Arrivals	Actual
USA	...	127,842	26,508
Egyptian	...	140,541	96,895
Sudan	...	50,104	53,354
East African	...	78,348	34,421
Others	...	72,259	15,612
Total	...	469,094	226,790

*This includes quantity licensed last season.

CLOTH MARKET:

Conditions in the cotton piece goods market were slightly better on expectation of increase in off-take; otherwise conditions were more or less normal, though with

low stocks with the mills, trade quarters feel that prices, which had reacted moderately modestly during the past six weeks or so, would stabilise. There is no effect on the trade's psychology in Bombay about the bifurcation of the State which is to materialise after six weeks or so, but monetary stringency is being experienced. In superfine goods, Dhories are, however, realising better prices due to restriction on fine production, while in medium varieties, long grey cloth, which had staged a sharp rise some months ago ruled steadier. Varietywise production of mill made cloth in 1959 as compared with the previous year was as follows:—

	(In yards)	1959	1958
Coarse	...	802,047,000	969,960,000
Medium	...	3,506,795,000	3,395,808,000
Fine	...	241,949,000	303,062,000
Superfine	...	291,025,000	258,135,000
Total	...	4,925,429,000	4,926,965,000

It is evident from the above table that, with the rising standard of living, tastes are also changing. Consumption of superfine cloth is increasing while coarse cloth demand is gradually shrinking.

NEW YORK COTTON:

Trading on the New York cotton futures market had remained colourless. The July position closed at 32.40 cents as against 32.50 cents a week ago. Shipments of Government owned cotton from May 1959 to March 11 1960 under the export subsidy scheme have aggregated 5,985,117 bales. The US Department of Agriculture has announced a new cotton sales plan intended to isolate several million bales of Government-owned cotton from the market. Persons seeking to buy surplus cotton from its stocks after 1st August will have to pay a premium for cotton produced in 1959 and prior years, though they will be able to get 1960 crop cotton at lower price. Currently, the Department sells all cotton at the same price regardless of age.

THE ALKALI & CHEMICAL CORPORATION OF INDIA, LIMITED

ANNOUNCEMENT

The Preference Share Registers of the Company will be closed from the 28th March, 1960 to the 6th April, 1960 both days inclusive.

By Order of the Board
IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LTD.
Secretaries

Calcutta
2nd March 1960.



Deficit Year for Pepper?

PEPPER prices have started looking up again. In the Cochin market, the rate, after moving up to Rs 295 per cwt six weeks ago, climbed down to Rs 265 last week, to be presently quoted around Rs 270. The main reason for these ups and downs in prices is the fact that distress selling and liquidation by weak holders having been finished there is a steady recovery in prices due to reports of a considerable fall in arrivals.

US buyers, who had provided the main support to the market and who practically withdrew some weeks ago, are again active and showing interest. Although New York brokers are inviting offers in quantity, Indian exporters are offering only small quantities as they are not sure of getting enough supply for replacement at a reasonable price, most of the growers being reserved sellers.

The spot rate in New York, after touching a low of 52 cents, has now recovered to 58 cents per pound. Conservatives among New York dealers, who were waiting for the bottom during the peak of the harvesting season, are now reported in the market for ready, afloat and forward. For, they feel that the present prices are a safe level for purchasing in view of the likely overall shortage of the commodity during the year.

The immediate future of the market appears to be uncertain at the moment, as foreign buying support is not consistent. It is, however, a question of time before prices advance sharply either for want of sufficient supplies in the primary markets or under pressure of foreign aggressive buying, which is likely to develop. This view is based on various factors.

First, chances of Russian and other East European countries buying are now brighter than before, as the prices have stabilised and in view of the larger rupee account facilities between them and India. Secondly, inland demand is improving. Any further development in inland demand together with revival of enquiries from foreign consuming countries is sure to push up prices more rapidly than before, as the technical position of the commodity is now reported to be very sound.

A section of the trade holds the view that the long-term outlook for Indian pepper is bright. The factors contributing to their optimism are the following. Almost

50 per cent of the Indian crop has already been sold. Internal offtake is bound to increase in view of the unreasonably high price for chillies—chief rival of pepper in the Indian market. World situation is also favourable. Sarawak is expected to have another lean crop in the season beginning in April. Preliminary reports with regard to the Indonesian crop are not encouraging. The world will thus be having another deficit year for pepper in 1960. Traders agree that this should work to the advantage of this country.

Rubber

The growing shortage of Rubber in the country has compelled the Government of India to expedite the production of reclaimed rubber. The Union Ministry of Commerce and Industry has, so far, sanctioned three schemes—one at Delhi for an annual production of 1,000 tons; another at Coimbatore for an equal quantity and the third at Bombay for 5,000 tons. Dunlop and Bata are already producing about 2,500 tons a year for their own consumption.

The factory at Delhi is expected to start in a couple of months. Negotiations are under way for foreign collaboration to start production in Bombay; but no progress is reported regarding the Coimbatore plant. There are indications that the Government of India may permit a fourth factory at Calcutta as the indigenous demand for reclaimed rubber is expected to go up from 6,000 tons in 1959 to 13,500 tons in 1965.

Sugar

Sugar markets are ruling generally quiet; thanks to the recent release of 1.75 lakh tons. Prices have fallen by about Rs 4 per bag to quote Rs 115 following the heavy arrivals in the open market.

In the Kanpur market, prices have suffered substantial losses in the absence of fresh demand from the consuming areas. Sentiment is visibly depressed due to selling pressure from khandsari manufacturers apart from the fact that the supply position is very comfortable. Current optimism about a rise in production this year is another factor that has weakened the market sentiment.

Gur

The Gur market has also shown an uneven trend during the past few days. Prices have come down by about Rs 3 per maund on reports of excellent production in Uttar Pradesh, the Punjab and Bombay, this year. Reports from Hapur indicate that stocks of new production of gur, with the trade have gone up by about 30 per cent during the past two months. Futures trading in the commodity in North India has also indicated an obscure outlook for the commodity. In the Hapur market, the rate for the Pansera quality is quoted

around Rs 1. and for Balti at Rs 16 to Rs 16.25 per maund.

Foodgrains

The market for Foodgrains continues to rule quiet due to slack demand and beginning of the new crop arrivals in east and south Uttar Pradesh and Madhya Pradesh. In the Hapur market, wheat prices have declined by about 50 nP a maund, as harvesting of the commodity has already begun. The Rice section also remains quiet due to easy supply position. Gram prices have eased fractionally, as stocks are reported to be heavy and harvesting has begun in certain areas. Among Pulses, Peas and Arhar have exhibited an easy trend due to heavy stock position. Harvesting of peas is in full swing. Urad and Moong prices have also eased in sympathy.

Despite reports of adverse weather conditions in the producing areas due to the recent rains, the foodgrains market in Delhi showed an easier tendency during the week under review. Wheat dara quality declined from Rs 16 to Rs 15 a maund in the wake of increased arrivals coupled with poor demand. Following lower advices from the producing areas, Rice prices declined sharply by Re 1 to Rs 3 a maund. Among coarse grains, Gram declined by about 25 nP as demand from the consuming centres was poor.

The all-India final estimate of Kharif Pulses (other than Tur) for 1959-60 puts the current year's area and production at 16,075,000 acres and 1,567,000 tons as against the partially-revised estimate of 15,597,000 acres and 1,559,000 tons for 1958-59. This shows an increase of 478,000 acres or 3.1 per cent in area and 8,000 tons or 0.5 per cent in production over last year. The overall increase in acreage during the current year is accounted for mainly by Rajasthan and, to a lesser extent, by Bihar, Madhya Pradesh, Andhra Pradesh and Madras and is attributed generally to favourable climatic conditions at the time of sowing. This increase has, however, been offset to some extent by decrease in area registered in the Punjab and Mysore States. The increase in production of other kharif pulses is mainly due to the increase in Bombay State, which is attributed generally to favourable seasonal conditions during the growing period of the crops.

Non-Ferrous Metals

Conditions in the non-ferrous markets were generally easier and prices lost further ground during the week. Hopes that the import quotas of scheduled industries might be raised for the six months, April to September, induced a quiet feeling. Demand was also low. Copper scrap continued to hover around Rs 208 per cwt while Brass scrap declined to Rs 176 from Rs 180. Lead has eased off to Rs 75 per cwt while tin

changed hands between Rs 136.50 and Rs 135.50. Zinc prices have suffered a further drop.

Bullion

Following the credit squeeze measures which have been primarily directed against the stock markets, the bullion market in Bombay has reacted further on apprehensions that the Reserve Bank might take similar measures against advances on precious metals. Gold prices suffered a sharp decline following some unloading by spot interests as well as liquidation on behalf of a prominent bull operator. Apprehensions were also held that a leading South Indian operator, who has absorbed large deliveries in spot, might try to reduce his spot commitments. This no doubt made the market somewhat uneasy. It has been repeatedly pointed out in these columns that gold prices had seen their peak levels.

Silver Chaitra delivery, after advancing to Rs 217.75 from Rs 216.82, came down to Rs 216.25 to be placed at Rs 216.37. Gold Chaitra delivery dropped down to Rs 219 from Rs 130.56 to rally to Rs 129.62 but relapsed to Rs 128.50. Spot Gold was quoted at a premium of 25 nP, while ready silver of .996 fineness was placed at a premium of 31 nP. Sovereign was better at Rs 86.50. Floating stocks of silver and gold in Bombay market are estimated at 800 bars and 35,000 tolas respectively.

Oils & Oilseeds

The oilseeds market in Bombay was a shade easier during the week under review with irregular price movements. Business was restricted on fears of credit squeeze. Rumours about HPS Groundnut export quota have not turned out to be true. Reports about the move on behalf of the Bombay Municipality for the imposition of an Octroi duty on vegetable oils and oilseeds have produced an uneasy feeling among trade circles as such an octroi duty would have unfavourable effect on the crushing industry in Bombay. On the export front, conditions have been far from favourable. There is wide disparity in prices of groundnut oil locally and overseas. The incentive scheme is also not effective at the moment as, due to unremunerative prices, exports of groundnut oil cake expeller variety are almost at a standstill. US buyers have evinced little interest in purchases of castor oil at the current levels while Indian prices are higher as compared to the rates prevailing in the UK. Hence, there is little possibility of business with UK at the moment. It is to be seen whether US will evince interest at somewhat lower levels. Linseed was steady. Cottonseeds were almost dormant, while oilcake prices were generally steady.

Castor May delivery, after improving to Rs 175.87, declined to

Rs 171.87 to recover to Rs 173 to be placed at Rs 172.37. Castor oil commercial quality declined to Rs 17.06 from Rs 17.69. Groundnuts May delivery moved between Rs 210.75 to Rs 209 to quote at Rs 209.25. Groundnut oil April-May was done at Rs 22.25 to Rs 22.00 to be placed at Rs 22.19. Linseed May was put through at Rs 33 to Rs 32.56 to quote at Rs 32.87. Linseed oil was steady at Rs 15.12 per quarter. Cottonseeds May delivery moved between Rs 151 and Rs 150.

World Linseed production is now known to have shown a decline of about 5 per cent last year from the 1958 level. Final estimates of output suggest that the world crop amounted to about 124 million bushels as against over 130 million in the previous season. On the other hand, the 1959 production was still 4 per cent above the average figure for the 1950-54 period.

The major part of the decline last year is attributable to a sharp drop in production in the United States and there was also some decrease in the size of the Canadian crop. Informed sources are inclined to believe that linseed production also fell away last year in the Soviet Union. As against these declines, there was an improvement in the Indian harvest while Argentina, which accounts for an important proportion of linseed entering into world trade, enjoyed its highest production since 1947.

The result of these divergent trends, combined with a fairly widespread improvement in de-

mand and consumption levels, was to bring about a substantial cut during the year in world carry-over of linseed and linseed oil. With the Argentine crop for 1959-60 expected to show a further substantial increase, which the latest official estimates put at about 25 per cent above last year's 620,000 tons, the prospects clearly suggest that linseed will be in plentiful supply.

In the Madras groundnut oil and seeds market on Wednesday the trend was steady. But there was weakness due to poor arrivals of kernels not only in the City but also in the producing markets of the South. Arrivals in the City were of the order of 50-60 tons of kernels while, in the Southern markets, arrival daily averaged only between 40 and 50 tons with no activity. Calcutta alone showed interest in local buying Burma's interest was next to nothing as its needs have been got from African markets. While the UK price of groundnut oil was at £123/10 to £124, the rate in Burma stood at Rs 1800 per ton nominally.

Today's prices in the seeds and oil Exchange were:

Groundnut oil per candy of 500 lbs exMadras godown expeller ready 3 per cent FFA: Ready Rs 387; April Rs 391; May Rs 395.

Groundnut kernels per candy of 531 lbs Coromandels Rs 207-208.

Castor oil per candy of 500 lbs Tirupattur Rs 320-322.

Coconut oil per tin Rs 40-12 to Rs 41.

Gingelly oil per maund Rs 21-12 to Rs 22.

Gingelly seed per bag Rs 73-76. Groundnut oil cake per bag Rs 25-4.

There was only a slightly better tone, but the turnover continued to be poor in the groundnut oil market this week. It was good that the price levels in both groundnut kernels and oil were steady. All local arrivals of groundnut were absorbed by local small crushers. These have come under the purview of the compounded levy system exempted by the Madras Government in their Budget for 1960-61. But oil buyers were few, and Calcutta buyers, who showed no interest last week, were found not altogether disinterested this week. Vanaspathi manufacturers wanted to stock only at lower price levels. They bought only small quantities toward the last week-end, but kept their fingers crossed this week in hope of lower prices.

Shippers continued to be prominent by their absence, due perhaps to the high prices still prevailing. The oil price went down to Rs 389 per candy Monday and continued at that rate the next day. On Wednesday however, it, closed at Rs 391, two rupees higher. This increase came probably because some north Indian buying interest appeared in the market.

With poor arrivals of groundnut kernels in the market, the price level did not decline below Rs 207 Wednesday. The rate per candy on Monday was Rs 208. Tuesday, it declined to Rs 207 but decline of another rupee was found only for a small period, and today it closed, at Rs 207 per candy.

The April position of groundnut oil remained at Rs 293 on Monday. It declined to Rs 391 Tuesday. There was little enthusiasm in either April or May positions by either bulls or bears; for, the implication of the compounded levy under excise duty has not yet been made clear, as to whether it is applicable to all expellers or only to baby expellers and others of this category. April rate closed today at Rs 391 per candy, the same as yesterday.

Groundnut oil May was quoted at Rs 395 on Monday and Tuesday, opening higher at Rs 396. Support came around at Rs 397 last week-end, but it declined to Rs 395 on Monday and continuing the same today also.

The Reserve Bank's new restrictions to Scheduled Banks on credits should also restrict speculative interest in these commodities to some extent. Prices of stocks and shares and also other speculative counters should go down definitely. Decline for the coming weeks in oils and seeds future positions may be inevitable, it is felt.

The groundnut oil cake market continued easier. Arrivals of stocks from North India were poor. Local quality cake was sold at Rs 25/4 per bag of 160 lbs exmill with gunny bag.

Upcountry Markets: At the clearing centres, arrivals were small,

being in the neighbourhood of 40/50 tons daily of groundnut kernels. Large scale summer crop of kernels could be expected only by May end. The standing groundnut crops are reportedly good, though one or two summer showers would make them yield better.

Other Seeds & Oils: Gingelly oil and seeds have gone up in prices due to shortness of stock:

Gingelly seed: Itarsi/Bhopal variety Rs 76/8 per bag. Rajasthan quality Rs 72 to Rs 72/8 per bag. Ananapur quality Rs 72/72/8 per bag. Local variety Rs 75 to 76 per bag.

Gingelly Oil: Wholesale Rs 22/- per maund. Retail Rs 22/4 per maund.

Foreign Markets: France is reported to have bought some quantities of groundnut oil other than Indian origin at a higher level of prices. Due to this, UK and Continental prices have firmed up slightly. Afloat stocks of groundnut cake have been sold out with small improvement in prices. Latest ruling levels in some oils and seeds in the foreign markets are:

Groundnuts April/May £75 per ton. Castorseed April/May £82 per ton. Nigerseed nominal £53½ per ton. Groundnut oil March/April £124 per ton. Castor oil BSS, Bulk March/April £125½ per ton. Castor oil Commercial £120 per ton. Tobacco seed oil nominal April/May in drums £124 per ton. Coconut oil Straits March £130 per ton. Coconut oil Ceylon £136 per ton. Groundnut oil cake (Expeller) March/April £32 to £32/5 per ton. Groundnut oil deoiled 50% O & A March/April £30/5 to £30/7/6 per ton. Groundnut oil: Burma Rs 1,800 nominal C.I.F. near shipments.

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Hides and Skins

In the Madras Hides and Skins market, Tanned cow hides of 5-5½ lbs remained steady while prices for 8-8½ lbs went up by a couple of naye paise. Export deals were better in all grades though at a price one to two pennies lower per lb. There is no great demand for tanned buffalo hides. Cow calf of market quality was easier by 6 to 10 nP. UK importers are still hesitant to deal in this variety of leather.

In tanned goat skins, 6,000 pieces were transacted, leaving 5,000. Practically no activity was reported in CIF section. In tanned sheep skins, this week's clearance was comparatively less at 38,000 skins, leaving 40,000 in stock to be cleared. Prices, too, were lower by about 40 nP.

Raw skins prices were as follows per 100 skins. Last week's quotations in brackets; Bangalore raw goatskins Rs 575-625 (Rs 575-620); White wool sheep Rs 550-660 (Rs 550-600); Black Wool sheep Rs 440-500 (Rs 440-500); Bezwada raw goat skins Rs 530-540 (Rs 570); He sheep Rs 565-575 (Rs 565-580); she sheep Rs 465-475 (Rs 460-465).

The Indian Mining Association

Early Decision Required on Private Sector's offer of Increased Coal Production

Assessment and Analysis of the Coal Industry's Problems by Mr R. H. Wright, The Chairman

The following is the Speech by Mr. R. H. Wright, Chairman of The Indian Mining Association, at the Annual General Meeting of the Association held in Calcutta on 18th March, 1960 at the Bengal Chamber of Commerce and Industry.

GENTLEMEN,

It is my pleasant duty this morning to review briefly the progress of the mining industry during the last 12 months, to draw attention to some of the problems which have faced us and to give some indication of the future prospects of the industry. At a time when reference is being made frequently in Parliament to the shortage of coal being experienced by the Railways, with the apprehended cut in train services, and to the possibility of closure of a number of mills and factories throughout the country who are without coal, I will probably not be contradicted when I say that coal has never before in the history of this country assumed such great importance.

Although my remarks this morning will apply mainly to the private sector of the industry, I would at the outset like to make it clear that we in this Association consider this whole vast problem facing the mining industry to be a national matter. There should be no pointed distinction between the two sectors and no insinuation that this or that sector is responsible for the present crisis. A very large unit of the public sector is in fact a member of this Association, and we are indeed delighted to have with us this morning representatives of the National Coal Development Corporation, including their Managing Director, Mr. R. C. Dutt. The NCDC have faced a stupendous task in opening out during the Second Plan a number of new areas. They have had their share of good luck and of misfortune, all well known to those units which have been undertaking mining in this country for upwards of a century, and they are now better equipped to assess the contribution which they can make to the ever-increasing coal targets of the future. Let us then have the future production targets decided not on a basis of public sector versus private sector which signifies an attitude of encouragement to one at all costs whilst strangling the other, but on a basis of the coal which each can produce within its capacity of technical and managerial "know how",

without unnecessary expenditure of funds, and generally for the good of the country. Within the overall policy of our Government, the public sector can and will contribute a definite tonnage, and beyond this the private sector should be allowed to contribute its fair share, including new developments in areas where they already have their establishment, their stores, their central workshops and so forth. I will refer to this matter again.

Continuing on my approach that the solution to our present problems can only be found by concerted and constructive action by the many parties concerned with our industry, it is a pleasure to see with us this morning representatives of the Coal Board, the Mines Department, the Railways, the Coal Mines Welfare Organisation and the consumers. Nothing can be gained by any one party engaged in this gigantic effort blaming another party for its shortcomings. Let us appreciate the problems of others, and constructive discussions can achieve far more than destructive criticism. This view is, I know, fully shared by our Coal Controller, Mr. Zaman. During the past year we in the industry have received from him every possible assistance and guidance, many has been the approach turning down, but any reasonable proposal has received detailed study and has been followed up with all vigour. The major share of the credit for the improvement in the operations of the Coal Board must be his, and we are indeed most grateful for all that he has done.

All India coal production during 1959 amounted to something over 47 million tons, of which our share in the Private Sector was 40.4 million tons—an increase of some 6.6 million tons over our 1955 figure. We would be fooling ourselves if we were to state that our Private Sector production during December 1959 was at the level of 43.7 million tons per annum, or very nearly our Second Plan target. It was only during last year that the country for the first time experienced a shortage of coal, and it was perhaps a pity that detailed consideration of ways and means of overcoming this shortage was delayed until the crisis was actually upon us. In October last year, just when the whole problem was being tackled vigorously, production dropped very appreciably due to the cyclo-

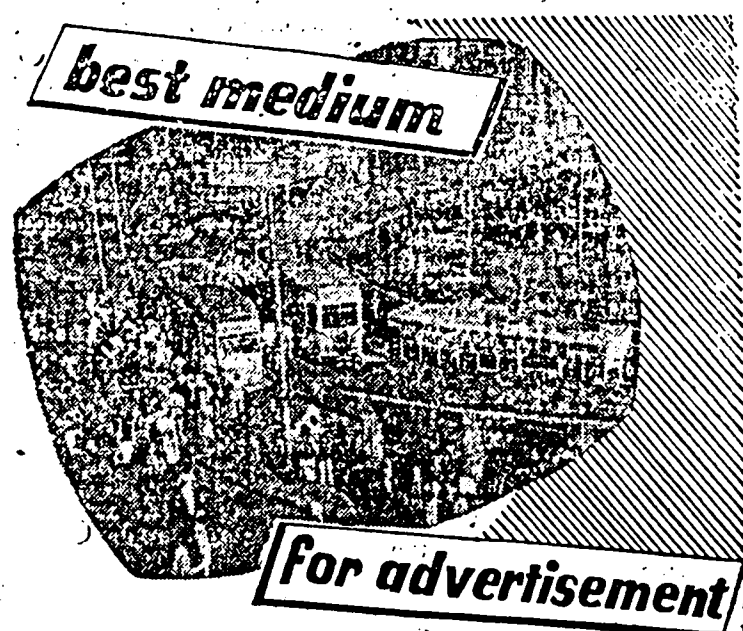
nic conditions which prevailed in the coalfields during the later part of the monsoon. During the month of October, 1959 the output of the Private Sector collieries dropped to only 3.06 million tons, which was at a level much lower than that of the previous two years, and it is estimated that we lost at least 400,000 tons of coal production on account of these floods in the Bengal and Bihar coalfields until the leeway was made up in December.

Over such events nobody has any control, but on the other hand many of the obstacles which have retarded production could most certainly have been avoided. I know it is easy to be wise after the event but only by an impartial examination of the factors which have hampered production can similar pitfalls be avoided in the future. I was rather disheartened when reading through the speeches of some of my worthy predecessors in this chair to note for how long and on how many occasions the same views have been expressed and warnings given which, at best, have only received limited attention. Seven years ago from this chair Sir Walter Michelmore dwelt at considerable length on the need for giving immediate and detailed consideration to the necessity for increased sandstowing and washing; indeed it is a pity that more attention was not given at that time to his words "It has always been my view that a far greater measure of conservation could be achieved by sandstowing, washing and blending than by severe restriction (pegging of output)". Many of these views I shall now repeat, because they cover the basic requirements of the coal industry which must be met if we are to achieve our objective. First and foremost, there is the question of finance and I am sorry to have to introduce this matter so early in my speech. In fact I am sorry that I have to bring it up at all but it is a subject which is foremost in everybody's thoughts and it is a matter, whether we like it or not, which arises on so many occasions; almost everything is linked with finance.

In the industry today we have the demand for our coal, but since prices are pegged no advantage can be taken of the present conditions and many coal companies cannot cover rising production costs, let alone find the funds necessary for expansion. Some months ago Government's decision

on the Coal Price Revision Committee's Report was made known and I am afraid that this report, although concise and to the point, contained certain unfortunate anomalies and was based on a number of incorrect assessments. When asking for an opportunity to explain the inaccuracies, we have been told that the matter is closed. The industry feels that this is hardly a fair method of disposing of such an important matter, particularly when undisputed figures relating to 55 public limited companies which between them produce over one-third of the total output of coal in India show that the average return on capital employed is 2.4% only. Gentlemen, one must appreciate the occasional feeling of bitterness expressed by members of our industry. While I agree that the production costs of other industries and the country must be safeguarded, to expect these to be subsidised by the coal industry, on which so much depends, is to run a very grave risk, to say the least of it. Figures available with the Association show that the cost of coal and coke expressed as a percentage of the gross ex-factory value of products is 1.15% for cotton textiles, 0.7% for jute textiles and 11.25% for iron and steel. For the railways it is 18.5%. A reasonable increase in the price of coal would, I submit, not unduly affect these industries and would cause less financial embarrassment than an acute shortage of coal. Increases in railway freight arising out of the recent Railway Budget have automatically raised the price of coal to consumers and little heed seems to have been paid to inflationary pressure. Many consumers in Western and Southern India will now be paying Rs 1.50 per ton additional railway freight, but without protest from any quarter. The private sector of the coal industry has now reached a turning point, and whether it goes forward or retreats must depend very largely on Government's policy with regard to selling prices. It alone can decide whether the private sector must wither and decay or whether it will go from strength to strength, as indeed it can, if it is placed in a position to meet increasing costs and is permitted to retain the necessary finance to expand.

I now turn to coal production under the Third Five-Year Plan. The industry has been giving this matter considerable thought for



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some time and it has had various discussions with the Ministry of Steel, Mines & Fuel and with members of the Planning Commission. Recent indications suggest that a target of 90 million tons of coal has been fixed for the Third Five-Year Plan, i.e. an increase of about 37 million tons over the estimated level of production at the end of the present Plan. The amount which the private sector can achieve out of this target will depend on the level of encouragement which the industry will receive from Government. Help in certain directions we must have because our hands are tied by controls. If the present conditions are to continue, and if production is to be confined to contiguous areas, it will not be possible for the private sector to produce more than an extra 7.20 million tons by 1965/66. If, however, coal companies are allowed to expand into new areas, for which they hold mining leases, and our basic requirements are met, it will be possible for us to produce an extra 21.60 million tons of coal—14.40 million tons of which will come from proximate leased areas. Certain units of the industry will require assistance in the form of loans to cover the considerable capital expenditure involved, but the production offered by us will still leave a vast target for the Public Sector—sufficient to strain their resources and cause them many a headache. We would therefore ask Government to take a realistic view and to accept our offer in the best interests of the country.

It is hoped that the railways are also turning their attention to the amount of coal which must be moved during this Plan. Details cannot of course be worked out until they know details of the areas from which the extra coal will be raised, but on the assumption that the additional production materialises as is proposed, the railways will have to increase wagon supplies for coal movement by approximately 50% by the end of the Third Five Year Plan. The railways, I know, have many difficulties to face in trying to meet everybody's requirements but I am confident that, as in the past, they will in the future rise to the occasion. But for the immediate future a more steady supply of wagons, and more open wagons where they are required would go a long way to removing the existing anxieties of the industry in respect of rail transport. The industry finds it difficult to understand the need for limiting coal loadings to five hours when, on occasions delays of three or four days occur between the time the wagons are drawn from the colliery siding and they are booked from the despatching stations. This whole matter requires further attention and, whilst demurrage charges and other penalties levied by the Railways are aimed at ensuring that wagons are not held up in colliery sidings, it appears only equitable

that the present irregular times of working of the pilots and the unnecessary delays caused within the sidings while pilots are working should similarly be covered by penalties. Collieries having large sidings with mechanical screening and loading plants should, we feel, be compensated by the Railways when wagon deliveries are delayed and pilots take an inordinate time to draw the wagons.

The next point I would like to turn to is the question of safety and the enforcement of the Mines Regulations. I am afraid at the moment we have not reached a happy balance between safety on the one hand and production on the other. During the year the Mines (Amendment) Act 1959 came into being. The Bill in its original draft form had a number of objectionable features and it was necessary for the industry to make very strong representations to the Ministry of Labour before certain changes were made. Originally Government proposed compulsory imprisonment for a person who had been convicted twice for the same offence within two years. I cannot but express the strong disappointment of the industry at the suggestion of such a penalty, the brunt of which would have fallen on colliery managers. Many collieries today are vast undertakings, some of which employ many hundreds of workers not all of whom perhaps, through lack of education, appreciate fully their responsibilities to themselves and their co-workers. A manager or his assistant cannot watch everything, nobody can, and to treat him as a potential criminal is indeed unjust. We have today an efficient body of mining engineers on whose shoulders must fall the day to day implementation of our plans to increase coal production and such an attitude of mistrust can do nothing but harm. I would like to take this opportunity of expressing our appreciation of the very keen interest in affairs being taken—by no means always supporting the views of the associations of employers—by the two associations of Mine Managers.

With regard to the Department of Mines, all of us connected with the industry are fully aware of their difficult position in the discharge of their obligations, when they are being criticised from all sides. To provide opportunities for an exchange of views regarding our respective difficulties, this Association has recently had the first of a series of regular meetings with the Chief Inspector of Mines at which we on our side can explain the particular difficulties and restrictions being experienced by our collieries, whilst at the same time the Chief Inspector can draw our attention to instances where our members are not extending full co-operation with regard to compliance with regulations. I am sure that this arrangement will do much to improve safety in our mines without unnecessary res-

triction, and our thanks are due to the Chief Inspector for his broad field of vision in this respect. Safety is a joint enterprise between owners, managers, the Mines Department and the workers. Each section is equally responsible for ensuring safety. The law must be administered in a practical and realistic manner, and both employers and workers must be fully conscious of their obligations; safety must not suffer at the hands of production and conversely production must not suffer at the hands of safety.

During the past year we have made repeated representations for the speedy implementation of the Central schemes for stowing in both the Jharia and Jambad/Kajora coalfields. Considerable quantities of high grade coal are going to be lost to the country unless sand and other stowing materials are made available in the required areas and in adequate quantities. Again, on the question of establishment of Central Washeries inordinate delays have taken place with the result that the Steel Plants will, for some time to come have to consume a considerable proportion of the lower grades of coking coals in their raw state pending supplies of the required grades of quality coal from the washeries. These two matters deserve every attention.

Expansion as is now envisaged will require substantial imports of mining equipment and machinery. Until production plans of individual companies are settled exact details cannot be calculated but very substantial increases in foreign exchange will have to be made available to the mining industry. Whilst we are appreciative of the allocations which have been made on account of import licences for mining machinery, and applications have been attended to promptly, an alarming number of applications for the import of spare parts have recently been reduced to a considerable extent. We are all well aware of the difficult foreign exchange position, but if expansion is to follow a regulated pattern adequate releases of foreign exchange will be necessary. Whatever happens, licences for spare parts must be given every priority, since today there are numerous items of machinery lying idle at collieries owing to lack of spares; such idle machines represent a considerable capital investment on which no return is being received.

The judgement has recently been issued in respect of the first of several suits which we have with West Bengal Government in respect of interpretation of the West Bengal Estates Acquisition (Amendment) Act, and I hope that this will pave the way for settlement of these disputes.

The ban on coal exports to all foreign markets other than Pakistan came as a great disappointment to the coal exporters when it was announced some six weeks

ago. Whilst we are all agreed that the demands of industries within the country must be met before exports are permitted, it must be remembered that the tonnage of coal involved to maintain our traditional markets including Burma and Ceylon is not very large, and the earning of foreign exchange therefrom is equivalent to the total value of the annual allocation of foreign exchange permitted to the private sector of the coal industry to cover imported plant and machinery. All that one can hope at present is that these markets can in due course be recaptured without undue delay.

Labour relations have been generally satisfactory throughout the year although latterly there have been certain outbreaks of violence at collieries. The extension of the Majumdar Award upto May 1960 helped to improve the position and on the whole labour are satisfied with their remuneration and terms of service. The output per manshift has fluctuated between 0.41 and 0.43 but in these figures is reflected a considerable amount of additional mechanisation and of open-cast mining, which inevitably shows a high rate of output once the overburden has been removed. Employers are now redoubling their efforts to increase coal output and, while labour certainly have their difficulties, more could be done by them to increase output. We are all trying to increase the industrial wealth of the country, the main purpose of which is to increase the standard of living of the workers which is still so deplorably low. The length of time which this will take can be shortened considerably if workers themselves help to increase output. We all know that many piece-rated workers do not work a full shift; they cut their tub and that is the end of their day's work. In the context of today's events I do not think that we are asking too much in suggesting a full and honest day's work from everybody connected with the coal industry. From employers I would ask that more attention is paid to the provision of welfare measures under the auspices of the Coal Mines Welfare Commissioner's organisation. In particular, I would stress housing. We have now various schemes under the auspices of the Coal Mines Labour Housing Board and it is up to individual coal companies to take full advantage of these schemes, with the full knowledge that a properly housed and contented labour force can only be a great asset to employers.

In this context I would like to refer to the Gorakhpur Labour Organisation and the Coalfields Recruiting Organisation. Recently a Parliamentary Committee has toured the coalfields and has made a thorough examination of the conditions of the camps under the Coalfields Recruiting Organisation. There are persistent demands from certain quarters for the abolition

of this organisation which, I feel, have as their object neither the betterment of Gorakhpur labour nor the welfare of the industry. The Gorakhpur Labour Organisation has now been in existence for some considerable time and has been steadily built up step-by-step until a stage was reached last year when this labour force produced over 5 million tons of coal, in addition to a considerable tonnage of ores. It is easy to destroy but to build is much more difficult and the present is not the time to destroy a well run flourishing organisation which has done so much to help the industry. I do not say that some changes should not be made, perhaps some are necessary, but the present general over all arrangements and control must remain, otherwise coal production will suffer.

Having stressed at some length a number of the difficulties which have confronted us during the year and which have contributed towards the disappointing level of output, I must acknowledge that much has been achieved from the industry's point of view and we have a great deal to be thankful

for. Your Committee, in conjunction with the Indian Mining Federation and the Indian Colliery Owner's Association has been in constant touch with the Government of India and with the various departments dealing with our affairs. In fact no less than eleven visits were made to Delhi during the past year by representatives of the Association to discuss matters with the Government of India. We have received during the year a general appreciation of our difficulties, although speedier decisions on many of our problems is desirable. During the year we have succeeded in a matter which we have been pressing for many years and I am sure that you were all pleased to learn that the private sector is now for the first time represented on the Coal Board. We have also succeeded with our suggestion for the imposition of a cess to give assistance for deep, gassy and difficult mines. The cess has been levied as from 1st February and, whilst details of how the assistance will be paid are now being worked out, it is hoped that actual payment will commence in the near future. We have also managed to achieve increases

which make more realistic the assistance given towards stowing, and this will certainly encourage more collieries to undertake stowing both for safety and conservation. Lastly, but by no means least in importance, we have had the establishment of a Co-ordination Committee between the Ministries of Labour and Fuel, to devise means of ensuring the maintenance of all safety without unduly affecting production.

Turning now to the minerals others than coal, the past year has seen a welcome and rapid increase in the production of all minerals and the demand for these is growing speedily in line with the expansion plans and so forth. Rail facilities, however, still create an imbalance between demand and supply which has resulted in increased cost and dislocation of production.

Unfortunately, whereas the export of iron ore has registered a small increase, the market for manganese ore continues to be unsatisfactory and even now there does not appear to be any valid reason to believe that exports will be substantially increased in the near future. During the year, the

export duty on all manganese ore was removed, the railway freight for lower grades was allowed a rebate to encourage exports, and only last month, the royalty rates for manganese ore were brought down to 1954 levels. This is all to the good and may to some extent contribute towards an increase in the export of ore.

Looking to the future, the Third Plan targets which are still to be announced suggest considerable demand for both ferrous and non-ferrous ores as well as for the extractive raw materials for the refractory industry. Unfortunately, however, the future of most of the mineral companies is uncertain by reason of the fact that Government have still not announced their acceptance of offers to exploit certain scheduled minerals. These mineral companies have for many years had teams of qualified geologists searching for areas likely to yield the minerals needed for industry, and I would most strongly urge Government to reconsider their policy and to permit these companies to obtain new leases and to utilise their considerable experience in the interests of the country.

The Bank of India Limited

Trading on Sound and Beneficial Lines

1959, A Year of Progress

Review of Money Market by Sir Cowasjee Jehangir, Baronet, GBE, KCIE

Extracts from the speech of the Chairman, Sir Cowasjee Jehangir, Baronet, G.B.E., K.C.I.E., at the Fifty-fourth Annual General Meeting of the Shareholders of The Bank of India Limited at Bombay on Thursday, 10th March, 1960.

Ladies and Gentlemen,

With your permission the balance-sheet may be taken as read.

At the time of our Annual General Meeting in 1959 the currency in circulation was Rs. 1,659 crores. At the corresponding date in 1958 it was Rs. 1,546 crores. This year it is Rs. 1,806 crores. The increase on last year's figure is Rs. 147 crores. In the present circumstances, this increase is by no means modest. Our expanding economy would appear to qualify the significance of the figures of currency in circulation but the danger of creeping inflation is ever-present and calls for constant watchfulness on the part of our Government. It is hoped that Government will see to it that their policies do not add to this inflation.

THE YEAR 1959

In many respects 1959 was a year of progress with a better re-

cord than 1958. Pessimism as to the future of private enterprise diminished a little and there is, I think, more confidence in the outlook for private industry than when I addressed you a year ago. Many new issues of shares by companies were made in 1959. A number were appreciably over-subscribed, some spectacularly so. Issues of loans by the Central and State Governments during the year were a success. The rise in industrial share prices of 1958 continued in 1959. There is, I think, a tendency towards an increase in the number of investors in equity share capital. The transactions in shares of The Bank of India Limited are comparatively few and the shares are generally held for long periods, but the number of our shareholders has passed the 10,000 mark.

Industrial development and production proceeded apace in 1959 to a marked degree. The three steel plants built under Government auspices, Rourkela, Bhilai and Durgapur, started production during the year. To this should be added the expansion of the Jamshedpur steel works being undertaken on a considerable scale. Steel production has received great attention. The year saw arrangements made

for appreciable new industrial plant and machinery to replace old. There was further development in the establishment of factories for the manufacture in India of goods which had previously to be imported. This development is the subject of material assistance by way of foreign collaboration as to capital and technical help. The position regarding textiles improved during the year as the off-take in 1959 increased and the heavy stocks of 1958 were materially reduced. To-day, however, the increase in labour charges as recommended by the Wage Board, the higher prices of cotton and the diminishing demand for cloth are factors operating against the maintenance of the improvement.

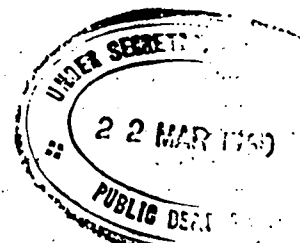
I told you last year that the outlook for the food situation was not entirely dark, that agricultural production had shown improvement and that the position regarding food was expected to get better. This has come about and 1959 has seen increased crops and some easing of the food situation, which is bound up with problems stemming from the continuous and appreciable increase in population.

Generally, world affairs in 1959 tended somewhat towards greater tranquility. The well-being of

peoples would be greatly enhanced if even a part of the enormous expenditure on defence were diverted to productive purposes. If the prospects for long-term world peace were reasonably certain nations could turn their energies and resources to international trade with zeal and confidence. I fear, however, that the position with our neighbour nation on our northern frontiers is not, at present, such as to allow us relief from defence expenditure. The 1960 Budget, presented the other day, proposes an increase of about Rs 30 crores in defence expenditure for the forthcoming year.

FOREIGN EXCHANGE

With the material assistance of external help, there was, in 1959, a marked easing of the drain on foreign exchange reserves. The import restrictions, albeit somewhat relaxed, continued to have their effect and foreign securities and balances held abroad maintained over-all their position in the year. These reserves are small enough, in all conscience, but it is a little reassuring that progressive reduction has been arrested. The picture of our foreign exchange position has still been causing anxiety. The adverse balance of



trade persists, notwithstanding an increase in exports in 1959. The year showed an increase in imports but much is at Government level and some on a footing where immediate foreign exchange payments are not required due to foreign aid or deferment. Plant and machinery for the growing industries form a considerable part of total imports. As I said a year ago, foreign aid and import restrictions are negative measures. It is export earnings which can, ultimately, close the foreign exchange gap.

The United States of America is beginning to feel the effect of an adverse balance of payments which has developed in her economy. Opinion is growing that other industrially developed countries should take upon their shoulders a greater share than at present of the burden of aid to those countries whose development is still young.

Trade agreements between India and other countries have continued in operation. Many of these agreements are now expressed in Indian rupees. Clauses in the agreements providing for ultimate settlement in sterling are, in some cases, being taken out when agreements are renewed.

TAXATION

Business prosperity in this country is not aided by the heavy taxation imposts. High taxation is a handicap to the efforts of private enterprise to accumulate capital for the proper equipment of its industries. It takes away from individuals some of the incentive to earn and save. The Finance Act of 1959 made radical changes in the income-tax law applicable to companies and shareholders. Before this enactment, a holder of shares in a company was given credit in his income-tax assessment for the income-tax paid by the company on profits attributable to his dividend. Tax was not deducted from the dividend. Now, the shareholder does not get credit for any tax paid by the company. Tax at prescribed rates is deducted at source from the dividend and the credit to the shareholder is restricted to the amount of such deduction. The Finance Act of 1959 reduced the rate of company taxation from 51½ per cent. to 45 per cent. for advance payments of tax. The 1960 Budget proposes this reduced rate of 45 per cent. for regular company assessments. Wealth-tax is proposed to be taken off companies, but this removal would not benefit banks as they were never liable to the tax. The excess dividends tax is also proposed to be removed. This was applicable to banks.

The saving resulting from the reduction in the rate of company taxation and from the abolition of the excess dividends tax would not, it seems, equal the loss of tax credit shareholders enjoyed prior to the change made by the Finance Act of 1959, particularly where companies distribute as dividend an appreciable portion of their pro-

fits. The change has made a great difference to the dividends paid to the shareholders of banks. This is due to Government action and not to any fault of the management of banks. To the extent that the new system does away with the need to "gross-up" net dividends in tax assessments there is much simplification and elimination of a good deal of work by the taxing department. The deduction of tax at source under the new system had a cumbersome feature as it prescribed different total rates of deduction for four categories, namely, residents, non-residents, Indian companies and foreign companies. I welcome the proposal in the 1960 Budget to reduce from four to three the different total rates of deduction by prescribing the same total rate of deduction for residents and Indian companies.

THE MONEY POSITION

The Reserve Bank of India Rate, raised from 3½ per cent. to 4 per cent. on 16th May, 1957, continued at 4 per cent. throughout 1959. The easy money conditions beginning in the middle of 1958 prevailed during 1959 and deposits with scheduled banks, particularly time deposits, increased as in 1958. Restrictions on imports continued to reduce the demand for import finance. Disbursements on account of increased activity on industrial projects tended towards easy money. Funds received under the United States of America Public Law 480 and lodged with specified banks would also augment the total of scheduled banks' deposits. The all-India Inter-bank agreement for maximum rates of interest on deposits operated from 1st October, 1958. It reduced undesirable competition amongst the larger banks for deposits. As 1959 wore on, money became still easier and a reduction in the maximum rates for deposits was effected by agreement from 1st September, 1959.

THE BANK IN 1959

The effect of the better business conditions of 1959 on the Bank's profits was modified by easy money and the increasingly high operating costs. At some periods in 1959 the Bank was exercised over the lack of demand for money which was aggravated by the busy season starting late.

The 1959 profit of something over Rs. 82½ lakhs is less by about Rs. 3 lakhs than the 1958 figure of Rs. 85½ lakhs. The two figures cannot be precisely compared. For part of 1959 a higher rate of tax has been deducted at source from our investment income than in 1958, but this does not affect our final tax liability. Before the profit figure has been struck, usual prudent provisions have been made.

Tax provision absorbs Rs. 18 lakhs against Rs. 25 lakhs for the previous year.

A final dividend of 10 per cent. subject to deduction of tax is proposed, absorbing Rs. 30 lakhs.

With the interim dividend of 6 per cent., or Rs. 18 lakhs, subject to deduction of tax, paid last August, this makes 16½ per annum, or Rs. 48 lakhs for the year, subject to deduction of tax at prescribed rates. The proposed carry forward at about Rs. 12½ lakhs is slightly smaller than in the previous year.

I appreciate that shareholders will be disappointed that we are proposing what amounts to a lower net dividend for 1959 than for 1958. The Bank's dividend for the four years ended 1958 was 16 per cent. per annum free of income-tax. In spite of an increase in taxation suffered by the Bank during the four years, the same dividend was paid to shareholders. I do not think that the Board could, in existing conditions, prudently propose any increase in the dividend for 1959 to off-set in some degree the reduction in the net payment caused by the deduction of tax.

I must not, however, be construed as saying that the Bank's business in 1959 receded. That is by no means the case. Progress was made and trading was conducted on sound and beneficial lines, but the reduction in the net dividend paid to shareholders is due to Government action.

BRANCHES

During 1959, we opened four new branches—Santa Cruz (Bombay), Maninagar (Ahmedabad), Sowcarpet (Madras) and Cochin. We are giving increased service by establishing additional safe deposit vaults. New vaults have been opened at Santa Cruz and Churchgate branches in Bombay, at Navrangpura and Maninagar branches in Ahmedabad and at Kanpur branch. Further branches and safe deposit vaults are being opened in India. A branch at Hong Kong is being rapidly prepared for opening and will, I think, be a useful link in our chain of foreign branches.

STAFF RELATIONS

During 1959, staff relations were on a fairly even keel. Problems and difficulties occur and require patient, tactful handling.

DIRECTORS

During 1959, at our invitation, Mr. Jaisinh Vithaldas and Mr. Giridharilal Mehta joined the Board. Under the law and the Bank's Articles of Association they hold office only up to today and their election is on the agenda of this meeting.

Mr. Jaisinh Vithaldas is a partner in the old Bombay firm of Messrs. Vissanji Sons & Company and is on the board of cotton manufacturing and other companies. He belongs to a family with long connections with industry in Bombay and we consider he would be an asset in the deliberations of the Board.

Mr. Giridharilal Mehta is a Calcutta industrialist of much experience. He is managing director of Jardine Henderson Limited and is on the board of other companies,

mainly registered in Calcutta. We believe his assistance would be of much value to the Bank, particularly in relation to business emanating from Calcutta.

LOCAL COMMITTEES AND STAFF

I would voice our appreciation of the help given by our Local Committees at branches. In 1959 we have extended the number of Local Committees in India and abroad. We think this will assist us greatly in the consideration of proposals for advances.

I express our thanks to Mr. T. R. Lalwani for his competent management of our affairs in 1959—also to the staff who have assisted Mr. Lalwani in dealing with the Bank's business during the year.

Note:—This does not purport to be a Report of the proceedings of the Annual General Meeting.

Andhra Plans

The Andhra State Government have decided to establish a newsprint and a synthetic drugs manufacture with Russian aid. In giving this information, while replying to the four-day debate on the Andhra Budget, Mr. Brahmananda Reddi, Finance Minister, stated that a machine tools unit would be started in the State, as a subsidiary to the Hindusthan Machine Tools Factory. Mr. Brahmananda Reddi reiterated the fact of the State's backwardness in industrial development, and added that an industrial bias had to be given to the State's Third Plan. The State would be having its fertilizer factory with the aid of the Central Government of India in regard to foreign exchange. German collaboration has been enlisted for this factory.

Union Carbide in India

Another foreign industrial luminary to visit the country in recent weeks was Mr. Kenneth Rush, Vice-President and Director of Union Carbide Corporation, USA, the international organisation which has extensive activities, which include operations in the field of alloys, ores and minerals, batteries, electrodes, calcium carbide, industrial gases, chemicals and plastics. Associated with the Union Carbide Corporation since 1936, Mr. Rush has directed the operations of the international division of the Union Carbide Corporation since 1954, when the corporation embarked upon a phase of expansion of overseas business which has not yet ended.

An interview with pressmen at Calcutta provided the occasion for Mr. Rush to detail with the activities of the corporation in India and to indicate future developments. It has four manufacturing plants in India producing dry cells, radio batteries, torches and zinc sheets and strips. With a fifth plant now under construction for the manufacture of organic chemicals and polyethylene, the Corporation is in the thick of an expansion programme in India. Costing Rs. 4.5 crores, this major project is expected to go "on steam" this year.

CHAIRMAN'S SPEECH

The Alkali & Chemical Corporation of India Limited

Sales 31% Higher than Previous Year

Mr. J. M. Lal on future plans

Speech delivered by the Chairman, Mr. J. M. Lal, at the Twenty-third Ordinary General Meeting at Calcutta, on Wednesday, the 16th March, 1960.

Gentlemen,

The Audited Accounts and Directors' Report have been in your hands for some time and, with your permission, I shall take them as read.

On the whole, your Company has had a good year. Sales were 31% higher than in the previous year. The Polythene Plant commenced production in May 1959 and polythene sales were mainly responsible for the increase in turnover. There was also an appreciable increase in the turnover of Paints. As regards Chlorine and Caustic Soda, although the sales were satisfactory during the year under review, the Government have since fixed ceiling prices which will restrict the profit of this section of the factory in future years. Representations have been made to the Government by the Industry and it is hoped that some relief will be given, otherwise this Industry in North Eastern India cannot progress and production is unlikely to keep pace with the increased demand.

Our export sales have grown and, in support of the Government's export policy, means of increasing exports are being examined.

PROFITS, DIVIDENDS & TAXATION

Turnover and trading profits showed satisfactory increases of over 30%. Interest paid on borrowings this year as against interest received last year brought the net profit increase down to 6%. Through the operation of the Development Rebate Scheme there was no liability to income tax this year. I may perhaps say a word or two about this scheme. The requirement to appropriate 75% of the development rebate claimed out of current profits is indeed an onerous one but, fortunately, in a Company like ours which follows a policy of sound conservative finance and has built up fairly large revenue reserves, the implications are not serious. Most of the money we have placed to the credit of development rebate reserve we released from other reserves. Our total reserves of 91.5 lakhs (excluding a small balance on profit and loss account)

depict a very healthy state of affairs.

The formulation of the recommendation for payment of a dividend on Ordinary Shares this year was a major exercise which required extremely careful consideration by the Board. The Shareholders' interests are always uppermost in your Directors' minds who are conscious of the fact that although the dividend of 9.5% that they have recommended is higher than the previous year's rate, the net amount in the hands of the Shareholders will be less.

We were told by the Finance Minister himself last year that the new proposals for a dividend tax of 30% and reduction of Company Tax to 45% would not increase the tax burden on Companies and Shareholders collectively. May I tell you that in recommending the present dividend your Directors have allocated the same amount of profit before tax to this dividend as they did last year. Any saving in Company Tax has been passed on to you and any additional dividend tax that you may have to pay is to be borne by you. Whether or not the result of the new taxation system has increased the tax burden on you, you can see for yourselves from the net amount you receive. The Finance Minister, when introducing these tax proposals promised to review the position if it were shown to him that in fact Government would recover substantially higher taxes. From the Reports of many well established companies it is quite evident that the burden of taxation under the new system is substantially higher. Although representations have been made to Government on behalf of Industry & Commerce, I regret to note that the recent Finance Bill offers no relief to your Company in this regard.

In formulating their dividend policy, the Board have also had to bear in mind the substantial development programme they have on hand and also the Company's indebtedness to Banks.

In conformity with the terms of issue the dividend on Preference Shares has been paid free of Income Tax. In other words, a dividend of 7.14% the gross equivalent of 5%, has been paid.

Another major defect in the tax system concerns payment of dividend from past reserves which have already been taxed at higher rates. Dividends declared from

those reserves are also subject to deduction of tax at source at the prescribed rates which virtually amount to confiscation of tax credit on the taxed reserves of companies. The current Finance Bill appears to make a small concession to companies in this regard but the wording of this provision in the Bill is far from clear. I consider therefore that it would be unwise for me to make any further observation on this matter at this stage.

PRODUCTION

Production in all Units of the factory was maintained at a satisfactory level. "Alkathene" brand of polythene granules and "Alfloc" Water Treatment Powders were added during the year to the range of products manufactured at Rishra. The designed output of the polythene plant was achieved with little trouble. This success has been due in no small measure to our Technical Advisers, Imperial Chemical Industries Limited, London; to the wholehearted co-operation of contractors engaged on the work and, not least, to the efforts of the staff at Rishra factory and in Head Office.

The extensions to the Caustic/Chlorine Plant were substantially completed during the latter part of the year and the Plant is working at an increased capacity from September 1959.

EXPANSION PROGRAMME

A phased programme has been worked out to extend the Paints Plant at Rishra and it is expected that during the current year increased production will be achieved. We are still faced with a shortage of raw materials due to restriction in Import Licences. Increasing use is being made of indigenous raw materials.

FUTURE PLANS

An announcement has already been made that a Plant for the manufacture of various chemicals used in the Rubber Industry will be constructed at Rishra at a cost of rupees two crores. Plans have now been finalised and construction work will begin shortly. This Unit will be erected under an agreement with our Technical Advisers, Imperial Chemical Industries Limited, London, who will provide the know-how and the sterling loan finance required to cover the cost of machinery which must be imported. When the Plant is in production a considerable saving in

Foreign Exchange is expected. We have other plans on the drawing board about which I hope to say something later in the year. Here I may perhaps digress a little and say a few words about the country's plans.

It has become common practice for a number of industrialists and Company Chairmen to find fault with Government in their public speeches and the Third Five-Year Plan being in a formative stage at the present time has come in for a great deal of criticism from the usual quarters. I for one must differ from these experts.

It is very easy to criticise a country's plans and theoretical economists everywhere are always ready to criticise that which does not fit into their own pattern of thinking. They called the Second Plan "over-ambitious" and, despite the measure of success which that Plan has met, they repeat the same criticism against the Third Plan. The fiscal objective of the Second Plan was to increase the per capita income from Rs. 281 per head to Rs. 331 per head by 1961. When I tell you that the comparable figure in Britain was Rs. 3990 per head, you will realise the enormity of the task that lies ahead.

If we wish to make progress we must approach the problems with boldness. By that I do not mean that we should be reckless in our planning but we must not be timid. The world around us is moving fast and we who have to make up so much leeway must not fall further behind. The one thing that we have to avoid is becoming inflexible in our plans. I am happy to say that by their resilience in tackling the Second Five-Year Plan, our planners have shown their ability to re-think and adjust their sights. I have no reason to believe that they would not do so in the years to come if such a step were warranted. But it is my view that in the world of the 1960s when it seems inevitable that the less developed countries will receive more assistance from our more fortunate friends abroad, a Five-Year Plan of Rs. 10,000 crores for 400 million people of a democracy is unlikely to be allowed to run into financial difficulties which would necessitate major adjustments.

LABOUR RELATIONS

Last year I emphasised the need for labour and management alike to recognise their common objec-

tives; the prosperity of the one being closely linked with the prosperity of the other. We have, to a large extent, through Works Committees and direct negotiations with the Union reached agreement on a number of outstanding questions in a cordial atmosphere. Relations with employees in all sectors of your Company have been satisfactory.

Work reward and other incentive schemes are under consideration with a view to increasing productivity and enabling the participants to earn greater reward for greater output. I must emphasise that with the present wage structure and amenities provided for the staff it is essential that productivity must increase if industry is to progress at a satisfactory rate.

Ours is already a high cost economy and unless steps are taken to keep the unit cost of production in check further inflation will be unavoidable.

Large scale Governmental spending inevitably results in some inflationary stress and if the unit cost of production in secondary industries is also rising simultaneously and no checks are applied then the economy can be in real danger.

In pursuance of the Company's policy of providing opportunities to staff to fill positions of responsibility, members of the Technical staff are regularly sent abroad for training. We are grateful to our Technical Advisers, Imperial Chemical Industries, London, and our Associates in Australia for providing facilities for their training.

Much was done during the year to provide more staff and workers with housing. Three blocks of ten quarters each, and four blocks of six rooms each were constructed at Konnagar near Rishra. Orders have also been placed for the construction of further three blocks of sixteen quarters each.

Your selling agents, Imperial Chemical Industries (India) Private

Limited, have rendered the Company excellent service, both commercial and technical, and it gives me great pleasure to place on record this expression of our thanks. I would also express on behalf of your Board our appreciation of the services rendered by the staff and workers at the factory and Head Office throughout a particularly arduous year to which the extensions on the scale undertaken by the Company have thrown a very great additional burden and responsibility on all staff.

DIRECTORS

The Directors retiring by rotation are: Sir Biren Mookerjee, Sir B. P. Singh Roy and Mr. C. A. Pitts, and I have pleasure in recommending their re-election.

Once again we have to pass a resolution that the age limit applicable to Directors should not apply to Sir Bijoy. I have pleasure in commending this resolution to you.

I have also to announce that more recently Mr. John Dick was appointed an Alternate Director for Mr. Basil Robertson Goodfellow.

Messrs. Lovelock and Lewes, the Auditors, seek re-election and have asked a fee of Rs. 10,000 plus out-of-pocket expenses, which is the same as the previous year. Again I recommend their re-appointment on these terms.

There is also an item of special business which refers to the appointment of Imperial Chemical Industries (India) Private Limited as sole selling agents for a further period of 5 years. Full particulars are given in an explanatory statement. A further item of special business requires your approval to I.C.I. (India) holding a place or office of profit namely as sole selling agents of the Company. I commend these resolutions to you.

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

KYANG TEA SEED COMPANY, LIMITED

NOTICE is hereby given that the Thirty-second Annual General Meeting of the Members will be held at the Registered Office of the Company No. 4, Bankshall Street, Calcutta on Monday the 11th April 1960 at 11.45 A.M. for the following purposes.

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1959.
- (2) To elect a Director.
- (3) To appoint Auditors and to fix their remuneration.
- (4) To consider and if thought fit, to pass with or without modification the following Resolution as a Special Resolution:—

"That the Company do hereby approve of the Contract, a draft of which is set out below and which shall be deemed to be incorporated in and form a part of this resolution, being entered into between the Company of the one part and Shaw Wallace & Co. Ltd., the Managing Agents of the Company, of the other part:—

An agreement dated the day of one thousand nine hundred and sixty BETWEEN KYANG TEA SEED COMPANY LIMITED, a Company registered under the Indian Companies Act and having its registered Office at No. 4, Bankshall Street, Calcutta (hereinafter called "the Buyers") of the one part and SHAW WALLACE & COMPANY LIMITED, a Company registered under the Indian Companies Act and having its Office at No. 4, Bankshall Street, Calcutta (hereinafter called "the Sellers") of the other part.

THE SCHEDULE above referred to Particulars of Goods

Description	Quantity	Price
FERTILISERS	Upto maximum of 10 tons	Market Price prevailing at dates of orders or dates of delivery.

Fungicides, insecticides and other chemical preparations	Upto a value of Rs. 5,000
Sprayers & Spare Parts	Upto a value of Rs. 5,000
Agricultural Implements	Upto a value of Rs. 5,000

The Transfer Register will be closed from 1st April 1960 to 11th April 1960 both days inclusive.

N.B.:—A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

By Order of the Board,
SHAW WALLACE & COMPANY LTD.
Managing Agents.
7th March, 1960.

Explanatory Note:

Section 360 of the Companies Act 1956 prescribes, inter alia, that a Company may, by a special resolution approve any contract being entered into with its Managing

Whereas the Sellers in the course of their business sell goods of the description set out in the Schedule hereto. AND WHEREAS the Buyers are dealing in such goods from time to time.

NOW IT IS HEREBY AGREED AND DECLARED as follows:—

1) During the period of this Agreement the Sellers will sell and the Buyers will purchase goods (hereinafter called "the Goods") of the description quality and the quantities to be supplied each year as set forth in the Schedule hereto at the price mentioned therein. Delivery of the Goods shall be made in accordance with Buyers requirements. Buyers delivery requirements shall be notified by an Advice Note.

2) Annual quantities shall be delivered before the 31st December in every year.

3) Unless otherwise mutually agreed the terms and conditions commonly used in the trade shall be applicable to all sales made hereunder in so far as they relate to the particular goods purchased.

4) The price of the goods shall be paid to the Sellers within one month from the date of the actual delivery of the goods to the buyers.

5) All disputes or difference between us and relating to the terms of the Agreement shall be settled by Arbitration in accordance with the Arbitration Act 1940.

6) This Agreement shall commence on the 1st day of January one thousand nine hundred and sixty and shall continue for a period of five years.

Agents or any associate of the Managing Agent for the sale, supply or purchase of any property or for the supply or rendering of any services other than that of Managing Agents.

It is considered desirable and in the interest of the Company to purchase the items enumerated in the Schedule to the proposed Agreement from the Managing Agents Messrs. Shaw Wallace & Co. Ltd. as and when required and the proposed special resolution has been included in the annexed convening notice to approve of the contracts that are in existence and/or may be entered into with the Managing Agents in respect of the items mentioned in the Schedule to the draft Agreement.

FOR THE INVESTOR

Curb on Speculation

Investment Gossip:

ALTHOUGH the stock market is still reeling under the heavy blow struck by the Reserve Bank directive of last Friday, there are discernible in the past day or two, signs of a revival of buying interest at the lower levels.

There is no denying the crushing effect of the RBI action. But none can find fault with the stated intention behind the curb move. It is to put a stop to unbridled speculation on the stock markets. As it has been found that bank credit has been aiding speculation, banks have been asked not to indulge in budia transactions. The fifty per cent margin on equity share transactions over Rs 5000 is also aimed at putting an end to undue speculation.

To say that the RBI curb is justified is, however, not to suggest that what has been done cannot be cavilled at. The measures can be supported only if they reduce speculation. Here, one has to make a difference between activity emanating from the gambling propensity and genuine expectation of improvement in prospects based on growth considerations. Again, as the RBI directive has itself admitted, needs of genuine investment activity should not be jeopardised. There is now a genuine fear that some at least of the RBI measures will militate against normal functioning of investment activity. The right thing to do for the RBI (as it has already done in respect of one of the provisions in the directive) is to remove any disability or misunderstanding that its directives might have created for regular business on the stock markets.

It is true, it is rather difficult to counter the argument that, in the present stage of our economy, when expansion is the keynote of industrial activity, it will be folly to dub as speculation all substantial price increases in equities. Even so, it cannot be denied that the post-budget bullishness has richly qualified for such a description.

The continued uncertainty as regards dividends of preference shares has further added to present confusion in the stock markets. As was to be expected, preference shares are completely neglected.

The coming meeting at Calcutta of the Investment Committee of the LIC is eagerly awaited, as it is

believed that it will give some useful pointers. The expectation seems to be that the Corporation may decide to enter the market as a buyer of equities in view of the present attractive price levels.

As I have indicated last week, the outlook for equities and, therefore, for the Investor, is good. Mr Morarji Desai's second Budget has no doubt improved prospects for the private sector. Steady stock markets are indicated, provided the Stock Exchange does not invite Authority's intervention again by unbridled speculation.

Preference not Preferred

Investment Special:

Preference shares, except for a select few, are now under a cloud. The argument that started in September last with the conversion of some preference dividends into taxable dividends (reduced automatically by 30 per cent deducted at source) has ended with Mr Morarji Desai's hint that companies which choose to do so, unless expressly forbidden, can limit payments to shareholders in future. This has not been lost on the Jeypore Sugar Co., which has raised its ordinary dividend for the year to June 1959 to 10 per cent, but has cut the preference dividend to 6 per cent taxable. The company's report says that the dividend is subject to tax, according to the Finance Act of 1959 and 1960.

But it adds the excess will be paid, if found payable, on clarification and sufficient provision has been made for the same. The action may be related to the withdrawal of Rs 2.77 lakhs from Reserves for paying dividends, since the profit of Rs 6.14 lakhs is reduced by the allocation of Rs 4.55 lakhs, to the development rebate reserve. The closure of the Nagaram factory for this season is mentioned, as also the success of the ferro-manganese plant using both local and Madhya Pradesh ore. The output is sold mostly to Hindustan Steel at Rs 850 per ton f.o.r. Rayaghada. The output from the second furnace is earmarked for export by the company to the USA. But the Jeypore Sugar Co's policy has been anticipated by the A. V. Thomas Group of planting companies, which have made preference dividends taxable. These shares have, therefore, fallen while some preference shares listed in Madras have moved up consistently in the last few months. The proposal of EID & SF to make preference dividend taxfree on the lines proposed by Walchandnagar has met with some opposition from holders of ordinary shares on the ground of undue generosity, but the Preference Capital is £200,000 in cumulative shares and conversion into tax-free is now called unfair. Meetings called for the purpose have been adjourned, but it may be added that ordinary shareholders got bonus shares twice and got also Parry's Confectionary shares by way of a special dividend. They also stand to gain from the rights issue expected in view of plans drawn up to start a fertiliser factory under the

auspices of the EID & SF group to make the most of new opportunities.

ERs New Issue Notes

The Hindustan Aluminium Corporation Limited has announced the following procedure for the allotment of equity shares. Applicants up to 250 shares will receive full allotment. Applicants for more than 250 and up to 300 shares will receive 250 shares. Applicants for between 350 and 1,000 shares will get 70 per cent, but only in multiples of 50. Applicants for between 1,000 and 5,000 shares will get 65 per cent allotment, also in multiples of 50. Applicants for over 5,000 shares will receive only 60 per cent allotment. The number of shares to be allotted to the public is 21,56,000 as against which the total applications were nearly 29 lakhs.

It is understood that Larsen and Toubro Limited has applied to the Controller of Capital Issues for raising fresh capital of about Rs 20 lakhs. The proposed issue is expected to be made to the existing shareholders in the ratio of one for two shares held.

Radio and Electricals Limited, Madras, has proposed to issue 1,25,000 equity shares of Rs 10 each, at par, in the ratio of 1:2. The Government sanction has been obtained. The last date for receipt of letters of application and renunciation is 31st March, 1960.

Ashok Leylands Limited has convened a general meeting on the 16th April to consider an increase in the authorised capital of the company from Rs 3.25 crores to Rs 10 crores.

The directors of the Asian Cable Corporation have decided on the basis of allotments to the various categories of applicants and this has been approved by the authorities of the Bombay Stock Exchange. Inquiries indicate that there were more than 5,540 applicants for a total of 76,190 shares for the public issue of 25,000 shares of which Rs 25 was payable on application. With regard to applicants for 15 shares to 500 shares, the allotment varied from 40 to 25 per cent. A definite percentage could not be allotted in each group, as the shares had to be allotted in lots of five only. The highest application for 1,000 shares had been allotted 200 shares only. The company will be shortly returning the cheques to those applicants who have not been allotted any shares.

ERs Investment Notes:

It is understood that the East India Distilleries Limited has completed arrangements for erecting a new factory at Ennore, near Madras, for the manufacture of compound fertilisers at a cost of £3 million. The finance required for this purpose may be obtained partly through loans and partly by the issue of additional capital in equity shares to the existing shareholders. The company has declared a second interim dividend of 14-2/7 per cent, and a

special dividend of 7-1/7 per cent which, along with the first interim, makes a total of 28-4/7 per cent gross for the year ended 30th September, 1959.

ERs Investment Briefs:

Dhanalakshmi Mills Limited, Coimbatore, has reported a net profit of Rs 25.81 lakhs for 1959 as against Rs 14.61 lakhs in the previous year. A gross dividend of 17½ per cent is recommended against a tax-free dividend of 10 per cent for 1958.

Kumergode Estates Limited has earned a net profit of Rs 2.20 lakhs for the year ended 31st October, 1959 as against Rs 2.52 lakhs for the previous year. The dividend is maintained at 20 per cent, though the latest distribution is subject to deduction of tax.

The Coimbatore Cotton Mills Limited has shown a net profit of Rs 10.03 lakhs for 1959 as against Rs 6.33 lakhs in 1958.

ERs Balance-Sheet Brief:

The Union Carbide India Limited has recommended a final dividend of 10½ per cent, subject to deduction of income-tax, be paid out of earnings for the year ended 25th December, 1959. This, plus the interim dividend of 7½ per cent paid to shareholders in November, will bring dividends in respect of the 1959 working of the Company to 18 per cent subject to deduction of income-tax and will absorb Rs 36,00,000 as compared to 14 per cent free of tax and Rs 28,00,000 respectively for 1958. 1959 earnings, before tax and after Development Rebate, amount to Rs 1,35,50,812 on gross sales of Rs 7,69,92,592 as compared to 1958 earnings of Rs 82,85,063 on gross sales of Rs 6,05,06,971. Development Rebate in 1959 amounts to Rs 2,30,000 as compared to Rs 4,50,000 in 1958. Tax provision for the year absorbs Rs 64,61,432 as against Rs 45,37,014 for the preceding year. Rs 25,00,000 has been transferred to General Reserve and the balance carried forward in surplus account is Rs 43,63,429. The principal reasons for the improved results were reduced manufacturing costs and increased sales. A higher volume of production contributed to the reduction in costs and enabled management to reduce selling prices to customers for several of the Company's products. Increased sales of flashlights were possible because of the larger output available from the Lucknow factory of The Eveready Flashlight Company in its first complete year of operation.

The Union Carbide India Limited has announced that the rights, offering of 8,00,000 new shares of Rs 10 each at premium of Rs 2.50 nP per share in the proportion of two for five held, is expected to be made on or about 1st June, 1960. The new shares will rank in all respects pari passu with the existing shares except that they will not entitle the holders thereof to any dividend declared at or prior to the annual general meeting to be held in the year 1960.

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following offices:

Ahmedabad Market, Aligarh, Allahabad, Allahabad (Katra), Allahabad City, Ambala Cantt., Bareilly, Bhagalpur, Bhopal, Bombay, Calcutta, Calcutta College Street Market, Calcutta Shambazar, Calcutta South, Chandigarh, Dehra Dun, Faizabad, Firozabad, Jabalpur Civil Lines, Jhansi, Jullunder City, Kalpi, Kanpur, Lucknow, Meerut, Moradabad, Mussoorie, Nagpur, Naini Tal, New Delhi (Karol Bagh), Orai, Patna and Patna University.

M. J. MacLaren,
General Manager.

COMPANY REPORTS

Indian Steel & Wire Products
Produce Satisfactory Results

Balance-Sheet Reviews:

It would be recalled that, according to a resolution passed on the 30th March 1959, the share capital of the Indian Steel & Wire Products Limited had been increased by issuing two bonus shares for every fully-paid Ordinary share and in proportion thereto as regards partly-paid shares.

The working of the company, during the year ended 31st March 1959, has resulted in a higher net profit, before providing for Depreciation and Taxation, of Rs 87.11 lakhs as against Rs 69.88 lakhs for the previous year, although sales are slightly lower at Rs 4.15 crores against Rs 4.27 crores.

In respect of allocations to Funds, a sum of Rs 3.00 lakhs is provided for General Reserve apart from raising the Taxation provision from Rs 33.00 lakhs to Rs 60.50 lakhs, including Rs 16.05 lakhs provided for taxation under Section 23A for the assessment years 1955-56 and 1956-57 and additional taxation for 1957-58. The Depreciation amount is, however, reduced to Rs 8.47 lakhs from Rs 14.14 lakhs and Development Rebate Reserve to Rs 1.40 lakhs from Rs 4.33 lakhs. The directors have recommended a dividend of Rs 1.00 and a bonus of 62½ p, making a total of Rs 1.62½ p per share on the increased ordinary capital as against Rs 4.00 previously.

Against a paid-up capital of Rs 96,79,740, Reserves and surplus are shown at as much as Rs 2.64 crores. The gross block at Rs 2.19 crores is depreciated by Rs 1.46 crores to show a net block value of Rs 73.25 lakhs.

The company has obtained a licence to import modern Wire Rod Mill machinery on deferred payment arrangements. All the financial arrangements have been made with the Bank of America and the manufacturers. The machinery is expected to arrive during the financial year 1960-61. It is estimated that the total cost of the new mill will be about Rs 2.50 crores.

Mg. Agents:—Indra Singh & Sons Private Ltd.			
Year ended March	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	41,520,425	42,764,535	44,054,536
Interest, & Dividends	859,451	848,306	843,354
Stocks	3,564,998	1,890,414	2,056,120
Works in progress	332,875	193,029	150,760
Net profit	8,711,146	6,888,441	8,663,408*
Taxation	6,050,000	3,300,000	3,900,000
Depreciation	848,947	1,414,440	1,079,784
Reserve Fund	300,000	—	1,800,000
Development Rebate Reserve	140,474	433,371	619,137
Div. Amount Ord.	1,572,958	1,290,632	1,290,632
Carry Forward	1,296,128	1,495,361	945,363
Div. % Ord.	16½	40	40

(Annual General Meeting on 28-3-60 at 11 a.m.)
*Includes Rs 1,605,000 being provisions for Taxation under Sec. 23A for the assessment years 1955-56 and 1956-57 and Additional Taxation for 1957-58.

Synopsis of balance sheet as on the last day of March			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	9,679,740	3,226,580	3,226,580
Reserve Fund	4,291,535	10,444,694	10,444,694
Other Funds	20,797,984	20,557,510	20,224,139
Taxation Provision	4,734,834	3,356,414	4,305,137
Debits	10,853,856	7,865,072	7,674,712
Carry Forward	1,296,128	1,495,361	945,363
Total	51,653,576	46,745,631	46,820,625

Assets			
G. Block	21,888,229	21,550,769	20,845,496
Depreciation	14,563,174	13,716,227	12,301,787
Block (net)	7,325,055	7,834,542	8,543,709
Stores	3,410,257	3,702,969	3,083,222
Stocks in Progress	332,875	193,029	150,760
Raw Materials	3,979,098	800,643	716,952
Outstandings	3,564,998	1,890,414	2,056,120
Do More than 3 months	3,238,724	3,121,951	4,554,553
Mis. Deposits and Advances	2,239,701	1,933,304	1,189,501
Investments	3,844,735	4,104,808	3,029,060
Deposits in Banks	5,797,135	5,134,974	4,092,100
Cash	93,659	98,339	10,504,500
Total	17,827,539	17,865,595	8,901,148
Total	51,653,576	46,745,631	46,820,625

Rallis India Pays Part of
Preference Arrears

Rallis India Limited has reported a reduction of about Rs 2 crores in turnover in the year ended 31st August 1959. The main reason for this is the reduced quantity of steel imported. The net profit has, however, shown a rise to Rs 28.55 lakhs from Rs 18.73 lakhs, the most important contributors to the rise in profits being Cotton, Fertilizers and Machinery.

The directors have provided Rs 3.25 lakhs (Rs 5.18 lakhs) for Depreciation; Rs 4.43 lakhs (Rs 1.75 lakhs) for Taxation and Rs 25,500 (Rs 15,000) for Development Rebate Reserve. After making these provisions and adjusting the loss brought forward from the last account, there is a disposal balance of Rs 11.55 lakhs. Out of this, the directors have been able to recommend the arrears of dividends on the Preference shares for two years ended 31st August, 1954, leaving a balance of Rs 2.55 lakhs to be carried forward.

The balance-sheet, as at 31st August 1959, shows a paid-up capital of Rs 3 crores divided into 2.25 lakh Ordinary shares and 75,000-6 per cent taxable Cumulative Preference shares, both of Rs 100 each. Gross block is shown at Rs 66.75 lakhs and this is depreciated by Rs 30.90 lakhs to show a net block value of Rs 35.86 lakhs.

Secretary:—Mr Kenneth Sheppard			
Year ended August	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	151,954,938	249,653,261	260,613,728
Interest, Dividends & Mis. Incomes	1,978,417	1,639,960	1,687,225
Stocks and Raw Materials	15,391,102	21,016,542	26,184,541
Works in progress	2,999	119,932	25,744
Net profit	2,855,242	1,873,337	2,136,933*
Taxation	310,673	53,031	16,633
Wealth Tax	132,465	122,078	125,000
Depreciation	325,263	517,704	1,995,400
Development Rebate Reserve	25,500	15,000	—
Div. Amount Pref.	900,000	—	—
Carry Forward	254,744	906,597	4,412,938
Div. % Ord.	Nil	Nil	Nil
Div. % Pref.	12½	Nil	Nil

(Annual General Meeting on 7-4-60 at 3 p.m.)
*After transferring Rs 1,404,391 from Property Reserve and Rs 625,000 from provision for taxation and taxation contingencies.
†The debit balance of Rs 3,247,714 was reduced to Rs 906,597 after transferring Rs 2,341,117 from Property Reserve.
‡Div. dividend for two years ended 31-8-53 and 31-8-54 at 6 per cent per annum.

Synopsis of balance sheet as on the last day of Aug.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
6% T.C. Pref.	7,500,000	7,500,000	7,500,000
Ordinary	22,500,000	22,500,000	22,500,000
Other Funds	40,500	1,094,424	463,498
Loans Secured	4,659,591	12,567,656	18,667,952
Taxation Provision	160,000	150,000	136,565
Debits	7,927,286	5,480,218	10,745,976
Carry Forward	254,744	—	—
Total	43,042,121	49,292,498	60,034,120

Assets			
G. Block	6,675,349	8,512,939	12,168,633
Depreciation	3,089,526	4,626,928	6,063,534
Block (net)	3,585,823	3,885,951	6,105,151
Cap. Exp. in progress	133	25,351	57,858
Stores	1,192,974	1,391,418	1,232,351
Stocks in Progress	2,999	119,932	25,744
Outstandings	15,391,102	21,016,542	26,184,541
Do More than 3 months	8,343,130	8,074,280	12,038,703
Mis. Deposits and Advances	2,107,065	2,607,996	2,112,381
Investments	2,595,089	2,465,308	5,327,171
Deposits in Banks	7,688,875	1,106,383	1,126,528
Cash	2,134,931	5,351,623	1,355,754
Debit Balance	—	3,247,714	4,412,938
Total	43,042,121	49,292,498	60,034,120

ICIC Raises Gross Dividend
Despite Lower Profits

The Industrial Credit & Investment Corporation of India Limited has presented the fifth report for the year ended 31st December 1959. During the year under review, the Corporation received 65 definite applications for financial assistance and several more enquiries. The directors approved assistance, both in rupees and in foreign currencies, to 27 companies for a total of Rs 841 lakhs. Rupee assistance in the form of loans, underwriting of and direct subscriptions to Ordinary and Preference shares amounted to Rs 432 lakhs to 12 companies and foreign currency loans for the equivalent of Rs 409 lakhs to 16 companies.

Meanwhile, the amount received by way of interest and dividends is shown at Rs 57.95 lakhs against Rs 57.22 lakhs in the previous year. The net profit for the year, before providing for Taxation, works out to Rs 50.76 lakhs against Rs 51.85 lakhs. The directors have provided Rs 8,977 (Rs 19,621) for Depreciation; Rs 22.43 lakhs (Rs 26.43 lakhs) for Taxation and Rs 4.00 lakhs (Rs 5.00 lakhs) for General Reserve. The dividend recommended is 5 per cent against 4 per cent.

Against a paid-up capital of Rs 5 crores, General Reserve is shown at Rs 24 lakhs and Capital Reserve at Rs 14.93 lakhs.

Chairman:—Mr G. L. Mehta			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Interest, Dividends & Mis. Incomes	5,794,695	5,721,378	5,333,732
Net profit	5,075,727	5,185,071	4,835,852
Taxation	2,243,119	2,643,323	2,510,987
Depreciation	8,977	19,621	18,847
Reserve Fund	400,000	500,000	500,000
Development Rebate Reserve	1,087	—	—
Div. Amount Ord.	2,500,000	2,000,000	2,000,000
Carry Forward	99,763	177,219	155,097
Div. % Ord.	5	4	4

(Annual General Meeting on 7-4-60 at 4 p.m.)			
Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	50,000,000	50,000,000	50,000,000
Capital Reserve	1,462,738	120,004	95,640
Reserve Fund	2,400,000	2,000,000	1,500,000
Other Funds	1,087	—	—
Loans Secured	97,941,386	77,202,227	75,000,000
Taxation Provision	5,298,049	4,930,294	3,375,445
Debits	2,554,205	2,030,652	2,024,877
Carry Forward	99,763	177,219	155,097
Total	159,687,226	136,469,396	132,151,059

Assets			
G. Block	155,622	143,022	106,900
Depreciation	82,363	73,386	53,764
Block (net)	73,259	69,636	53,136
Cap. Exp. in progress	1,171,623	415,536	—
Outstandings	758,940	720,573	944,059
Mis. Deposits and Advances	44,488,563	24,787,092	21,166,872
Investments	59,458,227	49,900,655	35,702,939
Deposits in Banks	53,100,000	60,350,000	74,150,000
Cash	638,614	225,904	134,053
Total	159,687,226	136,469,396	132,151,059

Anapara Estates Report Record
Coffee Crop

Thanks to the record coffee crop of 10,520 cwts, the Anapara Estates Limited has reported a higher net profit of Rs 6.20 lakhs for the year ended 30th June 1959 as against Rs 4.81 lakhs in the previous year. A sum of Rs 36,770 is provided for Depreciation against Rs 28,178 and Rs 2.16 lakhs for Taxation against Rs 1.45 lakhs.

The directors have recommended a final dividend of 10 per cent, making a total of 25 per cent on the increased capital as against 35 per cent paid on the original capital for the previous year. In this connection, it may be added that the paid-up capital of the company was raised to Rs 12,07,838 from Rs 9,05,878 by the issue of Rs 3,01,960 worth of bonus shares. The present dividend of 35 per cent works out to a net dividend of 22 per cent, which is about the same as paid in the previous year. The revised estimate of the coffee crop of the company is placed at 9,950 cwts for the season 1959-60.

Mg. Agents:—Associated Planters, Private Ltd.			
Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Outturn cwts.	10,519	7,542	8,637
Sales	1,191,132	1,589,420	983,008
Stocks	1,603,319	1,157,883	1,341,400
Net profit	619,554	480,826	621,492
Taxation	218,000	145,000	213,500
Depreciation	36,770	28,178	24,411
Div. Amount Ord.	379,857	317,057	362,352
Carry Forward	27,812	40,985	50,394
Div. % Ord.	25	35	40

(Annual General Meeting on 30-3-60 at 12 noon)			
Synopsis of balance sheet as on the last day of June			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	1,207,838	905,878	905,878
Debentures	384,000	384,000	384,000
Reserve Fund	228,040	530,000	530,000
Loans Secured	485,245	342,558	375,000
Taxation Provision	496,727	417,066	323,744
Debits	1,370,678	1,005,564	1,118,487
Carry Forward	27,812	40,985	50,394
Total	4,200,340	3,626,051	3,687,503

Assets			
G. Block	1,928,285	1,836,570	1,667,699
Depreciation	192,147	191,886	160,656
Block (net)	1,736,138	1,644,684	1,517,143
Stores	83,150	66,049	69,411
Stocks	1,603,319	1,157,883	1,341,400
Outstandings	116,433	98,064	56,970
Do More than 3 months	1,221	3,469	—
Mis. Deposits and Advances	402,022	369,998	420,139
Investments	258,856	258,856	258,856
Cash	29,001	27,068	23,584
Total	4,200,340	3,626,051	3,687,503

Mercara Rubber Repeats
Dividend

The Mercara Rubbers Limited has earned a net profit of Rs 1.28 lakhs for the year ended 30th June 1959 as against Rs 1.16 lakhs in the previous year. The Depreciation amount is raised to Rs 10,588 from Rs 6,911 and Taxation to Rs 1.28 lakhs from Rs 1.16 lakhs. The directors have recommended a taxable dividend of 20 per cent as against 20 per cent, free of tax, for the previous year.

Against a paid-up capital of Rs 5.75 lakhs, General Reserve is shown at Rs 2.50 lakhs. The gross block at Rs 7.62 lakhs is depreciated by Rs 10,588, to show a net block value of Rs 7.51 lakhs.

A record crop of 270,020 pounds of rubber was produced against the estimated crop of 250,000 pounds. The cost of production per pound has gone down to 86.86 cents from 89 cents in 1958.

Mg. Agents:—The Associated Planters, Private Ltd.			
Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Rubber (lbs)	270,020	265,656	194,754
Sales	300,641	437,434	303,529
Stocks	203,878	104,156	147,209
Net profit	128,151	115,879	62,432
Taxation	27,000	23,500	12,800
Depreciation	10,588	6,911	4,194
Div. Amount Ord.	65,000	65,000	48,750
Div. Amount Pref.	23,000*	15,000	14,000
Carry Forward	11,686	9,123	3,655
Div. % Ord.	20†	20	15
Div. % Pref.	6	6	6

(Annual General Meeting on 31-3-60 at 11-30 a.m.)
*Dividend subject to Central Income Tax.
†Includes Rs 8,000 being Income Tax thereon.

Synopsis of balance sheet as on the last day of June			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
6% C. Pref.	250,000	250,000	250,000
Ordinary	325,000	325,000	325,000
Reserve Fund	250,000	250,000	250,000
Taxation Provision	50,588	30,945	49,024

STOCK EXCHANGES

Partial Recovery After a Severe Jolt

Watch-Dog Writes:

AFTER a veritable landslide in equity values following the announcement of credit squeeze by the Reserve Bank of India, stock markets have been showing signs of stability around the depressed levels. To what extent the credit squeeze will affect the volume of business over a period remains to be seen. There is also an anxiety to await the outcome of the LIC Investment Committee meeting, to be held in Calcutta, on the 25th March.

Sentiment on the Calcutta Stock Exchange remained unsettled and price movements were narrowly irregular in the absence of follow-up support.

After showing hectic price changes for the past two days, trading on the Bombay Stock Exchange showed signs of returning to normalcy.

On the Madras Stock Exchange, there was moderate activity. A relieving feature of trading was the steadier trend in cleared shares.

The London Stock Exchange finished the week on a very quiet note.

Wall Street closed very steady.

Calcutta

Friday, Evening.

THE sudden announcement of measures enforcing a credit squeeze by the Reserve Bank of India provided a rude jolt to the local Stock Exchange, which had been enjoying a veritable boom since the presentation of the Central Budget. Prices crumbled in almost one day at the end of last week. Even the Stock Exchange authorities were compelled to fix up interim clearing rates to enable the operators to avoid further losses despite the fact that the last settlement was held only on Wednesday last week.

The downward trend in prices was carried due to sustained liquidation by nervous holders even after the market was reopened after the Holi festival, mainly due to the bank strike spreading and the possible dislocation of trade activities. Some bear-covering, however, developed at the lower levels from Wednesday due to a general feeling that it would be still possible for the average investor to obtain bank finance for genuine purposes, that the floating stocks might not be large and that the industrial outlook continued to be bright. It was also felt that, as the over-bought position in some shares had been corrected, there

would be more sober trading in the coming weeks. As conditions were so much demoralised, it looked as if the market would take some more time to stabilise. This was evident from the cautious attitude adopted by the operators who were inclined to book profits at bulges.

Firmer advices from the gunny market following the release of the stock figures had a favourable effect on the Jute section. But prices suffered a setback due to general liquidation, although a slight recovery was noticed toward the close of the week.

Coal shares continued to respond well to selective enquiries and prices, after recording fresh higher levels on the hope that the Government would soon realise the need for encouraging the private sector of the industry, developed a slightly easier tendency due to profit-taking at the close.

Tea shares were generally neglected in the absence of incentive. Dealings were, therefore, few and far between.

Sugar shares came in for selective support in anticipation of an increase in production during the current season.

In the Textile section, price movements were rather halting in view of the reluctance on the part of operators to extend commitments. It was feared that, on top of costlier raw material supplies, an unexpected increase in wage costs would cut seriously into the profit-margins of various mills.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons.

Miscellaneous issues, after suffering a sharp setback early in the week, recovered moderately toward the close, thanks to the emergence of buying support at the lower levels.

The following table gives an idea of the extent of the decline in prices due to the announcement of the credit control measures and the subsequent recovery made at the end of the week:

	As on March 11	Low March 11	As on March 18
Forward Scrips:	Rs	Rs	Rs
Indian Iron	24.44	22.17	22.30
TEKMACO	27.50	25.40	25.70
Orient Paper	42.60	39.50	40.75
Shree Gopal	24.31	22.75	22.87
H. Motor	19.37	17.56	17.87
I. Cable	32.25	29.87	29.94
I. Copper	4.47	4.08	4.23
Kohtas	33.75	29.75	30.31
Dunlop	39.08	36.44	36.75
Burrakur	20.12	18.19	18.37
Howrah	24.87	23.00	23.00
National	31.37	29.37	31.00
Textiles:			
Elgins	19.31	17.75	18.19
Kesoram	25.37	23.75	24.00
Coals:			
Bengal	344.00	326.00	328.00
C. India	10.50	9.31	9.75
E. Indian	29.50	28.37	29.00
Jutes:			
A. India	235.00	225.00	225.00
Birlas	29.25	27.50	27.87
Ganges	11.06	10.44	10.59
N. Central	28.81	24.62	25.25
Teas:			
Bishnauth	21.00	20.00	20.19
Dhelahtat	24.25	23.25	23.50
Hasimara	24.61	23.50	23.94
Jayshree	19.19	18.75	18.87
Patrakola	203.00	198.00	198.00

Sugars:			
SKG	13.37	13.69	
Raza-Buland	13.56	12.81	13.37

Engineering:			
Jessop	26.00	23.75	24.00
Britannia	14.25	13.62	13.75
G. K. Williams	46.31	44.25	44.37

Miscellaneous:			
Titaghur	40.37	38.12	38.25
Sirpur	15.75	14.62	14.97
Aluminium Corp	17.37	16.75	16.75
NICCO	30.25	27.87	27.87
Rallis	105.00	96.00	105.50
I. Steamship	11.75	11.12	11.31
BIC	7.12	6.75	7.12
Metal Box	39.00	37.50	37.75

Bombay

DALAL STREET is once again in jitters. The good effects of the Budget have been done away with so swiftly and with such impact that the market seems to be in the midst of a debacle so far as the pivotal speculative counters are concerned. Though some sort of credit squeeze was effected and a hint to this effect was given in these columns last week, nobody had the least idea that the Reserve Bank would entirely prohibit the banks directly from financing budla transactions in shares, i.e., purchasing in the current settlement while effecting sales in the next one. Even normally the raising of the Bank Rate would not have led to such a disastrous effect. But this sizable measure of loan on budla by banks has led to a demoralising effect on the trading psychology. Other measures such as raising up of the margin to 50 per cent on advances against shares, the virtual freezing of the 25 per cent of the additional deposits which might accrue to the banks and the 50 per cent margin on drafts no doubt contributed in aggravating the nervous tendency. However, it is reliably gathered that the original arrangement on drafts will be restored.

The active speculative counters have declined by about 10 per cent from the last week's peak levels and even after such a heavy decline, the process of adjustment is still taking place. It is generally felt that it might take time for the market to adjust to the new factors. Even in the cash section, buyers have been somewhat scared away due to the debacle in the clearing listed shares though the drop in values in this section was very much restricted. Anyway stock market sentiment has received a rude jerk and it will take a pretty long time for the markets to stage any appreciable rebound. It might, however, be noted that there is no change in the fundamental outlook and hence a moderate rally is looked for.

Electricity developed fresh weakness with prices touching new low levels. Buyers were, so to say, absent Bank shares were also a shade easier. Shipping shares were in the doldrums with Scindia dropping to a new level of Rs 14.48 after a lapse of several years. Among Automobiles Premier dropped down by more than Rs 15. In the Engineering section Voltas came down by Rs 35 to Rs 217 cd as no immediate issue of fresh capital is expected.

THE Madras Stock Exchange remained closed today in protest against some of the local banks' interpretation of the Reserve Bank's order that only 50% of the Bills presented be paid to share-brokers, the balance being payable after clearance.

After representations late in the afternoon, the order seems to have been rescinded, restoring the status quo.

Premier Construction slumped by Rs 60 to recover to some extent following the dividend announcement of Rs 18 subject to tax i.e. net Rs 12.60 as against Rs 12. Tata Locomotive has lost Rs 15. Jyoti Ltd, however, ruled steady at Rs 191. Larsen & Toubro lost Rs 2. Tata Steel Ordinary crashed by Rs 15 from the early high level to recover to Rs 148.

Chemical and Dyes shares have also received a set back. Colour Chem has come down to Rs 310 from Rs 335 while Tata Chemical which had gone up to Rs 18.12 came down to Rs 17.32. National Rayon which was boosted up to Rs 475 suffered a landslide to Rs 429 to finish at Rs 438. Sugar shares also fell further. Belapur was sold down to Rs 334 from Rs 352 to finish at Rs 336. Walchandnagar declined by Rs 7 to Rs 295.

Bombay Burma which was taken up to Rs 615 slumped to Rs 547 to recover to Rs 568 but again reacted to Rs 556 to terminate firm at Rs 569 to meet buyers at Rs 575 after the close of the session on Thursday. Cement shares turned easier with ACC declining to Rs 140 from Rs 145. WIMCO lost Rs 10 from the recent high level while Tata Oil came down to Rs 68 from Rs 73. Hindustan Lever was marked down to Rs 40.

Cotton mill shares suffered around recession. Bombay Dyeing which was taken up to Rs 72.70 in the previous week was sold down to Rs 65.80 to finish at Rs 66.60. It is reported that the working of the concern in 1959 might reveal a modest drop in profit. Century dropped down to Rs 438 from Rs 485 to rally to Rs 449 to finish at Rs 447. Kohinoor was marked down to Rs 320 from Rs 340 to quote at Rs 325. Svadeshi came down to Rs 258 from Rs 283 while Standard Mills dropped down to Rs 805 from Rs 890 to recover to Rs 878 to finish at Rs 840. Khatau declined to Rs 280 from Rs 295.

The week's movements in prices of a few representative scrip are as follows:—

	High Rs	Low Rs	Close Rs
B. Dying	71.10	65.70	66.50
Century	487.00	438.00	447.00
India Ord.	42.40	11.28	11.40
Kohinoor	339.50	320.00	325.00
Svadeshi	283.50	257.00	262.00
Standard Mills	918.04	832.00	840.00
ACO	146.25	140.50	141.00
Belapur	353.50	334.00	334.00
B. Burmah	610.00	547.00	569.00
N. Rayon	475.50	429.50	439.00
Pr. Constn.	359.50	295.00	311.50
Scindia	15.48	14.40	14.52
T. Chemicals	18.12	17.08	17.32
Tata Loco	231.00	211.00	213.50
Tata Steel	159.00	145.00	147.50
Voltas	248.00	215.00	217.50

Madras

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Originally, the Madras Stock Exchange adopted a resolution for a two-day closure, Thursday and Friday. Since, however, there is to be no such holding back of 50 per cent of the Bills' value by banks, the Exchange will function as usual on Friday. The following is the text of the communique issued by the Madras Stock Exchange:—

In pursuance of the directive of the Reserve Bank of India, Banks in the City today called upon Members to deposit 50% of the value of the documentary bills sent to them for discounting, as it is considered that the purchase of such bills will constitute an advance against securities. The Council of Management of the Madras Stock Exchange felt that this would impose considerable strain on its Members who are thus asked to lay out large sums during the pendency of the bills. It was further felt that under such conditions it would not be possible to transact business and secure their settlement without causing unbearable hardship and decided to close the market for business and deliveries for today and tomorrow. A telegraphic representation followed by a detailed letter has been made to the Governor of the Reserve Bank of India appealing for early action to exclude documentary bills presented by brokers to the Banks from the purview of advances requiring the aforesaid margin.

There has been no need for brokers to make representations about the margin payable on bills relating to shares bought from outside, since the Reserve Bank has modified its new rules, and banks have withdrawn a circular asking brokers to pay a margin. But the Madras Stock Exchange, which suddenly closed on March 17 in order to review the position caused by the credit curbs, has decided to apply new rules to forward business. Margin at 2 per cent has to be paid on outstanding transactions and brokers have to furnish details of transactions in cleared securities. The settlement of March 23 will not be liable to the new margin requirements, but the effect on business next month will be considerable.

A definite shrinkage is expected, and the Madras Shareholders Association is meeting on March 19 to examine the consequences of the recent slump attributed to credit curbs. It is pointed out that bank overdrafts are taken, not for speculation, but for financing other business, and new rules will affect bonafide business carried on by many investors, who usually look upon their invested capital as a source of supplementary funds. The rules about forward business may raise contango rates and will limit further business, but the Shareholders' Association is perhaps not concerned with that, but with the demand for additional margin made by some banks. The aftermath of the credit squeeze may be a drying up of new capital for new issues and the shareholders, facing reduced income under the new system of taxation, must accept sudden depreciation as part of the fortune of war, or rather, peace.

London

CONDITIONS on the London Stock Exchange remained quiet as buyers were still reluctant to enter into fresh commitments. There was, however, some recovery in places and steel shares, for instance, closed with net gains, while several leading stocks were finally above the lowest. Oil shares were easier, while Teas drifted lower. Rubber shares were selectively better with Malayan Plantations sharply higher at 36sh following the increased interim dividend.

The Giltedged section had a quiet week; but prices were fractionally better where changed in spite of a rise in the week's Treasury Bill Rate.

New York

PRICES on Wall street, after showing slight easiness early in the week, developed a steadier tendency toward the close. The initial easiness was mainly due to rumours that the New York Federal Reserve Bank was moving toward an easier credit policy. By the end of the week, the list became firmer to show an irregularly higher tendency, mostly one point or more.

Leaders in advance were assorted Aircraft, Missiles, Televisions, Electronics, Cameras, Gold Minings, Rubbers, Papers and Steels. There appeared to be no news to account for the sudden popularity of the goldmining group, which was led by US Smelting.

Does High Taxation Retard Capital Formation?

By A Special Correspondent
ONE of the main criticisms levelled against the Central Budget for 1960-61 is that it does not provide incentives for capital formation. As this view has been expressed by some prominent business organisations, it will be worthwhile to examine it in some detail.

The Budget, of course, does provide some concessions. For example, it has extended the period of exemption for new industries under Section 15C by another five years. Reliefs are given in respect of donations to charitable, scientific and educational institutions. Marginal fiscal adjustments have also been made in certain directions. But the fact remains that the overall burden of taxation on individuals and companies has been allowed to stand practically at the same level as before. It is pointed out that, at this level of taxation, it is impossible for the economy to generate savings on a sufficiently large scale and thus speed up the pace of development.

It is true, the level of direct taxation in India is excessive, considering the underdeveloped nature

of our economy. Personal income tax rates in India are higher than in the United States, West Germany, France and Japan for certain income groups. In the sphere of corporate taxation also, the rate of 45 per cent is considered to be too burdensome. Businessmen all over the country are practically unanimous in their view that the existing rates of taxation do hamper incentives and capital formation.

Unfortunately, however, it is difficult to prove statistically that the present tax structure is standing in the way of economic expansion. Available data show that our economy, despite the high tax rates, continues to evince signs of vigorous activity. Industrial production in 1959 rose at a faster rate than in the previous two years. For the first ten months of 1959, the average index of production (1951=100) was 149.4, that is, an increase of 7.4 per cent over the corresponding period of 1958. In 1957, the index had increased by 3.5 per cent and in 1958 by only 1.7 per cent. In 1959, there was a substantial increase in the output of intermediate goods and capital goods. Consumer goods industries as a group also registered an increase.

It is also significant that the data on consents given for capital issues indicate, according to official sources, "a higher level of investment intentions in the private sector in 1959." This will be clear from the following table:

TREND IN CAPITAL ISSUES

	**	*	Total
	(Rs crores)	(Rs crores)	(Rs crores)
1956	59.4	170.8	230.2
1957	18.0	135.3	153.3
1958	333.5	89.5	423.0
1959	53.9	149.6	203.5

*Government Companies

*Non-Government Companies

The licences granted under the Industries (Development and Regulation) Act for new units and for substantial expansions were also on a larger scale than in 1958.

These data would seem to show that, even with the tax rates at the existing level, production continued to record a sharp increase and that there was a keen anxiety on the part of entrepreneurs to expand capacity and set up new units. Moreover, the absence of fiscal reliefs in

the Budget for 1960-61 did not produce any adverse impact on the share markets. On the other hand, the sentiment in the markets was quite cheerful and prices maintained an upward trend. So much so, the Reserve Bank was compelled to take action calling for a credit squeeze.

It will, however, be wrong to conclude that all is well with the fiscal system and that the economy will continue to be buoyant even with the existing level of taxes. The fact is that we are not expanding as rapidly as we should. The price level continues to cause anxiety. The way to combat the menace of inflation is by increased production, and this will be possible only when industries are able to function efficiently. Lack of funds is a handicap with many major industries and there is no doubt that a small reduction in corporate taxation would have been greatly helpful.

Also significant is the fact that the progress in regard to small savings has not been quite satisfactory. An official survey says as follows:

"Small savings collections have shown considerable improvement in the last two years; in 1958-59, they totalled Rs 78.5 crores as compared to Rs 69.6 crores in the previous year. The collections up to January this year were about Rs 47 crores, that is, about the same as in the corresponding period last year. The five-year target in this respect was Rs 500 crores.

Moreover, the employment situation does not show any improvement. At the end of 1959, the number of applicants registered with the employment exchange was 1.42 million as compared to 1.18 million at the end of 1958. All these show beyond doubt that we have to march forward at a much faster rate than hitherto. The Government should not argue that, because the disincentive effects of the taxation system cannot be proved statistically, there is no need to lower the tax burden. On the other hand, the abolition of certain levies which have no significance from the revenue point of view, such as the expenditure tax, wealth tax or the tax on bonus shares, would have gone a long way to tone up the economy and expand it on a more vigorous scale. The Finance Minister should carefully watch the trends in the economy in next few months and suitably adjust the fiscal policy so as to encourage the people to work harder and save more for the benefit of the country.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Transfer Books Closed
Carew & Co. ...	March 21	Nil	14/3/60 to 21/3/60
Madura Mills ...	March 24	12 1/2%	26/2/60 to 24/3/60
Burrakur Coal ...	March 24	13%	12/3/60 to 24/3/60
Royalseema Mill ...	March 24	10%	17/3/60 to 31/3/60
Eastern Investments	March 25	14%	18/3/60 to 25/3/60
Publicity Society	March 25	1.50	.....
Indian Steel & Wire	March 28	1.62 1/2	15/3/60 to 28/3/60
Products	March 30	1.00	17/3/60 to 30/3/60
Calcutta Steam ...	March 30	2.75	15/3/60 to 30/3/60
Martin Burn ...	March 30	1.25	17/3/60 to 30/3/60
J. K. Steel ...	March 30	25%	23/3/60 to 30/3/60
Anapurna Sates	March 31	20%	23/3/60 to 31/3/60
Mercara Rubber	March 31	12 1/2%	.....
Bababudin Coffee	April 4	2.25	21/3/60 to 4/4/60
Braithwaite ...	April 7	Nil	28/3/60 to 7/4/60
Rallis India ...	April 7	5%	10/3/60 to 7/4/60
ICIC of India ...	April 7	4%	10/3/60 to 7/4/60

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Allahabad 6% 100	104.00	112.00	
Behar 5% 50	21.00	19.75	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Asso. K'pura 4 1/2% 100	50.50	50.50	
Bharat 6 1/2% 100	49.50	48.00	
Borree 6% 100	83.50	83.50	
Burrakur 7% 100	91.75	105.00	
Burrakur 6% 100	7.00	6.88	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Equitable 6% 100	84.00	100.00	
Ghuguck 6% 100	100.00	100.00	
Gourangdi 5% 100	40.00	40.00	
K'pura 6 1/2% 100	58.00	55.50	
Khas Kajora 5% 100	7.94	7.25	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
J. Beerboom 7% 100	11.62	10.00	
N. Churulla 5% 100	2.56	2.50	
N. Huntodhi 5% 100	45.00	44.00	
Ondal 6 1/2% 100	85.50	91.50	
Parasea 5 1/2% 100	50.00	42.50	
Unl. Colliery 5% 100	78.60	83.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Basanti 6 1/2% 100	8.56	9.00	
B-Nagpur 7% 100	75.00	75.00	
Bowreah 8% 100	152.00	125.00	
Bowreah 7% 100	65.00	65.00	
Elgin 8% 100	110.00	105.00	
Elgin 5% 100	8.00	8.25	
Jagatjit 5% 100	38.75	43.75	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Jyajeera 5 1/2% 100	90.00	87.00	
J. K. Cotton 6% 100	93.00	90.00	
Kesoram 7% 100	104.00	100.00	
Muir 6% 100	83.00	66.00	
N. Victoria 6% 5	3.25	2.94	
Orissa 5% 100	80.00		
Shes Madhusudan 4 1/2% 100	76.00		
S. Nivas 4 1/2% 100	54.00	58.00	
Shree Bhawanil 5% 100	106.00	100.00	
Swadeshi 6% 100	61.00	75.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Agarpara 7% 100	93.00	97.50	
Alexandra 7% 100	97.50	98.00	
Alliance 6% 100	68.00	68.00	
Anglo-India 7% 100	98.00	101.75	
Auckland 5 1/2% 100	73.25	74.75	
Auckland 4 1/2% 100	62.75	58.75	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Bally 7% 100	98.00	100.00	
Barnagore 5% 100	38.60	38.82	
Belvedere 7% 100	97.00	101.50	
Bengal 5 1/2% 100	69.00	77.00	
Birla 7 1/2% 100	91.00	87.00	
Birla 5 1/2% 100	82.00		
Budge-Budge 7% 100	103.50	102.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Calcutta 6 1/2% 100	77.00	78.00	
Caledonian 7% 100	87.50	77.50	
Cheviot 7% 100	101.00	102.00	
Chitavalah 7% 100	105.50	100.00	
Clive 6% 100	75.00	67.50	
Clive 7% 100	84.00	72.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Dalhousie 7% 100	91.00	73.37	
Delta 5% 100	68.00	78.00	
Empire 7% 100	98.50	100.00	
F. Gloster 7% 100	114.00	105.50	
F. Gloster 5% 100	71.00	68.50	
F. William 7% 100	111.50	64.50	
Ganges Mfg. 6% 100	125.00	100.00	
Gourepore 6% 100	81.00	88.00	
Hastings 6% 100	90.00	83.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Hooghly I 100	10.12	10.75	
Hooghly A Pref. 100	103.50	101.00	
Howrah 7% 100	105.00	99.00	
H'chanced 7% 100	98.00	100.00	
K'hatty 6% 100	90.00	95.00	
K'narrah 6% 100	90.00	71.00	
Kedarnath 6% 100	88.00	88.00	
Kedarnath 7% 100	85.00	85.00	
Kelvin 7% 100	89.50	99.00	
Khardah 6% 100	93.00	88.00	
Kinnison 7% 100	88.00	99.00	
Lansdowne 7% 100	104.50	102.00	
Lawrence 7% 100	88.00	87.00	
Lawrence 5 1/2% 100	67.25	65.50	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Nahati 7% 100	101.00	78.25	
Nahati 4 1/2% 100	66.00	64.50	
National 7% 100	100.00	105.00	
Nellimaria 6% 100	92.00	86.00	
N. Central 7% 100	96.00	95.00	
Northbrook 5 1/2% 100	77.75	71.25	
Rameshwara 6% 100	12.44	9.44	
Reliance 7% 100	89.50	69.50	
S. Ambica 7 1/2% 100	86.00	88.00	
Scorah 7% 100	88.00	95.00	
Standard 6% 100	97.00	97.00	
Union 7% 100	94.00	98.00	
Waverley 5% 100	34.00	41.50	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Asso. Mining 5% 50	36.00	29.75	
Ch. Mica 5 1/2% 100	50.00	51.07	
Metal Corp. 5% 100	79.00	50.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Dalmia Bharat 6% 100	8.50	8.60	
Jaipur Udyog 3% 100	37.00	37.00	
K'pura Lime 6% 100	80.00	80.00	
K'pura Lime 5% 100	100.50	100.50	
K'dhubi Fire 7% 100	101.00	101.00	
K'dhubi Fire 5 1/2% 100	54.50	54.50	
Orissa Cement 4% 100	35.06	35.06	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Alkali 5% 100	103.00	102.00	
Bathgate 4 1/2% 100	28.00	19.00	
Beng. Chem. 7 1/2% 100	12.62	12.25	
Beng. Chem. 4 1/2% 100	72.00	77.50	
Frank Ross 4 1/2% 100	41.00	36.00	
Smith Stani 10% 50	69.62	57.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Calcutta 5% 100	21	10.25	9.87
Dishergarh 5% 100	75.50	69.50	
Dishergarh 4 1/2% 100	75.00	78.50	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Arthur Butler 7% 100	10	10.75	10.87
Br. Bldg. 6% 100	60.00	73.00	
Br. Engg. 7% 100	100.00		
Burn & Co. 7% 100	123.50	124.50	
Burn & Co. 7% 100	113.00	115.00	
I. Iron 5% 100	100.00	103.50	
I. Machinery 7% 100	125.50	122.00	
Ind. St. Wagon 7% 100	90.00	79.00	
Jessop & Co. 5% 100	102.00		
J. K. Steel 7% 100	90.00	92.50	
K'dhubi 5% 100	90.00	92.50	
R. Crudas 5 1/2% 100	54.00	54.00	
R. Products 5% 100	2.19	3.89	
Texmaco 5 1/2% 100	91.50	86.50	
Texmaco 5 1/2% 100	61.00	60.50	
Texmaco 6 1/2% 100	52.00		

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Alum. Corp. 5% 100	75.00	63.00	
Alum. Corp. 6% 100	100.50	85.50	
Amal. Dev. 5% 100	42.00	42.00	
Asso. Hotel 7% 100	62.00	60.50	
Bharat Nidhi 6% 100	53.00	58.00	
Birds Inv. 5 1/2% 100	53.50	55.00	
Br. Biscuits 8% cp 100	9.30	9.70	
B. Cey. Corp. 6% 100	8.20	8.20	
B. I. Corp. 8% 100	106.00	104.00	
Cal. Cr. Corp 6% 100	51.00	50.00	
Cal. Cr. Corp 5 1/2% 100	34.50	40.00	
Cal. Gas 5 1/2% cp 100	63.00	45.50	
Cal. Silk 6% cp 100	49.12	40.00	
Cal. Trans. 6% cp 100	8.22	8.12	
Canton Bros. 4% 100	56.75	56.00	
Dunlop 6% 100	115.00	117.00	
Dunlop 6% 100	87.00	83.00	
Eastern Inv. 5% 100	72.44	72.50	
Gillanders 5% 100	55.00	57.50	
Godfrey Phil. 5 1/2% 100	63.25	58.00	
Greaves Cot. 5% 100	40.00	45.00	
Greaves Cot. 6% 100	37.00	43.00	
Hindusthan Nat. 6% 100	159.50		
Hindusthan Nat. Glass 4% cp 100	83.00	105.00	
Ind. Alum. 5% 100	72.25	71.00	
Indian Cables 6% 100	28.50	29.00	
Ind. Plastics 5 1/2% 100	40.00	51.50	
I. Rutber 5% 100	78.00	75.00	
James Wright 6% 100	25.25	23.00	
J. Henderson 5 1/2% 100	59.00	58.50	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
K. Bullen 5 1/2% 100	58.25	57.50	
K. Bullen 4% 100	55.00	63.00	
Kusum 5 1/2% 100	64.00	69.50	
Macneill & Barry 5 1/2% 100	58.25		
Madhya Pradesh Ind. 6% 100	100.00		
Martin-Burn 6% 100	100.25	100.00	
McLeod & Co 5% 1st Pref. 100	51.00	51.00	
McLeod & Co 5% 2nd Pref. 100	69.50	70.50	
Metal Box 6% 100	87.00	79.00	
Nat. Rubber 6% 100	77.00	88.00	
Nat. Tobacco 4 1/2% 100	75.50	71.50	
N. Bhrt. Vanija 4% 100	67.00		
Prem. Trans. 5% 100	5.00	5.00	
Rallis 6% 100	94.50	70.75	
Rohas Indus. 7% 100	120.00	119.00	
Rohas 4 1/2% 100	62.00	60.00	
Seu Ralegh 6% 100	180.00	85.60	
Shaw Wallace 5% 100	70.75	68.00	
Spencer 8 1/2% A 100	6.87	7.50	
Spencer 8 1/2% B 100	8.64	9.47	
Standard Vacuum 6% 100	95.50		
Union Tobacco 6% 100	22.00	22.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Alkali 5% 100	103.00	102.00	
Bathgate 4 1/2% 100	28.00	19.00	
Beng. Chem. 7 1/2% 100	12.62	12.25	
Beng. Chem. 4 1/2% 100	72.00	77.50	
Frank Ross 4 1/2% 100	41.00	36.00	
Smith Stani 10% 50	69.62	57.00	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Calcutta 5% 100	21	10.25	9.87
Dishergarh 5% 100	75.50	69.50	
Dishergarh 4 1/2% 100	75.00	78.50	

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Arthur Butler 7% 100	10	10.75	10.87
Br. Bldg. 6% 100	60.00	73.00	
Br. Engg. 7% 100	100.00		
Burn & Co. 7% 100	123.50	124.50	
Burn & Co. 7% 100	113.00	115.00	
I. Iron 5% 100	100.00	103.50	
I. Machinery 7% 100	125.50	122.00	
Ind. St. Wagon 7% 100	90.00	79.00	
Jessop & Co. 5% 100	102.00		
J. K. Steel 7% 100	90.00	92.50	
K'dhubi 5% 100	90.00	92.50	
R. Crudas 5 1/2% 100	54.00	54.00	
R. Products 5% 100	2.19	3.89	
Texmaco 5 1/2% 100	91.50	86.50	
Texmaco 5 1/2% 100	61.00	60.50	
Texmaco 6 1/2% 100	52.00		

NAME	Paid-up per Share	Quotation as on 11-3-60	11-3-59
Alum. Corp. 5% 100	75.00	63.00	
Alum. Corp. 6% 100	100.50	85.50	
Amal. Dev. 5% 100	42.00	42.00	
Asso. Hotel 7% 100	62.00	60.50	
Bharat Nidhi 6% 100	53.00	58.00	
Birds Inv. 5 1/2% 100	53.50	55.00	
Br. Biscuits 8% cp 100	9.30	9.70	
B. Cey. Corp. 6% 100	8.20	8.20	
B. I. Corp. 8% 100	106.00	104.00	
Cal. Cr. Corp 6% 100	51.00	50.00	
Cal. Cr. Corp 5 1/2% 100	34.50	40.00	
Cal. Gas 5 1/2% cp 100	63.00	45.50	
Cal. Silk 6% cp 100	49.12	40.00	
Cal. Trans. 6% cp 100	8.22	8.12	
Canton Bros. 4% 100	56.75	56.00	
Dunlop 6% 100	115.00	117.00	
Dunlop 6% 100	87.00		

NAME				NAME				NAME				NAME				NAME				NAME				NAME				NAME											
Paid-up per Share.				Quotation as on 11-3-60 11-3-59				Paid-up per Share.				Quotation as on 11-3-60 11-3-59				Paid-up per Share.				Quotation as on 11-3-60 11-3-59				Paid-up per Share.				Quotation as on 11-3-60 11-3-59											
Rs nP				Rs nP				Rs nP				Rs nP				Rs nP				Rs nP				Rs nP				Rs nP											
Pearl Invest. ... 10				4.00 1.25				Punjab ... 100				80.00 80.00				Banarhat ... 100				333.00 290.00				ELECTRICS				Anapara ... 2				5.15 5.00							
Phillips India ... 10				26.00 17.50				Punjab ... 10				12.00 13.00				Banarhat ... 10				28.00 21.25				Berhampur 6% 10				Arthala ... 2				4.00 4.00							
Phosphate Co. ... 100				173.30 190.00				Rannugger Cane ... 10				21.31 20.75				Banarhat ... 10				22.94 24.19				Kumbakonam 6% 10				Athimattam ... 2				1.25 1.00							
Publicity Society ... 4				15.00 9.19				Rannugger Cane ... 10				1.45 2.65				Banarhat ... 10				216.00 166.00				Nepapatnam 6% 10				Babaturin ... 2				3.97 4.25							
Prem. Trans. ... 10				1.50 1.50				Raza ... 10				13.58 13.06				Banarhat ... 100				200.00 138.50				Salem Erode 6% 10				Balanoor ... 10				17.65 19.00							
Ralls ... 100				105.00 60.75				Rayam ... 10				16.44 17.06				Carron ... 100				291.00 260.00				S. Madras 5 1/2% 1st 10				Balmadies ... 2				2.75 3.15							
R.B. Rodda & Co. ... 10				5.00 4.88				Samastipur ... 10				13.25 12.00				Choonabhatti ... 100				149.00 155.00				S. Madras 5 1/2% 10				Be Be ... 5				3.70 3.62							
Robtas ... 10				33.50 21.06				Shree Anand ... 10				11.00 10.26				Ellenbarrie ... 100				240.00 400.00				Tin Tuticorin 6% 10				Blue Mountain ... 2				3.67 3.73							
Sahu Properties ... 5				3.06 3.03				Sitalpur ... 10				6.19 2.37				Engo ... 100				10.19 11.75				Vallore 6 1/2% 10				Chandramalai ... 2				2.90 3.03							
Sen Raleigh ... 10				19.87 16.50				S. Behar Defd. ... 2				0.25 0.25				Ethebarri ... 100				165.00 140.00				W. Coast 5 1/2% 10				Chembra ... 2				4.75 4.08							
Shaw Wallace ... 10				20.87 16.55				Sri Hanuman ... 10				16.00 14.65				Gaikhatta ... 100				28 22.62 20.00				Coffee Lands ... 10				Cochin Malabar ... 3				8.35 6.33							
Spencer's Hotel ... 2				0.75 1.06				S. K. Gyan ... 10				14.25 10.37				Gopalpur ... 100				169.00 127.00				Kasturi & Sons ... 10				Cons. Coffee ... 10				24.40 22.60							
Spencer & Co. ... 10				21.00 18.00				Shree Sitaram ... 10				10.19 9.00				Hastapura ... 100				24.81 23.81				6% 100				Coonor ... 10				27.85 26.50							
Star Co. ... 100				79.00 81.00				Tulsi ... 5				8.25 8.25				Hasimara ... 10				26.62 23.25				Mad. Vana 5 1/2% 100				Coorg ... 2				5.85 5.35							
Star Trading ... 25				8.00 8.00				Upper India 'A' ... 100				102.00 127.00				Hulidbari ... 10				15.06 15.69				Mandya Nl. Paper ... 100				Cottanad ... 10				14.67 15.25							
Straw Products ... 10				12.12 14.00				Upper India 'B' ... 25				8.75 15.00				Jaybirpara ... 10				20.06 19.62				India 7 1/2% 100				Cowood ... 2				6.16 7.20							
Sutik ... 10				8.25 8.25				Upper Ganges ... 10				48.00 60.50				Killcott ... 10				20.06 19.62				Jeypore 6% 100				Devasahala ... 10				32.55 28.25							
Union Co. ... 100				73.20 75.00				United Province ... 10				18.00 15.00				Maliati ... 10				17.00 15.00				Jeypore 7% 100				Devon ... 10				17.50 17.00							
Union Carbide ... 10				46.12 29.69				TEA								Manabbarie ... 100				201.00 140.00				K.C.P. 5% 100				Emerald Valley ... 5				8.10 7.50							
Union Tobacco ... 10				0.87 0.50				Assam Gardens								Nagalsurree ... 100				201.00 140.00				K.R.P. 6 1/2% 100				Gokul ... 2				1.70 1.57							
Union Tobacco Defd. ... 5				2.00 2.25				Amluckie ... 10				27.12 28.52				New Doores ... 100				291.00 285.00				Kiriumpudi 5 1/2% 100				Highland ... 10				15.00 11.50							
Walfords ... 1				3.47 2.25				Ananda ... 10				19.00 20.00				Oodlabari ... 100				15.00 15.12				Travancore 5% 10				9.00 7.75				Kadur ... 2				2.84 2.95			
Walfords (Po) ... 1				3.12 1.87				Anandabag ... 10				24.81 21.50				Phaskowa ... 100				150.00 141.00				PlANTINGS				Kallias ... 2				5.83 5.20							
W. Stockholder ... 1				1.76 1.36				Baghmari ... 10				24.50 23.75				Rajabhat ... 10				18.50 18.94				(S. India)				Kalasa ... 2				4.38 3.80							
								Barduar Tea ... 5				5.50 5.00				Rajabhat ... 10				21.75 17.94				Amalgamated 6% 10				Kalpetta ... 10				13.00 13.20							
								Basmatia ... 10				28.50 28.25				Rajabhat ... 10				35.00 27.50				Anandam 7% 10				Karikode ... 10				9.50 10.00							
								Batoli ... 5				23.81 18.25				Rajabhat ... 10				32.37 25.08				Anandam 7% 10				Kikotagiri ... 2				6.40 6.55							
								Betjan ... 10				24.37 24.00				Rajabhat ... 10				32.37 25.08				Arthala 6% 10				Kumergode ... 2				5.85 5.85							
								Bishnauth ... 10				20.94 20.06				Rajabhat ... 10				32.37 25.08				Bababuddin 6% 10				Kurchermal ... 10				8.75 7.00							
								Bokakhat ... 10				14.87 15.12				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Lingspur ... 2				7.05 7.00							
								Bormahaj ... 10				19.00 17.94				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Lucky Valley ... 10				13.25 12.55							
								Borpuhuri ... 10				16.56 18.37				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Maabar Agr. ... 10				7.50 8.55							
								Brooke Bond ... 10				18.69 18.31				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Malabar Indial. ... 10				12.85 14.66							
								Dejoo Valley ... 10				69.00 72.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Manakara ... 10				19.00 18.25							
								Dessal & Purbat ... 100				148.00 152.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Manar ... 2				2.45 2.78							
								Dhelaikhat ... 10				24.12 25.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Manimala ... 10				8.75 8.75							
								Dhunsari ... 20				18.25 18.12				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mercara ... 5				10.35 13.00							
								Dibrugarh ... 10				30.12 30.12				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Midland ... 10				13.50 13.00							
								Dimakul ... 10				29.12 31.44				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Miyallay ... 28				40.87 36.25							
								Dufflaghur ... 10				41.00 35.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mysore Amalgam. ... 5				6.10 3.80							
								East India ... 10				22.00 19.50				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mysore Coffee ... 2				5.10 3.80							
								Gillapukri ... 10				27.75 39.25				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Gobpur ... 10				19.87 24.12				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Groh ... 5				14.12 15.62				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Hapjan Purbat ... 10				14.00 14.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Hoograjull ... 10				25.37 29.75				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Hoolungoorie ... 100				210.00 190.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Joonkollie ... 10				21.06 20.62				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Jutlibari ... 10				20.50 19.75				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Kyang Tea Seeds ... 10				8.25 8.12				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Kinsley Golaghat ... 100				160.00 130.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Krishnabehari ... 10				10.23 10.82				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Ledo ... 10				15.19 19.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Maud ... 10				15.00 14.75				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Methoni ... 10				24.31 23.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Moheema ... 10				13.31 12.87				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Mothola ... 100				510.00 395.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Murphulani ... 10				25.87 27.87				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Murphulani P.O. ... 10				27.62 28.50				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Naga Hills ... 10				22.50 27.37				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Namburnadi ... 10				13.25 14.25				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								N. Cinnatollah ... 100				114.00 119.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Rajgarh ... 10				42.50 47.25				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Sapoti ... 10				21.12 22.25				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Seajuli ... 10				25.62 29.25				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Teloljan ... 10				27.50 30.25				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Tengpaal ... 10				35.87 37.37				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Tengpaal ... 10				13.37 17.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Tongani ... 10				7.75 7.56				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Tyoon ... 10				38.50 40.50				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Darjeeling Gardens								Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Bloomfield ... 10				2.50 3.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Chamong ... 10				10.31 11.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Darjeeling ... 100				149.00 135.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Dilaram ... 100				102.00 95.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Gielle ... 10				12.31 8.94				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Jayashree ... 10				16.69 13.19				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Lingia ... 10				20.25 22.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Longview ... 10				10.12 6.50				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Margaret's Hope ... 10				14.06 14.25				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Mim ... 100				226.40 226.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Nagri Farm ... 10				27.06 26.00				Rajabhat ... 10				32.37 25.08				Badr Coffee 7 1/2% 10				Mys. Plantations ... 2				1.65 1.42							
								Okayti ... 100				600.00 500.00				Rajabhat ... 10																							

NAME Paid-up Quotation as on
Share. 11-3-59 11-3-59
Rs nP Rs nP

MISCELLANEOUS

Alumina Chem 5%	100	86.00	71.40
Alumina Chem 6%	100	79.00	85.50
Alumina Chem 7%	100	75.00	72.00
Alumina Corp. 5%	100	75.00	72.00
Alumina Corp. 6%	100	100.00	98.30
Alumina Corp. 7%	100	100.00	98.30
Alumina Corp. 8%	100	110.50	105.50
Alumina Corp. 9%	100	100.00	100.00
Alumina Corp. 10%	100	100.00	100.00
Alumina Corp. 11%	100	100.00	100.00
Alumina Corp. 12%	100	100.00	100.00
Alumina Corp. 13%	100	100.00	100.00
Alumina Corp. 14%	100	100.00	100.00
Alumina Corp. 15%	100	100.00	100.00
Alumina Corp. 16%	100	100.00	100.00
Alumina Corp. 17%	100	100.00	100.00
Alumina Corp. 18%	100	100.00	100.00
Alumina Corp. 19%	100	100.00	100.00
Alumina Corp. 20%	100	100.00	100.00

PLANTATIONS

Blue Mountain	2	3.64	3.70
Highland	10	12.60	12.92
Halleybury	10	16.00	16.80
Kalpetta	10	12.28	13.14
Midland	10	12.12	11.80
Nellampathy	2	2.88	3.28
Rajagiri	10	18.92	18.16
Twyford	10	13.24	15.64
Waterfalls	2	3.80	3.70

MISCELLANEOUS

Alemble Chem.	100	235.00	175.00
New Chem.	100	215.00	160.00
Alumina Corp.	10	16.36	16.36
Alumina Corp.	100	290.00	124.00
Ambika Silk	100	155.00	155.00
Anil Hardboards	100	342.50	143.50
Asso. Rubber	100	105.00	100.00
Associated Stone	100	21.28	18.00
Baroda Rayon	50	72.80	72.80
Bom. Burma (P.P.)	50	205.00	175.00
Bombay Cycle	20	23.00	19.24
Bombay Potteries	100	143.00	128.25
Bombay Safe	200	405.00	365.00
Bombay Silk	50	5.00	5.00
Bom. Swadesh	5	6.24	6.24
Stores	5	49.00	42.00
Bom. Uganda	80	70.00	60.50
Brady, Eng.	80	7.12	5.12
B. I. Corp.	5	4.00	4.00
Brunton Eng.	100	185.50	102.25
Ceat Tyres	100	6.36	6.36
C. I. Coal	10	10.00	10.00
C. I. Machinery	100	50.00	65.00
C. P. Railway	100	27.50	20.00
Chemo. Pharma.	25	334.00	20.00
Colour Chem.	100	17.00	20.00
Commerce (1935)	10	22.68	11.12
Dehri-Rohas Rly.	10	11.00	11.00
Dena Inv.	25	10.00	10.00
Delhi Safe	10	7.00	7.00
Delhi Safe	7	161.00	84.50
Dharamsi Chem.	50	166.00	89.00
Dharamsi Chem.	100	90.00	76.20
Digvijay Tiles	10	14.38	14.38
Digvijay Woollen	5	10.00	10.00
East India Hotel	5	50.00	47.00
Empire Dyeing	50	50.00	40.00
Estrella	50	100.00	96.50
Ferro Alloys	100	200.00	170.00
G. Claridge	100	145.00	123.00
Graevs Cotton	50	11.00	25.00
Gujarat Inv.	75	120.00	120.00
Gujarat Safe	10	31.75	15.04
Har & Satapathy	500	385.00	374.00
Hind. Cycles	100	96.50	104.50
Hindustan Elec.	100	111.50	105.50
Hindustan Lever	10	25.00	25.00
Hindustan Lever	10	41.00	29.50
Hingir Rampur	50	23.00	19.00
Indian Dyestuff	100	512.50	260.00
Indign Rayon	25	38.00	38.00
Indian Tool	100	112.00	112.00
Indian Veg.	100	145.00	114.00
Ind. Cr. & Inv.	100	63.00	78.50
Corp.	100	20.75	20.75
Inv. Corp.	100	130.00	100.00
Jalpur Metals	100	103.00	60.30
Jalpur Metal Defd.	10	27.00	5.56
Joat, Eng.	50	65.00	70.00
Jyoti (Old)	100	195.00	150.00
Kamani Eng.	10	13.00	6.08
Kemp	200	287.00	213.75
Killick Indus.	100	119.50	148.00
Kirloskar Bros.	25	53.00	13.48
Kirloskar Oil Eng.	10	16.84	13.48
Khandelwar Ferro	50	69.00	69.00
Alloys	100	159.00	65.00
Laxmi Starch	100	75.00	65.00
Madhusudan A	100	14.00	13.00
Madhusudan B	20	14.00	13.00
Madhya Pradesh	100	107.50	87.00
Ind.	10	19.52	19.40
Mahindra	10	27.50	19.40
Man Indus. Corp.	100	95.00	60.00
McKenzie	100	83.00	78.00
Motor & Gen. Fin.	10	40.00	40.00
Mys. Kirloskar	100	125.00	130.00
Nat. Elec. Indus.	50	76.00	75.00
National Rubber	100	13.88	13.88
N. Central Jute	10	28.00	13.88
N. I. Fisheries	100	80.00	100.00
N. I. Industries	100	400.00	240.00
New Stand Eng.	100	108.00	35.89
Orient Paper	10	37.10	35.89
Purshuram Pottery	25	65.00	65.00
Polychem	50	201.00	114.00
Radio Lamp	100	112.00	114.00
Raymond Woollen	100	100.00	100.00
Rohas Indus.	10	33.50	19.88

MISCELLANEOUS

Sardar Carbonic	100	320.00	320.00
Sathe Biscuits	100	100.00	100.00
Sen Raleigh	10	20.24	16.44
Stand. Batteries	100	144.00	116.00
Standard Motor	10	16.24	16.24
Star Paper	10	12.40	12.40
Star Paper 'A'	10	12.40	12.40
Straw Products	10	16.00	16.00
Structural Eng.	100	231.00	208.00
Sundatta Foods	50	63.00	61.00
Supreme Indus.	100	140.00	140.00
T. Manek Mfg.	100	165.00	125.00
Thacker & Co.	50	41.00	43.50
Tractors (India)	10	33.50	24.00
United Motors	20	15.00	15.00
W. Coast Paper	100	162.00	128.00
W. Bengal Coal	10	6.40	5.40
W. I. Plywoods	100	236.00	140.00
W. India Veg.	100	100.00	100.00
W. H. Brady	150	335.00	325.50
Zandu Pharma	100	112.00	112.00

MISCELLANEOUS

Alumina Chem 5%	100	86.00	71.40
Alumina Chem 6%	100	79.00	85.50
Alumina Chem 7%	100	75.00	72.00
Alumina Corp. 5%	100	75.00	72.00
Alumina Corp. 6%	100	100.00	98.30
Alumina Corp. 7%	100	100.00	98.30
Alumina Corp. 8%	100	110.50	105.50
Alumina Corp. 9%	100	100.00	100.00
Alumina Corp. 10%	100	100.00	100.00
Alumina Corp. 11%	100	100.00	100.00
Alumina Corp. 12%	100	100.00	100.00
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Alumina Corp. 14%	100	100.00	100.00
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Alumina Corp. 18%	100	100.00	100.00
Alumina Corp. 19%	100	100.00	100.00
Alumina Corp. 20%	100	100.00	100.00

MISCELLANEOUS

Alumina Chem 5%	100	86.00	71.40
Alumina Chem 6%	100	79.00	85.50
Alumina Chem 7%	100	75.00	72.00
Alumina Corp. 5%	100	75.00	72.00
Alumina Corp. 6%	100	100.00	98.30
Alumina Corp. 7%	100	100.00	98.30
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Alumina Corp. 9%	100	100.00	100.00
Alumina Corp. 10%	100	100.00	100.00
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Indian Finance

Indian Finance

Saturday

March 26, 1960

Volume LXV No 12

Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

A Special Section in this issue summarises the reports of the Central Government Ministries in respect of their working in 1959-60.

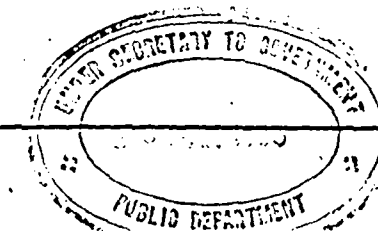
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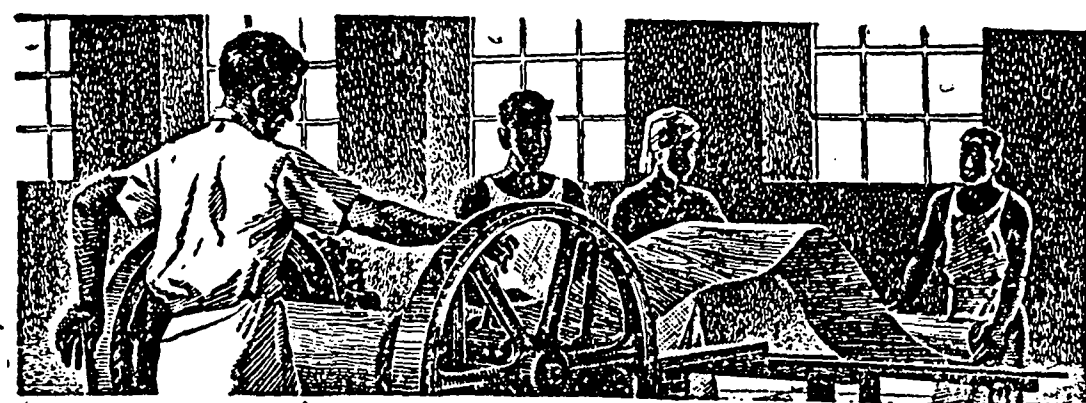
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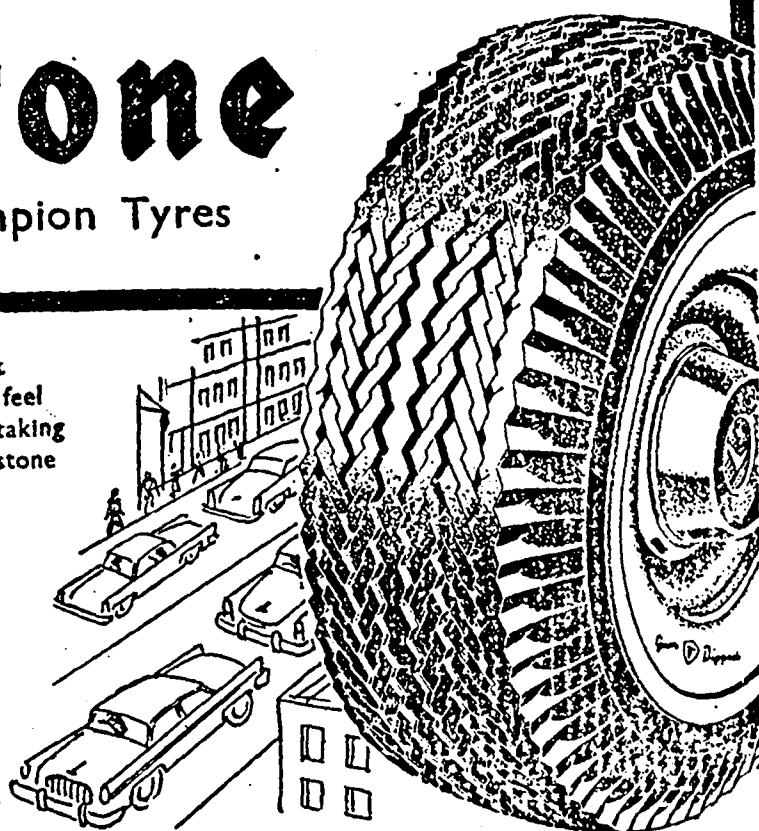
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WORLD OF FINANCE

Impact of Additional Deposit Requirements

IN the penultimate week of the fiscal year, the Central Government have, it is clear from the returns of the Reserve Bank for 18 March, made heavy disbursements, especially to State Governments. Recourse to deficit financing is considerable, as a result.

The busy season continues, and the latest week has registered a rise of Rs 4.04 crores in Active Note Circulation to Rs 1841.93 crores. However, Rupee Coin has returned from circulation for Rs 0.08 crores. Currency has been expanded against Rupee Securities for Rs 10 crores; clearly, deficit financing.

In the Banking Department, Investments are found to be Rs 27 crores higher; and the magnitude of created money during the week may thus be of the order of Rs 40 crores. Not all of this, however, is likely to have been utilised in payment to State Governments, though the balances of the latter are sharply higher by Rs 30.69 crores at Rs 60.45 crores, on top of a reduction of Rs 8.85 crores to Rs 20.64 crores in their ways and means borrowings from the Reserve Bank. It would appear to us that the rise of Rs 20 crores in the Reserve Bank's holdings of Government Treasury Bills Purchased and Discounted might relate largely to sales thereof by State Governments. As such, only half of the quantum of deficit financing might have gone in payment to the States. As for the other half, we suggest that the rise of over Rs 12 crores in Bills Payable is in this regard significant. That is to say, drafts have been issued in behalf of Government, possibly to entities other than Governments, but these have yet to be presented for encashment. After all these transactions, the Centre's balances are better by Rs 1.99 crores at Rs 52.62 crores.

There is a sharp and substantial rise of Rs 14.21 crores to Rs 85.84 crores in the Reserve Balances of member banks. This, we may be sure, is a reflection of the additional deposit requirements, whereunder, Scheduled Banks are obligated to keep with the Reserve Bank an amount equivalent to 25 per cent of Deposits accruing as from 11 March. It follows, consequently, that Scheduled Banks have apparently experienced a considerable accretion to their Deposit resources in the relevant week, though confirmation in this regard will be had only a week later. It is interesting to find that, meantime, the Other Loans and Advances of the Reserve Bank are sizably higher by Rs 19.51 crores at Rs 155.12 crores. This rise in central banking credit to Scheduled Banks was undoubtedly found necessary because, on the one hand, of busy season pressure on the banking system and, on the other hand, of the State Bank strike imposing a fresh strain on the remnant of the banking system. It is ironical that what the Reserve Bank "extorts" with one hand, in the form of additional deposits, it "gives away" with the other, in the form of increased loans and advances.

Lastly, Balances Held Abroad are again down, by Rs 0.31 crores at Rs 31.98 crores.

The return of Scheduled Banks for 11 March does not, of course, show the impact of the new deposit requirements as also of the policy of credit restraint and control. However, it

does reflect the strain experienced by the banking system as a consequence of the State Bank strike. Thus, the rise of over Rs 15 crores to Rs 1083.44 crores in the total of Advances is only partly due to busy season demand, since it is to be presumed that there was pressure on the banking system for "normal" requirements that could not be had from the State Bank. Fortunately, Deposits have risen by Rs 8.74 crores to Rs 1922.43 crores, and hence the rise in borrowings from the Reserve Bank has been restricted to Rs 9.64 crores. There is a small rise of Rs 2.51 crores to Rs 760.00 crores in gilt-edged investments, as also an increase of Rs 2.42 crores to Rs 166.13 crores in cash balances.

The next return of Scheduled Banks will without doubt bear the following characteristics: (a) a considerable rise in Deposits; (b) a steep increase in borrowings from the Reserve Bank; (c) a continued expansion in the total of Advances, with the Rs 1100 crore mark possibly being pierced; and (d) a fair augmentation of balances with the Reserve Bank.

Central Bank's Accounts for 1959

Deposits of the Central Bank of India Limited have shown a smart increase during 1959, in rising by Rs 18.28 crores to Rs 180.26 crores. All three categories of Deposits have been marked higher. Fixed Deposits and Cash Certificates have risen by Rs 13.42 crores to Rs 88.75 crores; Savings Bank Deposits by Rs 2.28 crores to Rs 32.43 crores; and Current Accounts, etc., by Rs 2.57 crores to Rs 59.07 crores. Utilisation of these resources has been mainly in the form of an expansion in Advances; this portfolio showing a rise of Rs 20.04 crores to Rs 119.92 crores. Also, however, there is a small rise of Rs 1.18 crores to Rs 45.68 crores in gilt-edged holdings, though this is largely offset by the fact that, whereas the bank had Rs 1 crore worth of Treasury Bills last year, Treasury Bills do not figure in the latest balance-sheet. Though cash in hand and with Reserve Bank and State Bank is higher by Rs 1.22 crores at Rs 15.59 crores, balances with other banks have declined from Rs 1.51 crores to Rs 1.36 crores and money at call and short notice from Rs 7.66 crores to Rs 5.35 crores. As a result, borrowings have gone up somewhat from Rs 1.43 crores to Rs 2.81 crores.

A higher level of Advances has naturally contributed to an improvement in revenue. Income by interest and discount has been marked up by Rs 37 lakhs to Rs 7.43 crores, and commission, exchange and brokerage have fetched Rs 8 lakhs more at Rs 1.38 crores. On the income side of the profit and loss account, it is also to be noted that net profit on sale of investments, etc., has contributed Rs 9.75 lakhs against Rs 6 lakhs last year.

Interest paid continues to be the most important item of expenditure, absorbing Rs 18 lakhs more at Rs 3.86 crores. But salaries and allowances are a close second, and the increase under this head is even higher at Rs 28 lakhs to Rs 3.34 crores. At this rate, it may well happen, in 1960 or 1961, by the latest, that establishment costs will be the most important constituent of the expenditure of a bank.

The balance of profit is shown, in the profit and loss account, to be Rs 2 lakhs lower at Rs 99.43 lakhs. But it is important to note in this regard that the 1959 profit is net of taxation, while the earnings for 1958 were subject to taxation to the tune of Rs 16.50 lakhs. It would thus follow that the profit of Central Bank, after providing for tax, has risen by some Rs 141 lakhs during 1959. The Staff

Gratuity Fund gets the same amount, as last year at Rs 10 lakhs. Bonus, to Staff, absorbs Rs 1.75 lakhs more at Rs 33.75 lakhs. The disposable balance is such as to permit a net dividend at 12.04 per cent (that is, after deduction of tax) as against a distribution of 14 per cent tax free in 1958.

Good Rise in Profits of Indian Overseas Bank

Splendid results have been announced by the Indian Overseas Bank Limited, in respect of its operation in 1959. This would serve to confirm that the generally difficult banking conditions during the last year did not, however, affect the medium or the small sized banks.

According to the Balance Sheet of Indian Overseas as at the end of 31 December 1959, Deposits have registered a small increase of Rs 2.55 crores to Rs 30.49 crores. It is intriguing to note that the bank experienced a switch-over from current accounts to fixed and time Deposits. Current accounts show a fall of over Rs 3 crores to Rs 9.28 crores, whereas Fixed, Time and Staff Security Deposits have risen by Rs 5.32 crores to Rs 17.20 crores. Savings bank accounts show a small rise of Rs 0.29 crores to a shade under Rs 4 crores.

The bank found such remunerative use for its money that its Advances portfolio has expanded by an amount that is larger than the increase in Deposits. The total of Advances has staged a rise of Rs 3.52 crores to Rs 19.04 crores. Cash balances have been somewhat drawn down, being lower by roughly Rs 1 crore. It is also not surprising, consequently, that the gilt-edged portfolio has risen, by a small amount of Rs 0.45 crores to Rs 9.55 crores. In the result, borrowings had to be increased from Rs 0.67 crores to Rs 1.86 crores.

The Profit and Loss Account shows, that income by interest and discount has moved up by Rs 0.30 crores to Rs 1.42 crores. Commission, Exchange and Brokerage have fetched more at Rs 58.67 lakhs against Rs 52.84 lakhs. A tight rein has been kept on expenses, with interest paid absorbing Rs 20 lakhs more at Rs 86.31 lakhs and salaries and allowances rising by Rs 7 lakhs to Rs 56.18 lakhs. In the result, the balance of profit has moved up satisfactorily by Rs 5.01 lakhs to Rs 33.61 lakhs.

The provision for bonus to staff has been marked up from Rs 4.50 lakhs to Rs 5 lakhs; the provision for tax is unchanged at Rs 12.56 lakhs; the transfer to Reserve Fund gets more at Rs 6.25 lakhs against Rs 6 lakhs; and there is a new transfer of Rs 75,000 to Development Rebate Reserve. Finally, the dividend recommended has been stepped up to 14 per cent subject to deduction of tax as against 10 per cent tax-free in 1958. This means that Indian Overseas Bank, by reason of able management and good working, is one of the few banking institutions which have been able not only to maintain but slightly to increase the effective return to the shareholders.

Giltedged Analysis

By A Special Correspondent

NOT enough attention has so far been given to an elaborate analysis of the holdings of giltedged securities in India in the past decade. The stimulating study made by the Reserve Bank (in the Bulletin for February) throws light on the growth of institutional investment, the essential stabilisation of interest rates and the general change in reserves.

The USA, through the Federal Reserve system, has its grip on the investment market, and bond yields usually follow the Treasury borrowing rates. If the Funds in London have been shaken more than once by the adjustment of the Bank Rate, it is known that distaste for gilt-edged preceded the war and a corresponding preference for equities, as a hedge against inflation, developed in the course of an unsettled decade. Even the Established Church has turned away from Government stocks and gone into ordinary shares, as offering distinct attractions including steady appreciation.

Whether the growth of public debt or the poor return affected market sentiment against gilt-edged may be debated for long. But the fact remains that India, in contrast to Britain, has shown unmistakable confidence, and the capital market has absorbed, year after year, larger issues of new Government loans. The Plans have been supported by borrowing on a much larger scale than during the war. The Reserve Bank's sterling holdings have largely been replaced by rupee debt and the paper currency reserve is mainly non-metallic at present. But the increase in public debt has been followed by greater absorption, and even if Budgets have been unbalanced, the borrowing has been continuously successful to put gloom to flight. The essential principles of management in the public interest have been successful. Conversion on a small scale coincided with the rise in debt, and even if the institutional investor has shown a definite liking for short-term loans, the fall in banks' Advances, like the rise in their Deposits, has contributed to the expansion of borrowing operations and the ever-growing extra-Budgetary funds (as in the UK over three decades) have begun to absorb a part of the much larger outstanding debt. The replacement of money by short-term securities easily saleable always is a trend not peculiar to India, but it may be noted that Treasury bills are not so much to the fore as short-term loans in the portfolios of institutions, able and willing to invest on a large scale regularly.

It has been stated in the last Budget speech that Rs 298 crores was secured in 1959-60. This is a sign of confidence born of independence perhaps, as also the circumstance that there is no "hot" money and India's external debt, mainly contracted for the Plans, does not cause strain similar to that caused by the sterling balances on the UK which, as the banker of the sterling area, has to meet sudden or heavy drafts. It has been inferred, on the basis of figures for five years, that Rs 289.9 crores represent the net absorption of public debt in India and in the subsequent years, too, net absorption has shown appreciable improvement. This is a flattering conclusion, especially when the money market is said to be ill-developed, and may be said to reflect great credit on the Reserve Bank, which manages the debt and holds stock for sale, after making large mutual subscriptions to new loans. Nevertheless, heavy, continuous borrowing by the States means a rise in annual interest and the repayment of loans is also made difficult despite sinking funds maintained. The growth of debt may be viewed as a sign of the Plans going through. But it is also the result of relatively cheap money and there is something to be said for keeping the Bank rate unchanged and trying to counter inflation by selective credit restrictions, similar to those now applied in respect of the stock exchange.

Whether Government, too, are a successful rival for the private sector, looking for additional capital, is scarcely an issue to be examined, for, it may be noted that private issues fared very well from 1958 to 1960 and the

response to many new issues was impressive, by any reckoning.

There are no Pension Funds or Building Societies, but the institutions, including general insurance companies and provident funds, hold a sizeable part. The proportion of debt held by the LIC is not very large and non-residents held only a very small part of the debt as on 31 December 1958. It is not likely that variations in percentages have taken place since, but it may be noted that banks and insurance companies, including the LIC, hold over 42 per cent of the total. Private trusts, local authorities, and others held a fairly large part, because of statutory restrictions on trustee investment, and joint-stock companies also retained their past profits in the form of Government securities. The pattern of distribution may contribute to the liquidity required in the case of banks and provident funds which have to meet recurring calls on their resources. The analysis reveals, incidentally, that banks have no specific preference for Central loans, and insurance companies actually prefer State loans for the slightly better yield available. Another point to note here is that investment by banks has risen steadily since 1957 and provident funds are disposed to invest in both State and Central Loans and even prefer to invest in loans maturing after 15 years, while the financial corporations seem to prefer short-dated loans only, like the co-operative banks. The latter do not hold much stock compared with the Reserve Bank or the Scheduled Banks. This is a rewarding study, and one hopes that bankers in future in reviewing investments will devote some attention to the composition and size of the debt they hold as well as the Advances made by banks. Joint stock banks, too, have a definite interest in conversion, maturity and other incidents of the public debt, and it is hoped that they will shed more light in their speeches—not on employees' current claims but on the behaviour of the gilt-edged market or even the alternatives to present investment and indicate to the country how far the banking system has sustained the Plans in which the public at large has a larger stake, merely through the increase in public debt during the past decade. One may add that the rentier (i.e., the holder of debt) is today more often an institution than an individual.

Premium Bonds

[The Scheme for Prize Bonds has strangely attracted very little financial comment. What its implications may be can be inferred from the following gleanings from an article by Mr A. J. Forrest in The Birmingham Post, which describes the history of Premium Bonds in the UK.]

NOT in the least astonishing instrument of aid wielded by Britain's contemporary Welfare State is the Premium Bond scheme. Now running into its fourth year, the scheme though not the bedrock of the National Savings movement, may justly be defined as a powerful buttress of it. Moreover, as a monthly agent of excitement, bringing rewards to some, disappointment and resignation to others, it exercises a psychological impact upon a community of approximately 12,000,000 bond holders, a total equivalent to almost a quarter of the population.

To some people, this innovation was, to put it mildly, deplorable. Critics denounced it, mostly on moral grounds, as signifying the Government's descent into a gambling institution and its desire to compete, as one gambling agency against another, with the football pools' industry. Looking back to-day, however, one

can say that the scheme has brought harm to none, benefits to many and hope to millions. And the great benefactor, the one undisputed winner is, of course, the State itself to which, since the scheme was launched, over £276,000,000 have been subscribed.

The odds against winning a prize are slowly, indeed almost imperceptibly lengthening. At the present time, they are 11,179 to one. This contrasts with odds of 10,554 to one in December, 1958, and 10,001 to one in December, 1957. When the first draw was held, six months after the scheme's inauguration, in June, 1957, the odds were then the most favoured ever, a mere 2,095 to one. This ratio whetted everyone's appetite for a prize. But the following month such a disproportionate ratio vanished for good and the new odds of 8,394 to one declared the shape of hazards or chances to come.

In January, 1959, the odds were 10,527 to one; in August 10,544 to one; since when they have risen steadily to the present figure. But these odds have not proved sufficiently high to deter buyers. As Mr Anthony Barber, Economic Secretary to the Treasury, said in the House recently, the worst that could happen was that the odds could extend to 12,700 to one. That calculation is based on the assumption that not another bond is bought. As one about to buy presents for nephews and god-children, I myself can confound that forecast.

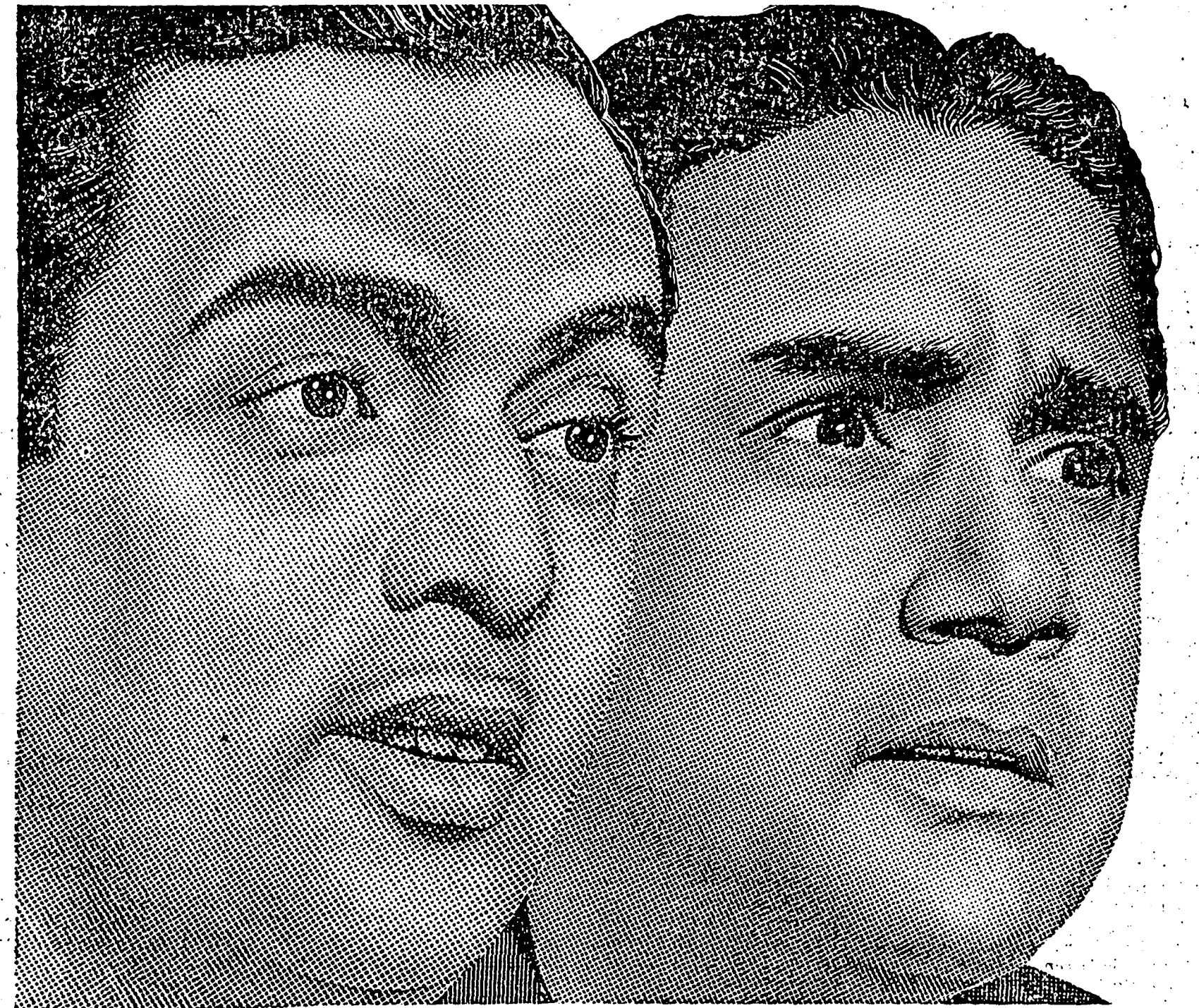
Allowing for encashments, the net value of bonds in the scheme to-day is approximately £246 millions. At a rough estimate, the National Savings Committee puts the average holding per person at 22 bonds. Patience is therefore counselled by the scheme's administrators, in particular by Lord Mackintosh of Halifax, as chairman of the National Savings Movement. For, with a holding of 22 bonds, a single prize of £25, won at the end of five years, represents a return of 16 per cent per annum. Few investments can offer so good a yield. With a slice of extra luck, of course, one can do even better.

By and large, the disappointment experienced each month by unlucky holders is of extremely fleeting duration—a momentary pang, if that. The scheme gains a great advantage through its unique quality of preserving the investor's money while entertaining him, month by month, with the gambler's hope of securing the maximum reward for his stake, in this case a £1,000 prize for a £1 bond. But, despite this "can't lose" policy for investors, it is the six months' qualifying period which is an incontestably strong factor in the scheme's success, consolidating its value to the National Savings Movement.

The Treasury view is that if the qualifying period for prizes were reduced, people would be readier to cash their holdings of premium bonds. Such a trend would mean investments on a short term basis, so curtailing the scheme's value as an inducement to genuine small savings.

The quantity of prizes remains an inducement. For, people do not think as a rule of the odds stacked against them. They think of their personal holdings in relation to the number of prizes available. At the draw in December, prizes totalled 19,028, made up of 79 at £1,000, 158 at £500, 316 at £250, 790 at £100, 1,580 at £50 and 16,105 at £25. The enormous disproportion of prizes at the lowest winning level to bigger rewards will be noted. These £25 prizes serve as the scheme's carrots. Some investors must wish, no doubt, that luck when it comes their way is not invariably accompanied by £25. But that's being greedy.

None the less, since the prize lists opened, over £17,000,000 has been distributed in prize money. That sum, however viewed, cannot be dismissed as a mean or insignificant reward.



"IMITATION—the sincerest form of flattery!"

... surely, Bhai Sahib, imitation is the sincerest form of flattery!

True—but where people's health is concerned, it's more a dangerous form of flattery, my friend. Unscrupulous people who take so much trouble in imitating packets with the Brooke Bond name and design, invariably fill these packets with poor grade tea, adulterated with numerous mixtures. It's the innocent consumer who suffers.

Isn't anything being done to stop all this?

Oh, quite a lot. There's the Government Trade-Marks Department which keeps a complete record of all the trade-marks used by well-known manufacturers in the country. Drastic punishment is meted out to those who infringe these trade-marks.

Can't Brooke Bond do something for their own protection?

Yes, they can and do—for their own protection as well as to safeguard the interests of their customers. Every one of their 2000 Salesmen keeps a vigilant lookout in the market for packets that resemble any of the Company's Trade-Marks and immediate steps are taken to stop the sale of such packets in order to safeguard the public's interests.

What can the customer do to make sure he gets genuine Brooke Bond Tea?

For one thing, buy his tea from a shop he knows and can trust. Always examine the packet very carefully before purchase. If you are dissatisfied, make a complaint to the shopkeeper immediately.

I agree... it's for all of us to guard and work against this terrible anti-social practice of making and selling spurious goods.

Brooke Bond India Private Limited

Investors and Monetary Policy

By Paul Einzig

BEYOND doubt, investors are in a position to influence by their attitude the monetary situation in their country and even in other countries. Their decisions whether to buy or sell equities or Government Loans or whether to keep their funds in a liquid form, are apt to influence interest rates to such an extent as to affect at times the monetary and economic trend. The latest instance of this influence has been provided by the behaviour of American investors during the last month or two. They have succeeded in checking and even reversing the upward trend of money rates not only in New York but to some degree even in London.

What is happening is that, owing to the uncertainty of the outlook on Wall Street, a large number of American investors, having realised their holdings of equities, are keeping their funds liquid. Indeed, nowadays the fashionable advice to investors is to play for safety by realising about one-third of their investments. By such means, they do not forfeit their investment income altogether, and at the same time they stand a chance of reinvesting part of their capital at more favourable prices. This advice has certainly not the merit of being logical. If an investor is convinced that prices in Wall Street will continue to decline, he should have the courage of his conviction by selling out his entire holding and living on his capital for a few months, in the hope that the fall in prices that would take place in the meantime would amply compensate him. However, the formula of realising part of the holdings does appeal to many people.

A very large proportion of the proceeds of investments thus realised has come to be employed in US Treasury Bills. This again is a fairly new fashion as far as the rank and file of the investing public is concerned. Until comparatively recently in the United States, as in Britain, holdings of Treasury Bills were largely confined to institutional investors and to very large individual investors. But now medium-sized funds are also being invested temporarily in Treasury bills. The result of this change was an unexpected fall in bill rates in New York at the end of January, at a time when it was widely expected that the rise in the British Bank rate would be followed by corresponding change in the United States.

For many weeks, experts were at a loss to explain this strange behaviour of bill rates in New York, and it was only quite recently that they stumbled on the correct explanation. By that time, it had become also necessary to explain an unexpected demand for British

Treasury bills at the weekly tenders. That demand, too, was attributable to American investors who have acquired the habit of employing in British Treasury bills the proceeds of their realised British equity holdings.

Both in Britain and in the United States, the authorities are confronted with a declining trend in short-term interest rates that is not their doing, and which to a large extent conflicts with the immediate object of their monetary policy. Both in Britain and in the United States, the authorities aim at discouraging somewhat the over-buoyant economic activity. But if money rates decline, it will tend to produce exactly the opposite effect. So, it seems that the change in the habit of American investors is to some degree interfering with official monetary policy both in Britain and in the United States.

There is, of course, nothing new in this phenomenon. The Wall Street boom of 1929 provided a striking example showing the power of investors (and, of course, of speculators) in the sphere of monetary policy. The United States authorities wanted to keep money tight in order to discourage speculation. But interest rates on loans to Wall Street rose to such a high level that they would have attracted money even from the moon if such a thing had been possible. They certainly did attract very large amounts from London, much to the dismay of the American as well as the British monetary authorities. The latter were very anxious to keep money reasonably cheap and plentiful in order to assist trade suffering from chronic depression. But investors and speculators in Wall Street forced them to raise the Bank rate and to tighten money.

The present instance of the investors' influence over monetary policy is, of course, not nearly as striking and dramatic as the instance of 1929 had been. Both in Britain and in the United States, the authorities are in a position to counteract the unwanted effect produced by the demand for Treasury bills by American investors. It is easy to envisage, however, the situation when the authorities would find neutralising action inconvenient and perhaps even impracticable. So, they would have to suffer the interference of investors with their monetary policies.

The Radcliffe Report, which is supposed to be the last word on the subject of monetary technique in Britain, contains no reference to the role played by the American investor in influencing British Treasury bill rates. The Committee of experts can hardly be blamed for it, for they concluded their evidence and drafted their report long before the new fashion became sufficiently important to attract notice. But experience shows that it is not sufficient to examine the monetary technique once in many years. It has to be kept under constant close supervision.

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Pakistan's Jute Policy

THERE have been indications in recent months of the possibility of far-reaching changes being effected in Pakistan's jute policy. At long last, this country, whose economy is dependent on jute's fortunes to a considerable extent, seems to have realised that attempts to dictate terms to buyers on the strength of its position as the main supplier of jute to overseas markets, are only jeopardising its interests in the long run. The recent announcement that the limitation on jute acreage has been lifted is an attempt to regain the confidence of consumers abroad. Since then, those charged with the responsibility for looking after the interests of the jute grower, as well as those of the industry, have been frequently emphasising the need for demonstrating to the foreign buyer that Pakistani jute will be made available to them in sufficient quantity and at an equitable price.

There is no denying the difficult position in which Pakistan has placed itself in regard to the export of both raw jute and jute goods. A decade of short-sighted jute policy has lost it valuable custom in the continent and elsewhere, too. The high prices that the jute goods industries in Europe have been made to pay for their raw jute requirements have virtually eliminated them from the international market. Even in their domestic markets, they are facing difficulties as they are finding it almost impossible to compete against low-priced Asian goods. This development did not worry Pakistan' overmuch, as it probably thought that, in the context of the fast growth of its own manufacturing industry, the decline in the offtake of raw jute by foreign consumers would be more than offset by the increase in offtake by the domestic industry.

Pakistan's jute goods industry has no doubt made big strides in the past few years. But it would appear that, of late, it is finding the going rather hard. A rapid expansion cannot be achieved overnight. In its anxiety to capture overseas markets for its jute goods, Pakistan has been following extraordinary measures. Recently, it was admitted by a Pakistani spokesman that undercutting of price in overseas markets of its jute goods had resulted in sizable hardship both to the industry and to the cultivators. Even so, a determined effort is being made to accelerate the growth of the domestic industry. A short cut to a rapid expansion seems to have been thought of. This is revealed by the report that a suggestion has been made to the Dundee industry that it may consider, with mutual benefit the possibility of transplanting some of its mills in Pakistan. Against this background, the indication sounds plausible that Pakistan is inclined to ask India that the jute policies of both the neighbour countries are framed in such a way as to take note of their common interests. A lasting understanding between India and Pakistan in regard to jute will go a long way toward helping both the countries in the international markets.

It needs also to be realised that, if the demand for jute goods has not been rising at a pace commensurate with the expansion in world

industrial production, it is because price behaviour in the jute and jute goods market has been extremely erratic. This has provoked many an erstwhile consumer of jute goods to go in for substitutes. If jute goods are to share in the general world prosperity, there will be inescapable need on the part of the two major raw jute producing countries, India and Pakistan, to ensure that violent fluctuations in the prices of the manufactured articles are not touched off by a famine in the raw material. It is wise to remember that the policy of restriction, in the matter of raw jute output, has already cost Pakistan calamitously dear.

Wage Boards

By M. SUR

THE Union Government's acceptance of the recommendations of the Textile Wage Board for the 800,000 workers in the textile industry, coming fast on a similar acceptance of the report of the Central Wage Board for the Cement Industry, has given prominence to this new machinery for fixation of wages. But, actually, the idea of wage boards is not so new. It was originally introduced in the Minimum Wages Act, which drew to a large extent on British Wage Board legislation. The Act applied to scheduled industries where labour organisation was weak and lacked the strength to bargain for reasonable wages. Under the Act, State Governments were required to fix minimum wages in these industries, either directly or by appointing a representative board or committee to advise them on the particular industry.

More recently, the idea of a Wage Board set up voluntarily within an industry, and representing both employers and workers, has been gaining ground, and has the approval of the Labour Minister. Wage Boards have been set up in national industries such as sugar, cement and textiles: the jute industry will shortly have one and there are to be two for plantations covering the northern and the southern zones. Increasingly, trade unions are demanding fixation of wages by wage boards rather than by adjudication; even the bank employees asked for a wage board. It is, perhaps, the novelty that appeals primarily, because every one is weary of the processes of the industrial courts.

The composition of the cement and textile wage boards was similar: a well-known public figure as chairman; two independent members (one an MP and one academic); two representatives of the employers' associations and two of the trade unions. The terms of reference were identical, except that the subject of bonus figured in the cement wage board terms and not in the textile. The wage boards were to determine the categories of employees (manual, clerical, supervisory, etc) who should be brought within the scope of the wage fixation, and work out a wage structure based on the principles of fair wages as set forth in the Report of the Committee on Fair Wages. In so doing, they were to take into account the needs

of the industry in a developing economy, the requirements of social justice and the need for adjusting wage differentials in such a manner as to provide incentives to workers for advancing their skill. They were to bear in mind the desirability of extending the system of payment by results, keeping in view the need for fixing a minimum or fall-back wage and also to safeguard against overwork and undue speed.

The constitution of a wage board, representing both sides of industry, should make its recommendations acceptable both to the workers and to the industry as a whole in a way that a tribunal award can never be, and Government, in their acceptance of the Textile Wage Board's Report, have stressed this point:

"Since the recommendations represent agreed conclusions between the representatives of employers and workers, the Government expects that the parties concerned will show a spirit of accommodation in interpreting the recommendations, and difficulties, if any, will be solved by direct discussions between them, and if necessary, with the assistance of the State Governments concerned."

In fact, however, considerable opposition has already been expressed by textile employers, both in West Bengal and in the South, to the report of the Textile Wage Board. The Bengal Millowners' Association has stated that a large number of the State's 17 composite and 9 spinning mills would close if the recommendations were implemented. It is worth while, therefore, to consider the basis of their objections. The industry in West Bengal consists mostly of small units, whereas both the employers' representatives on the Board, they point out, came from very large companies and had no practical experience of the difficulties of smaller mills. It is calculated that the increased annual burden of implementing the recommendations of the Board on dearness allowance alone would be Rs 1.04 crores in West Bengal textile industry, which employs about 43,000 workers, compared with an annual burden of Rs 1.70 in the Madras textile industry which employs 101,000. According to a statement prepared by the Indian Cotton Mills Federation, the percentage increase in emoluments of workers per 100 looms in West Bengal will be 36 per cent as against 5.7 per cent in Bombay and 5.3 per cent in Ahmedabad. Productivity of workers in West Bengal textile mills is lower than in other centres, and the number of workers is proportionately higher. The reason for this may be inefficiency and old machinery, but while the Wage Board has emphasised the need for rationalisation and modernisation, it has stipulated as the first condition "no retrenchment and no loss of earnings of existing employees", so labour costs would not be reduced by modernisation, except perhaps in the long run.

The other point that disturbs the West Bengal millowners is that an omnibus tribunal as recently as 1958 had awarded an increase of Rs 10.50 per textile worker, after taking

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

into account the industry's capacity to pay. While the Wage Board recommended that recently negotiated increases should be taken as part of the increase recommended, it excepted increases awarded by industrial tribunals. The Bengal Millowners' Association estimates that the increase already given by the 1958 tribunal represented about 21 per cent of the workers' previous emoluments.

Hitherto, under the system of adjudication, we have had settlement of wages on a region-cum-industry basis, which has naturally taken account of regional variation. If we are now to fix wages through national wage boards, it seems important that regional variations should be given due consideration. If a whole region feels that its special problems have not been given sufficient weight, it will not be easy to implement the recommendations of the wage board and the idea of wage boards will become discredited. The question of enforcement of wage board recommendations has already been under consideration by the Government, and was discussed at the last Indian Labour Conference. Since a wage board is a voluntarily constituted body (even if sponsored by Government), its conclusions have no legal sanction. For this reason, the Indian Labour Conference proposed that wage boards should be put on a statutory footing, but the Standing Labour Committee pointed out that this would not be in keeping with the general approach of encouraging voluntary settlement, and that unanimous decisions of wage boards should be implemented by the parties themselves. Government, however, have not ruled out the possibility of giving wage board recommendations statutory force, so the textile industry may prove a test case.

Coming to a study of the recommendations for textiles and cement, it is noteworthy that the two boards approached their problems from different angles. The Cement Wage Board took as its basis the resolution of the 15th Indian Labour Conference that the minimum wage should be "need-based", whereas the Textile Wage Board viewed the introduction of a need-based wage as a "leap forward of a character that the industry would not be able to support", and so contented itself with flat wage increases.

The Cement Wage Board arrived at a total minimum wage of Rs 94 for all unskilled workers in the industry, except in the Gujarat and Saurashtra regions of Bombay State, where it calculated that a higher cost of living would give a minimum requirement of Rs 101. Of this minimum, Rs 3 is to be deducted as the value of amenities provided by the employer, leaving a minimum cash wage of Rs 91 and Rs 98 respectively. This is composed of a basic wage of Rs 52, a house rent allowance of Rs 7.50, and the rest as dearness allowance, which is to be linked to the All India Consumer Price General Index, rising or falling Rs 1.47 for every two points in the index (Rs 1.59 for Gujarat and Saurashtra). These recommendations will result, it seems, in an increase of at least Rs 25 per month for each unskilled worker in the lowest grade, and so the Board has suggested a phased implementation, the second stage being conditional on a study of workloads. (One wonders why this was not broadened into a study of productivity?) Existing piece-rates are to be adjusted so as to enable the operatives to earn not less than the wage recommended for unskilled operatives, and where new piece rates are introduced, provision is made for the joint nomination of an arbitrator if a settlement cannot be reached by negotiation.

On bonus, the Cement Wage Board preferred not to interfere with the "Bombay Formula" of the Full Bench. As the increases recommended in basic wages would conside-

rably increase the burden of gratuity payments, the Board has suggested splitting the period of service for purposes of gratuity calculation into two parts. For the first period up to the date of coming into operation of the recommendations, gratuity should be calculated in terms of the average basic wage earned in the last month or year of the first period; for the second period, gratuity should be calculated in terms of the average basic wage earned in the month or year of service.

To meet the cost of these increases, the Board recommended that Government should examine and revise the retention prices of cement paid to the producers. This, Government have promised to do, without affecting the existing FOR destination price and the price to the consumer.

The Textile Wage Board divided the industry into two categories, the first to cover Bombay City, Ahmedabad, Nadiad, Surat, Phagwara, Hissar, Delhi, Modinagar, Calcutta City, Madras State and Bangalore; the second embracing all other areas. The recommendations of the Wage Board are for a flat increase at the average rate of Rs 8 per month for all workers in the first category from 1 January 1960, and a further flat increase of Rs 2 per month from 1 January 1962; whereas, in the second category, the increases are to be Rs 6 and Rs 2 respectively.

Three-quarters of the dearness allowance of textile workers is to be consolidated in their pay on the basis of 75 per cent of the average DA received during the first six months of 1959. The remaining 25 per cent will remain as DA and be linked with the cost of living index in all centres where such figures are kept, and where there is no such index with the index of the nearest centre which has one. In Madras State, DA is to be increased to give full neutralisation for the rise in the local cost of living index since 1936-39 on minimum wages. This revised system of dearness allowance is rather complicated, involving detailed calculations which may give rise to differences of opinion, and so Government intend to appoint a national tribunal to sort out such difficulties if they cannot be solved by negotiation. Gratuity will be calculated in terms of basic wage up to 31 December 1959, and in terms of basic wage plus the increase now awarded, but excluding the consolidated DA, after 1 January 1960.

Some criticism has been voiced in the press about the different approach of the two boards. Why, say the critics, should Government accept such different principles for the fixation of wages; does it not indicate indecision as to national policy? The recommendations of the Cement Wage Board will lead to standardisation in the industry except for the two areas in Bombay State, but the Textile Wage Board report will only perpetuate the variations in that industry. How, say the critics, can a national wage policy emerge in such circumstances? It certainly looks as if the Government are not thoroughly convinced of the "need-based" wage suggested by the Indian Labour Conference. On the other hand, it must be remembered that every attempt made so far to draw up a national minimum wage policy has foundered on the differences between industries and the great variations in the cost of living in different parts of the country.

But there is a further consideration. Wage boards are not necessarily part of a design which will produce a national wage policy. They are part of the machinery of industrial relations, and their primary object is the peaceful settlement of wage disputes. Is it not a healthy sign that, at the national level, both sides of industry are now prepared for wages to be settled in a fact-finding spirit by their representatives sitting together, rather than in

the heated atmosphere of the industrial courts, with all the delays of legal proceedings? It is certainly carrying out the principle of settlement by negotiation rather than by adjudication. Such settlement cannot be expected to run along similar lines in all industries. What suits one may not suit another. It is surely better for the parties to work out a solution acceptable to them in the present circumstances than to try and force them all to an imposed pattern. One wage board will doubtless be influenced by the findings of another. We have at present two patterns set, and it will be interesting to see whether the jute industry and the plantations will follow either of these or evolve yet another. If eventually a national pattern should emerge, it will be all to the good. If it does not, at least settlement by agreement should bring about a more stable relationship within the industry. It is noteworthy that the Textile Wage Board places as its first joint recommendation that there should be no further claims for revision of minimum wages within next five years. This is surely an achievement, and it would be a pity if the experiment in the voluntary settlement of wages were marred by individual employers showing themselves unwilling to accept the decisions of their industry's representatives. It is all the more important, therefore, that industry's representatives on these boards should be fully informed on regional variations and difficulties, and on the degree of acceptance that any recommendation can command. It should not be necessary to consider placing wage boards on a statutory footing, for, if they are set up voluntarily in an industry, it should follow as a natural corollary that both parties should bind themselves in advance to accept the joint recommendations of their representatives.

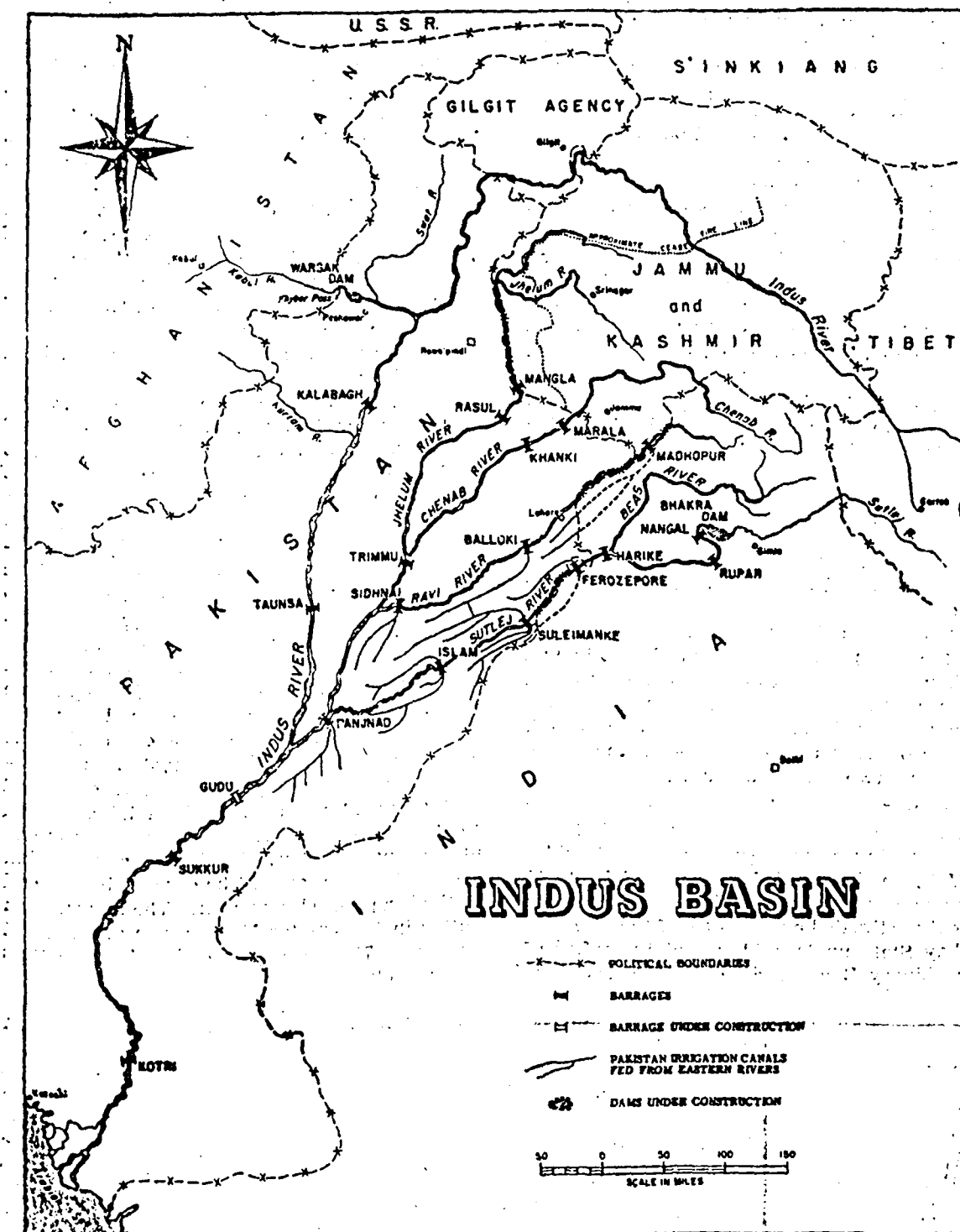
Indus Waters

THE negotiations for the conclusion of a Water Treaty between India and Pakistan in settlement of the Indus Waters question are continuing in Washington under the auspices of the World Bank. It is hoped that final agreement on all the outstanding points to be included in the Treaty will be reached within the next two months.

The Treaty would be based on a division of the Indus Waters on the lines of the Proposal made by the Bank to the two Governments in February 1954. Under this Proposal the three Eastern Rivers of the Indus system (Sutlej, Beas and Ravi) would be for the use of India, and the three Western Rivers (Indus, Jhelum and Chenab) would be for the use of Pakistan.

This division of the waters necessitates the construction of works to transfer, from the three Western Rivers, supplies to meet the irrigation uses in those areas of Pakistan which have hitherto depended on supplies from the three Eastern Rivers. The effect of this transfer would be to release the whole flow of the three Eastern Rivers for irrigation development in India, and, as part of the Treaty, India would agree to contribute towards the costs of these works. The system of works to be constructed would, however, provide further substantial additional irrigation development both in India and Pakistan and, as well as irrigation, would develop important hydro-electric potential in both countries. It would also make an important contribution to soil reclamation and drainage in Pakistan, and provide a measure of flood protection in both countries.

It is estimated that the total cost of the system of works to achieve these results would be of the order of the equivalent of \$1,000 million, partly in foreign exchange and partly in local currencies.



The Bank has evolved a plan to finance the required expenditure and has had assurances from certain friendly governments of their readiness to participate in the cost of the Plan, over and above the amounts to be contributed by India and Pakistan and by the Bank itself. The implementation of the financial plan, and the participation of the governments concerned would, of course, be contingent on the ratification of the Water Treaty now under negotiation and would be subject to such parliamentary and congressional action as may in each case be necessary. The participation of each of the friendly governments concerned would be as follows:

A. In Foreign Exchange		
Australia	£A	6,964,286 in grants
Canada	Can \$	22,100,000 in grants
Germany	DM	126,000,000 in grants
New Zealand	£NZ	1,000,000 in grants
United Kingdom	£	20,880,000 in grants
United States	US	\$177,000,000 in grants, and US \$103,000,000 in loans

B. In Local Currency
United States The equivalent of US \$235,000,000

The President of the World Bank is prepared to recommend to the Bank's Directors that the Bank should participate with loans to India and Pakistan of the order of \$103 million.

The Bank's financial plan envisages that all construction contracts would be open to competitive bidding, and that the foreign exchange

contributions would be freely useable for purchases anywhere in accordance with procedures similar to those followed by the Bank in its normal operations.

The costs of the construction programme would be spread over a period of approximately ten years, and the general supervision of the programme would be undertaken by the Bank.

Kerala Budget

UNLIKE the Finance Ministers of most States, Mr R. Sankar, Kerala's Deputy Chief Minister, who is also in charge of the Finance portfolio, has an arduous task in managing the finances of his State. The revenue Budget for 1960-61 shows a deficit of Rs 1.99 crores as receipts and expenditure are placed at Rs 42.95 crores and Rs 44.94 crores respectively. The deficit has been left uncovered. The revised estimates for 1959-60 put receipts at Rs 39.53 crores and expenditure at Rs 40.56 crores, thereby showing a deficit of Rs 1.03 crores. The Budget for 1959-60 anticipated a deficit of only Rs 0.72 crores. The Capital Budget for 1960-61 places the estimated expenditure at Rs 9.06 crores as against Rs 8.77 crores in the revised estimate for 1959-60. An open market loan of Rs 4.40 crores is to be floated next year.

While it is to be admitted that the anticipated deficit next year is not of such a magnitude as to be made much of, it is at the same time not of such small proportion as can be

taken complacently. There is nothing extraordinary in the uptrend in expenditure. This is a common phenomenon in other States also. But, in Kerala, revenue receipts are not displaying the buoyancy that characterises those in most other States. Referring to the inelasticity of the State's revenue while expenditure is maintaining its uptrend, Mr Sankar has pointed to the limited scope of tax revenue. There does not appear to be any source still left untapped in this regard—on the contrary there appears to be a case for reduction of taxes—as many new taxation measures have been introduced in recent years. According to him, there are only one or two among the tax sources which may still be expected to fetch increased receipts. In view of the fall in the price of tea and on account of the land policy, an increase in revenue from Agricultural income tax is unlikely. This leaves only sales tax which continues to be a major source of income for the State. Excise is another source that is still netting a satisfactory income.

Mr Sankar has, however, spoken hopefully about the future. Industrialisation may be expected to be speeded up as the new Government propose to give encouragement to private enterprise. It is hoped that the State will secure due recognition of its needs in the matter of outlay under the Third Plan. Food production should continue to receive Government's close attention as there is a sizable gap to fill between requirement and indigenous output. As against a requirement of 1.6 million tons of rice, production at present is barely 900,000 tons. Mr Sankar is, however, confident that self-sufficiency in rice can be attained by the end of the Third Plan without even the need to increase to any appreciable extent the area under paddy. This will, of course, require the expansion of irrigation facilities and the supply of manure in large quantities. Coconut production is also to receive increased attention.

Mr Sankar's Budget speech necessarily gives only the broad outlines of Government policy because there has been too little time between the assumption of office by the new coalition Ministry and the presentation of the Budget. The programme of expenditure now proposed is only of a preliminary nature and the "final picture" will be presented to the Legislature at its next session. The short review of the State's economic situation given by the Finance Minister contains an indication of the manner in which the various problems are proposed to be tackled. There is, first, the need for augmenting revenue, and Mr Sankar has rightly concluded that the scope for taxation is limited and therefore more attention should be paid to non-tax revenue. The prospects are good in this regard because there is a big leeway to be made up in industrialisation which has not been attended to seriously so far for one reason or another. Now that the Government to which Mr Sankar belongs promise to make a realistic approach to the needs of the private sector, entrepreneurs may be more enthusiastic than they have been for some time past. It is also a happy augury that the State Government are earnestly considering steps to expand rubber production as well as other plantation crops. It is to be hoped that, when Mr Sankar presents his full picture of the State's economy, the realistic approach to the problems of the State, of which there are indications in the Budget speech, will be better revealed.

Rajasthan Budget

A SIMULTANEOUS attempt to cut down expenditure and augment revenue is the significant feature of the Budget for 1960-61 presented to the State Legislature by Mr Hari-

bhau Upadhyaya, Finance Minister of Rajasthan. With revenue receipts and expenditure estimated for the Budget year at Rs 45.15 crores and Rs 45.89 crores respectively, there is a deficit of Rs 74 lakhs. Mr Upadhyaya, however, expects that the deficit will be converted into a surplus of about Rs 16 lakhs as a result of fresh taxation measures announced and some other adjustments. Capital expenditure is estimated at Rs 27.22 crores. The State Government have proposed to raise Rs 5 crores from public loans during the next year.

New taxation is expected to net a total of Rs 90 lakhs. With the bringing into the purview of sales tax of 47 items which will bear tax at rates ranging from half a per cent to 7 per cent (all other commodities bear sales tax at the rate of 4 per cent) an additional sum of Rs 35 lakhs is anticipated from sales tax. Surcharge on revenue will yield Rs 10 lakhs. An additional excise income of Rs 7 lakhs is expected as a result of the slight changes in the State excise duty rates. There will be an increase of Rs 4 lakhs under duty on motor spirits purely on account of the adoption of the metric system. Purchase tax and stamp and court fees will yield Rs 6 lakhs and Rs 3 lakhs respectively. The proposed economy in administration is estimated to yield Rs 25 lakhs. Mr Upadhyaya has endeavoured to put into practice what is still largely a pious wish elsewhere in the country. Everybody in the country, not excluding the ministers themselves, are declaring loudly that the cost of administration should be kept down. Rajasthan's Finance Minister has shown how it can be done. What he has proposed involves no retrenchment, but applies to fresh appointments. Government have decided to enforce an ad hoc cut of 5 per cent in the ministerial and 10 per cent in Class IV services.

Mr Upadhyaya has warned against both complacency and undue perturbation about the finances of the State. True, the Second Plan has proceeded satisfactorily to justify the hope of reaching the targets set. But this does not mean that the people of the State can relax their efforts because even bigger tasks lie ahead during the Third Plan period. The fact that the State's loan liability to the Centre is of the order of Rs 87.31 crores need cause no alarm because assets far in excess of the liability have already been created. According to Mr Upadhyaya, as a result of the additional irrigation facilities created in the course of the past few years, there will be considerable additions to revenue resources. A large portion of the capital expenditure is also expected to be covered by the sale of land and betterment levy in the areas where major irrigation projects have been completed.

Bombay Budget

THE Budget presented by Dr Jivraj Mehta to the Bombay Legislature last Friday is the last Budget of the Bilingual Bombay State. A full fledged detailed Budget is not possible for the simple reason that the bilingual Bombay State itself will cease to exist in about a month's time. From 1 May, the two unilingual States, Maharashtra and Gujarat, will come into being and consequently there will have to be two sets of accounts.

The Budget shows that revenue is estimated at Rs 150.06 crores and expenditure at Rs 149.09 crores, leaving a small surplus of Rs 7 lakhs. A "Vote on Account" for a sum of Rs 92.11 crores is sought by the Finance Minister to cover the estimated expenditure of the bilingual Bombay State up to 1 May, and thereafter of the residuary Bombay State for the next four

months. The expenditure of the Gujarat State during the period will be authorised by the Governor.

Of the revenue receipts of Rs 150.06 crores, the biggest single contribution is from Sales Tax (Rs 36.5 crores) with the contribution from the Centre in respect of the State's share of Excise and Estate duties and taxes on railway fares coming a close second (Rs 31.09 crores). Of the estimated expenditure of Rs 149.59 crores, Education gets the pride of place with Rs 26.58 crores with Medical and Public Health getting Rs 11.65 crores. Capital expenditure is estimated at Rs 47.75 crores of which nearly half goes to Irrigation.

How strong the bilingual State has been financially, is revealed in the rapid growth of its revenues in the course of the past few years. In the first full year of the enlarged State, that is 1957-58, receipts were placed at Rs 128.35 crores and expenditure at Rs 115.08 crores. In 1960-61 receipts and expenditure are placed at Rs 150.06 crores and Rs 149.59 crores respectively. Dr Mehta ascribes this remarkable improvement to the full cooperation of the people of the State for all the measures aimed at increasing the State's revenue. This readiness to shoulder the increasing tax burden also shows that the planned development under the Second Plan has had its impact on the economic condition of the population.

The bilingual State has done well during the Second Plan period in the matter of implementation of Plan projects. It is now estimated that about 70 per cent of the total outlay of Rs 350 crores will have been spent by the end of the current year. Dr Mehta expects that the full Plan outlay will be covered by the end of the Plan period next year. The annual Plan outlay in 1960-61 for Maharashtra and Gujarat are Rs 66.77 crores and Rs 34.09 crores respectively.

SPECIAL SECTION

[In the course of the last two weeks, Central Government Ministries have published their Reports for 1959-60. This Special Section summarises such reports as have been received.]

Commerce & Industry

AMONG the heartening trends in the industrial sector which have been in operation in 1959-60 and which are highlighted in the very valuable and informative report of the Commerce and Industry Ministry for the year are the ones relating to the rise in the level of industrial production, better utilisation of capacities in a number of industries, greater encouragement and assistance to the private sector and the increasing complementarity between the two sectors—public and private. In the first place, the rise in the index of industrial production for the first ten months of 1959 by 10.4 points over the previous year's figure, as compared with an increase of less than 2 points in 1958 over 1957, is all the more remarkable, considering the tight foreign exchange position which has continued to prevail during the year. "Actually the increase in industrial production has been even larger than the index would suggest." In emphasising this fact, the report has rightly pinpointed three defects in the present index, namely, that the base year for it is 1951, that new items, the production of which has started after that date, do not enter into it and that the weightage in favour of traditional industries like cotton textiles, jute textiles and sugar is very heavy in the index as composed at present. If the index, with such defects, does not adequately reflect the progress of industrial production, it is high time a more reliable index with a more appropriate base year was constructed and maintained. The Commerce and Industry Ministry may well note that critics, especially the more uncharitable ones, have neither the time nor the patience "to consider generally the progress made by our newer industries."

Apart from the need for a new index of industrial production, there is the need for a more systematic presentation of year-to-year trends in the matter of utilisation of installed capacities. As it is, the only information available regarding better utilisation, if any, of capacity is contained in the 10th column of the Statistical Appendix on "Industrial capacity and

Production in Major Industries" to the Commerce and Industry Ministry's report. Even here, it is not always clear whether the rise, if any, in production has been really due to better utilisation of idle capacity in some units or due to any increase in the total installed capacity as such. For example, the increase in actual production of agricultural implements from 14,000 tons in 1958 to an estimated 15,886 tons in 1959 is stated to be due to better utilisation of capacity. But, actually in this case, the installed capacity itself has increased from 19,696 tons in 1958 to 23,788 tons in 1959. It is, of course, possible that new capacity may have been installed too late in the year to be of any consequence in terms of actual production. And it is also possible that the production plan itself of a unit has provided only for a staggered utilisation of capacity. In view of these considerations, it may be necessary to go by the word of the Commerce and Industry Ministry according to which the industries recording increases in production in 1959 (as compared to 1958) through better utilisation of capacities are as under:

Agricultural implements; bolts, nuts and rivets; chains; conduit pipes; razor blades; sewing machines; shafting; steel pipes and tubes; steel structural; typewriters; welding electrodes; wire ropes and stranded wire; wood screws; zip fasteners; diamond drill bits; H.T. insulators; sanitarywares; sheet glass; viscose staple fibre; vegetable tanning of hides; and glue.

The fact that there are substantial unutilised capacities in a number of other industries does not, however, detract from the trend of better utilisation of capacity in the above relatively minor industries.

As regards encouragement and assistance to the private sector, it is noteworthy that there has been an increased licensing of capital goods to the private sector during 1959 "to sustain the momentum of development in the vital sectors of the economy." The facts in this connection refer to approvals for capital goods imports for the following industries:

	(Rs crores)
Paper	29.4
Basic chemicals	13.2
Automobile industry	6.3
Non-ferrous metals	5.4
Cotton textiles	13.5
Engineering industries	4.9
Re-rolling and secondary fabrication of iron and steel	5.8
Refractories	2.5
Rubber	2.2
Total	83.2

Actually, the total value of approvals for capital goods imports is as much as Rs 97 crores if approvals against inflow of fresh foreign private capital on deferred payments and on cash basis are also included.

Another trend of greater encouragement to the private sector has been in evidence in the sphere of licensing of new industrial schemes under the Industries (Development and Regulation) Act. Noteworthy here are certain decisions to speed up licensing work. In particular, for industrial machinery and a number of other items, it has been decided that individual applications need not be placed before the Licensing Committee. The firms concerned may apply straight away for import licences for capital goods; once these are granted, they will be able to proceed with the project and get the Industries Act license as a matter of course. It has also been decided to accord speedy approvals, subject to certain condition, to applications from undertakings for diversification of production. Even applications for additional capacity in regard to certain items where there is sufficient capacity in the country already are to be rejected only for a specified period. Thanks to such liberalisation in licensing, the number of new industrial schemes approved in the period October, 1958—September 1959 under the Industries Act has reached the record level of 1963—composed of 412 licences for establishing new industrial undertakings, 351 for substantial expansion of existing units and 200 for the manufacture of new articles. This may be compared with the trend of licensing in 1958, for which the figures are given in the table below:

State	Schemes approved	Licences issued
Andhra Pradesh	16	15
Assam	6	6
Bombay	330	271
Bihar	17	15
Kerala	14	16
Madhya Pradesh	8	5
Madras	59	73
Mysore	11	14
Orissa	6	9
Punjab	32	39
Rajasthan	13	6
Uttar Pradesh	48	45
West Bengal	140	123
Andamans	—	1
Delhi	31	11
Himachal Pradesh	2	—
Total	733	649

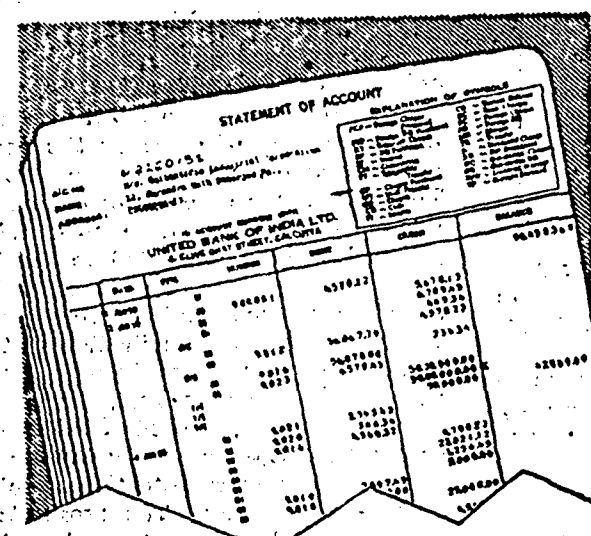
Since an unknown number of approved applications in the 1958 total of 733 approvals must have been for regularising the activities of industrial undertakings which were already in existence but had not obtained the necessary licences, the total of 963 approvals in the latest period probably represents a 50 per cent increase. In a way, this is an index of the increasingly favourable climate for private enterprise in the country.

This climate will be even more favourable in the years to come when the factor of complementarity between the public sector and the private sector begins to operate fully as it must in the wake of establishment of basic industrial projects in the public sector. To quote from the report of the Commerce and Industry Ministry:

"The projects in the public sector will provide a basis for the further expansion of production and capacity in the private sector. The increased production of steel in public sector plants will encourage the expansion of engineering industries in the private sector. The availability of basic chemicals and intermediates from indigenous sources will make the production of drugs, dyestuffs and plastics less dependent on the availability of foreign exchange for the import of raw materials. The increase in machine building capacity will enable industries in India to expand their capacity without having to depend upon imports and the consequent expenditure of foreign currencies. Development in the public sector will be complementary to and augment the capacity which is being set up in the private sector."

There is absolutely no exaggeration in this official statement. If anything, it is an under-statement so very characteristic of some Government reports. Be that as it may, can there be a more fitting reply to the Swatantra scare-mongers?

[The Report of the Finance Ministry was dealt with in Olympus, page 470, issue of 12 March 1960.]



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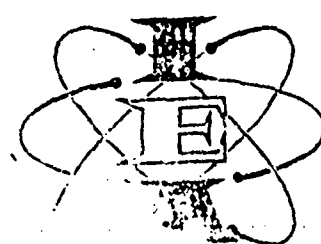
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Food

The report of the Department of Food in the Ministry of Food and Agriculture for 1959-60 discloses that the general food position showed considerable improvement during 1959 consequent on the increased output of 73.5 million tons of foodgrains. But, because the increase in the flow of supplies to the market was not commensurate with the rise in output, the improvement in the price situation fell below expectations. This inevitably entailed the continuation of the regulatory measures such as selective control on bank credit against foodgrains, ban on forward trading in foodgrains, zonal arrangements, licensing of foodgrain dealers and millers and ban on open market purchases of wheat by roller flour mills in most States.

The production of foodgrains at 73.5 million tons during 1958-59 compares with 62.5 million tons during 1957-58. The production of rice increased from 24.9 million tons in 1957-58 to 29.7 million tons in 1958-59, while output of wheat rose from 7.7 million tons to 9.7 million tons in the corresponding period. Production of cereals at 61.3 million tons was higher by more than 8 million tons than production in 1957-58, which stood at 53.0 million tons. Production of pulses increased from 9.5 million tons in 1957-58 to 12.2 million tons in 1958-59.

Under the impact of the increased production, prices started a downward course and, by May 1959, the index for cereals as a whole had declined to 99 from 115 in September 1958. With the onset of the off-season, this trend was reversed and prices began to move up again, though, on the whole, they remained considerably lower than those in the corresponding period of 1958 in most parts of the country.

During 1959, there was considerable extension of state trading activities with respect to purchase and distribution of foodgrains. Total purchases of rice and paddy both by the Central and State Governments amounted to 1.39 million tons as compared with 461,000 tons in the preceding season. However, the experience in respect of state trading is disclosed to have been not quite happy in the deficit or marginally-placed States, where the flow of market arrivals was adversely affected. Four State Governments—West Bengal, Bihar, Madras and Mysore—had to discontinue purchases.

The sugar situation in 1959 is reported to have remained tight, and is traced to lower production at 1.92 million tons in 1958-59 against 1.98 million tons in the previous year and to the increased offtake from factories at 2.08 million tons against 2.04 million tons in 1957-58. The steps which the Government took to keep the situation under check included discontinuation of exports, continuation of the control over ex-factory price of sugar produced by factories in UP, North Bihar and Punjab, licensing of wholesale dealers, delegation of powers to district officers to fix sale prices of sugar, taking over of the entire production of sugar factories in UP,

North Bihar and Punjab for controlled distribution, allotment of specific quotas to various states and suitable restrictions on the movement of sugar.

Agriculture

Thanks to favourable weather conditions and the various developmental measures, including the rabi production campaign carried out by the Union Ministry of Food and Agriculture, agricultural production touched a record level in 1958-59. The annual report of the Department of Agriculture in the Union Ministry of Food and Agriculture states that the overall index of agricultural production (with 1949-50 as base) rose to 131.0, showing an increase of 14.3 per cent over the previous record of 123.6 for 1956-57. The production of foodgrains was at the high level of 73.5 million tons, jute about 5.2 million bales, oilseeds 6.9 million tons and sugarcane (in terms of gur) 7.2 million tons; only the production of cotton remained at the same level as in the previous year.

For the most part, the increase in production reflects the acceleration in the implementation of development programmes in the direction of intensive cultivation. In this connection, the report states that minor irrigation works which yield quick results were given special emphasis. The total outlay sanctioned to the States and Union Territories for this programme during the year amounted to Rs 20 crores. On the basis of present progress, the target of extending irrigation facilities to an additional area of 9 million acres through minor irrigation during the Second Plan period is expected to be achieved.

Central assistance to the tune of Rs 4.7 crores for the setting up of seed farms enabled acceleration of activities in this field. The number of seed farms already established is placed at 2,700. Of this, over 2,400 farms are reported to have started producing improved seeds. In respect of chemical fertilisers, there was a shortfall in supplies to the extent of about 700,000 tons. Against demand estimated at 1.88 million tons, internal availability amounted to only 1.19 million tons, but foreign exchange shortage precluded large imports.

In respect of cash crops such as sugarcane, cotton, jute and oilseeds, the report reveals increased tempo in development work. In the field of sugarcane, the extension of intensive manuring to attain a target of 2.9 million acres was the highlight of activities. Under the cotton extension schemes, loans amounting to Rs 40 lakhs were sanctioned for purchase of fertilizers and Rs 35 lakhs for the purchase of improved seeds. For the development of jute, the area under improved seeds went up to 80,000 acres in 1958-59, as compared with 57,000 acres in the previous year.

Steady progress is also disclosed in the sphere of animal husbandry, dairying, fisheries and forestry. Setting up artificial insemination centres, key villages extension centres and development of feed and

fodder resources went apace. In the sphere of soil conservation, the programme undertaken included 180 schemes designed to benefit an area of 946,000 acres involving central assistance amounting to Rs 3.8 crores.

Community Development

The report of the Department of Community Development claims that more than 179 million, or about 61 per cent of the total rural population of the country, had come within the orbit of Community Development programme by October 2, 1959, when the programme had been extended to 2,708 (in addition to 403 pre-extension) Blocks. Peoples' contribution, since the inception of the programme in 1952, is valued at Rs 79.75 crores as against total Government expenditure of Rs 153.97 crores. The most significant development during the year was the implementation of the scheme of Panchayat Raj, and devolution of responsibility for planning and execution of the CD programme on the people themselves.

The activities under the programme cover improvement of agricultural practices, minor irrigation, animal husbandry and fisheries, handicrafts and small industries, public health, housing, social education, tribal welfare and special programmes for women and children. During the year, the Department brought out 71 publications in English and Indian languages, and distributed 22 films produced by the Ministry of Information and Broadcasting for the Ministry of Community Development and Cooperation. More than 400 distinguished visitors, including President Eisenhower, President Voroshilov and the Prime Ministers of Sweden, Afghanistan and Nepal visited Community Development areas and saw the programme in action.

Cooperation

In view of the current controversy over cooperative farming, considerable interest attaches to the report of the Department of Cooperation, which has been transferred to the Ministry of Community Development and Co-operation by a Presidential Order dated December 30, 1958. The Department expects that 67,000 service co-operatives will be functioning within the next twelve months. So far, 15,000 service co-operatives have been set up as at November, 1959, and the target of 39,000 societies for 1959-60 is expected to be achieved by June, 1960. Reorganisation of rural credit societies, of which there were nearly 168,000 by the end of June 1958, into service co-operatives, where necessary, is expected to complete the target by the end of the Second Plan.

The volume of short and medium credit extended by co-operatives is estimated at Rs 125 crores during 1958. This is expected to increase to Rs 190 crores by the end of the Second Plan, only Rs 10 crores below the target. An expert committee has been set up to examine the question of expansion of cooperative credit to farmers.

Considerable progress has been made in the establishment of market-

ing societies, of which 1,063 were organised during the first three years of the Plan. More than 800 are to be established in the remaining period of the Plan, which had set the target of 1,900 marketing societies. Cooperative factories accounted for 10 per cent of the country's total sugar production in the 1958-59 crushing season. Up to end of March 1959, Government had contributed Rs 334 lakhs to the share capital of these factories, and during 1959-60 another Rs 100 lakhs would have been contributed.

Irrigation and Power

The review of activities of the Ministry of Irrigation and Power for the year 1959-60, reveals a marked improvement in the utilisation of irrigation potential created by medium and major projects during the first three years of the Second Plan period. The utilisation at the end of 1958-59 was 82 per cent of the potential created by the First and Second Plan schemes at the beginning of the year. In terms of million acres, the potential created and utilised in 1956-57 were 5.3 and 3.4 in 1957-58, 6.2 and 4.9 and in 1958-59 7.2 and 5.9.

A significant achievement in the year was the completion by the National Projects Construction Corporation of the Wazirabad Barrage on the Yamuna in the Union Territory of Delhi in the space of one working season.

Referring to the progress made by major projects, the report points out that the first stage of the Hirakud Project has almost been completed and that it has been decided to hand over the project to the State Government on 1st April, 1960. In the DVC, the Panchet Hill Dam was completed and the hydro-electric power station, with a generating capacity of 40,000 KW, put into commercial operation. A significant feature of the implementation of these projects was that most of them generally adhered to the schedule of work drawn up for the year.

In regard to development of power, the report says that the Second Five Year Plan provides for an increase of 3.5 million KW in the installed generating capacity of power plants in the country. During the first three years of the Plan, the installed capacity increased by 0.9 million KW. During the year under review a total of 557,000 KW is likely to be added. However, in view of the foreign exchange difficulties, the possibility of achieving the target for power is not considered likely.

Referring to the work of the Power Wing of CW & PC, the report states that the State Governments and project authorities were afforded assistance in connection with the examination of tenders for generating plant and equipment required for various schemes under execution.

Communications & Civil Aviation

Further strides have been made in civil aviation during the past year. The annual report of the Department of Communications and

Civil Aviation for the year 1959-60, which gives detailed information about the progress of civil aviation, also covers the activities of the Departments of Meteorology, Overseas Communications, Wireless, Planning and Co-ordination, the administration of railway inspection and the working of the Indian Telephone Industries.

The two air corporations, Air India International and the Indian Airlines Corporation, have continued to make steady progress during the year under review. A notable development in Air India International is its active preparation for the inauguration of the jet flights. Two of the three Boeing 707 jet aircraft on order at a total cost of Rs 11.50 crores were received in February and in early March 1960. The third Boeing is due to be delivered before the end of the current financial year. An order has been placed for the fourth, which is expected to be delivered in April 1961. The jet operations are expected to commence from April this year. The operations of the Corporations were disrupted for a week in January due to the pilots' strike which, however, was amicably settled.

The Indian Airlines Corporation's fleet strength was reduced to 75 aircraft from the previous year's strength of 80, but there is a progressive improvement in the capacity ton miles operated. The question of selection of suitable aircraft to replace the Dakotas (the Corporation has 57 Dakotas) is still under consideration, but, in the meanwhile, five Fokker Friendship aircraft at a cost of Rs 234.21 lakhs on the basis of a barter deal are to be acquired. From 64.075 million in 1958-59, it is estimated that the capacity ton miles operated in 1959-60 would be of the order of 66,380 million. Under agreements with the Punjab and Rajasthan Governments, the Corporation has started new services, and its winter schedule included provision of additional services. The Civil Aviation Department controls 85 aerodromes and steady progress was maintained in the provision of ground facilities for the operation of air services.

There has been an all round increase in production at the Indian Telephone Industries, Bangalore, during the past year compared to earlier years. It may be noted that the annual targets for the Second Plan period had already been exceeded as early as in 1958-59. It is expected that the Second Plan target of 3,20,000 telephones and 2,15,000 lines will be far exceeded by March 1961. The emphasis in the operation of ITI is now on diversification of production with increased attention devoted to the fuller exploitation of indigenous sources of supply. A new telephone has been developed, which is new in appearance, size and performance. The large scale production of this new telephone is expected to be taken in hand shortly. ITI has also taken up for development and manufacture a number of items of equipment required for the Railway Electrification project. As these items are not made in India, their production by ITI will help conserve foreign exchange.

The total value of sales in ITI during 1959-60 is estimated at Rs 359 lakhs as compared to Rs 344.5 lakhs during the previous year.

Transport

The annual report of the Department of Transport, Ministry of Transport and Communications, for 1959-60, contains much information that will be carefully noted by a wide section of the community. The special importance of this Department's report may be said to stem from the fact that it deals with some of the sectors of economic activity which are still largely in the hands of private enterprise. The recommendations of the Road Transport Reorganisation Committee are now under examination by the Central Government in consultation with the State Governments. Another Committee has been set up under the Chairmanship of Mr K. C. Neogy to examine the questions relating to co-ordination between modes of transportation, particularly rail and road transport, and their future development and to draw up the broad outlines of a national transportation policy. The target laid down in the Nagpur Plan in respect of mileage of roads has been fully achieved and good progress is being made in respect of National highways and roads other than National highways.

The merchant marine has recorded satisfactory progress during the year. The total Indian owned tonnage as on 31st December, 1959, stood approximately at 739,000 gross tons as compared to about 638,000 gross tons at the end of 1958. Some of the significant developments affecting Indian shipping during the year are the constitution of a Statutory Shipping Development Fund with a sum of Rs 1 crore to start with, and the setting up of the National Shipping Board on 17th March, 1959 as a permanent Statutory Body under the Merchant Shipping Act, to advise Government on all policy matters relating to Shipping. The report notes that the two Government shipping concerns, the Eastern Shipping Corporation and the Western Shipping Corporation, made net profits of Rs 15.32 lakhs and Rs 2.60 lakhs respectively and that their total tonnage at the end of the year were 69,602 GRT and 31,400 GRT respectively.

As regards the Second Shipyard, the report says that the Government of India have decided that, subject to the results of further investigations into the soil conditions being satisfactory, the second Shipyard should be located at Cochin at the site recommended by the UK Shipyard Mission. The Inland Water Transport Committee submitted its report in June 1959, and its important recommendations are the setting up of country boat co-operatives, training establishments, and technical organisation of the Centre and in the States. The first meeting of the Sub-Committee of the Road and Inland Water Transport Advisory Committee recommended that one or more pilot co-operative societies should be organised in the States where country boats were strong enough for towing and traffic justified it. Development of tourism has received further fillip during the year

under review and plans in this regard have been formulated by the Central and State Governments. The number of foreign tourists visiting India has progressively been increasing in the past few years. The number has quadrupled since 1951. The number of foreign tourists (excluding Pakistanis) during the year 1958 was 92,202 and 75,512 during the first nine months of 1959. The earnings from tourism have also shown a sizable increase in recent years.

Posts & Telegraphs

That the Posts and Telegraphs Department continues to maintain steady progress in all the spheres of its activities is attested to in the report of the Ministry of Transport and Communications (Posts and Telegraphs) for 1959-60. The staff employed by the Department was 336,000 on 31 March 1959 and is estimated to exceed 350,000 on 31 March 1960. The reconstitution of the P & T Board with effect from 14-12-59 with enhanced administrative and financial powers was a step of far-reaching significance.

Considerable progress is reported in the opening of new post offices. The total number of post offices in existence on 31 March 1959 was 64,993. During the period from 1 April to 31 December 1959, 2,716 new post offices were opened and another 2,082 post offices are proposed to be opened by 31 March 1960. The introduction of air parcel service to the People's Republic of China and Soviet Russia, and the introduction of insured Airmail Letter Services to Aden, British East Africa, Burma, Japan, and Pakistan were notable achievements.

Progress in the extension of telegraph facilities to the rural and undeveloped areas was also steady. At the end of December 1959, only three District Towns out of 329 in the whole country, five out of 500 sub-divisional towns and 125 out of 1,356 headquarters of tehsils and corresponding units remained without telegraph facility. The total telegraph offices increased from 5,895 to 5,939. At the same time, the main telegraph network was expanded by 3,500 channel miles between 1 April and 31 December 1959.

The liberalised policy for providing telephone facilities permitting the opening of exchanges at the district headquarters and PCOs at sub-divisional headquarters towns continued to be operative. The number of sub-divisional towns without telephone facility by the end of December 1959 was 58. 26,336 new exchange lines added during the period from 1 April 1959 to 31 December 1959 numbered 26,336, taking the total of direct exchange lines to nearly 296,000. New telephone exchanges were opened during the period 1 April 1959 to 31 January 1960. During the period under review, 81 exchanges were expanded or rehabilitated.

Mines & Fuel

1959-60 is particularly notable year for the Department of Mines and Fuel in the Ministry of Steel,

Mines and Fuel, in that it has seen the incorporation of the Indian Oil Company Limited, a new Government entity under the Indian Companies Act. The Company will be responsible mainly for taking over the product of the two refineries in the public sector—one at Nummati in Assam and the other at Barauni in Bihar—to be set up by the Indian Refineries Ltd. The Nummati Refinery is to be built with the assistance of the Rumanian Peoples' Republic. The work relating to the erection of the refinery is expected to be completed by about March 1961. The other refinery, Barauni, is to be built in collaboration with the USSR. This refinery is expected to be in full scale production by 1963. Mineral oil prices received the special attention of the Ministry during 1959-60, and though oil companies have agreed to a total reduction of Rs 9 crores per annum, the annual report of the Ministry notes that the ceiling prices for consumers have remained unchanged because of additional duties payable by the companies. The Oil and Natural Gas Commission are intensifying their work as more and more areas likely to yield oil are being brought under the drill.

Work in connection with the integrated Neyveli Lignite Project has made satisfactory progress during the year under review. The lignite mine is expected to commence production early in 1961 and attain full production by the middle of 1963. The first unit of the power station is expected to be commissioned by the middle of 1961 and the entire power station by the middle of 1962. The scheme for the setting up of a fertilizer plant at Neyveli for the production of 152,000 tons of urea per annum has been sanctioned. It is now estimated that the total cost of the lignite project will amount to Rs 86 crores as against the original estimate of Rs 68.90 crores.

The section of the annual report dealing with Coal vouchsafes the information that the working of the National Coal Development Corporation during the past year has been satisfactory and that indications are that the Corporation will be able to attain the target set for it under the Second Five-Year Plan. Improvements have been noticed both in production and despatches of coal in the country as a whole during the year. The total raisings in India during the year 1959 amounted to about 47 million tons and despatches to 41.3 million tons. The corresponding figures for 1958 were 45.3 million tons and 40.34 tons. Exports of coal, however, were lower in 1959 at 1.43 million tons as against 1.67 million tons in 1958. Private sector collieries accounted for about 40.3 million tons in 1959. Voluntary amalgamation of collieries with the assistance of the Committee set up by Government in the previous year has made only moderate progress, and the Committee is taking the necessary steps to accelerate the progress of voluntary amalgamation. An important development during the year was the submission of the long awaited report of the Coal Prices Revision Committee which had been appointed in May 1957. The original and supplementary recommendations of the

Committee have been accepted by Government and the Committee's recommendations in regard to hard coke are under examination by the Government. The Coal Council is of the view that the coal production target for the Third Plan should be nearer 110 than 100 million tons.

Defence

The latest statement of the activities of the Ministry of Defence tabled in Parliament last week reveals the remarkable progress made by the Services. It is reported that necessary adjustments in the civil and military forces have been adopted in the border areas to meet the situation precipitated by the Chinese incursions. The Army took full operational control of the border posts as well as the civil forces deployed in the borders.

The morale and proficiency of the army was maintained through vigorous training programmes in the various Training Institutions. To impart special training to officers of the rank of Colonel and above, it has been decided to establish a National Defence College in India at the Imperial Defence College of London. Apart from this, a college on the lines of Kitchner College will be established in Nowgong for training promising "Other Ranks" for entry into the commissioned ranks.

The year 1959 witnessed a gradual expansion in all spheres of activities in the Indian Navy. The naval construction programme gathered momentum with the commissioning of ships both in the UK and in India. The Fleet has been augmented by the addition of Anti-Submarine Frigates, INS Kirpan and INS Kuthar, and more ships are expected to arrive from the UK during this year. It is quite encouraging to note that a beginning has already been made in building small ships for the Navy in the country.

The starting of a number of specialist courses provided the highlights of Naval training. The high standard of training imparted to the Navy was well evidenced by the successful performance of ships, aircrafts and personnel during the manifold exercises conducted by the Fleet. It is quite heartening to record that practically the entire training of officers and men, except some highly specialised courses, is undertaken in the country.

The Indian Air Force also made considerable headway. Two Auxiliary Air Force Squadrons have been formed, one at Bhubaneswar and the other at Chandigarh. Jet training has been introduced in the Delhi, Madras and Bengal Auxiliary Force Squadrons.

The Defence Production Organisation was responsible for the overall defence effort for meeting the requirements of the Services by maximum utilisation of the existing production capacity and creating new capacity both in Ordnance Factories and in the civil sector. The value of overall output of the Ordnance Factories was to the tune of Rs 20 crores during 1958-59. The most remarkable feature of the production in the Ordnance Factories

has been that the increase in output has been achieved without addition to the labour strength. Thanks to the introduction of improved methods and techniques of production, there has been a progressive reduction in the cost of production of many items. Besides, the enhanced and new indigenous production of armament, ammunition and other stores for the Services and production of goods for civil trade, the Ordnance Factories have helped to accelerate the pace of the country's industrialisation and helped in conservation of foreign exchange to the tune of Rs 16 crores during the period 1957 to 1959.

To provide military training to students on a substantially larger scale than hitherto, it has been decided to raise a NCC Rifles. The strength of the NCC will be raised to 250,000 by the 31 March 1961.

Education

The progress achieved by the various schemes of the Union Education Ministry as well as the programmes drawn up for the Third Plan are set out in the annual report of the Ministry for 1959-60. A programme of universal free and compulsory education, including a scheme for training an adequate number of teachers for the purpose, has been formulated. To advise on the special problems of women's education, a National Council of Women's Education has been set up. Grants amounting to Rs 30 lakhs were given to 119 institutions to provide special condensed courses of two years' duration to meet the special needs of adult women by the Social Welfare Board. During the year, model legislation for compulsory education was prepared and sent to State Governments for their guidance. Measures taken to improve secondary education include organisation of science clubs, establishment of 54 Extension service departments to provide "in-service training" to secondary teachers, provision of audio-visual facilities, guidance services, organisation of workshops and libraries, etc. A Central Examination Unit has been set up for the promotion of examination reform. There are now 313 School Science clubs in the country. Under a scheme formulated in 1956, 40 teachers were sent abroad for training in Science teaching. Next year's programme of the Ministry for fostering science includes organisation of science fairs and search for science talent. For promoting research in Secondary Education, grants amounting to Rs 1,03,399 were sanctioned during the year for 24 research projects in Teacher Training Colleges and University Departments of Education. Under the Scheme of National Awards to Teachers, 71 primary and secondary school teachers received awards for outstanding service.

The report states that almost all universities have accepted the Three Year Degree Course, and 22 universities have actually introduced it. Six universities have been selected for grant of assistance to conduct seminars, to undertake preparation of reading materials and to obtain equipment under a scheme drawn up to give further impetus to General Education. The Ford Foundation in

India has agreed to make a grant of \$50,000 for the purpose.

In addition to those mentioned above, the activities of the Ministry cover social education, and social welfare, scholarships, physical education and recreation, and spread of Hindi. During the year, the Central Social Welfare Board made grants totalling Rs 47.35 lakhs to 2,130 voluntary organisations. The Board also established 169 Welfare Extension Projects of the coordinated type, bringing the total number to 673.

Home

Reorientation of the administrative services, to the needs of a Welfare State in the making, is the principal problem of planned development. It is not enough to ensure professional skill and efficiency of Government servants; they should also have "wider outlook, greater adaptability and a deeper realisation of the ethics and obligations of public service." The Ministry of Home Affairs, which exercises overall control over the recruitment, training and promotion of public servants, as well as over disciplinary action when the regrettable necessity arises, has the primary responsibility for maintaining these essential attributes of public service. The report of the Home Ministry for 1959-60 sets out how it is dealing with this two-fold problem and the success attending its efforts.

The organisational matters of the Ministry was revised toward the end of 1958 to achieve expeditious disposal of work. As a result, the disposal of receipts has gone up from 96 per cent in 1957 to 97.5 per cent in 1959. While the number of receipts had gone up from 196,930 to 225,417 over the two years, disposals have increased from 189,116 to 219,859, while pending receipts had gone down from 7,814 to 4,390. The training of Government recruits of the All India and Central Services has received special attention, and the courses at the National Academy of Administration and the Central Police Training College at Mount Abu have been revised and their scope widened.

The Ministry's efforts to stamp out corruption are of topical interest. During the year under report, prosecution was launched in 284 cases, and 232 cases were decided by courts, resulting in conviction in 190 cases, this including 10 gazetted officers. In addition, 363 cases were decided departmentally, out of which 325 ended in punishment. Vigilance officers have been appointed in all the Ministries. There are also separate Directorates of Inspection to look after vigilance work in the Income-tax and Customs Departments, and also in the Railways. There are, then, special units dealing with vigilance work requiring technical knowledge. A Fraud Squad for investigation of offences like fraud, cheating and embezzlement by persons in charge of joint stock companies was set up in July 1959 in consultation with the Company Law Administration.

A sum of Rs 4,10,000 has been sanctioned during the year for staff welfare activities, and the nine new welfare centres set up during the year bring the total to 17.

Indian Finance

Under the Hindi Training Scheme, over 60,000 Central Government employees have so far received training while 200 lower division clerks have started their training in Hindi typing.

The Manpower Directorate of the Ministry has carried out a survey of the requirements of educational personnel below the University stage during the Third and Fourth Plans, as well as a detailed survey of requirements of engineering personnel and an All India Survey of pattern and personnel and training requirements of key industries.

Disbursements for the welfare of Backward Classes during the year amounted to over Rs 12 crores.

Law

A comprehensive study of the working of the Law Ministry of the Government of India is provided in its report for 1959-60. The whole machinery is controlled by two departments, namely, the Department of Legal Affairs and the Legislative Department. The Ministry is responsible for all the legislative and other actions pertaining to subjects allotted to it, including elections to Parliament, Legislatures of States and the offices of the President and the Vice-President, and matters relating to the Election Commission, the Law Commission and the Income-tax Appellate Tribunal.

The Advice Section of the Ministry advises all other Ministries and Departments on all legal matters, including the interpretation of provisions of statutes and statutory rules, regulations, orders, bye-laws, notifications and contracts entered into by the Union Government.

The Litigation Section acts as a liaison office between the Government Counsel at Delhi and the various departments of the Central Government and briefs the Counsel after collection and scrutiny of relevant materials.

The Judicial section deals with the work relating to the engagement of various law officers of the Government, the arrangements to be made with the State Governments for enlisting the services of the State Law Officers on behalf of the Union Government, the making of reciprocal arrangements with foreign Governments for the execution of civil decrees, enforcement of maintenance orders, service of summonses and other processes in civil matters, and the examination of witnesses in foreign countries on commissions.

The setting up of the Central Agency Section has secured greater co-ordination between the Central Government and the State Governments on various matters brought before the Supreme Court.

The Election Section is in charge of all matters pertaining to election law and election expenditure, the administration of the Representation of the People Acts and all administrative matters concerning the Election Commission and the delimitation of constituencies.

The Legislative Section, which is in charge of the drafting of all bills, Ordinances and Regulations that are enacted or promulgated from the Centre, did a considerable amount of

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drafting work during the period under review.

Narcotics

The annual report on the working of the Narcotic Department of the Government of India for the year ending September 1959 records all-round improvement. The operations of the two Government opium factories situated in Ghazipur and Neemuch were quite encouraging, so much so that the net profits of the two reached a new record of Rs 81 lakhs, indicating a clear increase of Rs 12 lakhs over the previous year.

The increase in exports by 77 tons valued at Rs 50 lakhs compared to the corresponding period in the previous year is no mean achievement. The total production of opium during the year under review also reached a record level of 20,422 maunds while the area brought under the cultivation of poppy shot up to 74,205 acres. The average yield per bigha, which continued to remain steady at 6.87 seers, is another national record. The total sale of alkaloids increased to 3,775 pounds from 3,637 pounds in the previous year. The purchase price of opium was fixed on a sliding scale ranging from Rs 33 to Rs 37 per seer and the payments made to the cultivators amounted to Rs 2.7 crores.

Information & Broadcasting

Significant progress has been recorded by the Ministry of Information and Broadcasting during the year 1959-60. There is evidence of the increasing popularity of All-India Radio, one of the main spheres of activity of the Ministry. The number of licences of all types on August 1959 was 1,684,378 which is an increase of approximately 275,000 over the corresponding figure of the previous year. The Ministry comprises, it may be noted, the All-India Radio, the Press Information Bureau, the Films Division, the Directorate of Advertising and Visual Publicity, the Publications Division, the Directorate of Field Publicity and the Song and Drama Division. In addition to these units, the offices of the Registrar of Newspapers and the Central Board of Film Censors also form part of this Ministry.

The highlights of last year's work of the Ministry are the intensification and diversification of the "Help the Plan—Help Yourself" campaign, the inauguration of experimental television and of Radio Rural Forms on a countrywide basis, the issue of documentaries and newsreels in nearly all the languages of the Union, the release of an education cartoon film, the introduction of road and rail mobile miniature exhibitions, the issue of books in the Builders of Modern India series and completion of the arrangements for the constitution of the Central Information Service.

The background and feature service is a significant development in the Press Information Bureau's work and Industrial Highlights has been added last year to the previous year's four feature series. This section of the Ministry has earned

praise from the American Press last year for its efficient arrangements for the large number of American journalists, cameramen and radiomen who were in India to cover the five-day historic visit of President Eisenhower. Within the short time of its existence, the office of the Press Registrar has been able to collect and collate useful information about the press in India. According to the Registrar's third annual report, which was presented to the Government on 24th August, 1959, there were 6,918 newspapers and periodicals in existence in the country on 31st December, 1958. The Ministry's annual report says that an improvement has been noticed in the response from the publishers of newspapers in the submission of annual statements and delivery of copies of their publications. More than 4,000 annual statements were received for 1958 as against 3,000 for 1957.

Parliamentary Affairs

According to the report of the Parliamentary Affairs Department, apart from the thirteen bills carried

forward from 1958, sixty-six new bills were introduced—fifty-seven in the Lok Sabha and nine in the Rajya Sabha—during the 1959-60 sessions. The Government of India have accepted the Bill moved by Mrs Subhadra Joshi to amend section 198 of the Code of Criminal Procedure with a view to facilitating the institution of prosecution for offences of bigamy.

Among the non-legislative business transacted by the Parliament, the most conspicuous are the debates on foreign affairs, food situation in the country, the President's proclamation regarding Kerala and the damage caused to the hoist-chamber in Bhakra Dam.

Eight Informal Committees were constituted for various Railway zones and a Consultative Committee was set up for the Department of Atomic Energy. To consider questions relating to the formulation of the Third Five Year Plan, a Special Consultative Committee was formed. Apart from these, four sub-committees of the Informal Consultative Committee for the Ministry of Community Development and Co-opera-

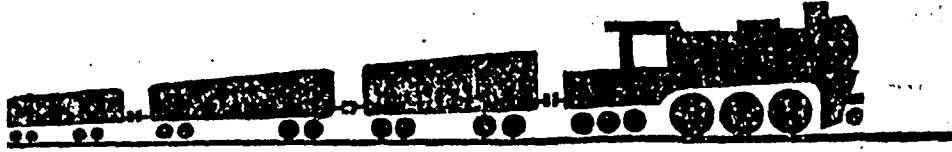
tion were appointed to conduct closer study on the Panchayats, democratic decentralisation, training and education, co-operation and community development. The Informal Consultative Committees now occupy the place of the former Standing Committees attached to different Ministries and Departments of the Government, though their functions and mode of operations are entirely different from those of their predecessors. The working of these Committees, it is anticipated, will serve the useful purpose of furnishing adequate opportunities to the Members of Parliament to gain specialisation in subjects of different Ministries.

Twenty-four recommendations contained in the various reports of the Committees on Subordinate Legislation were accepted while three were dropped. One hundred and six members of the Lok Sabha and ninety nine members of the Rajya Sabha were appointed, with the approval of the Ministers for Parliamentary Affairs, on different committees, councils, Boards etc., set up by the Government.

METRIC SYSTEM

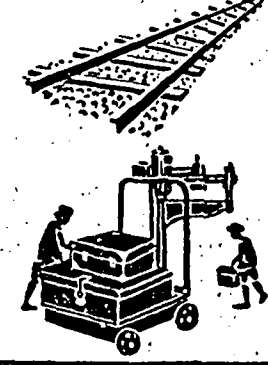
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RAILWAYS



From April 1, 1960, the Commercial Branches of the Indian Railways will adopt the Metric System of Weights and Measures.

- Distances will be in kilometres.
(1 KILOMETRE = 5 FURLONGS)
- Goods and luggage will be booked in Metric units only.
(1 KILOGRAM = 16 TOLAS;
1 MOUNTAL = 2 MAUNDS = 37 SEERS;
1 METRIC TONNE = 9.99 TON)



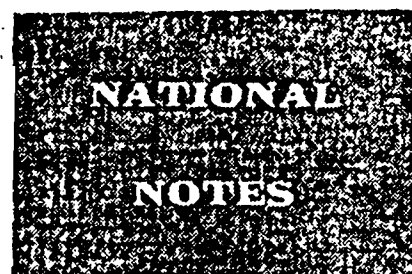
Help Railways by showing metric weights in forwarding notes

METRIC SYSTEM

FOR SIMPLICITY & UNIFORMITY

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DA-50/599



Development Rather than Regulation

The procedure relating to licensing and development of industries has lately been clarified and promoters of new enterprises have in assurance that sanction is a mere formality in respect of many industries. The expansion of capacity can be undertaken by many industries because of approval readily available, and even if the list of industries is subject to revision by the licensing committee, the sponsors of new undertaking are assured, in the light of a communication released last month by the Federation of Indian Chambers of Commerce and Industry that industrial expansion can take place without prior sanction in many fields and promoters can submit applications for approval for a licence, along with request for sanction for import of capital goods or arrangements made with foreign firms for technical aid or capital participation. From the list of industries which are exempt from detailed previous scrutiny, it may be inferred that the Union Government are now fully aware of the existing gaps in the industrial structure and are also interested in promoting the rapid growth of the engineering industry. Industries which are eligible for free approval include: the manufacture

of boilers and industrial machinery as well as machine tools. The manufacture of earth-moving machinery, industrial instruments and castings is also covered by the scheme for free approval. In order to encourage local manufacture of small tools, electrical switchgear and steel forgings, licensing procedure is relaxed. Though nothing is said about the manufacture of machinery designed for the paper, cement and other industries, it may be inferred that prior sanction will facilitate schemes already in operation. What is important is that the Industries Development and Regulation Act will devote more attention to development, and this appears probable from the list of industries that can be expanded without any previous reference to the licensing committee. The list includes the manufacture of sulphuric acid, V and Fan belts, finished leather, plate glass, electric insulators and fine chemicals. The processing of textiles, including sizing, can be undertaken without a special licence and this may help prosperous mills to go in for additional plant like mercerising equipment. The arrangement devised will perhaps help old-established industries rather than brand-new enterprises, but the scheme is derived from the existence of idle capacity, particularly in the engineering industry, and it is also based on due appreciation of the scarcity of imports, particularly of capital goods.

Grants and Guarantees

The Central Government's Budget memorandum lists and describes the Government's guarantees and grants. The Heavy Electricals project at Bhopal has led to a guarantee to the State Bank in respect of a loan taken at one per cent above the Bank of England's rate in respect of £2.72 millions. The Industrial Finance Corporation's loan to the Metal Corporation of India for developing lead and zinc supplies is also guaranteed but the interest is 5½ per cent less a rebate of ¼ per cent for punctual payment. Guarantees given in respect of the Small Industries Corporation are of less significance than the guarantee given in respect of the IFC loan to FACTS for an interest free loan of Rs 306 lakhs or the 5½ per cent loans taken by the Dhrangadhra Chemicals from the IFC in 1957. It may be noted that the loan of Rs 1.5 crores made by IFC under a mortgage by the West Coast Paper Mills carries a higher rate of interest, whereas the loan for Rs 205.89 lakhs made to Jessop under a mortgage does not seem to carry interest. The loans made to new Co-operative sugar mills are also covered by Government guarantee, but rates of interest charged are not uniform. There are also State Co-operative Banks in Manipur, etc., which have taken loans from the Reserve Bank under guarantee at 2 per cent be-

low the Bank rate. The State-owned enterprises like Hindustan Aircraft have taken loans. Both the ICIC and IFC have received guarantees in respect of bonds issued and dividends payable and the World Bank Loans to the Tata Hydro Electric Group have been guaranteed.

The old guarantees given in respect of several light railway companies are now in force, though the managing agents' remuneration is fixed by agreement. The guaranteed loans given to the steel companies carry a higher rate of interest than the loan made to the National Coal Development Corporation and Bhilai Steel which has, however, got the funds from the Russian Credit. The loan made to Bolani Ores for Rs 50 lakhs carries 6½ per cent while that contracted for the Neyveli Lignite undertaking (owned by the Government) is getting Russian aid by way of loans under the inter-governmental agreement. The loans taken by the Port Trusts are guaranteed, like that taken by Air India International for new jet aircraft, and it is fairly clear that there is income to repay the foreign loans guaranteed.

As for grants, the memorandum is fairly explicit and it can be said that many scientific bodies are supported by the Central Government. The grant to UNESCO is substantial, but the Royal Asiatic Society qualifies for a meagre yearly grant of Rs 3,000 only, as poor as the Rs 1,000 given to the School of Tropical Medicine. The subscription to the UN is put at Rs 74,28,600 and the provision made for the UN emergency fund is substantial at Rs 84,22,950. Grants are made for the Palestine refugees through the UN agency and India's grants to FAO and WHO are not only maintained but even increased. The gross contributions to international agencies is estimated at Rs 374.56 lakhs for 1960-61.

Fruitful Dependence

Being directly responsible for several territories, the Union Government mean to spend more on developing the tribal areas in 1960-61. The Budget memorandum points to increased outlay on medical relief and public health compared with previous years. Expenditure on Pondicherry will be stepped up for development schemes together with Social Welfare. The outlay on handloom industry development, the setting up of a medical college, and the construction of a new pier suggest that de facto transfer to India is producing good results for the new regime in Pondicherry. Expenditure on the Delhi administration is also going up, but far more important is the indication that spending on the Andamans will increase. Grants for colonisation may be small but

agriculture and animal husbandry should gain from the larger provision made also for education. Like the expenditure on Himachal Pradesh, the outlay may not show immediate results but there is no doubt that the absence of autonomy involves no burdens since the Andamans obtain bus services and public health schemes without payment. More money is to be spent for developing the forests of Machur and the territorial Council qualifies for a bigger grant while more money for road transport is promised. Benefits to Tripura by the larger grants provided for industry and supply will suggest that the poor relations get more out of Central revenues than the States exhorted to become self-reliant. More money is allotted for the Laccadives also and the separation from Malabar is made distinctly advantageous for the islanders for whom road and transport schemes are devised as also the provision of buoys for intricate navigation. The administrative expenditure may not be up, but gross expenditure is certainly rising, to go by the enhanced provision made for irrigation and other items in areas whose contribution to Central revenues may be smaller though land revenue, etc., may be obtained from Himachal, Tripura and Manipur as also from electricity schemes in operation. The dependence of the Union territories may be described as an advantage at present in view of the larger provision made for their welfare in the Union Budget this year.

Company Registrations

Statistics of company registrations for the three years since the

new Companies Act came into force disclose a steady upward trend. The number of new companies registered increased from 909 in 1957 to 1,052 in 1958 and further to 1,399 in 1959, an increase of nearly 54 per cent over the three-year period. This may be held to support the claim that the impact of Government's fiscal policy on private investment has not been as disastrous as made out by critics. Individual entrepreneurs apparently do not share the dim view of business prospects to which their "authorised" spokesmen give clamant expression on formal occasions. This is certainly encouraging, for, the Third Plan, according to the tentative outline, is said to envisage an outlay of Rs 4000 crores in the private sector out of the total investment outlay of Rs 9,950 crores on the plan as a whole. If the trend indicated by new Company Registrations continues, there is no good reason why it should not—the record of private industry under the Second Plan, when it bettered the investment target set for it, should be improved upon during the Third.

The statistics indicate that the provisions of the Companies Act have strengthened the preference for private companies, a trend which was forecast by this journal in a special study of the Act published in 1956. Out of 1,399 companies registered last year, 1,324 were private companies, continuing the trend of the previous years when the number of private companies registered increased from 845 out of a total of 909 in 1957 to 992 out of 1,052 in 1958. Registrations of public companies, on the other hand, decreased from 64 in 1957 to 60 in 1958, but increased to 75 last year.

The States of West Bengal, Madras, Bombay and Delhi together account for over 80 per cent of the total registrations all over the country. One remarkable feature during last year was the spurt in the number of new registrations which increased from 88 in 1958 to 309 last year. But the number of companies is not same thing as scale of activities, as is made clear by the fact that the total capital of these 309 companies is only Rs 12 crores against 290 companies with total authorised capital of Rs 55.3 crores registered during the same year in Bombay. Companies registered in Bombay account for the largest share of the total authorised capital of Rs 168.4 crores for all companies registered in the country last year.

Confused Ideas on US Aid

What Mr G. L. Mehta told the Indo-American Society in Calcutta on the aims of American aid may not make any difference to the jaundiced outlook of the Communist party. It may be recalled that,

only a few days ago, a Communist member of Parliament asked for an investigation of American economic assistance, a suggestion which was very properly rejected by the Finance Minister. But, nevertheless, it was worth saying, for, misunderstanding about American aid is not confined to the ranks of Communists and their fellow-travellers. The founder of the Swatantra Party made no secret of his dislike of India taking American aid, during the Atom Bomb phase of his public activities, though, after forming his own

party, he has apparently been persuaded by his chief lieutenants to keep his counsel. It is not merely those who oppose acceptance of American Aid who are liable to take a wrong view of the implications. While the Communists fear that US aid will tie India to the Western bloc, there are also a substantial number of people who fervently hope that it will. Mr Mehta made the point very clear that substantial differences over foreign policy have not deterred the United States from extending generous aid to India's First and

Second Five Year Plans. Per contra, there is no reason to think that continuance of aid for the Third Plan need by itself bring about a change in the points on which Indian and US policies have differed, unless the change is indubitably in India's national interest. The Indo-American Society will be doing the greatest service toward establishing friendly relations between the peoples of the two great democracies on an enduring basis, by clearing up the confused ideas on this point that persist in both countries.

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FOREIGN NODES

Guided Socialism for Ceylon

The electoral pendulum in Ceylon had begun to swing before the elections this month, and Municipal election results showed that the United National Party had regained ground lost earlier. The UNP has not obtained a majority, but its leaders fared far better than the many Ministers who had survived in office after Mr. Bandaranaike's assassination. The Finance Minister who introduced fiscal experiments, the Food Minister who advocated nationalisation of foreign-owned estates, and the last Premier who was identified with religious or linguistic excess, have departed; and a moderate, anti-Leftist party has come to power again. In view of the Communist rout, it may even be said that the Ceylonese voters have followed Burma to the point that Socialism will be guided carefully and minority rights accorded respect. The outcome of a quiet, orderly election means much to India, since the new Premier sets store by the agreement reached with India about registration and citizenship for Indians domiciled in the Island. If the recent vote is largely one against the inflation engendered by planning, it may be assumed that Ceylon will try to import more food and essential articles in the near future and the agreement with other parties like the Federal Party may well compel Mr. Senanayake to set a course for closer trade ties with India. There will be less careless talk of danger from Tamil designs and more of fruitful co-operation for development with the help of estate labour. The trade unions will perhaps be less obtrusive in public life and foreign capital less apprehensive about its own standing and prospects.

The election result is more than a symptom of a retreat from feverish activity—it is an indication that an underdeveloped country cannot force the pace of economic change at present. The apparatus of planning and the controls in force will remain, but freedom of enterprise will become more than a phrase because of the reverse sustained by the Sama Samaj and the Communist parties. But the presence of a strong opposition in the legislature may help the party to adopt a course of action attuned to the present circumstances of development which postulates investment on a large scale in secondary industry mainly from the earnings of export trade. The extension of peasant farming in the dry empty areas will not contribute

much to resources, and the new Ceylon Ministry will realise that the plantations must remain the foundation of the island's economy for a long time. Keener competition for Indian tea exports may be expected, but Ceylon will probably limit its commercial contacts with the Communist Bloc and might expect much more by way of aid from the USA as well as the UK, now that the distorting effects of socialist planning in a hurry have gone with the end of the MEP Coalition—both ill-assorted and ill-conditioned.

Winning Vein

The by-elections in Brighouse and Harrow West have helped the Conservative Party to add to its majority in the Commons and it is clear that six months after the general election the Macmillan Government is still in winning vein. Whether the Labour Party's differences about the goal or pace of nationalisation have affected the party's fortunes may be doubted, though it is clear that, in Yorkshire, the whole attitude of electors to nationalisation may be conditioned by the course of British economic recovery. It is evident that the rise in Bank rate and the credit restrictions or official direction of investment count for little when it comes to voting, and the floating vote still turns in the direction of the party in power which, after three elections, may claim that Socialism has lost its appeal to a new generation of voters who may not think of empire but are keen on the continuance of prosperity. The Government may not provide tax relief or cut Defence charges, but they can go to the summit with the confidence that the voters are, by and large, behind the foreign policy of Mr. Macmillan and are content to leave well alone. The by-election results, despite a light poll, prove that the "pinch of prosperity" is against any swing of the electoral pendulum, and also that Mr. Macmillan's handling of the changing Commonwealth, especially after the Suez Muddle, has made for popular confidence in a statesman who keeps the common touch through his descent from Lowland Scottish farmers. The Tory Government, despite awkward squabbles over Cyprus and Kenya, have made it clear that they put *libertas* before *imperium* in Africa and have decided to ignore South African perversity and are decidedly keen on bringing Western Europe and the USA together. For Moscow, too, the election results hold a lesson; Britain also can negotiate from the strength born of a new sense of a mission, to meet challenge with a response based on a new attitude resting on influence rather than power, and not at all on current competition with the USSR or the USA in missiles.

Egyptian Market Changes

Trade with Egypt is regarded as promising, and India's exports are

rising. But, there are major rivals at present in both Germany and the USA. While Britain's share in Egyptian import trade has fallen considerably, Italy has gained ground of late. Industrial growth in Egypt has influenced the pattern of trade in recent years and the major change is the advent of Russia as a major supplier. Foreign aid has made a difference to trade and Egypt has begun to make wagons, batteries, loco accessories, sewing machines, cycles and auto components already. Tight import control is also a feature of foreign trade at present, and the BOT Journal predicts that importing firms have changed and State Control is increasing so that wheat, tea and flour, like fertilisers, are got through Government channels. Oil is a major import as also machinery. The equipment needed for growing industries looms large and the iron and steel works at Helwan is already drawing a good deal of machinery. Germany has become a major supplier. Bridgework power-station equipment and diesel locomotives figure among imports and German buses are being ordered by the Cairo municipality. But capital goods from the UK also find a place and textile machinery is not a monopoly of Italy.

Planning in Egypt means a surplus of imports, providing another opportunity for manufacturers abroad. The Suez Canal authority is a big buyer of small craft, cranes, etc. Plans to make sugar, dyestuffs and tractors make the Egyptian market valuable to the UK, which hopes that mineral development will bring orders for mining equipment. Navigation on the Nile is to be improved for carriage of iron ore, fertilisers, etc., and barges are expected to be ordered in quantity. The fall in sterling assets naturally makes it difficult to expect a vast increase, but the canal dues supplement exchange earned from cotton exports. In many respects, the import policy of Egypt resembles that of India, and yet the rate of development makes the exporter of machinery both keen and optimistic. The survey made after the resumption of diplomatic ties with the UK makes it clear that there are many new rivals to the UK, which still hopes to benefit from the past reputation of British goods. This certainly means that Indian goods offered to Egypt must be both sound and reasonably priced.

Expanding US Export Trade

A long talked-about programme to expand US export trade became a reality last week, when President Eisenhower announced a vigorous and coordinated Government effort to help spur sales of US goods abroad.

In a special message to the US Congress outlining principal elements in the programme, the President noted that no new legislation would be required, other than fill-

ing of "supplementary" appropriations requests to be made at a later date. Even these additional costs are not expected to be large, running only to about \$5 million or so this year, and up to \$10 or \$12 million annually in the next few years.

Nevertheless, the export expansion effort will be a relatively ambitious undertaking. The United States heretofore has not had a programme of this scope. It could help increase US exports by as much as 10 or 20 per cent, according to some informed estimates, over the current annual rate of close to \$18,000 million.

Here are the programme's main features:

1. The Commerce Department will increase its export promotion staff at home and abroad, will make available more information about export opportunities, and in general will try to foster more interest in exports among American businessmen.

2. The State Department will more than double its present staff of 112 commercial attaches abroad. One of the main jobs of these officials is to help develop more export business for American companies.

3. The Export-Import Bank will undertake a new programme of guaranteeing short-term credits (up to 180 days) against losses from "political"—that is, not commercial—risks, such as war or currency devaluation by foreign governments. The Bank also will make it easier for exporters to get direct credits for medium term (one to five years) export financing. (See below for text of Export-Import Bank announcement).

The Export-Import Bank's new short-term programme could help stimulate sales of consumer goods to foreign buyers. Up to now, the Bank has generally limited its financing and guarantees to medium and long-term credit, used principally for the export of "productive"—that is, capital—equipment.

In addition, the Government will establish new overseas trade centres, will make fuller use of trade fairs and special trade missions to bring American products to the attention of buyers abroad and will promote tourist travel to the United States.

All this, of course, is designed to build up US receipts on its international transactions and thus help overcome the large adverse balance of payments, which came to \$3,700 million last year and to \$3,400 million the year before.

Rising exports can play a key role in this effort. One of the principal problems has been that US exports and other forms of revenue-producing international transactions have not generated enough income to pay for the cost of US imports which have soared to a

record high and such other forms of capital outgo as US Government aid to other countries, private American investment and American tourist expenditures abroad.

US exports, of course, are greater than US imports, but the trade surplus last year came to only \$1,000 million, far short of the historic postwar figures. Even though exports have been on the upgrade for nearly a year, and the balance of payments deficit does not threaten to be nearly as large this year as last, a continued substantial outflow of US gold and dollars cannot be countenanced indefinitely. The fact that liberal US trade, aid and investment policies have helped other exporting nations build up their economies and their competitive positions in world markets does not answer the present need of the United States to reestablish a more "normal" export-import balance.

From an international point of view, a strong US export rise would have benefits going far beyond the merely national interest of the United States. In the final analysis, it would enable the United States to continue financing on a sizeable scale not only in increasing import total but also all those other balance of payments items which contribute importantly to the economic progress and the security of other nations.

Thus, the new programme emphasises once again the determination of the US Government to continue their traditionally liberal foreign economic policies—in this case, by spurring merchandise exports rather than cutting back on imports, on aid, or on other income-producing opportunities open to other countries in their dealings with the United States.

Implementation of this export expansion programme will be largely in the hands of American private enterprise. While the Government will help create conditions under which American companies can expand their sales abroad, it will be up to the companies themselves to do the selling—to pursue the leads and opportunities that may be opened to them by the new programme.

In this connection, US Government officials note that relatively few of the five million business enterprises in the United States now play a part in the nation's export trade. They note, too, that the United States, the world's largest exporter in volume, still sells abroad only four per cent of its total output of goods and services (its Gross National Product) compared with as much as 20 or 25 per cent for many other major exporting countries, nearly all of whom have long had aggressive export promotion programmes of their own.

This, plus the fact that world trade and economic advancement have been on the rise, is believed to hold out the promise of growing foreign markets for American

goods if American companies seek out those markets diligently and intelligently.

These markets can be found, it is believed, in all parts of the world, in both industrial and developing lands. In the case of industrial countries, the rise of discretionary consumer purchasing power along with the growing prosperity of recent years offers markets for a wide variety of items from the United States. In the case of the developing lands, their continued economic progress means a growing need for the many kinds of capital goods and equipment which the United States is able to supply in both quantity and quality.

Export-Import Bank Announcement

Following is the text of an announcement issued on 17 March by the US Export-Import Bank describing measures designed to increase US exports:

The Export-Import Bank of Washington announced that it will provide a new system of export guarantees covering political risks in short term transactions where credits are not in excess of 180 days. Bank President Samuel C. Waugh also described a further effort to stimulate US export trade by an expanded programme of Export-Import Bank participation with commercial banks in medium term (one to five years) credits. Mr. Waugh restated existing Export-Import Bank facilities available to exporters interested in medium term credits.

Both the short term and the medium term innovations can be made without change in Export-Import Bank's existing statutory authority.

Guarantees on short term transactions will be limited to political risks in order to encourage private capital to provide the necessary financing and the guarantees of insurance with respect to the normal commercial credit risks.

In general, it is expected that the political risk guaranty contract will cover to the extent of 50 per cent the risk of non-transferability to nonconvertibility of foreign currencies; losses directly resulting from war, civil commotion and expropriation; and those resulting from the imposition of import restrictions or the cancellation of import permits. As in all other countries offering this service, the exporter who obtains a guaranty agreement on short term transactions would be required to declare any pay fees on all his eligible export shipments as they are made.

Details for the issuance and administration of the short term political risk guarantees are presently being completed and will be announced at a later date. It is anticipated that the plan will be put into operation within the next two months through the agency of the foreign department of com-

mercial banks. The guarantees will also be made available through the facilities of any insurance companies that are prepared to offer insurance or guarantees of the commercial risks involved in short term export transactions.

On the subject of additions to present facilities in the field of medium term credits, Mr. Waugh said Export-Import Bank will embark upon a new plan for co-operation and participation with commercial banks.

Export-Import Bank will participate in the financing of medium term transactions in sole reliance upon the credit judgment of a US commercial bank in the following circumstances:

1) Whenever a commercial bank is prepared to finance, for its own account and without recourse on the exporter, the first three or four semi-annual instalments of a three to five year credit, Export-Import Bank will finance the remaining instalments.

2) If the exporter and a commercial bank will participate in each of the instalments, the exporter to the extent of fifteen per cent of the invoice value and the commercial bank to the extent of ten per cent of the invoice value for its own account and without recourse on the exporter, Export-Import Bank will finance fifty-five per cent of the invoice value of the export.

In each of the foregoing situations the foreign buyer must have paid at least twenty per cent of the invoice value by the time of delivery. If the buyers' payment is increased, proportionate reductions will be made in the amounts carried by the participants.

Transactions should be in markets mutually acceptable to the commercial bank and Export-Import Bank and should meet the usual requirements of Export-Import Bank with respect to terms. This proposal is in accordance with Export-Import Bank's desire to accelerate the processing of credit and to increase the participation by private banks in financing foreign trade.

Export-Import Bank also has under study procedures to accelerate the processing of applications for assistance of the types presently available on medium term transactions. These four types extended by Export-Import Bank to US exporters were described by Mr. Waugh as follows:

1) Exporter credit. Where direct financing by Export-Import Bank is required, Export-Import Bank participates with the exporter on a case-by-case basis by purchasing from him for cash, and without recourse on the exporter, obligations of the buyer representing up to 85 per cent of the financed portion of the transaction. In each such case it is necessary that at least 20 per cent of the invoice value shall have been paid by the buyer by the time of delivery of the goods.

2. Comprehensive guarantee. In cases in which the exporter or his commercial bank is prepared to provide the financing, Export-Import Bank issues a guarantee covering both credit and political risks of the exporter or his bank to the extent of 85 per cent of the financed portion of the transaction.

3. Political risk guarantee. In cases in which the exporter or a commercial bank is prepared to provide the financing and assume the commercial credit risks, Export-Import Bank guarantees the political risks involved to the extent of 90 per cent of the financed portion of the transaction.

4. Repetitive sales. Once an exporter has established the credit standing of a foreign dealer or other customer to whom a number of sales are anticipated, Export-Import Bank agrees upon a credit ceiling against which the exporter may carry out a series of transactions without reference to Export-Import Bank in each instance.

Mr. Waugh stated that, in addition to its programme of assistance to individual exporters, Export-Import Bank will continue to be active in the field of long term loans to finance US products and services required for large projects and development abroad.

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STATES NOTES

The Many and the Few

The visit of Mr. D. L. Mazumdar to Madras helped commercial organisations to appreciate what company law administration means for them and their members. Apart from pleading that business administration today requires qualified personnel and urging jointstock companies to make fuller use of qualified auditors, Mr Mazumdar made it clear that the supervisory and regulatory aspect of administration is based on the status which is meant both to protect investors and to encourage investment. At the Andhra Chamber, he indicated that India is not alone in enforcing

measures relating to economic development and the use of funds gathered from the many by the few. Legitimate activities are not affected by the existence of company law and the whole object is to carry out a moral revolution and material transformation for the benefit of joint stock enterprise. The continuance of the managing agency system for a period is still envisaged and the reappointment of those who had applied for renewal of contracts would be approved if applications were filed. Though some industries would not be allowed to have managing agents under the law, when prior approval is given by shareholders applications for renewal would be considered according to the rules. A notification regarding extension of time for applications is promised. The very large scope for effective business administration under the present law was certainly explained during a helpful visit, and it is possible that, in the amending Bill changes would be effected in the light of pleas

made regarding definition of terms like "interest of a director", and "relative of a director or managing agent". During his visit, a point regarding the exemption of Nidhis and funds from The Companies Act was made by the Tamil Chamber, and it is now realised that mutual funds are not profit-making organisations and should not come within the legislative framework. Chambers of Commerce also, as registered bodies will fall outside the scope of Company Law hereafter, being non-trading companies. It may be added that Nidhis and Funds are no longer to be regarded as banking institutions because they cannot issue cheque-books though they may receive deposits and repay deposits. In the last annual report of the Union Ministry of Finance, it has been made clear that the power to issue cheque-books is vested only in banking institutions and the legal distinction between bill and cheque is now absolute.

*

Southern Enterprise

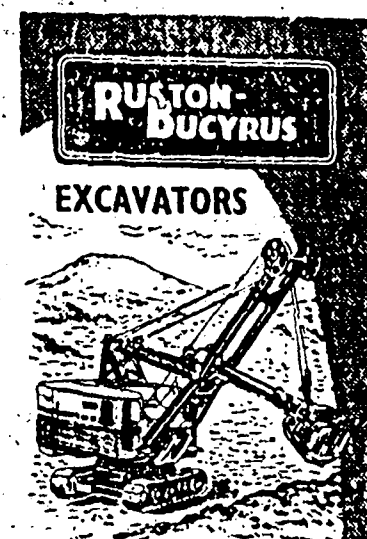
Another chemical enterprise of more than local importance is coming up near Tirunelveli in South India. A private company incorporated some years ago has set up a plant to produce calcium carbide, and commercial production is expected to follow the success of the pilot plant (with a capacity of 50 tons) operated near Talayuthu and using the excellent limestone already available for cement manufacture. Norwegian assistance has been secured for the design and erection of the plant and the cost of production is known to be far lower than that of other producers who have benefited by tariff protection. The capital of Rs 30 lakhs (secured with the aid of some Bombay interests) has enabled Industrial Chemicals to get on with the job quickly, and it is known that a contract for the supply of 3,900 tons has been given by a leading industrial firm to the new entrant in the Chemical field. The inception of more than one chemical firm may help in the early development of Tuticorin port, but what is important is that the success of India Cements has promoted the formation of new concerns to use locally available materials. The advance of the Chemical industry in the South may not be as impressive as in Bombay, but there is salt in plenty and minerals like gypsum and limestone to support growing local enterprises.

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Grim Picture of Upper India Mills

A balanced survey of the economic situation in the country made in the presidential address of Mr J. K. Shrivastava, to the 72nd Annual General Meeting of the Upper India Chamber of Commerce concludes with a detailed examination of the recommendations of the

Textile Wage Board and its impact on the textile industry. The address has drawn attention to the decline in the profitability of the textile industry since 1951, which is particularly marked in the case of upcountry mills which manufacture coarse and medium cloth. Most of these are also in urgent need of new equipment and machinery. Increase in the wage bill at this juncture will make it practically impossible for them to find resources for carrying out the suggestions of the Textile Inquiry Committee regarding modernisation and production of new varieties of cloth to suit changes in consumer preferences. The Ahmedabad Mills, it is true, have accepted the Wage Board Award, but they are differently situated. These Mills are mainly engaged in the production of fine and superfine counts which have a good market, and the industry in Ahmedabad has been able to double its block by ploughing back profits. Mr Shrivastava has drawn a grim picture of the outlook for the cotton mills in Upper India. Many of them, he fears, may be forced to close down, leading to widespread unemployment. Already, 5,000 cotton mill operatives are unemployed in Kanpur. The purpose of the Wage Board award, which is to improve the conditions of labour, will be frustrated if its implementation results in mill closures and unemployment. Mr Shrivastava feels that wage scales should be linked to the volume of employment, that is, the number of men per 1,000 spindles and 100 looms. Mr Shrivastava has also made the point that wage increases in particular industries will have an unsettling effect on labour relations over the entire field of industry. And, in this connexion, he has repeated the suggestion he made last year for the appointment of a Wage Commission to frame a comprehensive wage policy for all major industries.



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Clive Street Gossip

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

So, finally, with the last week's meeting of the National Development Council, a rising tempo is to be discerned in the preoccupation with the Third Plan. I think we may with profit list at the outset what are enumerated by the Council as the essential conditions for putting through a large Plan. These are:

- A rapid increase in agricultural production and fuller use of the country's manpower resources;
- Public enterprises being carried out with economy and efficiency and yielding the maximum returns feasible;
- Laying down and carrying out an integrated price policy;
- Construction programmes and costs being kept to the minimum;
- High levels of administrative efficiency and determined efforts to raise standards in administration; and
- Realising the maximum employment potential inherent in the plans of the public and the private sector.

Where do we go from here? The foregoing, it seems to me, is nothing more than a tedious repetition of generalities that we have heard over and over again. You surely do not require to be told these things; the conditions, in the climate of planning that we live today, may be taken for granted. It is the specific rather than should interest us; and, here, I am more concerned with the resources than the outlays, though, of course, limitations of administrative capacity can restrict and will restrict the extent to which even a disbursement plan can be taken up. Unfortunately, as far as I can gather, thoughts in this respect still tend to be vague. True, allocations for what is called "preliminary planning" have been given; true, also the Prime Minister has emphasised that at the moment we are still in the preliminary stage of working out the sort of Third Plan we are going to have.

Table I represents outlays in the public sector. The private sector is expected moreover to muster Rs 1,000 crores for industry and minerals; Rs 250 crores for transport, communications and power; Rs 275 crores for village and small industries; Rs 1,075 crores for urban and rural housing and construction; and Rs 600 crores for inventories. The first point to which I may draw attention is the undoubted inadequacy of the provision for the development of transport. By something of a fluke, thankfully, a transport crisis

has been avoided during the Second Plan. But, when the Third Plan begins, all three steel plants in the public sector will be in production, and the transport capacity that will be required to move the raw materials will be quite considerable. On top of this will be the transport effort required to handle the substantial increase in agricultural production, which, it may be emphasised, is a fundamental condition of the success of the Third Plan. I would be interested to know how much the Railway Ministry asked for, and how much this vital sector of development has been allocated by the NDC.

TABLE I

	Anticipated outlay in Second Plan.	Allocations for preliminary planning in Third Plan.
	(In Crores of Rs)	
Agriculture and Community Development	630	1,000
Irrigation	400	650
Power	410	900
Village and Small Industries	180	250
Industry and Minerals	820	1,300
Transport and communications	1,330	1,450
Social Services and allied heads	680	1,250
Inventories	200	200
Total	4,550	7,000

*

I suppose, on the other hand, that the expenditure targets for agriculture will prove sufficient; though I fear that the indicated objective of sugarcane will result in considerable shortage being experienced. But, having regard to the much cheaper prices of sugar in world markets, I feel that the planners should make provision for imports of sugar to meet the shortfall. Over the long term, of course, a certain balancing between indigenous supply and demand would be desirable. But it is too costly a process to seek a higher level of sugar output by means of extension of acreage under sugarcane. Attention needs rather to be paid to improving firstly, the per acre yield of sugarcane and, secondly, the percentage of recovery.

In a general way, I suppose the preliminary figures of outlays in other directions are acceptable. It is especially good to find that the target of new investment in the private sector has been placed at

Rs 4,000 crores; and also that, under the main heads, the allocations as between the public and private sectors are almost the same. Current indications are that new production in steel is to come wholly from the Government steel plants; and such being the case, it is clear that a considerable responsibility is imposed on the private sector for setting up the ancillary industry, since otherwise the allocation under industry and minerals for the private sector would not have been as large as Rs 1,000 crores. If anything, therefore, the scope for expansion as also for branching out into new lines of production will vastly widen in the Third Plan for the private sector. In all this, however, we are bidden to remember, as the Prime Minister has stressed, that the magnitudes suggested by the Planning Commission are tentative, and will need to be further examined in the next few weeks, before allocations are finalised.

*

We may now see how resources for putting through the Third Plan in the public sector are expected to be gathered:

	Third Plan (Rs crores)
I Resources on revenue accounts:	
(a) Balance from current revenues	200
(b) Additional Taxation	1400
Total	1600

II Contributions of public enterprises:	
(a) Railways	400
(b) Others	470
Total	870
III Resources on capital accounts:	
(a) Loans from the public (net)	850
(b) Small Savings	550
(c) Provident Funds, betterment levies, Steel Equalisation Fund & miscellaneous capital receipts	380
Total	1780
IV Total domestic budgetary resources	4250
V Budgetary receipts corresponding to foreign assistance	2200
VI Deficit Financing	1550
VII Total Resources for Public Sector Plan	7000

*

The first thing that strikes the eye of the long-suffering taxpayer is the "threat" that a further Rs 1400 crores of new impositions are to be expected during the Third Plan period. Coincidentally, and not without an element of wry humour, is the fact that the target of additional taxation exceeds the expectation under this head in the Second Plan by exactly Rs 420 crores. I do not frankly see how so considerable an amount by way of new taxes can be raised. Surely, by the time the Third Plan is finally drafted, the planners will have more detailed figures about the behaviour of revenue receipts in 1959-60; and this should make it clear that the buoyant, expansionary trend is such that the so-called "balance from current revenues" will be substantially higher than the Rs 200 crores indicated in the preliminary figures of resources.

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CALCUTTA MADRAS NEW DELHI

It surprises me that the planners expect only from Rs 850 crores net from market borrowings. For, this is only an increase of Rs 50 crores over the "revised estimates" for the Second Plan. And it is only during the later years of the Second Plan that realisations from Government borrowings have been heavy. Nor is it valid reason to explain the unambitious target by pointing out that maturing liabilities during the Third Plan, at Rs 832 crores, exceed the relative figure for the Second Plan by roughly Rs 400 crores. Conversion, after all, can be taken for granted. (In 1959-60, when the new loan programme consisted of two issues neither of which could be said to be particularly attractive to the banking system, the option to convert was exercised in a surprisingly large measure). Moreover, the planners have not yet, I think, got fully aware of the fact that there is a direct link between governmental disbursements and the capacity for absorption of gilt-edged. If, during the Third Plan, outlays by Governments are to be heavier still than were the annual average of disbursements during the Second Plan, it should follow naturally that there will be a greater demand for gilt-edged. There can be no doubt, in my view,

of the chicken hearted approach to borrowings for the Third Plan period.

Similarly, it appears to me that the planners have erred in the exactly other direction in respect of deficit financing. Can created money really be contained within a figure of Rs 550 crores? I am frankly unbeliever in this respect. Furthermore, the time has not yet come when we are likely to burn our fingers, if we continue to depend upon deficit financing. There is as yet no proof whatever that created money during the Second Plan has in any significant measure contributed to inflationary pressures. Let us be realistic: let us hope that we can keep created money down to a figure of, say, just under or around Rs 1000 crores, and we shall have done very well indeed.

The dependence on foreign assistance is to be exactly double what it was during the Second Plan; and this does not include provision for maturing obligations which we will have to meet. As far as I can see, the planners are none too hopeful of any sizable improvement in earnings of foreign exchange from exports. On the contrary, may be they are pitching their expectations too high as to

the magnitude of friendly foreign aid which we can get. It is true, the size of the Third Plan will in the final analysis be determined by the quantum of external resources that we will be able to lay our hands on; for reasons I shall set out in future weeks, the difficulty in respect of internal resources is a rather less fearful one. But, surely, some element of austerity in consumption must also be aimed at, so that Indian manufactures will become "freed" for export. Always, if external assistance materialises in an extent equal to our needs, such Indian output can be "written back" for indigenous consumption. Planning should be on the basis that, even if foreign aid is lower than we expect it to be, no serious cut-back in achievement targets should become necessary. I would again reiterate here the need for a foreign exchange budget annually to be drawn up. And we must be prepared, if the needs of foreign exchange so dictate, for earmarking a definite proportion of Indian production for export. Here, too, is the place whereat I should draw attention to the sustained demand being experienced lately for iron ore. There should be no difficulty in drawing up an ambitious plan for sale to our friends overseas of

considerable quantities of iron ore. Even America, I'm sure, will be greatly interested in an assured supply of quality iron ore. Lastly in this context, I should mention that the idea of gold bearer bonds has seemingly been dropped. No doubt, some time in the Third Plan, when maturing liabilities are heavy and foreign exchange reserves are low, we shall again consider the scheme.

The contribution of public sector enterprises alone has perhaps been correctly gauged. But, on the whole, I can't say I'm happy about the estimates of resources. The fundamental approach is wrong: in directions where much more can and should be planned for, the planners have grossly under-estimated receipts; and, in other directions, where it is wrong to hope for too much, optimistic estimates have been made. In the course of the next few weeks, I propose, on the basis of past experience, to draw up a resources table for the Third Plan. I trust that the Third Plan as finally drawn up presents a more reassuring and cheerful picture. Otherwise...

As The Spectator, in its column Portrait of the Week, points out, "An attempted take-over by Pisons, who make fertilisers, for BDH Ltd., who make contraceptives, has proved abortive." EAVESDROPPER.

GATEWAY TO GOSSIP

Toward Better Labour Relations

PROBLEMS of employer-employee relations form the theme of Mr. Naval H. Tata's presidential address to the annual general meeting of the Employers' Federation of India held last week in Bombay. The speech is an indication of the extent of the preoccupation of managements with labour problems. Ideas about labour relations have undergone radical changes during the past decade and it is now rarely, if at all, disputed that labour and management are partners in a common enterprise. The concept of an equitable return for the worker has come to stay and the justifiability of a need-based wage is fairly well recognised by employers too.

Government, who are wedded to a socialistic pattern of society, cannot but be obliged to take steps to help labour improve its lot. The process is continuing and it cannot be denied that the spate of labour legislation that has been placed on the statute books both of the Centre and the States has largely been responsible for the favoured position in which at least organised labour finds itself today. This is a point that will not be conceded by labour, which will claim that its achievements are the fruits of its own vigilance. Be that as it may, the fact remains that the factory worker in the country today is much better off than he was, say, a decade ago.

It is perhaps an inherent defect of the philosophy that seems to activate labour that "satisfaction should remain forever" an elusive entity for it. It seems to be suffering from a permanent hallucination that an employer should necessarily be extremely reluctant to share his profits even with those who have been mainly instrumental in making the profits possible. An identical attitude is displayed

toward the public sector employer, too. One is, therefore, led to wonder whether labour is not trying to transform itself into a new privileged class which accepts only one criterion, self-advancement, to the exclusion of other wholesome principles that should characterise the life of labour as much as of the people at large. The obvious benefits accruing from organisation and the consequent bargaining power have not been lost on other sections of the community, with results that may not be said to be conducive to the smooth functioning of the economy. This is not, however, to say that employers are blameless or that the welfare of workers is one of the main concerns of all employers. Government, who have come to occupy a peculiar position as an employer-cum-arbitrator (in labour relations), cannot also be said to be discharging their responsibilities without giving room for misgivings among both managements and labour.

To attempt to find an easy solution to the various problems of labour-management relations as obtaining in the country today will be to belittle their magnitude. These are extremely complicated matters which have to be tackled, with, among other things, a vigilant eye on the needs of our growing economy, consideration for the managements who have to shoulder great responsibilities and sympathy for the workers whose wish to better their lot is legitimate. A labour policy which satisfies these broad criteria is yet to be evolved. There are people who maintain that Government's handling of labour problems smacks of a lack of a clear-cut policy. It would appear that a sizable section of labour has the fixed idea that Government's labour policy favours, or can favour, only the employers. Likewise, a considerable section of employers believes that Government will always throw their weight on the side of labour. Again, Government face a great deal of criticism from both the camps for their handling of their own labour problems as employers in the public sector. One thing, however, should be evident to all concerned, not excluding Government. This is, that labour policy as it obtains today in the country is not such as can secure full and around co-operation.

In the context of the rapid industrial development planned for the coming years, it is imperative that labour relations are much more satisfactory than at present. It is of course true that improvement in this regard is primarily dependent on abiding goodwill and understanding between labour and managements. But Government's labour policy will have a large say in the matter. The immediate objective of this policy should be to ensure that the Third Five Year Plan period will have a far better record of labour-management co-operation than has been the case during the current Plan period.

Mr. Tata's review of labour relations during the past year and the suggestions for their betterment has to give deserve to be studied carefully by those who are in charge of shaping Government's labour policy. The relations between continuous wage increase and inflation is now clearly visible. Containing inflation can no longer be confined to academic discussions; it is an urgent task that faces the country. One of the main remedies is to be sought in holding the price line. Mr. Tata makes a valid point in the following passage:

"While the Union Labour Ministry is understandably anxious to see that a fair deal is not denied to the working class, it is extremely important that there should be active and effective coordination between the Labour Ministry on the one hand, and Food, Finance, Commerce and Industry and the employing Ministries on the other. If stability of real wages is the ultimate goal of the Labour Ministry, the impact of food and fiscal policies on the wage structure of the country should never be lost sight of."

In deciding the wage structure in private sector industries, consideration is rarely given to the capacity to pay. But Government seem to be quite careful about this factor when they have to foot the wage bill. Mr. Tata points to the Government's decision on the Central Pay Commission's recommendations and says that it clearly shows that capacity to pay is taken as the governing principle. It is only proper that Government apply the same principle to the private sector also. It is Mr. Tata's sugges-

tion that Government should give a clear directive to Industrial Tribunals that the ability of an industry or establishment to pay should be given the most important consideration.

Mr. Tata has touched on a number of points affecting labour relations and it would appear that, given some necessary modifications and a determined effort from all concerned, most of the recent measures can be made quite useful. For instance, the Code of Discipline cannot be dubbed useless as yet and Mr. Tata says that there is need for a longer period of trial before any definite verdict can be pronounced. The scheme of participation of Labour in Management is likewise yet only on an experimental stage as both sides have not begun to evince keen interest in it for various reasons. Lack of clear understanding of the scheme seems to be mainly responsible for the present state of affairs. Mr. Tata has done well to emphasise the need for doing away with processions and demonstrations with a view to getting labour's demands conceded. There are ample means available for labour to advance its claims. Processions and demonstrations especially in big cities often interfere with normal life and cause untold hardship to a large number of people. If labour is really serious about gaining the sympathy of the people for its cause, it should remember that frequent processions and demonstrations will only have the opposite effect. It is to be hoped that Mr. Tata's eminent suggestion that national labour leaders through a high powered committee of their own should bring about a self-imposed ban on such demonstrations will find acceptance.



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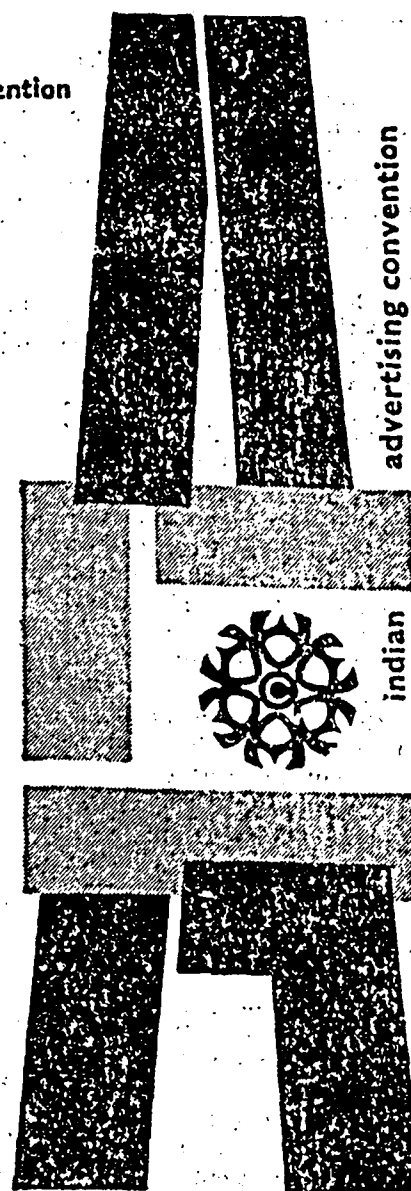
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Coffee Crop Outlook

EYES in the planting districts are once again, turned sky-wards searching for signs of rain-bearing clouds. Spared from untimely showers through the past two months, the prospects for the Coffee industry are considered to be bright for a 50,000 to 55,000 ton crop, provided the coffee receives a rainfall of one or two inches during the next two or three weeks. Hopes are presently high in every estate for a record-breaking crop in 1960/61.

The Coffee Marketing Committee has placed the revised estimates of the 1959/59 crop at 44,069 tonnes, comprising 30,785 tonnes Arabica and 13,275 tonnes Robusta. Pool receipts of Plantation variety are estimated to be 22,000 tonnes and those of Arabica Cherry 8,785 tonnes, bringing the total Arabica to 30,785 tonnes.

The receipts of 1959/60 crop into the Pool, up to 29 February 1960, amounted to 25,759 tonnes consisting of 21,011 tonnes Plantation; 2,814 tonnes Arabica Cherry and 1,934 tonnes Robusta. The corresponding receipts of the 1958/59 crop up to the end of February last year were 26,621 tonnes, consisting of 17,006 tonnes Plantation; 4,536 tonnes Arabica Cherry and 5,059 tonnes Robusta. The West Coast alone has received 10,699 tonnes, covering nearly 50 per cent of the total receipts. While nearly 50 per cent of the coffee under Plantation variety has already been cured, the curing of Arabica Cherry and Robusta has just started.

The total internal releases, till the end of February 1960, amounted to 5,083 tonnes comprising 1,832 tonnes Plantation; 1,054 tonnes Arabica Cherry and 2,197 tonnes Robusta. The total releases, till the end of February last year, were 4,953 tonnes.

The total quantity of coffee sold for export out of the 1958/59 crop amounted to 16,400 tonnes with the export sale on March 2. There is still a balance of 60 tonnes of Robusta, to be sold for export out of the 1958/59 allocation.

The Coffee Board has released 1,494,000 kilograms of coffee for export out of the 1959/60 crop consisting of 882,000 kilograms of Plantation A, 294,000 kilograms of Plantation B, 174,000 kilograms of Plantation Triage and 144,000 kilograms of Arabica Cherry Flats. The last date for the tender is 7th April.

Meanwhile, the world coffee market displays a surprising

undertone of strength and optimism despite the larger production trends in a world over-fed, with coffee. As against a production average of 19 million bags by Brazil during 1951/55, the crop forecast for 1960/61 is 36 million bags. As for world production, the rise during the period was from 41 million to 63.7 million bags.

Much of the recent stability in the world coffee market is attributed to the American coffee agreement. In fact, during the first whole year of the retention scheme, Brazil increased its exports from 12.9 million bags in 1958 to 17.5 million bags in 1959, while Colombia increased its shipments from 5.4 to 6.4 million bags. Total world import of coffee was also high at 40 million bags, of which the USA took 22 million bags.

Rubber

According to the Rubber Board, consumption of rubber in India amounted to 3,205 tonnes in January, 1960, whereas production totalled only 2,438 tonnes. The corresponding figures for January last year were 2,866 tonnes and 2,324 tonnes respectively.

Imports in January this year declined to 468 tonnes from 671 tonnes in the corresponding month of last year. Stocks, at the end of January 1960, were lower at 10,496 tonnes compared to 11,716 tonnes at the close of January last year. While stocks with the estates and dealers fell to 5,770 tonnes from 5,950 tonnes, those with the manufacturers were also lower at 4,726 tonnes as compared with 5,766 tonnes in January last year.

To judge by world production and consumption figures, it appears that the steady trend will continue for some time. Production increased by 163,000 tons to 2,065,000 tons last year. Consumption increased by 215,000 tons to 2,105,000 tons. The latter figure included estimated imports into the USSR of 232,500 tons and into China of 134,750 tons.

Output of synthetic rubber increased from 1,242,500 tons to 1,627,500 tons. Consumption rose from 1,247,500 tons to 1,557,500 tons.

Pepper

In the absence of any new development and encouraging advices from New York or Singapore, Pepper markets are ruling quiet. As such, turnover remains limited. In the Alleppey and Cochin markets, the rate for ready garbled variety is quoted around Rs 250 per cwt. In the New York market, the rate for ready and "awaiting release" positions is quoted at 57 cents per pound.

Despite the sound statistical position, the future of the market is uncertain in view of the absence of new developments. Merchants in India are following Singapore and any weak advice therefrom is affecting the sentiment, which is rather paradoxical, since India is

to remain the main supplier of black pepper till the advent of the new crop of Lampong, some time in August.

Earnings from the export of black pepper in 1959 amounted to Rs 4.27 crores as compared with only Rs 2.98 crores in the previous year. The USA was the biggest buyer of Indian pepper last year, offtake being valued at Rs 1.58 crores as against Rs 82 lakhs in 1958. Offtake of the USSR, which was the leading buyer of Indian pepper in 1958, declined in value from Rs 96 lakhs in 1958 to Rs 84 lakhs last year. Other important importers of Indian black pepper last year were Italy, Canada, Poland and Czechoslovakia.

Sugar

According to the Indian Sugar Mills Association, Sugar production was higher at 473,000 tons in February as against 410,000 tons in the corresponding month of last year. This brings the total production for the season 1959/60 up to the end of February, to 1.61 million tons as against 1.33 million tons in the corresponding period of last season. Latest reports indicate that the production has gone up to 1.825 million tons as on 15 March, thus suggesting that the aggregate production this season will exceed 2.1 million tons—about 300,000 tons more than in 1958/59.

The offtake of sugar from the factories, till the end of last month, has been estimated at 628,000 tons as against 691,000 tons in the corresponding period of last season. The closing stock with the factories, as on 29th February 1960, was estimated at 1.125 million tons as against 972,000 tons on the corresponding date of the last season.

The increase in production as well as stocks with the factories has naturally made the supply position easier, resulting in open market prices showing a downward trend at all places. The declining trend in gur and khandasari has also contributed to the easy tone in the sugar markets.

Rumours are now current that the Food Ministry will consider the question of decontrol at an early date as a sequel to excellent production in the country.

Khandasari

Prices in Khandasari market have been developing an easier tendency, in the face of increasing stocks. Production is being continued in some centres, while most of the crushers are reported to have closed their season.

Reports from Uttar Pradesh indicate that many khandasari units have already stopped crushing for the season. With the result, the sugar mills are getting adequate cane supplies at the enhanced rate of Rs 1.75 a maund. Production of Khandasari this year is estimated at 500,000 tons which, together with a carryover of 150,000 tons and sugar production of 2.3 million

Indian Finance

March 26, 1960

tons, will add up to a total of 2.95 million tons available in the country as against an estimated consumption of around 2.6 million tons.

Foodgrains

Conditions in the Foodgrains market continued to remain quiet with prices displaying an easier tendency due to slack demand coupled with the beginning of new "rabi" crop arrivals. Wheat is quoted at Rs 17.50 a maund for the average quality and Rs 18.75 for the farm variety. Harvesting of the crop, which has started in east Uttar Pradesh, will begin by the end of the month in west Uttar Pradesh.

The Rice market is ruling quiet in the absence of new urges. Moreover, the supply position is reported to be satisfactory. Gram prices have registered fractional falls, as old stocks with the trade are heavy following recent rains. Harvesting of cereals is in full swing. The prices of Maize and Bajra have shown an easier tendency due to withdrawal of seasonal support.

Thanks to better demand in the face of poor stock position, Jowar and Guar prices are ruling steady. Among Pulses, arhar has lost 75 nP a maund due to dormant demand and bright crop prospects. The markets for other pulses are mostly quiet.

Shellac

Thanks to the successful operation of the price support scheme of the Indian Lac Exporters' Association, the Shellac market in Calcutta continues to rule steady with the Pure TV quality quoting Rs 76 a maund. It has now been decided to fix new minimum and maximum export prices, which will be operative from April to September 1960.

The new minima have been increased by 5 per cent to 9 per cent in line with current prices. Except for some special grades, the maximum prices have generally not been changed. They are fixed at nearly 16 per cent to 18 per cent above the minima. The idea of increasing the minima probably arises from the anxiety to hold prices as soon as increased supplies become available from the raw Bysakhi crop. The Katki crop this season has also been bigger.

The Katki crop in 1959 is finally estimated at 345,000 maunds as compared with 265,000 maunds in the previous year and 233,000 maunds in 1957. Substantial increases took place in Bihar, Madhya Pradesh and West Bengal, which produced 134,000 maunds; 130,000 maunds and 23,000 maunds respectively of Katki crop in 1959.

Bullion

The Bullion market in Bombay, after early weakness, steadied up under the leadership of gold which met with renewed demand from the bull operators followed by short-covering. Rumours that credit squeeze measures might be implemented in the case of bullion

had, earlier in the week, led to a bearish feeling and some short sales were indulged. But, as the leading South Indian operator is carrying substantial long interest besides considerable stake in spot gold, shorts were forced to cover their sales in the advancing market, as the bull operators once again tried to dominate the position following the expanded offtake. Silver also firmed up in sympathy with gold. Floating stocks of silver in Bombay are estimated around 700 bars and gold 25,000 tolas.

Gold Chattr declined to Rs 128.12, to rebound to Rs 130.12, to be placed at Rs 129.81. Silver came up to Rs 217.81 from Rs 216.37, to stand at Rs 217.37. The premium on spot gold increased to Rs 1.12, while spot silver commanded a premium of 25 nP.

Oils & Oilseeds

The Oilseeds market in Bombay, after opening on a steady note, declined to steady up once again under the leadership of groundnuts, which met with renewed support at lower levels due to strong statistical position. No export business in groundnut oil has been reported due to disparity in prices, while the long-awaited export quota of HPS groundnuts has failed to materialise. In Castor Oil also, very little export business has materialised; but the prospects are considered somewhat satisfactory. The unanimous decision at the meeting of the National Development Council, however, to hold the price line had a subdued effect on the market sentiment, as fears were entertained in certain circles that, in view of the tight monetary conditions prevailing, any credit curbs would have an exaggerated effect.

Groundnut May delivery declined to Rs 205.75 from Rs 209.25, to recover to Rs 208.25, to be placed at Rs 207. Groundnut Oil April/May delivery came to business at Rs 21.94 to Rs 21.69, to recover to Rs 22. Castor seeds were marked down to Rs 169 from Rs 173.50, to rally to Rs 170.62, to be placed finally at Rs 168.50. Linseed declined to Rs 32.16 from Rs 32.87, to quote at Rs 32.25. Cottonseeds were listless and hovered around Rs 149. Linseed Oil moved between Rs 15.50 and Rs 15.62, while Castor Oil, commercial quality, came down to Rs 17.50 from Rs 17.75.

For the first two and a half months of this year, exports of groundnut oil have amounted to 1,893 tons; castor oil 9,561 tons and linseed oil 1,891 tons. HPS groundnuts have accounted for 7,030 tons; groundnut oilcake expeller variety 14,188 tons; extraction oilcake 38,078 tons; linseed oilcake 8,197 tons and niger cake 2,335 tons.

Yarn

The Yarn market was in a listless state, having been overha-

dowed by the financial difficulties of one party which, in turn, has led to an apathetic tendency. Business was comparatively small and hence the resulting price movements were confined to a narrow range. The powerlooms in the various centres are not working at full strength in view of the discontent which has been brewing following the imposition of excise duty on staple-fibre cloth.

Staple-fibre yarn April delivery moved between Rs 680 and 688, to finish at Rs 685. Among Art Silk yarns, Bemberg Express was done at Rs 1776 to Rs 1794, to finish at Rs 1786. The June delivery commanded a premium of Rs 29.

Metals

The Bombay Non-Ferrous Metal market ruled quiet with narrow movements. New import policy, which will be out after a week, is being awaited. The Indian Copper Corporation has received industrial licence to set up an electrolytic copper plant with an an-

nual capacity of 8,000 tons. Copper Scrap was quoted at Rs 2.78 per cwt; Brass Scrap at Rs 176 and Lead at Rs 75. Tin was quoted around Rs 135.50 per quarter.

Hides and Skins

Tanned cow hides had a good turn over in the market this week. While leathers of light weight did not change, other tanned hides of 88½ lbs were available at a price lower by between 2 nP and 4 nP per lb.

Export business was static. UK buyers were hesitating, anticipating still lower prices. A small volume of exports was reported half a penny lower. UK bought some inferior fifties. A high volume of trade with United Kingdom is possible at still lower prices. Madras sellers are not willing to trade lower down. Tanned buffalo hides, prices, too, did not change. Cow tanned skins were lower today by 10 nP to 12 nP per lb. UK won't enter into fresh business in this commodity.

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Capital subscribed	Rs 2,50,00,000
Capital paid-up	Rs 1,25,00,000
Reserve Funds	Rs 1,60,06,000
Deposits	Rs 80,98,74,000
Working Funds over	Rs 100,00,00,000

THE BANK OF BARODA LIMITED

(Est'd: 1908)

Head Office: Baroda

JWT-88 197

THE CENTRAL BANK OF INDIA LIMITED, BALANCE SHEET—(Contd.)

CAPITAL & LIABILITIES—(Contd.)		Rs.	p.P.	Rs.	p.P.
Brought forward		2,23,03,01,091	84		
Total Rupees		2,23,03,01,091	84		
PROPERTY AND ASSETS—(Contd.)		Rs.	p.P.	Rs.	p.P.
Brought forward		2,23,03,01,091	84		
10. Other Assets:—					
Shares of the Central Bank Executor and Trustee Co. Private Ltd., at Cost		9,99,000	00		
Interest accrued on Investments		27,65,882	34		
Silver					
Stamps, Stationery, Stock of Home Savings					
Safe and Safe Deposit Boxes		23,15,201	93		
				60,80,084	27
Total Rupees		2,23,03,01,091	84		

Statement of Profit and Loss Account for the year ended 31st December, 1959

EXPENDITURE		Rs.	p.P.	Rs.	p.P.
1. Interest paid on Deposits, Borrowings, etc.				3,86,33,858	39
2. Salaries and Allowances to Head Office and Local Branches		71,74,671	11		
Salaries and Allowances to General Manager					
Ra. 70,200.00					
Salaries and Allowances at Upcountry Branches		2,46,07,702	32		
Contributions to Provident Fund		16,56,068	41		
3. Directors' Fees and Allowances		67,520	00		
Committee Members' Fees and Allowances		10,488	80		
4. Rent, Taxes, Insurance, Lighting, etc.				33,75,174	18
5. Law Charges				1,15,986	37
6. Postage, Telegrams and Stamps				11,12,976	78
7. Auditors' Fees				92,000	00
8. Amount transferred to Sinking Fund on Banking Company's Property		1,14,612	73		
Repairs to Banking Company's Property		47,146	19		
Other charges on Banking Company's Property		4,01,414	27		
Depreciation on Furniture, etc.		4,27,008	51		
Amount transferred to Development Rebate Reserve		75,000	00		
9. Stationery, Printing and Advertisements, etc.				10,65,781	70
10. Loss from sale of or dealing with non-Banking Assets				17,58,862	56
11. Other Expenditure				3,81,085	52
12. Balance being Net Profit subject to Provision for Bonus				99,43,044	78
Total Rupees				8,99,95,020	93

Notes:—1. In view of the changes in the basis and rates of deduction of tax at sources introduced by the Finance Act, 1959, the previous year's figure of "Interest and Discount" is not strictly comparable. The taxes so deducted fully cover the Bank's liability for taxation and no further provision is considered necessary.

2. Total remuneration to General Manager, including Salaries and Allowances (shown under Item 2 of "Expenditure") Bonus and contribution to Provident Fund Rs. 86,700.

3. Remuneration received by Directors for their own use from other Companies by virtue of nomination by the Bank on the Board of other companies amounted to Rs. Nil during the year.

H. P. MODY,
Chairman.

C. H. BHABHA,
Vice-Chairman.

D. M. KHATAU,
C. P. WADIA,
CHIMANLAL B. PARIKH,
F. J. GUZDAR,
JAMSHEDJEE JEJEEBHAY,
J. M. SCINDIA,
JAYKRISHNA HARIVALLABHADAS,
S. KHAMBATA.

Directors.

N. K. KARANJIA,
General Manager.
P. C. COOPER,
Deputy Manager.
V. C. PATIL,
Chief Accountant.

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the foregoing Balance Sheet of The Central Bank of India, Ltd., as at 31st December, 1959 and also the foregoing Profit and Loss Account of the Bank for the year ended on that date in which are incorporated the returns of 65 branches audited by us, 14 branches audited by other auditors and the unaudited returns from 116 other branches and 121 Pay Offices not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with proviso to Sub-sections (1) and (2) of Section 211 and Sub-section (5) of Section 211 and Section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- The transactions of the Bank which have come to our notice have been within the powers of the Bank;
- In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
- The Bank's Balance Sheet and Profit and Loss Account drawn up by this report are in agreement with the books of account and the returns;
- In our opinion, and to the best of our information and belief, according to the explanations given to us, the said accounts read along with the notes appearing thereon, give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1959, and the Profit and Loss Account gives a true and fair view of the Profit, for the year ended upon that date.

A. F. FERGUSON & CO.,
Chartered Accountants.

S. R. BILLIMORIA & Co.,
Chartered Accountants.

Bombay, 3rd March, 1960.

March 26, 1960

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Indian Sugar Mills Association

Decontrol of Sugar Necessary for Increasing Production and Bringing Down Sugar Prices

President Sri Sahu Jagdish Prasad's Address

In his Presidential address at the 27th Annual General Meeting of the Indian Sugar Mills Association, held at New Delhi on the 24th March, 1960, Sahu Jagdish Prasad, President of the Association said:—

DECLINE IN PRODUCTION.

To us in the sugar industry, the last year has again been a year of declining production, shortages and high consumer prices. Against the peak figure of 20.29 lakh tons in 1956-57, production in 1958-59 was only 18.18 lakh tons. This drop of 1.11 lakh tons over the last two years may by itself not appear to be serious; but it has to be considered in the context of an addition of 3 lakh tons to the installed capacity of the industry during the same period. In effect, therefore, the actual drop was much larger.

STEADY RISE IN CONSUMPTION.

Against this decline in production, consumption of sugar in the country has been rising steadily. From 19.88 lakh tons in 1956-57, consumption last year rose to 20.66 lakh tons. It would have been still higher at 21 lakh tons or so but for Government's restricting the releases from mills following short-fall in production. This year too consumption has been kept within limits through Government's deliberate policy of regulated releases at the rate of 1.75 lakh tons per month. Even at this rate, this year's consumption will be 21 lakh tons.

PRICE CONTROL

While deterioration in crop conditions contributed towards the fall in production, the main reason was the imposition of control on ex-factory prices of sugar and that too at uneconomic levels, particularly when there was no control on the other two competitors for cane i.e. gur and khandasari. As was pointed out by my predecessor last year, the controlled price levied in July, 1958, was much below the price that was agreed to in the discussions between the representatives of the industry and the Government in July, 1958. Far from giving an incentive to the industry to produce more, the controlled price did not even cover the cost of production fully. Last year, when the sugar recovery came down from 9.93 to 9.80 in U.P. and from 9.81 to 9.78 in Bihar due to inferior quality of cane and the production costs increased further, the industry approached the

Government for appropriate upward revision in prices to compensate the factories for this loss. But the Government did not find its way to revise the prices and the factories had to suffer further. It is true that the matter of fair price was referred by the Government to the Tariff Commission whose report is presently under Government's consideration; but meanwhile two seasons have passed and the third is on, without redress of the industry's grievance regarding uneconomic prices.

While therefore the sugar industry was faced with an unremunerative price, the gur and khandasari interests being free from any such stifling controls, took advantage of the position by attracting cane away from the factories.

ADVERSE EFFECT OF KHANDSARI GROWTH.

Sugar production is to a great extent affected by the production and prices of gur and khandasari. If, because of better gur and khandasari prices, the cane grower gets higher returns by converting his cane to gur or selling it to khandasari, increasing supplies of cane normally meant for sugar factories are diverted to gur and khandasari and sugar production to that extent suffers. This is what has precisely happened during the last two years.

The net realisation of a sugar factory in Northern India after paying a tax element of Rs. 13.16 per Md. from the ceiling price of Rs. 37.85 is only Rs. 24.69 per Md. Against this, there being no control on khandasari prices, the khandasari manufacturer's net realisation is about Rs. 38/- to Rs. 40/-, after paying a tax of only Rs. 3.24/- Rs. 4.16 per Md. Thus, khandasari producer gets easily 50% more for his product than the crystal sugar manufacturer even though khandasari is comparatively a much inferior product. Similarly, the gur producer, who is free from any tax burden, realises Rs. 16/- to Rs. 18/- per maund even though the sucrose content of gur is only about half that of sugar. The excess realisation of the gur producer as compared to a crystal sugar manufacturer, on the basis of the sugar content, thus becomes obvious.

The excess realisation enabled the khandasari manufacturer to increase his production at the cost of crystal sugar. The sugar facto-

ries in West U.P., Central U.P. and the Punjab have been the main sufferers of the competition from power crushers and khandasari, and the drop in their production at 34%, from 1956-57 peak level has been quite severe in spite of the substantial expansions effected by them. In certain individual cases, the decline has been as high as 50 percent. The nominal excise duty levied on khandasari from March last year, has hardly made a difference to the relative advantages of khandasari. The result is that last year's khandasari production is estimated to have increased from under 1 lakh tons before 1956-57 to about 3.50 lakh tons. On every maund of sugarcane diverted from the sugar factory towards khandasari manufacture, the country has lost approximately 1.5 seers of sugar, due to the inefficiency and low recovery of the latter as compared with the former. Thus, the diversion of cane to khandasari made possible by control on sugar prices has not only reduced production of sugar factories, but it has also resulted in the actual loss of about 1.5 lakh tons of sugar in the process. This is an avoidable waste at least partially of the limited food resources available to the country.

It might be of interest to note here that it is only in the controlled area that sugar production declined, while in other regions there was actually some improvement.

RISE IN PRICES.

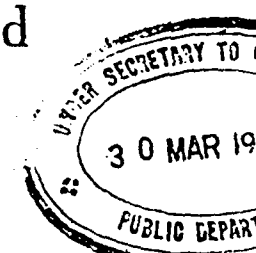
With a widening gap between production and consumption, reserve stocks in the country declined from 4,28,000 tons at the close of 1956-57 to 3,30,000 tons in 1957-58 and to 1,53,000 tons at the close of the last season, that is, 1958-59. But for restricted releases from the mills, reserve stocks would have declined further. This apparently, created a bullish psychology in the markets and prices. Government, instead of going to the root of the problem and appreciating the need for maximising production and devising ways and means accordingly, tightened controls further. The proportion of direct allotments to Government nominees was gradually increased. In June last, the quota of U.P. and North Bihar mills was cut down to 30 per cent, while that of Punjab suspended altogether. In July, there was complete suspension of releases to mills and the entire quantity was taken over by the

Government for sale by their allottees. Government also fixed the basis of prices to be charged by the wholesalers. In some places, rationing was also introduced. But, all these measures did not improve the situation.

CRITICS OF THE INDUSTRY NOT JUSTIFIED.

Understandably, there was strong resentment against rising prices in the Parliament and elsewhere. But, unfortunately for the industry, the debates and discussion in Parliament and elsewhere instead of helping a proper assessment of the position, only led to much uninformed and unjustified criticism of the industry. It was evident from the then Food Minister's statement in the Lok Sabha in August last that the prices continued to be at a reasonable level until the beginning of May and the controlled rate fixed for U.P., North Bihar and the Punjab were generally effective. In July, the Government took over the entire stocks with the mills in the controlled area. Profitsteering by the mills, if any, could therefore have taken place only during the months of May and June. During these two months, the total quantity of sugar released by the Government was 3.75 lakh tons. Out of this quantity 1.31 lakh tons was allotted directly by the Government to their nominees, 1.24 lakh tons was given for sale to factories situated in non-controlled areas and the balance 1.20 lakh tons was released to mills in the controlled area. The allegation about profiteering thus could relate only to 1.20 lakh tons which was sold by mills in the controlled area. This quota of 1.20 lakh tons forms only 32% of the total release. It is hardly convincing, and even against the established concepts of economics, to suggest that the factories which contributed only 32% of the supply could manipulate the prices or exploit the situation to push up the prices.

The actual position was that while fall in production created fears of shortage, the manner and timing of control and the faulty distribution arrangements made thereafter turned this into a scare of scarcity which resulted in the rise in prices. It is significant that even though Government control over distribution has been complete for about 9 months now, the position has hardly improved and prices continue to be high. It is,



therefore, unfortunate that even though the industry is in no way responsible for supplies and prices in the market now, criticism against it still persists from some quarters. Our critics do not sufficiently appreciate that a sugar factory is under law obliged to deliver whatever it produces to Government nominees at Government fixed prices. And if after the goods leave the factory, and are allotted to different markets as per Government arrangements, the prices in the wholesale or the retail market rule high, the industry can hardly be blamed. It only shows that the distributive arrangements and machinery evolved by Government have been faulty and have not been able to replace, with any amount of success, the normal distribution channels. The result is that the psychology of scarcity which resulted from a short-fall in production in the previous two years persists this year also in spite of the increase in production.

The fact is that the method of approach to such problems adopted by the Government is fundamentally different from the approach advocated by the industry. Whenever the country experiences shortage of some commodity, the usual action taken by the Government is to control its distribution. But so long as the supply remains insufficient to meet the demand, no amount of regimentation can prevent the continuance of scarcity conditions, and the consequent rise in prices. Controls can never provide an escape from the normal law of supply and demand. It is exactly with this in view that the industry always advocates tackling the production angle in such cases. If production is sufficient to meet the demand, prices will inevitably find their normal level.

SHIFT IN EMPHASIS FROM DISTRIBUTION TO PRODUCTION.

I am glad to find greater appreciation at the hands of the Government of the view point advocated by the industry, as a consequence of which, there has been a shift from emphasis on distributive measures only to increased production. The new sugar policy initiated by the Food Minister this year, is a great step forward in this direction, as it provides incentives for increased production both to the growers and to the industry.

The incentives have had wholesome effect on production. By 7th of March this year, we had produced 2.98 lakh tons more than last year, the actual production by that date being 17.26 lakh tons against only 14.28 lakh tons for the corresponding period last year. There have, however, been disquieting reports of increasing pressure on cane supplies from khandasari since last month. This, I am afraid, might affect the position to some extent, which otherwise would have been still more promising.

MAXIMISATION OF PRODUCTION.

As stated by me earlier, and as duly appreciated now by Government also, it is only by increasing the present production appreciably to a level where the fear of scarcity will no longer exist and a satisfactory stock position will be built, that the sugar price position will get stabilized. This year there is sufficient cane available. Sugar factories have also the requisite production capacity. Production could, therefore, be raised still further if factories were in a position to attract requisite supplies of cane for their crushing. This could be possible only if, in competition with Khandasari and gur, sugar factories could draw their supplies of cane to crush to their maximum capacity. It is in this context that the industry has been urging removal of control on sugar prices. The abolition of controls would on the one side, remove the scare of scarcity and on the other would enable factories to draw sufficient cane supplies by paying competitive cane prices.

There has been criticism that such a policy might raise the consumer prices still further. There is, however, no ground for such an apprehension. It is true that for paying competitive cane prices the ex-factory prices will have to be raised from the present controlled rate of Rs. 37.85 nP per maund. But this by itself will not mean higher prices for the consumer. Even this higher price will be lower than the overall price he has to pay now, not only for crystal sugar but also for its alternative, khandasari sugar and gur.

RIGID COST STRUCTURE.

We often hear criticism that the Sugar Industry in this country has, inspite of the protection at the cost of the consumer, not tried to make sugar available to the consumer at cheaper prices. This has the natural implication that the industry here is either not working as efficiently as its counterparts in other countries or it is making undue profits at the cost of the consumer. But in making such allegations, the fact of the rigid and regulated conditions under which the industry works here is conveniently overlooked. These are too well and commonly known, to require a detailed mention by me here. In fact, as Government spokesmen themselves have often admitted, sugar is the most regulated industry in the country. A look at the industry's cost structure will show how rigid it is. Against the ex-factory price of Rs. 37.85 nP per maund fixed by the Government, the price of cane accounts for Rs. 16.55 nP, taxes for Rs. 13.16 nP, manufacturing charges including salaries and wages for Rs. 6.93, leaving only Rs. 2.19 nP to meet overhead expenses, to allow for profits subject to taxation, and also to provide for reserves out of which to replace machinery when worn out, at today's enhance costs,

which is more than seven times the original installed value.

HIGHER TAX BURDEN.

It should be realised that one of the main reasons for the relatively higher prices that the consumer has to pay is the heavy burden of taxes. The way in which the burden has increased over the last few years shows that the Central and State Governments treat the sugar industry as an inexhaustible source of ever-increasing revenue. State Governments collect about Rs. 10 crores annually as cane cess and spend a very meagre portion of it on sugarcane development which is the primary object of the imposition of this cess. The Central Government raises about Rs. 58 crores a year through excise duty. Sugar factories also pay annually Rs. 1 crore as Co-operative Societies' commission. The tax burden of the industry has increased by about 4.5 times since 1946-47.

CANE DEVELOPMENT.

Besides, the high incidence of cost of cane also accounts for comparatively higher cost of production of our factories. Adequate quantity and quality of sugarcane is of basic importance to a healthy and growing sugar industry. And here, much remains to be done. Although sugarcane development schemes were started in 1948-49, not much improvement has been effected so far. Although in the matter of total cane production we are nearing the target set for the Second Plan, in the matter of yield per acre and the sugar contents in cane per acre, we have made hardly any progress. Our position when compared to other cane producing countries is also very backward.

The target of 100 million tons of cane fixed by the Indian Central Sugarcane Committee for the 3rd Plan will necessitate raising the yield per acre to 20 tons or about 50% more than the present average. The effort required to effect such an increase will be tremendous. But, unless something really substantial is done and concerted and co-ordinated steps are taken, the position cannot improve.

POOR FINANCIAL POSITION.

The imposition of control brought to the fore the uneconomic nature of the industry's working and its poor financial position. I may here refer to the results of the study conducted by the Association of Indian Industry and Trade for the seasons 1954-55 to 1957-58. It covered the factories producing 88 percent to 92 percent of the country's output of sugar and should, therefore, be considered as fully representative of the industry. The study has shown an alarmingly poor financial position of the industry. Many units are actually incurring losses and returns on capital and also reserves are declining. The industry in the North, particularly, is faced with near-crisis conditions.

NEED FOR ADEQUATE ALLOWANCE FOR REHABILITATION

While on this subject, I would like to refer to the urgency of rehabilitation and modernisation in the industry. Most of the existing plants were put up over 25 years ago, and are due for large scale replacement and modernisation for which large funds are required. As will be appreciated, the prices of sugar machinery between 1931 to 1937 and now have increased by six to seven times. For example, the cost of a Co-operative sugar factory that has gone into production recently, namely, Bazpur in Nainital District, is Rs. 1,40,00,000/-. If compared to the cost of a factory of identical capacity erected between 1930 and 1936, it shows a rise of more than 650 per cent. It is quite clear, therefore, that the normal depreciation will be wholly inadequate to cover even a fraction of the rehabilitation charges.

Moreover, all the funds available with the industry including equity capital, depreciation and reserves of all kinds have been employed for expanding the capacity of the factories and are represented by the current block. As a matter of fact, over a period of 10 years or so, the borrowing of the industry as a whole against the block, apart from current borrowings from stocks etc. has increased very substantially. The consumer has been directly benefited by the increase in capacity because this has led to a lower cost of production, being taken into account when the reasonable price of sugar for him is determined. I would, therefore, urge upon the Government to formulate a realistic price policy, which, besides meeting the cost of production fully, would also provide for the rehabilitation requirements which is necessary to ensure the industry's growth and development.

THE DUNLOP RUBBER CO. (INDIA) LTD.

Notice is hereby given that the Transfer Books and Registers of Members in respect of the Ordinary and Second Preference Shares of the Company will be closed from 11th April, 1960 to 1st May, 1960, both days inclusive. The Annual General Meeting is convened to be held on 19th April, 1960. As any dividends that may be declared will be paid only to shareholders registered in the Company's Registers of Members, those holding shares on blank transfers are advised to register the transfers prior to 11th April, 1960.

By Order

P. B. SEN GUPTA,
Secretary.

"Dunlop House",
57B, Free School Street,
Calcutta, 22nd March, 1960.

March 26, 1960

OLYMPUS

Progress in Some Plan Sectors

TWENTY-THOUSAND new post offices, 1,400 new telegraph offices and 180,000 new telephones were the targets originally laid down in the Second Plan for the Posts and Telegraphs Department. It would appear from the progress actually made during the period 1 April 1956-31 December 1959 that these targets are likely to be reached. Firstly as regards post offices, 12,742 of them have been opened during the period; 2,082 are being opened in the first three months of 1960. With nearly 4,800 post offices opened in the fourth year alone, it may be expected that 5,200 will be opened in the last year to bring the total number to 75,000 at the end of the Second Plan as against 55,000 at the end of the First Plan. Secondly, as regards telegraph offices, 1,014 of them have been opened during the period 1 April 1956-31 December 1959. At this rate, it may be expected that the target thereof will be reached and that 6,300 telegraph offices will be working at the end of the Second Plan as against 4,900 at the end of the First. Thirdly, as regards telephones, 132,400 of them have been installed during the same period. Here also, the target is likely to be reached, bringing the total number of telephones at the end of the Second Plan to 450,000 as against 270,000 at the end of the First. Actually, it has been estimated that the total number of telephone connections as on 31 March 1960, will be 427,000.

It is not surprising that all this progress has been reflected in a steady and substantial increase in traffic. The more notable traffic figures in 1959-60 (Estimated) and 1958-59 (Actual) are given below:

	1958-59	1959-60
Total number of postal articles handled (including service and registered articles) (million)	3,596	3,856
Number of money orders issued (million)	73.0	78.1
Value of money orders issued (Rs. crores)	296	317
Number of savings bank transactions (million)	22.2	24.0
Number of telegrams (million)	34.5	35.4
Number of Trunk Calls (million)	26.4	30.0
Number of telephone connections ('000)	378.5	427.0

This increase in traffic, in turn, has led to an increase in gross revenue from Rs. 66.3 crores in 1958-59 to Rs. 70.0 crores in 1959-60 (Revised). The only sub-head of revenue which has remained static is "Radios," with Rs. 8.2 lakhs in 1958-59 and Rs. 8.1 lakhs in 1959-60. Does this mean that the market for radios is not expanding?

Community Development:
As on 2 October 1959, the Community Development Programme

covers 2,708 blocks (excluding 403 pre-extension blocks) with 360,000 villages and a population of 179 million. It may be expected that, with the blocks to be allotted on 2 October 1960, the population that will come to be covered by the Programme will reach a total of about 200 million in the final year of the Second Plan. That will mean a coverage representing 62 per cent of the Plan's target of 325 million people originally laid down.

Although agriculture is said to have received the highest priority under the Programme, the average achievements per block per year in that field have not been very impressive. For example, the quantity of improved seeds distributed per average block in a year is 2,680 maunds—just sufficient, perhaps, for 5 per cent of the cultivated area and all the major crops in an average block will not be covered by improved seeds in the 5-year post-intensive phase of development. Secondly, the quantity of chemical fertilisers distributed per average block in a year is 6,350 maunds—just sufficient, perhaps, for a fourth of the irrigated area which, itself, may be only a fifth of the cultivated area of that block.

Thirdly, the number of improved implements distributed per average block in a year is only 164 which, even if assumed to consist entirely of improved ploughs, could cover only one per cent of all the household operational holdings in that block. At this rate, it is clear that all the farmers in an average block will not come to have improved ploughs—so very necessary for better tillage—in the 5-year post-intensive phase of development. And, lastly, the number of compost pits dug per average block in a year is 890—that is, 6 or 7 pits in each village in that block. Since one pit cannot produce enough compost manure for 100 acres of land, it is obvious that a much larger number of pits will have to be dug and properly maintained if, in the post-intensive phase of development, all the lands in an average village are to have their quota of organic manure, which may have to be as much as 25 tons per acre.

It would appear from this picture of achievements that the physical inputs into agriculture are not commensurate with the needs of development. The Community Development Programme has thus touched only the fringe of the problem. Since greater physical inputs will involve, necessarily, heavier financial outlays, it is to be hoped that, in the Third Plan period, the pace of progress will be quickened. Otherwise, that Plan's target of 105 million tons of foodgrains is not likely to be achieved.

Co-operation:

The Second Plan, it may be recalled, originally laid down the target of membership of primary credit cooperatives at 15 million by the end of 1960-61. This target

was subsequently raised to 20 million. As against this target, the actual membership in 1958-59 is believed to have reached a level of about 12 million. No substantial increase in membership is likely to have taken place in 1959-60. At this rate, therefore, the Plan's original target may not be even fully reached. The slow pace of progress in this sphere is attributed to the fact that the question of membership is inextricably linked with providing adequate production credit and other services. The position in regard to credit is that co-operatives supplied short and medium term credit to the extent of Rs. 125 crores in 1958-59 and Rs. 150 crores in 1959-60. It is stated that, at the present rate of growth, the credit that may be made available in 1960-61 is unlikely to exceed Rs. 190 crores. Even the relatively modest target of Rs. 200 crores to be achieved in 1960-61 is, therefore, not likely to be reached. That the average loan per member has increased from Rs. 64 in 1955-56 to just Rs. 94 in 1957-58 is an index of the inadequacy of cooperative credit.

If the purely credit societies are not progressing according to plan, there is now the compensating circumstance that more multipurpose societies, otherwise known as "service cooperatives," are coming up. In pursuance of the new policy directive issued in May 1959, as many as 39,000 service cooperatives (composed of 16,000 new and 23,000 by reorganisation of existing village societies) will have been organised by the end of June 1960. It is also expected that 29,000 service cooperatives (10,000 new and 19,000 by reorganisation) will be organised in 1960-61. It is a heartening trend that the organisation of these service cooperatives is proceeding on sound lines. This is inferred from the fact that many of the States have laid down tests of minimum membership—generally 40 to 50 members—and minimum paid-up share capital—generally Rs. 400 to Rs. 500—which must be fulfilled before new societies are organised. At the same time, to enable the service cooperatives to employ a part-time manager, a subsidy to the extent of Rs. 900 is also being given to each society spread over a period of five years.

The physical achievements of some other parts of the Cooperative Programme would also need to be mentioned. These achievements during the period 1956-61 as against the Plan targets will be as under:

	Plan target	Achievement
Organisation of large-sized societies	10,400	7,312
Construction of rural godowns	4,000	4,109
Organisation of primary marketing societies	1,283	1,669
Construction of godowns by marketing societies	1,543	1,679
Co-operative sugar factories going into production	20	20
New processing societies other than sugar factories	166	379
New training schools for subordinate personnel	38	38

Organisation of primary land mortgage banks	96	96
Organisation of credit unions	301	301

In regard to large-sized societies, it may be noted that they are not being organised now in view of the shift in policy in favour of service cooperatives. As for co-operative sugar factories, 21 of them which were actually working in the 1958-59 season produced a total quantity of 4.87 million maunds (nearly 180,000 tons) of sugar.

The Road Plan:

It is gratifying to know that the mileage targets of the Road Plan have already been achieved. The position is as under:

	Nagpur Plan target	Mileage of roads at the end of 1957-58
Surfaced roads	123,000	133,810
Unsurfaced roads	208,000	223,566
Total	331,000	357,376

The Coal Plan:

It may be recalled that, out of the additional production target of 22 million tons of coal under the Second Plan, 12 million tons were allotted to the public sector—10.5 million tons to the National Coal Development Corporation and 1.5 million tons to the Singareni Collieries—and 10 million tons to the private sector. Of the 10.5 million tons allotted to the NCDC, 0.5 million tons were to be raised from the existing 11 State Collieries.

The progress toward these targets appears to be satisfactory. Firstly, the 11 old State collieries have increased their production from 2.9 million tons in 1955-56 to 3.5 million tons in 1958-59; they have thus achieved already their target of 0.5 million tons by way of additional coal production. Secondly, production from the new mines under the NCDC during 1959 was 1.3 million tons. It is estimated, on the basis of the production level attained during December 1959, that the annual level of production reached by the NCDC is already over 5 million tons. But it is rather doubtful if the target of 10 million tons set for the new mines under the NCDC will be reached by the end of the Second Plan.

Thirdly, the Singareni collieries in Andhra Pradesh, which are scheduled to reach a production level of 3 million tons in 1961 to achieve the target of additional production set for them, have produced 2.23 million tons in 1959. It is confidently expected, on the basis of the trend of production so far, that the target fixed for these collieries would be reached by the end of the current Plan period. Lastly, in the private sector, production in 1959 was about 40.3 million tons as against 33.9 million tons in 1955. At this rate, it may be reasonably expected that the private sector will achieve its target of additional production by the end of the current Plan.

THE PENINSULA

Kerala Budget

STATE legislatures should now be resounding with budget discussions, the ritual of Budget presentation having been gone through almost everywhere. The presentation of the Kerala Budget has, however, come as a late effort. The delay is to be attributed to the pressure of business on the new coalition Government which had only a month's time for Budget preparation after they assumed power. The lack of time has naturally told on the nature of the Budget which, as the State Finance Minister, Mr R. Sankar, observed in the course of his Budget speech, could be deemed only as a preliminary programme. Amidst the administrative interruptions the State suffered consequent on the dismissal of the Communist Ministry and the interregnum preceding the assumption of office by the United Democratic Front after a new general election, it was an impossible task for the Finance Minister to garner all the financial facts and integrate them with an economic policy which itself requires careful deliberation and thought in the light of the departures envisaged from the previous

policies of the Communist Government. Mr Sankar could not have but postponed presentation of a thorough picture of the State's finances for the next year.

The Budget for 1960-61 discloses a deficit of the order of Rs 1.99 crores. Revenue receipts are estimated at Rs 42.95 crores and expenditure on revenue account at Rs 44.94 crores. The Finance Minister has preferred to leave the gap uncovered. While the dismissal of the Communist Ministry would itself have banished fears of thunderbolts in the form of fresh taxation, particularly on plantations, which have been the particular target of the Communist Government, the decision not to impose new taxes also rested on an awareness of the lack of scope for fresh taxation. Mr Sankar was clear on this point, and observed that, excepting for the agricultural income tax and sales tax, the other sources of revenue were inelastic. He has wisely refrained from further additions to the agricultural income tax since the trend in respect of plantation costs and size of land holdings, is such as precludes increase in revenue in the event of new levies. In the context of the inelasticity of tax revenue, Mr Sankar has sounded the need for exploring avenues for increasing non-tax revenues.

Capital expenditure outside the revenue account is placed at Rs

9.06 crores, and includes Rs 4.3 crores under loans and advances. The Budget takes credit for Rs 4.40 crores to be obtained through open market loans to be floated in 1960-61 and also incorporates an amount of Rs 1.50 crores anticipated to be the State's share of the National Savings collections.

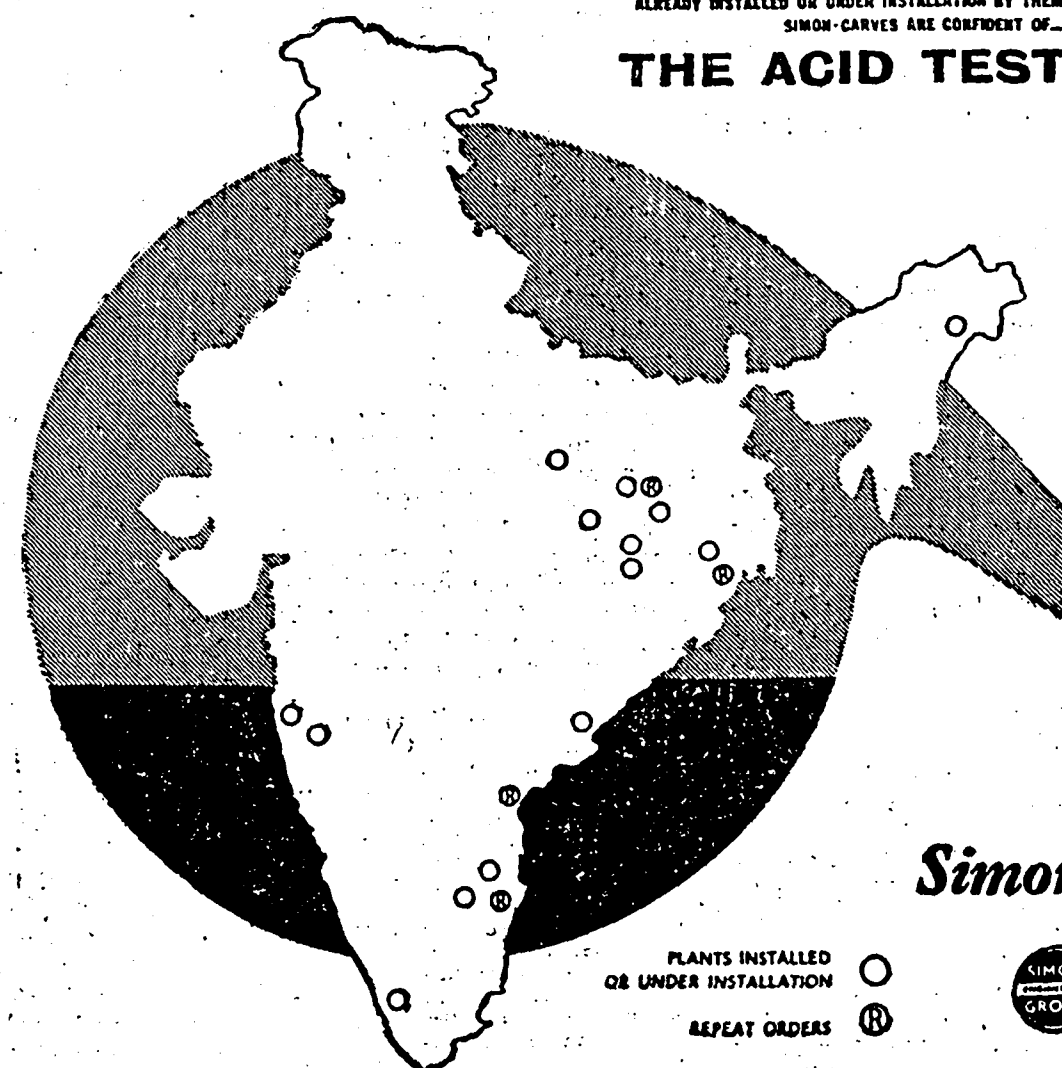
The allocations of expenditure under the Budget are noteworthy for what they reveal to be the most pressing problems confronting the State. Rice deficit, which at present runs to the tune of nearly 700,000 tons, has been Kerala's economic riddle. The Budget makes an allocation of Rs 107.56 lakhs for its supply through fair price shops on the basis of a subsidy amounting to 50 nP per measure. The rice deficit defines the problem of the State in indubitable terms. It was, therefore, but proper that Mr Sankar should lay the maximum stress on increasing rice production through intensive cultivation.

The Budget does not seem to be sufficiently ambitious in respect of industrial development. While there is a verbal assurance from the State Finance Minister that no efforts would be spared in industrialising the State, he made no secret of his view that concentration on agricultural production rather than on industrialisation would pay better dividends in terms of more employment opportunities. The relative affluence of agriculturists in Kerala as com-

pared with the non-agricultural population, and the scope for intensive cultivation in rice and coconut production together with lack of resources for setting up major industries, would point to concentration on agriculture as the best means of raising living standards in Kerala. The Budget makes a large provision for ensuring organic and chemical manures for popularising intensive cultivation of rice and coconuts.

Education figures as one of the most important items of outlay. Nursery schools would get larger provisions in the State. To have made education free up to the eighth standard is also a remarkable achievement. Though Kerala is noted for the high percentage of literacy, this is true only of the region represented by the old Travancore and Cochin States. Free education up to the eighth standard should step up literacy in the Malabar area, which has been backward in education. The Budget also envisages the establishment of a Hindi Teachers' training college. Apparently, Kerala does not seem to nourish any quarrel on the question of the National language, which has agitated a large section of opinion in the Madras and West Bengal States. Mr Sankar revealed the State Government's attitude on this question when he observed that Kerala has recognised the growing importance of Hindi in the national sphere.

THE ACID TEST



Production of Sulphuric Acid is an unfailing index of a country's industrial growth and economic independence.

There has been a threefold rise in the production of this key chemical in India in the last seven years, and with this rise is associated the name of Simon-Carves.

The total capacity of Simon-Carves acid plants already commissioned is more than half the entire acid production of India in 1958.

The world-wide experience of Simon-Carves in designing, engineering and constructing Sulphuric Acid plants, is at the service of India.

Simon-Carves Ltd



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The liability of the members is limited
32 Dalhousie Square South
Calcutta-1

March 26, 1960

WORLD OF JUTE

Shipments of Gunny Cloth in 1959

WITH the Indo-Pakistani trade talks promising to be fruitful, to an extent that perhaps we could not have hoped for, there is reason to think that all will now be well in the World of Jute. The unbridled speculation that has been witnessed in Calcutta markets, particularly in raw jute, may now thankfully come to an end. No longer can the speculative fraternity count upon inadequacy of the raw material as a pretext for "bulling" the market; no longer, I trust, will jute goods prices be subject to the violent fluctuations that do nobody any good except the market gambler. Calmness and a sense of proportion will, I believe now be restored.

The future course of prices should therefore be downward. With raw jute prices at soaring levels at sowing time, with the Pakistani removal of restrictions on the acreage under raw jute, with the promise of more abundant supplies of the raw material from our neighbour country, it is clear that, unless the weather turns especially vicious and malignant, raw jute availability in the jute year 1960-61 should be more than adequate. With plentiful raw jute at fair and reasonable prices, output of jute goods should improve; and the manufactures can probably be marketed at prices distinctly lower than what they are today. In such case, we may, I feel, take for granted an expansion in the demand for jute goods. In such wise is it that circumstances are fortunately conspiring to make of the year beginning 1 July 1960 one of the best in recent times. Who knows, even the market for jute goods might expand.

Meantime, the detailed figures of gunny cloth shipments in 1959 make for heartening reading. Gunny cloth clearances from Calcutta in the last calendar year improved substantially by 156 million yards over the respective figure for 1958. Contributing importantly to such improved offtake by India's customers is, it is intriguing to find, the United States of America. So, the steel strike notwithstanding, the USA improved its absorption of gunny cloth by fully 94 million yards.

The second customer of importance, in respect of this category of jute goods, is South America; rather, Argentina. Here, the export-licence is slightly unhappy, in that

offtake, for the region, is lower by 15 million yards. I suppose we must find what consolation we can in the fact that the Argentine has always been a temperamental customer; in the one year, all previous records are broken; in the next it has happened that the country has practically no use for jute goods. On the other hand, every other important customer for gunny cloth, with the exception of New Zealand, took distinctly more of this species of jute manufactures during 1959. Truly impressive is the increase in respect of Turkey and the Continent; and the rise of 10 million yards in clearances to Indian Ports has, I should say, its own significance. There is an attendant mystery in respect of the increase of 25 million yards in shipments to all other ports. China, perhaps?

The table giving details of clearances of gunny in the last three years is given below.

Clearances of Gunny Cloth

	(In Millions of yards)		
	1959	1958	1957
USA ..	781.4	688.0	674.4
S. America ..	213.3	228.0	252.4
Canada ..	158.4	152.1	131.0
UK ..	122.4	119.3	68.9
Indian Ports ..	56.2	46.5	46.5
Continent ..	62.3	38.3	21.1
Australia ..	45.9	44.8	46.1
USSR ..	27.8	25.7	10.3
UAR ..	17.9	14.5	16.1
Turkey ..	16.8	7.5	16.5
Middle East ..	10.8	6.0	21.4
New Zealand ..	8.6	9.7	11.2
Other Ports ..	54.9	30.1	28.0
Total	1566.7	1410.5	1343.8

(Note: Gunny cloth relates mainly to hessian; for example, in 1959, of total clearances of gunny cloth at 1567 million yards, hessian cloth accounted for 1541 million yards and sacking cloth for 26 million yards)

Wide fluctuations in price have characterised trading in the jute goods market during the past week ended Thursday. The market opened last Friday with the undertone steady. During the day, activity was, however, at a low ebb and prices moved within a narrow range. At the close, Hessian 40"x10 oz was done at Rs 41.65 while B Twills March was placed at Rs 113.25. Conditions were almost unchanged on Saturday with activity limited to covering in near positions. The undertone turned easy on Monday, especially in the sacking section, following selling pressure in the futures market. Sentiment seemed to have been adversely affected by reports of poor shipping instructions during the current month. B Twills reacted to Rs 112.35 and Hessian was also lower in sympathy at Rs 41.50. Prices were further easier on Wednesday largely because of a decline in raw jute prices.

Buying support, however, was forthcoming on Thursday following reports of revival of Chinese enquiries. Reports had it that an

order for Heavy Cees from this country was in the offing. The news bolstered sentiment and prices moved up quickly. But the peak levels touched during the earlier part of the day could not be maintained till the close due to profit taking at the higher levels. Hessian March closed at Rs 41.40 while B Twills were finally placed at Rs 112.40.

WORLD OF TEA

Production and Exports

ACCORDING to the latest figures, production of Tea in India, during last year, declined to 706.2 million pounds from 711.3 million pounds in the previous year. The decline took place mainly toward the end of last year when production, in the last quarter, was placed at 199.7 million pounds against 209.9 million pounds in the fourth quarter of 1958.

Most districts in South India have had early rains and some estates are reporting heavy flush. If the Third Plan target is 850 million pounds, the South Indian share will be about 185 million pounds and, with the present trend in production, it may be easily reached ahead of time. Production for the whole of last year fell to 148.2 million pounds from 157.7 million pounds in 1958.

Production of tea in Ceylon, during January 1960, rose to 35.1 million pounds from 33.8 million pounds in the corresponding month of last year, thanks to favourable weather.

According to East African reports, Kenya's tea expansion is going apace and it is said that about 700,000 acres of suitable tea-land is available in the colony.

Although the Indian tea industry has welcomed the announcement regarding a Rs 2-crore assistance scheme, there is an undercurrent of scepticism among producers who feel that almost all good schemes on paper get wholly complicated in practice and in the end cause waste of time and effort.

As far as North-East Indian tea is concerned, exports, during last month, amounted to 33.9 million pounds against 17.7 million pounds in the corresponding month of the previous year, showing a rise of more than 16 million pounds.

Shipments from South India, however, declined to 83.41 million pounds last year from 96.02 million pounds in the previous year. Even allowing for the fall in shipments to Indian Ports from 10.75 million pounds in 1958 to 9.19 million pounds last year, total South Indian tea shipments to foreign countries disclosed a fall of more than 11 million pounds.

Exports from Ceylon also declined to 383.49 million pounds from 410.77 million pounds in 1958. Except to

the USA and Egypt, Ceylonese exports to all destinations recorded a decline. Offtake by the UK alone fell by nearly 26 million pounds from 164.55 million pounds in 1958 to 138.7 million pounds last year. Shipments to the Continent also fell from 18.54 million pounds to 15.84 million pounds as did those to Canada from 17.66 million pounds to 16.65 million pounds.

Meanwhile, the gradual decline in plain tea prices at the Calcutta auction continues to persist. No export auction is being held this week and the clearing sale for the current season will be held next week.

In the Internal Sale, offerings consisted of 24,648 packages of Dusts. There was good active demand. Orthodox grainy descriptions met with support at a drop of up to 10 nP per pound, while the more powdery kinds and brighter Assams were again in better demand. Leg-cut Doars Dusts were lower by 4 nP to 8 nP a pound. Medium CTC types were better supported, the smaller and brighter liquoring dusts often selling at steady rates. The best CTC types were often lower, but followed quality. Following rates were quoted:—Medium Doars Dust Rs 1.88 to Rs 1.94; Medium Assam Dust Rs 1.84 to Rs 1.90; Medium Assam CTC Dust Rs 2.00 to Rs 2.14 and Best CTC Assam Dust Rs 2.40 to Rs 2.75 (nominal).

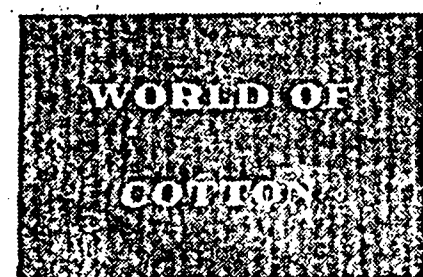
In the London auction, buyers of Ceylon tea showed discrimination where quality was concerned and overall demand was only fair. A few of the best invoices were sold well. Otherwise, prices showed sharp falls, especially for Broken Orange Pekoes, and there were many withdrawals. Offerings totalled 13,095 packages.

Except for the few bright liquoring invoices, prices for the South Indian growths on offer declined by about 2d per pound and withdrawals were substantial. Offerings of South Indian tea amounted to 6,825 packages.

In the London auction, prices for Plain teas have developed an easier tendency and the rate has been marked down to 3sh 7d from 4sh 2d a pound. The amount of plain tea available in London remains large and this may well be one reason for the current weakness of the market.

Another possible explanation is that blenders in London are satisfied with their current level of stocks and reckon that they can get through the summer without buying very much more. Normally, blenders have to build up their stocks at this time of the year, because tea imports, during the summer months, are small; but there has been little evidence of that happening recently.

According to figures released by the Food and Agricultural Organisation of the United Nations, Britain's imports of tea dropped by nearly 38,000 tons last year. Estimated world production also fell slightly and the tea producing countries themselves drank more. Tea consumption in Western Europe, the Organisation considers, is likely to grow only with the growth of population. But, in the producing countries, demand should grow hand in hand with increasing prosperity.



Cloth Stocks Go Down in February

THE Cotton futures market is once again in the doldrums and prices have lost some ground on a somewhat bearish psychology following the slump in the stock markets and rumours of curbs on advances on commodities and cloth by the Reserve Bank. Moreover, reports of financial difficulties of a few business firms in outside markets also threw a damper on the market. Somewhat easier advices from the spot section and talks of additional imports also acted as a

deterrent to the general feeling which turned hesitant. ICC August dropped down to Rs 756 from Rs 767 to be placed around Rs 757. The maturing March delivery dropped from the ceiling level of Rs 820 to Rs 810 to rally to Rs 811. As the statistical position of indigenous cotton continues inherently strong, the market is likely to attract support in the event of a further fall to around Rs 750, but much will depend on business sentiment.

SPOT:

Modest business passed in the spot market at Sewri. Mills were somewhat reserved in their purchases due to the move for additional imports as well as the necessity to take out import licences against their allocations. Though Vijay and Digvijay met with somewhat better enquiries, prices of these growths have declined by about Rs 20 to Rs 25. There was fairly good demand for lower varieties. In the import section, the tendency was a shade

easier in respect of practically all varieties of foreign cotton. Sudan cotton prices have dropped while some good enquiry was reported in African cotton by Southern mills. Egyptian and American prices were also placed somewhat lower.

MOORE IMPORTS:

There are indications that Government of India might arrange for more imports of cotton from USA. According to the present arrangements, the Government of India have pledged to allow import to the extent of 1.25 million bales till the end of the season. Import allocations so far issued total 1.02 million bales. Some quarters are inclined to revise downward the crop estimate to 3.8 million bales as against 4 million bales a few days ago. In view of this, mill quarters feel the need for the import quota to be raised. Government, however, are considering how best the needs of the industry could be met without frittering away foreign exchange. There are

indications from New Delhi that a further import quota of about 40,000 bales of cotton from Pakistan is likely to be announced following the new trade agreement which is being negotiated between the two countries. It might be recollected that, already, imports of about 20,000 bales had been arranged under limited payment agreement. There are unofficial reports that Washington has issued two purchase authorities to India, one involving 100,000 bales of cotton Stapling 1" and below, the other consisting of a like quantity of cotton stapling 1 1/16" and above. Following the directive issued by the Textile Commissioner the previous week, mills are rushing in to apply for import licences and hence the quantity licenced from the beginning of the season till 5 March has increased to 545,139 bales as against 469,094 bales till 27 February.

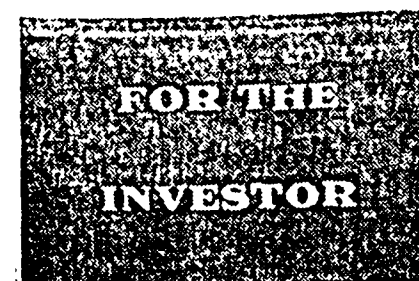
CLOTH MARKET:

The Cloth market is in somewhat better shape than expected and domestic demand has expanded with a slight improvement in the rates. Export performance was also encouraging. Business to the extent of two million yards of grey and bleached long cloth with Burma and a million yards of bleached long cloth with Indonesia was reported to have been concluded recently.

Exports of cotton piecegoods in the month of February are provisionally estimated at 57 million yards. Although this is 16 million yards below the January figure of 73 million yards and 34.3 million yards below the December record of 91.53 million yards, it compares favourably with the figures for the first two months of 1959. These were 51.07 million yards and 53.76 million yards respectively. Exports in 1959 at 793 million yards showed an impressive rise of 205 million yards from 578.22 million yards in 1958. It is to be seen whether export performance during the current year will continue to be as encouraging as in the previous year in view of the rise in cloth prices.

Cloth production, during the month of February, has been placed at 402 million yards and yarn at 138 million pounds. This compares with the production of 418 million yards and 144 million pounds in January and 392 million yards and 137 million pounds in February 1959.

Stocks with the mills, at the end of February 1960, have decreased to 259,800 bales from 268,900 bales at the end of January and 494,900 bales a year ago. Out of the stocks of 259,800 bales, unsold stocks increased to 140,200 bales as against 117,700 bales a month ago, while cloth stocks sold but delivery not taken have gone down to 119,600 bales from 151,200 bales. Yarn stocks have increased during the month by 6,100 bales to 28,900 bales.



Suspended Animation

Investment Gossip:

THE stock market still seems to be in a state of suspended animation. The RBI directive of 11 March is squarely blamed for what is now described as the loss of confidence.

All are, however, agreed that there is nothing wrong in Authority trying to make the stock markets safe for investors, that is, unsafe for the pure speculator. But it is pointed out that the medicine, while eradicating the disease, threatens to kill the patient also. For, that is what is forecast if the RBI does not effect necessary modifications in its directives so as to make it possible once more for investors to regain their confidence in the stock market. The basis of this claim is the belief that, in the past fortnight, investors together with a section of marketmen have also lost heavily. This is a point on which there can be more than one opinion. What the genuine investor has lost is perhaps what he thought he had gained in the hectic period.

But, as I have pointed out last week, the RBI directive may have imposed certain disabilities which have not been intended. The sooner they are removed the better for the investor. A curb on unbridled speculation is necessary at all times. And it is my view that RBI intervention was quite timely. But I repeat that it must be ensured that the remedial measures do not result in shaking the investors' confidence in equities.

A reader has written to me about what I had said a few weeks ago about the vital position of the LIC. I had said therein that over-enthusiastic marketmen should not fail to remember that there was big brother LIC in the background always capable of swaying the market both ways. This reader further argues that the desired result would have been obtained by the LIC coming out as a seller. But there is no point in talking about the would-have-beens. We have now to reckon with what has been done. It is to be hoped that Authority will see to it that the needs of genuine investment are ensured even as it has chosen to curb unbridled speculation.

The meeting of the investment committee of the LIC on Friday in Calcutta has aroused a good deal of interest. But it is idle to expect the LIC to give any specific indication of its intentions, immediately after the meeting. The present levels should be very attractive for a big investor like the LIC which has plenty of money that must be profitably employed. Some sizable LIC

buying may be in the offing, if not immediately, some days later.

In the meantime, due to lower-than-expected badla charges in Calcutta, sentiment is slowly getting to be more constructive than it has been during the past fortnight. A steadier trend may prevail in the coming weeks if Authority also lends its helping hand in strengthening the returning confidence.

Stanes Impressive Investment Special:

Truly impressive results have been turned in by T. Stanes & Co. for year ended September 1959. The year's dividend has been raised to 27½ per cent taxable (against 20 per cent tax-free for the two previous years) but far more important is the rise in the profit of both Stanes and its subsidiaries to Rs 13,82,177 from Rs 8,64,683 following the rise in operating profits based on larger turnover. The Directors, after making provision for depreciation, commission, bonus, etc., have allocated Rs 2,35,000 for taxation and Rs 63,533 to General Reserve.

In the consolidated balance sheet, the ordinary capital of Rs 11,56,300 is supported by a capital reserve of Rs 6,90,596 and the revenue reserves exceed Rs 35.24 lakhs. These figures, like the dividend record, explain the current premium on the ordinary shares which are always hard to get for investors who know that Stanes & Co. has, in addition to plantation interests, sound investments in coffee curing works, road transport and fertilisers.

The investments exceed the paid-up capital, while fixed assets have been supplemented by improvements to buildings and machinery in the subsidiaries. The evaluation of the breakup value is useless, but the earning power remains high, and the dividend on the preference and ordinary shares takes only Rs 3,28,483 out of the year's profit of Rs 13,77,448, out of which Rs 6,57,960 goes for taxation. The transfer to Reserves is more substantial, amounting to Rs 5,15,082 and Rs 52,802 is carried forward to the accounts for the current year.

The Company holds 8,304 shares in United Nilgiri Tea (book cost only Rs 46,448) and 13,225 shares in Stanes Amalgamated at par. It also holds 40,000 ordinary shares of Rs 15 each in United Coffee Supply (now a fully-owned subsidiary) and the value of its holding, in Stanes Motors is shown at Rs 4,61,924 only though that branch is booming and made a net profit of Rs 1.6 lakhs and paid a dividend of 20 per cent tax free. Incidentally, Stanes, as a public company from 1918, will soon celebrate its jubilee for which provision is already made. But Stanes & Co. is older, since Sir Robert Stanes started business in Coimbatore in 1861.

New Issue Notes

Asian Cables Corporation Limited has announced the procedure for the allotment of shares in respect of the recent issue of 25,000 Ordinary

shares (Rs 25 paid-up). There are more than 5,540 applications for a total of 76,190 shares. In the case of applications for 5 to 10 shares, lots have been drawn. In the case of applications for 15 to 500 shares, allotment ranges from 40 to 25 per cent. Shares have been allotted in lots of five only. The highest application for 1,000 shares gets 20 per cent allotment.

Sen & Pundit Industries Limited has set up a factory at Kalyani (West Bengal) for the manufacture of cycle components. To meet the cost, estimated at over Rs 78 lakhs, the company, it is understood, has proposed to raise the paid-up capital to Rs 50 lakhs and raise loans to cover the balance. It is also learnt that the company has entered into reciprocal arrangements with Sen Raleigh Industries under which the two concerns have agreed not to manufacture competing items.

The shareholders of the Ravalgaon Sugar Farm Limited have given their approval to raise the authorised capital of the company from Rs 50 lakhs to Rs 104 lakhs. It is proposed to issue 20,000 Ordinary shares of Rs 50 each and offer them to the existing shareholders of Ordinary and Deferred shares in the proportion of two new Ordinary shares for every five Ordinary or five Deferred shares.

The National Electrical Industries Limited has proposed to issue new 7 per cent tax-free Preference shares, at par, in the proportion of one share for every Preference share held.

Investment Notes:

Walchandnagar Industries Limited has received the sanction from the Government of India for the issue of 6 per cent taxable Debentures for Rs 75 lakhs. The Debentures will be offered, at par, to the equity shareholders of the company. The funds are to be utilised for financing the expansion plans of the company.

Star Paper Mills Limited has asked for a final call of Rs 25 on the 7 per cent tax-free Convertible Third Preference shares.

It is learnt that a resident individual Preference shareholder of the Cauvery Sugars & Chemicals Limited will receive a net amount of Rs 14.88 per share in respect of dividends on the Preference shares for

the three years ended 30 June 1957, 1958 and 1959.

Investment Briefs:

Killick Industries Limited has recommended a final dividend of Rs 5.50 per share, making a total of 9 per cent, subject to tax, for the year ended 30 November 1959 as against Rs 13, paid free of tax, for the 17 months ended 30 November 1958.

Ouchterlony Valley has recommended a taxable dividend of 15 per cent for the year ended 31 October 1959 against 10 per cent for the previous year.

Indian Bank Limited has announced a final dividend of 7½ per cent, making a total of 15 per cent (taxable) against 13 per cent for 1958.

Buckingham & Carnatic Company has recommended a final dividend of 6 per cent, making a total of 10 per cent (taxable) for 1959 against the same in the previous year.

WIMCO has stepped up the net dividend (including bonus) from Rs 11 to Rs 11.20 per share for 1959.

Travancore Rayon has proposed a taxable dividend of Rs 2 for 1959. The net dividend works out to Rs 1.40 against Rs 1.25 per share for 1958.

Deccan Sugar & Abkari Company has announced a taxable interim dividend of 7½ per cent for last year.

Vasanta Mills Limited has declared a final dividend of 3½ per cent, making a total of 6½ per cent for 1959 against 12 per cent for the previous year.

Balance-Sheet Briefs:

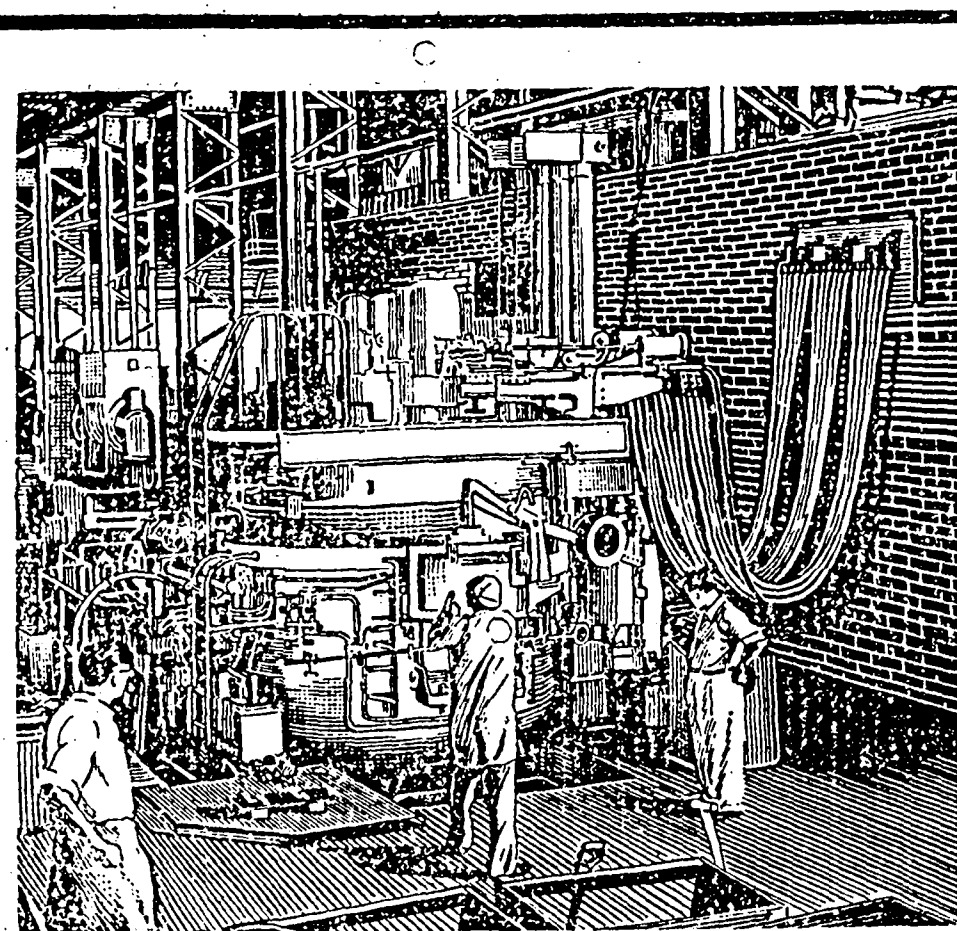
Walchandnagar Industries Limited has earned a net profit of Rs 19.01 lakhs for the year ended 30 September 1959 against Rs 27.98 lakhs in the previous year. A taxable dividend of Rs 20 per share is recommended.

Ruby Rubber Works Limited has reported a net profit of Rs 2.65 lakhs for the year ended 30 June 1959 against Rs 2.30 lakhs for the previous year. The directors have recommended a taxable dividend of 6 per cent.

Shree Niwas Cotton Mills Limited has shown a gross profit of Rs 36.45 lakhs for 1959 against Rs 17.64 lakhs for 1958. The net dividend is raised from Rs 10 to Rs 10.50 per share.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Transfer Books Closed
Indian Steel & Wire Products	March 28	1.62½	15/ 3/60 to 28/3/60
Calcutta Steam	March 30	1.00	17/3/60 to 30/3/60
Martin Burn	March 30	2.75	15/3/60 to 30/3/60
J. K. Steel	March 30	1.25	17/ 3/60 to 30/3/60
Anapara Estates	March 30	25%	23/3/60 to 30/3/60
Kumergode Estates	March 30	20%	.....
Mercara Rubber	March 31	20%	23/3/60 to 31/3/60
Bababudin Coffee	March 31	12½%	.....
Kil Kotagiri	April 2	35%	.....
Andhra Sugars	April 2	20%	12/3/60 to 2/4/60
Braithwaite	April 4	2.25	21/3/60 to 4/4/60
Braithwaite	April 4	2.25	21/ 3/60 to 4/4/60
Hindustan Lever	April 6	2.40	31/3/60 to 6/4/60
Rallis India	April 7	Nil	28/3/60 to 7/4/60
ICIC of India	April 7	5%	10/3/60 to 7/4/60
Chitavalah Jute	April 11	1.50	30/3/60 to 11/4/60
Nellimarla Jute	April 11	1.40	30/3/60 to 11/4/60
Jay Shree Textiles	April 18	0.80	27/3/60 to 18/4/60
Burma Mines	May 5	1½	.....
Union Carbide	May 16	1.80	.....



STEEL CASTINGS

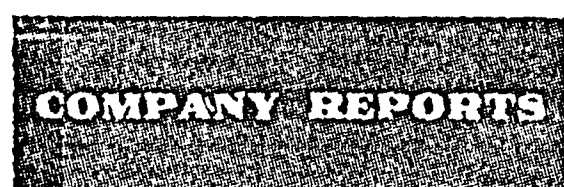
Steel Castings up to 3 tons are produced to B.S.S., I.R.S., or customer's specification in the most modern and mechanised steel foundry at the Kulti Works of the Company.

THE INDIAN IRON & STEEL COMPANY LTD.

WORKS: BURNPUR & KULTI
SALES OFFICE: 12, MISSION ROW, CALCUTTA 1

MANAGING AGENTS: MARTIN BURN LTD.

MARTIN BURN HOUSE, 12, MISSION ROW, CALCUTTA 1 BRANCHES: NEW DELHI BOMBAY KANPUR



Dunlop Rubber's Superb Performance in 1959

Balance-Sheet Reviews:

WITH a strident rise of 16 per cent in sales during 1959, the Dunlop Rubber Company (India) Limited has been enabled to present a fine set of accounts for that year. Sales have gone up from Rs 22.28 crores to Rs 25.87 crores. But the increase in expenditure has by no means been a corresponding one. Thus it is that the profit for the year, before taxation and depreciation, has moved up sharply from Rs 2.02 crores to Rs 2.44 crores. This, it may be noted, is after excise duty had absorbed Rs 1.02 crores more at Rs 3.55 crores. Another item that shows an increase is salaries, wages and bonus, higher by Rs 27 lakhs at Rs 2.57 crores. By virtue of additions to block during the year, the provision for depreciation has had to be raised from Rs 31.47 lakhs to Rs 50.99 lakhs. On the other hand, for the same reason, as also because of the tax concession available on Development Rebate, taxation absorbs rather less at Rs 74.76 lakhs against Rs 88.13 lakhs. In the result, the disposable profit has risen smartly by Rs 35.62 lakhs to Rs 1.18 crores.

The transfer to Development Rebate Reserve is lower by Rs 13 lakhs at Rs 17 lakhs. On the other hand, there is a transfer of Rs 30 lakhs to General Reserve against nil in 1958. The rate of ordinary dividend has been stepped up to 21.5 per cent, though this is subject to deduction of tax. This means that the return to the ordinary shareholder in Dunlops has been lowered slightly. The carry forward, at Rs 24.03 lakhs, is Rs 1.57 lakhs higher than the amount brought in.

According to the Dunlop balance-sheet as at 31 December 1959, the issued capital is shown at Rs 3.70 crores, of which Rs 3 crores is represented by equity capital. Against this, the Reserves and Surplus total Rs 5.36 crores. Additions to block during 1959 total Rs 88.47 lakhs, and the gross block of Rs 9.62 crores has a book value of Rs 6.17 crores.

Mg. Director:—Mr. John Luckham.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	25,87,49,462	22,27,78,485	19,70,00,490
Interest, Rent and Royalties	383,132	439,139	423,384
Net profit	24,37,55,552	20,20,75,454	19,48,75,690
Taxation	7,47,55,551	8,31,41,414	8,65,15,581
Depreciation	6,09,48,888	3,14,7,527	2,78,55,550
Reserve Fund	3,00,00,000	...	3,00,00,000
Development Rebate Reserve	1,70,00,000	3,00,00,000	...
Div. Amount Ord.	6,45,00,000	4,87,50,000	3,82,50,000
Div. Amount Pref.	497,142	344,400	344,400
Carry Forward	2,40,447	2,24,056	2,22,643
Div. % Ord.	21½	16½	16½
Div. % Pref.	6	6	6
Div. % 2nd Pref.	6	6	6

(Annual General Meeting on 19-4-60 at 10-30 a.m.)			
*Dividends are subject to deduction of tax.			
Synopsis of balance sheet as on the last day of Decr.			
	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:	3,00,00,000	3,00,00,000	3,00,00,000
6% C. Pref.	4,00,00,000	4,00,00,000	4,00,00,000
Ordinary	30,00,00,000	30,00,00,000	30,00,00,000
6½% Debentures	20,45,00,000	20,45,00,000	10,52,00,000
Capital Reserve	7,00,00,000	7,00,00,000	7,00,00,000
Reserve Fund	39,53,50,900	35,40,69,999	23,88,34,372
Other Funds	4,70,00,000	4,10,00,000	13,14,17,400
Loans Secured	11,94,90,905	13,21,13,500	7,29,16,114
Taxation Provision	5,30,00,000	6,30,00,000	5,80,00,000
Debits	20,00,17,172	17,60,60,603	14,16,31,313
Carry Forward	2,40,447	2,24,056	2,22,643
Total	148,346,033	143,322,708	121,029,176

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	96,233,758	87,739,859	65,049,176
Depreciation	34,533,210	29,736,799	26,824,548
Block (net)	61,700,488	57,993,060	38,224,627
Stores	3,082,190	2,711,705	2,251,323
Stocks in Progress	3,024,757	2,432,266	1,927,636
Raw Materials	32,166,564	29,140,076	27,514,585
Stocks	12,632,382	16,046,607	16,990,523
Outstandings	24,537,424	25,491,181	25,290,341
Do More than 3 months	4,974,947	5,479,308	5,581,645
Mis. Deposits and Advances	3,690,081	2,387,078	2,130,334
Investments	223,917	204,249	143,070
Deposits in Banks	2,011,301	1,166,562	431,294
Cash	301,993	283,507	443,792
Total	148,346,033	143,322,708	121,029,176

Hindustan Lever's Excellent Results

HINDUSTAN LEVER LIMITED has produced excellent working results for 1959. Although further progress in the sales of soaps and detergents is at a lower rate than in previous year, the company achieved particularly encouraging results in the smaller towns and rural areas from its intensive sales promotion work. Turnover has, as a result, risen to Rs 41.75 crores from Rs 36.73 crores.

The net profit for the year, before providing for Depreciation and Taxation, is substantially higher at Rs 4.68 crores against Rs 3.50 lakhs in the previous year. All allocations have been raised:—Depreciation from Rs 34.97 lakhs to Rs 42 lakhs; Taxation provision from Rs 1.72 crores to Rs 2.08 crores and Development Rebate Reserve from Rs 8.72 lakhs to Rs 9.00 lakhs. The directors have recommended a dividend of Rs 2.40 per share, subject to deduction of tax.

The balance-sheet, as at 31st December 1959, shows a paid-up capital of Rs 5.57 crores against which Capital Reserve is shown at Rs 62.62 lakhs; General Reserve at Rs 41.32 lakhs and other Reserves at Rs 25.55 lakhs. The gross block at Rs 5.77 crores is depreciated by Rs 2.04 crores to show a net block value of Rs 3.73 crores.

According to the director's report, there was a pronounced increase in the turnover of toilet preparations. Exports of vanaspati rose marginally from 1,602 tons to 1,694 tons.

During the year, steps were taken to form a research unit with a view to developing new and improved products, specially suited to the tastes and requirements of the Indian consumer. Premises for the unit were completed at the Bombay factory.

The major capital projects completed during the year were the erection of the sulphonation plant at Bombay and the plant for the semi-large scale processing of peas at Ghazalabad.

Chairman:—Mr. B. H. Turner.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	41,75,09,054	36,729,783	33,192,352
Mis. Incomes	1,050,942	981,283	1,001,198
Stocks	27,302,188	31,795,097	27,234,183
Raw Materials	26,527,077	31,381,985	30,171,728
Works in Progress	5,963,355	5,232,444	4,625,181
Net profit	46,783,027	35,006,710	28,385,072
Taxation	20,650,900	17,000,000	12,292,000
Wealth Tax	...	575,000	...
Depreciation	4,199,691	3,486,630	3,434,505
Development Rebate Reserve	900,000	872,000	783,000
Div. Amount Ord.	13,358,070	8,355,000	7,790,000
Carry Forward	20,969,272	13,501,935	9,990,766
Div. % Ord.	24	15	14

(Annual General Meeting on 6-4-60 at 4 p.m.)

*Includes Rs 1,854,000 being savings applicable to accumulated provision as at 31-12-1956.

Indian Finance:

Synopsis of balance sheet as on the last day of Decr.			
	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	55,700,000	55,700,000	55,700,000
Capital Reserve	6,264,011	6,264,011	6,264,011
Reserve Fund	4,131,743	4,131,743	4,000,000
Other Funds	2,555,000	1,655,000	914,743
Loans Unsecured	1,25,59,600	1,90,00,000	6,48,433
Taxation Provision	21,713,969	18,230,828	12,771,963
Debits	39,220,240	29,681,433	27,934,502
Carry Forward	20,69,272	13,501,935	9,990,766
Total	151,818,221	123,456,090	123,064,408

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	67,710,152	52,761,368	47,959,618
Depreciation	20,410,200	16,643,000	18,162,169
Block (net)	37,299,952	36,118,314	34,397,449
Stores	5,191,013	4,737,072	4,329,839
Stocks in Progress	5,561,365	5,232,444	4,625,181
Raw Materials	26,527,077	31,381,985	30,171,728
Stocks	30,382,432	34,478,151	30,338,721
Outstandings	10,045,854	9,198,523	7,812,878
Do More than 3 months	197,733	200,863	282,199
Mis. Deposits and Advances	5,872,917	3,818,486	5,922,588
Investments	8,000	4,000	103,000
Deposits in Banks	27,000,000	...	...
Cash	3,312,918	2,291,426	4,110,631
Total	151,818,221	123,456,090	123,064,408

Braithwaite Maintains Dividend Despite Lower Profits

The country-wide recession in the heavy engineering industry on account of the shortage of raw materials is fully reflected in the working results of Braithwaite & Company (India) Limited for the year ended 31 December 1959. The item "Contracts Invoiced" is shown lower at Rs 3.42 crores against Rs 3.35 crores, while the net profit is shown at Rs 38.29 lakhs against Rs 42.23 lakhs.

In respect of allocations, the directors have provided a sum of Rs 3.50 lakhs (Rs 2.63 lakhs) for Depreciation; Rs 15.50 lakhs (Rs 23.25 lakhs) for Taxation; Rs 4.60 lakhs (Rs 7.96 lakhs) for General Reserve and Rs 2.04 lakhs (Rs 1.19 lakhs) for Development Rebate Reserve. The dividend now recommended by the directors at Rs 2.25 per share is the same as the total of the dividend paid in respect of 1958 and the additional dividends paid during 1958 in respect of the years 1954 and 1955.

Against a paid-up capital of Rs 58.60 lakhs, Capital Reserve is shown at Rs 30.70 lakhs; General Reserve at Rs 33 lakhs and Development Reserve at Rs 7.25 lakhs. The gross block is shown at Rs 77.34 lakhs; Depreciation at Rs 12.79 lakhs and the net block at Rs 64.54 lakhs.

The directors state that, although production was affected by shortage of raw materials, particularly in the Structural Shop, it will be maintained throughout the current year. The Wagon Shop was successfully turned over to the building of eight-wheeled bogie vehicles in place of four-wheelers. The company is well-booked with Structural and Wagon orders and the prospects are considered to be good.

An encouraging start has been made with the export of some of the company's products. Again, the company has recently taken over the control of the Angus Engineering Works, Hooghly District, and it is proposed to enter into a 99-year lease of this property with the Angus Company Limited, the owners thereof. It is the intention immediately to develop the output of the foundry, forge and machine shop at these Works as a diversification of the company's present interests. Further substantial developments at this site are in the planning stage.

March 26, 1960

Secretary: Mr. Y. S. Tagal.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Contracts Invoiced	34,180,022	33,494,125	33,228,078
Sales and Hire	637,802	457,643	497,555
Interest, Dividends & M/s. Incomes	234,625	323,694	234,698
Works in Progress	37,490,634	41,776,436	39,614,237
Net profit	3,829,337	4,223,211	4,372,171
Taxation	1,550,000	2,325,000	2,555,000
Depreciation	349,729	283,161	415,319
Excess Fund	400,000	796,979	200,000
Development Rebate Reserve	204,245	118,706	87,024
Div. Amount Ord.	1,273,463	707,474	1,131,958
Carry Forward	227,080	175,170	182,269
Div. % Ord.	22½	22½	20

(Annual General Meeting on 4-4-60 at 11-30 a.m.)			
*Subject to deduction of tax.			
Includes dividend paid at 10 per cent in July 1958 in respect of years 1954 and 1955.			
Synopsis of balance sheet as on the last day of Decr.			
	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	5,659,790	5,659,790	5,659,790
Capital Reserve	3,070,065	3,070,065	3,070,065
Reserve Fund	3,000,000	2,900,000	2,500,000
Other Funds	724,901	526,666	671,950
Staff Gratuity Fund	500,000	500,000	500,000
Taxation Provision	261,774	1,111,482	2,304,816
Debits	7,042,232	8,628,456	7,559,083
Carry Forward	227,080	175,170	182,269
Total	20,785,842	20,785,842	22,647,973

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	7,733,706	6,662,747	5,977,844
Depreciation	1,279,388	945,919	701,161
Block (net)	6,454,317	5,716,828	5,276,683
Cap. Exp. in Progress	161,573	232,012	214,185
Electron. Plant, etc.	246,048	225,027	214,185
Contracts in Progress	8,087,143	9,336,276	11,851,039
Stocks and Stores	1,441,020	1,291,828	1,296,598
Outstandings	482,687	490,102	776,511
Do More than 3 months	6,433	21,836	51,589
Mis. Deposits and Advances	1,452,990	942,315	547,599
Investments	1,858,002	1,846,257	1,860,610
Deposits in Banks	400,000	600,000	600,000
Cash	595,631	264,308	173,069
Total	20,785,842	20,785,842	22,647,973

Jay Shree Textiles Propose to Diversify its Activities

Despite the inadequacy of the import licences for certain essential raw materials, Jay Shree Textiles Limited has reported satisfactory profits for the year ended 31st December 1959, reflecting the increased demand for the company's products. Sales have gone up to Rs 1.03 crores from Rs 88.80 lakhs, while the net profit, before providing for Depreciation and Taxation, amounts to Rs 17.92 lakhs against Rs 18.85 lakhs in the previous year.

All allocations have been raised:—Depreciation from Rs 8.35 lakhs to Rs 13.34 lakhs; Taxation provision from Rs 31,000 to Rs 75,000 and Development Rebate Reserve from Rs 28,860 to Rs 87,605. The directors have recommended a dividend of 80 NP per share, subject to deduction of tax, against 65 NP previously.

According to the directors' report, the plant to manufacture Rubber-lined Fire Fighting Hoses has now been erected and it is expected that the products of this plant will be put in the market in the near future.

The directors are now examining some new schemes which will further enlarge and diversify the activities of the company. As a result of these efforts, the company has obtained permission from the Government for setting up a High Tension Electric Insulator factory. The directors are now taking active steps to implement this scheme.

Against a paid-up capital of Rs 50,06,500, Reserves and surplus are shown at Rs 8,36,505.

The gross block at Rs 88.01 lakhs is depreciated by Rs 43.01 lakhs to show a net block value of Rs 45.00 lakhs.

Mg. Agents:—Birla Brothers (Private), Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales & Processing	10,343,121	8,679,593	8,834,949
Stocks	2,515,386	1,961,725	1,361,815
Raw Materials	635,588	755,310	720,885
Works in Progress	313,522	287,201	285,791
Net profit	1,791,532	1,865,015	1,150,350
Taxation	75,000	2,500	45,000
Wealth Tax	...	28,500	...
Depreciation	1,334,172	834,829	604,128
Development Rebate Reserve	87,605	28,860	85,968
Other Funds	...	600,000	...
Div. Amount Ord.	393,440	319,805	245,850
Carry Forward	34,072	132,767	82,036
Div. % Ord.	8	6½	6

(Annual General Meeting on 18-4-60 at 3-30 p.m.)			
Synopsis of balance sheet as on the last day of Decr.			
	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	4,918,000	4,917,000	4,917,000
Forfeited Shares	90,500	91,000	91,000
7% Debentures	2,000,000	1,439,000	1,371,000
Other Funds	602,433	714,828	85,968
Loans Secured	343,109	1,332,308	2,032,702
Loans Unsecured	153,073	182,364	194,674
Taxation Provision	130,260	55,260	46,451
Debits			

The company has obtained all the import licences from the Government for the Industrial Alcohol plant, Acetic Acid and Acetic Anhydride plant, Sulphuric Acid and Super Phosphate plant and Caustic Soda and Chlorine plants.

Mg. Agents:—Ranga Rao & Company.			
Year ended Sept.	1959	1958	1957
	Rs.	Rs.	Rs.
Cane Crushed (tons)	132,234	147,209	107,078
Sugar (bags)	129,203	156,416	116,425
Sales	15,380,755	16,341,647	9,478,664
Stocks	1,759,451	2,198,350	2,741,217
Works in Progress	24,450	9,060	26,807
Net profit	2,279,582	2,332,083	2,067,812
Taxation	810,000	1,030,000	225,000
Depreciation	513,699	525,067	493,568
Reserve Fund	150,000	250,000	900,000
Development Rebate			
Reserve	106,000		
Other Funds	101,000	109,000	250,000
Div. Amount Ord.	600,000	450,000	375,000
Carry Forward	22,959	22,096	16,096
Div. % Ord.	20*	15	12†

(Annual General Meeting on 2-4-60 at 3 p.m.)
*Dividend subject to tax.

Synopsis of balance sheet as on the last day of Sept.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	3,000,000	3,000,000	3,000,000
Reserve Fund	1,800,000	1,650,000	1,400,000
Other Funds	855,000	650,000	550,000
Staff Gratuity Fund	50,000	40,000	25,000
Loans Secured	223,359	1,579,917	2,829,723
Loans Unsecured	154,700	154,688	150,000
Taxation Provision	1,833,597	1,224,103	225,000
Debts	3,064,451	2,318,492	2,142,551
Carry Forward	22,959	22,096	16,096
Total	11,004,066	10,639,296	10,337,354

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	9,138,880	8,458,962	7,627,620
Depreciation	2,874,622	2,422,569	1,897,501
Block (net)	6,264,258	6,036,393	5,730,119
Stamp and St.	13,927	11,331	3,917
Stores	1,355,612	1,057,374	992,224
Stocks in Progress	24,450	9,060	26,807
Cultivation in Progress	20,231	18,700	193
Stocks	1,769,451	2,198,710	2,741,217
Mis. Deposits and Advances	1,015,024	915,763	668,352
Investments	220,000	210,000	195,000
Cash	331,197	182,325	79,555
Total	11,004,066	10,639,296	10,337,354

Kumergode Estates Repeats

Kumergode Estates Limited has recommended a gross dividend of 20 per cent for the year ended 31 October 1959 as against 20 per cent, free of tax, paid for the previous year. The net profit for the year is slightly lower at Rs 2.20 lakhs against Rs 2.52 lakhs. The provision for Depreciation is raised to Rs 40,973 from Rs 29,587, while taxation amount is reduced to Rs 51,100 from Rs 63,500. General Reserve is maintained at Rs 80,000.

The company has made a crop of 172,481 kilos of coffee against 190,665 kilos in 1957-58. The crop for 1959-60 is estimated at 173 tonnes, to be harvested at a cost of Rs 206.62 per kilo or Rs 585.35 per acre.

Mg. Agents:—Pierce Leslie & Co., Ltd.			
Year ended October.	1959	1958	1957
	Rs.	Rs.	Rs.
Coffee Tonnes	172,481		
Dividend from Coffee			
Board	628,308	742,302	560,568
Estimated Dividends due to be declared	143,071	139,124	184,325
Net profit	220,245	261,763	277,336
Taxation	61,100	63,500	67,873
Depreciation	40,973	29,587	21,176
Reserve Fund	80,000	80,000	100,000
Other Funds			30,000
Div. Amount Ord.	80,000	80,000	50,000
Carry Forward	12,518	44,346	46,670
Div. % Ord.	20*	20	26

(Annual General Meeting on 30-3-60 at 12 noon).
*Dividend subject to deduction of tax.

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

Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	400,000	400,000	200,000
7½% Debentures	93,500	127,000	210,000
Reserve Fund	300,000	220,000	250,000
Other Funds			90,000
Loans Unsecured	10,166	1,345	21,317
Taxation Provision	83,800	146,843	85,000
Debts	128,767	141,427	109,226
Carry Forward	12,518	44,346	46,670
Total	1,026,751	1,080,961	1,011,213

Kil Kotagiri Pays a Higher Dividend

Despite lower profits, the Kil Kotagiri Tea & Coffee Estates Company Limited has recommended a higher dividend of 35 per cent, subject to tax, for the year ended 31 October 1959. This works out to a net dividend of 24.5 per cent for the year against 15 per cent paid for 1957-58.

The net profit amounts to Rs 8.97 lakhs against Rs 9.48 lakhs. The directors have provided Rs 67,495 (Rs 62,779) for Depreciation; Rs 3.75 lakhs (Rs 3.55 lakhs) for Taxation; Rs 1.00 lakhs (Rs 2.00 lakhs) for General Reserve; Rs 1.00 lakh (Rs 1.00 lakh) for Dividend Equalisation Reserve and Rs 13,638 (Rs 7,604) for Development Rebate Reserve.

The paid-up capital is shown at Rs 11,08,538 divided into 4,29,269 Ordinary shares of Rs 2 each and 25,000 Preference shares of Rs 10 each. The Share Premium Account is shown at Rs 2,48,462; General Reserve at Rs 14.25 lakhs; Dividend Equalisation Reserve at Rs 2.00 lakhs and Development Rebate Reserve at Rs 21,242.

A total tea crop of 890,357 pounds was manufactured during the year against 875,450 pounds in the previous year. The average price realised per pound is higher at Rs 2.74 against Rs 2.54. A crop of 46,017 tonnes of coffee was harvested and delivered to the Coffee Board and this compares with 88,235 tonnes harvested in 1957-58.

Mg. Agents:—Pierce Leslie & Co., Ltd.			
Year ended Oct.	1959	1958	1957
	Rs.	Rs.	Rs.
Tea (lbs.)	890,357	875,450	763,044
Coffee (Tonnes)	46,917	88,235	79,006
Sales Tea	2,402,336	2,132,130	1,887,077
Receipts from Coffee Board	207,100	341,789	516,254
Stocks of Tea Due from Coffee Board	44,312	75,188	97,223
Net profit	896,760	947,788	832,554
Taxation	375,000	355,000	332,000
Depreciation	67,495	62,779	53,208
Reserve Fund	100,000	200,000	300,000
Development Rebate Reserve			
Reserve	13,638	7,604	
Other Funds	100,000	100,000	
Div. Amount Ord.	300,488	128,780	128,780
Div. Amount Pref.	21,429	16,000	15,000
Carry Forward	28,103	109,363	30,738
Div. % Ord.	35*	15	15
Div. % Pref.	6	6	6

(Annual General Meeting on 2-4-60 at 11 a.m.)
*Dividend subject to deduction of tax.

†Includes Rs 6,429 being I.T. under Sec. 18(3)(E).

‡Includes Rs 168,187 being estimated surplus provision of previous years.

§After including Rs 100,000 being estimated surplus provision of previous years.

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

Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	250,000	250,000	250,000
6% C. Pref. Ordinary	858,538	858,538	858,538
Share Premium	248,462	248,462	248,462
Reserve Fund	1,425,000	1,325,000	1,125,000
Other Funds			
Taxation Provision	338,568	240,494	320,538
Debts	529,100	370,577	418,650
Carry Forward	28,103	109,363	30,738
Total	3,899,013	3,510,038	3,251,926

Calcutta Credit Corporation

The Calcutta Credit Corporation Limited has reported a slight decline in the net profit from Rs 8.36 lakhs to Rs 7.44 lakhs for the year ended 30th June, 1959. The directors have set apart Rs 45,376 (Rs 57,448) for Depreciation; Rs 3.40 lakhs (Rs 4.20 lakhs) for Taxation and Rs 5,120 (nil) for Development Rebate Reserve. A taxable dividend of 30 per cent is recommended against 62½ per cent previously.

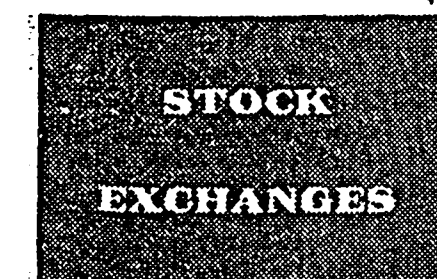
Mg. Agents:—Jainarain Ramchander.			
Year ended June	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	4,970,456	7,300,994	7,223,292
Repairs and Service	1,006,168	1,083,942	1,156,905
Hire Purchase	748,019	960,522	750,898
Stocks	1,744,452	1,368,117	1,662,197
Stock of Land	559,077	569,309	586,886
Net profit	744,244	835,651	888,680
Taxation	340,000	420,000	470,000
Wealth Tax		15,000	27,500
Depreciation	45,376	57,448	85,809
Reserve Fund			250,000
Development Rebate Reserve			
Reserve	5,120		
Div. Amount Ord.	150,000	312,500	100,000
Div. Amount Pref.	28,000	19,636	10,635
Carry Forward	192,200	16,512	5,344
Div. % Ord.	30*	62½	20
Div. % Pref.	8†	6	6
Div. % 'A' Pref.	5†	5†	5†

(Annual General Meeting on 30-3-60 at 3-30 p.m.).
*The Dividends are subject to tax.

Synopsis of balance sheet as on the last day of June

Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	200,000	200,000	200,000
8½% T.O. Pref.	200,000	200,000	200,000
Ordinary	500,000	500,000	500,000
Forfeited shares	200	200	200
6% Debentures	285,000	335,000	396,000
Reserve Fund	1,250,000	1,250,000	1,250,000
Other Funds	71,556	64,434	66,434
Loans Secured	3,748,402	2,586,789	2,865,109
Loans Unsecured	1,265,681	581,067	550,631
Taxation Provision	456,497	475,070	570,502
Debts	2,373,117	2,354,686	3,070,378
Carry Forward	192,200	16,512	5,344
Total	10,562,713	8,563,790	9,673,590

Assets.	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	2,232,498	892,539	777,819
Depreciation	458,799	402,011	344,562
Block (net)	1,773,699	490,528	433,257
Stores	16,685	13,093	11,665
Stocks in Progress	46,930	34,033	27,894
Stocks	3,627,574	1,980,801	2,306,778
Outstandings	259,260	342,445	290,174
Do. More than 3 months	100,954	168,583	188,791
Mis. Deposits and Advances	4,593,073	5,350,094	6,177,990
Investments	65,000	65,000	68,940
Cash	69,638	121,873	198,100
Total	10,562,713	8,563,790	9,673,590



Recovery From Recent Shock

Watch-Dog Writes:

ALTHOUGH the stock markets have not fully recovered from the shock they received after the Reserve Bank's credit curb announcement, there are now indications of growing resistance to selling pressure around the lower levels.

Sentiment has brightened up, mainly under the influence of the belief that the Investment Committee of the LIC may, at today's (Fridays) meeting, decide to buy some shares. This is the only hope that is sustaining the market.

After the recent sharp recession, the past week's session witnessed an all-round recovery on the Calcutta Stock Exchange.

Price movements on the Bombay Stock Exchange were rather irregular on alternate buying and selling.

On the Madras Stock Exchange, price trends were indecisive; but selective buying was noticed in a few shares.

Conditions on the London Stock Exchange remained dull and quiet. Consolidation forces took hold of Wall Street.

Calcutta

THE easier trend in equity prices, that was noticed on the local Stock Exchange at the last week-end, was more pronounced during the week under review and fresh lower levels were touched due to renewed offerings till Wednesday. Thanks to the hope that the Investment Committee of the LIC might decide to buy some shares and the lower-than-expected badla charges for Indian Irons and Hindustan Motor, the market took a turn for the better on Thursday when prices displayed a smart recovery on short-covering. Fresh buying support was, however, lacking, as operators preferred to await further developments.

With money conditions becoming tight and a veritable scramble for accommodation, business in the gilt-edged section continued to be restricted. There was, however, some interest in certain directions. While short-dated issues found a measure of support, the long-dated loans were neglected. State Loans were also dull. 3 per cent 1986 Conversion Loan, after dropping down to Rs 72.90 from the week-end level of Rs 73.80, closed better at Rs 73.15.

The prospects of bank profits coming down as a result of the latest credit restraint induced some selling in Bank shares. Punjab National were at one time depressed to Rs 20.50 from Rs 21.50 and United Commercial to Rs 70.25 from Rs 71, to improve toward the close to Rs 21 and Rs 71 respectively.

Jute shares presented a quiet trend, partly in sympathy with the general trend of the market and partly due to the uncertain outlook for the industry. Fears were expressed that the profit margins of the mills might be squeezed in view of the disproportionate rise in fibre prices. Anglo-India were marked down, early in the week, to Rs 207 from Rs 225 (Rs 210) Belvedere to Rs 146 from Rs 172 (Rs 153); Howrah to Rs 22 from Rs 22.50 (Rs 22.50); National to Rs 30.50 from Rs 31 (Rs 30.81) and New Central to Rs 25 from Rs 25.44 (Rs 25.25). Figures shown within bracket were the week's closing rates.

Coal shares, after ruling quiet early in the week, displayed a slightly steadier tendency. It was thought that the fixation of a high target in the Third Plan would be followed by incentives on the lines demanded by the industry. Bengal changed hands at Rs 320 to Rs 325; Central India from Rs 9.44 to Rs 9.87; Western Bengal at Rs 7.31 to Rs 7.81 and Equitable at Rs 29.62 to Rs 29.75. Burrakur moved erratically between Rs 18.12 and Rs 18.87, to finish the week at Rs 18.81.

Tea shares were quiet in restricted dealings. Lower prices obtained at the recent auctions and the obscure outlook for Common grades induced some caution in the minds of the operators. Baghmari were on offer at Rs 24 against Rs 24.06; Bishnauth at Rs 19.84 against Rs 20.19; Grob at Rs 13.94 against Rs 14.06; Hantapara at Rs 155 against Rs 169; Jayshree at Rs 15.50 against Rs 15.87 and Tezpur at Rs 17.75 against Rs 18.50. Hasimara were the only bright spot, having support up to Rs 24 from Rs 23.25.

Sugar shares ruled comparatively steady and appeared to be unaffected much by the credit squeeze move. This was mainly due to hopes of an increase in production during the current season. Carew met with business at Rs 11.19 to Rs 11.37; SKG at Rs 13.12 to Rs 13.62; Raza/Buland at Rs 13.06 to Rs 13.25 and Champaran at Rs 19.75 to Rs 20.

Textile scrip, after remaining quiet during most part of the week, developed a hardening tendency toward the close on encouraging advices from the cloth front. Jay Shree moved up to Rs 13.12 from a low of Rs 12.25; Elgins up to Rs 19.25 from Rs 18.12; Cawnpore to Rs 7.19 from Rs 6.75 and Kesoram up to Rs 23.06 from Rs 22.66.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Iron which, in turn, were subjec-

ted to settlement adjustments till Wednesday. Against the week-end closing of Rs 21.98, Indian Irons opened better at Rs 22.13 and, after touching at one time a low of Rs 21.84, steadily recovered to Rs 22.42, to finish the week at Rs 22.32. Similarly, TEXMACO moved up to Rs 25.50 from a low of Rs 25, to close finally at Rs 25.35. Jessop met with good demand up to Rs 24.12 from Rs 23.62, while Kumardhubi and Marshalls moved narrowly around Rs 7.06 and Rs 6.19 respectively. Britannia remained very firm at Rs 13.56 against Rs 13.44.

Miscellaneous issues wiped out a good portion of the earlier losses, thanks to the emergence of investment support at the recent low levels. The recovery in Dunlop Rubber from Rs 36 to Rs 38.62 was more marked due to the publication of excellent results for last year and prospects of an increase in capital. Orient Paper showed a recovery at one time to Rs 41 from Rs 40-15 (Rs 40.80); Indian Cable to Rs 30 from Rs 29.12 (Rs 29.75); Indian Aluminium to Rs 25.69 from Rs 24.81 (Rs 25.56); Hindustan Motor to Rs 17.75 from Rs 16.56 (Rs 17.50); Shree Gopal to Rs 23 from Rs 22.75 (Rs 23); Indian Copper to Rs 4.44 from Rs 4.18 (Rs 4.39); Rohtas to Rs 31 from Rs 29.69 (Rs 30.56); India Steamship to Rs 11.12 from Rs 10.97 (Rs 11); and BIC to Rs 7.25 from Rs 6.87 (Rs 7.19). Figures shown within brackets were the week's closing rates.

Bombay

THE Tendency in Dalal Street was highly unsettled during the week under review and, with sellers dominating at every small rally, prices touched new low levels since 1 March. In several cases, values reached considerably lower levels than the pre-Budget ones. The market seemed to be worried as to how the budla position would develop on 1 April at the time of the next settlement period in view of the prohibition of direct budla business by the banks. These charges are expected to increase in view of the monetary stringency, but the fact that the budla charges in Calcutta market this Wednesday were only slightly higher gave some solace to the market, which was, however, mainly oppressed over its impact. It is still too early to say whether some men of means and the financial institutions who hitherto refrained from such type of business would start taking interest in the financing of the floating stock in the market.

More than anything else, the credit squeeze had an exaggerated effect on the psychology of the market. There are, however, reports that, in view of the disquieting developments which might affect the credit structure, the Reserve Bank authorities are likely to amend the credit curb measures to a certain extent. It is considered likely that individuals might be allowed to adjust their overdraft position to 50 per cent margin on shares in the markets instead of one month's time given.

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 18-3-60	Quotation as on 18-3-59
Alkalabad 6%	100	104.00	112.00
Behar 5%	50	21.00	18.75
Coal			
Asso. K'pura 4 1/2%	100	50.50	50.50*
Bharat 5 1/2%	100	49.50	49.50
Borrea 6 1/2%	100	81.50	83.50
Burrakur 7 1/2%	100	90.00	106.00
Burrakur 6%	100	7.00	6.25
Equitable 6%	100	14.00	100.00
Ghualak & Musalia	100	100.00	100.00
Gururandi 5%	100	40.00	40.00
K'pura 5 1/2%	100	8.00	55.50
Khas Kajora 5%	100	7.50	7.25
J. Beasbrook 7 1/2%	100	11.62	10.00
N. Churulia 5%	100	2.50	2.50
N. Huntodih 5%	100	45.00	44.00
Ordeal 6 1/2%	100	86.50	91.50
Parasac 5 1/2%	100	50.00	42.50
Unl. Colliery 5%	100	78.00	81.00

Basanti 6 1/2%	100	8.50	9.00
B-Nagpur 7 1/2%	100	75.00	75.00
Bowreah 8%	100	152.00	128.00
Bowreah 7 1/2%	100	65.00	65.00
Elgin 5%	100	110.00	105.00
Elgin 5 1/2%	100	8.00	8.25
Jagatit 5%	100	38.75	43.75
Jiyajeroo 5 1/2%	100	90.00	87.00
J. K. Cotton 6%	100	93.00	90.00
Kesoram 7 1/2%	100	104.00	100.00
Muir 6%	100	83.00	65.50
N. Victoria 6%	5	3.25	2.91
Orissa 7 1/2%	100	80.00	...
Shree Madhusudan 4 1/2%	100	82.00	...
S. Nivas 4 1/2%	100	84.00	56.00
Shree Bhawanilal 5%	100	106.00	100.00
Swadeshi 6%	100	61.00	75.00

Agarpara 7%	100	93.00	97.50
Alexandra 7%	100	97.50	98.00
Alliance 6%	100	68.00	68.00
Anglo-India 7%	100	98.00	101.75
Auckland 5 1/2%	100	73.25	74.75
Auckland 4 1/2%	100	62.75	59.75
Bally 7%	100	98.00	103.00
Barnagore 8%	100	58.50	58.50
Belvedere 7%	100	67.00	67.00
Bengal 5 1/2%	100	81.00	87.00
Birla 7 1/2%	100	82.00	...
Birla 5 1/2%	100	103.50	102.00
Budge-Budge 7%	100	77.00	78.00
Calcutta 6 1/2%	100	67.50	71.50
Caledonian 7%	100	101.00	102.00
Cheviot 7%	100	105.50	100.00
Chitavalah 7%	100	75.00	67.50
Clive 6%	100	84.00	72.00
Clive 7%	100	91.00	73.37
Delhouse 7%	100	68.00	78.00
Delta 5%	100	98.50	100.00
Empire 7%	100	114.00	105.50
F. Gloster 7%	100	71.00	68.50
F. Gloster 5 1/2%	100	111.50	84.50
F. William 7%	100	125.00	100.00
Ganges Mfg. 6%	100	81.00	88.00
Gourepore 6 1/2%	100	90.00	86.00
Hastings 6%	100	10.12	10.37
Hoghtly 1%	100	103.50	101.00
Howrah A. Pref.	100	103.00	99.00
Howrah 7%	100	98.00	100.00
K'chanced 7%	100	98.00	95.00
K'chatty 6%	100	90.00	71.00
K'harah 6%	100	88.00	68.00
Kedarnath 6 1/2%	100	85.00	83.00
Kelvin 7%	100	89.50	99.00
Kharah 6%	100	93.00	89.00
Kinnelon 7%	100	86.00	99.00
Landedowne 7%	100	104.50	102.00
Lawrence 7%	100	88.00	87.00
Lawrence 5 1/2%	100	67.25	66.50
Lawson 5 1/2%	100	101.00	63.00
Lawson 4 1/2%	100	66.00	64.50

National 7%	100	100.00	103.00
Nellmaria 6%	100	92.00	88.00
N. Central 7%	100	96.00	95.00
Northbrook 5 1/2%	100	77.75	71.25
Rameshwara 6%	100	12.44	9.50
Reliance 7%	100	81.00	66.50
S. Ambica 7 1/2%	100	86.00	88.00
Soorah 7%	100	88.00	95.00
Standard 7%	100	97.00	97.00
Union 7%	100	94.00	98.00
Waverley 5%	50	34.00	41.50
Minings			
Asso. Mining 5%	50	38.00	29.75
Ch. Mica 5 1/2%	100	80.00	81.07
Metal Corp. 5%	100	79.00	80.00
Cement			
Dalmia Bharat 6 1/2%	100	8.50	8.69
Jaipur Udyog 3%	100	37.00	37.00
K'pura Lime 6%	100	80.00	80.00
K'pura Lime 6% cp	100	100.50	100.50
K'dhubi Fire 7%	100	101.00	101.00
K'dhubi Fire 5 1/2%	100	84.50	84.50
Orissa Cement 4%	100	35.06	35.06
Chemicals			
Alkali 5%	100	101.50	102.00
Bathgate 4 1/2%	100	28.00	19.00
Beng. Chem. 7 1/2%	100	12.62	12.25
Beng. Chem. 4 1/2%	100	72.00	75.50
Frank Ross 4 1/2%	100	41.00	50.00
Smith Stahl 10%	50	63.62	57.00
Electric			
Calcutta 5%	21	10.06	9.81
Dishergarh 5 1/2%	100	78.50	69.50
Dishergarh 4 1/2%	100	75.00	78.50
Engineering			
Arthur Butler 7%	10	10.75	10.87
Br. Bldg. 6%	100	60.00	73.00
Br. Engg. 7%	100	100.00	100.00
Burn & Co. 7%	100	122.50	124.50
Burn & Co. 7%	100	113.00	115.00
L. Iron 5%	100	99.00	103.50
L. Machinery 7%	100	21.00	23.00
Ind. St. Wagon 7%	100	125.50	122.00
Jesop & Co. 5%	100	90.00	79.00
J. K. Steel 7%	100	102.00	...
K'dhubi 5%	100	90.00	92.50
R. Cruddas 5 1/2%	100	84.00	84.00
S. Products 5%	100	2.19	3.89
Texmaco 5 1/2%	100	91.50	68.25
Texmaco 5 1/2%	100	61.00	60.25
Texmaco 6 1/2%	100	100.00	...
Miscellaneous			
Alum. Corp. 5%	100	75.00	63.00
Alum. Corp. 8%	100	100.50	85.50
Amal. Dev. 5%	100	42.00	44.00
Asso. Hotel 7%	100	32.00	50.50
Bharat Nidhi 6%	100	83.00	88.00
Birds Invest. 5 1/2%	100	53.50	56.00
Br. L. Corp. 8%	100	108.00	104.00
Cal. Cr. Corp. 6%	100	51.00	80.00
Cal. Cr. Corp. 5 1/2%	100	34.50	40.00
Cal. Gas 5 1/2% rept	100	45.50	45.50
Cal. SUIK 8% cp	100	49.12	40.00
Cal. Trams 8% cp	100	8.22	8.12
Puncan Bros. 4%	100	56.75	56.00
Dunlop 6%	100	115.00	117.00
Dunlop 6%	100	87.00	83.00
Eastern Int. 5%	100	72.44	72.50
Gillanders 5%	100	55.00	57.50
Godfrey Phil. 5%	100	62.25	59.00
Greaves Cot. 5%	100	40.00	45.00
Greaves Cot. 5%	100	37.00	43.00
Hindustan Motors 6%	100	158.00	...
Hindustan Nat. 6%	100	93.00	101.00
Glass 4% cp	100	72.25	71.00
Ind. Alum. 5%	100	28.50	25.75
Indian Cables 6%	100	48.00	51.50
Ind. Plastic 5 1/2%	100	78.00	75.00
I. Rubber 5%	50	25.25	23.00
James Wright 6%	100	58.00	58.50
J. Henderson 5 1/2%	100	68.25	62.00
K. Bullen 5 1/2%	100	65.00	63.00
K. Bullen 4%	100	64.00	63.50
Kusum 5 1/2%	100	64.00	63.50

NAME	Paid-up per Share	Quotation as on 18-3-60	Quotation as on 18-3-59
MacNeill & Barry 5 1/2%	100	56.25	...
Madhya Pradesh Ind. 6%	100	100.00	...
Martin-Burn 6%	100	100.25	100.00
McLeod & Co. 5%	100	51.00	51.00
1st Pref.	100	68.00	70.50
2nd Pref.	100	87.00	79.00
Metal Box 6%	100	77.00	88.00
Nat. Rubber 6%	100	3.00	4.00
Nat. Tobacco 5%	100	75.50	71.50
Nat. Tobacco 4 1/2%	100	67.00	59.25
N. Bhrt. Vanija 100	67.00	...	...
Prem. Trans. 5%	100	5.00	5.00
Rallis 6%	100	94.50	70.75
Rohtas Indus. 7%	100	120.00	119.00
Rohtas 4 1/2%	100	80.50	61.50
Sau. Raleigh 5%	100	160.00	85.00
Shaw Wallace 5%	100	70.75	70.00
Spencer 8 1/2% A	100	6.87 1/2	7.50
Spencer 8 1/2% B	100	8.64 1/2	9.47
Standard Vacuum 6%	100	95.50	...
Union Tobacco 6%	100	22.00	22.00
Oils			
L. B. Petrol 7%	100	90.00	83.50
N. I. Oil 6%	100	40.00	40.00
Paper			
Ballarpur 5%	100	117.00	...
Beng. Paper 7%	50	43.25	46.75
Beng. Paper 7%	100	86.50	103.50
Beng. Paper 6%	100	66.00	62.00
Orient 5 1/2%	100	87.50	90.25
Orient 5 1/2%	100	61.50	62.50
S. Gopal 8%	100	103.00	108.00
S. Gopal 7 1/2%	100	103.50	...
Sirpur Paper 6%	100	65.25	93.25
Star Paper 5 1/2%	100	78.50	73.00
Star Paper 6 1/2%	100	94.00	91.50
Star 7%	100	97.00	...
Titagur 8%	100	126.00	140.00
Titagur 4 1/2%	100	84.50	83.50
Pressing			
Bhagwati 5%	100	35.00	40.00
Real Property			
Humsyan 6%	100	7.45	7.75
Reg. Estate 5%	100	33.50	33.00
Saw Mills			
Ben. Timber 8%	100	30.00	30.00
Shipping			
B-A Steam 7%	50	60.00	54.00
L.G.N. 6%	100	80.00	69.00
L. Steam 5%	100	80.00	90.00
SUGAR			
Carew 6 1/2%	100	85.50	86.00
Cawnpore 8%	100	102.00	104.00
Jaswant 5 1/2%	100	78.50	69.50
Mohini 5%	100	70.00	70.00
New India 7 1/2%	100	160.00	92.00
Purab 10%	100	13.75	13.00
Ramnagar 5%	100	92.00	89.50
Ryam 6%	100	9.00	9.00
S. Behar 5%	100	20.50	20.50
S. Hanuman 5%	100	55.00	60.00
S. K. Gyan 5%	100	85.00	61.00
S. K. Gyan 5%	100	71.00	65.00
Upper Ganges 5%	100	70.00	75.00
TEA			
Assam			
Amluckie 7%	100	87.00	42.00
Bornam Jan 6%	100	62.00	74.00
Brooke Bond 6%	100	69.00	66.25
Dhuseeri 7%	100	3.00	3.02
Dhuseeri 8%	100	8.90	9.70
Kingsley Gola 5%	100	80.00	80.00
Mohema 6%	100	9.44	9.31
Tezpore 2%	100	11.19	9.95
BANKS			
Allahabad 100	344.00	358.00	...
Allahabad 50	172.00	173.50	...
Bank of Bihar 100	91.00	30.00	...
Bank of Baroda 25	42.25	36.50	...
Bank of India 50	118.00	121.00	...
Hindust. Comm. 50	20.50	13.75	...
Hindust. Mercan. 50	21.75	14.37	...
Punjab National 10	21.50	23.87	...
United D 10	5.56	5.12	...
United Comm. 50	71.00	68.50	...
RAILWAYS			
Ahmedpur-Kutwa 100	35.00	50.00	...
Arrah-Sasaram 100	45.00	47.50	...
Bankura-Damodar 100	38.00	49.00	...
Burdwan-Cuttwa 100	30.81	51.00	...
Chhapra-Siligat 100	35.00	55.00	...
Dehri-Rohas 100	26.85	12.31	...
Putwah-Lilampur 100	34.50	27.36	...
Howrah-Amta 100	44.00	51.96	...

Chemicals			
Alkali 5%	100	101.50	102.00
Bathgate 4 1/2%	10	28.00	19.00
Beng. Chem. 7 1/2%	10	12.62	12.25
Beng. Chem. 4 1/2%	100	72.00	77.50
Frank Ross 4 1/2%	100	41.00	50.00
Smith Stani 10%	50	63.62	57.00
Electrics			
Calcutta 5%	21	10.06	9.81
Dishergarh 5%	100	78.50	69.50
Dishergarh 4 1/2%	100	75.00	79.50
Engineering			
Arthur Butler 7%	10	10.75	10.87
Br. Bldg. 6%	100	60.00	73.00
Br. Engg. 7%	100	100.00	100.00
Burn & Co. 7%	100	122.53	124.50
Burn & Co. 7%	100	113.00	115.00
L Iron 5%	100	99.00	103.50

PAID-UP QUOTATION AS ON				NAME				PAID-UP QUOTATION AS ON				PREFERENCE SHARES			
NAME	PAID-UP PER SHARE	18-3-60	18-3-59	NAME	PAID-UP PER SHARE	18-3-60	18-3-59	NAME	PAID-UP PER SHARE	18-3-60	18-3-59	NAME	PAID-UP PER SHARE	18-3-60	18-3-59
		RS NP	RS NP			RS NP	RS NP			RS NP	RS NP			RS NP	RS NP
Kasturi & Sons	100	100.75	...	Cochin Malabar	3	7.57	6.251	Kothari	10	12.00	9.12	...	...	...	...
6%	100	100.75	...	Coffee Lands	10	24.25	24.75	Kr. Rajendra	50	75.00	60.00	...	...	...	...
M.C. Vana 51	100	33.00	33.00	Cons. Coffee	10	23.10	22.15	Lakshmi	50	151.00	106.50	...	...	...	...
Mandya N. Paper	100	100.00	...	Coonor	10	27.50	23.501	Lakshmi A	25	78.00	52.50	...	...	...	...
Markar 6%	50	50.00	42.50	Cottanad	2	5.85	5.35	Loyal	50	30.75	26.00	...	...	...	...
Medowell 6%	100	98.00	...	Cottanad	10	14.67	15.25	Madura	15	33.751	25.35	...	...	...	...
Mettur Chem. 6%	100	98.001	92.751	Cowooddy	2	6.18	7.30	Mettur	100	441.00	370.00	...	...	...	...
Mys. Chem. Mfg. 6%	10	8.40	9.00	Devashola	10	32.551	28.50	Palani Andavar A	50	160.001	128.00	...	...	...	...
Mys. Lamp 4%	10	6.30	6.50	Devon	10	17.50	17.50	Palani Andavar B	75	225.001	182.00	...	...	...	...
National Rubber	...	...	...	Emerald Valley	5	7.071	7.75	Pankaja	100	55.00	37.75	...	...	...	...
Mfrs. 6%	100	80.00	100.00	Gokul	2	1.75	1.451	Premier	100	245.00	130.00	...	...	...	...
Panyam Cement	100	100.00	...	Halleyburia	10	16.25	19.00	Pullicar	100	121.00	121.00	...	...	...	...
6% A	100	100.00	...	Hanlyand	10	14.25	12.00	Radhakrishna	25	30.00	31.00	...	...	...	...
Panyam Cement	100	100.00	...	Kadur	2	2.84	2.95	Rajalakshmi	50	77.00	66.00	...	...	...	...
6% B	100	100.00	...	Kallas	2	5.65	5.23	Rajapalayam	100	135.00	117.00	...	...	...	...
Parry's 5%	10	9.00	8.35	Kalasa	2	4.38	3.85	Ramkrishna	100	200.00	155.00	...	...	...	...
Railis 6%	100	94.001	90.00	Kalpetta	10	12.75	13.40	R. G. Ambikal	100	115.00	105.00	...	...	...	...
Rane 6%	5	4.70	4.401	Karikode	10	9.50	10.00	Rangavilas	50	50.00	49.50	...	...	...	...
Rane 7%	5	4.65	4.501	Kilkotagiri	2	6.251	8.801	Royaseema	100	120.501	100.00	...	...	...	...
Rane 7 1/2%	5	9.101	9.751	Kumergode	2	5.951	6.051	Siyasandha	10	21.00	13.00	...	...	...	...
Ruby 6%	5	10.25	5.00	Kurichermal	10	8.75	7.00	Tirumurti	100	96.00	114.00	...	...	...	...
Ruby (Madras)	100	140.00	101.00	Lingapur	2	6.95	...	Trupati	10	9.30	9.40	...	...	...	...
Sen Raleigh 5%	100	9.20	8.00	Lucky Valley	10	13.00	12.50	Trav. Rayon	10	28.401	18.15	...	...	...	...
Spencer A 6%	10	11.65	11.25	Malabar Agr.	10	7.50	8.55	Trichinopoly	10	11.401	11.60	...	...	...	...
Spencer B 8 1/2%	100	102.00	97.50	Malabar Indust.	10	12.85	15.25	Vasanta	100	251.50	210.00	...	...	...	...
Trav. Chem. 6%	10	10.00	9.20	Malankara	10	19.00	18.25	Venkatasa	50	135.50	117.00	...	...	...	...
T. Stanes 1%	100	88.001	95.001	Manar	2	2.45	2.76	Vijayakumar	100	149.00	99.00	...	...	...	...
United Elec. 5%	10	10.00	10.00	Manimala	10	8.75	8.75	Vijayakshmi	100	100.001	64.00	...	...	...	...
Vanguard Fire 5 1/2%	6	4.73	8.73	Mercara	5	10.351	8.62	Vijayawari	100	100.00	84.00	...	...	...	...
W. I. Plywood	100	100.00	88.00	Midland	10	13.10	12.80	Virudhunagar	50	44.50	32.00	...	...	...	...
				Miamailay	25	40.87	36.25					...	...	...	...
				Mysore Almagal	5	6.25	5.33					...	...	...	...
				Mysore Coffee	2	5.10	3.77					...	...	...	...
				Mysore Plantations	2	1.951	1.42					...	...	...	...
				Neelemahil	5	4.70	4.83					...	...	...	...
				Nelliampathy	2	2.801	3.02					...	...	...	...
				Nelliampathy	10	12.05	12.25					...	...	...	...
				Nemmeny	10	17.75	15.65					...	...	...	...
				Nilambur	10	18.75	15.25					...	...	...	...
				Nilgiri	10	7.60	8.25					...	...	...	...
				Nonsuch	10	26.751	28.001					...	...	...	...
				Ossocortony	2	3.85	...					...	...	...	...
				Pachura	2	5.95	5.381					...	...	...	...
				Parkside	1	4.47	3.55					...	...	...	...
				Peermade	10	26.75	21.371					...	...	...	...
				Peninsular	10	24.00	18.00					...	...	...	...
				Periakaramalai	10	21.351	21.00					...	...	...	...
				Pondumdi	2	3.83	4.20					...	...	...	...
				Pullangode	2	1.40	1.40					...	...	...	...
				Puthuthottam	2	1.95	1.85					...	...	...	...
				Rajagiri	2	2.75	3.22					...	...	...	...
				Rajendra	10	22.00	18.25					...	...	...	...
				Rangameshwar	5	17.50	13.75					...	...	...	...
				Savayamalai	2	2.85	2.50					...	...	...	...
				Shavary	2	4.50	3.80					...	...	...	...
				Stanes Almagal	2	1.80	1.98					...	...	...	...
				Swinton	10	15.25	13.50					...	...	...	...
				Talayar	2	2.75	2.35					...	...	...	...
				Teekoy	2	1.90	1.75					...	...	...	...
				Thamrapally	10	8.10	7.60					...	...	...	...
				Thirumbadi	10	30.50	28.00					...	...	...	...
				T. R. & T. Co.	1	1.95	1.821					...	...	...	...
				Tropical	10	15.62	17.50					...	...	...	...
				Tyford	10	8.76	7.80					...	...	...	...
				Udayagiri	25	22.12	24.00					...	...	...	...
				Uth. Nilgiri	10	13.60	17.50					...	...	...	...
				Vakkundam	10	14.00	11.15					...	...	...	...
				Vayttri	10	22.081	19.40					...	...	...	...
				Vellimalai	10	27.75	25.001					...	...	...	...
				Warythully	2	1.57	1.42					...	...	...	...
				Waterfall	5	6.70	6.00					...	...	...	...
				Woodcote	2	3.80	...					...	...	...	...
				Woodland	2	3.70	4.00					...	...	...	...
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Ordinary Shares (Non-Cleared) BOMBAY

NAME	Paid-up per Share	Quotation as on
		18-3-60
Adoni	10	8.20
Bhawani	10	10.00
Bradbury	50	132.50
Burhanpur Tappi	100	87.00
Coclea	100	128.25
Davangere	100	114.00
Daw	50	109.50
Gackwar	100	245.00
Gold Mohur	100	250.00
Hindustan P.P.	100	470.00
Hindustan P.P.	250	992.50
Hukumchand	100	105.00
Indian Manfg.	1000	2270.00
Indian Manfg.	500	1050.00

NAME	Paid-up per Share	Quotation as on
		18-3-60
Cauvery	100	107.50
Hindusthan	40	72.50
Kesar	10	15.00
Kr. Gyanoday	60	255.00
Maharashtra	100	290.00
New Swadeshi	100	161.50
Oudh	60	120.00
Ravakson	50	30.00
Ravakson Defd.	10	1.00
South Behar	25	0.25
South Behar Defd.	10	140.00
Uvar	100	235.00
Vishnu	100	235.00

NAME	Paid-up per Share	Quotation as on
		18-3-60
Mahindra	10	9.84
Bagalkot	10	9.00
Dalmia	10	12.00
India Cement	5	6.00
Indian	10	25.00
Jaipur Udyog	10	12.80

NAME	Paid-up per Share	Quotation as on
		18-3-60
Amalgamated	10	10.84
Anand	50	64.00
Basain	10	8.50
Broach	10	7.00
Dharwar	50	51.00
Nadlad	50	61.50
Nagpur	25	25.00
Nasik Deolali	100	105.00
Poon	100	112.25
Surat	100	97.50

NAME	Paid-up per Share	Quotation as on
		18-3-60
CEMENT		
Amalgamated	10	10.84
Anand	50	64.00
Basain	10	8.50
Broach	10	7.00
Dharwar	50	51.00
Nadlad	50	61.50
Nagpur	25	25.00
Nasik Deolali	100	105.00
Poon	100	112.25
Surat	100	97.50

NAME	Paid-up per Share	Quotation as on
		18-3-60
SHIPPING		
Bharat Line	10	9.00
Great Eastern New	5	12.00
Malabar Steamship	10	11.65

NAME	Paid-up per Share	Quotation as on
		18-3-60
SUGAR		
Cauvery	100	107.50
Hindusthan	40	72.50
Kesar	10	15.00
Kr. Gyanoday	60	255.00
Maharashtra	100	290.00
New Swadeshi	100	161.50
Oudh	60	120.00
Ravakson	50	30.00
Ravakson Defd.	10	1.00
South Behar	25	0.25
South Behar Defd.	10	140.00
Uvar	100	235.00
Vishnu	100	235.00

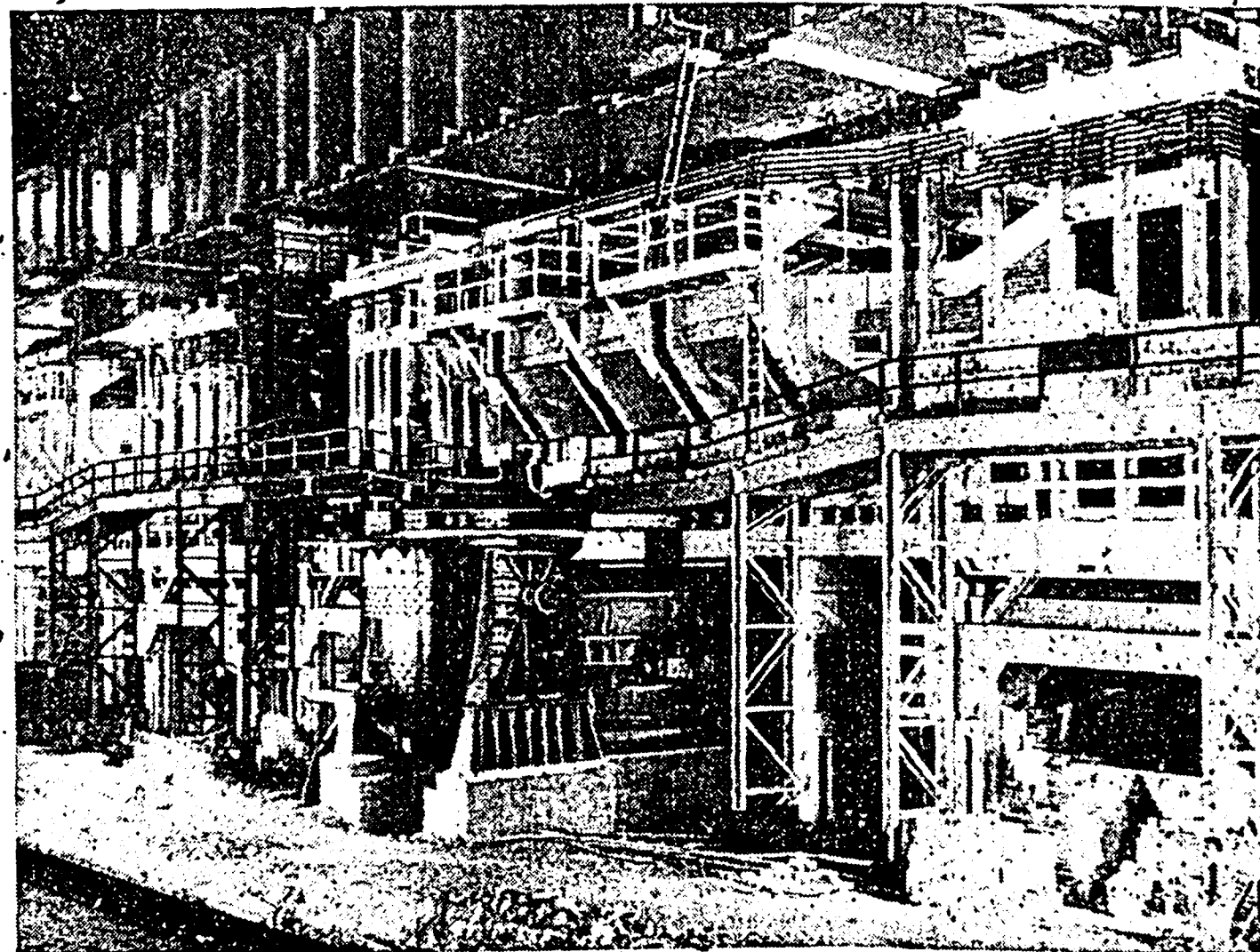
NAME	Paid-up per Share	Quotation as on
		18-3-60
PIANTATIONS		
Blue Mountain	2	3.64
Highland	10	12.80

NAME	Paid-up per Share	Quotation as on
		18-3-60
SHIPPING		
Bharat Line	10	9.00
Great Eastern New	5	12.00
Malabar Steamship	10	11.65

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees)

	Week Ended		
	18-3-60	11-3-60	20-3-59
LIABILITIES:			
Notes in Banking Dept.	14 50 99	8 66 81	14 69 54
Notes in Circulation...	1841 93 11	1837 89 69	1692 0 0
	1856 44 10	1846 56 10	1707 29 54
ASSETS:			
A Gold Coin & Bullion:			
(a) In India ...	117 76 03	117 76 03	117 76 03
(b) Outside India...	...	...	...
Sterling Securities ...	163 00 89	163 00 89	178 00 89
Total of A	280 76 92	280 76 92	295 76 92
(B). Rupee Coin ...	123 97 42	123 68 92	130 10 16
Rupee Securities	1451 92 76	1442 10 66	1281 36 36
	1856 44 10	1846 56 50	1707 29 54

Durgapur Steelworks



The Steel Melting Shop

Stage Two—work goes on

Yesterday we surveyed, planned and built today results are being obtained. India's newest steelworks at Durgapur, which is being built by ISCON, is now in production under Hindustan Steel Ltd.

No. 1 Blast Furnace, is making iron while work goes on in the second stage, the completion of which will mark the beginning of making and shaping of steel at the steelworks.

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Indian Finance

Indian Finance

Saturday

April 2, 1960

Volume LXV No. 13

Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

In "1966 and All That", certain events—by no means many—are described as A Good Thing.

There can be no doubt that the Kundah Project is A Good Thing.

How Good the Thing is, Learn from Landmark.

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1928

by

C. S. Rangaswami

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Managing Director

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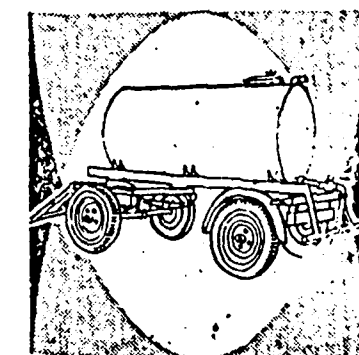
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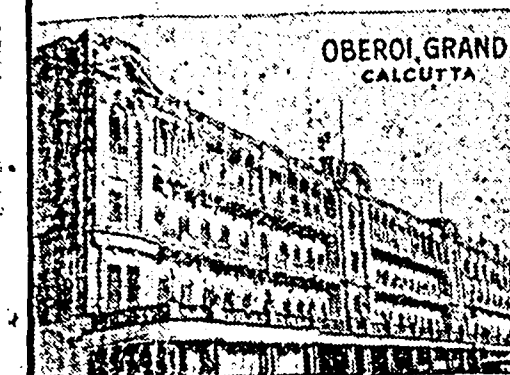
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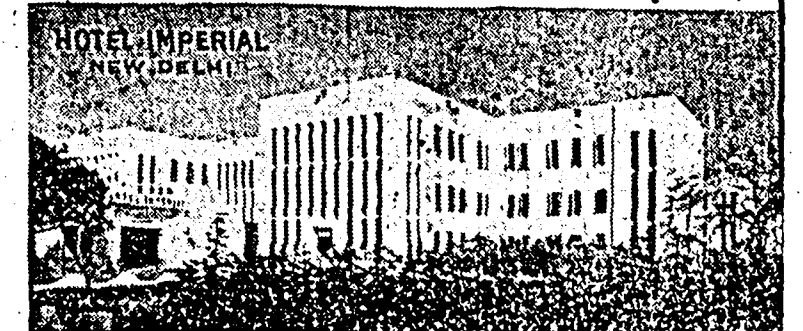
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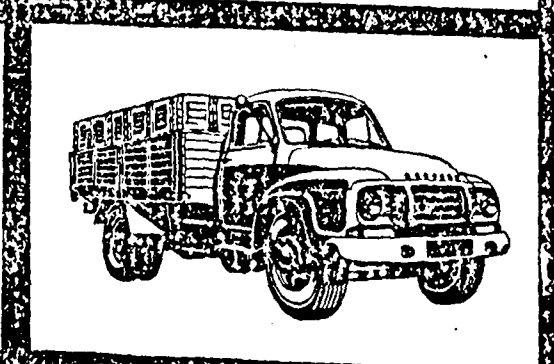
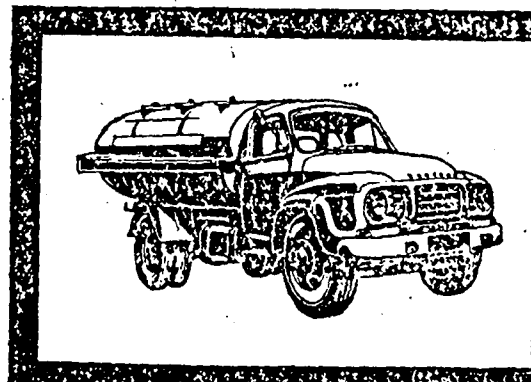
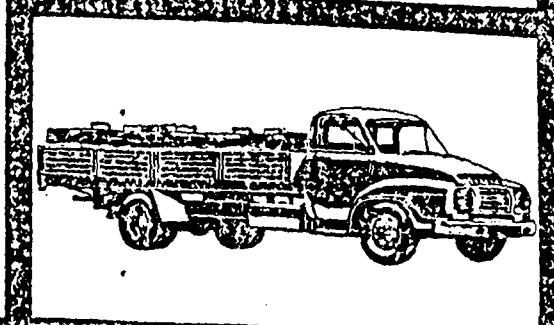
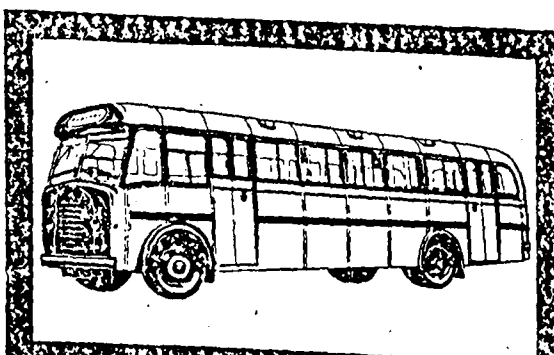
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- ★ Highest-ever truck sales in 1959. Latest figures for 1959 show that, while British truck production increased overall by 31%, Bedford production increased by 63%!
- ★ 4 in 10 new British trucks are Bedfords. Latest figures for 1959 show that 39.9% of all new trucks built in Britain were Bedfords.
- ★ 30,000 Bedford DIESEL trucks built in 1959. Diesel-engined models accounted for 60% of Bedford's 1959 production record.



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April 2, 1960

WORLD OF FINANCE

Bank Advances Cross Rs 1100 Crore Mark

WITH the calling off of the State Bank strike, figures relating to this institution are once more available, and hence an interpretation of the monetary statistics should normally have been reckoned a much easier task. However, on the basis of the statutory statement of the State Bank for 25 March, it is not possible, because of a number of complicated transactions yet to be completed, to draw inferences with any certitude. Furthermore, there is also the fact that there is no way of placing the broad changes in the State Bank returns in any of the four weeks for which no statements were issued. Thus, at best, we can try this week to indicate broadly the probable significance of various changes; more conclusive assertions in this regard must wait for another week.

The returns of the Reserve Bank for 25 March are important for the impression they bear of the end of fiscal year transactions of the Central Government. Such transactions on the part of the Centre have necessitated, on the face of it, deficit financing on a small scale—indeed, in an incredibly small amount. But, here again, we must have regard for the possibility of distortion owing to the transactions of the State Bank. But, going directly by the Reserve Bank figures, indications are that created money in the latest week has been in an amount of Rs 10 crores.

Busy season influences are seen in a small rise of Rs 2.97 crores to Rs 1844.90 crores in Active Note Circulation. However, there has been an inflow of Rupee Coin for Rs 0.40 crores. Currency has been expanded against Rupee Securities for Rs 10 crores and, in the result, the Reserve Bank's cash in the till has improved by Rs 7.34 crores to Rs 21.94 crores.

Obviously State Governments have made large repayment to the Central Government in the week under review. For, their Deposits are sharply lower by Rs 17.49 crores at Rs 42.97 crores, on top of an increase in their ways and means borrowings from the Reserve Bank by Rs 1.70 crores to Rs 22.34 crores. Hence, end of fiscal year payments notwithstanding, the Central Government's balances are seen to have improved by Rs 10.53 crores to Rs 63.15 crores. However, drafts issued in respect of payments made by the Central Government have, to a considerable extent, not yet been presented for encashment. This is to be inferred from the fact that Bills Payable are unusually higher by Rs 14.05 crores at Rs 53.62 crores. In any case, we presume that the returns of the Reserve Bank for 1 April will, in even more strident fashion, reflect the year-end transactions of the Central Government, though the figures in this respect may again be subject to distortion as a result of beginning of the month disbursements.

It is intriguing to find that the Reserve balances of member banks have, for the second week in succession, shown a rise, in being marked up by Rs 7.06 crores at Rs 92.90 crores. Indubitably, this increase represents the additional deposits required of Scheduled Banks consequent on the higher statutory deposit requirements in respect of all new resources

accruing with Scheduled Banks as from 11 March. At the same time, that Scheduled Banks have been compelled to seek the assistance of the Reserve Bank is suggested by the rise of Rs 1.42 crores to Rs 156.54 crores in the latter's Other Loans and Advances. Lastly as concerns the Reserve Bank returns, Balances Held Abroad, for the second week in succession, have registered an improvement in rising by Rs 2.15 crores to Rs 34.11 crores.

The returns of the State Bank for 25 March can be compared only with the statutory statement of the institution for 26 February. This shows that, over the period, Deposits have improved by Rs 22.62 crores to Rs 627.44 crores. What part of this increase in Deposits took place consequent to 11 March, it is not possible with any certainty to assert. All that can be done is, when the return of Scheduled Banks for 25 March is available, to distinguish between the rise in the Deposits of the State Bank, on the one hand, and other Scheduled Banks, on the other. Over the same period, the Advances of the State Bank have risen rather sharply by Rs 22.73 crores to Rs 213.22 crores. We may take it that the magnitude of rise in Advances is indicative of not only the busy season demand for funds but also the extra accommodation given by the State Bank to its constituents during the strike period. In this context, it is intriguing to note that Other Assets are very sharply higher by Rs 32.49 crores at Rs 41.51 crores. This should in large part relate to inter-office adjustments. However, as a consequence, the State Bank has had to disinvest in gilt-edged for Rs 33.96 crores (the return of Scheduled Banks for 18 March indicates a drop of Rs 30.62 crores in gilt-edged, and we may surmise that sales of gilt-edged effected by the State Bank were largely in that week). On account of the strike, as also due to the considerable expansion in the Advances portfolio, the State Bank's borrowings from the Reserve Bank have gone up by Rs 6.78 crores to Rs 8.07 crores. We may also infer from the fact that cash in hand and with Reserve Bank has moved by Rs 6.96 crores to Rs 37.37 crores that part, at least, of the rise in Deposits occurred after 11 March. In this context, an extremely interesting issue arises.

Constituents may not have been able to deposit cheques with the State Bank during the currency of the strike. Hence, all cheques that, for purposes of deposit, had been kept in abeyance pending the end of the strike, would have been sent in only after the appointed day of 11 March. It would follow that, by implication, the State Bank would have been compelled to comply with the additional deposit requirements on all the increase in Deposits resources as from the last statement issued, viz., that for 26 February; however, the qualification is in respect of Deposits credited subsequent to the statement for 26 February and up to the time of the beginning of the strike. As such, we suggest that at least Rs 5 crores of the increase in cash in hand and with Reserve Bank would relate to additional deposits maintained by the State Bank with the Reserve Bank. This would also imply that Scheduled Banks other than the State Bank have also experienced an increase in Deposits during the week ended 25 March, since the Reserve Balances of member banks in the relevant week moved up by a little over Rs 7 crores. We surmise, therefore, that the return of the Scheduled Banks for 25 March will indicate a rise in deposits of the magnitude of over Rs 25 crores.

The return of Scheduled Banks for 18 March confirms to some extent the views that, in this respect, we had advanced last week. However, in an important respect, our expectation has been belied. This is in regard to the Deposit resources of Scheduled Banks. We had anticipated that a rise of considerable dimensions

would be reported; but, in fact, gross Deposits show a drop of Rs 2.62 crores to Rs 1919.91 crores, though net deposits are higher by Rs 0.90 crores. Why, then, has it happened that balances with the Reserve Bank, as we had expected, have risen sharply by Rs 11.40 crores to Rs 79.78 crores? Our suggestion in this behalf is that, owing to the strike, the State Bank's Deposits were drawn upon and, off-setting this decline, Deposits of other Scheduled Banks improved substantially. It is only in such case that there would have been the necessity for member banks so to have augmented their deposits with the Reserve Bank. As expected, the total of Advances has risen steeply by Rs 23.72 crores to cross the 1100 Crore mark in being placed at Rs 1107.16 crores. There has been disinvestment in gilt-edged for Rs 30.37 crores; but, as we have already pointed out, this is likely to be on account of the State Bank. Such a sharp expansion in Advances, coupled with the necessity for making additional deposit, has compelled Scheduled Banks to increase borrowings from the Reserve Bank by a sharp Rs 20.55 crores to Rs 76.88 crores.

The return of Scheduled Banks for 25 March should, we suggest, bear the following characteristics:—(a) A considerable rise in deposits; (b) a further expansion of fair dimensions in Advances and (c) a further augmentation of balances with the Reserve Bank.

The next returns of the Reserve Bank are likely to prove even more interesting. For example, will the Central Government exercise their option to tender Rupee Coin for Rs 5 crores to the Reserve Bank and receive credit therefor, or will they defer this transaction to the second week of April? How large will be the remnant disbursements of the Centre in the last week of the fiscal year? What will be the extent of their resort to deficit financing for this purpose? And, in the week thereafter, what will be the impact on Deposits of Scheduled Banks? Will the receipt of new resources by member banks against governmental disbursements serve suddenly to relieve the current busy season pressure? Or, in the circumstances of the additional deposit requirements, will the status quo be maintained in the strain felt by Scheduled Banks? It is questions such as these for which answers will be found in the course of the next two weeks.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Wednesday, the 30th March 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.305 and above were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.770 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 4th April 1960. Successful tenderers should make payment on Friday, the 8th April 1960. Other conditions are as usual.

During the week ended the 25th March 1960 Government of India Treasury Bills for Rs 21,15,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 31st March 1960 to the 2nd April 1960 at Rs 99.326 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 23rd to 26th March 1960.

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116, LOWER CIRCULAR ROAD CALCUTTA

current crisis in the banking industry every few years?

There are a number of contradictions evident in the present dispute which it is worth while to consider briefly before taking up the demands of the State Bank Staff Federation. First of all, while the Ministry of Labour is laying all possible emphasis on peaceful settlement of disputes by negotiation or voluntary arbitration, and the Standing Labour Committee has asked for a modification in the approach to industrial relations in the Third Five Year Plan, in order to encourage greater recourse to voluntary arbitration, we find the Finance Minister refusing further negotiation with the State Bank employees on the ground that their charter of demands is unreasonable, and refusing voluntary arbitration on the ground that it would not be profitable for the State Bank to go to arbitration when other banks have been served with similar demands. Now, any one connected with trade union negotiation in the private sector is aware that union demands are purposely pitched high (it is after all only human to ask for more than you expect to get), and that collective bargaining in the initial stages has some of the elements of bazaar bargaining. But it is not the experience of private industry that the Ministry of Labour Conciliation Officers would consider this a reason for not negotiating. They say, and quite reasonably, that the parties should meet and find to what extent they can modify their standpoints, and what are the demands in which the employees are most interested. When it comes to the public sector, it seems that conciliation does not come into the picture. The conciliation service was not called upon in the State Bank dispute. The Finance Minister, it is true, consulted the Labour Minister, but this top level consultation is not conciliation. If the dispute had originated in one of the private banks, then it would have gone through the normal processes of conciliation, and one can assume that the charter of demands would have been sifted and an attempt made to reconcile the differing viewpoints, and the dispute might have been narrowed down even if it had not been settled.

What actually happened is that negotiation of a sort was going on for nearly a year between the Board of the State Bank and the Federation, although the Finance Minister said later that there could be no negotiation on the basis of the charter of demands. Discussions, however, seem to have been rather half-hearted. The Bank Board suggested delaying until the Pay Commission Report came out, but it did not help their case because one of the main planks of the Federation platform is the demand for uniform scales of basic pay throughout India, as for Central Government employees. Then, there was talk on behalf of all the banks of asking for a special all Banks Commission, for, by now, other banks were also receiving demands from their staff. Negotiations broke down altogether in November last, and because nothing further was happening, the Federation in January gave notice of strike. Further negotiation was then promised by the Chairman of the State Bank, but later refused by the Finance Minister.

The demand of the Federation all along has been for voluntary arbitration failing a negotiated settlement. It should be considered as a step in the right direction that unions are now asking for settlement by other means than adjudication, although in all probability this change of outlook has been brought about more by disgust with the delays of industrial courts than by a conviction on the value of peaceful settlement. The diffidence of other Ministries in accepting the principle of voluntary arbitration so ardently pressed by the Ministry of Labour would seem to point to lack of conviction of Government also. Has

the Ministry of Labour thought out in detail how voluntary arbitration is to work, where it is likely to be successful and whether it can be applied to Government as an employer? If Government are not convinced that voluntary arbitration is applicable in their own employ, then they should make their position clear and explain why what is advocated in the private sector cannot be accepted in the public sector, for, already there is a persistent demand from trade unions that voluntary arbitration should be applied in the public sector.

At present, we have two statements, that of the State Bank Chairman that it is not possible for the Bank as a public-owned institution to agree to voluntary arbitration, and that of the Finance Minister that it would not be profitable (an odd word to use) for the State Bank alone to go in for voluntary arbitration when other banks were also involved. We are surely entitled to a clearer explanation of Government policy on this important point.

Admittedly, there are difficulties in dealing with banking disputes which involve three tiers: the Reserve Bank, which is almost a Government Department; the State Bank which is a nationalised bank with its own board of directors; and the private banking companies which represent many gradations when it comes to capacity, size of business and working capital. Voluntary arbitration is not necessarily an ideal method of settling all disputes. Indeed, the only really ideal method is mutual agreement. In other countries, voluntary arbitration has been found useful for settling differences over questions of interpretation of existing agreements. In the USA, an arbitration clause is usually embodied in labour contracts for this purpose. Similarly, arbitration may be suitable for settling a specific question of principle, such as whether basic pay should be uniform throughout the country, or should vary regionwise. Whether it is suitable for settling a large scale dispute based on a lengthy charter of demands is not so clear. Then comes the problem of enforcement of the arbitrator's award. If Government are having difficulty in getting Wage Board recommendations accepted, although such Boards are set up with the approval of both sides of industry, would they have any better success in getting an arbitrator's award accepted? It is obviously useless to go to voluntary arbitration without prior agreement by all parties to accept without demur the arbitrator's award. It is doubtful whether such agreement could be found in the banking industry.

Turning to the workers' side, it is surely anomalous that the Federation should call for a strike in order to force "voluntary" negotiation. Posters displayed at various private banks show similar muddled thinking—"We demand increases by negotiation." If one is genuinely convinced of the value of a negotiated settlement, then surely one would not call a strike, particularly in an essential public service? One is led to the conclusion that it is not so much conviction as search for a new slogan, now that adjudication has become discredited with the rank and file of the workers, which has influenced the Federation. However, whatever the influence working in favour of mutual settlement, it is a pity not to take advantage of it. Settlement, of course, has not officially been ruled out, because it was on the condition that reference to adjudication did not preclude further discussion and settlement that the strike was eventually called off, but one is left wondering where fresh discussion can begin when the Finance Minister is not prepared to discuss the present charter of demands.

What are the demands? The issues referred to the tribunal include categorization of banks and areas for adjudication; scales of pay and

the method of their adjustment; dearness allowance, house-rent and other allowances; provident fund, pension and gratuity; leave rules; hours of work and overtime; medical aid; cash deposits and other securities to be furnished by the staff; question of seniority; age of retirement; subsistence allowance during suspension; anomalies in the existing award. Every one of these issues except the last was adjudicated upon by the Sastry award in 1953. Has the situation changed so radically that they can all be re-agitated?

Demands for increased emoluments, according to the State Bank, would involve a recurring expenditure of about 4 crores of rupees. The demands are based on the principles of the Fair Wages Committee, but every one knows that these principles represent an ideal rather than the practical. Presumably, it would not have been so difficult to negotiate a flat increase in pay, but the demand is for a complete revision of the whole basis of payment. The Federation is demanding the abolition of the area-wise categories of basic pay, arguing that, as the employees belong to a nationalized bank, they should be paid in the same manner as Central Government employees, with common basic scales for the whole country, and regional variations in the cost of living should be met by regional allowances. Now, from the Sen award onwards, there has been a dual classification of banks, both area-wise and according to their working capital. All the authorities referred to have agreed that the "existing pattern of the banking structure in the country does not permit of the fixation of a single scale of pay for employees of all banks". It is also well established in tribunal rulings in other industries that questions of pay should be settled on an industry-cum-region basis. Therefore, any national tribunal will hesitate to break away from this principle.

The State Bank employees have, however, some logic in their argument, namely that they are employees of the State and the principles of the Pay Commission should be applied to them. There are two opposing principles here, which it seems impossible to reconcile in an industry covering both the public and the private sectors. A break-away from the area-wise classification would have serious effects on the private banks and would act to the detriment of extension of banking to rural areas, which has been one of the aims of the Planning Commission. If the bank employees are also going to demand abolition of the classification by working capital, then obviously the smaller banks would go out of business.

As to demands for general increases, has the situation changed so materially since the last award as to justify them? Already, bank employees receive dearness allowance which is revised every three months on the basis of the cost of living figures. They cannot, therefore, argue from increased cost of living. And where is the argument for interim relief?

As to the question of bonus—a demand which may be separately referred to the tribunal—the State Bank employees have been receiving a customary bonus of 2 months' basic pay. They declare that the profits of the bank have gone up and they want not only more bonus, but bonus linked with profits. There is already a case on bonus before the Supreme Court, referred by one of the private banks. That decision will affect the whole position, and it seems reasonable to wait for it, which is presumably the reason for separating the bonus issue.

As to the capacity of the banks to pay higher emoluments, this was the issue referred to the Commission under Mr Gajendragadkar. He found that the representation made by the bankers to the Government, which led them to make certain modifications in the appellate

award, were based on the figures for 1953 and an assumption that the subsequent years would show no improvement. Actually, the decline in banking had been arrested in 1954 and Mr Gajendragadkar held that subsequent years might even show an upward trend. He therefore based his findings on the 1954 figures. What has been the trend in recent years? The Chairman of the Indian Banks' Association has said that the increased quantum of Deposits has been offset by the reduced tempo of bank credit expansion, the ratio of Advances to Deposits being reduced from 69.9 per cent in 1957 to 59.6 per cent in 1958.

But of even greater importance than the question of the banks' capacity to pay is the question whether, in a major industry, the whole basis of wages can be re-agitated at frequent intervals. When some of the finest legal brains in the country have already been applied to the problem of wage structure and have reached similar conclusions, should the question at all be open for review by yet another High Court judge?

Rise in Income Tax Revenue for 1958-59

THE income-tax statistics for 1958-59 released by the Central Board of Revenue reveal interesting information regarding the financial aspects of different sections of the Indian economy. The total income assessed and the tax thereon worked out to Rs 1,174.0 crores and Rs 254.1 crores respectively during 1958-59 as compared to Rs 1,010.5 crores and Rs 222.2 crores respectively in the preceding year. The trend in the past two years is shown below:

	No. of assesses	1957-58 Income assessed (Rs. crores)	Tax (Rs. crores)
Individuals	570,172	605.0	90.3
Hindu Undivided Families	54,608	77.1	12.3
Unregistered Firms & Associations of persons	28,279	34.5	6.8
Registered Firms	9,330	74.2	2.3
Companies	10,989	219.7	110.5
Total	673,378	1010.5	222.2
	No. of assesses	1958-59 Income assessed (Rs. crores)	Tax (Rs. crores)
Individuals	717,340	693.7	94.6
Hindu Undivided Families	67,426	86.3	12.0
Unregistered Firms & Associations of persons	33,221	37.9	7.4
Registered Firms	11,372	90.2	2.7
Companies	10,778	265.9	137.4
Total	840,137	1174.0	254.1

The figures show that there was a sharp increase in the number of assesses, income assessed and the tax yield in 1958-59 as compared to the preceding year. Individuals account for the bulk of the increase, the number of assesses going up from 570,172 to 717,340, the income assessed from Rs 605 crores to Rs 693.7 crores and the tax from Rs 90.3 crores to Rs 94.6 crores.

"Business and Professions" account for the most important source of income. The total assessed income of this category in 1958-59 is Rs 680 crores, the tax amounting to Rs 168 crores as compared to Rs 581 crores and Rs 168 crores in the preceding year. Within this category, the assesses coming under "Commerce, Transport and Communications" account for the largest income and tax, the figures being Rs 336 crores and Rs 53 crores (including super tax) respectively. The tax yield in the group is the largest from "wholesale trade in

commodities other than foodstuffs" amounting to Rs 14 crores by way of income tax and about Rs 15 crores by way of super-tax.

The next main group is "Processing and manufacture of metals and chemicals and products thereof". The tax from this source in 1958-59 is about Rs 41 crores—Rs 16 crores from income tax and the rest from super tax. Within this group, "Iron and Steel" tops the list with Rs 6 crores from income tax and about Rs 10 crores from super tax.

"Finance" is the next main group consisting of banks, insurance companies, money-lenders, share brokers, managing agents, etc. The number of assesses in this group was 43,825. Their income amounted to nearly Rs 70 crores, the tax including super-tax being about Rs 24 crores.

An analysis of the "Professions" reveals interesting details. Of the 34,839 assesses under this heading, as many as 16,971 belonged to medical and health services; their income amounted to nearly Rs 11 crores; the income tax and super tax realised amounted to Rs 63 lakhs and Rs 21 lakhs respectively. Of particular interest are the figures relating to film production and allied services. There were 1,463 assesses in this class. Their total income was over Rs 4 crores. Their income tax amounted to Rs 66 lakhs and super tax to Rs 72 lakhs. Fuller details are given in the accompanying tables.

TRADE CLASSIFICATION OF BUSINESS AND PROFESSIONAL INCOME ASSESSED TO INCOME-TAX AND SUPER-TAX DURING 1958-59.

CLASSIFICATION.	No. of assesses in each category	Income Rs. (000)	Income-tax Rs. (000)	Super-tax (Rs. (000))
1. Forestry, Mining and Quarrying.				
1. Forestry and woodcutting	2,448	3,37,96	25,68	15,01
2. Coal mining	757	6,52,33	1,58,08	2,28,70
3. Iron-ore mining	71	64,31	14,34	21,91
4. Metal mining except iron-ore	86	1,35,17	34,19	58,79
5. Crude petroleum and natural gas	6	20,28,92	5,56,31	6,47,45
6. Stone quarrying, clay and sand pits	234	75,84	14,70	21,42
7. Mica	234	97,67	17,74	21,81
8. Salt, sulphate and saline substances	164	77,13	10,12	10,93
9. Other non-metallic mining and quarrying	91	45,07	9,60	10,20
Total	4,091	35,14,40	3,40,76	12,36,12
2. Primary industries and processing and manufacture of foodstuffs (including beverage and narcotics).				
1. Tea Plantation	594	12,17,76	3,33,10	5,23,68
2. Coffee Plantation	45	18,79	3,38	3,71
3. Other plantations (including rubber)	27	35,33	9,46	5,83
4. Fishing	186	23,72	1,78	79
5. Grains and pulses (milling, grinding, etc.)	5,164	7,65,35	78,65	79,71
6. Vegetable oils and dairy products	2,291	4,10,75	39,56	30,62
7. Sugar industries	685	9,79,02	2,46,65	3,43,74
8. Tobacco (including cigarette and bidi) manufactures	2,556	8,55,10	1,71,44	2,54,78
9. Processing and manufacture of other foodstuffs	1,597	3,17,37	57,59	80,35
Total	13,145	46,23,19	9,41,61	13,23,21
3. Processing and manufacture—textiles and leather and products thereof.				
1. Cotton textiles	3,385	18,47,39	4,29,96	6,19,16
2. Wool and woollen manufactures	133	89,12	20,81	33,53
3. Silk manufactures	517	90,10	10,11	9,54
4. Manufacture of rayon or artificial silk	570	1,81,88	29,78	37,75
5. Wearing apparel and made-up textile goods	4,257	3,47,82	18,12	7,43
6. Jute manufactures	228	2,88,16	69,67	91,86
7. Hemp and flax manufactures	39	8,75	1,38	1,12
8. Other textile industries	275	60,81	9,86	12,06
9. Leather, leather products and footwear	2,377	3,43,52	51,86	71,66
Total	11,781	32,57,63	6,41,55	8,84,11
4. Processing and manufacture—metals and chemicals and products thereof.				
1. Iron and steel (basic manufacture)	37	23,15,41	6,30,86	9,95,26
2. Non-ferrous metals (basic manufacture)	21	20,41	5,69	9,77
3. Transport equipment (repair, assembly, manufacture, etc.)	1,895	6,70,68	1,58,21	2,46,27
4. Electrical machinery (apparatus, appliances, etc.)	797	5,78,69	1,39,07	1,97,58
5. Other machinery (including engineering workshops)	2,210	8,48,91	1,85,59	2,74,30
6. Manufacture of other metal products	5,253	11,30,28	1,85,13	2,56,26
7. Basic industrial chemicals, fertiliser and power alcohol	183	1,90,92	44,24	61,92
8. Medical and pharmaceutical preparations	931	4,65,60	1,09,96	1,62,97
9. Manufacture of other chemical products	1,633	7,91,17	1,88,34	2,96,96
Total	12,960	70,10,27	16,47,09	24,96,96
5. Processing and manufacture—cement, rubber paper and other mineral products.				
1. Products of petroleum and coal	21	76,07	20,36	30,69
2. Bricks articles and other structural clay products	1,772	2,38,70	23,36	18,01
3. Cement and cement products	60	4,10,30	1,17,65	1,85,67
4. Non-metallic mineral products (earthenware, glass, etc.)	1,010	1,80,05	28,04	31,51
5. Rubber and products thereof	188	3,72,58	1,04,96	1,75,87
6. Wood products (including furniture and fixtures)	2,562	3,46,23	42,40	44,90
7. Paper and paper manufactures	350	3,37,26	76,07	95,60
8. Printing and allied industries	3,892	4,79,92	64,37	75,32
9. Other processing and manufacturing industries	5,572	6,22,91	68,75	76,40
Total	15,427	30,64,00	5,43,96	7,33,96
6. Commerce, Transport and Communications.				
1. Retail trade in foodstuffs (including beverages and narcotics)	57,802	42,08,21	1,88,70	43,01
2. Retail trade in commodities other than foodstuffs	1,90,939	1,47,42,08	7,86,53	2,22,14
3. Wholesale trade in foodstuffs (including beverages and narcotics)	20,768	27,67,65	2,16,21	1,18,87
4. Wholesale trade in commodities other than foodstuffs	31,633	97,74,58	14,31,02	14,71,41
5. Transport by road	12,063	11,77,35	1,20,84	1,09,08
6. Transport by water	1,026	7,25,76	2,00,18	3,04,95
7. Transport by air	9	6,86	1,80	2,19
8. Railway transport	22	32,70	9,85	17,03
9. Other transport and communications and incidental services	517	1,38,26	23,62	32,17
Total	3,14,779	3,35,73,55	29,78,35	23,20,85

CLASSIFICATION.	No. of assesses in each category	Income Rs. (000)	Income-tax Rs. (000)	Super-tax Rs. (000)
7. Finance.				
1. Indian banks	461	6,58.35	1,83.62	2,76.91
2. Non-Indian banks	19	3,14.24	89.20	1,56.75
3. Indian Insurance Companies	105	2,90.12	77.92	1,17.82
4. Non-Indian Insurance Companies	49	1,14.90	33.48	54.33
5. Money lenders and indigenous bankers	13,304	11,65.31	98.16	58.82
6. Stock and share brokers and jobbers	3,032	4,79.71	63.14	75.85
7. Managing agents	694	9,93.73	2,57.83	3,78.53
8. All other brokers and agents (including insurance agents)	22,709	23,89.83	2,08.74	1,56.20
9. Other financial business	3,452	5,91.09	97.56	1,11.97
Total	43,825	69,97.28	11,09.65	13,87.18
8. Professions.				
1. Education and teaching services	1,052	61.05	3.59	1.24
2. Literature, art and journalism	915	68.76	4.49	2.18
3. Medical and health services	16,971	10,97.22	66.81	21.42
4. Film production and allied services	1,463	4,23.27	66.25	72.71
5. Music, drama and recreational services	1,537	2,29.11	28.06	21.95
6. Legal services	11,355	9,50.14	65.69	30.56
7. Architects, surveyors and engineers	466	2,87.45	63.38	94.28
8. Accountants, auditors and actuaries	871	1,48.83	11.81	3.78
9. Professions not elsewhere specified	209	1,28.68	4.11	4.59
Total	34,839	33,94.51	3,14.19	2,52.69
*Grand Total	467,203	6,79,83.46	93,19.93	1,09,37.02

*Refers to the Grand Total of "Business and Professional Income" including income from "construction and utilities".

Sustained Expansion and Export Records in UK

By MARTIN GOTZ

THE United Kingdom economy continues to present an encouraging picture of sustained expansion. In January, industrial production and exports reached new records and in February the reserves began to rise again. Sterling continues to be strong in the international exchange markets. Prices have remained stable for nearly two years. Investment in manufacturing industry shows signs of a welcome revival.

On the other hand, there are indications of an incipient labour shortage in some areas, especially in London and the Midlands, although in others, notably in Scotland, Wales and around Liverpool, unemployment is markedly above the average for the country. Government expenditure, both for social investment (including roads, hospitals and schools) and for defence, will be rising in the coming financial year. Following the interim railway settlement (providing for a 5 per cent wage rise), and with the implementation of the Guillebaud report (which will about double this rise) now under discussion, there is a risk of a general upward movement in wages which might threaten the stability of prices. It cannot be entirely ruled out that the resources of the country may again be overstrained later on if action is not taken in good time to moderate the pace of expansion.

But the situation is very different from what it was in 1955 when strong disinflationary measures had to be taken. Thanks to the industrial investment carried out in recent years, there is still enough spare capacity, especially in the capital goods industries, to permit a substantial rise in production. Thus, the rise of Bank Rate to 5 per cent toward the end of January and the withdrawal of official support for the gilt-edged market a month later were certainly not intended to put an end to expansion, but they could be regarded as a signal to the banks for caution in the further increase of their advances, which have grown steadily since the end of the "credit squeeze" in July, 1958.

Full balance-of-payments data will not be available before the end of March, but the rise of the reserves in February by £13,000,000 to £972,000,000 shows that the external position continues to be satisfactory. This is also con-

firmed by the latest trade returns. In January exports reached the record total of £316,000,000. In the three months November to January, exports were 11 per cent higher than in the corresponding period a year earlier and 7 per cent more than the average for 1959.

Towards the end of the year, there was a sharp recovery of exports to the sterling area and an acceleration of the increase in exports to Western Europe. Exports to North America were 18 per cent higher than a year earlier—quite a noteworthy achievement, even if not so spectacular as the 23 per cent increase achieved in the first ten months of last year. Total imports rose also by 11 per cent in the period November to January over a year earlier and reached £367,000,000 in January. Imports from the sterling area rose by 10 per cent. This growth of imports is natural at a time of expanding industrial production and helps the UK's suppliers to increase their own purchases abroad. So long as they remain fully competitive, as they are at present, UK exports are likely to go on rising.

The maintenance of a healthy balance of payments is now even more necessary than in former years in view of the increased commitments which the UK has undertaken abroad. Government assistance, mainly to the less developed countries in the Commonwealth, has doubled over the last two years and there is a large and growing flow of private investment to overseas countries, mainly in the Commonwealth.

This outflow of capital can be maintained only if the UK has a surplus to spare. That is why a sufficient volume of savings is important, not only to provide for investment at home, but also for investment overseas. It is, therefore, encouraging, that in the present financial year (with only five weeks left) new "national savings" (largely the savings of the small man) have reached £356,000,000 compared with £290,000,000 in the corresponding period of the previous financial year.

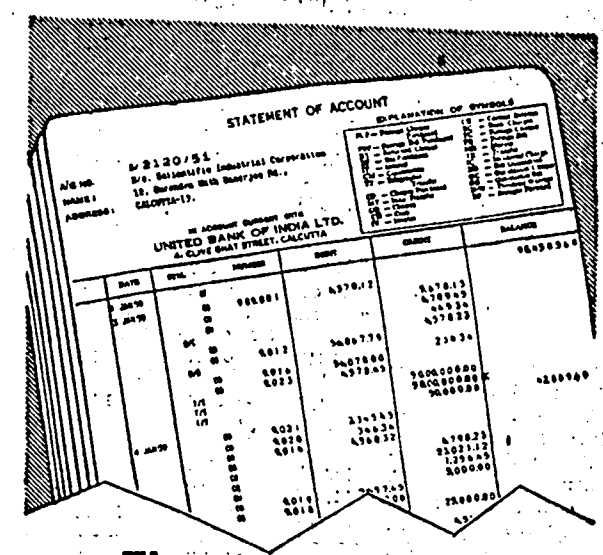
Home demand has increased particularly for consumer goods, and this was shown in expanding retail sales, which, after a record Christmas trade, kept up well in January. Last year was notable for a boom in durable consumer goods, sold largely on hire-purchase. The total debt outstanding on hire-purchase contracts rose from £576,000,000 at the end of January 1959 to £873,000,000 at the end of January 1960. As the debts incurred have to be paid back now, it is to be expected that the rise in the outstanding debt will slow down

and this will help to slow down the growth of domestic demand (provided, of course, that there are not excessive wage increases which would allow the repayment of old debts and the incurring of new obligations at the same time).

Industrial production in January was 10 per cent higher than a year earlier. Steel production rose to 471,000 tons a week, an all-time "high". Production of motor cars was at an annual rate of 1,500,000. Over the past year, expansion of industrial production extended to all branches with the exception of shipbuilding and coal-mining. Towards the end of the year, output of consumer durables, with the exception of cars, showed signs of slackening, but output of other consumer goods and of capital goods continued to rise.

Unemployment in February was 2 per cent, compared with 2.1 per cent in January and 2.3 per cent in February 1959. The new Local Unemployment Bill, which is expected to become law in April, provides the Government with increased facilities to support the movement of industries into districts with high local unemployment. Such a movement should help to lessen the danger of expansion being checked by labour shortages. Plans for the establishment by the motor industry of new factories in Scotland and on Merseyside have already been announced by the leading manufacturers.

Thus the outlook for the UK economy remains promising, provided the revival of inflationary strains can be avoided. UK Ministers have made clear the great importance they attach to this. The implications for the Budget, to be submitted on April 4, are being much discussed by financial commentators, most of whom seem to expect that the Chancellor's proposals will this year be relatively limited in scope.



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Extract from a Burmah-Shell publication

An oil derrick in Assam

NATIONAL NOTES

New Bogey

The stress on industrial potential laid by Mr Nehru at the FICCI session and the reference to socialistic thinking, derived from the passion for equality, may find favour generally. But his reference to free enterprise aiming at monopoly will lead to disapproval and dissent. The view that private enterprise today consciously seeks monopoly to maximise profits is unfounded. Elaborate enquiries into industries are undertaken and profit-margins invariably are fixed in relation to fair prices. The revision of prices in relation to costs is delayed, and many an industry faces burdens that are apt to threaten its existence. The objection to monopoly may be justified. But is there any industry that has reached the point of eliminating competition and exploiting the consumer? The answer will be in the negative, and the FICCI will do well to produce a brochure on trade rings and monopolies, anticipate a commission of inquiry and make known the persistence of competition even under a regime of restricted imports.

The Government's opium monopoly maintained by licensing of cultivation in Malwa may be termed an exception, retained for both fiscal purposes and moral ends. But there is no other instance that can be mentioned offhand. The classic

case dealing with conspiracy in restraint of trade may be the Mogul line case, but the shipping industry, despite concessions and subsidies, is not one liable to monopoly. The manufacture of electric lamps, cables, etc., in India does not seem to have the benefit of previous agreement about sharing of markets or discounts allowed, and the Government are already preparing to enter the oil industry to prevent the emergence of any monopoly.

The fact that Britain has curbed monopolies and investigated restrictive practices may not be without weight, and the Indian Government today their own licensing policy, ensure that competition does not remain imperfect. The major industries of India are still marked by keen competition, and it is the lack of combination that hampers an export drive. And the Government, as a buyer of coal, cement, etc., try consistently to promote competition to the advantage of the Exchequer, and the prospects of monopoly are blighted. The Constitution is meant to discourage monopoly, but the legal safeguards have been anticipated and free enterprise in every industry from bicycles to buttons has to win its share of the market on merits. The State as a producer of cheap power may have a monopoly and can gain on transport facilities. But privately owned industry has no such advantages and it lacks also the capacity to prevent competition by the public sector, as evidenced by the rapid rise of the State Trading Corporation. The fear of monopoly bred by rampant capitalism, is due to an ingrained suspicion of private enterprise, though the circumstances of industry contradict the assumption that monopoly is probable. The power of organised labour offsets the power of capital combined into big trusts, and the State Bank strike may have yielded a lesson about Galbraith's doctrine of countervailing capitalism.

Curtain-Raiser?

The boundary agreement made at Peking by Mr Koirala is a reminder that Nepal's foreign policy is its own concern. Concessions made by China to the small kingdom bordering Tibet are a sign of the detente necessary for the forthcoming talks in Delhi. The promise of Chinese aid for Nepal may irk India to some extent, but it cannot hope for a monopoly in order to make Nepal a client-State. The independence of Nepal is underlined by the opening of new diplomatic missions, marking also the end of an unsettled decade following the Royal restoration. Mr Koirala has spoken of Nepal's poverty as a reason for taking aid and trying to reach an accord on frontiers. It is clear that Nepal has no objections to the new Chinese conquest of Tibet and is not inclined to support the Lamas against the Communists in power or to press for the reopening of

trade, since its needs will perhaps be met by India.

Whether the agreement with Nepal is a curtain-raiser to the restoration of normal relations with China may not be the only question facing Delhi at present. The appointment of a joint commission to fix the boundary would mean an abatement of India's claims. The insistence on the McMahon line and the steps taken to exercise control in Ladakh run counter to the Chinese plea that the traditional frontier is in doubt. That a part of Ladakh is occupied by Pakistan, and China has only copied the former has not been explicitly urged, but there is no doubt that India as the backer of Kashmiri authority over Ladakh has got not so strong a case as presumed.

The Prime Minister's plea for more industries to support defence arrangements is a clue to India's reserved attitude, even after the frontier adjustment reached between China and Burma as much in order to prevent the succession of the Shan States as to afford relief to a country that has grappled with Karen revolt, KMT intrusion and Communist outrages. The Indian attitude in respect of Britain and Sikkim has been defined already, but Peking may accept the continuation of the protectorate, only in return for some concessions on the part of India. The point will claim notice only when ethnic differences are put forward by China as a talking point. The careful modulation of Chinese foreign policy of late in relation to Burma (for, nothing has been said about rights of navigation on the Irrawaddy) will only suggest that it is preparing to state a case based on its control of Turkestan and Tibet and the need to keep up communications through Ladakh. The chances of a harder bargain than expected must not be lost sight of, because the Himalayan Kingdoms were never like the Indian Princely States, and the loose control exercised in the past over the maintain Kingdoms helps China to hark back to the Han empire's claims. The satisfaction of Mr Koirala with the results of his trip to China may not engender equal optimism in India about the early achievement of truly peaceful co-existence.

Failure, But not Total

The failure of the talks held at Rawalpindi can cause no surprise, if it is taken for granted that India's Finance Minister asked about the debt due to India after partition. The agreement on minor items will not temper the disappointment felt in India, especially as the trade talks ended well up to a point. The difficulties of Pakistan are likely to end with outside aid for the new canal scheme. But the attitude may be due to the lack of any settlement

as regards Kashmir. That certainly makes a solution urgent and if the Commonwealth Premier's meeting helps toward the inevitable partition, few will be perturbed because the idea of a plebiscite in the valley is dropped. The payment due for India's operation to hold Kashmir can be waived if it is made clear that Kashmir's accession is definitive. While such a solution can be reached only gradually, it is necessary to remember that the present regime in Pakistan has done nothing to spoil relations with India and friendly contacts have been restored by Pakistani leaders.

The expectations of more foreign aid after Mr Eisenhower's visit are based on the likelihood of normal relations, and the visit of Mr Desai cannot be termed wholly barren, if Pakistan is made to realise how much has been spent on refugee relief in India. The inference that both countries are making conditions is legitimate, for, any aid from India to the canal waters settlement is contingent on Pakistan settling outstanding claims in advance. There are no private creditors to press Pakistan, and it is able to dawdle or delay partly because India's foreign policy is undergoing a change under the impact of new developments. The end of the border trouble may nourish a belief that Pakistan will give no trouble and India's defence problem lies only in the north-east today. But that belief may induce Pakistan to play a waiting game and ask for a scaling down of claims in view of the steady fall in its external assets and the assurance of abundant foreign aid for preserving the status quo in regard to irrigation from the Indus system.

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STATES NOTES

The 10 Percenters

The pattern of import trade, which took a revolutionary turn in 1956, culminated in putting the established importers, who accounted for almost three-fourths of the total requirements of the country, in an embarrassing situation. The volume of their share in the import trade, which was at one time as high as nearly 70 per cent, declined sharply to a low level of 10 to 12 per cent. The shrinkage in the volume of trade compelled both the large and the small import houses either to close down or retrench their staff to an irreducible minimum. This unfavourable position could have been avoided, to a considerable extent, if the industrialists of the country had followed the normal channels for the distribution of their goods. Disclosing these facts, Mr Shantilal M. Shah, the President of the All India Importers' Association, in his address to its Annual General Meeting held at Bombay, highlighted the importance of utilising the immense knowledge and experience, specialised services and available facilities of the established channels for the distribution of indigenous products, failing which, he feared, a number of middle-class persons will be thrown out of employment, to swell the already shocking ranks of the unemployed, since most of the small importers and their assistants belong to this category.

Mr Shah made a strong plea to the Government of India for the relaxation and liberalisation of the rules governing the import of capital goods, so that projects involving foreign exchange components to the tune of Rs 10 lakhs could be covered by the ordinary rules of payment other than the Ex-im Bank or similar arrangements. Thanks to the efforts of the members of the All India Importers' Association, import of a substantial portion of requirements on rupee currency was made possible.

10 million acre Plan for Bihar

Bihar has every reason to continue to lay emphasis on agriculture in planning. Firstly, even after ten years of planned development, this State is still a long way from self-sufficiency in food. Secondly, nearly 86 per cent of the State's population is dependent on agriculture for its livelihood. There is another vital point that the

State Government have to take note of, and that is its population is rapidly increasing. It is estimated that, by 1976, Bihar will be requiring something like 10 million tons of food-grains to feed its growing population. The only satisfactory solution seems to be a concerted effort on the part of the State to become self-sufficient in foodgrains.

It is gratifying to note, therefore, that the State Government are thinking in terms of a long-term plan for achieving food self-sufficiency. Experience during the two five year plans has shown that creation of additional irrigation facilities is a long-drawn out process. To bring about an additional irrigation potential of nearly 1.1 million acres, it has taken nearly 10 years; and, for food self-sufficiency, irrigation facilities have to be brought to an additional area of something like 10 million acres. This stupendous task does not seem to deter the State's Irrigation Department, which has drawn up a scheme to achieve the desired result in 15 to 20 years. The cost of the programme is estimated at about Rs 184 crores. The Department's plan divide the State into three natural parts, indicating the outlay for each part separately. North Bihar gets the maximum attention, presumably for its great irrigation potential on account of its snowfed rivers in which it abounds. The plateau regions of Chota Nagpur and Santhal Parganas and South Bihar Plains are the other two divisions which are expected to yield 1.06 million lakh acres and 2.9 million acres respectively of additional land for cultivation under the proposed scheme.

Mr Reddy on Taxes

Mr B. Gopala Reddy seems to have effectively dealt with criticism against some of the new tax proposals in the Central Budget in the course of his reply to a memorandum presented by the Mysore Chamber of Commerce. The tax on diesel oil, he explained, was a temporary expedient and in the nature of a corrective measure. Diesel oil is in short supply in the country and the rising demand for this is to be met from imports. The additional tax on Diesel oil is aimed at arresting the dieselisation of vehicles. As there is an unexportable surplus of petrol, interests of road transport will not be jeopardised but more diesel oil will be available for agriculture for which this oil is essential. Mr Reddy has explained away the tax on exposed cinema films even more simply. He seems to think that much ado is being made about a small levy that is sought to be imposed on the film industry. What the Government want is only Rs 75 lakhs from it. Government have no objection to withdrawing the levy if the industry is able to give this amount in some other way agreeable to it. Similarly,

Mr Reddy has advanced convincing arguments to justify the tax on cycles, the duty on silk and staple fabrics and the proposed amendment of Section 54 of the Income tax Act in order to make known income-tax assessments to the public. One cannot but agree with Mr Reddy when he points out that the cycle industry has grown rapidly (production of cycles is near the 1 million mark now) and that the tax will mean that one has to pay only Rs 10 in the whole lifetime of one's cycle.

Planning for MP Deliberately

Dr Katju, the Chief Minister of Madhya Pradesh, in his inaugural speech at the first meeting of the State Board of Industries and Natural Resources, highlighted the importance of the implementation of a "deliberate and thoughtful plan" for the fuller exploitation of the State's vast natural resources and thereby accelerate the pace of its industrialisation. It may be recalled that the Board was specially constituted by the Government for this purpose by bringing together the various factors for development like Government agencies, private enterprise and public opinion. The main stumbling blocks that retard the progress of industrial activities in the State were the lack of adequate transport facilities and sufficient water and power supply. The advantages of developing these facilities in a State need hardly be emphasised, especially for the uplift of the backward areas. Apart from these, other inducements should also be offered to industries to spread out to the undeveloped and underdeveloped areas, like factory accommodation on reasonable terms and water and power supply at moderate rates.

It may be pointed out that the spark of industrialisation in the State has already been kindled with the installation of Bhilai Steel plant, Heavy Electricals and Security Paper Mill in the public sector. In the private sector also, paper mills, fertiliser plants and new units like cement factories, sulphuric plants are likely to be set up shortly. Nevertheless, the abundant availability of resources in the State provide ample scope for further industrial activities. As pointed out by the Chief Minister, the iron-ore deposits in Raughat and the Ballidiala areas and bauxite deposits in the Amarkantak regions can be profitably exploited if new industries were set up in those regions. Apart from lifting those regions from their industrial backwardness, the new industries will also provide additional employment to the people. And it is left to the Board to evolve a realistic plan for the rapid development of the State and recommend effective steps for its speedy realisation.

Bar Trouble

Steps taken to produce a unified Bar for India by improving Bar Councils will be welcomed as derived from the integration of the medical profession. The recent Bombay case in which the High Court asked the State Government to explain why its warrant was not executed certainly caused alarm in the profession, and the Western India Bar Association entered a separate plea to maintain the authority of the Court. The Advocate-General argued that the discretionary power of the Governor ruled out the execution of the sentence passed by the Court. None has so far asked whether, as the Leader of the Bar, the Advocate-General was justified in opposing the Bench and Bar alike, merely on the score of his nomination to office by the Governor. The niceties of etiquette may have to be explained by a reference to the Benchers in London. It cannot be argued that the client's claims override those of the profession, ranged in this case against executive power deployed only to obstruct justice.

Though nothing can be done now to remedy a situation, caused by indiscretion rather than malice, it is patent that a written Constitution does not vest overriding powers in the judiciary and the US Court's action in asking the federal government to hand over steel plants to private owners as explained in the Youngstown Sheet and Tube case remains for India an unattainable precedent. The Advocate-General's reliance on the power to pardon ignored the procedure adopted in California this year or the exercise of the Crown's prerogative in the UK where the advice of judges is always taken by the Home Secretary to recommend reprieve.

The intrusion of the Centre is in a way understandable, but the State Cabinet as a whole had no chance to consider the issue and the rejection of the petition for leave to appeal made the Governor's action appear arbitrary. However, the point to consider is whether the Attorney-General or the Advocate-General is a Cabinet Minister (like the US Attorney-General) or a practitioner whose first duty is always to the Court rather than to the State as client. Opinions may vary, but an independent appraisal of the conduct of the recent proceedings in the Bombay High Court will help to prevent a fall in the standards of legal department. The Advocate-General did not appear earlier in the case and was instructed to plead for the Governor, even while denying the jurisdiction of the Court. An impossible situation was certainly created, but it could have been avoided by the Advocate-General making it clear that he did not consider himself as apart from, or above, the Bar, which has insisted that a case of contempt of Court had arisen by refusal to follow the Court's order.

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FOREIGN NOTES

US GNP Up

IN its latest monthly review of economic conditions in the US, the US Department of Commerce noted last week that business activity continued at a high level in February and will post a substantial gain during the first quarter of 1960 over the last quarter of 1959.

While the Department obviously is not yet ready to specify just how large the gain will turn out to be, officials have little hesitancy in saying that the Gross National Product (GNP)—the nation's total output of goods and services—will approximate an annual rate of \$500,000 million. This would represent an increase of better than \$16,000 million over the previous quarter's rate—the largest quarter-to-quarter advance in a decade. What is more, this current gain is being registered without the benefit of price rises to inflate the dollar value of the goods produced and the services rendered.

What makes this performance all the more notable is the fact that it comes at a time of so-called "business uneasiness"—reported apprehensions over faltering automobile sales, steel cutbacks, inventory build-ups, lagging retail sales, etc.

There is no doubt that some of the first quarter gain represents the lingering after-math of last year's lengthy steel shutdown. But now, as the Commerce Department observes, the strike-induced disruptions and shortages have been largely overcome, and, in the early weeks of March, there was little evidence of any "forced momentum" stemming from this source. From now on, economic movements will be shaped primarily by the usual and basic supply and demand factors.

An important key to these movements, of course, will be consumer behaviour. The continued rise in the disposable—after-tax—income of Americans is likely to play a major role in sustaining consumer expenditures and economic activity in general.

One of the nation's foremost economists—A. W. Zelomek, President of the International Statistical Bureau—has some interesting observations to make on this score. He expects total disposable income to expand at an annual rate of close to \$18,000 million in the first six months of this year, or better than five per cent above the comparable 1959 levels. And he foresees consumer spending for this period exceeding the pace for the similar 1959 period in about the same proportion. His views are based on several factors.

1. Sales of new automobiles will rise, and will show larger gains than have been evident in the first few months of the year. It is interesting to note, in this connection, that retail sales of new cars picked up noticeably in mid-March from the earlier weeks of the month.

2. With food prices steady, consumers will have more money on hand to put into the purchase of other types of merchandise.

3. With their incomes going up, consumers will be in a position to step up their instalment, or time, buying. This is likely to have its greatest impact on automobile sales, but it also will affect a broad range of products, including appliances and house-hold furnishing.

4. Retailers will be building up their inventories above present levels. In the main, however, they are expected to adhere to the kind of conservative inventory policy which has become evident in the past few months. Since inventory-sales ratios are relatively low today, this implies that self-stocking will remain close to actual needs, and inventory liquidation should not be a problem.

Mr Zelomek also sees the calendar playing an important part in consumer activity this spring. As a number of analysts have pointed out, the Easter holiday is coming

a few weeks later this year than last (April 17 as against March 29), with the result that the major impact of the usual pre-Easter buying upturn has yet to materialise.

Nor are analysts overlooking the effects of the weather. Spring has been late in coming this year, and March has been an unseasonably cold and snowy month throughout America—hardly the circumstances calculated to bring out spring shoppers in large numbers. Now, however, with the worst of the wintery blasts apparently over, retail store sales are beginning to perk up. This, and the past week's upturn in automobile sales, are being cited as early signs of a vigorous consumer market in the months ahead.

UK Jottings

Britain's exports and imports reached the record figures of £316,300,000 and £367,300,000 respectively in January 1960. Revealing these figures the Board of Trade in London admitted that January is normally a favourable month for exports and the high level of imports was attributed to the increased domestic economic activity. According to the report of the Board of Trade, exports in the period November to January were 4 per cent more than in the preceding three months and 7 per cent higher than the average for 1959, while the imports were 8 per cent more in November-January and 10 per cent higher than the average for the previous year. The full trade returns indicate that the recovery in exports, which has been a welcome feature of the latter part of previous year, was more widely spread than had been the case earlier in the year. Thanks to the recent buoyancy of exports, the excess of imports over exports was kept within reasonable dimensions.

Industrial output in the United Kingdom registered a strongly upward trend in January. The latest index of industrial production issued by the British Treasury stated that the output of steel, cars and man-made fibres reached a new record and added that the boom is gradually spreading out steadily from steel, motor and the appliance industries into general engineering, too. The production of both steel and pig iron reached an all time record. Steel production continued at an average weekly rate of 484,200 tons and pig iron output ruled steady at an average weekly rate of 301,500 tons.

According to the statistics issued by the Ministry of Labour, unemployment in Great Britain is now at one of its lowest levels for many years and the unemployment figures fell by 11,000 between 11 January and 15 February.

The Sterling area gold and convertible currency reserves stood at £972,000,000 at the end of February. However, the outlook for the reserves in the rest of the year does not appear, to be bright, but

the economic situation at the commencement of this year is comparatively stronger.

As a result of the marked expansion in commodity-producing capacity throughout the Commonwealth, the exports of raw materials from these countries shot up from £342 million in 1958 to £2,380 million in 1957. The Commonwealth provided nearly all the free world's output of colr and corundum, more than nine-tenths of jute platinum metals, asbestos and rutile, and half of gold, mica and diamonds (by value) nickel, wool, ilmenite as well as substantial share of many other raw materials. Along with this remarkable development in Commonwealth production, consumption in the Commonwealth countries also showed a sizeable increase.

French Facts & Figures

The French economy in 1959 experienced an uptrend in industrial production which has remained uninterrupted in the first month of 1960. The overall index of French industrial output (not including building) at 183 in December 1959 was higher than the previous record of 181 in November and 15 per cent higher than the index of 159 registered in December 1958. Production of cement totalled 14,000,000 tons compared with 13,415,000 tons in 1958, which works out to an increase of 4.4 per cent. Aluminium production was higher at 215,700 tons in 1959 against 209,744 in 1958. Iron ore output registered an increase of 2.46 per cent, being estimated at 60,898,000 tons in 1959 against 59,437,817 tons in 1958.

Automotive industry and artificial textile constituted two major exceptions to the general trend in industrial activity. Production of heavy transport vehicles declined by 10 per cent as compared with 1958. Rayon output was lower at 52,780 tons against 57,289 tons in 1958, and production of staple fibre receded to 57,012 tons in 1959 from 69,823 tons in 1958. French coal production at 59,775,000 tons in 1959 was 264,000 tons less than output in 1958. There was, however, an offsetting increase in the production of electricity, which stood at 64.55 billion kwh as compared with 61.8 billion kwh in 1958.

A sharp swing in the foreign trade balance was another notable feature of the French economy during 1959. Statistics of trade published indicate that the country's foreign trade balance for 1959 will show a surplus of 260.1 billion old francs compared with a deficit of 202.1 billion francs for 1958 and a deficit of 376.2 billion francs in 1957. Exports totalled 2,775.2 billion francs in 1959 compared with 2,153.1 billion francs for 1958, while imports were valued at 2,515.1 billion francs in 1959 against 2,355.2 billion francs in 1958.

April 2, 1960

WORLD OF BUSINESS

Refractories: Progress, But not Enough

The speech delivered by Mr A. Banerjee, the Chairman of the Indian Refractory Association, at its Second Annual General Meeting held in Calcutta, provides a general picture of the progress made by the industry and the manifold problems it has to confront. As claimed by the Chairman, the industry recorded remarkable progress, but the total output of the industry was sufficient to meet only a fringe of the growing demands for refractories from the steel factories. Sardar Swaran Singh, the union Minister for Steel, Mines and Fuel, was merely voicing the general sentiment of the steel manufacturers when he complained at the meeting of the Engineering Association that the refractory industry had failed to step up production proportionate to the requirements of the Steel industry. But, as revealed by Mr Banerjee, the demands for these goods were exceedingly large and were concentrated within two or three years; hence the wide gap between supply and demand. It was also indicated that the industry's task would be simplified if uniform specifications and dimensions were agreed upon. Besides, the draft specifications drawn up by the Indian Standards Institution did not appear to be adequate for the needs of the new plants.

From the policy of the Government, it is quite evident that the steel industry will have to rely entirely on the indigenous refractory industry over the next two years. And the steel industry will have to accept, in the beginning, bricks which will not be of the same quality as imported bricks. But the fact that the industry can produce only refractories of particular specification when reasonable demand has been established cannot be overlooked. It was only recently that it had been made clear that a sufficient demand existed for certain types of refractory materials and the necessary changeover to the manufacture of refractories of the required type is bound to take some time.

The Association also expressed its difficulty in accepting the Indian Standards Institution Certification Marks scheme, for, it involved innumerable tests for both the raw materials required and for the refractories produced even for the lowest grades and the cost in implementing the scheme would be extremely high in relation to the cost of the refractories.

Another serious problem which has telling effect on the quality of refractories produced is the shortage of high volatile coal. The industry requires good coal in order to maintain the high temperature necessary in the furnaces and kilns, and if low grades of coal are used these high temperatures cannot be maintained. This will result in deterioration in the quality of the products.

Confectionery

THE confectionery industry occupies a unique position in that it has already built up an installed capacity sufficient to meet the needs of the country during another two or three Plan periods also. The installed capacity of the 44 units registered with the Development Wing of the Ministry of Commerce and Industry is estimated at 51,000 tons. The Planning Commission's production target for the Second Plan period is 10,000 tons, which is expected to be exceeded by about 50 per cent. In the course of his presidential address to the recent annual general meeting of the Indian Confectionery Manufacturers Association, Mr P. Mohanlal, estimates the confectionery requirements during the Third Plan at 25,000 tons. However, there is no worry about building an installed capacity sufficient to meet the anticipated increase in demand. But it is wrong to imagine that the industry has no problem at all. Mr Mohanlal has listed quite a few that trouble it. Sugar is the main raw material for the industry, and with this commodity not in plentiful supply, the confectionery industry has had to bear its part of the general difficulty in procuring adequate supplies. The various restrictions and regulations that go by the name of sugar policy have made the position of even those confectionery units who have got their own sugar factories no better than that of the ordinary consumer. Mr Mohanlal's plea that Government should devise a scheme for ensuring regular and adequate supplies to all the units registered with the Development Wing should appeal to Authority if it is keen on avoiding the present confusion in the supply of sugar to the industry.

Two other points touched upon by Mr Mohanlal deserve special mention. Printed waxed paper is an essential item for the industry, but, after representation, Government have agreed to allow the industry to import half its requirements. But what about the other half? This is to be got from indigenous sources, and Mr Mohanlal says the domestic product is not of the required high standard. The confectionery units are perfectly right in refusing to use printed waxed paper which is not of a high standard, because the sweets that will be wrapped in this paper is an article for human consumption. So long as there is no adequate indi-

genous supply of waxed paper of the desired quality, there is no alternative to allowing imports. But the question why our indigenous manufacturers of printed waxed paper should not be made to improve the quality of the paper has to be considered by Government. With its large installed capacity, coupled with the fact that the quality of its products has been found to be quite acceptable to overseas countries, the confectionery industry gains importance for its export potential. But it is handicapped by the inadequate supply of sugar and its high price. If Indian confectionery is to compete in overseas markets, its price must be comparable to that of other manufacturers. Mr Mohanlal has rightly pointed out that a policy similar to that followed in respect of some other export products like cotton textiles is indicated in the case of confectionery also.

From Hand to Mill

Mr G. E. Howitt, Chairman of the Calcutta Flour Mills Association, has dealt with the many problems faced by the flour mill industry in his recent report to the Annual General Meeting of the Association. The main preoccupation of the flour mills represented by this Association seems to be wheat supply and the difficulties created by the rather unimaginative policy governing its distribution. Quotas allotted enable the mills to work only 66 per cent of their capacity. With the rise in rice price, demand for wheat products has increased, and it is urged that the daily allotment be increased to 1,100 tons from the present rate of 800 tons. It would appear that often wheat which has lost its essential characteristics is forced on the mills in the form of reconditioned wheat. There has been at least one instance where a mill has to face prosecution for using the reconditioned wheat supplied by Government. The inspecting authority has found the wheat unfit for human consumption. It cannot be the intention of authority to pass on damaged wheat to the mill industry, thereby endangering the health of the population.

There appears to be some sort of a dictatorship in operation in regard to distribution of wheat to the flour mills. Mr Howitt has referred to two clauses relating to quality and quantity in the new application form to be used by mills for the purchase of wheat from Government. These are in the nature of 'compelling mills to accept such quality as is offered and under conditions which appear to be positively inimical to the interests of the mills. It is stipulated that no claim for short weight or short receipt would be accepted by Government at any time, in whatever circumstances. Considering the frequent shortage of wheat products that occurs in Calcutta, the plea that sufficient

wheat should be allotted to mills to enable them to build up a reserve is reasonable. As it is, they are living from hand to mill.

Mr Howitt's reference to the move on the part of Assam to become self sufficient in the production of wheat touches on an important aspect of Government policy. The flour mills in Calcutta usually supply Assam's requirements of wheat products. This market will be lost to them hereafter, and consequently their idle capacity may probably be further increased, although, already, the mills have one-third of their production capacity lying idle. It is rather strange that new units have been allowed to set up in Assam when, in a nearby State, flour mills are having considerable idle capacity.

Madras Fertilisers

Sanction has been granted for the installation of a fertiliser factory in Madras. The new factory, called "Madras Fertilisers Ltd", will be located in Cuddalore with an authorised capital of Rs 100 lakhs. The plant will engage in the production of sulphuric acid and superphosphate. The necessary industrial licence has already been given and the Capital Goods Committee is considering the issue of adequate import licences. The issue of such licences is all the more important by which the authorities can procure adequate supply of raw materials from abroad. The new plant is destined to play an important role in helping the country to increase agricultural output. Mr M. Ct. Muthia, the Chairman of the Indian Overseas Bank Ltd, will be the Chairman of the new company and Messrs M. Ct. Pethachi, A. R. Ramanathan and S. P. Virmani will function, as directors.

Machine Tools' Output

Indian Machine Tool Manufacturers' Association report that the total approximate production of various machine tools by their 13 leading member-firms during the month of January, 1960, was—

Description of Machine Tools	Quantity	Value
Manufactured	Nos.	Rs
Lathes	198	28,66,679
Milling machines	25	10,17,500
Radial drills	15	2,00,000
Shaping machines	47	3,80,545
Drilling machines	37	1,23,000
Hacksaw machines	10	24,329
Miscellaneous	10	9,700
Lathe chucks	229	46,330
Drill chucks	172	7,981
Total	743	46,76,064

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SPECIAL SECTION

[In the course of the last two weeks, Central Government Ministries have published their Reports for 1959-60. This Special Section summarises some more reports which have been received.]

External Affairs

The work of the Ministry of External Affairs is not solely confined to India's relations with foreign countries or the UN. In the domestic sphere, apart from the administration of a number of Acts relating to Emigration, pilgrims etc, the Ministry is also responsible for the administration of tribal areas on the North East Frontier. Expenditure under this head accounts for over a quarter of the total estimates for the Ministry, and amounts to Rs 126.77 lakhs out of a total of Rs 484.92 lakhs in the revised estimates for 1959-60. The allocation for the 109 Missions and Posts abroad amounts to Rs 224.46 lakhs, while the allocation for the Headquarters amounts to Rs 73.12 lakhs. The performance of the External Publicity division has frequently come under fire in Parliament and outside. The total budgetary provision for the Division in 1959-60 amounted to Rs 93.5 lakhs, of which Rs 71 lakhs represented expenditure on Information Posts abroad, and the balance the expenditure at headquarters. The annual report of the Ministry points out that this expenditure includes the salaries of officers and staff (India-based and local) costs of passages, foreign allowance, rents and taxes for premises, the cost of furniture and other equipment postage telegrams, telephone charges etc, which leave "only a small proportion of the total financial outlay for purely Information and Publicity work". The External Publicity Division runs 48 separate Information Units and provides information services to about 94 Indian Posts abroad.

Part two of the report, which summarises India's relations with the different countries during the year, forms a compact and up-to-date guide to India's relations with the rest of the world. The report notes the improvement in relations with Pakistan which are treated at some length, as well as the unfortunate set back in relations with China.

Iron & Steel

The year 1959 marked the turning point in India's steel economy. Production of steel increased from 1.39 million tons in 1958 to 1.77 million tons in 1959, the two producers in the private sector contri-

buted most of the increase. The blast furnaces in the public sector plants started producing pig iron during the year—in Rourkela and Bhilai at its beginning and in Durgapur toward its end. Rourkela and Bhilai made substantial contribution to the sharp increase in the output of pig iron from 441,000 tons to 752,403 tons. The public sector plants also started producing steel during 1959. During the year Tatas and Indian Iron had almost completed the expansion programmes they had undertaken.

As a result of increased production the supply position of pig iron was comparatively easy. Larger supplies of billets were also available to the re-rolling industry which stepped up production from about 445,000 tons in 1958 to 566,000 tons in 1959. During the year India exported pig iron for the first time since 1953, and finalised exports of about 258,900 tons of which 168,900 tons were sold for cash and the rest in exchange for steel.

The report of the Department of Iron & Steel (Ministry of Mines and Fuel) points out that in spite of increased production achieved during the year, total availability was less than in previous years. Supplies continued to be restricted on account of shortage of foreign exchange. Only about 750,000 tons of steel were imported in 1959 against 1.17 million tons in 1958 and 1.72 million tons in 1957. Except for increase of Rs 12.5 per ton in price of wire, statutory steel prices remained unchanged during the year.

The Ministry has been following a policy of liberal export of melting scrap of types which could not be utilised in the country. The total availability, now estimated at 400,000 tons, is expected to go up to about 600,000 tons by 1960-61. In order to utilise that larger quantities of scrap that would become available, 19 new electric furnaces were sanctioned in 1959. Two small blast furnaces each with a capacity of 15,000 tons per annum (one in Madras and the other in Orissa) have gone into operation. Seven more have been sanctioned—two in Madras State, three in Bombay State, one in West Bengal and one on a small scale in Madhya Pradesh.

Rehabilitation

The report of the Ministry of Rehabilitation of 1959 begins on the confident note that the formidable task assigned to the Ministry twelve years ago is, now within sight of completion. About 28.57 lakhs of persons are estimated to have migrated from Pakistan up to December 1959. Of these 47.40 lakhs came from West Pakistan and 41.17 lakhs from East Pakistan. The expenditure on displaced persons up to the end of 1959-60 is estimated at Rs 352.52 crores, of which the expenditure on displaced persons from East Pakistan amounts to Rs 165.71 crores. In the Western

Zone the rehabilitation of about 48 lakhs of displaced persons has been almost completed. Substantial progress has also been made in the payment of compensation. About 4.49 lakhs, out of 4.85 cases, have been disposed of. With the completion of the residuary work in connexion with the rehabilitation of the displaced persons from West Pakistan, it is hoped that the Western Wing of the Ministry will be wound up within 1960-61.

As regards displaced persons from East Pakistan, the report says the year 1959 marks the beginning of the final phase of rehabilitation. During the year 48 camps were closed, and at the end of the year there was a total population of 1.33 lakh persons in 91 camps in West Bengal and Bihar. Total number of families given rehabilitation assistance so far is 6.02 lakhs, including 26,000 families which were given assistance during the year under report. While the progress of the Dandakaranya Scheme has not been up to expectations, the report points out that the work of reclamation has been started in right earnest, and that, hereafter, there will be a steady flow of camp population to Dandakaranya.

Scientific Research & Cultural Affairs

The brochure published by the Ministry of Scientific Research and Cultural Affairs of the Government of India has highlighted some of the important activities of the Ministry during 1959-60. The Summer School on Theoretical Physics held at Mussoorie in June last was attended by 53 delegates and the report of the School was published in two volumes. Sixty-two new inventions by the National Laboratories and other institutions were reported for development. Decision was taken to improve the pay scale of teachers in Science and Technical subjects at University institutions, Technical Institutions and other affiliated colleges. Special committees were appointed by the CSIR to consider the question of scientific instruments and the establishment of a Central Institute of Scientific and Technical Information.

The Survey of India conducted extensive surveys for Gauhati Oil Refineries Site and Township and for Kiriburu iron ore mines. Surveys of the desert regions for the Rajasthan Canal Project are being carried out by three separate field units. The National Atlas Organisation completed the drawings of 15 originals for the main English Edition of the map of India.

The recommendations of the Central Board of Geophysics for the procurement of geophysical data from private agencies engaged in the exploration of oil and also for the setting up of a committee for Exploration Geophysics were accepted by the Government.

The Zoological Survey of India conducted faunistic and ecological surveys of the Sambhar Lake

(Rajasthan), and faunistic surveys of Andaman and Nicobar Islands and of UP.

Remarkable progress was made in the field of Technical Education during the period. It witnessed the setting up of the Indian Institute of Technology in Madras. A scheme of merit-cum-means scholarships was formulated and implemented to extend state aid to meritorious but poor students to continue their technical studies. Schemes for the establishment of 40 polytechnics and nine engineering colleges were finalised.

The Scheme for the development of Museums and Modern Indian languages made substantial progress. A scheme of inter-state exchange of cultural troupes was formulated with a view to promoting cultural and emotional integration and solidarity among the common people all over India.

Cultural agreements were signed with the USSR and the Republic of Czechoslovakia. Indian delegates participated in various International congresses and conferences held abroad. Scholarships pertaining to scientific and cultural subjects continued to be awarded by the Government of India both to Indian and foreign students. Information is also being compiled on facilities for study in technical courses available in India and on educational facilities at post-graduate level in other Commonwealth countries.

NIDC LOANS

The National Industrial Development Corporation has formulated a new scheme for granting loans up to Rs 10 lakhs to cotton textile and jute mills for speedy modernisation and rehabilitation.

The scheme will be in operation in addition to the two other NIDC schemes for long and short-term financing of the programme of modernisation and rehabilitation of machinery in selected industries.

Loans granted under the new scheme, like Bank Advances, will be secured by a simple promissory note executed by the mill company with an equitable mortgage or guarantees as collateral security. Repayment of the loan will be in five equal instalments, but the first instalment will fall due only two years after the drawal of the loan amount.

Under the long-term financing scheme, the NIDC has so far sanctioned loans totalling about Rs 124 crores for facilitating rehabilitation and modernisation of machinery in 27 cotton textile and 24 jute mills. A sum of Rs 5 crores has actually been drawn so far, and further disbursements will be made as and when the machinery is delivered and has to be paid for.

Besides loans to the cotton textile and jute industries, the NIDC has also sanctioned two loans totalling Rs 35 lakhs for assisting in the expansion plans of the machine tool industry.

LANDMARK

Kundah Project

IN his inaugural speech at Kundah throwing open the first station of the Kundah Hydro-electric scheme, the biggest in Madras State and the nation's third biggest, Mr Nehru appropriately described it as a symbol of "national and international cooperation" for the welfare of the people. This Rs 34 crore scheme will add 55 per cent to the capacity to the Madras Electricity Grid. Mr C. A. Ronning, Canadian High Commissioner, and Mrs Ronning travelled with the Prime Minister all the way down to Kundah from New Delhi to be present at this significant function. He described this as the greatest project with which the Canadians were associated and he hoped to bring a Canadian Minister when the next power house of the Project was to be commissioned.

Mr V. P. Appadurai, Chief Engineer for the State Electricity Board, who should indeed have been the happiest man on the occasion, hoped there won't be occasions in the future when the State would suffer from power cuts during summer months. The per capita consumption of power in Madras State is 42 units with the average for all-India at 30 units. Kundah's first power station has now added another 20 units, increasing the per capita consumption 62 units in Madras.

Probably to inject a sense of democracy into the official inauguration of the function, to which a very distinguished group of visitors had been invited, including a number of Canadian engineers associated with the scheme, 52-year old Sardar Khan, who joined as foreman at the very inception of the scheme and was with it ever since the first pod of earth was turned up at the Kundah village, pressed a key to synchronise with the power generation through water jets spinning the turbine wheel at which two Canadian engineers were present to offer their comments through a loudspeaker heard by the big audience.

The top of the Kundah hills grew dusky and cold as the evening wore out and the Prime Minister was a bit delayed due to the breakdown of his car enroute to the village. The villagers round about the far flung mountainous hamlets had trekked down from early in the forenoon along with their womenfolk. It was a good crowd for the place to greet not only the Prime Minister but others who had gone there to witness one of the most eventful functions in the industrial history of the State. The function was not only colourful but looked quite dramatic. The Prime Minister's speech was pointedly brief. He said his presence at the inauguration had made him "happier just to see the project is built with the joint cooperation of the Canadian Government and their engineers and our engineers." Those who had helped in building the Kundah scheme, Mr Nehru pointed out, had helped to some extent to build a new India that was shaping out. In his own words, the people of the Kundah had not only "built the Kundah project, which will produce electric power, but partly a new India."

In his further reference to the importance of making the workers conscious of their big participation in the emergence of a great nation to the take-off time on to a new economic and industrial era, Mr Nehru stressed the necessity for educating the workers with the knowledge that they were participating in a scheme which would bring happiness to large numbers of people and that they were engaged in the building of a new India. "It is only then," Mr Nehru thought, "that the engineers' work becomes fruitful and full of meaning; the engineers, the mechanics and others engaged in the work must see the picture, not only of the completed scheme, not only of dams and power houses and electric wires taking power to distant parts of the country, but they should see and explain to every humble worker the significance of these, because it has something to do with the lives of millions of people. It is something which will bring happiness and work to a large number of people and will raise the standards of living of all of you."

Mr Nehru expressed gratitude for the Canadian help on behalf of the Government of India and said, "This Kundah project is the symbol of national cooperation and international cooperation. Therefore, it represents something that is very good because it is through a nation working together and cooperating with other nations that we shall progress, and the world will progress." The Prime Minister congratulated all of them who had been associated with the work whether they came from Canada or India and whether they were "humble people of villages, who worked because you have had a share in the building of this great work."

Mr V. Ramiah, Minister for Electricity, thanked all who attended, for responding to the invitation and making the inaugural function epochal. The first power house will immediately add 40,000 k.w. of power and the second power house, which will be bigger, would probably be commissioned in the next few months. This second house would enrich the grid with another 140,000 k.w. Thus, this project

would add 180,000 k.w. of power in an early stage, giving a great impetus to the State's industrial progress. Then, Madras would top Indian States in hydro-electric power production.

What perhaps should have impressed most of the Canadian engineers associated with the project was the labour force of some 10,000 persons, constructing that vast undertaking. The minimum amount of mechanisation has been the key note of the project work, and Mr Pratt, the Capital Projects Chief, Canada, felt that this scheme was "worthy of study by any western engineers or constructors interested in development work in your country."

Mr D. Stairs, Vice-President, Montreal Engineering Company, who are the chief constructors of the Dam, truly said the credit "for the cooperation and design of the project and for forcing it through to completion (in a record time of 34 years, be it remembered) in all its far flung complexity goes to Mr V. P. Appadurai and his staff." The great masonry barricades rose across the valleys, stone on stone, tier on tier, with infinite toil and care. The Mountain streams are filling the new lake and running through the tunnels carved out of the rock and down through the steel pipes to the powerhouses far below and driving the generators, and sending the power out all over the State of Madras. Such were the highly inspiring words of Mr Stairs.

Engineer after Canadian engineer, associated with the Indian labour force while the project was on the road to rapid progress, had nothing but high praise for the "well preserved symbols of your ancient civilisation. It underlined how young our own country is and how few and far apart are our historic monuments."

In the words of Mr C. Ritchie, General Manager, Montreal Engineering Company, who were responsible for the design and construction of the dam with the co-operation of the Madras Electricity Board headed by the energetic and untiring Mr Appadurai, the Kundah Project "is of major proportions by any standards and represents the most modern engineering practice in hydraulic design to be found today—it is a work of outstanding significance."

"This Project will also symbolise the cooperative nature of the Colombo Plan," Mr John Diefenbaker, the Prime Minister of Canada, said in his message to the inaugural function. "It is a matter of gratification to all Canadians that engineers, technicians and experts from our two countries have worked closely together in friendship and understanding, and have brought this impressive Project to its final stages. I am confident that these final bonds of mutual understanding will make a lasting contribution to the deep and close association which is continuing to grow

between our two countries," Mr Diefenbaker said.

Mr C. A. Ronning, Canada's High Commissioner in India, said the Canadians who had visited the Kundah project in the process of formation were all impressed not only by the spirit of cordial co-operation, but also by the craftsmanship of the Indian worker and by the high standards of Indian Engineering which had been demonstrated at the project. "It is thus a matter of pride for my country to be associated with an undertaking which can do so much to help the farmer, the manufacturer and the worker in the State of Madras."

Mr Ronning said that Canadians were prepared to continue "with this fruitful cooperation." He disclosed that, during the present fiscal year, Canada had increased its commitments under the Colombo Plan, despite the Canadian Government's desire to reduce its financial deficit, and this had been done with the encouragement of all parties in Canada's Parliament and by the people as a whole.

He also disclosed, "During the next twelve months studies will be carried out in India to see what might be most usefully undertaken in some cooperative way."

Mr Ronning's words in concluding his speech at the inaugural function proved very encouraging: "As more lights go on in the villages of Madras State, and as the sound of water is heard from the electric pumps, perhaps we may all be inclined to think again of our mutual experiences in the Commonwealth to which both India and Canada belong. I suggest that this mutual experience has been enriched and broadened by our joint participation in the Colombo Plan of the type so clearly exemplified by this Kundah Project."

The Chief Minister of Madras was typically his self while describing the Kundah scheme. Not accustomed to waste words, he described the Kundah as "one more dream come true." He said, "This work will brighten many homes and lighten the load of many men. Our first tribute therefore is to those who completed this project in good time. The story of Kundah should not stop here; the power from Kundah should be made to turn the wheels of industry in every village and town to create perpetual work and wages for countless more people. I am sure Kundah will be our proudest achievement since Independence."

The Finance Minister, Mr C. Subramaniam, should have been a happy individual, though State Assembly Session did not allow him to participate in the function. Firstly, because he is the child of a district whose industrial potential and progress so far has not yet been properly assessed and now it stands to benefit immensely; secondly because he has been tirelessly telling Separatist political

groups in this State that Madras was not lagging behind in its march toward industrial progress. Coimbatore's progress in small-scale industries is something that is phenomenal. With organised coordination and collaboration among the small industrialists, it could easily emerge as the best in India even better than the Punjab, which is credited with craftsmanship confidently depending upon the little machines which are abundantly manufactured there.

Coimbatore district should prove ultimately the industrial pivot of the South. It abounds in little enterprises run by little captains of industry with courage and confidence. In some factories, particularly in textile machinery manufacturing, a certain factory has been producing amazingly much with amazingly little capital investment. In the north, similar organisation would have invested several times the same amount. There is a call definitely from Coimbatore. If only the industrialists open their eyes wide open, arrange for good publicity and broadcast their achievements, which will astonish any western industrialist, an unprecedented boom is knocking at their door steps. To this extent, the Kundah project would have helped this most advanced district, but which is still unconscious of its own achievements and potentialities. It should now wake up.

The Facts

THE history of the Kundah Scheme, the biggest hydel project in Madras State and the third biggest in India, dates back to 1921. Tatas were given a concession to develop power from Kundah then, but when no attempts were made to make use of the concession, it was withdrawn. Investigation of the scheme was made during the First Five Year Plan itself. The final report was submitted to both the Central Government and the Central Water and Power Commission in January 1952. The scheme came back to the Madras Government two years later, in 1954, after some amendments.

It was in September 1955 that the scheme was finally approved. The estimated cost of the scheme was Rs 35.44 crores, which also included the cost of drawing the transmission lines.

Sir Chintaman Deshmukh, who was Finance Minister, Government of India, inaugurated the scheme on 29 June 1956.

The Kundah basin is situated to the South-east of the Pykara basin in the picturesque Nilgiris. There are two streams, the Avalanche and the Emerald. The names of these two streams are undoubtedly English in origin and probably these were so named by English men who alone ventured into these places long ago when they ruled India. These turbulent streams rise amidst the high peaks of Devabetta, Karaikada, Kolinbetta and Porthimund. They rise at an

altitude of over 8,000 feet and the streams falling down the valley form the Kundah river. Joined by some more streams, the Kundah river takes a southeasterly direction near Mandanai at an altitude of about 6,000 feet. The river has got a fall of about 200 feet here. For about 2,000 feet, it cascades through. It reaches the Kundah village where, again, it is joined by the Kanarahalla and Koulmuli-halla streams. The swollen cascades and, at 2,100 feet above sea level, another stream, Peghumbahalla, merges with it. Beyond this confluence, it runs in rapids for about a mile and half and later, in an easy gradient, down to its junction with the river Bhavani at an altitude of 1,340 feet.

The development of the Kundah basin has been taken up in two phases. Each phase will have four stations and an auxiliary power station.

The Second Five Year Plan period envisaged the construction of a storage by building two dams across Avalanche and Emerald streams of 5,500 million cubic ft with an interconnecting tunnel; a reservoir at Upper Bhavani of storage of 3,573 million cubic ft capacity and a tunnel 9,740 ft long to connect this to Avalanche reservoir; a pressure tunnel about 15,000 ft long from Avalanche reservoir to surge tank one from where penstocks lead to Power House I, which was commissioned to work last week.

Particulars are: Power House I, on the right bank of the Kundah river (opened last week), near Kundah Pallem village with a gross head of 1,177 ft and an installed capacity of 40 Mega Watts; forebay dam for Power House II (to be commissioned in a few months) across the Kundah river to collect the tail race water of Power House I and the run off from its free catchment of 44 sq miles; pressure tunnel about 12,000 ft long from the forebay to a surge tank and penstocks there from to Power House II, located on the left bank of Pegumbhalla stream, and finally Power House II utilising a gross head of 2,470 ft with an installed capacity of 140 Mega Watts.

Mr H. G. Nil Cavel, Canadian Administrator of the Colombo Plan, visited India in February 1955, Kundah scheme was suggested as a scheme that could be undertaken and the Canadian representative took keen interest, and Canada deputed its Engineering Consultants, (Montreal Engineering Company, Canada) Messrs D. Stairs and J. K. Sexton to the project site. The scheme was reported technically sound by them.

On 29 December 1956, an agreement was concluded at New Delhi by which Canada was to give aid to the tune of \$20 million, in Indian currency about Rs 10 crores. Up to now, Canada has given \$25 million to the Kundah Scheme.

A brief history of power development in Madras State would

not be out of place here. Though power generation dated back to 1908, actual progress could be said to have commenced only when Sir C. P. Ramaswami Aiyer created, in 1927, the Government Electricity department for developing the Pykara Hydro-electric scheme in 1932 and the Mettur Hydro-electric scheme in 1937. In 1944, the Papanasam Hydro-electric scheme was completed. The Madurai Thermal station was commissioned in 1951. In the next year, the fourth hydro-electric power station of Moyar came into operation. The Basin Bridge station, generating 15,000 kw, was installed in 1953. The Madurai Thermal Station was augmented with an additional turbo set in 1954. Also, the Pykara scheme got added capacity of two units capable of generating 13,600 kw. each in June 1954. Another 15,000 kw. was added to the grid in January 1955. In April 1958, the grid was helped with another 30,000 kw. In the Periyar Power House, the first 35,000 kw generating set was put into commission and, in February 1959, the second and third units were installed.

The Madras Power Grid now comprises five hydro-electric power stations, 2 thermal (steam) stations; 13,900 miles of high tension transmission lines and 19,000 miles of low tension distribution lines. The Grid covers all the thirteen districts of the State.

The installed capacity of the power stations totalling 391,700

kw are: Pykara 70,000 kw; Mettur, 20,000 kw; Papanasam 28,000 kw; Moyar 36,000 kw; Periyar 105,000 kw; Madras 98,500 kw; and Madurai 14,000 kw.

Madras today ranks third in its electricity production. Bombay and West Bengal being first and second respectively. But Madras is first in respect of power utilization for agricultural purposes. In the matter of hydro-electric output, Madras is second only to Bombay. But today it leads India with the inauguration of the first power House of the Kundah scheme. Unlike in Bombay and West Bengal, where power is consumed in big industries and urban loads, Madras has extended its grid to almost every district and rural area, leading in village electrification in India. Madras State has 9,174 towns, villages and hamlets lit with electricity as at February 1959.

It may not be premature to mention in this connection that the necessity to instal a nuclear power station in Madras State has been conceded by the Government of India. This nuclear station may, in all likelihood, be set up during the Third Plan period. There is also constant vigilance of the Madras Government in pointedly drawing the Government of India's attention to the imperative need of the South for the location of such a station. Government circles are hopeful that this will become an accomplished fact.

FIVE-YEAR PLANS IN MADRAS STATE				
Particulars	At the beginning of 1st plan.	At the end of 1st plan.	At the end of 2nd plan.	
Generation:				
Installed generating capacity in MW	156	256	571	
Aggregate demand in MW	130	208	560	
Units Generated in millions	630	1,053	2,500	
Transmission:				
H.T. Lines in miles	4,355	7,343	15,500	
L.T. Lines in miles	3,580	8,128	20,000	
Distribution:				
Consumers in Lakhs	2.50	4.26	8.00	
Substations including distribution transformers	1,647	3,862	10,150	
Rural Electrification:				
Villages electrified	1,613	3,320	10,000	
Agricultural pump sets connected	14,373	32,440	100,000	
Finance:				
Capital Outlay in lakhs of Rupees	30.96	54.01	125.34	
Gross Revenue in lakhs of Rupees	3.37	7.03	18.42	

POWER PROJECTS IN THE FIVE-YEAR PLAN.			
No.	Name of Project.	Estimated cost in Lakhs of Rs.	Remarks.
A. Continuing Schemes:			
1.	Periyar Hydro Electric Scheme (1st stage)	2.32	
2.	Kundah Hydro-Electric Scheme (1st and 2nd stage)	2.48	
3.	Sandynallah Reservoir Scheme	28	
B. New Schemes:			
4.	Mettur Tunnel Scheme (1st stage)	5.99	100 MW installed capacity.
5.	Kundah Hydro-Electric (II stage)	22.81	240 MW installed capacity.
6.	Periyar Hydro-Electric (III stage)	95	35 MW installed capacity.
7.	Periyar Pumping Scheme	62	44 million units annually.
8.	Anamalai Hydro-Electric Scheme (Parambikulam Project)	5.59	95 MW installed capacity.
9.	New Thermal Station (at Neiveli)	22.50	200 MW installed capacity.
10.	Transmission and Distribution Project	57.31	5,600 miles of HT Lines.
11.	Improvements to existing power houses transmission lines and substations	7.00	8,600 villages to be electrified.
12.	Investigation of new schemes	22	
13.	Housing scheme for the employees of the Electricity Board	1.00	
14.	Acquisition of electrical undertakings	4.25	
Total Rs.		133.32	

Clive Street Gossip

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

day for the doubtful prospect of prosperity generations hence. Last of all, by means of foreign assistance, let us not mortgage the future.

Hardly a comforting state of affairs. But, as the reader will surely (I hope) have guessed, my own views in this behalf are totally different. This is because all argument that I have adduced at the beginning is made up of the half-truths represented by oversimplifications. Much more important, there is the fact that a most significant development is, in such argument, completely lost sight of. I refer here to an economy in the throes of industrialisation, in the process of acquiring for itself all the attributes of dynamism and expansion that growth implies. Proof, mind you, is not lacking of the manner in which, already, the Indian economy bears evidence of having acquired dynamism, or the way in which revenues, under whatever head you care to mention, have turned buoyant. Those that do not want a plan, I am afraid, cannot see past their noses in two crucial respects: they fail to see what could happen to India if planning were given up, and they fail to note that resources can be found without undue strain.

The forswearing of planning will not be, as is made out to be in some circles, the saviour of democracy but the wreck of it. Certain urges and impulses, needs, and wants have come to the notice of the general populace. And there is impatience for satisfaction being vouchsafed in all these respects, as soon as is possible. A Government that does not even try to secure these wants will not endure; it will topple, and the grim alternative to which the country will be forced is chaos and Communism. But, with the Indian a highly individualistic creature, the democratic path will be preferred, even if in comparison with China progress in this country is slow, so long as he is convinced that Government are making an honest attempt at planning for his better future. Indeed, you might say that the First and Second Plans have already made inevitable a future era of planning. So, plans are here to stay, and it is best that we found how best we can manage our affairs so that whatever regimentation that might be innate in planning will

So, whatever Government do they will be doing wrong. This is the stage in the argument when you can quietly sink away, convinced that planning is something that this country can do or rather should do, without. Why talk of a coat, with which to clothe the new India, if there is not a square meter of cloth available for the purpose? After all, the proverb tells us—or is it the adage?—that we should cut the coat according to the cloth. The resources are just not there; or they can be found only at the cost of greatly wounding the economy. So, forget about planning. Let nature take its course. Trust in Karma. Tomorrow can take care of itself. Don't mortgage today. There is no need of privations to-

last for the least possible time. Clearly, with such an objective, Professor Rostow's phrase of an economy achieving the "take-off" stage acquires, in Indian conditions, an immediacy and urgency. Once you can have self-sustaining growth, you can relax in your efforts to "push" the economy along. You can rest awhile, now and then, while the momentum you have gained takes you further along toward your pre-determined goal. But, naturally, the greatest strain for the economy occurs when you are reviving up your engines to get the power wherewith you can be air-borne. All the power and resources of a plane are pressed into service in that moment of truth for the pilot, the take-off. There is room for very little slack. Even in an economy, there has to be a concentrated effort for securing that momentum.

The crew members—corresponding to Ministers of Government—are of course in a high pitch of concentration. But the passengers have a task as well. I wonder whether the reader recalls having flown in a Viking. Passengers were judiciously arranged all over the plane; but what was curious was that luggage was also strategically placed within the cabin. It was only after such ordering of passengers and cargo that the pilot would decide on preparing to take off. Substitute the people for the

passengers and industries for the luggage. You need, I suggest, a similar careful placement, with the pilot deciding on certain balances as between the people and industries, for the economy to be able to take off. After all, it is not as if the Indian economy is so modern as to be a Viscount or a Boeing 707. Hence, again, planning; and priorities are inherent in planning.

Let us now have done with talk of take-off. The all-important question is, can we get the resources; rather, can we afford to get them? In the sense that, as I have said at the beginning, valid objections can be raised against each of the four main heads? Here, too, you need balancing. We need to have a little of each; some additional taxation; a small increase in foreign aid expectations; a more ambitious borrowing programme; and inevitably some element of dependence on deficit financing. Where we have to be careful is to ensure that the adverse impact of finding resources in such manner is at every stage minimised. For example, in taxation, it has got to be capacity to pay; direct taxes have reached, if they have not already passed, the saturation point; but with new products being manufactured every day, and industrial production itself rising most respectably, the scope for indirect taxes is immense. The imposition of indirect taxes surely will raise costs of production all along the line; but the new revenues, let it be realised, are a result of additional production. So, it is not as if additional burdens are being imposed on the same set of taxpayers—except in the sense that the consumer has to pay more,

PORTABLE

M. A. W.—INDIA

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Resources for the public sector Third Plan are, as I indicated last week, to be found as follows:

V	Budgetary receipts corresponding to foreign assistance ..	2200
VI	Deficit Financing ..	550
VII	Total Resources for Public Sector Plan ..	7000

*

Enough, for the present at least, about the Third Plan. India continues to be the Mecca for visiting dignitaries, and Mr Nasser is with us again. There is now less of a threat of war in the Middle East—the target of such Arab designs being, of course, Israel—and Mr Nasser, on his travels and in his second visit to India, is welcomed not only as the architect of a bigger republic but as an exponent of neu-

Mr Nasser comes at a point when India has a frontier problem on its hands, one that must be handled independently, with an ambitious and powerful neighbour oppressed by memories of many unequal treaties. He can offer little guidance, for, he too has been unable to reinstate the unity of the Nile Valley and is reconciled to the sharing of the waters with the Sudan. The engineers from India (Willcocks and the rest) have created a moral barrage that he cannot surmount, so that the Sudan will retain what it has by way of irrigation facilities. This probably holds a lesson for Pakistan in regard to the Indus waters. The second visit to this region follows after great changes in Pakistan, no longer estranged from India and blindly backing the sponsors of anti-Communist alliances. This, too, may help to see the succession State in a new light in relation to a Russia that has expanded in Asia by design as well as accident. The common faith in social democracy may link Egypt and India for long, and it is generally assumed that India's accord with the UK may influence Egyptian policy in spite of the inflammatory memoirs of Sir Anthony Eden. No striking results can, however, be discerned, though it is possible that more cotton may be bought by India, exposed now to a serious shortage, for rupees. And a useful line of exports in sacking, for Syria mostly, may be established if Egypt is ready also to buy piecegoods from India. Arrangements between the Central Banks may support such bilateral trade far more than conventional pacts, and Egypt can hope to get some experts and equipment from India for its industrial schemes. But the future can be glimpsed only vaguely, for, high policy (aid, no trade, in fact) will be the theme of discussions at Delhi this week, and the leaders will lament over carnage in the Cape Province rather than the experience of Community projects that General Neguib started to overcome the pathetic contentment of the fellah.

Indian Finance

April 2, 1960

Plans for People, Not Vice Versa

Speaking from the chair last Wednesday at the annual general meeting of the Central Bank of India, he has entered a plea for economic realism. He points out that our planners would do well to remember that planning is for the good of the people and that plans are not all important in themselves. How much he is opposed to present official thinking on planning is well borne out by his labelling phrases like "take-off stage" and "self generating economy" as meaningless.

It is against this way of thinking that Sir Homi Mody raises his voice of protest. From the manner in which Government are going about drawing up the programmes for the Third Plan, it would appear that the Second Plan has had no lessons for them. And yet, they are so patently clear. Sir Homi describes the method in which the truncated Second Plan, called the hard core, is being accomplished, in three phrases—large foreign credits, heavy deficit financing, and bouts of fresh taxation. The Third Plan is also apparently to lean heavily on foreign aid. Indications are that the required foreign aid will be available. But says Sir Homi, this is not something one should feel happy about. Already, in the Two Five Year Plans, our external indebtedness is heavy enough. It is his plea that people

Sir Homi's apprehensions about inflation will, however, be widely shared in the country. The continuously rising price level should occasion serious concern to Authority. But what is being done to check the price level? Sir Homi quotes the Governor of the Reserve Bank to indicate what requires to be done—integration of fiscal (including a policy with regard to deficit financing) with monetary policy. He has also two suggestions to make toward containing inflation. The first refers to a reappraisal by Government of the programmes they have been pursuing in the past few years. This can be done through the medium of an independent body of experts entrusted with the task of making a survey of the monetary system. The second suggestion pertains to the advisability of associating Scheduled Banks in the tackling of the inflationary tendency on a pattern similar to the one that has been designed in Norway. In that country, a credit agreement has been entered into between the Ministry of Finance and the Bank of Norway on the one hand and the Joint Consultative Council representing the country's banks and insurance companies, on the other. Sir Homi makes this suggestion while discussing whether the Reserve Bank of India by itself through the mechanism of selective credit controls can cope with the inflationary situation. Strangely enough, the Reserve Bank authorities who have themselves contended that selective credit controls have a marginal effect have not hesitated to assign them a task which is beyond their capacity.

The 'sizable increase' in the money supply also 'bears testimony to the creeping inflation.' During the last

FOREIGN COLLABORATION IN
INDUSTRY

The Union Ministry of Commerce and Industry has formulated broad principles to govern the sanctioning of new industrial undertakings in the country.

The sanction which industrial projects require from the Commerce & Industry fall broadly under three heads:

(i) Approval to the terms of foreign collaboration in the project, if any;

(ii) Approval in regard to capacity, location, etc., after consideration by the Licensing Committee; and

(iii) Approval of the foreign exchange expenditure for the import of plant and machinery.

Regarding agreements with overseas firms for technical collaboration or financial participation, the need to consider each case on its

The broad principle, however, is that technical collaboration agreements should have a limited number

period of life, and, as a rule, not exceed ten years. Another point to which the Government attach importance is that the

importance is that the agreement should not lay down any restrictions on exports from India. Even if it is not possible to get freedom

to export to all countries, permission for exports to some countries should be necessarily there.

A point which often creates difficulties in the way of Government approving collaboration agreements is the stipulation that certain products will be imported only from the foreign firm colla-

Another undesirable feature in some agreements, which creates difficulties and delays in approval, is the provision for payment of a minimum royalty. When payments are to be related to turnover, it is reasonable to expect that these would vary with the turn-over and no payment would be guaranteed regardless of turnover.

A number of measures have been taken to speed up the disposal of applications seeking Government's approval for capacity location, etc. of new units.

Another major step taken, late, in this regard is the Government's decision that industries employing less than 100 workers and having fixed assets of less than Rs 10 lakhs need not obtain any licence whatsoever under the Industries (Development and Regulation) Act.

As a result of these measures the Licensing Committee will now mainly deal with cases relating to major projects or development in industries where regional considerations, availability of raw materials, port problems and similar factors play an important part.

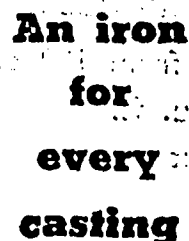
In view of the country's limited foreign exchange resources, the possibilities of obtaining import licences for capital goods are limited to cases where either (i) the applicant himself can make satisfactory arrangements for raising external finance or (ii) Government have facilities in the shape of credits or payment arrangements with particular countries to finance such imports.

As regards the first, the form of financing acceptable to Government are investment in equity capital of the company or long term loans.

As regards the import of machinery out of the credits or payment arrangements by the Government, it is hoped that facilities will, as hitherto, be available with most countries which have been important suppliers of machinery to India.

The size of these credits, however, is smaller than the demand for them. In view of this, applicants for import licences for capital goods should clearly specify the countries from which imports are to be made, instead of merely indicating the currency area in vague terms. Alternative sources of supply in the order of preference should also be indicated.

It is also essential that applicants should clearly indicate whether, in the event of their being given a licence to import, they would be prepared to import licence against the credit facilities available to Government; if not, they would be in a position to find the necessary rupee resources and take advantage of the licence granted.



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OLYMPUS

FICCI Annual Session

IT was a powerful and disarmingly frank speech that Prime Minister Nehru made while inaugurating the 33rd Annual Session of the Federation of Indian Chambers of Commerce and Industry here on Sunday last. In the opinion of this correspondent, the Prime Minister's speech was also implicitly conciliatory in tone, calculated to assuage the agitated feelings of a section of the business community on the score of the 'ever-growing' public sector. Most of the industrial sector, he said, would continue to be in private hands; the real controversy was only over a select few basic and heavy industries although, even here, the private sector did have a considerable part to play. The businessmen's approach to economic problems and his own approach, Mr Nehru continued, might be somewhat different, but in actual practice there might not be much of an area of disagreement between them. The approach of Socialism did not involve an anti-capitalist bias. It was a positive approach which helped one to understand economic problems; for the rest, it was a question of pragmatism in its actual application.

Mr Nehru was always saying this, and if he laid renewed emphasis on this pragmatic approach, it was wholly necessary in the context of the propaganda of the Forum of Free Enterprise which he described as the Form of 'Unfree' or 'Monopoly' Enterprise. The implication here was that the Forum aimed at the concentration of economic power in a few hands through monopoly control of some big strategic industries. Those who raised the slogan of 'free enterprise' loudly in the name of democracy were at heart Fascist authoritarians, and Mr Nehru disliked Fascist authoritarianism as much as he

disliked Communist authoritarianism. The assembled businessmen could not have hoped for a more eloquent and sincere reaffirmation by Mr Nehru of his liberal faith. If some of them had thought that he was unduly harsh where he condemned the 'vulgarity of the rich' and the degrading character of 'making money' without caring for spiritual values, it would have been unfortunate. And it would have been unwarranted, too, for, Nehruvian Socialism represented, in essence, a humane approach to the problem of poverty.

On the subject of planning, which was being condemned by the Swatantra Party, what Mr Nehru said was no less pragmatic. That his was a flexible approach to this question could be easily seen from the following words:

"Having kept our objective in view, we should try to the best of our ability, and in consultation with as many people as we can, to come to some decisions. We should have a perspective for the next 10 or 20 years, not a rigid perspective, but a flexible perspective, and at the same time a more precise plan for the next few years. There is no virtue about five years. There is no rigidity even about those five years, but one has to have a certain plan in order to proceed methodically and not just leave things to chance."

If Indian planning is so flexible as, indeed, it has always been, it is not only far removed from totalitarian rigidity but is falling short of the standards of "effective development planning" which Mr Paul G. Hoffman, for example, wants the under-developed countries to adopt in his latest book, "One Hundred Countries—One and One Quarter Billion People". If the Swatantra Party is so very allergic to Mr Nehru, the best reply to it would be to quote Mr Hoffman who is no Socialist:

"Some of the greatest capital improvements in the early days of the US came from abroad.... Many other great improvements in this country were financed by the governments, Federal and State..... This is the traditional free enterprise (emphasis mine) way by which a new or under-developed country gets its start and grows up into the cycle of higher incomes, higher production, and increasing savings, and investment."

"The flow of development funds and technology to the low-income countries has depended on annual discussions and appropriations in the advanced countries, with no certainty that they would be continued, or if continued, with no certainty as to the amount. This has discouraged the low-income countries from effective development planning which, by definition, must look ahead for a period of years." (emphasis mine)

"Human effort responds to the statement of a goal and to

the establishment of goals to meet a goal."

Fortunately enlightened business opinion, which is shared by a majority of the business community, has taken kindly to planning. At the very outset, before Mr Nehru spoke, Mr Madanmohan R. Ruia, the outgoing President of the Federation, said in his address:

"In our Outline of the Third Plan, we have perhaps shown a bias in regard to the area and scope to be left to the private industrial sector. Naturally, this has to be viewed against the back-ground of the economic credo of the Federation. However, the central point which requires to be underlined is that the common denominators and inter-connected objectives of the authorities and the Federation are as many as they are substantial. It may well be said that there can hardly be a fundamental cleavage in the approach of responsible opinion to the problems of our economic development. If different degrees of emphasis come to be placed on specific aspects, it should not be taken as irreconcilable opinion. Even here the area of agreement is really larger than is commonly supposed."

At this point Mr Ruia referred to "the often discussed matter of taxation" and admitted frankly that it would be "idle to speak of the burden of taxation regardless of the benefit of the corresponding public expenditure". But there was bound to be difference of opinion in regard to specific measures of taxation, he continued. It could be inferred that what businessmen, by and large, wanted were some rational or marginal readjustments in the present structure of direct taxes. If the resolutions of the Federation, containing, like the resolutions of the Congress, an element of hyperbole, had always given a contrary impression, it was good that Mr Ruia dispelled it in a way although he repeated the Federation's stand that it would be worthwhile, even from the point of increased revenues to the Exchequer, to reduce "the heavy burden of taxation". The idea here was that what was lost on the swings could be made good on the roundabouts (of a brisker growth of enterprise). As usual, the Prime Minister was non-committal in his speech on this question of tax relief; in fact he did not even refer to it. He could not have done otherwise because the Planning Commission's draft memorandum on the Third Plan, visualising an additional taxation of Rs 1,650 crores by the Centre and the States, was very much in the background.

If, in spite of these considerations, the Federation has just passed a resolution to the effect that "the fiscal policy of the Government should be reorientated to ensure that the savings of the individuals fructify in their hands, for it is individual savings that

can stimulate broad-based development even of the corporate sector", one wonders if the choice of the word 'reorientation' is not unfortunate. But, then, a Federation resolution, like a Congress resolution, is not to be taken too seriously. In the same way, the Federation's demand, in the context of the recent credit restraint measures, that "the credit policy of the Reserve Bank and the commercial banks should be actively geared to our development requirements" seems to be unrealistic at the present time when deficit financing plus bank credit appears to have exceeded the safe limits of monetary stability. Less taxation, more bank credit and continued deficit financing would seem to be an unholy combination of expectations not very much in the interests of private enterprise itself. But all these expectations are reflected in the approach of the Federation to fiscal and monetary policies. If the cost of industrial construction and the wage and raw material cost of production alike resulting from unrestrained credit and currency expansion, it would be idle to talk of export promotion or industrial expansion on sound lines.

But in regard to at least one matter the Federation has a clear and cogent case. This case is presented in the resolution "strongly urging on Government as well as industries the imperative need for fully utilising the services of the traditional trade channels." Although the word 'fully' would appear to rule out even cooperatives—which, incidentally, have a useful role to play in restraining the undesirable practices, if any, of private trade although they will not come to cover anything more than a small part of internal trade—the Federation's resolution is probably meant to get the activities of the State Trading Corporation restricted rather than have the cooperatives discouraged. The point that "the extension of the activities of the State Trading Corporation has far exceeded the role for which it was originally set up and has created difficulties for the normal trade channels" compels fair consideration. The Federation's demand that the operations of the Corporation should be confined to entering into trade agreements or such wider promotional activities with foreign countries as would encourage expansion of exports and that the actual trading operations resulting from such agreements be left for being handled and carried on by the private trading interests seems to be reasonable. But the contemptuous reference to "the so-called co-operatives" in the resolution, as originally worded, and the demand that "the entire field of internal trade should be open to the normal trade channels" are unfair and unreasonable. Perhaps, this demand is a bargaining counter for getting the operations of the STC restricted.

Indian Finance

April 2, 1960

WORLD OF JUTE

Pakistani Competition

THE past year has been marked by a considerable expansion in the world economy and jute goods have had their share of it in the shape of an increase in demand. But the trend of jute goods exports last year does not show that India has derived much benefit from the expansion of world demand. Who, then, has supplied the additional requirements? According to Mr D. Duncan-Smith, Chairman of the Calcutta Jute Fabrics Shippers' Association, Pakistan is the lucky country which has "taken care of the increased demand for jute goods". Pakistan has emerged as a serious competitor to India and indications are that this country's bid to capture overseas markets will further intensify in the coming years. The Pakistani Jute Goods industry has drawn up plans for further expansion of manufacturing capacity. Already, during the past year, production and exports have recorded a sharp increase. As last week's leading article in Indian Finance has noted, the success of Pakistan in world markets has not come without tears, for, it has been able to score over Indian goods mainly through underquoting. Even so, India cannot afford to ignore the fast-growing Pakistani competition. Mr Duncan-Smith is right in saying that the present situation in the world of Indian and Pakistani jute is detrimental to the interests of both the countries. Those who are charged with moulding the jute policies in Pakistan and India may do well to ponder over Mr Duncan-Smith's observation that, "in respect of the jute industry as a whole, the economies of India and Pakistan were, and still are, complementary, and any undue stress

on economic self-sufficiency in this field can only have serious effects on the well-being of both".

After a steady start, the jute goods market is ending the week on a firm note with prices showing a gain of over two points all along the list. The main incentive has come from the revival of Chinese buying. It is learnt that the Chinese order was to the tune of between 15,000 and 16,000 bales. Later in the week, there have been various reports about fresh orders including one, from the Government of India. On Wednesday, the market was thick with reports of new business and Egypt was frequently mentioned. The bullish fervour was well pronounced on Thursday, when, in earlier dealings, prices, especially in the heavy goods section, were taken to new peaks. Though profit taking pared off part of the gains, the closing was fully steady. B Twills March was done at Rs 113 last Friday but during the next day had gained 50 nP. By close of transactions on Monday, another small gain was made to take the quotation to Rs 113.70. The uptrend continued unabated and when the market opened on Wednesday there was no mistaking the speculative influence behind the proceedings. The day's gain amounted to Rs 1.20 with the final rate at Rs 114.80. It would appear that the incentive for the aggressive buying support was derived from reports about fresh business from this country or that. In sympathy with the futures section, prices moved up briskly on Thursday and B Twills March was finally placed at Rs 115.20. Hessian, too, was fully steady throughout the week; but, even here, the impetus seems to have been derived from expectations rather than from actual enquiries. However, scattered business has been reported done in both categories of goods throughout the week. Hessian 40"x10 oz March, which was quoting at Rs 41.50 last Friday, closed on Thursday at Rs 42.45.

In the raw jute market also, conditions have been fully steady and Assam Bottoms has recorded a gain over the week of Rs 1.50 to Rs 34 per maund. Mills have not been showing much interest, though, toward close, small buying at the prevailing prices has been reported done. Sellers are in no mood to discount rates as advices from the upcountry centres are firm. Whatever chance, there was of an easing of the rates was lost when the goods section began to develop a firm trend. Raw jute prices have, therefore, followed the goods market, despite the fact that business passing has been meagre. Even otherwise, there has been little chance of inducing the sellers to discount rates. For, it is now fairly clear that, though the mill industry as a whole may be having a comfortable raw jute stock position, there are some units who have no other alternative but to buy raw jute at the current high prices in order to maintain their production. The final all-India estimate of

mesta released this week seems also to have contributed to the present firm trend in raw jute.

	As on Mar. 24	As on Mar. 30
Hessian:		
40"x10 ozs.		
Ready	41.40	42.35
April-June	41.80	42.70
July-Sept.	41.80	42.80
40"x8 ozs.	34.10	35.00
40"x7 ozs.	31.85	32.75
Sackings:		
B. Twills:		
Ready	112.40	114.85
April-June	111.95	114.60
July-Sept.	110.40	112.60
Hy. Coes (Green)	116.00	117.50
Cornacks	114.00	116.25
Cubans	133.50	137.00
A. Twills	142.50	146.00
L. Twills	127.50	129.50
D. W. Flours	134.25	138.00
Sugar Twills	129.00	131.00
Futures:		
Hessian—May	41.46	42.50
Sacking—May	110.35	113.75
Raw Jute—Sept.	29.44	30.52

ALL INDIA FINAL ESTIMATE OF MESTA, 1959-60

The All-India Final Estimate of Mesta, 1959-60 puts the current year's area and production at 708,000 acres and 1,098,000 bales respectively according to the Directorate of Economics and Statistics, Ministry of Food and Agriculture. As compared with the Partially Revised Estimates of 825,000 acres and 1,488,000 bales for 1958-59, the estimates for 1959-60 show a decrease of 119,000 acres or 14.4% in area and 390,000 bales or 26.2% in production.

The decrease in area during the current year has occurred mainly in the most important mesta growing State of West Bengal and is attributed to low market price of mesta fibre during the previous year. Bombay State has also recorded some decrease in acreage. The decrease has, however, been offset to some extent by the increase in area in Bihar due to favourable weather conditions at the time of sowing.

The substantial decrease in production of mesta this year is also accounted for mainly by West Bengal and to a small extent by Tripura and is attributed partly to the shrinkage in acreage and partly to unfavourable weather conditions during the growing period of the crop. Bihar, Orissa and Andhra Pradesh have, however, recorded increase in production due mainly to the increase in acreage.

		Area (Thousand acres)			Production (Thousand bales of 400 lbs. each)		
State	1959-60 (a)	1958-59 (b)	Variation (c)	1959-60 (a)	1958-59 (b)	Variation (d)	
1	2	3	4	5	6	7	
Andhra Pradesh	84	78	(+) 6	172	158	(+) 14	
Assam	8	7	(+) 1	16	14	(+) 1	
Bihar	122	81	(+) 41	150	99	(+) 51	
Bombay	143	168	(-) 25	163	167	(-) 4	
Madhya Pradesh	24	23	(+) 1	21	19	(+) 2	
Madras	1	1		1	2	(-) 1	
Mysore	58	59	(-) 1	63	60	(+) 3	
Orissa	26	15	(+) 11	53	31	(+) 22	
Punjab	1	1		2	2		
West Bengal	214	362	(-) 148	408	861	(-) 453	
Tripura	25	30	(-) 5	50	75	(-) 25	
TOTAL INDIA	706	825	(-) 119	1,908	1,488	(-) 390	

(a) Final Estimate. (b) Partially Revised Estimate. (c) Increase (+) or decrease (-) of Col. 2 over Col. 3. (d) Increase (+) or decrease (-) of Col. 5 over Col. 6.

*1958-59 data repeated.

(i) U.P. is non-reporting for Mesta Estimate.

(ii) Mesta is not grown to any appreciable extent in the States of Kerala, Rajasthan, Jammu and Kashmir, Delhi, Himachal Pradesh, Manipur, Andaman and Nicobar, Laccadive, Minicoy and Amindivi Islands.

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Africa has been cleared. The amount of tea available in London over the next few weeks will continue to be high; and it remains to be seen whether prices go on sagging or whether blenders begin to buy more heavily.

But a report, issued by the Food and Agriculture Organisation of the United Nations, states that production and demand for tea will rise this year and consumption and supply are in "close balance". Available figures suggest that consumption of tea in the main importing nations is either roughly stable or tending to decline slightly, while consumption in the producing nations is rising. In many tea producing nations, tea is still regarded as something of a luxury, and consumption appears to be linked with rising standards of living in these areas.

Meanwhile, in the final export sale held in Calcutta this week, offerings amounted to 47,437 packages. There was a strong demand for all sorts, mainly from internal buyers. Prices were very irregular. Fannings were the weakest feature of the sale; but the better liquoring teas and those of clean leaf appearance were often dearer. Whole Leaf grades came in for keen competition at dearer rates. Owing to the small quantity of suitable tea on offer, no rates were given.

Considering that the carryover to the new season is likely to be a small one, the new season's first export sale, which is expected to be held in the second week of May with despatches from the Darjeeling gardens, should fare well. Trade circles feel that the new season will start with good enquiries from Russia and Turkey, which are interested in high-grown teas.

In the Internal Sale, offerings were 22,000 packages of Dusts. Demand was strong, and fairly general. Orthodox grainy kind were generally lower by up to 8 nP, although a considerable strengthening was seen toward the close. Legg-cut Doars were sold readily at slightly easier rates except for the brighter liquoring descriptions.

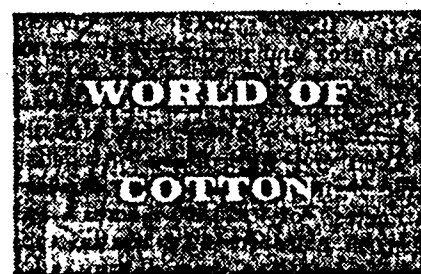
Medium CTC kinds found ready buyers at irregular, but often lower rates except for the brighter and smaller types which sometimes registered advances. More enquiry was seen as the sale progressed. The best CTC types were sold well. Medium Doars was quoted at Rs 1.84 to Rs 1.90; Medium Assam Dust Rs 1.80 to Rs 1.90; Medium Assam CTC Dust Rs 1.96 to Rs 2.14 and Best Assam CTC Dust Rs 2.40 to Rs 2.75 (nominal).

In the Cochin market, a total of 800,000 pounds of Leaf tea was offered. There was less demand for every sort except the best liquoring high-grown Broken and Whole Leaf grades, which were tending dearer. All other grades were irregular and easier by 10 nP to 15 nP per pound. Fannings

grades were the weakest feature of the sale.

In the Colombo market, offerings amounted to 6,726,479 lbs. There was considerably less demand and quality showed a further decline. High-grown teas were irregularly lower following quality. Medium Broken eased by 10 cents per pound except for the very poor descriptions which were even lower. Common sorts and "tea for price" were 10 to 20 cents lower; but other low-grown including Persian Gulf types were only slightly easier. High-grown Broken Orange Pekoe Fannings were distinctly lower with the exception of a few better liquoring types.

In Mincing Lane, offerings were 27,542 packages including 15,714 packages from Northern India. The market opened on a very quiet tone and prices for all descriptions showed a further falling away in many cases. Withdrawals were heavy. Plain Broken Pekoe was quoted at 3sh 4d a pound.



Futures Apathetic

THE Cotton market was easier once again. Acute stringency in the money market along with talks of more imports of foreign cotton and the resultant sharp drop in prices of long-staple indigenous cotton led to a somewhat apathetic attitude in the futures section. Prices moved narrowly; but the tendency remained somewhat lower. The credit curbs are now having effect on the psychology of the tradesmen, who are not inclined to hold on, even for some time, to actual stocks, and hence whatever profit is available is tried to be booked. The ICC August delivery, after moving between Rs 761 and Rs 754.50, was placed at Rs 756. Trading in August contract started in February, and weekly movements in prices till now have been as follows:—

Week Ended	High Rs	Low Rs	Close Rs
Feb. 20	761.00	741.00	757.75
Feb. 27	761.50	753.50	757.75
March 5	777.00	768.50	770.50
March 12	774.25	766.25	771.00
March 19	772.50	757.50	759.00
March 26	762.75	756.25	759.00
March 30	759.00	754.50	756.00

The ICC Moglai Jharilla March contract expired on 25 March at the official ceiling rate of Rs 820 plus a penalty of Rs 25 for sellers who were not able to deliver the goods. Business in this contract started on 22 June 1959 at Rs 672.25 and the lowest rate reached for the season was Rs 661.25 on 16 July 1959. From this stage onwards, the market started recording impressive gains, aided mainly by most unfavourable weather conditions and continued rains in most of the cotton-growing

tracts as a result of which the crop estimate was successively reduced to about 3.9 million bales from the initial estimate of about 5 million bales. The material fall in the crop output led to acute scarcity of desirable qualities of cotton required by the domestic textile industry and resulted in pushing up prices much above the official ceilings. Tenders issued in this contract amounted to 4,450 bales out of which 3,650 bales were accounted for by Laxmi "A" 7/8 staple; 500 bales of Punjab American 216F 7/8; and 300 bales of Cambodia 29/32".

Spot Market: As indicated earlier, spot prices for long-staple cotton have declined by about 5 to 10 per cent from the highest levels recorded some time back. CO2 Nagar was reported at Rs 1,260 as against Rs 1,300; Laxmi good quality at Rs 1,000 as against Rs 1,100; Laxmi inferior at Rs 1,050 as against Rs 1,100; Digvijay at Rs 1,085 as against Rs 1,125; Vijay at Rs 1,065 as against Rs 1,100. L147 was reported at Rs 1,060 as against the peak level of Rs 1,000 and 197/3 at Rs 1,000 as against Rs 1,090. Moglai was reported at Rs 910 from Rs 940; Kalyan good quality at Rs 990 from Rs 1,020; Kalyan average at Rs 955 as against Rs 980 and Wagad at Rs 900 as against Rs 935.

Among foreign varieties, Sudan XG3S for May/June delivery changed hands at Rs 1,790; Sudan SG6S at Rs 1,440 and Sudan SG4S at Rs 1,670. Syrian for April/May delivery was done at Rs 1,110. Among African varieties, Bushoga came to business at Rs 1,250; BP/52 at Rs 1,315; Jingia at Rs 1,137 for April/May shipment and Rs 1,155 for prompt shipment. American 15/16" was done at Rs 960 and Pakistan at Rs 1,040.

Imports: As already indicated last week, in these columns, the total import allocations of foreign cotton issued so far during the current season amount to 1.02 million bales. Out of this, actual allocations issued to the mills are placed at 825,000 bales. Quantity licensed for import from 1 September 1959 to 12 March 1960 has increased to 593,530 bales and it is expected that, by the end of March, the quantity licensed may increase to about 710,000 bales. The variety-wise break-up of the quantity licensed and actual arrivals of foreign cotton into India from 1 September 1959 to 12 March 1960 are as follows (figures in bales of Sea Island "Andrews" Cotton—400 lbs):—

	Quantity Licensed	Actual Arrivals
Egyptian	152,212	111,586
Sudan	57,498	54,780
East African	87,919	42,271
USA	214,452	33,914
Others	81,449	25,648
Total	593,530	268,199

Sea Island "Andrews" Cotton:

In view of the low price of Rs 2,237 fetched in the first auction of the season at Colimbore for one of the best quality of long-staple cottons

in the world (1.36"), Sea Island "Andrews", the Kerala Sea Island Cotton Plantations have suggested that the Government of India should purchase the entire quantity of Sea Island "Andrews" cotton produced in the States of Kerala and Mysore at a reasonable price of not less than Rs 1.12 per lb of Kapas and distribute the same to the consuming mills in place of imported Sudan or American cotton which the Government of India can easily do. If this is not possible, it has been suggested that the State Governments and the Government of India should jointly subsidise the cultivators to the extent of the actual cost of production in the interest of the future development of this cotton. The suggestion of exports of this type of cotton, however, does not seem possible.

Cloth Market:

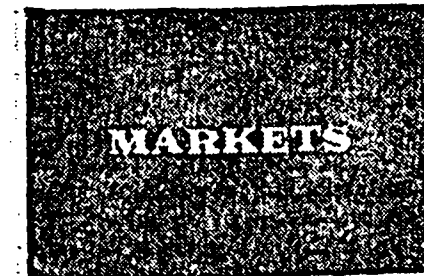
The Cloth market was slightly better with expanded offtake from upcountry centres and it is expected that the tendency will remain good for another month or two. The Union Minister for Commerce and Industry has expressed the view that there was no reason for the rise in prices of textiles and that the cotton requirements would be adequately met. The Government are, however, no doubt, concerned over this rise in prices of cloth and the trend is being awaited.

BHILAI'S 3rd OPEN HEARTH

The construction of the open hearth furnace No 3 of the Bhilai Steel Project has been completed and it is expected to start production of steel soon. The furnace has already been heated up preparatory to its being commissioned for making steel. Like the two other furnaces already commissioned, this furnace is also of 250-ton capacity and will produce 500 tons steel in two charges daily. Work is also fast proceeding on the open hearth furnace No 4 where mechanical erection of cooling water preparation plant is nearing completion. The Bhilai steel works will have six open hearth furnaces of 250-ton capacity each. Six furnaces together will produce one million tons of steel ingots annually to be rolled into 620,000 tons of finished products and 150,000 tons of billets for the re-rolling mill.

ELECTRICITY OUTPUT & CONSUMPTION

The total electricity produced by the public utility power stations in India in November 1959 amounted to 1,234.1 million kWh, of which 994.0 million kWh were sold to ultimate consumers. Corresponding figures for November 1958 were 1,022.9 million kWh and 854.6 million kWh, and for November 1957 were 489.9 million kWh and 409.8 million kWh respectively. These figures show that the annual increase in electricity production is about 21 per cent. The all-India electricity supply statistics for the month of November, 1959, are based on 815 returns received from the public electricity supply undertakings.



Sugar Decontrol Urged

THE recent speech made by the President of the Indian Sugar Mills Association will give one an insight into the reasons for the current scarcity of sugar and its high price. He has pointed out that, while deterioration in crop conditions has contributed toward the fall in production, the main reason is the imposition of control on ex-factory prices of sugar and that, too, at uneconomic levels, particularly when there is no control on the other two competitors for cane, i.e., gur and khandasari.

He has added that controls can never provide an escape from the normal law of supply and demand and, if production is sufficient to meet the demand, prices will inevitably find their normal level. He has, however, expressed the view that the abolition of controls will, on the one side, remove the scare of scarcity and, on the other, enable factories to draw sufficient cane supplies by competitive cane prices.

It is learnt that the Government of India are thinking in terms of a capacity target of 3.25 million tons and a production target of 3.0 million tons for the sugar industry by the end of the Third Plan period. To raise the installed capacity of the industry, it is felt that preference should be given to schemes of expansion rather than to setting up of new units, as the average crushing capacity of sugar mills can easily be increased considerably.

In the case of new sugar mills, preference will be given to co-operative units. The production of sugar by the co-operative units, at the end of the Third Plan period, is expected to account for about 30 per cent of the total production in place of 10 per cent at present.

Meanwhile, sugar prices have declined during the week under review, thanks to easy supply position. Latest reports indicate that the production of sugar for the season may exceed 2.2 million tons. Supplies of sugarcane to factories are reported to have increased appreciably following the closure of crushers manufacturing gur. In the Hapur market, the rate is quoted at Rs 112 per bag. In the Muzaffarnagar market, rates are moving between Rs 113 and Rs 115 per bag.

The sugar market in London is still in a confused state. The Russian sugar deal with Cuba has not proved the boom to the market it was expected to be and prices still linger around 3 cents a pound. One reason for this is the doubt expressed about American sugar production, especially in relation to its purchase from Cuba. The US Government have, for some time past, been trying vainly to persuade Congress to give them free-

dom to adjust import quotas for sugar when they like.

The market fears that the International Sugar Council, at its next meeting, may decide that the time is now suitable for increasing the export quotas, which will have the effect of bringing more supplies and thereby disturbing the rather delicate price structure. But it is pointed out in London that, under the terms of the International Sugar Agreement, if export quotas rise automatically it the New York price of Cuban raw sugar goes above 3.25 cents per pound. The price is within striking distance of this level and the Council may prefer to let events take their own course rather than to try to influence them in any way.

Gur

In the Hapur market, ready Gur prices have registered fractional gains during the week due to revival of demand. Daily arrivals have dropped to an average of 500 maunds, as cultivators are reported to be busy with harvesting. Stocks are estimated around 41,000 maunds. Pansera quality is quoted at Rs 16.50 and the Balti variety at Rs 16.25 a maund.

Sowing of cane for the next season is in full swing and an increased acreage is expected in West Uttar Pradesh.

Khandasari

The Khandasari market remains depressed. Loading facilities are, however, reported to be adequate; but demand has been poor at higher levels. Some buying enquiry is reported from Gujarat and Saurashtra side.

The manufacture of khandasari is still being continued and the total production in the country is likely to touch a new high of 500,000 tons.

In the Mazaffarnagar market, prices have declined by Re 1 to Rs 3 per maund for different varieties due to keen selling by stockists. Local stocks are reported to have risen to 150,000 tons.

Foodgrains

Quiet conditions were witnessed in the Hapur Foodgrains market. The average quality Wheat has registered a further modest fall, to be quoted at Rs 17.25 a maund. Daily arrivals of wheat in the open market average 50 maunds and the supplies are being further augmented by sales through fair-price shops.

The Rice market is also ruling quiet, thanks to the easy supply position and heavy stocks with the trade. Harvesting of coarse grains has begun in some areas. Maize and Barja prices have slightly declined due to withdrawal of seasonal support. Harvesting of Arhar will begin after a month and the crop prospects, apart from areas affected by hailstorm, are considered to be bright.

Depressed conditions are being witnessed in the Delhi grains market. Slack demand from the local and outside consuming centres due to the expectations of early arrivals of new crop from the Punjab and

the reports of the beginning of new "rabi" crop arrivals in Uttar Pradesh are the main contributory factors for this trend.

Pepper

The Pepper market is ruling quiet, reflecting the uncertain outlook for the commodity. In Cochin, the rate for the ready position is quoted around Rs 262 per cwt. In the New York market, the rates for both spot and forward deliveries are quoted at 55¢ cents per pound.

Exports of black pepper from India were substantially higher at 76,888 cwt in January as against 52,655 cwt in December 1959 and 39,185 cwt in January 1959. Thus, total exports, for the first quarter of the current season (from November 1959 to January 1960), aggregated in the corresponding period of the 1962, 204 cwt as against 93,296 cwt previous year. Arrivals of black pepper in Bombay, for the three months ended January 1960, totalled 21,892 cwt.

Rubber

It was known for some time past that Rubber prices had been fluctuating rather uncertainly during much of February and part of March, pending an announcement with regard to sales by the United States Government. These uncertainties are now ended with the announcement that the American Administration will be making further sales of rubber, before the end of the fiscal year, in addition to sales of 50,000 tons already agreed upon. The Administration intends to sell between 50,000 and 75,000 tons each fiscal year. Britain is also steadily selling stockpile rubber and 50,000 tons of Russian stockpile rubber is coming on to the market shortly.

In these circumstances, it was expected that the price would fall sharply. But the price of the commodity has remained surprisingly steady around 3sh a pound. The strength of the market, in the face of the above factors, stems from steady Chinese purchases in Singapore. Chinese buying there is reported to be at the rate of around 3,000 tons a week and this, coupled with steady demand from the United States and Europe, has kept supplies in the Eastern markets fairly tight.

The statistical position of the commodity, however, continues in favour of steady prices. According to the Internal Rubber Study Group, world production last year of natural rubber was 2,065,000 tons, while consumption was 2,105,000 tons—a deficit of around 40,000 tons. It seems, therefore, that even the expected stockpile sales this year will not seriously affect the overall statistical position. The view in London is that rubber prices are likely to remain steady and may well become higher as the year progresses and local shortages may develop in the West.

Bullion

MOVEMENTS in the bullion market in Bombay during the week under review were narrow but irregular, but the tendency was characterised

by subdued conditions. However, the undertone in gold was somewhat diffident due to apprehensions that, at some stage, the credit curb measures might also be tightened for the precious metals. However, as there will be seasonal offtake in silver for another six weeks or so, the white metal was kept relatively better. Business in Baisakh and Jeth delivery started during the week. Gold spot commanded a premium of 87 nP per tola over Chaitra, Rs 1.75 over Baisak and Rs 2.69 over Jeth. Silver spot commanded a premium of 25 nP over Chaitra, Rs 1.87 over Baisakh and Rs 3.12 over Jeth. Floating stocks of gold and silver in Bombay are estimated around 20,000 tolas and 700 bars respectively.

Gold Chaitra delivery after early decline to Rs 129.25 recovered to Rs 130.19 to recede to Rs 129.12 while Baisakh delivery stood at Rs 128.25 and Jeth Rs 127.25 at the close. Silver Chaitra moved between Rs 216.75 and Rs 217.37 to quote at Rs 216.62 at the close while Baisakh delivery stood at Rs 215.12 and Jeth at Rs 213.94. Sovereign was placed at Rs 86.25.

Yarn

A quietly steady tendency was noticeable in the yarn market in Bombay. Business was restricted due to the implications of the financial difficulties of some parties which no doubt cast its shadow. In art silk yarn, Bemberg Cupressa April delivery moved between Rs 1,784 and Rs 1,797 while June delivery was quoted at premium of Rs 28. Stiple fibre April was put through at Rs 684 to Rs 693 while June delivery was placed at Rs 695. Cotton yarn prices were on the whole steadier except for small decline in fine counts following some decline in long staple cotton prices.

Metals

Reports that the import policy for Zinc for April to September period will remain unchanged led to some buying support. Zinc ready, was quoted at premium of Rs 28. Staple at Rs 132. Tin for ready and for next month delivery was quoted at Rs 135. Lead moved narrowly, around Rs 75 due to slow offtake and Copper was steady. Brass scrap was stagnant at Rs 178. Aluminium scrap was quoted at Rs 1.47 per lb.

Oils & Oilseeds

The long awaited announcement of export quota of 20,000 tons of HPS groundnuts till the end of June has at last materialised, but this had very little effect on the groundnuts market except for a short lived small rise. Castor seeds, on the other hand, showed some improvement on buying by shippers on prospects of export business. Castor crop estimate is placed between 115,000 and 120,000 tons. Arrivals of new crop have commenced in Gujarat, while the movement of the crop in UP has been delayed due to somewhat unfavourable weather conditions. US buyers are indicating the price of 14¢ cents without much active buying, while conditions in the UK market are still somewhat subdued on account of recent heavy shipments

still not completely sold out. As pointed out last week, prospects of fresh business in castor oil with the UK look remote. Small business of almost 300 tons of BSS oil with France was reported at £122 during the early part of the week. As for groundnut oil, there was practically no export business with the UK, but, due to higher contango and crop estimate of 425,000 tons, there is not much scope for rise in linseed prices. The announcement of export quota of 50,000 tons of linseed oil cake till the end of September had a steady effect. Cottonseeds were on the whole quietly steady.

Castor seeds for May delivery, which were done as low as Rs 168.37

on 23 March advanced to Rs 173.00. Business in castor, linseed and cottonseeds delivery and in groundnut for August is expected to start on 1 April. Castor oil commercial was put through at Rs 17.37 to Rs 17.56. Groundnut May delivery improved to Rs 210 from 206.75 to be placed at Rs 209. Groundnut oil April-May delivery changed hands at Rs 21.94 to Rs 22.12. Linseed May delivery, after being put through at Rs 32.31, advanced to Rs 33 to recede to Rs 32.81 to rally to Rs 33. Linseed oil ready came to business at Rs 15.56 to Rs 15.75 per quarter. Cottonseeds May delivery moved between Rs 149.75 and Rs 148.75.

THE BOMBAY DYEING AND MANUFACTURING COMPANY, LIMITED

NOTICE

The Annual General Meeting of The Bombay Dyeing and Manufacturing Co. Ltd., will be held at the Registered Office of the Company, Neville House, Ballard Estate, Bombay, on Thursday, the 21st April 1960, at 4-30 P.M. to transact the following business:—

1. To adopt the Directors' Report, and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December 1959.
2. To sanction the declaration of a Dividend.
3. To appoint a Director in the place of Mr. Pratapsinh Mathuradas who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Mr. J. D. Choksi who retires by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors for the current year and to fix their remuneration.
6. AND for the purpose of considering, and if thought fit, to pass (with or without amendment as may be permissible) the following Resolutions as Special Resolutions, and/or Ordinary Resolutions as specified below:—

SPECIAL RESOLUTIONS

I. "RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, approval be and it is hereby accorded to a contract being entered into, in terms of the draft placed before the meeting and for the sake of identification initiated by the Chairman, between the Company and the Managing Agents, Messrs. Nowrosjee Wadia and Sons (Private) Ltd., to be operative as from one month after the date of this meeting until the 15th day of August 1965, in respect of purchase by and sale or supply to the Company of goods in which the Managing Agents regularly trade or do business, (such as Rings, Ring Travellers, Lubricating Oils, Hair and Leather Beltings, other Leather Goods

such as Pickers, Picking Bands and Buffers, Shuttles, Sprinklers and Sprinkler Equipment, Machine Cloths, Ginning, Pressing and Delinting Machinery, Floor Polishing Machines, Homogenizers, Machinery and Machinery spare parts and Mechanical Handling Equipment) or in which they may trade or do business, and in respect of sales to the Managing Agents by the Company of sundry items of articles produced, dealt in or owned by the Company, (such as Cloth, Yarn, Waste, Petrol, Tubular Banding, Soap, and such other Sundry stores and ancillary items) as well as in respect of the supply or rendering of any service by the Company to the Managing Agents, and the supply or rendering of any service (other than that of Managing Agents) by the Managing Agents to the Company, including the giving of loans or deposits by the Managing Agents to the Company at interest not exceeding the State Bank of India's rate of interest and including service as agents for insurers for insuring the risks of the Company subject to the conditions that all payments to be made to the Company by the Managing Agents shall be made within one month from the date of such transaction; and that the prices charged to or received by the Company shall be such as are not less favourable to the Company than the market rates, or which are otherwise reasonable, and that the terms and conditions of the said supplies shall be as sanctioned by the Board of Directors."

II. "RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, approval be and it is hereby accorded to a contract being entered into, in terms of the draft placed before the meeting and for the sake of identification initiated by the Chairman, between the Company and the Firm of Messrs. Ghia Pallonji & Co., Bombay (who are or may be

deemed to be 'associates' of the Managing Agents of the Company, and one of whose partners is a relative of one of the Directors of the Company and of the Managing Agents of the Company), to be operative as from the date of this meeting until one month after the Annual General Meeting of the Company in the year 1965, in respect of purchase by and sale or supply to the Company of chemicals and such goods in which they trade or do business (such as Caustic Soda, Soda Ash, Zinc Chloride, Sodium Bicarbonate and various other chemicals) or in which they may trade or do business, and in respect of sales to the Firm by the Company of sundry items of articles produced, dealt in or owned by the Company, as well as in respect of the supply or rendering of any service by the Company to the Firm and the supply or rendering of any service by the Firm to the Company subject to the conditions that all payments to be made to the Company by the Firm shall be made within one month from the date of the transaction; and that the prices or amounts charged to or received by the Company shall be such as are not less favourable to the Company than the market rates, or which are otherwise reasonable, and that the terms and conditions of the said supplies shall be sanctioned by the Board of Directors."

III. "RESOLVED that the Company hereby approves of the sale to the Crown Spinning and Manufacturing Co. Ltd., of a piece of land on the northern side of the Company's Dye Works situated at Cadell Road, Mahim, admeasuring about 6000 to 7000 square yards, at the price of Rs. 85/- per square yard, subject to the condition that the betterment charges (if any) under the Town Planning Scheme relating to this locality, which may become payable in respect of the said plot, shall be borne and paid by the purchasers."

IV. "RESOLVED that Clause 3 of the Memorandum of Association of the Company be and it is hereby altered by deleting from sub-clause (IX) thereof the following introductory words, namely: "With the consent of the shareholders assembled in General Meeting."

V. "RESOLVED that Clause (VI) of Article 118 of the Articles of Association of the Company be and it is hereby amended by deleting therefrom the following introductory words, namely: "With the consent of the shareholders assembled in General Meeting."

ORDINARY RESOLUTION

VI. "RESOLVED that, pursuant to the provisions of Section 359 of the Companies Act, 1956, the Company hereby authorises Messrs. Nowrosjee Wadia and

Sons (Private) Ltd. the Managing Agents of the Company, to retain during the entire period of their Managing Agency, i.e. upto the 15th August 1965, the commission or other remuneration earned, or to be earned, by them in the business of agents of Insurers, and in particular of the Queen Insurance Co. of America, and in the business of agents or representatives of other principals with whom contracts have been or may be entered into for the supply of goods to the Company, provided the prices or amounts charged to the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable; and also to retain the interest in respect of any loans or deposits made by the said Messrs. Nowrosjee Wadia & Sons (Private) Ltd. to or with the Company, provided that the rate of interest charged to or paid by the Company does not exceed the rate of interest of the State Bank of India."

Explanatory Statement Under Section 173 Annexed in Respect of the Above Resolutions.

The drafts of the Contracts referred to in Special Resolutions Nos. I and II are open for inspection by any Member at the Registered Office of the Company on all working days from 10-30 A.M. to 1 P.M.

By Order of the Board,
NOWROSJEE WADIA & SONS
(Private) LTD.,
NEVILLE N. WADIA
Director,
Managing Agents.

Bombay, 10th March, 1960.
Note:—

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- (b) The Share Transfer Books of the Company will remain closed from Monday the 7th March 1960 to Thursday the 31st March 1960, both days inclusive.
- (c) The Dividend when declared will be made payable at the National and Grindlays Bank Ltd., Bombay, on or after the 28th April 1960, to those members whose names stand on the Register of the Company on the 31st March 1960, and the Dividend Warrants will be duly posted to them.
- (d) The Members are requested to notify immediately any change of address to the Company.
- (e) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of items I to VI set out above is annexed to the Notice of the Annual General Meeting posted to all the Members individually.

The Central Bank of India Limited

Marked Expansion of Economic Activity

A Re-Appraisal of Programme by Government Essential

Balance Sheet Figures Cross Rs. 200 Crore Mark

Chairman, Sir Homi Mody's Survey

Speech delivered by Sir Homi Mody, K. B. E., Chairman, The Central Bank of India, Ltd., at its Forty-ninth Annual General Meeting held on Wednesday, the 30th day of March, 1960.

Ladies and Gentlemen,

In presenting to you the Annual Report of the Directors and the audited Statement of Accounts, I shall begin with a few observations on the economic situation in India and abroad.

2. During the year under review, there was an appreciable improvement in the political and economic climate of the world as a whole. There was a welcome thaw in the cold war and a general expansion of world trade. Industrial production was on the up-grade and reached higher levels in most countries. At the same time, there was greater awareness, on the part of the industrially advanced nations, of the necessity of helping in the economic development of under-developed areas, and it is possible foreign aid on a substantially larger scale might be available to our country in the coming years, with prospects of a more even spread amongst the countries which are in a position to lend.

3. As was to be expected, there was a marked expansion of economic activity in India in 1959. Agricultural production which had slumped badly in 1957-58, staged a welcome recovery in the following year, with the index number moving up from about 114 to 131. This improvement, which was due more to favourable seasonal conditions than to any other factor, should not, however, lull us into a false sense of security, because, with the alarmingly rapid growth of our population, a sustained and accelerating increase in agricultural production is a fundamental condition of our economic progress.

4. Industrial production also recorded a sizable improvement and, in particular, there was a substantial increase in the output of capital and intermediate goods. Industries like iron and steel, non-ferrous metals, electric power and automobiles showed considerable progress; consumer goods industries registered only a meagre improvement. The general index which had been moving very slowly in previous years, rose from 139.7 in 1958 to 149.4 in the first ten months of 1959.

5. The most disquieting feature in our economy is the persistently upward movement of the general price level. The index number of wholesale prices showed a net rise of 7 points to 117.5 in 1959, and it has risen by a further two points in the first two months of this year. All groups of commodities are experiencing an upward pressure, which is evidently a reflection of the strain which the large development programmes are placing on the available supplies.

6. A progressive increase in commodity prices implies, of course, a corresponding fall in money's worth. The deterioration in the value of the rupee, which has amounted to as much as 29 per cent since India became independent, cannot be disregarded on the ground that this is a phenomenon which is not peculiar to this country. Indeed, in a pitifully backward economy like ours, the maintenance of price stability is of the utmost importance for the very reason that the people's capacity to bear additional burdens is limited. As the Governor of the Reserve Bank recently stated, the task of maintaining stability in the value of the currency is not within the sole competence of the monetary authorities. For this purpose, as he rightly pointed out, "fiscal and monetary policy must be integrated-fiscal policy including, of course, a policy with regard to deficit financing".

7. Government should, therefore, undertake a re-appraisal of the programmes they have been pursuing in these last few years. Mounting fiscal burdens, industrial imbalance and abnormal deficit financing can have only one result—a creeping and, therefore, all the more dangerous inflation, which neither the monetary weapon nor selective credit controls can put right. In this connection, I would reiterate a suggestion I made at the last of the series of instructive lectures delivered by Sir Oliver Franks in Bombay that the time had come for the appointment of an independent body of experts for making a survey of our monetary system at this crucial stage of our development. Such a Committee would be able to tell us, among other things, how far our programmes of development are related to the maintenance of a reasonable price level, to what extent the

working of the monetary system has been conducive to the maintenance of stability and how imperative is the need for harmonising the monetary, credit and fiscal policies of Government. My suggestion has received a fair measure of public support, but it may be too much to hope any action will follow.

8. Meanwhile, the pattern which Government have set themselves is proceeding apace. The Second Five-Year Plan which started off with a flourish, and which, after its formulation, had its targets periodically scaled upwards with a cheerful disregard of such mundane considerations as means and resources, is nearing its end, with the hard core to which it had to be reduced implemented with the aid of large foreign credits, heavy deficit financing and bouts of fresh taxation. Its chequered career has apparently taught little to our planners. The Third Five-Year Plan is now being hammered out, in respect of which the net foreign exchange requirements are expected to be about Rs. 2,000 crores. Even if, as seems likely, foreign credit of this magnitude is obtainable, should we not bestow some thought on the way we are mortgaging our future? Apart from that, are we receiving value for the money that is spent and are the objectives of our economic policy being achieved in full measure? It is time our planners rid themselves of such meaningless slogans as "take-off stage" and "self-generating economy" and did some hard thinking, always remembering that the Plans are for the people and not the people for the Plans.

9. It is a matter for satisfaction that, at the present moment, a reconnaissance team nominated by the World Bank and headed by Sir Oliver Franks is engaged in the task of assessing the size, scope and content of the Third Plan and the extent of external aid that its implementation would need. Let us hope the deliberations of this expert body may assist in the formulation of a well-balanced plan which would take India substantially farther on the road to economic advance without exacting too heavy a price in the process.

10. The inflationary trend has naturally been reflected in the additions to money supply. During the year under review, money sup-

ply with the public increased by Rs. 170 crores, the increase being more than twice as large as in the previous year. This was due to an improvement in both the foreign exchange position and in the lending operations of banks. The foreign balances held by the Reserve Bank, which had fallen by Rs. 109 crores in 1958, recorded a net rise of Rs. 24 crores in the year under review, thanks to the generous assistance received by India from foreign countries. Simultaneously, there was an expansion of Rs. 129 crores in the credit advanced by commercial banks to the private sector, compared with an increase of only Rs. 22 crores in the previous year, and this helped further to add to the volume of monetary circulation.

11. Deposits of Scheduled Banks continued to rise and reached the figure of Rs. 1,827 crores, showing an increase of Rs. 253 crores during the year. An interesting feature is that demand liabilities which had contracted in 1958, now show a modest increase. Presumably, money is becoming more useable owing to the quickened tempo of business activity.

12. Scheduled Banks' credit moved up during the year by Rs. 99 crores. There has been in the last few years a steady advance in the volume of industrial finance provided by Banks, and this has to a certain extent had the effect of blurring the distinction between the busy and the slack season. As a result of various factors, the investment portfolio of Banks showed a substantial rise, mostly in Government Securities.

13. I shall refer to only one other item in this survey of economic and banking conditions. The Reserve Bank have recently thought fit to apply the credit squeeze and have issued certain directives to Banks. The question which arises, however, is how far limitations placed on bank credit can serve as a corrective to the general advance of the price level in the prevailing situation. The experience of selective credit controls is none too encouraging. On this, I shall only quote the following from the Report of the Board of the Reserve Bank issued in August 1959:—

"Selective controls are not designed to correct the general

inflationary pressures within the economy; nor is their success to be judged precisely by the extent to which the prices of the relevant commodities have fallen. The controls may be expected to exercise only a limited, perhaps a marginal, effect on prices, more particularly when Banks have large liquid resources".

14. In this connection, I would invite the Reserve Bank's attention to an article which appeared in the "Financial Times" of the 19th February, which refers to the credit agreement recently concluded in Norway after discussion between the Ministry of Finance and the Bank of Norway, on the one hand, and the Joint Consultation Council representing the country's Banks and Life Insurance Companies, on the other. Consideration might be given to the advisability of instituting some such consultative machinery between the Reserve Bank and the Scheduled Banks in our country.

15. I shall now proceed to deal with some of the salient points in the Bank's Balance Sheet and Statement of Accounts for the year.

16. You will notice at the outset that the Subscribed Capital at Rs. 3.15 crores shows an increase of Rs. 45,750/- as compared to 1953. You will also find an item of a little over Rs. 1 lac as Share Premium Account. Both these are the result of the decision taken at the last Annual Meeting to allot the Shares represented by fractional Certificates and Coupons that had remained unrepresented for many years by their original holders.

17. Another new item, which finds a place in the Balance Sheet, is the Development Rebate Reserve amounting to Rs. 75,000/-, which has been created out of the year's earnings. The Sinking Fund in respect of Lands and Buildings, which used to be grouped in the past with the 'Reserves', has now been placed under 'Other Liabilities' as required by the Banking Companies Act.

18. You will have noticed that the total of our Balance Sheet figures has crossed the Rs. 200 crore mark. It now stands at Rs. 223 crores, representing an increase of Rs. 24 crores over the figures of the previous year. The aggregate working funds were also higher at Rs. 192.74 crores at the end of the year.

19. The total of our Deposits again registered an increase and stood at a little over Rs. 180 crores. A particularly satisfactory feature is the way in which Demand Deposits have started moving up. In relation to the total Deposits of all Scheduled Banks in the country, our share amounts to 9.9%, which is a measure of the place we hold in the banking structure of the country.

20. There was an even larger increase in our figure of Advances which rose to nearly Rs. 120 crores at the end of 1959. This necessitated recourse to borrowings from Banks to a greater extent than in 1958. The advent of the

busy season, which normally brings about a heavier demand for bank accommodation for financing the movement of crops, was delayed last year, resulting in funds lying idle for a good part of the second half of the year. In addition, the Reserve Bank's curb on foodgrains advances curtailed the lending activities of many of our Branches located in predominantly agricultural areas. But for this, the average of our Advances for the year, which was nearly Rs. 119 crores, would have been still higher. The peak was touched in May when the record figure of over Rs. 128 crores was attained. Our Bank accounted for 12.4% of all Scheduled Banks' advances outstanding at the end of the year.

21. The Investment portfolio was augmented in the course of the year by Rs. 1.99 crores and amounted to Rs. 54.92 crores. For the first time after many years, the total market value of our holdings has exceeded the book value by a margin of something like Rs. 30 lacs. When we consider how far we have come from the disastrous position which existed in 1952, we have cause for infinite satisfaction at the turn that has taken place in our fortunes.

22. Turning to the Profit & Loss Account, the first thing that attracts notice is the improvement of Rs. 48.68 lacs in our gross earnings, despite the increased deduction of tax at source. Owing to the larger volume of business handled under Advances and Bills, there was an increase of Rs. 44.60 lacs in earnings by way of interest, exchange and commission. Contrary-wise, on the debit side, interest charges were up by Rs. 18 lacs on account of the increase in Deposits. The resultant net improvement in our earning potential was, however, nullified by the heavy increase in total operating cost, of which Establishment Expenses accounted for as much as Rs. 27.83 lacs, reaching the very high figure of Rs. 334.38 lacs, which represents an increase of almost Rs. 1 crore in the past five years. In relation to the gross earnings and net income, the ratio of establishment expenses for the year works out to 37% and 65.1% respectively.

23. Despite the expansion in our gross earnings, it is disappointing to find that the net profits, far from showing an improvement, actually disclose a drop of about Rs. 2 lacs from the 1958 figure. The percentage of net profits in relation to gross earnings has been sliding down from year to year, as shown by the decline from 13.7% in 1955 to 11% in 1959. It is primarily due to the incidence of the mounting Establishment Charges, to which I have referred. This downward trend in profits could be arrested in only one way, and that is, by the entire staff striving to improve efficiency, discipline and happier relations between them and the Management, and thereby contributing to the development of

the Bank's business. Now that a Tribunal has been appointed with comprehensive terms of reference, I shall content myself with expressing the fervent hope that its findings may result in the creation of happier and healthier conditions for all who are engaged or have an interest in the development of our banking system.

24. During the year, we opened 18 new Offices and closed down 10 unprofitable ones, leaving 306 Offices at the close of the accounting period.

25. I think I should give some explanation of the Board's recommendation regarding the Dividend payable to Shareholders. The Board decided that, while compulsorily deducting at source the tax payable on Dividend, as required by the law, the Bank should, nevertheless, pass on to Shareholders the two benefits accruing to the Bank, viz., reduction in the tax payable by the Bank from 51½% to 45% and the abolition of the Excess Dividend Tax. As you will remember, an Interim Dividend of Rs. 1.90 per share, subject to tax, which is equivalent to Rs. 1.33 net, was paid for the half-year ended 30th June. It was felt that if a final Dividend of Rs. 2.40 per share, subject to tax, which works out to Rs. 1.68 net, was declared, the object in view, viz., sharing with the Shareholders the benefits accruing to the Bank, would be achieved. Accordingly, if this recommendation is accepted by you, the Shareholders will get a net Dividend of Rs. 3.01 per share, as against Rs. 3.50 per share paid for 1958, which, I hope, will not be considered unsatisfactory in view of the prevailing conditions.

26. After being associated with the Bank for nearly thirty years, Mr. Dinshaw D. Romer recently resigned his place on the Board of Directors. His knowledge of legal and business matters and his sound judgement were of great value, and his colleagues were sorry he had to sever his connection on account of failing health. They have placed on record their appreciation of the valuable services rendered by him during his long association with the Bank.

27. Before I conclude, I am sure you would wish me to express our grateful acknowledgments to our Vice-Chairman, Mr. C. H. Bhabha, who has been devoting so much of his time and energies to the affairs of the Bank. He has done not a little for the improvement and expansion of its business, and we greatly appreciate the ungrudging service he has been rendering to the Bank. Our General Manager, Mr. N. K. Karanjia, has been continuing to shoulder the heavy burden of his office with rare zeal and devotion, and it must be a matter of great satisfaction to him that, under his able stewardship, the Bank has been making such satisfactory progress. To Mr. E. C. Cooper, the Deputy Manager, Mr. V. C. Patel, the Chief Accountant, the other Officers-in-charge at the

Head Office and the Branches, the members of the Staff and the Local Advisory Committees at various centres, I would also like to convey our grateful thanks. With goodwill on all sides, I am confident the Bank will play an even more useful and progressive role in the future in the development of the commerce and industry of the country.

Note:—This does not purport to be a record of the proceedings of the above Annual General Meeting.

ASHOKA CEMENT LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the shareholders of Ashoka Cement Ltd. will be held on Friday, the 29th April, 1960 at 11 A.M. at the Registered Office of the Company at Dalmianagar (Bihar) to consider and if thought fit to pass with or without modification the following resolution, which will be proposed as a Special Resolution:—

(To be proposed as a Special Resolution)

"RESOLVED that the regulations contained in the printed document submitted to this meeting and for the purposes of identification subscribed by the Chairman thereof, be and the same are hereby approved and that such regulations be and are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof".

Explanatory Statement

Since the introduction of the new Companies Act, 1956, revision of some of the provisions of the Articles of Association of the Company has become necessary. It is recommended that new set of Articles of Association be adopted to incorporate the provisions of the Act and to revise other provisions to conform to the provisions of the new Companies Act, 1956.

The Clauses 34A, 60A, 64A, 79A, 88A, 90A, (2nd para), 99 (2nd para), 100 (2nd para), 103A, 107 (1) (3a) (5, 2nd para) (14), 113A, 119A, 135 (2nd para), 136A and 137A have been inserted as per agreement entered into with the Industrial Finance Corporation of India in connection with the loan of Rs. 50 lacs taken from them.

The Directors have, however, no interest in adopting the new set of Articles of Association of the Company excepting as members of the Company.

BY ORDER OF THE BOARD

for ASHOKA CEMENT LIMITED

B. Mukherjee

SECRETARY

Calcutta,

Dated 25-3-60

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.



What is Good for LIC...

Investment Gossip:

STOCK market sentiment has sizably improved during the past few days and Friday's trading was marked by a confident undertone. Most equity prices have now regained a good part of the loss sustained immediately after the announcement of the recent Reserve Bank credit squeeze measures. Presumably, both investors and operators have derived the impression that Authority will take early steps to remove difficulties in the way of genuine investment. It would also appear that the recovery has stemmed from a feeling of relief at the fact that the settlements in important centres have not been as difficult

as apprehended. Funds seeking investment in equities seem to have been augmented this week due to the return of subscription money in respect of a recent heavily oversubscribed issue. The revival is as it should be.

The reported purchase of some equities as well as preference shares last week-end by the Life Insurance Corporation is naturally attributed to the investment committee meeting held in Calcutta last week. Anyway, expectations have been fulfilled in some measure and the stock market seems to be pleased with the result. Perhaps, it is felt that other investors would also come to think that what is good for the LIC should be good for them also.

Prospects for equities have never been so good as they are now. If investors have believed that, after the Central Budget, the outlook has improved, there is no reason now to reverse that view, the RBI directive notwithstanding. But the directive should serve as a warning to those who indulge in excessive speculation. This week in Parliament, kerf transactions have again come in for ministerial attention. Effective action against illegal trading in the stock and other markets has been promised. This need not, of course, cause any worry for the Investor.

ERs

New Issue Notes

The Western India Industrial Corporation Limited, Mysore, has called an extraordinary general meeting on 18 April to obtain the consent of the shareholders for a public issue of 22,000 equity shares of Rs 10 each, at par, without offer to the existing shareholders, with a view to making the capital structure of the Corporation more broad-based.

The Adarsh Chemicals & Fertilizers Limited will shortly be in the market with a capital issue of Rs 40 lakhs, comprising 24,000 equity shares and 16,000—6½ per cent tax-free Redeemable Cumulative Preference shares, both of Rs 100 each, to be issued at par. The subscription list is expected to open in the first week of April. The entire issue has been underwritten. Of the proposed issue, 600 equity shares have already been taken by promoters and directors; 11,400 equity shares and 3,000 Preference shares will be taken up by the directors and their friends; and the LIC has agreed to take 5,000 preference shares. Thus, the actual offer to the public is 12,000 equity shares and 8,000 Preference shares. The company's factory will be situated in Udna in the Surat district. The ICIC has agreed to give a loan of Rs 10 lakhs in foreign exchange equivalent to meet the cost of the machinery and plant. A sum of Rs 25 is payable with application and Rs 25 on allotment in the case of equity shares, while Rs 12.50 is payable on application and Rs 12.50 on allotment in the case of Preference shares, which are redeemable at the end of 10 years.

ERs

Notice is also given that the Share Transfer Books of the Company will be closed from the 29th April to the 13th May, 1960, both days inclusive.

A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the Company.

By Order of the Board,
JARDINE HENDERSON, LIMITED,
D. FORDWOOD
Secretary,
Managing Agents.

4, Clive Row,
Calcutta-1.
25th March, 1960.

Balance-Sheet Briefs:

Among the Finlay group of mills, the Finlay Mills Limited has reported

a higher net profit of Rs 21.14 lakhs for 1959 as against Rs 4.09 lakhs in the previous year. A taxable dividend of Rs 23 per share is recommended.

Similarly, the Gold Mohur Mills Limited has shown a net profit of Rs 16.40 lakhs against Rs 4.81 lakhs previously. The Ordinary dividend is Rs 21.50 a share, subject to tax.

The Swan Mills Limited has earned a net profit of Rs 20.10 lakhs against Rs 8.20 lakhs for 1958. The Ordinary dividend is Rs 36 per share, subject to tax.

The working of the Lakshmi Cotton Manufacturing Company Limited has resulted in a profit of Rs 6.01 lakhs against a loss of Rs 3.52 lakhs incurred in 1958. A higher dividend of Rs 25 (taxable) is recommended against Rs 15, tax-free, in the previous year.

The Vishnu Cotton Mill Limited has earned a net profit of Rs 1.63 lakhs against a loss of Rs 9.02 lakhs. The dividend on the Ordinary shares is passed over.

The net profit of the Jay Shree Tea Gardens Limited has risen substantially to Rs 14.61 lakhs for 1959 from Rs 9.70 lakhs in the previous year. The directors have decided to pay a net preference dividend of 6 per cent on the Cumulative Redeemable Preference shares. No final dividend is recommended on the equity shares; but the interim dividend declared was Rs 1.40 per share.

Mahindra & Mahindra Limited has shown a net profit of Rs 25.14 lakhs for the year ended 31 October 1959 as against Rs 19.12 lakhs for the previous year. The directors have recommended a dividend of 12½ per cent on the increased capital, which works out to a net dividend of 87½ p per share, against Rs 2.20 paid for the previous year.

The net earnings of the Travancore Rayons Limited are placed higher at Rs 62.06 lakhs for 1959 against Rs 46.19 lakhs for 1958. The directors have recommended a gross dividend of 20 per cent (net 14 per cent) against 12½ per cent tax-free.

ERs

Investment Notes:

A new factory at Ennore, near Madras, which should produce about 51,000 tons per annum of compound fertilizers based on ammonium phosphate is to be built by the British firm of Simon-Carves Ltd of Stockport, Cheshire. The contract, which is valued at about £3,000,000, has been placed by the East India Distilleries & Sugar Factories Ltd. In addition to the compound fertilizer plant, the factory will include plants for the production of synthetic ammonia, sulphuric acid and phosphoric acid, together with equipment for handling incoming raw materials and outgoing finished products. The factory is scheduled to come into production in two years.

ERs

Investment Briefs:

Kohinoor Mills Company Limited has recommended a dividend of Rs 9.50, subject to tax, for 1959. The net dividend works out to Rs 6.65 a share against Rs 10 paid for the previous year.

The Industrial Investment Trust Limited has recommended a gross dividend of Rs 6 per share (net Rs 4.20) against Rs 6 tax-free for the previous year.

Thirumalai Rubber, Madras, has declared a taxable dividend of 7 per cent for the year ended 30th September 1959 against 10 per cent.

THE STOCK EXCHANGE BOMBAY

ESSAY COMPETITION

Under the auspices of the Shantilal J. Smarak Fund and M. C. Baxi Prize Fund, the Exchange invites essays on the following subjects:

- The Origin and Growth of the Stock Market in India—With special reference to the Stock Exchange at Bombay.
- The Future Role of the Stock Market in India.

The panel of Judges consists of Shri A. D. Shroff, Director of Tata Sons, Ltd., Dr. B. K. Madan, Executive Director of the Reserve Bank of India, and Shri H. T. Parekh, General Manager of the Industrial Credit and Investment Corporation of India, Ltd.

There are three prizes as under:

- Shantilal J. Smarak Prize ... Rs. 2,500
- M. C. Baxi Prize ... " 1,500
- Third Prize ... " 1,000

Additional prizes may be awarded on the recommendation of the Judges. The last date for submission of essays is the 31st of July, 1960.

Copies of the Rules and Regulations for the Essay Competition can be had from the Exchange on request.

KANKNARRAI COMPANY, LIMITED.

NOTICE OF ANNUAL GENERAL MEETING.

NOTICE is hereby given that the One Hundred and fifty-first Annual General Meeting of Members will be held at the Registered Office of the Company, 4 Clive Row, Calcutta, at 11-15 a.m. on Friday, the 13th May, 1960, for the following purposes:—

- To receive and consider the Audited Accounts for the year ended 31st December, 1959, and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- To appoint a Director in place of one retiring.
- To appoint Auditors and to fix their remuneration.

Notice is also given that the Share Transfer Books of the Company will be closed from the 9th May to the 13th May, 1960, both days inclusive.

A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the Company.

By Order of the Board,

JARDINE HENDERSON, LIMITED,
D. FORDWOOD
Secretary,
Managing Agents.

4, CLIVE ROW,
CALCUTTA-1.
25th March, 1960.

COMPANY REPORTS

Chitavalsah Jute Reports Higher Profits

Balance-Sheet Reviews:

FAIR trading conditions and the availability of raw material at reasonable rates are fully reflected in the working results of the Chitavalsah Jute Mills Company Limited for the year ended 31 July 1959. While sales have been maintained at Rs 1.57 crores, the net profit, before providing for Depreciation and Taxation, has risen to Rs 18.07 lakhs from Rs 16.69 lakhs in the previous year. The directors have provided Rs 4.93 lakhs (Rs 3.53 lakhs) for Depreciation; Rs 3.10 lakhs (Rs 6.30 lakhs) for Taxation; Rs 3.56 lakhs (Rs 1.75 lakhs) for Development Rebate Reserve; and a taxable dividend of Rs 1.50 is recommended on the Ordinary shares against 12½ per cent tax-free.

The balance-sheet, as at 31 July 1959, shows a paid-up capital of Rs 35.15 lakhs against which General Reserve is shown at Rs 33 lakhs and Development Rebate Reserve at Rs 5.43 lakhs.

The gross block at Rs 1.10 crores is depreciated by Rs 59.87 lakhs to show a net block value of Rs 49.96 lakhs.

Modernisation of the Sacking Weft Spinning was completed during December 1959 and the remainder of the mill modernisation of the Warp side should be completed by June 1960.

During the year under review, the company bought 1,698 out of 2,235 shares of Rs 70 each fully paid-up of Vizianagram Press and Mills Company (Private) Limited, thus making the latter company its subsidiary.

Period ended	1-8-1958 to 31-7-1959		
	1-8-1958 to 31-7-1958	1-8-1957 to 31-7-1957	1-8-1956 to 31-7-1956
Sales	16,746,932	15,705,984	16,908,387
Stocks	1,461,923	1,023,522	947,843
Raw Materials	2,726,771	2,008,185	2,485,395
Works in progress	173,100	146,435	172,612
Net profit	1,807,288*	1,669,421	1,305,789
Taxation	310,000	595,800	416,000
Wealth Tax	...	34,200	64,000
Depreciation	492,674	353,215	310,684
Reserve Fund	...	100,000	...
Development Rebate Reserve	356,200	175,000	175,000
Div. Amount Ord.	452,250	376,675	331,650
Div. Amount Pref.	35,000	35,000	37,900
Carry Forward	233,594	72,430	73,099
Div. % Ord.	15†	12‡	11
Div. % Pref.	7†	7	7.88

(Annual General Meeting on 11-4-60 at 3 p.m.)
*After writing back Rs 163,400 from Development Rebate Reserve.

†Dividends subject to deduction of tax.

Synopsis of balance sheet as on the last day of July			
Liabilities	1959	1958	1957
Capital Paid-up:			
7½% C. Pref.	500,000	500,000	500,000
Ordinary	3,015,000	3,015,000	3,015,000
5½% Debentures	1,069,000	1,069,000	1,069,000
Reserve Fund	3,300,000	1,900,000	1,800,000
Other Funds	542,800	1,750,000	1,575,000
Loans Secured	2,172,993	679,953	...
Loans Unsecured	82,348	...	...
Taxation Provision	172,184	445,062	378,630
Debits	2,494,396	2,346,047	1,938,544
Carry Forward	233,594	72,430	73,099
Total	13,582,315	11,777,492	10,347,273

Assets			
G. Block	10,982,980	8,914,415	7,794,318
Depreciation	5,987,035	5,494,361	5,154,350
Block (net)	4,995,945	3,420,054	2,639,968
Cap. Exp. in progress	6,980	154,113	11,700
Machinery in Transit	196,462	...	...
Stores	883,145	767,701	592,722
Stocks in Progress	173,100	146,435	172,612
Raw Materials	2,726,771	2,008,185	2,485,395
Stocks	1,461,923	1,023,522	947,843
Outstandings	942,477	1,069,185	1,296,985
Do More than 3 months	85,187	49,698	67,653
Mis. Deposits and Advances	815,996	1,132,368	544,260
Investments	794,869	1,231,344	910,764
Deposits in Banks	53,399	53,299	...
Cash	496,061	721,583	677,361
Total	13,582,315	11,777,492	10,347,273

Azam Jahi Mills Pay Dividend

Thanks to a net profit of Rs 1.22 lakhs as against a loss of Rs 388, the Azam Jahi Mills Limited has been able to recommend a dividend of Rs 4 per share for the year ended 30 September 1959 against nil previously. The improvement in earnings is mainly due to the benefits derived from incentive schemes for export introduced by the Government of India.

Sales are slightly lower at Rs 1.20 crores against Rs 1.25 crores. A sum of Rs 31,000 against Rs 30,000 is set apart for Development Rebate Reserve. In the absence of sufficient profit, the directors have not provided any sum for depreciation.

The subscribed and paid-up capital is Rs 72 lakhs, divided into 72,000 equity shares of Rs 100 each. General Reserve is shown at Rs 12.12 lakhs. Investment Reserve at Rs 3.15 lakhs; Development Rebate Reserve at Rs 61,000 and Dividend Equalisation Fund at Rs 1.00 lakh. The gross block at Rs 1.92 crores is depreciated by Rs 68.18 lakhs to show a net block value of Rs 1.24 crores.

Secretaries:—Industries (I. F.) Department, Govt. of Andhra.			
Year ended Sept.	1959	1958	1957
Sales	11,851,427	12,474,096	15,013,218
Stocks	4,895,676	5,124,836	6,726,943
Net profit	315,359*	29,612	807,275
Taxation	...	...	47,000
Depreciation	...	...	582,000
Development Rebate Reserve	31,000	30,000	...
Div. Amount Ord.	288,000†	...	252,000
Carry Forward	2,681	6,322	6,710
Div. % Ord.	4†	nil	3‡

(Annual General Meeting on 14-4-60 at 3-30 p.m.)
*After transferring Rs 162,286 from Dividend Equalisation Reserve.

†Dividend subject to deduction of tax.

Synopsis of balance sheet as on the last day of Sept.			
Liabilities	1959	1958	1957
Capital Paid-up	7,200,000	7,200,000	7,200,000
Reserve Fund	1,222,790	1,211,985	1,205,268
Other Funds	476,000	607,286	577,286
Loans Secured	11,416,921	10,689,056	10,996,093
Loans Unsecured	2,777,600	2,777,600	3,038,822
Taxation Provision	704,000	797,000	797,000
Debits	2,206,058	1,341,474	2,285,472
Carry Forward	2,681	6,322	6,710
Total	26,006,050	24,630,723	26,086,651

Assets			
G. Block	19,255,835	18,974,579	18,763,112
Depreciation	6,819,240	6,827,598	6,845,582
Block (net)	12,436,595	12,146,981	11,919,530
Stores	1,858,128	1,603,628	1,711,149
Raw Materials	2,816,704	2,360,564	2,166,454
Stocks	4,918,252	5,131,683	6,736,524
Outstandings	593,301	411,734	263,070
Do More than 3 months	99,174	76,047	29,231
Mis. Deposits and Advances	675,377	401,934	793,651
Investments	2,378,437	2,378,827	2,378,627
Cash	419,082	113,503	88,415
Total	26,006,050	24,630,723	26,086,651

Brushware Pays 50 nP

There has been a contraction in the turnover of the company during the year ended 30 November 1959 in the absence of Government orders pursuant to their policy of giving preference to small-scale industries. As a result, sales are lower at Rs 3.33 lakhs against Rs 5.15 lakhs.

The net profit for the year is, however, slightly higher at Rs 22,438 against Rs 13,677. A sum of Rs 1,922 (Rs 3,400) is provided for Depreciation; Rs 9,000 (Rs 5,500) for Taxation and Rs 5,500 (nil) for Rehabilitation Reserve. The directors have recommended a dividend of 50 nP, taxable, as against 50 nP per share, tax-free, paid for the previous year.

The matter of registration of the factory as a small-scale industry is being actively pursued and the directors hope that the approval of the Central Government will be received.

Mg. Agents:—Begg Sutherland & Co. (Private) Ltd.			
Year ended Novr.	1959	1958	1957
Sales	333,424	515,410	499,008
Stocks	44,371	43,650	38,063
Raw Materials	68,144	125,847	192,909
Works in progress	7,330	16,720	16,346
Net profit	22,438	13,677	22,605
Taxation	9,000	5,600	12,000
Depreciation	1,922	3,400	3,000
Other Funds	5,500	...	...
Div. Amount Ord.	5,000	5,000	7,600
Carry Forward	6,848	5,832	6,055
Div. % Ord.	5*	6	7‡

(Annual General Meeting on 20-4-60 at 10-30 a.m.)
*Dividend subject to deduction of tax.

Synopsis of balance sheet as on the last day of Novr.			
Liabilities	1959	1958	1957
Capital Paid-up	100,000	100,000	100,000
Reserve Fund	170,000	170,000	200,000
Other Funds	156,500	181,000	121,000
Loans Secured	4,402	22,181	71,931
Loans Unsecured	4,402	3,920	3,980
Taxation Provision	9,982	2,558	13,764
Debits	24,160	31,126	50,812
Carry Forward	6,848	5,832	6,055
Total	471,898	489,587	567,621

Assets			
G. Block	242,977	242,977	242,977
Depreciation	242,974	241,052	237,652
Block (net)	3	1,925	5,325
Stores	41,738	42,234	46,190
Stocks in Progress	7,330	16,720	16,346
Raw Materials	68,144	125,847	192,909
Stocks	44,371	43,650	38,063
Outstandings	41,893	31,637	61,349
Do More than 3 months	33,392	68,516	54,064
Mis. Deposits and Advances	22,981	23,294	24,054
Investments	129,309	129,309	130,202
Cash	82,737	1,455	833
Total	471,898	489,587	567,621

STOCK EXCHANGES

Price Flutter

Watch-Dog Writes:

STOCK markets now seem to be giving hints of returning sobriety. The week's trading has, on balance, presented a picture of satisfactory performance, thanks to reports of purchases of a few selected shares by the LIC. The tendency of prices, however, remains somewhat irregular, as some of the bull operators have suffered reverses in the recent debacle.

The Calcutta Stock Exchange was in a more confident mood and prices moved higher in most sections.

On the Bombay Stock Exchange, selected shares recorded handsome gains on fresh speculative support and short-covering.

A slightly improved tone was visible on the Madras Stock Exchange.

Calcutta

Calcutta, Friday Evening.

THE improvement in sentiment, that was noticed on the local Stock Exchange last week, was more pronounced during the week under review when further gains in prices were recorded by most sections due to fresh bull support. The main inspiration for the bulls was derived from the reports of the purchases made by the LIC, especially of Bengal Coal, Jessop, Titagarh Paper and Hindustan Motor preferences.

Another contributory factor was the hope entertained by some operators, that something better might come out from the representations made to the Reserve Bank in regard to the availability of loans against budia transactions. Above all, there was a general feeling that the return of large sums, locked up as a result of over-subscription in respect of some recent issues, should substantially augment the floating funds. But for the revival of the rumours with regard to the possibility of an increase in the Bank Rate, the steady rise in prices would have been retained till the close of the week.

The gilt-edged market was absolutely flat as banks, with a view to improving their liquidity, were inclined to disinvest in gilt-edged securities. Even the LIC was reported to have rejected the offers. With the result, both the medium and long-dated loans were on offer and their prices sagged further from last cell levels. State Loans were devoid of support. 3 per cent 1986 Conversion Loan, after touching a new low of Rs 72.82 from Rs 73.15, improved towards the close to Rs 73.25.

Bank shares were quietly steady with Punjab National changing hands up to Rs 21.25. United Commercial were nominally quoted at Rs 71.25. Despite the firmer trend of raw prices, Jute shares presented a steady

front, thanks to higher advices from the gunny market on reports of substantial business done with overseas buyers. Trading, however, remained restricted in view of the uncertain outlook for the industry. Howrah changed hands at Rs 22.62 to Rs 23.12; Alliance at Rs 118 to Rs 122; Ganges at Rs 10.69 to Rs 11.62; National at Rs 30.69 to Rs 30.81 and New Central at Rs 26.19 to Rs 26.75. Kamarhaty were a steady feature at Rs 174 with Khardah hardening to Rs 162.

Coal shares displayed a firmer tendency in sympathy with the general trend of the market, not to speak of a general feeling that the fixation of a high target in the Third Plan would be followed by incentives on the lines sought by the industry. Bengal were at one time pushed up to Rs 335 from Rs 325 on reports of purchases made by the LIC, to finish the week at Rs 330. Central India had buyers up to Rs 10.19 from Rs 9.81; New Beerboom up to Rs 23.87 from Rs 23.25 and Western Bengal up to Rs 8.19 from Rs 7.69. Burrakur closed at Rs 20 after opening Rs 19.25 and touching a high of Rs 20.31 on speculative buying.

In restricted trading, the Tea section presented a steady front with a few selected shares enjoying sustained support. The main reason was the keen buying interest witnessed in recent auction sales following an indication that the stocks with the traders were not high and that internal consumption was on the increase. It was, therefore, believed that the remaining Duet sales would get a good response and the new season's first export sale, to be held in the second week of May, would get a good start.

Sugar shares were comparatively quiet on lower advices from the commodity market on expectation of an increase in production during the current season. Raza/Buland met with business at Rs 13.12 to Rs 13.25; Carew at Rs 11.50 to Rs 11.75; SKG at Rs 13.44 to Rs 13.75 and Dyer Meakin at Rs 19.50 to Rs 20.06.

Thanks to encouraging advices from the cloth front, Textile shares came in for good inquiry, though higher levels attracted some profit-taking. Jayshree were, at one time taken up to Rs 13.62 from Rs 13.12; Cawnpore up to Rs 7.50 from Rs 7.31; Elgins up to Rs 20.12 from Rs 19.56 and Kesoram up to Rs 25.12 from Rs 23, to finish at Rs 13.25; Rs 7.50; Rs 19.87 and Rs 25.12 respectively. Bowreah were, however, on offer at Rs 155 against Rs 170. New Victoria were enquired up to Rs 1.62 from Rs 1.37.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons. Against the week-end closing of Rs 22.12, Indian Irons opened higher at Rs 22.35, and advanced further to Rs 22.55 before reacting at the close to Rs 22.52. TEXMACO, in sympathy, moved up to Rs 25.80 from Rs 25.40; G. K. Williams up to Rs 42.62 from Rs 40 and Britannia up to Rs 13.69 from Rs 13.34, to close finally at Rs 25.50; Rs 42.62 and Rs 13.69 respectively. Jessop were keenly sought after up to Rs 28.00, from Rs 24.25 on expectation of a satisfactory dividend; and closed at Rs 25.81 on profit-taking. Burn moved up to Rs 464 from Rs 454 with Indian Standard Wagon well maintained at Rs 94.

Miscellaneous issues came in for selective support and wiped out a major portion of the recent losses, thanks to the emergence of investment support. Orient Paper changed hands at Rs 40.90 to Rs 41.90 (Rs 41.90); Shree Gopal at Rs 23 to Rs 24.00 (Rs 24.00); Indian Cable at Rs 30 to Rs 30.37 (Rs 30.37); Rohtas at Rs 30.56 to Rs 32.69 (Rs 32.44); Dunlop Rubber at Rs 38.75 to Rs 39.25 (Rs 39.25); Indian Copper at Rs 4.42 to Rs 4.75 (Rs 4.75); Indian Aluminium at Rs 25.81 to Rs 26.06 (Rs 25.81); Hindustan Motor at Rs 17.06 to Rs 18.25 (Rs 18.19); Sirpur Paper at Rs 14.69 to Rs 15.75 (Rs 15.62); Indian Oxygen at Rs 33.62 to Rs 35.25 (Rs 35.12); Associated Battery at Rs 35.50 to Rs 37.75 (Rs 37.62); Phillips India at Rs 24.87 to Rs 25.50 (Rs 25.50); India Steamship at Rs 11 to Rs 11.19 (Rs 11.00) and BIC at Rs 7.28 to Rs 7.56 (Rs 7.37). Figures shown within brackets were the week's closing rates.

Bombay

THE Bombay share market staged further improvement during the week, though trading was interrupted by holidays on Monday and Tuesday. The tendency generally remained better with broadening turnover, but, at the bulge, profit-taking emanated on technical as well as end-of-account considerations. The general feeling is that Contango rates might remain slightly higher due to ban of direct "budias" by banks, but that they will not be prohibitive. However, as the bears and the bulls have suffered heavy reverses during the past month, the market trend is likely to remain irregular. The relieving feature is provided by selective investment buying which, more than anything else, has been responsible for the change in the psychology of the market.

Investors in electricity shares have been ruined by the steady erosion in values during the past few years. Even first class scrip, such as the Tata Hydro group, are going abegging. Government are too slow in amending the Electricity Supply Act so as to compensate the shareholders by way of some relief, in the incidence of taxation. It is wondered as to how the Electricity Supply Industry in the private sector can expand in the face of the depressed state of the shares for which the highest and the lowest rates for this year so far are given below:—

	High	Low	31-3-60
Ahmedabad	91.50	84.70	88.00
Andhra	1080.00	975.00	987.50
Tata Hydro	112.50	100.00	102.00
Tata power	1140.00	1000.00	1041.25

Cotton mill shares made mixed showing. Gokak Mills dropped further to Rs 136 due to lower dividend as stated last week. The Directors of the Koinoor Mills have recommended a taxable dividend of Rs 9.50 (net Rs 6.65) for 1959 as against net Rs 10. Bombay Dyeing, spurred to Rs 67.70 from Rs 65.80 on corporate news and utilisation of the automatic looms, Finlay Mills advanced by Rs 15 on considerable increase in profits. Khatau Mills encountered influential buying to rise by Rs 35. Standard Mills, after

rising to Rs 910, reacted to Rs 865 to finish at Rs 884. Svadeshi Mills were steadier.

Tata Steels were slow in movement and lacked bullish fervour. In the engineering section, Voltas, after moving up to Rs 230, reacted upto Rs 225 to close at Rs 228, while Tata Loco met pressure at a small rally. Mahindra and Mahindra recovered to Rs 23.50 to react to Rs 22.75. Premier Construction improved to Rs 315 on talks of capital reconstruction scheme, while Premier Automobile were marked up to Rs 142 before finishing at Rs 140. Greaves Cotton were steady around Rs 136.

Chemical and Dyes shares met with selective buying. Tata Chemical rose to Rs 17.52 to recede to Rs 16.96 to finish at Rs 17.64. Polychem met with buyers at Rs 185. Sugar shares were almost dormant. Maharashtra Sugar Mills Ltd has declared a taxable dividend of Rs 21 for 1958-59. Shipping shares were slightly better, but lacked confidence. Cement shares kept sluggish.

Bombay Burmah fluctuated irregularly to finish quiet at Rs 565. National Rayon was the bright spot and shot up to Rs 465 from Rs 441 to recede to Rs 456 to terminate at Rs 468. Baroda Rayon came in for some investment inquiry following reports that the daily capacity of the plant is to be increased to 7½ tons from 6½ tons. Anil Hardboard were steady around Rs 325 while Standard Batteries were being put through at Rs 138. Tata Oil was quietly steady at Rs 68. Gwalior Rayon shot up to Rs 33 on rumours of being listed in the forward section in the near future. Raymond Woollen were marked up to Rs 100 from Rs 96.

The week's movements in prices of a few representative scrip are as follows:—

	High	Low	Close
	Rs.	Rs.	Rs.
B. Dyeing	67.70	65.40	67.70
Century	450.00	433.50	446.00
Indu ord.	11.60	11.32	11.60
Kochnoor	320.50	314.00	319.80
Syadeshi	257.00	249.50	255.00
Standard Mills	910.00	865.00	880.00
A.O.C.	140.25	139.23	139.50
Belapur	330.00	326.50	326.50
B. Burmah	572.00	558.50	565.50
N. Rayon	469.00	440.50	469.00
Pr. Constn.	316.50	301.50	315.50
Scindia	14.52	14.04	14.40
T. Chemicals	17.62	18.80	17.64
Tata Loco	210.25	205.00	207.00
Tata Steel	147.25	145.50	147.00
Voltas	229.75	222.00	228.00

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 25-3-60	Quotation as on 25-3-59
Alkabi 5% ... 100	104.00	112.00	
Behar 5% ... 50	21.00	19.75	
Banks			
Asso. K'pura 4 1/2% ... 100	50.50	50.50	
Blarat 5 1/2% ... 100	50.00	49.00	
Borree 6 1/2% ... 100	83.50	83.50	
Burrakur 7% ... 100	86.50	102.50	
Burrakur 6% ... 10	6.10	5.95	
Equitable 6% ... 100	79.00	100.00	
Ghousick 5% ... 100	100.00	100.00	
Gourangdi 5% ... 100	40.00	40.00	
K'pura 5 1/2% ... 100	58.00	55.50	
Khas Kajora 5% ... 10	7.04	7.25	
N. Churulia 5% ... 10	11.62	10.00	
N. Churulia 5% ... 10	2.56	2.50	
N. Hundi 5% ... 100	45.00	44.00	
Ordeal 6 1/2% ... 100	86.50	91.50	
Parasce 5 1/2% ... 100	50.00	42.50	
U.N.L. Colliery 5% ... 100	78.00	83.00	

Basanti 6 1/2% ... 10	8.56	8.00	
B-Nagpur 7% ... 100	75.00	75.00	
Bowrah 8% ... 100	152.00	128.00	
Bowrah 7% ... 100	65.00	65.00	
Egita 8% ... 100	110.00	106.00	
Egita 5% ... 10	8.00	8.25	
Jagatjit 5% ... 100	38.75	43.75	
Jyajeero 5 1/2% ... 100	90.00	87.00	
J. K. Cotton 6% ... 100	93.00	90.00	
Kesaram 7% ... 100	104.00	100.00	
Muir 6% ... 100	83.00	85.50	
N. Victoria 6% ... 5	3.25	3.00	
Orissa 5% ... 100	80.00		
Shree Madhusudan 4 1/2% ... 100	82.00		
S. Nivas 4% ... 100	54.00	56.00	
Shree Bhawan 5% ... 100	106.00	100.00	
Strachey 6% ... 100	61.00	75.00	

Agarpara 7% ... 100	90.00	104.00	
Alexandra 7% ... 100	90.00	96.00	
Alliance 6% ... 10	68.00	88.00	
Anglo-India 7% ... 100	96.00	101.00	
Auckland 5 1/2% ... 100	73.25	74.75	
Auckland 4 1/2% ... 100	62.75	58.75	
Bally 7% ... 100	95.00	104.00	
Barnagore 5% ... 65	85.50	88.62	
Belvedere 7% ... 100	87.00	101.50	
Bengal 5 1/2% ... 100	82.00	77.00	
Birla 7 1/2% ... 100	91.00	87.00	
Birla 5 1/2% ... 100	92.00		
Budge-Budge 7% ... 100	103.50	102.00	
Calcutta 6 1/2% ... 100	77.00	78.00	
Caledonian 7% ... 100	67.50	77.50	
Cheviot 7% ... 100	105.50	100.00	
Chitavalah 7% ... 100	75.00	70.00	
Clive 6% ... 100	84.00	71.50	
Clive 7% ... 100	91.00	94.00	
Dalhousie 7% ... 100	68.00	78.00	
Delta 5% ... 100	98.50	100.00	
Empire 7% ... 100	114.00	105.50	
F. Gloster 7% ... 100	71.00	68.50	
F. Gloster 5% ... 100	111.50	64.50	
F. William 7% ... 100	125.00	100.00	
Ganges Mfg. 6% ... 100	90.00	90.00	
Gourepore 6% ... 100	90.00	86.00	
Hastings 6% ... 100	97.50	103.75	
Hogghly 1 ... 10	103.50	101.00	
Howrah A. Pref. ... 100	105.00	99.00	
Howrah 7% ... 100	98.00	100.00	
K'haty 6% ... 100	90.00	95.00	
K'haty 6% ... 100	90.00	71.00	
Kedarnath 6% ... 110	88.00	88.00	
Kedarnath 7% ... 100	88.00	88.00	
Kelvin 7% ... 100	89.50	88.00	
Kharad 6% ... 100	89.00	89.00	
Kinnison 7% ... 100	104.50	102.00	
Lawrence 7% ... 100	89.00	87.00	
Lawrence 5 1/2% ... 100	67.25	66.50	
Nalhati 7% ... 100	101.00	63.00	
Nalhati 4 1/2% ... 100	86.00	64.50	

Asso. K'pura 4 1/2% ... 100	50.50	50.50	
Blarat 5 1/2% ... 100	50.00	49.00	
Borree 6 1/2% ... 100	83.50	83.50	
Burrakur 7% ... 100	86.50	102.50	
Burrakur 6% ... 10	6.10	5.95	
Equitable 6% ... 100	79.00	100.00	
Ghousick 5% ... 100	100.00	100.00	
Gourangdi 5% ... 100	40.00	40.00	
K'pura 5 1/2% ... 100	58.00	55.50	
Khas Kajora 5% ... 10	7.04	7.25	
N. Churulia 5% ... 10	11.62	10.00	
N. Churulia 5% ... 10	2.56	2.50	
N. Hundi 5% ... 100	45.00	44.00	
Ordeal 6 1/2% ... 100	86.50	91.50	
Parasce 5 1/2% ... 100	50.00	42.50	
U.N.L. Colliery 5% ... 100	78.00	83.00	

NAME	Paid-up per Share.	Quotation as on 25-3-60	Quotation as on 25-3-59
National 7% ... 100	100.00	105.00	
Nellmaria 6% ... 100	92.00	86.00	
N. Central 7% ... 100	96.00	95.00	
Northbrook 5 1/2% ... 100	77.75	71.25	
Rameshwara 6% ... 10	12.44	9.50	
Reliance 7% ... 100	81.00	69.50	
S. Ambica 7 1/2% ... 100	86.00	88.00	
Soorah 7% ... 100	82.00	95.00	
Standard 6% ... 100	97.00	97.00	
Union 7% ... 100	94.00	98.00	
Waverley 5% ... 50	34.00	41.50	

Alkali 5% ... 100	101.50	102.00	
Bathgate 4 1/2% ... 10	28.00	19.00	
Beng. Chem. 7 1/2% ... 10	12.62	12.25	
Beng. Chem. 4 1/2% ... 100	72.00	77.50	
Frank Ross 4 1/2% ... 100	41.00	50.00	
Smith Stand 10% ... 50	69.62	57.00	
Electric			
Calcutta 5% ... 50	10.12	9.94	
Dishergarh 5% ... 100	78.50	79.50	
Dishergarh 4 1/2% ... 100	78.00	79.50	
Engineering			
Arthur Butler 7% ... 10	10.75	10.75	
Br. Bldg. 6% ... 100	60.00	73.00	
Br. Engg. 7% ... 100	100.00	100.00	
Burn & Co. 7% ... 100	122.50	124.50	
Burn & Co. 7% ... 100	113.00	115.00	
L. Iron 5% ... 100	100.50	103.00	
L. Machinery 7% ... 100	23.00	23.00	
Ind. St. Wagon 7% ... 100	126.00	122.00	
Jesop & Co. 8% ... 100	90.00	79.00	
J. K. Steel 7% ... 100	100.00		
K'dhubi 5% ... 100	90.00	92.50	
R. Cruddas 5 1/2% ... 100	84.00	84.00	
S. Products 6% ... 10	2.19	3.69	
Texmaco 5 1/2% ... 100	91.50	89.25	
Texmaco 5 1/2% ... 100	61.00	60.25	
Texmaco 6 1/2% ... 100	100.00		

Alum. Corp. 5% ... 100	75.00	63.00	
Alum. Corp. 6% ... 100	100.50	87.00	
Amal. Dev. 5% ... 100	42.00	42.00	
Asso. Hotel 7% ... 100	52.00	50.50	
Bharat Nidhi 6% ... 100	53.00	59.50	
Birds Inv. 5 1/2% ... 100	53.50	56.00	
Br. Biscuits 8% cp 10	9.30	9.70	
B. I. Corp. 8% ... 100	106.00	104.00	
Cal. Cr. Corp 6% ... 100	51.00	50.00	
Cal. Gas 5 1/2% rpt 100	63.00	45.50	
Cal. Silt 6% cp 100	49.12	40.00	
Cal. Silt 8% rpt 1	8.22	8.12	
Duncan Bros. 4% ... 100	56.75	56.00	
Dunlop 6% ... 100	115.00	116.00	
Dunlop 6% ... 100	87.00	85.50	
Eastern Inv. 5% ... 100	72.44	72.50	
Gillanders 5% ... 100	55.00	57.50	
Godfrey Phil. 5 1/2% ... 100	63.25	62.00	
Greaves Cot. 5% ... 100	40.00	48.00	
Greaves Cot. 5% ... 100	37.00	43.00	
Hindustan Motors 8% ... 100	150.00		
Hindustan Nat. Glass 4% rpt 100	83.00	101.00	
Ind. Alum. 5% ... 100	71.50	71.00	
Ind. Cables 6% ... 10	28.50	31.00	
Ind. Plastics 5 1/2% ... 100	46.00	50.50	
Ind. Rubber 5% ... 100	78.09	75.00	
J. Henderson 5 1/2% ... 100	59.00	58.50	
J. Henderson 5 1/2% ... 100	58.25	62.75	
K. Bullen 4% ... 100	55.00	63.00	
Kusum 5 1/2% ... 100	64.00	69.50	

NAME	Paid-up per Share.	Quotation as on 25-3-60	Quotation as on 25-3-59
Macneill & Barry 5 1/2% ... 100	58.25	62.75	
Madhya Pradesh Ind. 6% ... 100	100.00		
Martin-Burn 6% ... 100	100.25	98.50	
McLeod & Co. 5% 1st Pref. ... 100	51.00	52.25	
2nd Pref. ... 100	68.00	70.50	
Metal Box 6% ... 100	87.00	79.00	
Nat. Rubber 6% ... 100	77.00	68.00	
Nat. Tannery 5% ... 10	3.00	4.00	
Nat. Tobacco 5% ... 100	75.50	71.50	
Nat. Tobacco 4 1/2% ... 100	67.00	59.25	
N. Birt. Vanija 100	67.00		
Railis 4% ... 100	94.50	70.75	
Rohtas Indus. 7% ... 100	120.00	116.00	
Rohtas 4 1/2% ... 100	60.00	61.50	
Sen Raleigh 5% ... 100	180.00	85.00	
Shaw Wallace 5% ... 100	71.50	70.00	
Spencer 8 1/2% A ... 10	6.87	7.50	
Spencer 8 1/2% B ... 10	8.64	9.47	
Standard Vacuum 6% ... 100	95.50		
Union Tobacco 6% ... 100	22.00	22.00	

L. B. Petrol 7% ... 100	90.00	89.75	
N. I. Oil 6% ... 100	60.00	40.00	
Paper			
Ballarpur 5% ... 100	117.00		
Beng. Paper 7% ... 80	43.25	46.75	
Beng. Paper 7% ... 100	96.50	103.50	
Beng. Paper 6% ... 100	66.00	62.00	
Orient 5 1/2% ... 100	87.50	90.25	
Orient 5 1/2% ... 100	62.25	62.50	
S. Gopal 8% ... 100	103.00	108.00	
S. Gopal 7 1/2% ... 100	103.50		
Sirpur Paper 6% ... 100	65.25	93.25	
Star Paper 5% ... 100	78.50	73.00	
Star Paper 6 1/2% ... 100	94.00	91.50	
Star 7% ... 100	97.00		
Titagur 8% ... 100	126.00	140.00	
Titagur 4 1/2% ... 100	84.50	83.50	

Bhagwati 5% ... 100	35.00	40.00	
Real Property			
Humayan 6% ... 10	7.45	7.75	
Reg. Estate 5% ... 100	33.50	33.00	
Saw Mills			
Bon. Timber 5% ... 100	30.00	30.00	
Shipping			
B-A Steam 7% ... 60	60.00	54.00	
I.G.N. 6% ... 10	80.00	69.50	
L. Steam 5% ... 100	80.00	90.00	

Carew 6 1/2% ... 100	85.50	86.00	
Cawnpore 8% ... 100	102.00	104.00	
Jaswant 5 1/2% ... 100	78.50	69.50	
Mohini 5% ... 100	70.00	70.00	
New India 7 1/2% ... 100	150.00	92.00	
Purbal 10% ... 10	13.75	13.00	
Raminugger 6% ... 100	82.00	89.50	
Ryam 6% ... 100	9.00	9.00	
S. Behar 9% ... 100	20.50	20.50	
S. Hanuman 5% ... 100	55.00	60.00	
S. K. Gyan 6% ... 100	85.00	81.00	
S. K. Gyan 5% ... 100	72.00	65.00	
Upper Ganges 5% ... 100	70.00	73.00	

Amuckle 7% ... 10	37.06	42.00	
Bormah Jan 6% ... 100	62.00	74.00	
Brooke Bond 6% ... 100	69.00	66.25	
Dhuner 7% ... 3	3.00	3.00	
Dumakushi 8% ... 10	8.90	9.70	
Kingsley Gola 6% ... 100	90.00	92.00	
Moheema 6% ... 10	9.44	9.21	
Tezpore 2% ... 10	11.19	9.96	

*Nominal. †Ex-Dividend. ‡Cum-Dividend. §Ex-Rights

NAME	Paid-up per Share.	Quotation as on	
		25-3-60 Rs nP	25-3-59 Rs nP
Darjeeling.			
Gielle 6% ... 100	100	70.00	64.00
Lingia 6% ... 100	100	62.00	...
Okayti 7% ... 100	100	70.00	93.00
Pulsembing 7% 100	100	93.00†	95.00
Singtom 5% ... 10	10	5.25	6.12
Dooars			
Banarhat 6½% ... 100	100	106.00	106.50
Birpara 9% (Pref.) 100	100	109.00	105.00
C'bhutti 6½% ... 100	100	104.50	106.50
Hantapara 8% 100	100	109.00	103.00
Hasimara 7% ... 100	100	106.00	111.00
N. Dooars 6½% 100	100	102.50	109.00
Cachar.			
Sonal River 5% 100	100	96.00	96.00
Sylhet			
N. Samanbagh 8% 10	10	91.50	101.50
S. Indian			
Kotamulali 6% 25	25	20.12	16.50

[illegible]

NAME	Paid-up per Share	Quotation as on 25-3-60	Quotation as on 25-3-59
Born. Pott. 41%	100	60.00	60.75
Born. Silk 5%	100	47.50	47.50
B. I. Corp. 8%	100	121.00	101.00
Brunton Eng. 5%	100	7.00*	7.00*
Delhi Safe 5%	100	100.00*	100.00*
Orange Chem. 100	95.00	88.00	
Divijay Tiles 5%	100	85.00*	85.00
Divijay Woolen 4%	100	134.00	
East I. Hotels 5%	100	100.00*	100.00*
Katra 5%	60	36.50	34.50
Vero Alloya. 6%	100	100.00	100.00
Gwalior Rayon 6%	100	103.50	
Hind. Const. 100	68.00	75.50	
Hind. Const. 100	65.00*	65.00*	
Hind. Cycles 5%	100	75.00*	75.00*
Hind. Cycles 51%	25	25.00*	25.00*
Hind. Cycles 5%	100	100.00	
Hindus. Elec. 5%	100	82.00	81.00
Hindus. Motor 5%	60	150.00	73.00
Hingir Rampur 5%	60	32.00	32.00
Indian Dye 5%	100	114.50	125.00
I. Hume Pipe 5%	100	58.80	59.00
Indian Rayon 371	371	37.50	
Jatpur Metals 5%	100	55.50	58.00
Kamini Eng. 51%	100	58.50	50.50
Khandelwal Ferro Alloya. 71%	50	51.50	
L. & Toubro 5%	100	98.80	87.00
Madhusudan 4%	124	6.00	7.50
Madhya Pradesh Ind. 6%	100	108.00	
Mahindra 5%	100	102.50	101.00
Mahendra 5%	100	107.50	
Mackenzie 51% 1st	100	88.00*	
Mackenzie 51% 2nd	100	100.00*	
Motor & G. Fin. 25	36.00*	36.00*	
Nat. Elec. 41%	100	80.00*	80.00*
Nat. Rayon 5%	100	71.00	76.30
Nat. Rubber 5%	100	82.00	100.00*
N. Cen. Jute 7%	100	107.00	101.00
N. I. Fisheries 5%	100	101.00	91.00
Orient Paper 1st	100	93.20	91.00
Orient Paper 2nd	100	58.50	58.50
Parthum Port 4%	25	25.00	
Poly Chem. 81%	50	16.00	
Palm 5%	100	48.75	50.50
Prem. Const. 1st	100	81.50	80.00
Prem. Const. 2nd	100	85.00	88.00
Prem. Const. 3rd	100	85.00	86.25
Prem. Const. 4th	100	5.72	5.62
Radio Lamp 5%	100	74.00	70.80
Rohas 7 to 9%	100	110.00	110.00
Rohas 41%	100	60.50	61.00
Sathe Biscuits 7%	100	94.20	94.20
Sen Raleigh 5%	100	145.00	104.50
Sirpur Paper 5%	100	88.80*	100.00*
Standard Motor 51% A	100	103.00*	
Standard Motor 51% B	100	103.00*	
Star Paper 5%	100	95.50	100.50
Star Paper 51%	100	73.00*	70.00*
Star Paper 51%	100	100.00*	92.00
Structural Eng. 5%	100	105.50*	100.00*
Structural Eng. 51%	100	106.00	100.00
Sundatta Foods 8%	50	50.10	50.10
Supreme Ind. 100	88.50	72.50	
Tata Chem. 5%	100	100.00	94.50
Tata Oil 41%	100	59.00	61.00
Texmaco 1st 51%	100	85.00*	85.00*
Texmaco 2nd 51%	100	82.00	69.00
W. Coast Paper 100	117.00	101.00	
W. I. Plywood 5%	100	90.00*	90.00*

Ordinary Shares (Non-Cleared)

BOMBAY

NAME	Paid-up per Share	Quotation as on 25-3-60	Quotation as on 25-3-59
Adoni	10	8.20*	10.40
Bhavani	10	10.00*	10.00*
Brabury	50	127.00	131.50
Burhanpur Tapli	100	87.00*	87.00*
Coora	100	128.25	127.00
Davangere	100	114.00	113.50
Deva	100	107.50	80.00
Geelkar	100	240.00	160.00
Gold Mohur	100	243.75	192.50
Hindustan P.P.	250	470.00	480.00
Hindustan P.P.	250	992.50	992.50
Hukumchand	100	105.00	105.00*
Indian Manfg.	1000	2270.00	4350.00
Indian Manfg.	500	1050.00	

NAME	Paid-up per Share	Quotation as on 25-3-60	Quotation as on 25-3-59
Jam. Banjit	1000	1500.00	1450.00
Jyajeet	10	13.52	9.76
Khandesh	1000	1450.00	735.00
Khandesh	250	375.00	500.00
Kothari	10	10.00*	14.75
Lakshmi	250	502.50	396.25
Mafatlal	100	785.00	390.00
Mahendra	100	315.00	133.00
Mahendra (New)	40	40.00*	40.00
Model	250	20.00	122.50
Modern Mills	50	57.00	46.00
Narsari Cotton	100	220.00	160.00
New City	100	125.00	89.00
N. Kaiser-I-Hind	100	56.30	57.50
Phoenix	100	140.00	123.00
Pulgaon	10	10.24	9.76
R. Motilal	100	62.00	77.00
Ruby	25	62.00	35.25
Sassoon Silk	10	10.00	9.76
Sassoon Spg.	10	50.50	44.00
Shubhalaxmi	100	125.00	125.00*
Swadeshi (Kan.)	10	12.00*	12.00*
Swadeshi (P.O.)	10	10.40	10.40
Victoria	100	390.00	247.50
Vishnu	100	111.00	83.00
W. India	1000	4400.00	4525.00

BANKS

Baroda	50	99.50	118.50
Baroda B.	25	48.50	54.50
Baroda B.	25	48.00	58.50
Central	25	50.50	60.70
Central (F.P.)	25	54.00	54.00
Devk. Nanjee	50	14.00	11.76
India Mercantile	50	100.00	135.50
India A	50	107.00	137.50
Jodhpur Com.	5	2.00	3.00
Maharashtra	40	53.70	50.00
Punjab National	25	20.25	
State Bank	100	348.00	
Union	5	7.00	7.64
United Comm.	50	70.00	70.00

INSURANCE

All-India Genl.	8	2.50	3.12
British India	10	14.12	14.28
Devakarn Nanjee	50	32.25	33.00
Empire of India	100	268.75	218.75
Indian Globe	25	8.00	8.00
Ind. Mercantile	40	46.00	44.00
Jupiter	15	6.00	5.52
Neptune	10	1.46	1.00
New Asiatic	5	2.76	2.76
New Great	20	23.24	21.00
New India	15	59.00	52.50
New India A	15	59.50	54.20
Sentinel	50	52.00	50.00*
Universal Fire	10	12.00	13.00
Vulcan	10	20.16	19.76

ELECTRICS

Amalgamated	10	10.72	11.04
Anand	50	53.00	64.00
Bassett	10	8.50*	8.50*
Broach	10	7.00	7.00
Dharwar	50	51.00	51.00
Nadiad	50	54.00	61.50
Nagpur	25	25.00	
Nashik Deolali	100	108.00	72.00*
Pooma	100	112.25	111.75
Surat	100	97.50	111.50

CEMENT

Ashoka	10	9.52	9.60
Bagalkot	10	8.88	8.82
Dalmia	10	11.80	10.20
India Cement	5	6.00	5.72
Indian	10	25.00	25.00
Jalpur Udyog	10	12.44	11.28

STEEL

Mukund Deol.	10	111.00*	70.00*
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SHIPPING

Bharat Line	10	9.00	13.56
Great Eastern New	5	12.00	15.44
Malabar Steamship	10	11.68	11.68

SUGAR

Cauvery	100	107.50	87.00*
Hindusthan	100	216.00	230.00*
Kewar	40	73.00	52.00
Kr. Gyanoday	10	15.00	10.76
Maharashtra	50	251.00	195.00
New Swadeshi	100	275.00	235.00
Oudh	100	155.00	142.50
Ravalgaon	50	127.50	146.25
Ravalgaon Deol.	50	30.00	80.00
South Behar	10	1.00*	1.00
South Behar Deol.	24	0.25*	0.25
Ugar	100	140.00	
Vishnu	100	235.00	235.00

PLANTATIONS

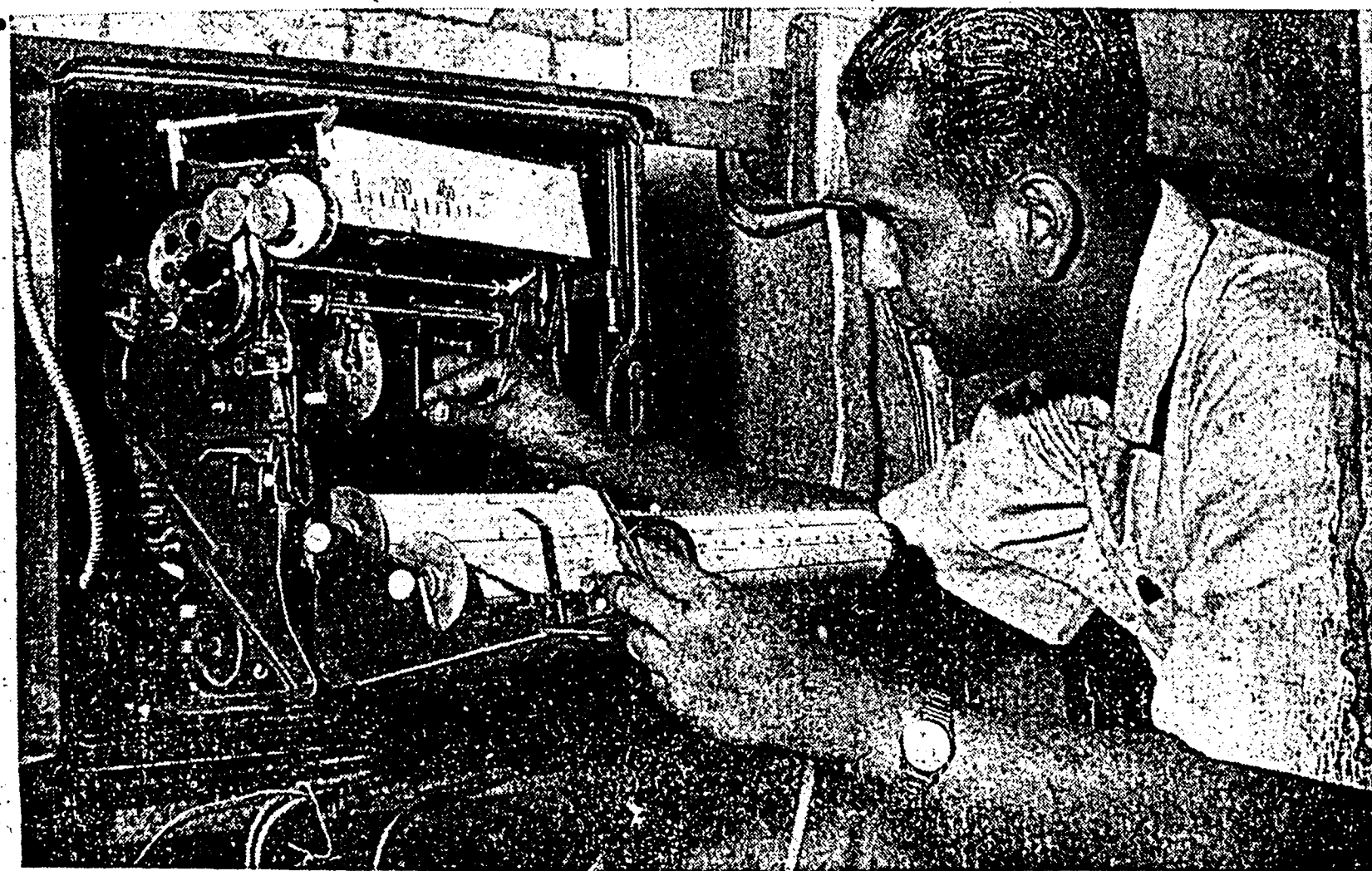
Blue Mountain	2	8.64	8.70
Highland	10	12.80*	12.92*

NAME	Paid-up per Share	Quotation as on 25-3-60	Quotation as on 25-3-59
Hallebury	10	16.00	16.80
Kalpetta	10	12.28	13.44
Midland	10	12.12	11.80
Nelliampathy	2	2.88	3.28
Rajagiri	10	18.92	18.76
Twyford	10	13.24	15.64
Waterfalls	2	3.80	3.70

MISCELLANEOUS

Alembic	100	215.00	171.00
Alembic Chem.	100	203.00	163.00
New	100	18.38	12.20
Alumina Corp.	100	275.00	150.00
Amar Dye	100	153.00	....
Amika Silk	100	325.00	150.00
Anil Hardboards	100	105.00	101.00
Asso. Rubber	100	21.28	18.00
Associated Stone	50	70.00	....
Baroda Rayon	50	190.00	176.25
Bom. Burma (P.P.)	20	22.60	19.24
Bombay Cycle	100	143.00	126.25
Bombay Potteries	200	404.00	365.00
Bombay Safe	50	5.00	5.00*
Bombay Silk	50	5.00	5.00*
Bom. Swadeshi	5	6.24	

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The General Electric Co. Limited.

Metropolitan-Vickers Electrical Export Co. Ltd.

Sir William Arrol & Company Ltd.

Cleveland Bridge & Engineering Co. Ltd.

Dorman Long (Bridge & Engineering) Ltd.

Joseph Parks & Son Ltd.

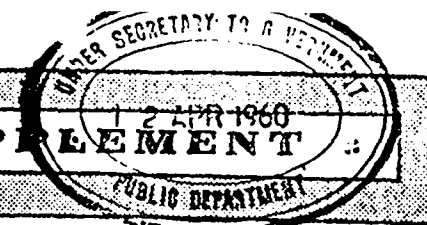
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BRITISH COMPANIES WORKING FOR INDIA

Indian Finance

INVESTOR'S SUPPLEMENT



Boom, Slump and Recovery in March

THE Calcutta Stock Exchange, after enjoying a veritable boom from the beginning of March, witnessed a heavy landslide in values on March 12 due to nervous liquidation following the announcement of the credit control measures. A halt was, however, cried to the steady downward trend in prices noticed till the third week of the month and the sentiment brightened up due to the revival of speculative activity toward the close.

It should be said that the Central Budget gave a new life to the market. Although there was genuine disappointment over the absence of the much-needed relief in respect of corporate taxes and the reduction in the levy on bonus issues, bull operators were inclined to the view that equities would provide a good hedge against any further inflation, not to speak of the fact that they appeared to place more reliance on growth prospects. Again, it was felt that, with the extension of tax exemption to the new industrial undertakings for a period of five years, there would be a boom in new capital issues. With the result, operators came out as aggressive buyers and the craze for buying infected all the sections of the market and the buoyancy persisted during the second week of the month when selected equities recorded new peak levels.

A section of the operators was, however, inclined to the view that, in the absence of any genuine support from investors who were of late becoming more yield-conscious, the steady rise in prices was mainly speculative in character and could not be maintained without leading to a vulnerable position in the market. At this juncture came the announcement of the credit control measures by the Reserve Bank. As the market was largely in the hands of the speculators, the slump in values, following the above announcement, was sudden and sharp due to heavy liquidation by nervous holders. Even the Stock Exchange authorities were compelled to fix up interim clearing rates to enable the operators to avoid further losses despite the fact that the previous settlement was held only on March 8.

Reopening after the Holi festival, the market recorded fresh lower levels due to sustained liquidation. In general, the trend of prices, during the third week of the month, indicated that the panic over the new credit control measures had not fully abated. It was feared that the credit restraints would reduce the supply of funds for investments in shares. Moreover, the strict observance of the margin in practice even in the case of discounting bills by certain banks seemed to have added an element of panic. The threat of the bank

strike spreading and the possible Committee meeting, to be dislocation of trade activities were held on March 25.

Additional depressing factors. Thus, As a matter of fact, sentiment confidence in the market was lack-brightened up during the last week ing, while professional operators of the month when there was a preferred to await further devesudden revival of speculative acti-lopments although they lent sup-vity. The steady recovery in port to a few selected shares in prices, noticed during this period, small lots.

Thanks to the subsequent clari-a corrective after the sharp recession made by the Reserve Bank in prices in the previous two that its directive regulating advan-weeks. When it was learnt that

PRICE TRENDS DURING MARCH, 1960.

	Opening Rs nP	Highest Rs nP	Lowest Rs nP	Closing Rs nP
GILTEDGED:				
3% 1986 Conversion	73.50	74.15	72.82	73.25
BANKS:				
Punjab National	21.25	21.75	20.50	21.25
UCO	69.50	72.25	69.50	71.25
TEXTILES:				
Kesoram	24.62	25.37	22.66	24.12
Elgin	18.50	20.12	17.75	19.87
COAL:				
Bengal	308.00	344.00	307.00	330.00
Burrakur	18.69	20.19	18.12	19.87
JUTE:				
Anglo-India	242.00	242.00	118.00	120.00
Howrah	24.62	25.12	22.00	23.00
National	30.50	31.37	30.50	30.75
TEA:				
Brooke Bond	17.89	18.69	17.50	17.62
Hasimara	23.62	25.12	23.12	24.19
Tezpur	17.81	18.75	17.69	18.31
SUGAR:				
Carew	11.58	11.81	11.19	11.50
Cawnpore	15.69	15.75	15.59	15.59
Champaran	20.75	20.75	11.75	20.00
ENGINEERING:				
Indian Iron	23.61	24.44	21.84	22.48
Jessop	24.00	26.00	23.50	25.37
TEXMACO	26.10	27.60	24.65	25.65
Guest, Keen, Williams	47.50	47.75	40.00	42.62
MISCELLANEOUS:				
Orient Paper	39.75	42.60	39.75	41.70
Titaghar	41.19	41.00	38.25	40.50
Shree Gopal	23.37	24.31	22.69	23.87
H. Motor	17.50	19.37	16.56	18.06
Rohas	29.44	33.87	29.19	32.00
Indian Cable	30.37	32.25	29.12	30.25
Indian Aluminium	24.87	26.69	24.44	25.87
Indian Copper	4.23	4.54	4.15	4.48
India Steamship	12.16	12.16	11.00	11.06
NICCO	28.00	30.25	27.75	28.06

ces against shares would not apply to the purchase of demand bills covering stock exchange securities to be despatched from one centre to another, there was bear-covering resulting in recovery in prices. Also, the investment counters put up gains on support influenced by the belief that the LIC might step in to take advantage of the prevailing low prices. Attention was therefore, fixed on the LIC Invest-

the settlement passed off quite smoothly and the budla charges were not as high as was feared earlier, there was heavy bear-covering. Again, it was thought that the return of large sums, locked up as a result of over-subscription in respect of some recent issues, should substantially augment the floating funds.

In general, toward the closing stages of the month, the market

gave definite hints of returning sobriety, which was reflected in a substantial volume of replacement buying and the flurry of covering purchases. The main inspiration for the bull operators was derived from the report that the Investment Committee of the LIC, at its meeting held on March 25, had accepted the bids given in respect of Bengal Coal, Titaghar Paper, Jessop and Hindustan Motor preference. It was also believed that the Reserve Bank might relax the orders to help the process of genuine investment in the country. There was, however, a general disposition to book profits at bulges, mainly influenced by the reports of the possibility of the Government taking steps to curb speculation, especially in unofficial trading. But, from the technical point of view, the market appeared to be in a sound position at the end of the month.

The initial buoyancy, the slump in the middle of the month and the subsequent recovery in prices were mainly led by the speculative issues under the lead of Indian Irons. In sympathy, all Engineering issues moved up although profit-taking erased some of the extreme gains at the close.

Jute shares came in for cautious trading in view of the disparity between raw jute and gunny prices.

Coal shares ruled initially quiet following the discouraging speech from the Chairman of the Indian Mining Association. But, selected shares continued to be well supported on the hope that the fixation of a high target in the Third Plan would be followed by incentives on the lines demanded by the industry.

Lower prices obtained at the auctions and the obscure outlook for Common grades had an adverse effect on the Tea section where dealings were few and far between. There was, however, a marked improvement in prices toward the closing days of the month due to the proximity of the dividend announcements by certain companies.

Sugar shares showed a halting trend due to quieter advices from the commodity market on expectation of an increase in production during the current season.

The implications of the Wage Board's recommendations kept down sentiment in the Textile section. There was, however, a steady recovery in prices from the middle of the month, thanks to encouraging advices from the cloth front.

The improved prospects for export against the background of no further load on company taxation and the encouraging corporate news were factors, which induced more attention being paid to Miscellaneous industrials.

[illegible]

9 April 1960
COMPANIES—Contd

NAME	Market Quotation as on the Last day of		Paid-up per share Rs.	Capita- paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Depreciation Rs. 000	LIQUID ASSETS				
	March 1960 Rs. np.	March 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balance Rs. 000	Others Rs. 000
Kankarrah ...	112 00	101 00	100	3,000	600	285	—3,178	13,639	17,562	10,504	1.86	9,664	2,152	212	1,165
B. Ordinary ...	107 00	82 00	100	2,400											
61% Cum. preference ...	90 00	71 00	100	1,000											
51% R. C. P. ...			100	423											
51% Debentures ...	90 00	90 00		1,269											
Kelvin ...	149 00	281 00	100	2,800	4,550	360	164	3,500	14,371	9,871	866	5,718	1,091	199	
7% Cum. preference ...	89 50	99 00	100	1,000											
Khurda ...	162 00	162 00	100	5,400	1,800	413	10	15,093	22,006	13,249	365	11,741	2,468	283	
6% C. P. ...	93 00	89 00	100	900											
Kinnison ...	183 00	196 00	100	5,759	2,502	5,584	51	9,923	24,109	11,728	2,101	10,239	3,077	22	
7% Cum. preference ...	86 00	99 00	100	1,500											
5% Debentures ...	900 00	900 00	1000	2,500											
Leadstone ...	137 00	158 00	100	2,448	1,085	2,601	—758	7,840	13,028	6,362	330	5,917	1,664	68	8
7% C. Preference ...	114 50	102 00	100	1,500											
Lawrence ...	133 00	112 00	100	2,800	104	2,265	60	988	8,989	3,914	411	1,472	513	215	
7% Cum. preference ...	88 00	87 00	100	500											
51% 'B' cum. preferen ...	70 00	66 50	100	1,000											
Mahabir ...	85 00	85 00	100	1,078		1	—39	1,571	2,084	1,546	30	1,841	131	71	
Maheswar Darr ...			100	1,319		425	—672	834	1,780	1,471	512	734	330	2	
Megna ...	12 75	16 12	10	8,165		2,813	282	15,021	23,462	14,589	26	11,664	5,059	659	
Naibati ...	75 00	75 00		2,999	1,199	2,237	—1,161	5,112	16,407	9,433	177	5,840	1,591	9	45
7% cum. preference ...	101 00	63 00	100	750											
41% R. C. P. ...	66 00	65 00	100	1,000											
51% Debentures ...	900 00	900 00	1000	2,500											
Naskarpura ...	12 50	11 62	10	2,000	1,299	15	5	4,177	3,684	2,427	5	1,749	1,114	3,871	
51% Debentures ...			1000	500											
National ...	30 75	24 00	10	3,500	2,170	1,781	20	1,577	4,849	1,231	203	3,053	920	1,754	
7% C. P. ...	100 00	103 00	100	500											
Nellimarla ...	15 25	13 87	10	2,625	1,775	1,144	91	4,762	3,774	2,334	703	3,439	4,561	481	772
6% Cum. preference ...	92 00	86 00	100	500											
41% Debentures ...	460 00	460 00	500	500											
New Central ...	26 44	15 06	10	12,824	10,780	9,068	1	65,511	41,268	12,864	1,817	18,050	7,873	682	44,658
7% Cum. preference ...	96 00	95 03	100	3,300											
Northbrook ...	19 19	20 37	10	1,680	1,575	3,320	35	4,988	13,611	6,954	440	5,623	2,049	4	26
51% Cum. pref. ...	77 75	71 25	100	1,500											
4% Debentures ...	850 00	800 00	1000	2,000											
Nudda ...	54 73	61 00xd	50	6,680	2,300	144	16	10,504	22,221	11,701	410	6,695	1,744	244	
Orient ...	156 00	171 00	100	2,491	1,297	505	20	735	7,667	5,440	71	2,829	268	36	
Premchand ...			100	3,996			—4,142	1,915	6,201	4,620	76	44	20	48	
Prasiduary ...	6 12	6 75	5	2,500	500	419	12	3,044	9,303	7,004	112	2,562	1,194	292	78
4% Debenture ...			1000	61											
Rameshwara ...	10 25	6 49	10	2,000		20	3	2,436	3,175	997	72	2,721	78	106	
6% Cum. preference ...	12 44	9 50	10	700											
Rolance ...	8 12	8 56	10	4,950		20	—3,896	1,904	12,461	6,673	191	1,071	554	54	
7% C. P. ...	81 00	69 50	100	2,030											
5% Debenture ...	820 00	850 00	1000	2,500											
Shree Ambica ...	13 40	10 87	10	3,000	975	209	70	9,520	12,450	9,165	1,328	4,450	5,333	361	
71% Cum. preference ...	86 00	88 00	100	1,170											
Soorah ...	19 37	20 37	10	1,400	1,080	64	69	3,548	7,131	5,003	1,360	3,238	405	31	
7% Cum. pref. ...	88 00	93 00	100	1,000											
Standard ...	112 50	112 50	70	1,764	405		66	2,118	918	388	291		1,180	2,132	
Union ...	191 00	222 00	100	3,599	2,255	3,335	76	3,433	10,668	4,679	672	4,849	2,903	74	2
7% C. P. ...	87 50	93 00	100	600											
41% Debenture ...	950 00	900 00	1000	1,200											
Waverley ...	3 66	3 75	1	250	185	335	104	392	5,515	4,449	60	409	393	1,088	
5% Cum. P. P. ...	34 00	41 50	500	750											
51% Debenture ...	400 00	400 00	500	1,000											

- (r) After writing back Rs 56,600 being Development Rebate.
- (s) After transferring Rs 7,00,000 from Reserve No. 1.
- (t) Preference shares carry a dividend of 10 per cent of which only 5 per cent is cumulative.
- (u) After writing back Rs 1,00,000 from provision against Jute stocks and jute contracted for.
- (v) After writing back Rs 103,400 from Development Rebate Reserve.
- (w) After writing back Rs 63,282 being excess provision and adjustments and Rs 11,583 being sundry balances.
- (x) After transferring Rs 150,000 from Contingency Reserve.
- (y) After transferring Rs 115,000 from General Reserve.
- (z) After transferring Rs 2,70,000 from General Reserve; Rs 25,000 from Dividend Equalisation Reserve and Rs 34,500 from Investment Realisation Surplus.

(a11) After transferring Rs 299,129 from General Reserve and Rs 72,729 from provision for Sales Tax Contingencies.

(a12) After transferring Rs 52,500 from General Reserve and Rs 27,834 from provision for Sales Tax Contingencies.

(a13) After transferring Rs 215,000 from Plant Renovation Reserve; Rs 986,129 from General Reserve; Rs 84,000 from Welfare Reserve; and Rs 21,145 from provision for Sales Tax Contingencies.

(a16) Includes Rs 1,932,513 being profit on sale of Assets; Rs 42,474 being profit on sale of stores and Rs 205,346 being scrap sale.

(a18) After transferring Rs 29,000 from General Reserve and Rs 64,293 from provision against anticipated loss on jute contracted for.

(a19) After transferring Rs 20,000 from General Reserve and Rs 63,000 from Dividend Equalisation Reserve.

(20) After transferring Rs 1,00,000 from Dividend Equalisation Fund and Rs 78,000 being Invt. Realisation surplus.

(a21) After transferring Rs 72,000 from General Reserve.

(a23) After transferring Rs 200,000 from Contingency Reserve.

(a26) After transferring Rs 100,000 from General Reserve and including Rs 25,000 being Surplus of Investment Realisation.

(a31) After writing back Rs 101,298 being over provision of Sales Tax liabilities.

(a32) After transferring Rs 82,000 from General Reserve.

(a33) Includes Rs 678,542 being profit on sale of Assets; Rs 127,834 being profit on sale of stores; Rs 494,165 being Scrap sales and Rs 4,500 being profit on Redemption of debentures.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1960 Rs. no.	March 1959 Rs. no.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Alumina Chemicals	218 00	176 00	100	6,500	2,800	2,058	53	9,862	14,747	5,635	2,424	7,636	2,577	23	...
51% 1st C. P.	86 00	72 00	100	500	...	...	...	...	...	...	...	...	...	...	...
51% 2nd R. C. P.	79 00	85 60	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P.	75 00	72 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Amar Dyechem	292 50	146 00	100	5,998	...	110	30	6,047	7,467	1,127	421	5,890	1,684	233	38
6% R.C.P.	103 00	98 30	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Amul Starch Products	...	...	100	2,988	101	2,117	1	7,646	10,760	4,089	6	3,924	2,627	124	...
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement	139 75	148 00	100	190,536	21,250	89,691	92	144,736	403,085	146,678	7,672	116,331	19,869	14,589	15,660
Associated Stones Indust.	21 28	16 00	10	850	1,450	40	33	1,188	1,306	713	91	1,336	1,597	1,143	...
6% C. P.	100 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...
Atul Products	...	...	100	19,950	...	2,550	38	29,876	32,704	8,568	10,245	10,468	4,902	2,068	...
Automobile Products	...	...	10	1,200	...	113	—571	14,666	10,742	1,968	...	8,136	1,340	10	336
5% R. C. P.	...	...	100	28,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	100	88	...	...	...	...	...	...	...	...	...	...	...
Bagalkot Cement	8 88	8 52	10	8,414	...	42	1	12,476	19,040	2,457	8	2,270	1,412	87	574
Bharat Line	9 00	13 52	10	10,000	6,826	4,337	318	15,614	39,909	17,762	878	2,506	7,921	1,522	2,119
Bombay Burma Trading	...	...	2500	250	6,392	27,983	50	23,720	52,819	22,041	8,365	10,412	14,492	9,921	1,873
Old Shares	565 50	513 00	125	8,923	...	...	...	...	...	...	...	...	...	...	...
New Shares	190 00	178 75	50	4,200	...	...	...	...	...	...	...	...	...	...	...
Bombay Cycle	22 60	19 24	20	1,600	...	...	...	...	...	...	...	...	...	...	...
Bombay Gas	...	...	21	4,000	665	2,375	1	3,329	8,320	3,910	2,945	1,358	1,439	238	...
Bombay Potteries & Tiles	143 00	126 25	100	1,418	40	389	5	918	2,744	1,329	10	566	215	1,599	...
61% C. P.	76 00	76 00	100	113	...	...	...	...	...	...	...	...	...	...	...
61% C. P.	60 00	60 75	100	863	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit	405 00	365 00	200	240	64	...	1	168	584	427	261	...	17	37	...
Bombay Uganda Co.	49 00	47 00	80	1,596	280	59	31	613	266	148	1	2,310	59	14	...
W. H. Brady & Co.	335 00	325 50	150	4,500	2,150	3,942	84	6,479	1,133	539	3,499	6,572	4,845	1,630	...
Burma Shell	...	...	100	138 200	80,000	26,560	5,397	68,179	258,284	61,024	...	28,553	164,249	2,429	5,844
51% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Calcutt Oil	...	...	100	45,000	...	10,254	15,223	57,600	141,377	13,307	...	17,597	812	1,598	...
51% Debenture	...	...	...	20,100	...	...	...	...	...	...	...	...	...	...	...
Cast Tyres	177 50	106 00	50	5,748	...	...	27	323	610	8	...	2	783	4,175	538
G. Chrudge & Co.	200 00	170 00	100	900	600	721	3	904	2,332	1,584	1	1,446	780	54	...
Colour Chem	320 00	...	100	6,500	...	...	—131	4,579	154	15	...	402	231	3,194	6,981
Crescent Iron	...	...	20	574	35	102	7	870	1,480	504	...	651	50	10	...
G. G. Dandekar Mee. Works	...	...	100	399	105	118	1	543	1,088	599	278	169	311	270	...
Partly Paid Ordry	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Safe Deposit	10 00	10 00	10	194	82	29	5	388	446	102	424	2	119	46	...
Ordry P.P.	7 00	...	7	37	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	100 00	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Dena Inv.	11 80	11 20	25	2,500	85	...	1	504	5	4	2,908	76	...	...	105
Dharamsi M. Chemical	153 00	92 50	50	1,369	1,020	304	7	3,206	4,856	3,254	2,449	1,341	5	...	...
Digvijay Cement	150 06	146 00	100	13,410	3,500	2,142	58	21,557	39,845	14,932	5,234	10,488	6,689	155	1,212
5% R. C. P.	85 50	87 00	100	7,994	...	...	...	...	...	...	...	...	...	...	...
Eastern Shipping Corpn.	...	...	100	55,000	1,450	6,015	30	20,699	68,251	14,026	6,017	57	10,345	8,045	4,505
Estrela Batteries	51 00	40 00	50	1,497	315	7	22	15,50	28,61	1,941	3	17,66	12,81	70	3,50
5% C. P.	36 50	34 50	50	997	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Shipping	15 72	21 72	10	9,000	7,500	12,975	334	57,968	87,620	17,430	274	116	4,187	15,510	...
51% R. C. P.	90 00	95 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co.	136 00	119 00	100	13,500	2,700	1,516	25	20,079	1,740	589	15,867	9,115	29,368	3,186	...
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Cwalior Rayon	33 00	16 12	10	25,000	...	6,335	1,263	14,522	62,030	36,854	45	17,293	8,533	11,149	...
6% R.C.P. 'A'	103 25	...	100	15,000	...	...	...	...	...	...	...	...	...	...	...
5% R.C.P. 'B'	...	...	100	76	...	...	...	...	...	...	...	...	...	...	...
Hind Cycles	96 50	110 00	100	3,107	702	693	—482	11 675	11,736	7,251	4	8,250	3,904	524	...
5% T. R. C. P.	65 00	65 00	100	500	...	...	...	...	...	...	...	...	...	...	...
51% T. R. C. P.	75 00	75 00	100	700	...	...	...	...	...	...	...	...	...	...	...
51% T. R. C. P.	25 00	25 00	25	48	...	...	...	...	...	...	...	...	...	...	...
6% T. R. C. P.	108 00	...	100	224	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co.	105 00	104 00	100	4,000	300	114	57	12,342	6,224	2,198	236	8,743	5,518	290	...
6% C. P.	82 00	81 00	100	1,998	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever	39 50	31 00	10	55,700	4,132	8,817	20,969	62,200	57,710	20,419	3	68,875	16,116	30,333	...
Indian Cement	25 00	25 00	10	152	100	50	2	124	142	...	178	...	52	57	...
Indian Plastics	...	...	10	2,988	10	19	2	4,512	4,920	1,593	...	4,364	1,955	91	...
51% Cum. preference	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Indian Vegetable Products	145 00	114 00	100	2,117	276	465	5	1,796	2,714	2,030	79	2,300	1,530	67	...
Indus. Cr. & Invest. Corp.	83 00	80 00	100	50,000	2,400	1,494	100	105,693	156	82	59,458	...	45,247	53,637	...
Industrial Investment	73 00	88 50	100	9,999	...	2,021	192	805	20	16	12,686	...	235	94	...
Investa Machine Tools	...	...	100	1,500	...	9	—612	2,787	2,552	460	...	2,197	383	12	...
41% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jaipur Metals	103 00	60 30	100	1 132	50	692	10	3 236	4,435	1,558	250	2 957	797	169	69
6% C. P.	55 18	58 00	100	800	...	...	...	...	...	...	...	...	...	...	...
Deferred	27 00	5 36	10	200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jyoti	191 50	150 00	100	3,000	300	1,306	3	4,862	5,109	1,532	155	3 592	2,138	10	...
Kanani Metals	...	...	10	2,000	60	65	6	3,759	8,342	4,935	503	4 066	1,129	1 36	...
5% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1 350	...	...	...	...	...	...	...	...	...	...	...
Kemp & Co.	287 00	216 00	200	1 200	350	274	26	1,782	2,597	1,103	12	1 813	1,116	57	...
Kirtloskar Brothers	53 00	...	25	3 000	6,969	1 021	12	8 059	10,587	5,917	1,858	8,111	3 970	554	...
Kirtloskar, Oil Eng.	16 52	...	10	2,500	775	666	4	11,475	6,011	2,394	50	7,062	3,273	290	1,705
Ordinary Partly Paid	...	...	5	578	...	...	...	...	...	...	...	...	...	...	...
Kittick Industries	115 00	142 50	100	12,483	500	2,817	6	9,093	4,823	1,685	16,778	1,475	2 481	72	95

(a) Traffic Revenue. (b) Dividends and Interest, etc. (c) Profits on contracts. (d) Revenue Income. *Income by freight, etc.

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' Commission	Year ended	NET PROFIT		DIVIDEND PER CENT	
								Latest	Previous	Latest	Previous
								Rs. 000	Rs. 000		
WESTERN AND CENTRAL INDIA (Contd.)											
Machinery Manfrs. Corpn.	Mahindra & Mahindra	2,457	2,281	6,287	3,578		3-59	—499	1,000	nil	nil
	4% Cum. preference									nil	nil
	41% C. P.									nil	nil
Malwa Vanaspati & Chem.	Mohatta Bros.	286	12,395	15,735	1,436	30	12-58	529	—450	nil	nil
	6% Debentures									nil	nil
Man. Industrial Corporation	Jagmohan Radha Krishna & Co	198	2,932	4,385	1,984	60	3-59	661	746	nil	nil
	41% C. P.									nil	nil
T. Maneklal Manufacturing	T. Maneklal & Co.	765	3,072	4,611	1,002	47	5-59	518	284	14	10
National Elect. Industries	Navin Kumar Hansraj Pri. Ltd.	1,391	5,670	7,823	1,296	64	3-59	652	606	9	9
	44% C. P.									4	4
National Machinery Manfrs.	Directors	7,014	17,881	23,992	6,775		12-57	4,041	3,384	nil	nil
National Newsprints & Paper	Chinnai & Co. private Ltd.						3-58	286	—7,679	nil	nil
National Rayon Corpn.	Ord. Partly Paid	7,704	33,247	63,936	4,971	1,601	12-58	19,064	13,674	14	14
	5% Cum. preference									5	5
	51% Debentures									5	5
Palampur Veg. Products	Investa Industrial Corpn.						12-57	—104	123	nil	nil
	51% C. P.									nil	nil
Pioneer Magnesite Works	N. Pestonjee & Co.	141		1,030	186	20	12-57	102	80	3	2
	Ord. Partly Paid									3	2
Polson Ltd.	Polson Agencies & Co. Ltd.	960	6,781	10,782	1,751	101	12-58	1,138	1,281	10	10
	6% C. P. T.									6	6
Polychem	Directors	411	6,666	10,781	3,722		3-59	2,197	718	6	6
	71% T. R. C. P									7	7
Praga Tools	Directors	2,468	2,516	7,522	3,406		6-58	789	35	nil	nil
Premier Automobiles	Aero Auto Private			144,732	30,633		6-58	4,744	6,705	4	6
Radio Lamp Works	Jammal Sons Private	1,590	10,079	11,269	4,935	71	3-58	688		9	
	5% C. P.									5	
	Deferred									20,46	
Savitex Chem. Industries	M. B. Amin & Co.	592	1,773	3,170	649	20	12-58	190	81	nil	nil
	5% C. P.									nil	nil
Sathe Biscuits	Sathe Food Industries pri. Ltd.	239	2,427	4,080	615	30	3-59	226	408	6	6
	Partly Paid									6	6
	7% R. C. P.									6	6
Scandia Steam	Directors	20,185	117,260	176,683			6-59	36,513	39,339	6	6
	41% Debentures									6	6
Shangrila Food Products	Directors	323	788	2,038	125		3-58	—287	—432	nil	nil
	5% C. P.									nil	nil
Shivrajpur Syndicate	Killick Industries Ltd.	4,491		13,409	2,319	292	11-58	3,017	3,297	80	80
Sirpur Paper	Birla Bros. Private	4,614	11,805	27,921	671	4,33	6-58	5,854	3,151	80	80
	6% R. C. P.									5	5
Supreme Industries	Modi & Co.	168	2,159	1,743	1,025	8	3-59	220	141	6	6
	61% Cum. Pref.									6	6
Tata Chemicals	Tata Industries Private	5,538	10,178	35,227		443	6-59	6,438	(a)12,457	6	6
	5% Cum. preference									7	7
	5% Debentures									5	5
Tata Oil Mills	Tata Industries Private	9,777	39,651	65,108	1,276	455	3-59	4,865	3,137	13	10
	41% Cum. preference									4	4
United Salt Works & Indus.	Salt & Industry Agency Pr. Lt.	521		3,528	247	30	9-57	—124	26	nil	10
Volta Ltd.	Directors	16,408	121,792	171,221			8-59	10,012	7,941	13	9
Western India Match	Swedish Match Co.	18,064	116,604	156,872	3,046	898	12-58	9,546	8,605	11	11
Western India Veg	Hasham Premji	407	15,154	18,551	1,641	70	3-59	778	345	8	8
West Coast Paper	Directors										
	6% C. P.										
Zandu Pharmaceutical Works	Jugaram & Co.	1,305	4,514	6,869	1,741	54	3-58	586	428	7	7
	6% C. P.									6	6
NORTHERN INDIA											
Akshi & Chemical	Imp. Ch. Industries Private	4,045	12,951	34,393	5,601		9-59	(a)10,689	6,132	9	8
	5% Cum. preference									5	5
All India Finance & Commerce	Kavali Sival & Co.	30		1,69		20	5-56	96	88	7	8
	Ordinary									7	8
	71% C. P.									7	7
Aluminium Corpn.	J. K. Industries Private Ltd.	3,650	3,157	12,578	3,555	295	3-59	3,590	2,720	10	9
	6% Cum. preference									6	6
	5% Cum. preference									5	5
	Deferred									5	5
	5% Debentures									nil	nil
	51% Debentures									nil	nil
Amrit Banaspati	Amrit Agency Ltd.	2,06	354,43	367,26	66,68	18	3-55	22,07	19,54	nil	nil
	6% C. P.									nil	6
	5% R. C. P									nil	5
	Deferred									nil	5
Anderson Wright	Directors	152	8,884	9,643			12-58	147	279	nil	3
	41% Cum. preference									4	4
	4% Debentures									4	4
Angelo Brothers	Turner Morrison & Co. Pri.	718	14,935	17,190		134	8-59	1,228	1,126	20	15
Ashoka Cement	Directors	865	3,004	10,756	1,820		3-59	1,204	52	41	nil
	61% Debentures									nil	nil
Assam Bengal Cement	Eastern Corporation Private	928	3,634	5,649	772	48	3-58	589	953	nil	nil
	Deferred									nil	nil
	4% Debentures									nil	nil
Assam Match Co.	Directors	1,663	13,133	17,744	692		12-58	1,179	1,225	12	12
Assam Saw Mills	Directors	640		3,108	820		9-58	(x)—62	204	12	12
Assam Sillimanite	U. P. Comm. Corpn.	322	276	2,002	294	36	3-58	411	311	nil	nil
Associated Hotels	Oberoi Hotels (India) Private Ltd	1,463	1,627	6,397	227	93	3-58	956	1,067	6	6
	7% Cum. preference									7	7
	4% Debentures									7	7
	61% Debentures									...	...
Associated Mining	Directors	25,612	100	114	9		12-57	123	324	4	11
	5% Cum. preference									4	5
	Deferred									2	9
Atlas Cycle Indus	Directors	2,778	15,632	23,419	5,939		12-58	...	829	10	10
	6% R.C.P.									6	6

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1960	March 1959			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
	Ra. np.	Ra. np.													
WESTERN AND CENTRAL INDIA (Contd.)															
Machinery Manfra. Corpn.	...	...	100	3,926	...	488	-2,438	9,459	13,648	4,130	21	5,082	750	398	63
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspati Chems.	...	...	10	3,134	...	...	-1,381	2,716	5,155	1,631	29	2,157	131	127	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Man. Industrial Corpn.	95 00	90 00	...	3,000	...	26	71	2,318	4,334	987	2	2,244	744	79	...
4% C. P.	...	...	100	1,009	...	...	...	...	...	...	...	...	...	...	...
T. Maneklal Manufacturing	160 00	125 00	100	1,000	100	35	15	2,484	1,987	624	8	1,002	759	487	16
National Elec. Industries	76 00	75 00	50	778	125	799	25	3,920	2,358	1,028	307	2,742	1,783	37	...
41% C. P.	80 00 N	80 00 N	100	542	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfra.	...	...	100	25,240	...	...	30	18,743	27,078	7,081	234	19,640	3,850	292	...
National Newsprint & Paper	...	...	100	12,748	...	74	-17,321	64,225	49,495	7,871	3	4,936	4,687	6,177	2,300
National Rayon Corpn.	453 00	288 75	100	16,062	4,600	11,022	97	20,382	109,432	43,200	110	19,693	2,946	1,981	...
Ord. Partly Paid	...	...	80	6,331	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	71 00	76 50	100	17,425	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	101 00	101 50	...	150,000	...	...	...	...	...	...	...	...	...	...	...
Palampur Veg. Products...	...	...	10	1,500	...	...	-2,617	3,051	2,727	...	10	165	3	...	28
51% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Pioneer Magnesite Works...	...	...	100	1,189	11	66	2	749	1,455	708	480	466	305	17	2
Ord. Partly Paid	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...
Polson Ltd.	158 00	155 00	100	2,695	966	1,440	48	1,377	6,553	1,635	3	2,356	628	620	...
6% C. P. T.	81 50	80 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Polychem	187 00	79 00	50	4,000	...	733	18	3,289	5,913	840	5	4,034	1,712	1,214	...
71% T.R.C.P.	48 75	50 50	50	3,997	...	...	...	...	...	...	...	...	...	...	...
Praga Tools	...	...	100	6,882	...	84	-3,064	6,262	7,069	3,914	2	5,487	1,502	4	15
Premier Automobiles	140 50	113 50	100	21,733	1,973	6,390	479	75,116	39,061	19,368	466	70,494	10,558	2,529	...
Radio Lamp. Works	109 50	120 75	100	2,500	94	144	12	9,108	1,262	346	2,934	5,360	3,566	186	7
5% C.P.	74 00	70 80	100	738	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	173	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus.	...	...	50	1,362	...	25	9	1,665	1,866	276	...	1,341	399	42	...
5% C. P.	...	...	50	511	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	100 00 N	100 00 N	100	473	...	219	29	1,559	3,110	926	1	637	402	66	...
Partly Paid	50 00 N	50 00 N	50	511	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	94 20	94 20	100	500	...	...	...	...	...	...	...	...	...	...	...
Scandia Steam	16 64	18 40	20	112,799	8,000	100,600	360	191,384	320,226	83,584	88,593	3,310	53,332	53,352	13,192
44% Debentures	99 60	98 50	...	37,478	...	...	...	...	...	...	...	...	...	...	13
Shangri-la Food Products	...	...	100	1,700	...	...	-1,299	3,672	4,047	616	32	544	323	30	...
5% C. P.	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Shivrasa Syndicate	79 00	98 00	10	700	2,000	5,922	58	5,544	9,216	3,375	302	4,282	2,335	1,357	107
Sirpur Paper	15 52	14 00	10	21,855	4,815	309	19	30,230	39,385	11,056	75	8,947	3,928	17,026	19,826
6% R.C.P.	88 80sd	100 00 N	100	4,048	...	...	...	...	...	...	...	...	...	...	...
Supreme Industries	141 00	140 00	100	622	...	272	2	1,327	1,457	379	130	1,062	395	20	...
61% C. P.	68 50	72 80	100	462	...	...	...	...	...	...	...	...	...	...	...
Tata Chemical	17 64	16 60	100	25,172	526	2,508	7	28,857	49,341	18,653	1,878	19,797	6,431	886	5,690
5% Cum. Preference	100 25	99 00	...	2,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	98 25	50 50	25	7,007	1,842	2,295	12	35,371	23,911	14,584	1,175	25,394	10,832	2,215	574
Tata Oil Mills	68 00	61 09	100	2,989	...	...	...	...	...	...	...	...	...	...	...
44% C. P.	59 00	...	250	1,335	2,125	1,231	-18	954	7,384	4,014	255	725	234	1,063	...
United Sul. Works Ind.	...	...	100	25,500	2,200	358	299	84,856	8,234	1,874	272	42,890	60,945	2,537	136
Volta.	228 50	153 00	100	...	...	...	...	...	...	...	...	...	...	...	...
Western India Match	239 00	200 00	100	27,500	9,500	6,227	163	21,700	44,223	17,677	71	18,680	11,048	7,381	1,371
Western India Veg.	100 00	100 00	100	1,700	...	287	21	2,104	2,943	1,542	6	2,313	252	140	...
Western Paper	157 50	127 00	100	9,993	...	...	...	26,603	34,469	...	...	1,966	2,145	849	3,930
6% C.P.	117 00	101 00	100	5,999	...	...	...	...	...	...	...	...	...	...	...
Zandu Pharmaceutical W.	112 00	113 00	100	1,500	504	397	4	1,980	2,527	1,083	412	1,741	1,221	69	...
6% C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Alkali & Chemical	26 37	20 44	10	30,997	1,800	7,330	140	25	57,440	9,228	22	12,415	6,041	330	1,995
5% Cum. Preference	101 50	102 00	100	3,100	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	300	53	18	...	13.21	36	8	73	10,66	7,76	68	...
Ord.	...	...	10	128	...	...	...	...	...	...	...	...	...	...	...
71% C. P.	...	...	110	5,750	2,500	17,996	52	5,647	38,999	11,044	798	5,121	1,914	3,399	...
Aluminium Corpn.	17 00	14 00	10	2,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	100 50	88 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	75 60	63 00	100	250	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	24	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	920 00	1000	3,500	...	...	...	...	...	...	...	...	...	...	...
24% Debenture	...	...	10	5,325	19,25	3.83	-14.14	152.86	160.85	53.32	36.36	85.91	25.33	1.40	...
Amrit Banaspati	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	1	100	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	2,000	325	1,100	6	6,992	84	53	5,189	...	3,979	29	4,194
Anderson Wright	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	10	3,000	2,530	1,414	225	2,578	3,606	2,556	1,025	2,119	3,473	2,020	...
Angelo Brothers	19 87	19 12	10	5,990	...	322	3	11,233	17,294	673	2	4,223	1,326	28	96
Ashoka Cement	10 06	9 69	10	4,750	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	24	4,314	1,054	259	746	7,203	14,859	7,454	534	3,352	2,874	2,380	...
Assam Bengal Cement	5 75	3 62	10	471	...	...	...	...	...	...	...	...	...	...	...
Deferred	1 05	0 75	1	2,498	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	500	1,400	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	125
Assam Match Co.	17 75	17 31	10	3,000	720	1,950	-710	1,471	3,402	1,515	...	2,012	869	50	12
Assam Saw Mills	3 87	3 50	3	1,400	...	...	...	...	...	...	...	...	...	...	...
Assam Salmatite	11 44	10 69	10	3,000	1,000	2,685	155	3,030	10,572	4,222	4,279	774	1,545	788	...
Associated Hotels	5 75	8 37	100	2,167	...	...	...	...	...	...	...	...	...	...	...
7% C. P. T.	52 10	50 30	100	2,200	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	850 00	850 00	1000	50	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	920 00	920 00	1000	892	...	...	3	924	742	191	1,293	216	796	16	44
Associated Mining	7 85	8 75	10	500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	36 00	29 75	50	410	...	...	...	...	...	...	...	...	...	...	...
Deferred	4 50	5 22	5	3,462	525	1,494	15	10,392	5,898	1,204	1	7,789	3,305	131	...
Atlas Cycle Industry	...	...	10	...	...	...	...	...	...	...	...	...	...	...	...
8% R.C.P.	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1960	March 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standing	Cash	Others
NORTHERN INDIA (Continued)															
Galliarup Paper	54 00	...	25	5,709	...	559	-867	11,598	24,996	20,104	1,500	5,379	3,724	2,173	1,140
5% R.C.P.P.	117 00	...	100	1,809	...	...	...	...	...	...	...	...	...	...	...
Balmer Lawrie & Co.	207 00	168 00	100	8,001	6,744	1,077	503	19,342	7,447	3,877	11,377	7,068	12,049	1,725	...
Barroo coke	14 56	12 50	10	1,200	800	50	-235	1,008	3,395	3,344	7	1,350	1,016	250	...
Bathgate & Co.	1 11	0 69	10	2,000	...	17	-48	820	2,313	169	2	1,047	567	27	...
6% C. P.	28 00	19 00	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 95	1 50	10	1,692	...	...	...	3	7 69	4 95	9 64	1	13	2	...
Bengal Assam Steamship	87 00	103 00	100	2,000	825	9,106	836	1,820	12,259	2,072	256	26	841	2,831	...
7% C. P.	60 00	54 00	60	300	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	109 00	97 00	100	4,816	2,075	2,937	1,380	7,054	14,781	7,085	1,693	5,562	5,965	988	...
7 1/2% C. P.	12 62	12 25	10	900	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	72 00	77 50	100	1,191	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	37 62	33 00	10	1,203	1,700	260	219	1,022	3,487	2,867	35	846	1,954	946	...
Bengal Paper	99 50	94 50	25	4,500	3,800	325	93	7,039	22,092	16,334	129	6,863	3,883	489	1,319
7% C. P.	35 25	46 75	50	200	...	...	...	...	...	...	...	...	...	...	...
7% A. C. P.	95 50	103 50	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 'B' R. C. P. T.	66 30	62 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	500	84	...	...	...	...	...	...	...	...	...	...	...
Bengal Pottery	5 69	4 69	2 1/2	5,523	293	716	...	11,669	14,747	4,132	...	3,504	3,870	212	...
Ordry P. Paid	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	14 55	10 00	100	600	...	...	-961	395	567	567	64	5	256	9	...
8% C. P.	30 00	30 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	6 00	4 80	10	400	165	...	3	228	972	262	75	...	172	140	...
5% C. P.	33 00	40 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Bharat Carbon & Ribbon	...	...	10	250	200	102	3	3,312	1,267	445	83	2,079	1,791	16	...
B. Ordry	...	...	100	340	...	...	...	...	...	...	...	...	...	...	...
6 1/4% C. P.	...	...	100	380	...	...	...	...	...	...	...	...	...	...	...
7 1/2% 'B' C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Bh-rat Commerce	15 62	6 81	10	5,000	...	...	-4,119	1,774	4,171	86	...	769	739	62	...
5% C. P.	...	...	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Bharat Nidhi	10 00	6 25	10	14,777	...	1,673	36	11,211	70	45	16,692	577	13,641	872	...
6% C. P.	53 00	59 50	100	5,357	...	...	...	...	...	...	...	...	...	...	...
Bharat Starch & Chemical	8 06	8 06	10	1,000	...	75	-1,671	5,210	3,606	2,312	38	28,24	813	44	98
Bhartia Company	34 75	44 75	100	2,100	50	...	-9	79	...	...	...	12,92	8,59	69	...
Birds Investment	15 15	14 75	100	2,000	227	631	53	4,805	...	...	6,418	...	3,654	47	...
5 1/4% C. P.	53 50	6 00	10	2,400	...	...	...	...	...	...	...	...	...	...	...
Bisra Stone Lime	38 00	32 50	10	1,000	300	...	...	5 085	8 122	3,830	6	2,014	3,248	131	293
Britannia Biscuits	28 00	20 00	10	4,597	2,600	...	216	4,033	11,785	4,856	200	2,864	2,233	2,578	31
8% Cum. preference	9 30	9 70	10	15	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	99 0%	96 00	...	1,400	...	...	...	...	...	...	...	...	...	...	...
Dr. Burma Petroleum (S)	2 11 1/2	1 98 1/2	4 1/2	567	...	182	2	205	...	...	761	...	37	158	...
Dr. Ceylon Corporation	...	...	10	3,500	2,500	6,181	161	2,306	8,925	3,680	1,685	7,657	1,233	585	...
6% Cum. Pref.	...	...	10	1,750	...	...	...	...	...	...	...	...	...	...	...
British India Corporation	7 51	4 87	5	32,500	4,000	10,213	-1,136	49,158	35,140	24,721	14,163	46,827	22,263	8,745	418
8% Cum. preference	123 00	104 00	100	8,100	...	...	...	...	...	...	...	...	...	...	...
Brushware	...	...	10	170	157	...	7	38	243	243	129	161	98	83	...
Burma Lime	8 25	7 50	10	200	10	...	...	96	4,81	1,09	2	66	63	7	...
Partly Paid	...	...	5	63	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	135	...	...	...	...	...	...	...	...	...	...	...
Calcutta Chemical	16 00	13 80	10	961	901	1,750	111	4,255	3,042	1,339	1,968	2,235	1,874	766	...
6% C. P.	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...
4 1/2% C. P.	...	...	10	337	...	...	...	...	...	...	...	...	...	...	...
Calcutta Credit Corp.	8 22	11 60 1/2	100	500	1,250	72	192	7,864	2,232	438	65	3,691	4,923	90	...
6% C. P.	42 50 1/2	44 10 1/2	100	200	...	...	...	...	...	...	...	...	...	...	...
5 1/2% T. C. P.	39 0 1/2	34 50 1/2	100	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	10	285	...	...	...	...	...	...	...	...	...	...	...
Calcutta Gas Co.	5 00	7 00	10	6,500	...	100	37	2,658	1	1	11,616	...	2,725	853	100
5 1/4% R. C. P. T.	63 0 1/2	45 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	910 00 1/2	810 03 1/2	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
Calcutta Hydraulic	...	...	100	8 1/2	...	52	4	78	14	14	89	...	2	30	...
Calcutta Investment Co.	43 70 1/2	47 33 1/2	100	5,500	2,750	417	12	4,061	1,801	616	...	5,280	5,255	15	...
Cal. Landing & Shipping	13 00	14 81	10	625	240	...	21	1,208	1,922	1,320	142	2	1,191	13	...
Calcutta Safe Deposit	7 87	6 94	10	742	14	105	3	467	1,406	199	46	...	128	15	...
4 1/2% Debentures	...	...	1000	65	...	...	...	...	...	...	...	...	...	...	...
Calcutta Steam Navigation	12 37 1/2	12 62	10	1,760	524	852	119	2 55	7,814	4,558	...	261	1,391	5	...
Camboy Int.	100 00	101 00	100	2,000	...	2,110	81	6,477	1	1	4,242	63	2,368	18	...
Campdown Pressing	103 36	118 00	100	430	85	2	12	1 0	689	495	200	...	14	151	...
Central Hydraulic	...	...	100	500	...	125	5	8	8 1/2	698	506	...	22	38	...
Cherra Chhatrak Ropeway	7 50	6 00	5	475	470	2	-19	442	1,248	1,050	11	211	924	27	...
Christian Mica Indus	10 06	10 19	10	3,000	4,084	247	11,262	7,409	...	...	4,675	5,071	9,953	131	...
5 1/2% Cum. preference	50 00	51 07	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Deferred share	5 64	6 00	...	1,500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	830 00	830 00	1000	1,500	...	...	...	...	...	...	...	...	...	...	...
Cive Building	150 00	...	15	1,500	261	961	118	536	4,887	795	414	...	52	450	...
Management Shares	...	...	...	15	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	410 00	410 00	500	15 1/2	...	...	...	...	...	...	...	...	...	...	...
Cive Row Inv.	9 44	11 62	0	13,880	1,000	330	334	5 361	...	...	19,357	...	698	20	...
Dalmia Cement	12 06	11 25	10	14,422	2,595	2,424	22	249.3	13,621	5,018	18,814	9,812	3,213	1,489	9,138
6% Cum preference	8 44	8 69	10	6,158	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 00	2 00	1	500	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties	...	...	10	537	...	7	-116	54	528	55	1	...	32	3	2
6% preference	...	...	10	34	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Ropeway	7 7 1/2	8 03	10	240	33	15	1	87	413	198	15	25	113	6	10
5% Debentures	...	...	500	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills	15 00	16 00	10	560	1,000	...	3	1,725	3,964	2,635	521	768	1,516	95	...
7% Cum. preference	...	...	100	90	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	330	...	...	...	...	...	...	...	...	...	...	...
Dhrangadhra Chem. Works	160 00	103 00	100	6,425	4,9 0	1,431	10	11,162	14,865	5,790	...	5,578	5,634	2,075	5,749
6% R. C. P.	...	...	100	4,204	...	...	...	...	...	...	...	...	...	...	...
Duncan Brothers	107 00	117 00	100	9,000	6,750	3,265	350	10,621	2,794	1,033	18,174	441	10,935	1,215	...
6% Cum. preference	56 75	54 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Dunlop Rubber Co.	39 00	32 50	10	10,000	39,538	11,700	2,403	17.50	96,235	34,533	224	50,906	33,202	2,313	...
6% Cum. preference	115 00	118 10	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax	87 50	85 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	106 00	104 00	100	20,451	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Pre- vious	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
NORTHERN INDIA (Continued)												
East India Hotel	Obrovi Hotels Private	123	228	639	...	...	3-59	80	16	nil	nil	nil
Eastern Investments	6% Cum. preference Bird & Co. Private Ltd.	...	...	1,801	...	6	12-59	1,673	(11,451)	14	9	9
Eastern Manlg. Co.	5% Cum. preference McLeod & Co. Ltd.	19.22	19.19	78.33	3.73	1.10	12-54	10.44	2.25	71	3	3
Electric Construction	6% Cum. preference Directors	1,326	5,866	8,124	5,121	...	10-58	557	1,097	10	10	10
Frank Ross	Directors	222	3,156	3,650	965	...	2-59	65	64	nil	nil	nil
Fraser & Co.	44% Cum. preference Kilburn & Co.	...	...	1,297	...	20	3-59	271	323	nil	41	41
French Motor	Mg. Director	1,819	33,811	39,096	5,634	...	3-58	1,268	1,530	121	121	121
Ganges Rope	Macneill & Barry Ltd.	1,541	4,036	7,557	1,517	87	3-59	867	8,34	17	15	121
General Inv. & Trust	Bird & Co. Private	...	...	42	...	3	2-59	30	10	31	21	71
Gillanders Arbuthnot	6% Cum. preference 5% R. C. P. T.	3,535	15,187	23,816	3,377	...	3-59	2,555	7,170	10	10	10
Gladstone Lysall & Co.	Directors	1,787	2,507	...	...	...	10-58	215	697	nil	41	31
Godfrey Phillips	6% C. P. T.	1,742	10,971	31,484	264	...	12-58	2,984	2,139	20	13	20
Great Eastern Hotel	51% C. P. T.	...	...	7,357	362	40	3-59	725	754	31	31	31
Hindustan Building	Directors	...	...	288	60	...	7-58	291	121	4	4	21
Hindustan G. E. Corpom.	4% C. P.	...	...	...	...	...	...	...	...	4	4	4
Hindustan Housing	K. C. Thapar & Brothers	563	1,414	2,322	1,867	...	7-58	-67	233	nil	nil	nil
Hindustan Ice	5% C. P. p.	...	...	...	...	...	...	...	...	nil	nil	nil
Hindustan Motors	Deferred	...	...	...	...	26	3-53	33	49	11	nil	nil
Hindustan Pilkington	Jainarayan Ramchander	...	...	...	...	...	...	...	...	nil	nil	nil
Hindustan Woolen	4% Debentures	...	...	...	...	...	...	...	...	nil	nil	nil
Hoare Miller	R. N. Jhun Jhun Wala	40	1,21	2,69	...	18	9-54	65	37	nil	nil	nil
Hooghly Flour	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Hooghly & Ganges Hyd	Birla Brothers Private	...	...	86.98	9,290	...	3-59	11,686	8,354	5	nil	nil
Imperial Tobacco	6% R. C. P.	...	...	...	...	...	...	...	...	6	6	6
India Genl. Navigation & ...	Talukdar Law & Co Private	276	3,169	6,769	408	...	10-58	1,717	1,159	6	6	nil
India Linoleum	Directors	6	...	182	...	...	3-58	133	96	6	11	11
India Paper Pulp	Directors	1,154	88,701	91,673	1,534	...	12-58	499	439	5	5	261
India Steamship	Shaw Wallace & Co.	560	10,181	11,804	774	64	12-58	634	732	40	45	261
India Aluminium	B. N. Elias & Co.	78	42	1,53	...	...	6-54	43	1,08	11	21	5
India Cable	44% R. C. P.	...	...	...	...	...	...	...	...	41	41	41
Indian Copper & ...	4% Debentures	...	...	...	...	...	...	...	...	...	...	...
Indian Oxygen	Directors	...	...	344,605	100,702	...	3-59	33,334	35,680	6	7	5
Indian Plastics	Kilburn & Co. Private	...	...	3,523	...	...	12-57	56	(10-10)	nil	nil	5
Indian Rubber Manfr.	6% C. P.	...	...	...	...	...	...	...	...	nil	nil	6
Indian Wood Products	Hindustan Investment	2,76	12,01	23,83	9,07	...	3-56	619	2,01	nil	nil	nil
Investment & Finance	Andrew Yule & Co. Ltd.	...	...	15,103	1,102	202	3-59	(11,358)	(11,578)	10	10	14
J. K. Comm. Corp. Ltd.	Lionel Edwards Private	6,821	43,320	81,392	...	659	3-59	(115,623)	23,434	10	10	10
J. K. Investment Trust	5% R. C. P.	...	...	...	...	...	...	...	...	5	5	5
Jaipur Udyog	Directors	10,147	41,718	74,297	...	...	12-58	13,706	8,683	7	6	10
James Wright	5% C. P. T.	10,458	5,190	72,670	23,176	...	3-59	(112,695)	11,517	15	15	15
Jardine Henderson	51% Debentures	...	...	...	...	...	...	...	...	15	15	15
Jeewanlal (1929) Ltd.	Gillanders Arbuthnot & Co.	...	...	1,911	436	72	12-58	991	1,125	18	18	20
Jenson & Nicholson	Directors	9,661	14,018	55,418	10,720	...	9-59	8,940	9,320	15	10	10
John Paterson	Parla Gwalior Private	1,436	4,705	7,121	1,716	...	3-59	284	284	15	31	31
Kalimpong Ropeway	51% C. P.	...	...	...	...	...	...	...	...	51	51	51
Kalyanpur Lime & Cement	G. S. Moulton & Co Private	...	...	...	...	34	3-56	3,68	1,80	51	51	51
Kangra Valley State	5% C. R. P.	...	...	...	...	...	...	...	...	51	51	51
Karnapura Development	Gill. Arbuthnot & Co.	785	...	4,958	...	161	9-58	1,504	1,487	25	271	30
Kettlewell Bullen & Co.	Steel Bros. & Co. Limited	3,304	14,285	30,174	...	557	12-58	(7,663)	(7,584)	20	20	20
Kishore Trading Co.	7% C. P. T.	...	...	123	...	5	2-59	66	62	5	5	5
	5% C. P.	...	...	...	...	...	...	...	...	5	5	5
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Directors	...	...	454	...	...	6-55	5,69	2,22	5	8	8
	Directors	...	...	6,93	...	...	6-55	5,86	4,47	8	8	8
	B. Ordinar	2,691	23,506	30,904	4,104	1,22	3-58	5,697	4,081	121	121	121
	Sahu Ja n Ltd.	...	...	...	...	...	...	...	...	3	3	3
	3% C. P. T.	...	...	...	...	...	...	...	...	...	...	...
	6% Debentures	127	4,345	6,848	457	...	12-57	(11,31)	23	nil	nil	5
	6% C. P.	...	...	...	...	...	...	...	...	6	6	6
	Deferred	2,206	153,580	162,618	3,915	...	3-59	2,752	(11,714)	5	21	21
	Directors	...	...	...	...	...	...	...	...	5	5	5
	51% C. P. T.	2,285	15,817	22,870	7,553	...	12-58	542	901	51	51	51
	Directors	3,945	...	17,718	7,186	...	12-58	556	1,521	6	6	6
	71% R. C. P.	...	...	...	...	...	...	...	...	71	71	71
	Directors	28	458	747	12	...	3-58	(118,195)	102	nil	21	71
	Khaitan Corp. Private	...	...	...	...	...	...	...	...	...	...	...
	Directors	49	32	94	...	...	3-54	14	13	nil	nil	nil
	Directors	665	...	3,207	914	...	12-57	-91	13	nil	nil	nil
	7% P. T.	...	...	...	...	...	...	...	...	...	...	...
	6% 2nd Pref.	13	30	1,92	10	18	6-52	1,37	1,57	18	18	18
	Directors	...	...	1,259	73	43	12-58	60	271	18	18	18
	Bird & Co. Private Ltd.	...	...	...	...	...	...	...	...	...	...	...
	Founders	...	...	948	...	...	12-58	795	735	6	5	5
	Directors	...	...	...	...	...	...	...	...	5	5	5
	51% C. P. T.	...	...	...	...	...	...	...	...	4	4	4
	4% C. P.	...	...	1,87	...	...	12-54	1,73	1,37	2	31	31

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	March 1960 Rs. aP.	March 1959 Rs. aP.			General	Others	Carry Forward				Invest- ments	Stocks & Stores	Outstand- ings	Cash	Others
NORTHERN INDIA (Continued)															
East India Hotel	...	...	10	4,655	...	...	-9	542	2,950	39	...	27	41	147	3,296
6% C.P.	...	...	100	1,249	...	...	...	...	...	...	...	...	...	...	...
Eastern Investments	133 00ad	143 00	100	5,126	5,717	...	352	2,558	...	...	16,057	...	196	...	...
5% Cum. preference	69 94ad	72 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Eastern Manufacturing Co.	...	...	100	850	5,00	3,70	10	16,10	28,71	19,24	1	17,29	5,21	1,09	35
5% Cum. preference	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Electric Construction	12 94	13 12	10	2,538	650	36	30	5,986	2,190	1,030	20	5,272	2,762	25	2
Frank Ross	2 75	2 25	6	495	1	55	2	659	210	132	...	965	370	24	...
44% Cum. preference	41 00	50 00	100	275	...	...	...	...	...	...	...	...	...	...	...
Fraser & Co.	13 25	13 00	10	605	200	461	-331	308	1,412	526	1	...	342	3	...
French Motor	29 00	24 38	20	3,000	400	1,544	226	7,742	2,945	1,492	939	5,634	3,509	377	...
Ganges Rope	218 50	187 50	100	1,400	200	939	23	3,223	3,747	2,170	3	2,270	1,920	15	...
General Inv. & Trust	...	...	75	225	18	38	16	57	...	...	...	...	...	...	...
1% Cum. preference	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Prefr. Tax	12 25	13 37	10	6,500	2,000	1,920	157	23,489	2,597	1,424	11,482	3,619	16,680	1,411	1,800
Gillanders Arbuthnot	55 00	54 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P. T.	...	...	10	4,000	525	134	24	5,869	881	481	3,839	1,523	4,720	113	1,375
Gladstone Lysall & Co.	...	...	100	1,417	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	22 12	20 25	10	4,000	...	1,107	1,035	7,347	6,842	3,678	...	9,018	4,130	115	63
Godfrey Phillips	63 25	58 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
51% C. P. T.	250 00	250 00	250	3,000	1,000	740	17	1,287	8,667	4,092	2	479	816	172	...
Great Eastern Hotel	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Hindustan Building	5 00	4 50	10	1,500	12	...	1	596	8	3	1,471	...	356	33	1,134
4% C.P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindustan C.E. Corpn.	...	...	10	1,900	...	70	-4,072	11,909	5,446	1,155	13	4,591	936	43	953
5% C.P.P.	...	...	100	845	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	5	175	...	...	...	...	...	...	...	...	...	...	...
Hindustan Housing	...	...	75	1,500	...	...	2	6,38	23,87	1	2,50	...	4,67	38	...
4% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Hindustan Ice	1 05	0 90	5	1,000	45	1,00	-3,57	1,73	22,57	10,00	...	31	1,33	26	13
5% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Hindustan Motors	18 05	9 06	10	49,613	...	1,951	519	14,554	58,044	28,653	1,448	37,566	8,090	18,638	...
5% R. C. P.	155 00	...	50	28,304	...	...	...	...	...	...	...	...	...	...	...
Hindustan Pilkinton	23 87	15 62	10	8,000	700	5	102	2,343	9,649	2,659	9	1,892	541	1,719	...
Hindustan Woolen	...	...	10	3,497	...	51	8	233	43	...	...	...	3,129	29	...
Hoare Miller	7 75	7 56	10	3,520	2,000	...	73	8,972	1,550	843	2,237	1,551	8,285	19	1,766
Hooghly Flour	21 91ad	36 37	10	600	590	103	22	1,162	1,642	1,322	...	846	1,123	188	...
Hooghly & Ganges Hyd.	7 85ad	5 50	10	800	54	86	7	1,62	15,50	4,70	5,92	10	1,21	6	...
41% R. C. P.	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	10 81ad	12 25ad	10	151,600	45,500	43,373	2,464	27,079	109,389	24,739	3,778	108,151	44,006	30,432	...
India Genl. Navigation	70 00	69 00	£ 10	656	170	959	-193	2,213	5,811	3,539	28	697	991	59	2
6% C.P.	80 00	69 50	£ 10	244	...	...	...	...	...	...	...	...	...	...	...
India Linoleum	...	...	100	2,500	...	...	-94	19,38	31,15	3,31	...	10,15	5,15	29	...
India Paper Pulp	20 52	25 00ad	10	6,300	1,055	5,492	55	9,456	23,207	10,514	112	5,520	3,732	211	278
India Steamship	11 05	14 62	100	22,500	14,000	18,453	209	133,350	187,741	40,093	760	368	17,970	26,497	...
5% R. C. P.	80 00	90 00	10	38,806	1,500	11,402	1,526	52,682	92,460	24,887	13	29,391	10,955	1,171	614
Indian Aluminium	25 87	21 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	71 50	71 00	10	23,578	8,095	10,385	4,000	22,942	27,617	12,013	76	32,593	26,319	5,475	...
Indian Cable	30 25	32 00	10	1,288	...	...	...	...	...	...	...	...	...	...	...
6% C. P. P.	28 50	25 75	10	10,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	101 50	4 34	2ah	1,371	1,471	494	71	1,503	2,975	1,742	643	1,354	1,476	258	...
Indian Copper	4 48	26 75ad	10	20,000	7,050	2,942	973	33,731	52,628	21,475	446	14,843	12,384	2,382	3,286
Indian Oxygen	35 12	5 25	10	2,000	10	19	2	4,467	4,920	1,598	...	4,364	1,955	91	...
Indian Plastics	9 12	...	...	...	...	...	...	...	...	...	...	...	...	...	...
51% C. P.	46 00ad	51 50	100	2,250	...	5,00	53	63	4,1	16,75	9,50	4	6,15	7,94	5,85
Indian Rubber Mantra	16 75ad	17 37	10	828	...	...	...	...	...	...	...	...	...	...	...
5% C. R. P.	78 00ad	25 00	100	828	...	...	...	...	...	...	...	...	...	...	...
Indian Wood Products	31 87	40 62	10	2,000	1,600	450	106	1,725	2,145	1,670	2	4,313	450	641	...
Indo Burma Petrol	27 94	26 62	10	10,000	3,244	11,774	329	14,472	9,960	5,131	24,185	2,764	7,387	5,454	...
7% C. P. T.	90 00	89 75	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Investment & Finance	...	...	100	500	149	117	33	127	...	...	1,314	...	7	5	...
5% C.P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
J. K. Comm. Corp. Ltd.	...	...	10	2,080	822	3	...	48,15	29	17	41,67	...	35,46	4	...
J. K. Investment Trust	...	...	700	7,008	25,50	46	7	40,23	2	1	115,02	...	13,78	8,03	...
B. Ord.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
Jaipur Udyog	12 75	11 44	10	15,000	145	40	93	41,310	67,292	12,470	58	11,406	7,298	230	...
3% C. P. T.	37 00	37 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
6% D. bentures	...	...	...	9,726	...	...	...	...	...	...	...	...	...	...	...
James Wright	2 62	2 75	5	588	38	53	...	877	300	73	581	458	530	7	...
6% C. P.	25 25	28 07	50	130	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 69	0 69	1	117	...	...	...	...	...	...	...	...	...	...	...
Jardine Henderson	74 00	82 50	100	20,000	6,700	592	540	54,361	4,109	1,460	46,229	3,915	31,693	113	2,515
31% C. P. T.	59 00	58 50	100	5,000	...	...	...	...	...	...	...	...	...	...	...
Jewanslal (1929) Ltd.	8 37	6 00	10	7,200	800	...	-170	6,687	3,887	2,631	6	7,899	4,756	598	12
Jenson & Nicholson	...	...	10	3,250	1,750	709	599	10,782	5,703	3,160	93	7,524	9,429	59	...
71% R. C. P.	...	...	100	2,569	...	...	...	...	...	...	...	...	...	...	...
John Paterson	4 50	1 75ad	10	529	...	17	36	345	512	58	13	38	458	4	...
Kalimpong Roadway	2 25	3 12	10	450	65	...	-1,28	1,38	5,97	2,63	9	1,34	33	13	...
Kayampur Lime & Cement	103 00	108 00	100	5,425	...	2,929	-514	9,806	15,469	1,775	52	2,885	2,938	149	502
7% P. T.	80 00	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Prof.	100 50	100 50	100	5,425	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley State	89 00ad	95 00	100	158	183	1,57	25	1,72	1,95	68	63	10	27	4,59	8
Kanarpura Development	14 44	14 25	10	1,500	1,900	598	314	3,761	4,479	1,308	1,904	128	798	2,582	...
Founders	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Kettledwell Bullen & Co.	137 00	143 00	100	4,000	951	1,840	205	3,492	224	126	8,010	...	5,371	10	...
31% C. P. T.	58 25	62 75	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	56 00	65 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Kishore Trading Co.	75 00	75 00	100	2,000	175	24,15	53	4,03	1	...	46,77	...	1,45	1,24	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1953	March 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standings	Cash	Others
	Ra. np.	Ra. np.			Ra. 000	Ra. 00	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)															
Kumardhubi Fireclay	22 75	22 75	10	3,000	502	8,020	30	5,747	16,718	5,448	31	1,007	44,676	87	65
51% R. C. P. T.	54 50	54 50	100	400	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	96 00	101 00	100	2,100	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	2 25	5 75	10	800	...	41	89	3,570	4,211	2,690	13	3,471	1,165	127	...
51% R. C. P. T.	64 00	69 50	100	800	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
Lactarlane & Co.	3 75	3 12	5	634	...	13	91	866	734	556	151	692	743	17	...
7% C. P.	...	...	100	309	...	...	...	...	...	...	...	...	...	...	...
Deleter	0 94	0 75	1	66	...	...	...	...	...	...	...	...	...	...	...
Macneill & Barry	98 50	...	100	15,000	3,700	4,982	304	8,521	5,408	1,575	25,562	1,306	13,175	132	6,000
51% C. P. T.	58 25	62 75	100	10,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	850 00N	841 00N	1000	7,500	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited	21 25sd	29 50sd	10	14,583	7,500	3,519	255	51,256	4,389	1,626	19,611	16,661	41,678	667	2,518
5% C. P.	100 25	98 50	100	6,000	...	...	...	...	...	...	...	...	...	...	...
4% Convertible Notes	650 00	500 00	500	835	...	...	...	...	...	...	...	...	...	...	...
Marwar Trading Assn.	200 00	200 00	100	2,400	...	...	...	...	...	...	...	...	...	...	...
McLeod & Co.	219 00	187 50	100	4,000	5,200	3,347	250	21,969	2,970	1,195	26,409	4,478	10,291	346	1,500
5% 1st C. P. T.	51 00	52 25	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C. P.	68 00	70 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes	410 00	465 00	10	11,500	...	...	...	...	...	...	...	...	...	...	...
Metal Box Co.	35 11	34 69	100	3,000	8,500	6 100	1,334	18,760	30,915	11,273	369	19,665	8,265	1,704	...
6% R. C. P. T.	87 00	79 00	10	4,000	...	935	-1,597	5,986	11,395	5,123	15	5,239	569	27	...
Metal Corporation	12 44sd	10 25	100	710	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	79 00	50 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 00	2 00	1000	1,800	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	...	...	921	9,400	...	4,247	-1,862	2,314	154	61	51	...	9,904	4,048	...
Midnapore Zaminidary	20 00	...	10	446	...	5	1	123	733	286	1	36	55	2	9
Microlabed Water Supply	5 35	6 12	10	885	822	214	2	1,340	2,520	1,412	70	1,589	601	86	...
C. & E. Morton (India) Ltd	...	...	10	400	11,00	4,00	10	70,63	63	24	11,42	26	82,39	1,60	...
Motor & General Finance	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
10% C. P.	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C. P.	...	...	10	275	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
National Insulated Cable	28 06	33 06	10	5,997	7,000	4,526	61	15,753	9,631	4,483	8	11,283	16,916	PR	...
51% Debentures	...	...	2,000	1,000	...	...	...	...	...	...	...	...	...	...	...
National Pipes & Tubes	18 75	...	10	3,000	1,500	...	6	116	2,692	4,519	2,156	2	3,427	2,245	277
51% R. C. P	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
National Rubber	13 06	16 50	10	4,990	400	322	97	8,517	7,258	3,103	10	8,167	2,611	...	10
6% C. P.	27 00	81 00	100	945	...	...	...	...	...	...	...	...	...	...	...
National Tobacco Co.	18 06	16 75	10	7,997	213	2,837	960	14,897	13,038	7,143	79	24,055	5,339	2,234	19
5% R. C. P	75 50	71 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
51% R. C. P	67 00	65 00	100	1,998	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00	810 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
New Utkarsh Varijaya	4 00	...	5	1,500	...	...	...	...	...	...	...	...	...	...	...
41% C. P	71 00	...	50	1000	...	...	...	...	...	...	...	...	...	...	...
New India Investment	55 00	38 00	75	2,332	725	102	21	543	...	...	4	3,577	...	122	24
Oceanus Steel & Co.	...	...	100	5,000	3,300	2,321	299	5,317	766	262	8,359	...	8,186	228	...
6% C. P. T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Orient Paper	41 70	37 10	10	14,682	1,700	27,439	169	41,139	96,523	23,615	2,357	17,356	15,184	769	...
51% C. P.	87 00	90 25	100	7,445	...	...	...	...	...	...	...	...	...	...	...
51% C. P. T.	62 50	62 50	100	6,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	920 00	915 00	1000	10,000	...	3,374	1,870	30,386	47,301	14,989	3,022	11,399	4,623	195	5,175
Orissa Cement	13 44	14 25	10	15,000	...	...	...	...	...	...	...	...	...	...	...
41% C. P	35 06	35 06	100	4,000	1,055	4,346	88	7,737	6,443	3,199	3,810	2,557	5,120	530	142
Orissa Minerals	39 00	33 62	10	2,000	...	...	...	...	...	...	...	...	...	...	...
Philips India	25 50	19 87	10	22,000	346	4,297	36	21,777	11,735	3,812	227	18,266	21,358	925	759
Port Shipping	10 25	14 37	4	1,408	625	1,865	-3-8	1,258	5,023	1,103	101	127	738	9	...
Publicity Society	15 00sd	9 19	10	262	150	289	61	1,424	194	184	67	...	2,047	67	...
Punjab Minerals	...	...	10	310	...	...	-130	25	164	2	...	...	...	...	...
R. B. Radia	5 00	4 68	10	650	100	92	5	512	137	61	43	701	660	89	...
51% R.C.P.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
Rallis India	101 00	65 50	100	22,500	...	41	215	12,746	6,675	3,089	7,689	16,587	13,045	2,135	...
6% C. P. T	91 50	70 75	100	7,500	...	...	...	...	...	...	...	...	...	...	...
Reliance Firebrick	20 00	25 00	10	600	319	922	51	2,401	3,453	2,460	381	921	1,220	986	...
Routis Industries	32 01	23 06	10	22,810	18,200	3,915	4	81,995	145,458	55,272	6,270	50,163	14,209	304	688
7 to 9 C. P	120 00	116 00	100	8,476	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	60 50	62 00	100	10,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	990 00	910 00	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	5	750	...	355	2	173	...	15	10	1,660	61	32	32
Sahu Properties	3 06	3 03	100	999	1,45	1,29	4	14,91	1,71	...	72	5,80	18,27	1,16	...
Scientific Instrument Co.	...	...	10	71,00	350	1,959	43	21,216	18,475	4,766	1,382	10, 58	1,947	908	4,911
Sen-Rajesh	21 75	16 47	10	3,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	140 00	85 00	100	7,500	1,250	1,762	487	35,121	8,330	1,826	16,349	12,461	17,724	342	231
Shaw Wallace & Co.	20 16	17 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	71 50	70 00	100	7,450	1,10	10	42	50	9,69	4,96	32	...	1,513	5	...
Shiva Jute Press	53 00	51 00	10	12,549	3,775	3,644	20	12,503	18,524	11,142	5,032	10,360	7,044	2,109	16,500
Shree Gopal Paper	23 87	17 62	100	750	...	...	...	...	...	...	...	...	...	...	...
8% C. P. P	103 00	108 00	100	5,214	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	101 50	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	950 00	950 00	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	960 00	950 00	5	1,000	500	806	87	3,755	2,005	1,448	1	4,366	1,312	414	...
Smith Samsara	11 03	10 12	50	500	...	...	...	...	...	...	...	...	...	...	...
10% Pref cum a to 7	69 62	57 00	100	600	5,02	16,73	-5,67	60,25	38,53	13,27	...	5,401	7,79	77	...
Sonakumla Baling	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
8% C. P	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	6 15	6 62	5	7,500	1,415	435	28	6,440	22,478	15,997	521	5,430	2,515	657	214
Sone Valley Port Cement	79 00	81 00	100	1,040	7,25	2,38	-85	7,26	14	37,07	65,85	31,03	32,25	6,21	3,411
Ster C.	12 37	12 19	10	3,000	3,00	3,50	14	...	...	...	...	...	...	...	...
Ster C. P. Mill	78 50	73 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% C. P	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	...	40	...	-57	6,14	2	...	1	9,10	...	1,54	...
Ster Trading & Inv	8 00	8 00	25	500	...	...	...	...	...	...	...	...	...	...	...
Straw Products	12 50	14 00	10	1,500	2,700	6,766	5	3,781	11,570	2,422	954	2,633	1,414	230	...
Sutra Stone & Lime	17 50	19 25	10	484	65	371	31	519	1,518	605	...	154	240	-66	...

Indian Finance MISCELLANEOUS

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	Net Profit		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest %	Pre- vious %	Second previ.
NORTHERN INDIA (Continued)												
Tide Water Oil	Andrew Yule & Co. Ltd.	791	5,105	6,255	3,064	25	10-58	219	281	15	12 1/2	12 1/2
Titagarh Paper Mills	F. W. Heiglers & Co. Private Pfd. Ordinary	14,624	38,269	94,503	1,176	1,214	3-59	13,753	11,664	25	23 1/2	23 1/2
	8% C. P.									10	10	10
	44% C. P.									8	8	8
	51% Debentures									4 1/2	4 1/2	4 1/2
Tungabhadra Industries	Cotton Agents Private Debentures	733	24,421	32,221	3,637	66	9-58	676	520	nil	nil	nil
Union Co.	Directors	6		1,58			3-54	12	-131	nil	nil	5
Union Carbide	Directors	9,927	31,796	60,507	20,363		12-58	10,553	8,927	14	14	15
United Flour	Shaw Wallace & Co. Ltd.	446	8,121	9,577	589	56	11-58	525	664	37 1/2	45	45
Walford Transport	Directors Pfd. Ordinary	1,161	12,959	14,292	2,279		12-58	505	844	14	14	14
										12	12	12
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	2,178	21,707	33,589	4,023	271	3-50	3,355	3,239	12 1/2	12 1/2	12 1/2
Amrutajyan	R. N. Brothers	94	1,473	2,543	23	38	3-58	350	532	35	60	50
	7 1/2% C. P.									7 1/2	7 1/2	7 1/2
Andhra Cement	Andhra Engineering Co. Pri.	1,202	4,591	9,093	188	65	12-58	(a17)1,670	(a13)1,698	7 1/2	10	10
	6% C. P.									6	6	6
Andhra Scientific Co.	Srinanth Industrials Pri. Ltd.	530	693	1,752	769	29	6-57	293	179	nil	6	6
	5% C. P.									nil	6	6
Ashok Leyland	Directors			49,865	13,044		12-58	3,943	1,858	6	6	6
Aspinwall & Co. (Trav.)	Directors	793	3,027	6,660	977		12-57	10	148	6	8	8
Aspinwall & Co.	Directors	1,872	6,301	10,717	1,691		12-58	(a3)486	684	6	6	10
	6% C. P.									6	6	6
Asso. Industrial En. g.	Garrison Dankerley	68		4,944	1,378	55	3-59	524	412	9	9	9
Bangalore Printing	Directors	194	151	496	223		12-58	84	79	10	10	10
	Second Ordinary											
Binny & Co.	Directors	1,536	3,681	9,812	439		12-58	2,384	2,840	10	10	10
Central Scientifics	Guru Agencies Private	88	630	1,034	178	11	3-59	112	100	10	10	10
	6% C. P. P									8	8	8
Coimbatore Chem. & Fert.	Venus & Co.			6,92		5	3-55	11	15	5	7 1/2	nil
Enfield India	Directors	584	6,017	6,801	2,442		12-58	492	106	nil	nil	nil
	5% C. P.									6	6	6
Fertilisers & Chemicals	Seshasayee Bros. Private	4,013	9,259	24,727	927	355	12-58	5,943	(a16)3,634	4	nil	nil
Forest Industries	Seshasayee Bros.	107	1,175	2,459	153		3-58	871	1,159	nil	nil	nil
										nil	nil	nil
General Papers Ltd.	Gany & Co.	52	2,385	2,980	879	41	3-59	365	303	12 1/2	12 1/2	8
Hyderabad Inv. Synd.	M. Amolakchand Bros. Ltd.			1,58		17	9-55	54	67	2 1/2	2 1/2	ni
India Cements	Essen tri. Ltd.	1,828	6,033	17,690	1,611	378	3-59	3,669	3,591	18	9	ni
	7 1/2% C. P.									7 1/2	7 1/2	7 1/2
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.			70		6	9-59	54	60	5	5	5
Jeyapore Mining	R. S. Indus'l Corp.	64	1,14	3,76	7,17	9	6-55	1,08	1,00	10	6	51
Kirloskar Elec.	Kirloskar Associates	2,012	15,105	19,768	2,905	221	6-58	2,378	2,120	7 1/2	7 1/2	6
Madras Indus'l Inv. Corp.	Directors			6,37			6-54	543	529	5	5	3
Madras Sales Deposit	Kuthari & Sons	12		56		1	6-59	21	31	5	5	5
Madras Vanaspathi	Kubera Vanspathi				4		4-58	-141	-153	nil	nil	nil
	Ordinary									nil	nil	nil
	5 1/2% C. P.									nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri.	207	5,622	6,239	675	13	3-59	153	130	9	9	9
	6% C. P.									6	6	6
McDowall & Co.	Directors	173	3,588	3,871	825		12-57	337	235	24	6	6
	6% C. P.									6	6	6
Methu Chem. & Indus. Corp.	Seshasayee Bros. private Ltd.	1,223	6,865	12,137	623	20	3-59	2,059	2,058	8 1/2	8 1/2	7 1/2
	6% C. P.									6	6	6
	5% Debentures									6	6	6
Modern Housing	Directors						6-58	2		nil	nil	nil
	6% C. P.									nil	nil	nil
Mysore Chem & Fert	Directors	461	1,697	3,173	573		3-59	867	451	5	5	5
Mysore Chem. Manfrs.	Directors	127	1,481	2,995	417		3-59	625	303	20	20	20
	6% C. P.									6	6	6
Mysore Chrome	Directors			464	165		6-58	-21	-37	6	6	6
Mysore Coffee Curing	Directors	93	310	95	76		12-58	371	144	12 1/2	10	10
Mysore Elec. Industries	Directors	677	2,949	5,155	276		3-59	659	556	15	11	8
Mysore Glass & Enamel	Directors			1	4		3-59	7	244	12	11	8
Mysore Indus. & Test Ltd.	Directors	304	521	1,536	185		3-58	325	297	16	15	12 1/2
Mysore Lams	Directors	272	387	1,777	296		3-59	312	297	16	15	12 1/2
	4% C. P.									4	4	4
Mysore Match	Directors			120	8		6-56	3	10	nil	nil	nil
Mysore Paper	Directors	2,068	7,673	12,535	402		3-59	1,648	1,901	12 1/2	10	10
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.			1,188	96	38	3-59	368	356	10	10	10
Mysore Tobacco	Directors	455	1,067	1,989	246		3-59	313	190	12 1/2	12 1/2	15
Mysore Veg. Oil	Directors	38		2,220	332		6-57	34	119	nil	nil	nil
National Chemicals	Murthy & Co.						6-54	-89	-95	nil	nil	nil
	5% C. P.									nil	nil	nil
Ogale Glass Works	S. P. Ogale & Co.	1,387	2,761	6,102	296	24	12-58	325	512	4	nil	nil
Parry & Co.	Directors	7,919	56,231	72,784	14,726		9-58	1,868	2,413	4	nil	15
	5% C. P.									5	5	5
	4 1/2% Debentures									5	5	5
Parry's Confectionary	Parry & Co.	1,101	5,305	8,872	2,266	87	3-59	850	897	20	20	20
Punahur Paper	A. & J. Harvey	1,593	5,148	9,372	383	167	6-58	1,922	1,020	20	20	20
										7 1/2	7 1/2	5
Radio & Electricals	Directors	47	1,421	1,950	2,189		12-58	259	306	7 1/2	9	9
Radio & Electricals Manfrs.	Directors	918		6,341	376		3-59	2,242	1,643	16	16	13
Rane (Madras)	Iyer & Co. Ltd.	183	6,524	7,583	1,937	41	3-59	395	238	10	7	7
	7% 'A' C. P.									6	6	6
	6% C. P.									6	6	6
Ruby Rubbers	Ruby Industries Private	88	1,375	1,743	833	18	6-8	226	192	9	9	9
	14% C. P.									6	6	6

9 April 1960

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSET									
	March 1960 Rs. np.	March 1959 Rs. np.			Rs.	Rs. 000	General Rs. 000				Others Rs. 000	Carry Forward Rs. 000	Rs. 000	Rs. 000	Rs. 000	Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standing Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Contd.)																				
Tide Water Oil	16 12	14 31	10	600	450	486	71	4,084	238	175	2	3,098	1,985	34	200					
Titagarh Paper Mills	40 50	45 25	10	11,205	4,805	35,431	101	45,753	72,692	40,285	1,007	26,905	27,204	795	19,906					
Pfd. Ordinary	3 94	4 00	24	437																
8% C. P.	126 00	140 00	100	1,150																
44% Cum. preference	84 50	83 50	100	1,500																
4 1/2% Debentures				8,100																
Tungabhadra Industries			10	3,059		30	-590	7,816	6,869	1,209	25	4,396	1,596	201						
5 1/2% Debentures				1,503																
Union Carbide	73 20	75 00	100	1,250	7,50	4,62	93	25,16	14	10	23,15		25,64	3,544	3,006					
Union Carbide	42 75	30 37	10	20,600	2,507	6,316	3,385	22,482	28,259	7,878	303	22,243	5,135	947	144					
United Flour Mills	50 00	29 87	10	500	220	355	19	957	56	807	624		947	144						
Walford Transport	3 12	2 28	1	841	1,000	1,002	141	1,785	1,238	875	127	2,536	1,560	348						
Pfd. Ordinary	3 12	1 87	1	210																
SOUTH INDIA																				
Aluminium Industries	24 10cd	19 73cd	10	7,999	2,000	6,306	49	14,782	11,199	4,370		7,575	9,142	770	2,165					
Amrutajyan			100	250	125	156	20	883	744	82	189	147	432	252						
7 1/2% C. P.	130 00	131 00	100	309								5,610	2,282	20						
Andhra Cement	9 40	10 15	10	7,102	235	397	6	9,571	15,825	6,115	576	5,610	2,282	20						
6% Cum. preference	104 00	100 00	100	249								838	842	28						
Andhra Scientific Co.	10 00	6 04	10	600																
5% C. P.	10 84	6 03	5	18,710	650	1,023	28	12,953	17,041	4,703	1	13,239	2,020	237						
Ashok Layland	7 23	7 76	10	1,000		365	-9	7 1/5	625	357	9	1,128	519	30						
Aspinwall & Co. (Trav.)	5 00	5 40	10	3,588	44	934	1	4,653	3,336	1,810	596	1,997	5,025	289						
Aspinwall & Co.	6 90	7 00	10	214																
6% c.p.	7 83	8 00	10	2,480	35	2	5	837	313	170	433	2,081	674	28						
Asoo Indusl. & Engg.	85 50	96 00	100																	
Bangalore Printing	15 00	10 25	10	316	195	107	6	165	758	443	70	224	168	23						
Second Ordinary			10	31																
Binny & Co.	180 00cd	170 00cd	100	10,000	3,650	753	427	6,449	3,954	2,019	16,240	511	2,272	311						
Central Scientifics	7 05cd	6 60cd	5	150	165	70	7	158	128	66	10	180	255	92						
6% C. P. P	5 65	5 50	5	150																
Coimbatore Chem & Fert			25	139				3.39	1.45	29	1	3.11	21	30						
Enfield Industries	15 50	10 00	10	1,455		200	4	4,508	3,940	359		2,756	410	137	42					
6% C. P.	100 00	100 00	100	759				438	49,317	25,836	2,575	9,181	7,876	2,401	13,768					
Fertilisers & Chemicals	10 91	8 35	10	34,568		1,126		1,627	613	438		324	1,163	1,747						
Forest Industries	2 95	3 00	24	1,992																
General Papers Limited	13 25	11 90	10	750	300	166	6	490	121	43	46	878	616	89	4					
Hyderabad Inv. Synd.			50	2,142	1,00		1	2,65			11.52		9.65	3.91						
India Cements	6 03cd	5 67	5	14,582		3,041	70	21,221	22,308	8,480	665	7,417	7,811	490	11,489					
7 1/2% Cum. preference	95 51cd	94 50	100	2,985																
Inv. Trust of India	70 50	70 00	100	1,000	40	196	8	99			1,209		12	1	127					
Ispore Mining			100	400	2.40	31	46	10.94	6.35	1.63	36	8.83	4.10							
Kirloskar Elec	13 00cd		10	3,773	1,100	663	4	8,877	6,451	3,130		6,495	4,186	419	69					
Madras Indusl. Inv. Corp.			1000	12,756		2,75	7	5.98			36.48	9	93.58	6.22	12					
Madras Sale Deputat	47 40	50 00	80	158	10			95	139		97	6	47							
Madras Vanaspathi (a.s.)	15 00	15 00	100	1,500			-1,234	2,817	3,943		58	9		1	61					
Ordinary			10	193																
5 1/2% C. P.	17 20	31 00	100	744			2	1,300	247		89	686	930	395						
Marikar (Motor)	5 00	36 00	50	436	400															
6% C. P.	50 00	42 50	50	209																
McDowell & Co.	30 25		100	324	324		21	945	1,262	862	81	901	504	58						
6% C. P.	96 01		100	330																
Mettur Chem. & Indl Corp	4 60	12 75cd	100	4,050	2.42	1,644	15	3,910	12,192	6,652	1,430	3,435	2,434	1,31						
6% C. P.	93 00	92 75cd	100	2,000																
3% Debentures	83 00	83 00	100	1,400			-1,259	307	577	227	24*	696	740	130	5					
Modern Housing			100	1,277																
6% C. P.			100	2,481	623	343	11	1,959	5,535	3,742	336	1,850	560	476						
Mysoore Chem & Fert	9 90	8 85	10	600	400	234	41	1,005	1,013	577	35	921	1,110	38						
Mysoore Chem. Manfr.	25 00	22 25	10	200																
5% C. P.	8 40	9 00	10	494	90		-206	405	634	169	1	265	42	9						
Mysoore Chrome			10	765	52	177	1	2,824	705	451	62	575	1,541	36						
Mysoore Coffee curing	14 30	11 40	10	905	130	259	5	2,025	1,215	517		1,074	1,947	3						
Mysoore Electric Indus.	175 00	118 00	10	631			-144	30	525	219		87	41	61	124					
Mysoore Gas & E. smel			5	938	60	257	4	800	6.3	437	436	576	819	188						
Mysoore Indusl & Text Lab	7 50	7 20	10	656	535	404	3	469	1,219	685		928	778	77						
Mysoore Lamp	21 00	18 40	10	250																
4% C. P.	6 30	6 50	10	499			-1,30	77	3.65	84	16	97	20	30						
Mysoore Match Co.			10	2,500	500	2,029	44	5,742	15,212	9,637	87	3,457	1,537	905						
Mysoore Paper	24 25	14 00	10	600	300	223	8	6.6	1,881	720	159	317	451	52						
Mysoore Stoneware Pipes	15 10	13 50	10	1,000	180	176		717	1,930	1,127	188	626	401	77						
Mysoore Tobacco	13 30	13 00	8	1,080	213	74	-51	355	129		512	655	465	110						
Mysoore Veg. Oil																				
National Chemicals			10	670			-4.68	6.44	7.97	54	10	1.91	67	12	140					
5% C. P.			10	208																
Osaka Glass Works	3 50		5	1,487		275	5	3,945	5,100	2,081	8	1,943	620	127						
Perry & Co.			2	4,000	4,300	1,879	219	29,765	4,936	2,597	2,546	4,954	20,605	1,987						
5% C. P.	9 00	8 35	10	3,000																
4 1/2% Debentures			1	265	400	282	87	3,182	1,125	304	12	2,507	1,477	55						
Perry's Confectionery	4 50	3 85	25	1,505	750	2,679	156	3,931	9,640	4,375	1	2,201	1,449	12						
Punjab Paper																				
Radio & Electricals	4 10	6 25	5	1,500	100	9	3	1,900	940	297	11	2,203	741	7						
Radio & Electricals Manfr.	19 00	16 70	10	2,457	150	78	43	5,913	3,311	1,827		2,471	4,390	273						
Rane (Madras)	6 07	5 70	5	915	340	13	8	2,440	782	438	225	1,939	1,454	113						
7% A.C. P.	4 65	4 55cd	5	175																
6% C. P.	4 10	4 40cd	5	190																
Ruby Rubbers	9 25cd	10 00	10	854				1,604	1,110	166		854	250	19						
61% C. P.	9 10	6 55cd	10	239																

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Pre- vious	Second Previous
		Rs. 0'0	Rs. 0'0	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTHERN INDIA (Continued)												
Simpson & Co.	Directors	1,731	49,455	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Spencer & Co.	Directors	4,616	19,190	30,407	7,655	...	6-58	2,412	2,876	15	15	15
	61% 'A' C. P.	...	...	...	...	...	...	...	...	61	61	61
	81% 'B' C. P.	...	...	...	...	...	...	...	...	81	81	81
Standard Motor Products	S's dard Motor Co.	...	...	23,102	2,396	...	12-58	1,203	1,529	71	71	71
	61% C. P.	...	...	...	...	...	...	...	...	61	61	61
Stanes & Co. T.	Directors	456	4,695	6,474	779	...	9-58	542	671	20	20	...
	71% C. P.	...	...	...	...	...	...	...	...	71	71	...
Stanes Motors	Directors	882	5,765	8,714	1,265	...	3-58	567	591	20	15	121
T. I. Cycles	Directors	...	...	30,470	5,807	...	6-58	2,299	7,785	10	10	6
Textool Co.	Balsau daram & Co	...	...	11,227	4,115	...	4-59	1,085	749	15	12	20
Thomas & Co. A. V.	Directors	292	446	1,345	95	...	12-58	233	236	25	15	15
	"B" Ordinary	...	...	...	...	...	...	...	...	25	15	15
	6% Cum. Preference	...	...	...	...	...	...	...	...	6	6	6
A. V. Thomas & Co. (India) Ltd	Directors	43	110	234	213	...	6-59	52	20	nil	nil	nil
	5% Cum. Preference	...	...	...	...	...	...	...	...	nil	nil	nil
Travancore Cements	Esal Ltd.	1,111	2,134	4,802	452	56	12-58	996	963	6	6	6
Trav. Chem. & Manfg. Co.	Directors	106	1,734	2,115	425	...	3-59	315	213	10	7	6
	61% R. C. P.	...	...	...	...	...	...	...	...	61	61	61
Travancore Ogale Glass	Ogale Bros. Private Ltd.	359	425	1,066	10	10	12-58	177	108	14	nil	nil
United Coffee Supply	Directors	452	3,883	5,364	802	...	6-58	205	193	11	10	14
United Elec. Industries	Asso. Engg. Corp. Private Ltd.	150	2,030	3,068	197	6	12-57	49	29	5	5	10
	5% Cum. Pref.	...	...	...	...	...	...	...	...	5	5	5
Vanished Matches	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
	61% C. P.	...	...	...	...	...	...	...	...	nil	nil	nil
Vasant Soap Works	Ramkrishna & Sons	20	197	240	9	6	12-57	11	20	nil	nil	nil
	54% C.P.	...	...	...	...	...	...	...	...	nil	nil	nil
W. I. Plywood	Directors	585	2,429	5,922	705	...	3-59	1,524	1,569	10	10	10
	6% C. P.	...	...	...	...	...	...	...	...	10	10	6

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.
(b) After transferring Rs 605,240 from General Reserve.
(c) After transferring Rs 1,500,000 from General Reserve.
(d) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.
(e) After writing back Rs 50,00,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax, and Rs 10,850 being expenses and Rs 8,85,025 profit on realisation of Investments; Rs 8,45,930 surplus on realisation of stores, and Rs 34,300 surplus on sale of machinery.
(f) After transferring Rs 1,300,000 from provision for Bad and Doubtful debts.
(g) After transferring Rs 62,000 from General Reserve.
(h) After writing back Rs 276,904 being over provision in previous years.
(i) After writing back Rs 150,000 from provision for taxation.
(j) After writing back Rs 1,315,749 from provision for taxation and Rs 1,000,000 from provision for contingencies.
(k) After writing back Rs 8,39,728 from provision for taxation.
(l) After transferring Rs 800,000 from General Reserve.
(m) After transferring Rs 598,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.
(n) After writing back Rs 931,978 from provision for taxation and Rs 26,867 from excess provision made in previous years.
(o) After transferring Rs 300,000 from General Reserve.
(p) Bonus shares in the ratio of one fully paid ordinary share for every five ordinary shares will be issued in lieu of Dividend.
(q) Includes Rs 17,99,170 being indemnity receivable from the Government of India.
(r) After transferring Rs 700,000 from Repair and Replacement Reserve and Rs 64,000 from Taxation Reserve.
(s) Includes Rs 1,773,324 being profit on realisation of Investments; Rs 16,970 being surplus on sale of Machinery Rs 56,826 being provisions no longer required and Rs 125,779 being items relating to previous years.
(t) After transferring Rs 175,000 from Dividend Equalisation Reserve and Rs 64,000 from Taxation Reserve.
(u) After transferring Rs 600,000 from Dividend Equalisation Reserve and writing back Rs 263,463 being excess provision made in previous years.
(v) After writing back Rs 200,000 being provision for taxation.

COTTON

NAME	Managing Agents/ Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre- vious	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tate Industries Private	49,144	1,016	11,474	18,884	5,611	50	6-59	(a3)1,436	(a10)529	7	5	5
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Ahmed Mfg. & Calico	Karamchand Premchand Pri.	139,120	2,372	21,645	91,565	22,020	1,088	3-59	12,810	12,787	171	171	24
	41% 1st Cum. preference	...	...	...	...	...	...	...	...	...	41	41	41
	41% 2nd Cum. preference	...	...	...	...	...	...	...	...	...	41	41	41
	41% 3rd Cum. preference	...	...	...	...	...	...	...	...	...	41	41	41
Ajit Mills	Chinubhai Naranbhai	25,376	513	5,035	11,855	2,300	50	12-58	(a33)706	(a13)736	121	14	16
	41% 'B' R. C. preference	...	...	...	...	...	...	...	...	...	41	41	41
	5% 'C' R. C. preference	...	...	...	...	...	...	...	...	...	5	5	5
	41% 'D' R. C. preference	...	...	...	...	...	...	...	...	...	41	41	41
Apollo Mills	Rajputana Textiles Private & Co.	56,468	898	7,565	15,318	3,291	25	12-58	-2,475	-1,739	nil	nil	91
Arvind Mills	Narottam Lalbahai	66,412	1,216	7,846	33,863	4,498	780	12-58	8,323	6,710	28	35	35
	5% Cum. preference T.	...	...	...	...	...	...	...	...	...	5	5	5
	41% Cum. preference T.	...	...	...	...	...	...	...	...	...	41	41	41
	41% R. C. preference T.	...	...	...	...	...	...	...	...	...	41	41	41
Aaska Mills	Lalbahai Dalpatbhai	37,368	914	9,653	20,308	2,010	103	12-57	1,594	3,601	30	30	30
	5% C. P. T.	...	...	...	...	...	...	...	...	...	5	5	5
	41% R. C. P. T.	...	...	...	...	...	...	...	...	...	41	41	41
Azam Jahi Mills	Government of Andhra	36,136	716	9,076	11,951	4,896	...	9-59	315	30	41	41	31
B. R. Cotton	Directors	50,596	1,021	8,986	14,647	2,996	...	3-59	-693	-624	nil	nil	nil
	6% Cum. preference	...	...	...	...	...	...	...	...	...	nil	nil	nil
	41% Debentures	...	...	...	...	...	...	...	...	...	nil	nil	nil
Bined Mills	B. Ram, Balchand	60,640	1,338	141,15	203,58	28,53	6,69	12-55	24,54	6,30	101	6	6
Bombay Dyeing	Nowrojee Wadia & Sons Private	223,552	3,984	47,644	90,563	29,160	503	12-58	(a25)10,267	(a9)13,173	10	10	10

9 April 1960
INDUSTRIALS (Contd)

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	March 1960 Rs. np.	March 1959 Rs. np.	Rs.	Rs. 000	General	Others	Carry Forward	Rs. 000	Rs. 000	Rs. 000	Invest- ments	Stocks & Stores	Out- standings	Cash	Others
	Rs. np.	Rs. np.	Rs.	Rs. 000	Rk. 001	Rs. 0 0	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
SOUTHERN INDIA (Continued)															
Simpson & Co.	...	...	10	7,500	2,50	1,897	10	20,422	14,009	7,263	1,635	7,778	1,175	265	...
Spencer & Co.	20 25	20 12	10	4,000	5,609	4,295	913	3,156	12,663	7,311	2,545	8,025	5,350	4,490	82
61% 'A' C. P.	9 20	8 00	10	2,320	...	...	...	...	...	...	...	...	...	...	...
81% 'B' C. P.	11 51	11 25	10	3,680	...	...	...	...	...	...	...	...	...	...	...
Standard Motor Products	14 50	13 00	10	2,500	600	1,348	51	7,595	10,039	2,312	...	7,162	530	65	...
61% C. P.	102 00	97 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	300	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T.	2 00cd	23 01cd	10	1,171	136	920	46	1,913	1,552	647	1,352	881	1,199	310	...
7% C. P.	68 00	95 00cd	100	150	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	...	...	10	691	400	1,438	7	944	931	477	208	1,338	832	649	...
T. I. Cycles	...	...	100	7,000	2,451	5,597	64	10,374	14,110	3,274	467	9,349	3,340	279	1,547
T. I. Co.	166 10	178 50	100	1,992	501	1,083	1	11,791	6,482	2,223	16	6,618	4,194	9	...
Thomas & Co. A. V. (Allep)	41 00	15 73	10	200	300	318	6	750	686	356	152	118	1,012	182	...
B. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Preference	6 43	6 91	10	121	...	...	...	...	...	...	...	...	...	...	...
A. V. Thomas & Co India	4 00	4 00	10	300	...	...	...	...	...	...	...	...	...	...	...
5% Cum Pref	5 41cd	6 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	4 70	10 00	10	5,000	...	941	268	5,311	10,504	5,238	25	2,634	450	256	...
Trav. Chem. & Manfg. Co.	15 25	12 00	10	700	...	69	22	1,559	1,541	505	25	1,274	313	2	...
61% R. C. P.	10 00	9 20	10	300	...	...	...	...	...	...	...	...	...	...	...
Travancore Ogale Glass	8 00	5 51cd	10	998	...	...	...	...	...	...	...	...	...	...	...
United Coffee Supply	...	...	15	600	314	419	8	1,086	1,050	590	356	857	545	215	...
United Elec. Industries	9 50	9 50	10	936	20	...	-95	1,624	623	115	...	1,504	341	146	...
5% C. P.	10 00	10 00	10	15	...	...	...	...	...	...	...	...	...	...	...
Vanished Matches	...	...	6	270	...	...	-14	2,43	7,72	3,94	9	3,66	1,63	23	...
61% Cum. preference	...	...	100	450	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	...	...	100	225	...	49	-393	413	454	118	...	92	25	4	...
51% C. P.	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
W. I. Plywood	268 00	153 00	100	2,700	250	1,243	17	4,417	3,563	2,358	1	835	2,090	805	60
6% C. P.	100 00	85 00	100	618	...	...	...	...	...	...	...	...	...	...	...

(x) After writing back Rs. 119,000 from Reserve for Tax contingencies.
(y) After transferring Rs 1,592,379 being provision for taxation liabilities, no longer required and Rs 108,581 being development rebate reserve of 1957 not required.
(z) After transferring Rs 2,60,000 from Investment Depreciation Reserve.
(aa) After transferring Rs 80,000 from provision for contingencies.
(ab) After transferring Rs 50,000 from Reserve for repairs.
(ac) After writing back Rs 110,263 being surplus Reserve for taxation.
(ad) After transferring Rs 50,000 from Reserve and Rs 175,000 from contingency Reserve.
(ae) After transferring Rs 300,0

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Central India	Tate Industries Private	115,188	2,062	14,915	21,461	9,860	...	6-59	-5,269	-4,261	nil	nil	nil
Century Spg. & Mfg.	5% Cumulative preference Birla Brothers Ltd.	126,752	2,752	41,100	82,865	21,706	891	12-58	(a)14,648	(a)8,893	22	22	22
Coorla Spg. & Wvg.	6% R.C.P. Cowasjee Jehangir & Co.	24,848	680	4,316	14,373	1,061	42	3-59	(n)1,060	(a)1,459	71	121	121
Dawn Mills	Ramnarain Sons Ltd.	40,962	...	90,98	134,77	10,42	1,65	12-55	14,70	6,01	30	12	12
Edward Textiles	P. ubna S. na	48,718	928	...	22,525	3,000	36	12-58	-54	(a7)-201	71	71	8
Elphinstone Spg.	Director 7% C. P.	41,300	886	7,804	17,756	7,572	...	12-58	-453	150	nil	nil	10
Empire Dyeing & Mfg.	W. H. Bady & Co. Ltd.	...	...	1,074	3,734	87	37	12-58	(a26)495	317	20	20	20
Finlay	James Finlay & Co. Ltd.	49,528	784	7,393	23,004	4,677	135	12-58	(a36)2,581	(a15)1,901	16	20	20
Gokhwar Mills	Directors	...	...	...	10,669	5,178	...	12-58	1,623	(a42)1,507	10	10	121
Gokak Mills	E. F. Campbell & Co. pri...	74,286	...	17,360	25,406	6,920	151	12-57	(a16)1,631	1,884	8	13	15
Gold Mohur	% Debentures James Finlay & Co.	45,268	1,108	8,561	19,163	6,479	133	12-57	1,452	2,109	15	15	15
Hind Mills	Hind Agents Private	71,596	1,387	105,72	324,27	11,133	2,00	6-56	22,77	15,63	6	4	4
Hindustan Spg.	3% C. P. Directors	49,448	1,122	11,420	1,158	4,603	...	3-59	(a37)1,651	(a43)-170	35	35	35
India United	14% R.C.P.T. Agarwal & Company	244,300	6,278	44,666	77,097	48,523	34	12-57	-3,852	6,399	44	44	41
Indore Malwa	Deferred	...	...	...	24,665	7,524	...	12-58	284	-289	181	181	181
Jampur Spg. & Wvg.	Shree Laxmi Traders	51,180	1,420	3,484	6,166	2,944	...	12-58	-221	-53	5	6	11
Jam Ranjitsinghji	51% R.C.P. Directors	...	...	...	5,502	8,399	2,951	6-58	-315	(a43)-107	nil	nil	nil
Khatu Malani	Khatu Malani & Co. Private	92,852	1,489	16,165	49,000	7,503	462	6-59	5,514	2,758	10	10	10
Kohinoor Mills	4% Cum. Preference Killick Industries Limited	120,504	1,846	24,991	42,019	13,423	44	12-58	(a27)1,914	(c)3,253	10	18	18
Lakshmi Cotton	Directors	48,996	1,219	7,746	19,457	5,149	...	12-58	(a32)2,504	(11)85	6	6	17
Mafatlal Fine Spg.	5% Cum. preference T. N. C. Purshottamas & Co.	51,996	896	5,922	22,361	2,503	374	12-58	4,287	(a18)3,25	18	15	18
Mahendra Mills	41% 1st R.C.P. 41% 2nd R.C.P. J. R. Patel & Sons Pri	...	...	4,585	11,031	2,143	216	12-58	2,659	1,874	44	44	44
Marsden Spg. & Mfg.	Ordry. P. P. 61% R.C.P.	23,508	482	6,660	14,445	4,239	...	12-57	(a19)851	1,365	6	5	5
Minerva Mills	Marsden Agents Co. Pri.	39,896	704	7,69	14,280	3,234	40	12-58	-765	(w)4	nil	nil	6
Model Mills	N. Sirur & Company Private	52,408	952	89,83	141,66	36,34	54	6-55	4,85	-7,72	6	10	3
Modern Mills	B. A. Dadabhai & Co.	49,200	644	9,575	17,517	6,005	44	10-58	(a4)866	801	6	10	16
Monogram Mills	5% Debentures M. Bakubhai & Sons. Private	27,460	528	6,751	15,126	6,703	...	12-57	618	1,346	6	7	7
Morjee Goudidas	Piramal Sons Private Ltd.	70,416	1,652	14,508	37,457	10,782	271	6-59	3,300	(13)466	211	15	14
Mysore Spinning	44% Cum. preference N. Sirur & Company Private	50,480	500	9,630	19,764	3,835	48	2-59	387	(a8)724	10	10	18
Nasari Cotton	44% Cum. preference T. Directors	...	...	4,058	7,663	3,466	...	12-58	1,171	(a44)1,039	12	12	15
New City of Bombay	5% C. P. W. H. Brady & Co. Ltd.	45,944	432	1,988	13,159	2,150	...	12-58	(m)15	(e)136	5	5	5
New Commercial	Tricunlal Bhogilal 4% 2nd R.C.P.	45,836	866	10,937	21,686	4,095	105	12-57	(a20)2,354	2,835	10	10	8
New Great Eastern	W. H. Brady & Co. Ltd.	49,012	1,018	8,326	19,842	3,900	...	12-58	(p)101	(f)74	nil	nil	10
New Kaiser-I-Hind	21% Cum. preference T. Directors	54,052	1,267	13,135	24,405	12,874	...	3-58	-2,181	702	51	51	51
New Shorrock Spg.	5% C. P. Mafatlal Chandulal & Co.	51,100	907	12,319	25,651	2,695	462	12-57	(a21)5,549	230	24	32	28
Omanabhai Mills	Pennell Bisesardas Private	37,788	902	8,557	12,145	5,601	20	9-58	(a34)45	(-1)13	nil	nil	3
Padar Mills	Padar Sons Private	32,600	930	8,247	10,651	3,807	24	12-58	(a38)1,271	265	10	10	12
Pulgon Cotton	4% Cum. preference Hardyal ons	...	...	6,294	10,800	2,730	...	6-59	-125	-184	4	4	4
Raja Motilal	Mulundil B. silal & Sons	...	...	3,752	7,159	2,779	50	12-58	377	429	nil	nil	5
Raymond Woolen	J. K. (Bom.) private	13,080	...	9,540	20,147	9,403	148	12-58	3,001	1,031	8	nil	...
Robit Mills	5% C. P. Directors	33,156	648	9,050	22,117	7,028	...	12-57	1,235	3,108	5	5	5
Ruby	51% Cum. preference T. 4% R.C.P. (2nd) 4% R.C.P. (5th) Chunilal Jewandas & Co.	...	...	2,951	7,117	1,173	35	3-59	228	121	4	4	4
Sassoon & Alliance	Directors	9,520	277	2,613	4,559	2,498	...	12-58	-73	-285	nil	nil	21
Sassoon Spinning	M. G. Inv. Corporation Pri.	94,884	2,127	24,510	49,669	4,326	50	12-58	(a28)2,464	(a29)3,897	20	20	20
Shelapur Spinning	Morarka & Co. Half. Ordry	53,332	2,234	106,34	127,51	92,54	28	3-55	-23,04	-60,15	20	20	20
Shorrock Spinning	3% R. Cum. preference Mafatlal Chandulal Ahmed	36,648	720	7,865	18,268	1,518	230	12-57	(a22)3,115	3,511	nil	nil	nil
Shree Niwas Cotton	Marwar Textiles (Agency)	69,070	1,640	21,120	28,994	10,235	50	12-57	964	2,923	8	10	25
Shree Saijan Mills	4% R. Cum. preference G. Lladhar & Co.	17,880	440	25,75	60,56	13,77	22	3-55	1,81	42	nil	4	4
Shree Subhaxmi	Shree Govind Cotton Co. Pri	...	...	4,362	9,922	8,040	25	12-58	406	-271	nil	nil	nil
Shri Ambika	H. Kalidas & Company	94,128	1,790	18,786	47,321	9,774	970	12-53	10,264	7,351	30	25	30
Simplex	5% Cum. preference 4% Cum. preference (2nd) F. F. Campbell & Co. Pri	34,840	1,274	15,092	23,126	5,838	82	1-58	(a23)1,811	(a24)1,335	17	17	24
Sir Silk	Birla Brothers private	...	...	2,923	21,671	4,942	...	9-58	1,500	49	nil	nil	nil
Standard	6% C. P. Mafatlal Gopalbhai & Sons	97,588	2,409	26,028	57,926	6,059	...	12-57	(a24)8,838	11,125	221	221	29
Svadeshi Mills	4% 1st R.C.P. 4% 2nd R.C.P. Tata Industries pri. Ltd.	72,236	2,000	15,118	31,355	7,867	115	12-58	2,769	2,298	16	4	14
Swan Mills	5% Cum. preference James Finlay & Co. Ltd.	39,328	551	6,864	21,480	4,080	219	12-58	3,352	1,874	5	5	5

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	Liquid Assets				
	March 1960 Rs. pp.	March 1959 Rs. no.			General	Others	Carry Forward				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Rs. 000	Others Rs. 000
WESTERN AND CENTRAL INDIA															
Central India	105 00	90 50	100	4,687	1,407	1,088	-9,530	50,817	45,359	15,069	2,790	17,599	1,305	588	296
5% cum. preference	401 00	339 00	500	5,000											
Century Spg. & Mfg.	446 10	482 00	100	12,276	17,527	15,134	953	35,211	81,108	31,275	1,127	36,573	5,616	1,453	
6% R. C. P.	103 00	107 00		12,500											
Coorla Spg. & Wvg.	127 50	133 75	100	2,600	1,173	2,013	61	3,529	12,143	7,338	84	4,123	346	19	
Dawn Mills	108 00	80 00	50	1,610	12,63	13,31	2,17	37,92	69,11	52,46*	90	28,73	19,18	16,57	
Edward Textiles	290 00	215 53	200	3,400	3,496		-1,635	3,696	8,542	6,450	1,374	4,383	993	116	
Elphinstone Spg.	36 00	30 00	50	3,000	1,000	671	-552	9,902	14,344	8,121	53	9,108	1,101	36	
7% C. P.	66 80	65 00	100	2,500											
Empire Dyeing & Mfg.			15	900	420	462	8	904	2,135	1,578	219	223	544	1,130	
Finlay	352 00	273 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	
Gokhwar Mills	242 50	160 00	100	4,000	1,195	4,130	7	8,086	11,183	8,140	1,614	9,529	2,911	323	
Gokak Mills	138 00	140 00	100	4,000	3,313	727	4	7,679	13,600	7,714	209	8,149	2,563	40	3,750
6% Debentures	100 50	100 50		4,000											
Gold Mohur	243 75	192 50	100	5,000	2,374	2,524	10	5,861	9,492	6,137	81	10,708	1,624	2	
Hind Mills			10	5,000	4,27	5,46	25	127,39	144,07	82,06*	10	124,26	20,36	65	
5% C. P.			100	2,000											
Hindustan Spg.	4700 00	4800 00	1000	1,200	4,993	7,508	-627	5,322	19,491	14,031	1,369	9,621	2,866	279	
41% R.C.P.T.	650 00		1250	1,200											
India United	11 60	8 76	10	200,00	7,019	867	-5,883	46,796	50,512	36,818	2,84	57,228	1,500	354	
Deferred	1 24	1 08		5,000											
Indore Malwa	120 00	96 00	100	5,000	1,622	110	-1,253	13,025	16,445	12,108	2,606	9,232	1,999	331	
Jampur Spg. & Wvg.			100	2,500		139	-366	686	4,203	2,281		3,231	112	194	
51% R.C.P.			100	2,500											
Jam Ranjitsinghji	1500 00	1450 00	1000	1,554	1,546	284	-577	4,203	5,941	3,388	32	4,141	220	38	26
Khatana Makani	327 50	175 00	100	5,985	3,647	2,462	24	20,093	35,300	25,417	1,943	16,364	6,272	743	
4% Cum. preference	74 00	74 00	100	2,992											
Kohinoor Mill's	319 00	255 00	250	10,000	1,700	10,157	68	11,181	37,523	29,025	720	22,459	1,364	62	
Lakshmi Cotton	502 50	396 25	250	3,200	3,071	1,925	1	6,821	19,817	14,439	100	8,393	2,676	69	1
5% cum. preference T.	170 00	159 50	250	1,600											
Mafatlal Fine Spg.	782 50	390 00	100	5,800	9,613	3,495	17	4,689	20,322	13,939	7,852	5,018	3,713	3,039	
44% Ist. R. C. P.	86 00	86 00	100	1,450											
44% 2nd. R. C. P.	92 00	92 00	100	1,450											
Mahendra Mills	315 00	133 00	40	2,500		1,695	2	13,276	26,530	6,337		3,587	947	75	64
Ordinary P. P.	40 00	40 00	100	875											
61%	99 00	99 00	100	2,731	2,661	862	30	6,503	7,777	5,013	92	6,521	2,789	479	
Mardan Spg. & Mfg.	62 00	62 00	100	2,960	1,149	183	-773	9,774	9,746	5,102	846	6,476	1,230	48	
Minerva Mills	20 00	130 00	250	9,334	392	21,99	-2,59	84,32	169,26	78,82*	25	99,68	789	272	
Model Mills	60 00	46 00	50	4,647	1,750	1,254	32	8,180	14,123	7,057	124	9,261	570	62	
Modern Mills			500	1,200											
5% Debenture			200	2,600	3,000	463	12	7,575	7,427	4,899	75	8,402	2,482	162	
Mongram Mills			100	5,175	4,000	518	238	14,263	28,453	20,523	14	16,531	1,405	40	
Mongrae Gooldas	295 00	220 00	50	1,725											
41% cum. preference	71 50	70 00	50	2,484	3,195	868	34	7,497	11,767	7,186	2,792	6,600	764	85	
Mongrae Spinning	70 00	79 00	50	745											
41% cum. preference	26 75	28 25	50												
Narsari Cotton	220 00	160 00	100	3,150	700	4,451	22	4,765	6,309	4,146	1,298	7,187	2,608	332	
5% C. P.	91 00	91 00	100	500											
New City of Bombay	125 00	87 00	100	2,400	1,377	899		2,110	8,293	4,870	8	3,114	92	403	
New Commercial			100	6,300	1,363	1,489	21	12,330	14,438	10,262	1,243	9,262	7,196	151	
4% 2nd. R. C. P.			100	525											
New Great	180 00	208 00	200	3,000	235	466		3,979	10,927	6,337	10	5,424	361	252	
51% C. P.	112 00	130 00	100	809											
New Kaiser-I-Hind	51 00	57 50	100	4,500		40	-1,077	16,536	12,454	9,733	1,164	13,658	3,401	281	
5% C. P.	74 50	74 50	125	1,500											
New Shorrock Spg.				5,200	5,434	3,720	93	9,728	15,549	10,788	3,613	7,423	6,526	1,358	493
Osmanshahi Mills	40 50	41 00	100	8,723	2,840	90		7,750	17,686	6,786	704	8,053	535	212	
Podar Mills	142 00	130 00	100	4,000	3,231	1,148	20	4,614	7,633	2,716	3,218	4,576	530	70	
4% Cum. Preference	64 00	61 50	10	1,000											
Pulgon Cotton	10 24	9 76	10	1,500		24	-662	7,331	5,595	3,028	10	3,068	366	183	
Raja Motilal	62 00	77 00	100	2,821	909	1,245	11	6,215	10,762	4,264	53	3,926	620	55	
Raymond Woollen	100 00		100	7,500	980	440	221	14,958	15,492	7,275	2,049	13,126	2,357	290	5,316
5% C. P.			100	2,500											
Rohit Mills			100	4,875	1,504	1,652	10	16,267	13,375	7,360	141	12,009	6,726	333	
5% C. P. T.			100	1,000											
4% R. C. P. [2nd.]			100	200											
44% R. P. [5th.]			100	250											
Ruby	62 00	35 25	25	1,500	300	368	72	2,784	6,236	3,516	26	1,919	348	12	
Sassoon & Alliance	9 76	9 76	10	1,000			-183	3,714	2,920	1,712		2,659	6,51	2	
Sassoon Spinning	50 10	45 00	10	3,770	6,544	5,322	5	10,646	25,180	14,972	190	10,703	4,429	512	
Sholapur Spinning			1000	1,590	126,86	29,53	-1,70,07	253,16	293,66	204,66	19,76	118,88	55,09	1,72	
Half. Ordinary			100	10											
3% R. C. P.			100	3,196											
Shorrock Spinning			100	2,925	5,411	1,550	18	4,998	10,070	7,348	579	3,917	3,678	3,904	
Shree Niwas Cotton	249 00	155 00	100	8,000	3,870	600	59	19,627	12,766	6,773	7,211	14,719	3,974	36	63
4% R. C. P.	61 00	62 00	100	480											
Shree Saijan Mills			100	2,615		27	-66	34 8	36 43	17 73*	94	38,81	1,85	27	
Shree Shubalzami	125 00	125 00 N	100	2,100		282		7,729	4,197	1,219		5,461	1,599	73	
Shri Ambica			100	6,376	22,828	7,316	57	9,520	23,218	13,223	4,894	15,326	12,681	5,460	
5% cum. preference			100	560											
4% cum. preference [2nd]			50	700											
Simplex	146 00	167 00	10	4,200	2,810	270		15,540	19,596	7,984	110	7,860	3,251	6	
Sir Silk			100	9,427			-1,810	45,239	57,038	1,000	21	9,504	5,577	1,320	
5% C. P.			100	20,000											
Standard	856 00	456 00	100	8,780	5,865	19,161	156	011,29	29,616	18,739	557	13,444	5,939	13,570	
4% Ist. R. C. P.	70 00 N	70 00 N	100	600											
4% 2nd. R. C. pred.	70 00 N	70 00 N	100	600											
Sundeshi Mills	255 00	215 75	100	10,000	9,102	492	29	11,680	30,249	15,954	698	12,862	3,331	733	88
5% Cum. preference	88 00	85 00	100	1,500											
Sun. Mill	503 00	390 00	100	3,600	6,409	764	26	5,348	15,987	10,292	72	7,618	2,755	8	

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Tata Mills ...	Tata Industries Pri. Ltd. ...	65,448	1,800	13,328	25,033	7,496	...	12-58	200	1,246	6	8	14
Victoria Mills ...	Mangaldas Mehta ...	50,056	958	8,559	21,097	3,394	50	12-58	1,326	(a)91,341	20	20	...
Vijaya Mills ...	11. Acharya & Co. ...	36,176	780	7,960	19,487	3,697	73	12-57	1,432	2,090	4	10	...
Vishnu Cotton ...	44% 2nd Cum. Preference T. ...	...	...	...	...	...	...	...	...	...	4	4	...
...	44% 3rd R. Cum. Pref. T. ...	...	...	...	...	...	...	...	...	...	4	4	...
...	Directors ...	47,240	1,331	7,575	18,107	4,130	...	12-58	(a)1,050	(h)909	41	41	14
...	7% Cum. preference T. ...	...	...	...	...	...	...	...	...	...	7	7	...
...	5% Debentures ...	...	...	...	...	...	...	...	...	...	7	7	...
NORTHERN INDIA													
Basanti Cotton ...	Calcutta Agency ...	13,044	356	26,320	7,418	...	47	12-57	543	613	6	6	5
...	61% C. P. ...	...	...	...	...	...	...	...	...	...	61	61	61
...	51% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Fine Spinning ...	B. C. Nawn & Bros Pri ...	...	...	4,908	6,560	563	24	12-58	174	425	...	...	...
...	5% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Luxmi Cotton ...	Directors ...	6,601	...	6,247	11,264	3,641	...	3-58	(a)30369	570	...	10	19
...	Ordinary Partly Paid ...	...	...	...	...	...	...	...	...	...	...	...	...
...	Ordinary Partly Paid ...	...	...	...	...	...	...	...	...	...	...	...	...
...	5% R. C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Nagpur ...	Directors ...	29,936	810	...	7,154	5,578	...	12-57	(a)-671	(a) 171	...	...	...
...	7% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Birla Cotton ...	Birla Brothers Private ...	39,896	1,088	26,910	38,434	5,821	99	3-58	1,312	2,859	71	15	15
Bowroah Cotton ...	Kettlewell Bullen & Co. Ltd. ...	42,960	841	9,646	17,764	6,694	45	12-58	152	116	...	...	...
...	8% 'A' C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	7% 'B' Pref. ...	...	...	...	...	...	...	...	...	...	...	...	...
Cawnpore Textiles ...	Begg Sutherland & Co. Private ...	...	391	...	11,649	1,851	...	12-58	-850	412	...	...	...
Delhi Cloth ...	Bharat Ram Ch. Ram & Co. Pri. ...	141,180	2,352	139,422	300,800	39,104	1,626	6-59	23,378	21,636	41	8	5
...	Ordinary ...	...	...	...	...	...	...	...	...	...	...	...	...
...	41% 1st 2nd C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	41% 3rd C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	51% 4th C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	51% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Deonar Mills ...	Kettlewell Bullen & Co. ...	42,944	518	9,607	18,399	5,791	50	12-58	281	-337	...	...	...
...	Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Elgin Mills ...	Begg Sutherland ...	48,452	1,198	17,440	29,828	6,991	177	9-58	2,596	5,486	71	10	121
...	8% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	5% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Cotton ...	K. C. Thapar & Bros. Pri. ...	26,560	530	...	24,927	2,045	405	1-58	4,450	4,120	111	5	...
...	5% C. P. p. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Jay Shree Textiles ...	Birla Brothers Private Ltd. ...	...	...	4,747	10,343	3,464	...	12-59	1,791	1,865	8	61	5
...	51% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
...	7% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Keoram Cotton ...	Birla Brothers Ltd. ...	74,672	1,992	25,766	48,630	13,079	10	3-58	920	4,557	21	71	10
...	7% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Mahini Mills ...	Chakravarti Sons & Co. ...	23,484	435	9,012	18,792	6,043	213	12-57	2,261	3,052	121	121	121
...	Ordinary ...	...	...	...	...	...	...	...	...	...	...	...	...
...	5% R. C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Mair Mills ...	Indian Tex. Syndicate ...	88,640	1,834	145,19	218,04	...	60	12-55	-5,06	-10,24	...	...	...
...	6% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
New Victoria ...	J. P. Srivastava & Sons Pri ...	70,072	1,333	12,938	23,797	10,887	...	12-57	-635	-2	...	...	...
...	Deferred ...	...	...	...	...	...	...	...	...	...	...	...	...
...	6% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Orissa Textiles ...	B. Pattnaik & Co. Private ...	47,728	864	13,642	24,120	7,907	36	3-58	-134	-2,156	...	...	...
...	5% R. C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Raza Textiles ...	J. P. Srivastava & Sons. ...	34,532	600	6,617	11,409	7,736	...	12-57	-440	401	...	...	...
...	61% 'A' C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	61% 'B' C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Shree Madhusudan ...	Directors ...	...	...	4,435	30,969	10,060	...	6-59	120	-964	...	...	...
...	41% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	61% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Sutlej Cotton ...	Birla Brothers Private ...	27,340	992	11,567	31,029	6,154	530	3-59	5,158	5,728	60	60	60
Sundeshi Cotton ...	Directors ...	112,216	2,081	46,756	100,510	25,679	...	12-58	753	5,083	60	60	71
...	Prefd. Ord. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	6% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA													
Adoni Spinning ...	Kothari & Sons ...	24,000	...	2,746	4,180	282	...	12-58	374	269	...	...	...
...	6% c.p. ...	...	...	...	...	...	...	...	...	...	...	...	...
Asher Textiles ...	Setna & Co. ...	20,900	...	5,017	7,401	1,961	15	6-59	335	293	6	6	121
...	6% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Bangalore Woollen ...	Binny & Co. (Madras) Ltd. ...	40,608	1,157	20,734	55,418	8,715	615	12-58	6,448	4,930	10	10	10
...	6% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Buckingham & Carnatic ...	Binny & Co. ...	120,288	2,762	31,490	100,140	10,910	751	12-58	(a)20,674	(r)9,859	10	10	10
...	71% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	5% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Cambodia ...	Peirce Leslie & Co. Ltd. ...	37,356	4	6,331	6,871	2,225	22	12-58	-1,464	(r)-50	...	...	...
...	7% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
Cannanore Spg. ...	K. Damodaran ...	20,000	...	4,845	7,277	398	37	3-59	684	559	15	121	20
Cauvery Spg. ...	Directors ...	17,600	...	4,596	8,262	1,243	...	3-59	500	498	...	...	...
...	61% C. P. ...	...	...	...	...	...	...	...	...	...	...	...	...
...	51% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
...	61% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...
Chimbatore Cotton ...	R. Bheema Naidu & Co. ...	28,864	...	8,355	11,313	3,237	54	12-59	1,129	788	6	6	9
Coimbatore Kamala ...	Directors ...	17,264	24	2,703	4,555	900	...	12-58	-84	89	...	...	...
...	Partly Paid ...	...	...	...	...	...	...	...	...	...	...	...	...
...	6% Debentures ...	...	...	...	...	...	...	...	...	...	...	...	...

Includes Stock on hand.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1960	March 1959			General	Others	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Rs. 000	Rs. 000			Rs. 000	Rs. 000	Rs. 000				Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
WESTERN AND CENTRAL INDIA (Contd.)															
Tata Mills ...	46 00	33 25	25	6,518	3,403	1,525	18	15,464	24,099	9,195	363	12,394	2,492	394	372
5% Debentures	93 00	93 25	1000	3,951	...	...	...	...	...	...	...	...	...	...	...
Victoria Mills	390 00	251 25	100	1,600	4,396	1,785	28	5,709	9,718	5,932	64	5,960	4,431	77	...
4% R. Cum. preference	...	...	25	800	...	...	...	...	...	...	...	...	...	...	...
Vijaya Mills	...	...	500	3,500	1,762	2,038	23	8,411	12,890	9,020	560	6,303	3,402	230	...
4% 2nd C. P. T.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
4% 3rd R. C. P. T.	...	...	100	280	...	...	...	...	...	...	...	...	...	...	...
Vishnu Cotton	111 00	85 00	100	3,200	1,240	2,106	-1,482	8,102	19,448	13,003	367	7,313	2,563	98	146
7% Cum. preference T.	422 50	432 50	500	1,566	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	96 00%	96 00%	...	3,000	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Basanti Cotton	8 62	8 75	10	1,500	115	296	115	2,361	3,828	2,404	1,155	2,563	219	115	...
6 1/2% C. P.	8 56	9 00	10	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	425 00	425 00	500	700	...	...	...	...	...	...	...	...	...	...	...
Bengal Fine Spinning	...	...	10	631	500	201	28	4,639	5,061	1,603	5	2,313	1,135	70	...
5% C.P.	...	...	100	983	...	...	...	...	...	...	...	...	...	...	...
Bengal Luxmi Cotton	39 00	32 00	40	711	1,350	13	22	5,498	8,351	5,915	20	4,213	709	41	...
Ordry, partly paid	...	...	30	131	...	...	...	...	...	...	...	...	...	...	...
Ordry, partly paid	...	...	20	170	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	40	523	...	...	...	...	...	...	...	...	...	...	...
Bengal Nagpur	4 12	3 75	10	2,700	...	...	-812	6,840	8,045	6,024	37	6,634	681	55	...
7% C. P.	75 00	75 00	100	300	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	85 00	89 00	...	400	...	...	...	...	...	...	...	...	...	...	...
Birla Cotton	20 00	16 00	10	3,500	5,923	1,557	104	14,393	14,125	11,021	2,051	12,830	5,945	596	...
Bowmich Cotton	155 00	90 00	100	2,400	150	...	-35	14,327	12,017	4,703	53	8,716	1,770	166	23
8 1/2% 'A' C. P.	152 00	126 00	100	600	...	...	...	...	...	...	...	...	...	...	...
7% 'B' Prof.	65 00	65 00	100	600	...	...	...	...	...	...	...	...	...	...	...
Cawnpore Textiles	7 37	5 06	5	3,000	600	2 863	-1,294	2,964	8 100	6 288	986	3,865	1,431	37	...
Dalhi Cloth	...	...	25	338.36	12,853	28,283	285	91,594	135,090	78,057	2,639	89,798	24,276	11,135	...
Ordinary	...	...	24	100	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 1st & 2nd C. P	...	...	25	2,000	...	...	...	...	...	...	...	...	...	...	...
4 1/2% 3rd C. P.	...	...	25	3,735	...	...	...	...	...	...	...	...	...	...	...
2 1/2% 4th C. P.	...	...	10	1,195	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
Dumaria Mills	185 00	1 00	100	1,900	2,537	83	12	9,707	14,294	7,089	58	7,417	1,880	89	89
Debentures	...	...	10	2,500	...	...	...	...	...	...	...	...	...	...	...
Elgin Mills	19 87	13 12	10	6,300	300	10,520	65	11,972	17,356	14,869	8 649	13 681	5,315	525	...
8% C. P.	108 00	105 00	100	1,100	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	8 00	8 25	10	420	...	...	...	...	...	...	...	...	...	...	...
Jagajit Cotton	15 37	8 88	10	3,855	250	1,613	87	15,343	17,815	10,919	1,724	11,651	3,734	890	7,99
5% C. P. P	38 25	43 75	100	1,545	...	...	...	...	...	...	...	...	...	...	...
Debentures	...	...	...	3,000	...	...	...	...	...	...	...	...	...	...	...
Jayshree Textiles	13 25	9 69	10	4,918	...	802	34	2,545	8,800	4,300	19	4,726	1,508	137	...
5 1/2% Debentures	...	...	1000	1,371	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	1000	68	...	...	...	...	...	...	...	...	...	...	...
Kesoram Cotton	24 12	12 87	10	160,00	5,400	15,945	5	19,117	40,600	13,872	3,990	15,999	11,782	2,887	2,081
7% C. P.	104 00	100 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% R. C. P.	...	...	25	600	5,00	3,045	73	9,899	11,191	9,664	1,558	6,996	3,753	3,768	...
Mohini Mills	...	...	10	3,399	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	10	1,997	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P	...	...	100	3,000	25,00	25,00	-51,31	105,33	164,51	115,59	1,05	105,64	7,36	1,03	...
Muir Mills	65 00	50 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	83 08	65 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
New Victoria	1 62	1 37	2 1/2	2,742	...	...	-1,807	17,071	12,305	7,649	121	13,579	2,513	51	...
Deferred	...	...	1	307	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	3 25	3 06	5	2,605	...	...	...	...	...	...	...	...	...	...	...
Orissa Textiles	8 80	5 00	10	4,740	...	...	-2,874	21,543	23,577	11,020	10	11,442	1,855	142	...
5% R. C. P.	80 00	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Rana Textiles	...	...	100	6,000	...	661	-954	8,979	11,019	5,139	1,778	9,790	2,487	146	...
6 1/2% 'A' C. P.	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
6 1/2% 'B' C. P.	...	...	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Shree Madhusudan	...	...	100	6,000	...	133	-2,189	22,530	19,459	508	10	13,810	3,611	108	84
4 1/2% C. P.	...	...	1,000	3,000	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	100	7,000	...	...	...	...	...	...	...	...	...	...	...
Satlej Cotton	91 00	86 07	10	1,500	28,200	8,134	3,106	9,109	11,552	8,802	18,952	14,344	4,656	9,347	...
Sundeshi Cotton	9 50	10 25	10	1,750	6,000	17,523	3	68,197	63,382	19,698	19,516	32,668	14,589	2,286	64
Predd Ordry	9 55	10 25	10	157,50	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	61 00	75 00	100	3,500	...	...	...	...	...	...	...	...	...	...	...
SOUTH INDIA															
Adoni Spinning	8 25	8 60	10	2,996	...	...	23	3,016	71091	622	40	889	312	138	182
6% C. P.	10 45	9 80	10	1,996	...	...	...	...	...	...	...	...	...	...	...
Ashar Textiles	212 80	...	100	1,199	82	59	...	3,383	4,699	2,374	35	2,177	177	8	...
Bangalore Woollen	202 00cd	171 00cd	100	12,150	3,300	12,224	298	9,884	96,974	29,209	855	20,114	3,322	5,192	1,209
5% C.	117 00	116 00	100	800	...	...	...	...	...	...	...	...	...	...	...
Blackingham & Carnatic	200 00cd	173 50cd	100	17,848	7,206	23,293	183	18,070	76,367	45,051	1,073	32,772	6,472	611	3,280
7 1/2% C.	136 30	120 00	100	2,130	...	...	...	...	...	...	...	...	...	...	...
5% Debenture	1010 00	995 00	1,000	6,794	...	...	...	...	...	...	...	...	...	...	...
Cambodia	10 10	9 85	10	2,000	1,900	19	-1,860	3,608	5,125	2,615	31	2,580	613	32	...
7% C. P.	108 00	110 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Cannanore Spg	163 00	136 00	100	1,500	511	5	15	2,662	5,265	3,155	22	2,136	387	39	...
Curvery Spg	14 50	10 80	10	937	...	536	10	1,821	6,128	2,980	32	1,536	275	40	...
6 1/2% C. P.	97 00	85 75	100	652	...	...	...	...	...	...	...	...	...	...	...
8 1/2% Debentures	...	...	100	475	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	100	600	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Cotton	144 80cd	131 00cd	100	3,599	900	1,490	...	5,211	11,151	4 162	325	3,418	441	...	...
Coimbatore Kamala	102 00	102 00	100	341	...	...	-477	3,226	2,860	1,547	12	1,083	958	...	...
Party Paid	59 00	50 00	50	72	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	500 00	500 00	500	250	...	...	...	...	...	...	...	...	...	...	...

NAME	Mark- Quo. on as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depre- ciation	L. G. & A. 1980					
	March 1960 Rs. p. 100	March 1961 Rs. p. 100			Rs. 000	Rs. 000	Rs. 000				Invest- ments Rs. 000	Stock and Stores Rs. 000	Out- standings Rs. 000	Cash Rs. 000	Other Rs. 000	
SOUTH INDIA (Contd.)																
Coimbatore Murugan	95 00	91 00	100	1,750	305	100	-137	3,259	4,504	2,602	140	2,004	1,255	36	...	
6% C. P.	88 00	84 00	100	71	...	...	...	...	...	...	...	...	...	...	...	
Coimbatore Pioneer	30 00	26 00	100	2,000	...	1,825	1	6 04	8,021	6 09	2,410	2,917	1,320	134	...	
11% C. P.	8 25	7 75	100	100	...	...	...	...	...	...	...	...	...	...	...	
Coimbatore Spinning	68 00	69 50	50	2,077	...	...	5	1,578	12,558	13,750	8,679	13	7,182	917	60	
Davanagere Cotton	...	...	100	2,400	12 00	...	10	4 09	67 23	34 91	13 16	31 68	13 81	20	...	
Dhanalakshmi Mills	240 00cd	182 00	100	4,859	1,700	...	1	4 184	9,847	5,5 44	472	4,573	1,273	1,063	...	
Gnanambika Mills	...	...	100	927	2 76	...	...	11 70	16 99	8 06	...	11 49	3 04	48	...	
61% Cum Preference	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...	
Hemalatha Textiles	7 60	8 75	100	1,501	12 5	5 2	21	1 4 6	2 9 3	1,624	...	2,055	131	130	...	
5% Cum Preference	68 00	75 00	100	431	...	...	...	...	...	...	...	...	...	...	...	
Janardana Mills	68 00	68 50	50	890	8 56	2 10	...	10 75	31 40	19 97	1 20	8 21	4 12	5 33	...	
Jawahar Mills	9 45	11 50	5	890	1,060	1,091	-221	4 890	7 756	3,750	37	2,493	1 145	74	...	
Ordinary	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...	
Kapila Textile Mills	...	...	100	2,699	...	...	...	27 88	43 67	1 24	...	15 65	2 05	16	3 57	
6% C. P.	...	...	100	699	...	...	...	...	...	...	...	...	...	...	...	
71% R. C. P.	...	...	10	105	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	2	200	...	...	...	...	...	...	...	...	...	...	...	
Kasturi Mills	24 75	24 75	25	750	...	311	-251	1 170	3 206	1 937	18	611	104	9	...	
Kothari Textiles	12 00	9 12	10	6,710	800	1 025	32	6 6 19	14 172	4 050	415	3 962	1 805	240	583	
6% Cum Preference	10 00	8 65cd	10	1,200	...	...	...	...	...	...	...	...	...	...	...	
6% 'B' Cum Preference	...	...	50	600	...	...	...	...	...	...	...	...	...	...	...	
Lakshmi Mills	150 03	110 50	50	7,100	1,400	6 186	155	10 666	27 735	13 248	2,009	6 455	5 815	290	...	
A. Class Ordinary	75 00	52 25	25	3,550	...	...	...	...	...	...	...	...	...	...	...	
Loyal Textile Mills	31 00	36 00	50	3,152	...	255	-401	4 547	8 656	3 133	24	3 127	544	35	...	
5% Cum Preference	63 00	62 25	100	1,499	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...	
Madura Mills	33 62cd	25 50	15	17,502	12,600	27 143	205	18 209	62 573	42 518	5,220	39 533	9 203	795	849	
Madurai Spinning	...	...	200	1,200	350	17	-502	1 855	29 08	1 964	60	1 818	211	2	...	
Mettur Industries	435 00	390 00	100	6,000	825	2 1 7	12	5 763	6 814	4 952	2,811	4 808	3 383	2,863	...	
Mysore Silk Filature	...	...	10	972	...	...	-8 63	451	2 30	...	...	...	3 15	14	...	
Mysore Spun Silk	...	...	10	1,362	...	...	4	14 13	29 12	17 83	8	15 22	78	41	...	
Mysore Ranganathar	103 00	103 00	100	240	...	...	-198	1 630	1 549	523	10	611	126	6	...	
Partly Paid	...	...	50	103	...	...	...	...	...	...	...	...	...	...	...	
Palani Andavar Mills	160 00 d	123 00	50	400	100	1 062	...	4 414	7 629	3 197	16	1 829	348	151	...	
'B' Ordinary	215 00cd	182 00	75	600	...	...	...	...	...	...	...	...	...	...	...	
7% C. P.	92 00 d	55 00	50	200	...	...	...	...	...	...	...	...	...	...	...	
Pankaja Mills	55 00	37 00	100	1,500	...	...	-2 120	3 524	3 730	1 970	4	772	631	29	...	
Premier Mills	245 00	135 00	100	2,500	350	475	2	6 162	11 015	4 533	206	2 137	535	129	...	
Rudra Krishna Mills	...	...	100	1,681	1 400	...	4	2 610	10 779	6 227	1 412	3 516	617	157	...	
'B' Ordinary	...	...	50	841	...	...	...	...	...	...	...	...	...	...	...	
C. Ordinary	29 00	30 10	25	...	...	...	...	...	...	...	...	...	...	...	...	
Rajapalayam Mills	135 00	117 60	100	1,614	403	901	...	3 926	6 367	2 332	31	2 1 2	501	97	...	
Rajswari Mills	...	...	50	993	1 01	1 89	3	12 55	22 90	7 74	2 00	4 63	1 96	1 68	...	
Ordinary	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...	
Sri Ramakrishna	200 00	155 00	100	1 492	10	171	...	3 826	7 826	4 336	258	1 043	353	...	...	
Ord. P. P.	...	...	10	45	...	...	...	...	...	...	...	...	...	...	...	
Sri Ranga Vilas Ginning	50 00	50 00	50	1,502	514	63	-527	2 763	3 466	2 881	311	1 819	449	49	...	
Rajaseema Mills	116 00cd	106 00	100	2,233	750	384	1	1 711	3 678	2 855	122	1 038	730	366	...	
Sivananda	21 00	19 00	10	1,000	500	144	3	3 055	6 157	2 599	215	1 118	422	388	...	
Sri Kr. Rajendra	75 00	62 00cd	50	3,670	800	1 520	3	4 274	9 950	6 687	730	4 510	1 432	53	...	
Sri Sarada Mills	...	...	100	635	...	...	1	25 15	27 24	9 11	11	13 00	3 44	19	...	
7% C. P.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...	
Tirumari	56 00	114 00	100	876	330	95	-133	2 819	4 665	2 339	1	1 504	342	13	...	
Tirupati Cotton	9 30	9 40	10	1,276	...	...	2	3 474	4 330	350	60	1 278	99	32	45	
61% Cum Preference	10 00	10 00	10	743	...	...	...	...	...	...	...	...	...	...	...	
Tiruvancore Rayona	28 90cd	29 00	10	10,000	6,000	3 686	198	6 126	41 724	23 017	37	6 447	2 295	5 432	2 674	
5% Cum Preference	9 90cd	9 56	10	5,000	...	...	...	...	...	...	...	...	...	...	...	
4% Debenture	...	...	5000	1 600	...	...	...	...	...	...	...	...	...	...	...	
Tripinopoly Mills	11 75	11 80cd	10	1 399	250	625	...	402	2 072	1 438	12	1 027	598	404	...	
Vasanta Mills	231 50	215 00	100	2,100	1,800	1 884	...	3 362	8 772	5 503	752	4 217	1 019	324	...	
61% C. P.	105 00cd	101 00	100	300	...	...	...	...	...	...	...	...	...	...	...	
6% C. P.	105 00cd	90 00	100	150	...	...	...	...	...	...	...	...	...	...	...	
Sri Venkatesa Mills	1 55 50	117 00	50	3 366	150	1 092	6	6 324	14 040	7 587	60	2 716	1 739	23	...	
6% C. P.	47 00	50 00	50	50	...	...	...	...	...	...	...	...	...	...	...	
Vijayalakshmi Mills	100 00	84 00	100	1,000	2 00	1 00	5	20 71	39 37	17 65	33	14 72	3 06	22	...	
Vijayeswar. Textiles	109 00	79 00	100	1 600	...	36	4	1 839	2 813	131	...	490	101	9	...	
Vrudhunagar Textile	47 00cd	34 00	100	1 214	...	396	-459	900	2 485	1 254	...	896	66	402	...	
5% Cum Preference	60 00cd	55 00	100	241	...	...	...	...	...	...	...	...	...	...	...	
Deferred	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...	
Deferred (P. P.)	...	...	As. 4	8	...	...	...	...	...	...	...	...	...	...	...	

from General Reserve. (a34) After transferring Rs 1,970,571 from General Reserve.

(a35) After transferring Rs 137,557 from Contingent Reserve and Rs 117,601 from provision for refund taxes.

(a36) After transferring Rs 800,000 from General Reserve No. 1.

(a37) After transferring Rs 474,000 from Dividend Reserve.

(a38) After transferring Rs 440,000 from Dividend Equalisation Fund and Rs 320,000 from Reserve Fund.

(a39) After transferring Rs 352,000 from Dividend Reserve.

(a40) After transferring Rs 96,858 from General Reserve.

(a41) After transferring Rs 133,464 from Dividend Equalisation Fund.

(a42) After transferring Rs 200,000 from Dividend Equalisation Fund and Rs 200,000 from Rehabilitation Fund.

(a43) After transferring Rs 63,000 from Dividend Equalisation Reserve.

(a44) After transferring Rs 100,000 from Dividend Equalisation Fund.

COMPANIES—(All India)

		Reserves & Surplus		Liquid Assets

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	Investment	Liquid Assets			Cash	Others
	March 1900	March 1909			Reserves	Other	Carry Forward					Stocks and Stores	Out- standings			
	Rs. p.p.	Rs. p.p.			Rs.	Rs. 000	Rs. 000					Rs. 000	Rs. 000	Rs. 000		
Amalgamated	22 75	25 87	10	2,550	2,400	836	39	5,739	10,935	2,739	...	3,464	3,835	358	663	
Asso. Karanpura	4 75	4 94	100	150	...	25	-59	517	1,284	146	...	73	296	2	24	
41% R. C. preference	50 50	50 50	10	800	...	2	...	208	1,194	241	...	48	161	5	15	
Asso. Lakshmi	3 50	3 00	500	201	...	...	-28	...	...	...	...	...	...	...	...	
5% Debenture	...	3 51	10	2,000	...	90	1	3,21	21,72	4,51	...	68	3,94	2,29	...	
Bagdadi Kujana	9 00	...	100	10,000	11,200	5,816	1,049	26,997	66,804	45,571	1,310	14,727	3,321	1,071	...	
Bengal	330 00	302 60	100	2,000	...	...	...	...	...	...	...	403	458	27	...	
41% C. P. T.	3 48	4 08	10	449	30	100	4	607	1,034	6 6	15	354	71	100	...	
Bengal Bhades	13 37	12 75	10	225	383	132	-106	125	2,441	2,216	...	381	914	64	...	
Bengal Nagpur	6 50	7 37	10	1,597	114	373	-21	3,984	2,518	8,027	2,065	1,598	4,026	88	...	
Bhalgora	7 19	7 31	10	4,000	...	61	391	...	...	...	...	...	...	...	...	
Bharat	49 50	48 75	100	3,000	...	...	...	...	...	...	...	463	1015	53	...	
51% C. P. T.	900 00	900 00	1000	3,000	...	771	-645	1,773	5,524	3,844	64	59	245	10	...	
41% Debenture	5 87	6 00	10	1,000	662	3	-1,317	1,716	1,882	855	31	177	1,041	304	...	
Bhulanararoe	1 25	2 06	10	750	643	1,845	20	888	4,981	2,835	791	177	1,041	304	...	
Bhurangra	20 50	18 81	10	400	...	...	...	...	...	...	...	5,083	12,083	109	...	
Borree	83 53	83 50	100	9,092	1,987	15,781	111	13,032	45,882	21,798	2,598	...	...	...	...	
54% C. P.	19 87	18 94	10	2,300	...	...	...	...	...	...	...	...	...	...	...	
Burrakur	86 50ad	102 53ad	100	450	...	...	...	...	...	...	...	...	...	...	...	
7% C. P.	8 07ad	5 93ad	10	2,000	...	...	...	...	...	...	...	...	...	...	...	
6% 2nd C. P. T.	850 00	870 30	1000	4,997	...	82	11	1,421	5,520	1,760	170	766	1,566	249	...	
41% Debentures	10 16	8 37	10	800	...	...	...	722	5,104	3,435	...	302	548	98	...	
Central India	11 25	9 75	10	600	...	154	...	229	...	...	675	...	178	131	...	
Central Kutch	4 12	3 81	10	1,600	...	...	...	3,013	5,447	3,185	...	5,22	1,896	66	...	
Churulia	8 81	10 12	10	240	100	263	19	244	1,071	777	238	155	167	13	...	
Dhemo India	29 25	24 25	10	2,964	3,400	6,833	38	20,603	45,953	32,276	1,566	8,671	13,502	6,61	...	
East Indian (Si	29 25	24 25	10	2,964	3,400	6,833	38	20,603	45,953	32,276	1,566	8,671	13,502	6,61	...	
Equitable	27 75	30 87	100	400	...	...	...	...	...	...	...	...	...	...	...	
6% C. P.	79 00	100 00	...	4,835	...	...	...	2,149	1,806	621	300	908	976	66	...	
54% Debentures	1000 00	15 00	10	1,000	40	...	-199	...	...	...	...	...	...	...	...	
Ghuzick & Musia	14 00	100 00	100	500	...	...	...	239	664	115	...	220	89	1	...	
5% C. P.	100 00	7 00	10	375	...	...	-154	...	...	...	...	...	...	...	...	
Gourangdi	7 62	7 00	100	125	...	...	...	...	...	...	...	...	...	...	...	
5% R. C. P.	40 00	40 00	100	300	...	...	...	...	...	...	...	...	...	...	...	
6% Debentures	...	8 25	10	650	...	...	-25	170	811	368	2	53	287	9	...	
Gardar Kajora	6 00	8 25	10	650	...	...	-25	170	811	368	2	53	287	9	...	
Hurdahdi	14 37	14 12	10	800	2,50	...	...	6,44	2,438	1,967	49	3,94	3,88	3,72	...	
Joint Central	0 48	2 00	21	242	...	...	-260	5,03	16,24	12,08	...	51	19	...	...	
Josta	2 50	1 69	10	2,200	...	500	-483	412	3,054	1,175	19	611	110	10	...	
Kalpahari	27 75	22 09	10	350	431	148	-30	400	1,525	779	...	339	172	26	...	
Karanpura	151 00	118 00	100	2,000	...	347	20	1,105	3,793	894	4	349	836	164	...	
54% C. P. T.	58 00	55 50	100	990	...	...	...	...	...	...	...	...	...	...	...	
Katras Jheriah	36 00	73 00	10	500	1,860	114	127	2,218	5,222	3,991	329	662	1,933	704	...	
Khas Kajora	12 94	9 50	10	138	...	...	-1,83	11,03	13,53	6,93	...	2,35	3,55	1	...	
8% Preference (a)	7 94	7 25	10	193	...	...	...	...	...	...	...	...	...	...	...	
Khas Shamroo	1 06	1 06	10	900	...	...	-513	587	1,139	424	4	76	178	...	...	
Kowdi	8 00	2 75	10	1,100	68	...	...	182	1,696	1,118	295	65	203	3	...	
Lakuria	14 87	15 81	10	900	573	450	7	980	2,904	2,341	570	90	1,597	90	...	
Mahabir	12 25	12 25	10	400	...	...	9	4,30	6,18	3,88	1,36	51	6,81	21	...	
41% R. C. P.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...	
Mundalpoor	0 50	1 75	10	566	85	...	-11,29	23,13	18,81	7,96	...	2,67	4,73	10	...	
Nazira	8 87	7 25	10	748	230	...	24	537	1,373	1,021	701	1,242	3,631	183	...	
New Beerbhoom	23 87	21 00	10	1,776	...	1,990	87	5,234	14,015	9,789	4	...	...	...	...	
7% C. P.	11 62	10 00	10	200	...	...	...	...	...	...	...	...	...	...	...	
New Churulia	2 19	2 00	10	710	...	5	-698	869	1,218	541	...	398	193	17	...	
5% C. P.	2 56	2 50	10	200	...	...	...	...	...	...	...	...	...	...	...	
54% Debentures	...	4 00	100	200	...	...	-2,09	6,02	7,54	1,96	...	1,39	2,57	25	...	
New Hurdahdi	4 00	4 00	100	200	...	...	...	...	...	...	...	...	...	...	...	
5% Cum Preference	45 00	44 00	100	435	...	...	-379	14	448	275	...	2	14	1	...	
New Joyramboom	3 50	3 50	10	600	125	12	97	1,129	3,286	2,315	2	360	594	36	...	
North Damuda	13 55	12 06	24	250	76	76	-274	2,043	2,080	812	2	372	420	33	...	
North West	1 10	1 25	24	115	310	75	47	459	1,300	941	...	116	518	169	...	
Partly Paid Ord	23 12	23 87	75	158	...	...	...	...	...	...	...	...	...	...	...	
Ondal	18 12	21 00	10	750	624	957	42	171	398	278	2,152	...	252	311	...	
51% C. P.	13 03	12 00	100	200	...	...	...	...	...	...	...	...	...	...	...	
Oriental	86 50	91 50	10	1,000	110	112	51	3,553	5,886	2,591	23	700	1,425	29	...	
1% Debentures	8 12	8 00	1000	500	...	...	...	...	...	...	...	...	...	...	...	
Parasae	...	15 00	10	834	30	61	8	1,525	2,469	1,057	634	212	1,011	28	...	
51% R. C. P.	...	42 50	100	800	...	...	...	...	...	...	...	...	...	...	...	
6% Debentures	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...	
Pench Valley	20 19	25 00	10	1,575	1,506	1,533	33	3,466	6,860	4,484	245	2,003	2,129	168	...	
Pure Sitalpur	3 75	6 25	10	1,575	1,506	1,533	33	3,466	6,860	4,484	245	2,003	2,129	168	...	
Debentures	...	...	10	250	...	...	...	...	...	...	...	...	...	...	...	
Raneengunge	16 57	15 00	10	2,400	731	2,148	4	4,589	14,352	9,670	17	2,084	2,992	97	...	
Rewa	10 56	12 04	10	1,350	870	158	32	3,707	4,816	3,425	319	1,519	2,453	350	...	
Samia	12 01	12 04	21	3,710	350	3,462	66	4,246	10,553	2,618	169	882	3,815	23	...	
Searsale	2 60	4 75	7	250	62	26	...	531	1,563	1,283	340	73	112	12	...	
Seebore	31 25	26 25	100	280	803	163	44	997	2,963	2,015	327	121	1,087	206	...	
3% Cum. preference	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...	
Sendra	12 75	12 12	10	800	465	18	1	55	52	29	175	...	167	956	...	
Stee Mahakali	3 31	4 19	10	550	...	...	-327	238	890	431	...	1,11	152	38	...	
Debentures	...	...	100	301	...	...	...	...	...	...	...	...	...	...	...	
Singaree	...	...	10	6,321	5,471	743	55	40,681	61,030	29,093	842	15,074	8,9 5	1,805	...	
South Karanpura	12 25	13 56	10	1,750	312	715	15	1,057	4,352	1,816	32	3570	1,043	3	...	
Standard	18 00	18 00	21	800	847	715	11	610	169	29	2,501	...	38	107	...	
Talcher	...	...	21	1,000	...	...	-3,70	8,34	31,30	15,44	1	1,60	2,75	4	...	
Debentures	...	...	10	500	...	...	...	...	...	...	...	...	...	...	...	
Union	14 00	14 44	10	350	230	50	176	338	1,915	1,479	...	80	593	37	...	
United Collieries	12 25	11 44	100	2,758	...	75	39	11,63	55,42	22,01	...	4,32	4,50	9,73	...	
5% C. P.	78 00	13 00ad	10	1,256	...	...	...	...	...	...	...	...	...	...	...	
West Ghuzick	14 62	13 00ad	10	800	...	...	-85	6,82	10,82	2,916	...	2,14	1,444	53	...	
West Jamuna	6 37	6 72	10	700	...	...	-4,86	4,557	5,974	2,916	...	2,17	2,55	25	...	
West Lakshmi	9 06	2 94	10	600	...	166	8	2,671	7,861	2,999	150	719	2,014	60	...	

(b) Includes Rs 2,19,015 being Refund of LT.
(i) After transferring Rs 85,000 from General Reserve;
(ii) After transferring Rs 275,000 from General Reserve.
(k) After transferring Rs 15,000 from General Reserve and Rs 2,927 from Reserve for taxation.
(m) After transferring Rs 220,000 from Contingent Reserve to Reserve for Depreciation.

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1960 Rs. n.p.	March 1959 Rs. n.p.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstandings Rs. 000	Cash	Others Rs. 000
Amulckie	27 12	27 12xd	10	446	671	482	...	911	2,130	748	15	944	180	41	122
7% C. P. P.	37 06	42 71xd	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assm)	19 60	20 00	10	277	450	251	7	1,435	1,297	482	505	919	137	43	...
Anandahag	24 37	21 50	10	700	250	441	45	1,215	1,472	423	...	9.5	445	226	...
Arcuttipore	7 00	7 00	10	300	...	5	198	478	532	195	1	217	24	3	...
Atal	6 00	5 62	10	450	...	65	2	947	1,536	430	36	453	327	126	17
4% C. P.	5 30	4 55	10	300	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Bayham	24 00	23 75	10	550	862	516	22	783	2,416	897	53	937	151	10	...
Baitakhal	7 90	8 06	100	400	270	14	43	247	927	318	64	3.8	77	45	...
6% Debentures	950 00	950 00	1000	150	...	...	...	...	...	...	...	...	...	...	...
Benarhat	322 00	290 00	100	2,700	2,826	...	81	3,288	5,746	2,487	81	3,569	1,329	1,063	...
5% C. P.	105 08	106 52	100	400	...	...	...	...	...	...	...	...	...	...	...
Baradighi	27 25	20 25	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	21
Basmatia	28 50	27 25	10	1,070	6	41	1,086	1,539	631	77	335	269	482	196	...
Bateli	23 37	14 25	5	494	240	151	60	1,015	1,559	997	925	157	58	16	...
Belagach	26 01	29 00	10	250	250	196	41	1,929	1,432	488	...	1.02	714	306	62
Bengal	23 75	24 03	10	640	470	493	34	1,929	2,500	1,206	54	1,161	735	204	...
Bhatnagar	23 94	24 19	10	900	900	893	27	1,159	2,231	1,068	483	1,517	250	282	...
Bijoynagar	...	...	25	869	1,650	928	170	1,223	2,687	917	...	1,350	279	319	...
Birpara	205 10	178 00	100	900	625	916	39	...	...	...	...	...	...	...	...
5% C. P.	109 00	105 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Bishnauth	20 00	19 81	10	3,300	700	818	550	5,770	8,208	3,299	326	4,802	1,010	92	...
Bloomfield	2 50	3 00	10	400	...	...	384	568	603	102	8	121	24	30	...
Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Dakhat	14 87	15 12	10	600	200	126	52	620	1,357	317	1	303	53	1	...
Bormahian	19 00	17 94	10	750	454	352	51	617	1,315	391	53	652	201	64	...
6% C. P.	62 00	74 00	100	100	...	...	...	...	...	...	...	...	...	...	...
Borpukhuri	16 54	18 37	10	450	150	33	86	924	1,321	509	2	606	210	12	...
Brooke Bond	18 69	18 06	10	3,500	535	744	440	3,396		3,287	509	1,733	6.9	3,206	201
6% C. P. T.	69 00	66 25	100	3,500	...	...	...	...	...	...	...	...	...	...	...
Carron	200 00	131 00	100	600	370	360	6	352	1,438	454	15	562	99	27	...
Central Cachar	75 50	6 00	100	1,000	52	240	195	1,891	2,787	1,017	1	1,103	423	149	14
Chamong	10 31	11 00	100	280	75	50	47	182	429	81	1	189	58	5	...
Chantipore	...	...	100	250	...	...	...	47	58	...	2	...	9	277	...
Choonabhatti	291 00	260 00	100	900	1,320	14	114	1,411	2,777	944	599	1,009	494	424	...
54% C. P.	104 00	106 50	100	200	...	...	...	...	...	...	...	...	...	...	...
Chundecherra	24 94	27 50	10	300	450	358	558	2,034	1,290	461	2	696	503	1,445	225
Cleveland	...	...	10	400	400	313	20	890	918	268	1	521	199	567	...
Dauracherra	9 12	9 75	10	600	610	394	58	555	991	218	103	364	231	777	...
Deoo Valley	69 00	72 00	10	120	325	382	17	535	1,088	348	1	501	109	29	...
Deoo & Puriutta	148 00	152 00	100	840	650	127	117	2,157	4,084	1,856	...	1,013	1,365	18	42
Dhalekul	23 00	24 31	10	1,753	975	83	30	2,037	2,678	692	872	276	741	498	...
Dhunerai	18 25	18 62	10	469	400	159	9	604	1,414	513	2	621	194	113	...
7% C. P.	3 60	3 06	3	120	...	...	...	...	...	...	...	...	...	...	...
Dikrugach	21 37	29 44xd	10	450	577	528	63	1,124	1,429	343	59	786	234	364	213
Dilaram	102 50	95 00	100	200	107	62	1	51	350	170	1	136	43	23	...
Dimukuni	29 12	30 17xd	10	473	560	160	166	793	1,602	706	149	759	46	313	...
5% C. P.	8 90	9 70	10	701	...	...	...	...	...	...	...	...	...	...	...
Dullaghar	41 00	33 00	10	70	500	150	452	1,792	2,541	1,418	207	1,105	202	1,348	...
East India	12 00	19 25	10	1,000	500	350	116	1,915	3,034	1,108	117	1,455	384	1	...
Eastern Cachar	2 06	4 87	10	700	...	...	566	1,084	873	135	1	359	78	42	...
Ellenbarrie	149 00	155 00	100	300	100	277	6	460	986	439	...	472	96	26	...
Engo	196 00	460 00	100	120	264	...	60	315	499	285	2	326	63	35	...
Eshelbarrie	10 19	12 00	10	490	33	28	31	963	1,002	277	290	379	61	28	...
Geirkhaw	165 00	140 00	100	750	270	355	13	1,345	914	1,136	2	1,376	441	110	...
Galle	11 81	9 00	100	200	176	124	121	238	844	319	48	155	71	17	...
6% C. P.	70 10	64 00	100	504	533	69	20	2,000	1,603	577	868	511	688	28	...
Gillapukri	27 25	30 25	10	676	300	175	143	966	2,118	957	146	792	119	42	...
Gohpur	19 87	24 00	10	1,050	500	498	132	7,66	17,66	749	312	8,26	3,94	3,96	...
Gopulpur	22 62	20 00	25	1,192	900	2,319	45	3,822	5,903	1,755	8	2,779	1,010	80	...
Grob 'A'	14 12	15 12xd	5	361	...	...	...	...	...	...	...	...	...	...	...
Grob 'B'	152 00	138 00	100	1,344	760	1,280	8	691	2,745	1,035	458	1,513	239	113	...
Gungaram	...	...	10	500	510	547	17	331	1,451	446	124	669	89	...	...
Hanspur	155 00	127 00	100	3,600	1,025	2,159	19	2,637	6,882	2,120	508	3,560	365	294	...
8% C. P.	109 00	112 00	100	50	...	...	...	...	...	...	...	...	...	...	...
Hassima	24 19	23 00	10	3,200	2,125	3,619	218	4,095	11,068	5,491	869	5,395	1,307	446	...
7% C. P.	106 00	111 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Hattikihra	14 00	11 94	10	1,260	550	250	75	949	3,045	1,329	2	1,527	172	26	...
Hoojrauli	25 37	29 25	10	500	576	...	6	477	985	403	52	569	92	264	...
Hoojrauli	210 00	190 00	100	870	1,280	65	91	1,234	2,935	1,404	9	1,221	465	313	...
Huldikari	25 62	23 25	10	825	700	1,297	134	1,163	2,533	1,115	190	1,808	371	334	...
Jaypurpore	15 12	15 62	10	700	512	...	61	312	1,120	511	2	617	64	171	...
Jayshree	16 25	13 37	10	5,857	4,900	486	91	5,979	16,370	5,470	793	3,638	2,062	145	...
6% R. C. P.	...	...	50	195	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	10	600	741	443	112	1,151	1,733	860	273	755	206	976	...
Joonkollie	21 05xd	20 62	10	36	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	10	900	525	274	53	1,712	1,728	517	1	1,272	207	774	...
Juribari	22 00	19 25	10	246	381	...	10	1,007	...	...	2	...	1,240	382	...
Kaiti	5 37	8 18	10	450	200	163	36	754	307	6	400	328	497	84	...
Kallinugger & Khoreel	102 00	96 00	100	500	750	911	3	941	2,367	696	307	1,271	193	95	...
Killeot	20 06	19 62	10	350	1,000	302	91	2,383	1,553	779	1,250	1,618	583	53	...
Kinsley Goleghat	160 00xd	130 00	100	240	...	...	...	...	...	...	...	...	...	...	...
6% Preference	80 00xd	86 00	10	180	...	...	...	...	...	...	...	...	...	...	...
Kotamullai (m)	14 62	11 69	5	218	...	...	232	3,657	2,467	351	3	1,231	164	266	50
6% Pref.	16 00	16 50	3	500	230	25	1	493	1,153	231	3	252	56	6	...
Krishnabehari	10 82	10 82	10	...	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVIDEND PERCENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Ra. a. p.	Mds.	Ra. a. p.	Ra. 000		Ra. 00	Ra. 000			
Kunchanpore	Duncan Bros and Co. Ltd.	4,497	1.71	3,602	1.68	10	12-58	(a) 20	(b) 38	nil	nil	nil
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	12,612	1.92	12,139	2.23	15	12-56	881	1,130	30	30	10
Lackatooah	Directors	5,962	1.80	5,641	2.03	15	12-58	89	(a) 50	nil	nil	7 1/2
Ledo	Duncan Bros and Co. Ltd.	8,163	3.16	8,095	2.79	34	12-58	355	(a) 241	17 1/2	20	30
Lingia	6% C. P.	9,568	...	9,536	...	...	12-56	186	120	24	5	20
Longview	Daga and Co. Private Ltd.	4,229	1.58	3,836	1.59	20	12-57	...	...	...	...	...
Loobah	Octavius Steel and Co. Ltd.	15,266	2.37	15,042	2.63	54	12-58	55	668	25	25	35
Lukwah	Tartar Bros. Private	13,525	1.78	11,447	1.66	33	12-58	4,06	220	5	5	5
Malhati	D. C. Ghose & Co. Private	7,011	...	7,062	...	...	12-58	29	141	5	15	20
Manabbarie	Directors	4,958	1.13	4,363	1.00	25	12-53	2,04	-4.94	nil	nil	nil
Manipur	Gill, Arbuthnot and Co. Ltd.	4,535	3.36	4,18	3.06	20	12-58	186	94	10	7 1/2	10
Margareta Hope	McLeod and Co. Ltd.	2,126	...	2,016	...	3	12-56	26	72	nil	nil	nil
Manorbarie	Lohia Bros Private Ltd.	5,818	...	5,484	...	16	12-56	1,96	715	24	25	40
Maud	Octavius Steel and Co. Ltd.	10,352	2.93	10,584	2.54	70	12-58	705	510	22	15	20
Methoni	Andrew Yule and Co. Ltd.	1,978	3.9	2,062	3.4	5	12-58	46	20	nil	nil	10
Mim	Directors	4,628	2.5	4,560	1.11	10	12-56	3	(b) 11	nil	nil	nil
Moheema	6% C. P.	6,957	2.21	6,620	2.12	25	12-58	(a) 91	81	40	40	60
Mothola	Kettlewell Bullen & Co.	5,171	2.75	5,544	2.45	3	12-58	13	275	20	17 1/2	20
Murphulani (Assam)	Andrew Yule & Co. Ltd.	7,506	...	9,248	...	...	12-57	...	...	...	...	...
Naga Hills	Directors	10,858	1.85	10,565	1.8	24	12-58	(a) 146	211	nil	30	20
Nagpur	Duncan Bros.	4,889	3.4	4,59	3.01	32	12-58	(a) 126	127	10	7 1/2	15
Nagri Farm	Williamson Magor	7,565	1.46	7,18	2.2	...	12-57	17	164	15	15	35
Namburnadi	Directors	11,683	2.6	9,732	2.6	...	12-58	16	56	25	25	30
New Assam Valley	Macneill Barry	7,06	1.86	6,08	1.77	14	12-58	146	9	10	12	25
New Chumta	Davenport & Co. Private Ltd.	5,430	2.72	5,209	2.17	10	12-58	21	(b) 24	nil	nil	ni
New Cinnatollah	Duncan Bros. & Co. Ltd.	22,413	1.98	19,432	1.84	77	12-58	8	(a) 552	25	20	35
New Doars	Andrew Yule & Co. Ltd.	12,168	2.05	12,503	1.93	48	12-57	482	(b) 554	30	57 1/2	25
New Samanbagh	Shaw Wallace & Co. Ltd.	3,010	1.84	3,015	2.23	6	12-57	8	159	20	30	40
Nilpur Tea	Directors	10,543	1.69	8,829	1.71	...	12-58	380	15	20	15	15
N. W. Cachar	Duncan Bros. & Co. Ltd.	2,246	4.82	1,857	3.90	20	12-58	28	11	33	7	nil
Okarvi	6% C. P.	7,314	...	7,476	...	...	12-58	166	148	7 1/2	10	15
Oodlabari	Directors	6,159	1.70	5,815	1.66	20	12-58	41	4	nil	nil	25
Patnemara	Octavius Steel & Co. Ltd.	50,325	...	41,375	...	...	12-58	(d) 3,768	2,072	20	10	25
Patrakola	Duncan Bros. & Co. Ltd.	3,219	1.76	3,130	1.75	10	12-53	(a) 11	10	nil	nil	7 1/2
Phakowa	Duncan Bros. & Co. Ltd.	1,518	3.27	1,419	2.86	10	12-58	(b) 1	(1) 14	nil	nil	11
Poobong	Directors	2,146	2.53	1,656	2.58	...	12-58	31	8	nil	nil	nil
Pussimbong	7% C. P.	2,306	1.50	2,733	1.81	...	12-58	...	...	...	...	...
Rajabhat	McLeod & Co. Ltd.	9,459	2.05	6,235	1.99	25	12-58	43	284	nil	nil	12 1/2
Rajgarh	Andrew Yule & Co. Ltd.	5,755	2.19	5,597	2.6	8	12-58	112	135	25	2	40
Rajniaga	Shaw Wallace & Co. Ltd.	5,818	2.18	4,701	1.97	23	12-58	222	101	nil	11	10
Ranicherra	McLeod & Co. Ltd.	12,748	1.99	11,606	1.91	30	12-58	516	209	7	25	20
Roopacherra	McLeod & Co. Ltd.	8,657	1.93	6,795	1.85	20	12-58	54	64	nil	nil	5
Rungamathoe	Duncan Bros. & Co.	6,918	1.75	8,715	1.72	20	12-58	45	(a) 137	21	7 1/2	20
Runklee Rungliot	Duncan Bros. & Co. Ltd.	2,491	3.45	1,962	3.49	11	12-58	140	54	30	25	35
Rydat	Jardine Henderson Ltd.	26,144	...	25,416	...	77	12-57	867	1,365	20	30	50
Sapoi	Directors	15,712	...	15,981	...	...	12-58	437	437	15	15	25
Saragson	Directors	9,273	1.97	7,809	1.78	...	12-58	419	251	50	20	30
Sasuli	Williamson Magor & Co.	5,489	2.74	5,253	2.91	20	12-58	214	27	52	7 1/2	15
Sasulk	Directors	2,344	3.09	2,405	2.91	...	12-58	132	131	15	10	nil
Sasimbong	Gill, Arbuthnot & Co. Ltd.	2,164	3.39	2,285	3.31	10	12-58	22	35	nil	nil	nil
Singlet	Hoare Miller & Co. Ltd.	3,407	3.08	2,680	2.75	6	12-58	95	116	nil	nil	nil
Singtom	Goska & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	176	(c) 134	7 1/2	5	5
Sonei River	6% C. P.	4,520	1.63	4,967	1.97	...	12-57	1,30	50	nil	nil	nil
Soom	Directors	3,905	3.49	3,768	3.26	36	12-58	331	279	50	35	40
Sungma	Williamson Magor & Co.	4,580	4.29	4,418	3.49	57	12-58	564	246	15	7 1/2	15
Taipoo	McLeod & Co. Ltd.	5,242	1.89	5,208	1.82	17	12-58	35	40	nil	nil	5
Taan Ali	Gill, Arbuthnot & Co. Ltd.	8,020	2.42	7,735	2.60	39	12-57	397	474	25	30	20
Taan Valley	Davenport & Co. Private Ltd.	4,153	2.81	4,321	2.83	15	12-58	...	90	nil	10	25
Telapara	Duncan Bros. & Co. Ltd.	11,778	2.17	9,753	2.04	38	12-58	601	(f) 181	121	6	15
Telapara	McLeod & Co. Ltd.	9,945	2.35	10,300	2.25	41	12-58	423	249	25	30	35
Telapara	Gill, Arbuthnot & Co. Ltd.	8,507	2.80	7,494	2.76	36	12-58	378	420	15	15	10
Tengani	Shaw Wallace & Co. Ltd.	35,023	1.92	30,308	1.81	71	12-58	753	178	12 1/2	10	12 1/2
Tengani	8% pref. cum as to 5	...	...	...	...	...	...	...	...	...	...	...
Tilkah	Daga & Co. Private Ltd.	8,010	1.89	8,084	2.22	25	12-55	1,40	580	nil	nil	nil
Tirihar	McLeod & Co. Ltd.	...	...	...	...	...	12-57	218	512	30	25	30
Tengani	10% C. P.	...	...	...	...	...	12-56	67	173	10	10	10
Tukvar	Daga & Co. Private Ltd.	9,866	...	9,186	...	26	12-56	11	25	nil	nil	nil
Tyoon	Directors	15,467	2.47	16,082	2.16	46	12-58	562	423	15	30	15

(a) After writing back Rs 60,000 from provision for taxation.
(b) After transferring Rs 1,08,000 from Dividend Equalisation Reserve and Rs 19,068 from Provision for taxation.
(c) After transferring Rs 65,000 from General Reserve.
(d) After writing back Rs 375,257 from Depreciation Reserve.
(e) After transferring Rs 125,000 from Reserve.
(f) After transferring Rs 50,000 from Building and Machinery Reserve.
(g) After transferring Rs 60,000 from Revenue Reserve.
(h) After transferring Rs 25,000 from Revenue Reserve; Rs 72,597 from Depreciation Reserve and Rs 48,794 from Building and Machinery Reserve.
(i) After transferring Rs 25,000 from Revenue Reserve; Rs 121,000 from Building and Machinery Reserve and Rs 15,000 from Hall Reserve.
(j) After transferring Rs 77,795 from Building and Machinery Reserve.

(k) After transferring Rs 55,000 from Revenue Reserve; Rs 98,181 from Depreciation Reserve and Rs 23,380 from Building and Machinery Reserve.
(l) The Indian Estates of The Patrakola Tea Co. Ltd were transferred to this company at book value as on 1-12-1954.
(m) After transferring Rs 30,000 from Revenue Reserve; Rs 71,688 from Building and Machinery Reserve; Rs 27,445 from Replanting Reserve and Rs 10,000 from provision for taxation.
(n) After transferring Rs 68,450 from General Reserve and Rs 50,000 from Tax provision.
(o) After transferring Rs 40,000 from Building and Machinery Reserve.
(p) After transferring Rs 50,000 from Revenue Reserve and Rs 45,000 from Building and Machinery Reserve.
(q) After transferring Rs 79,539 from Depreciation Reserve and Rs 5,000 from Development Reserve.

(r) After transferring Rs 1,00,000 from Revenue Reserve and Rs 1,20,000 from Building and Machinery Reserve.
(s) After transferring Rs 151,220 from Depreciation Reserve; Rs 60,000 from Replanting Reserve; Rs 25,000 from Development Reserve and Rs 20,000 from General Reserve.
(t) After transferring Rs 53,223 from Building and Machinery Reserve and Rs 18,000 from provision for taxation.
(u) After transferring Rs 145,000 from Revenue Reserve and Rs 5,000 from Development Reserve.
(v) After transferring Rs 30,000 from General Reserve and Rs 50,000 from provision for taxation and including Rs 88,623 being dividends forfeited.
(w) After transferring Rs 298,782 from Building and Machinery Reserve and Rs 175,000 from Revenue Reserve.
(x) After transferring Rs 110,000 from Revenue Reserve.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1960 Ra. 00.	March 1959 Ra. A.			General	Others	Carry Forward Ra. 000				Investments	Stocks & Stores Ra. 000	Outstandings Ra. 000	Cash Ra. 000	Others Ra. 000
Kunchanpore	8.50	8.50	10	360	55	55	4	232	644	268	---	302	42	20	---
Kyung Tea Seeds	5.25	5.12	10	200	35	---	1	38	183	2	42	8	39	4	---
Lackatooah	19.75	19.00	10	400	500	296	192	2,181	1,157	393	5	883	540	1,576	---
Ledo	19.25	19.00	10	650	140	726	10	527	1,389	389	188	620	243	1	---
Lingia	20.00	21.00	10	700	150	61	31	705	1,535	686	387	686	197	27	---
6% C. P.	62.00	---	100	506	---	---	---	---	---	---	---	---	---	---	---
Longview	10.12	6.25	10	1,032	600	568	32	1,032	2,623	623	209	871	165	18	---
Loobah	3.25	3.44	10	469	---	58	-112	718	664	107	2	232	247	189	---
Lukwah	---	---	---	800	600	391	441	2,228	1,664	493	1,981	1,140	304	39	---
3% Cum Pref.	---	---	---	475	---	---	---	---	---	---	---	---	---	---	---
Malhati	17.00	15.00	10	900	1,505	605	106	638	2,813	916	422	962	146	329	---
Manabbarie	65.62	66.50	100	200	436	86	3	1,031	705	325	---	321	846	46	---
Manipur	---	---	100	420	210	40	-6.20	8,82	731	1,80	---	326	32	22	2,12
Margareta Hope	14.06	15.06	10	154	---	---	-1.93	454	823	387	2	349	247	304	---
Manonbarrie	---	---	10	800	90	100	7	1,031	1,049	163	2	110	55	3	---
Maud	15.00	14.75	10	1,000	700	550	62	1,031	1,384	388	194	540	137	160	---
Methoni	23.44	21.75	100	159	335	16	5	2,23	2,265	699	95	1,014	306	564	---
Mim	226.00	226.00	100	480	---	30	2	5,00	1,004	2,32	---	4.74	30	16	---
Moheema	13.31	12.87	10	320	---	---	---	---	---	---	---	---	---	---	---
6% C. P.	9.50	9.21	10	150	720	641	50	553	11	10	150	310	136	1,459	---
Murphulani (Assam)	25.87	27.87	100	175	781	---	40	677	1,244	621	2	618	195	416	---
Prad. Ord.	27.62	28.50	10	200	---	---	---	---	---	---	---	---	---	---	---
Naga Hills	22.50	27.37	10	400	311	61	-209	1,136	806	431	583	432	289	18	---
Nagaituree	170.00	143.00	100	960	965	864	20	365	2,635	909	406	912	230	100	---
Nagri Farm	25.25	26.00	10	300	250	175	124	510	688	201	114	322	121	315	---
Namburnadi	13.25	13.50	10	535	175	30	3	691	1,169	509	---	493	275	5	---
New Assam Valley	---	---	225	675	850	151	45	1,169	1,678	503	183	1,214	242	16	---
New Chumta	36.25	38.37	10	300	200	618	60	415	952	358	150	512	171	167	---
New Cinnatollah	114.00	116.00	100	500	---	20	86	758	906	312	---	500	48	76	---
New Doopas	299.00	290.00	100	1,400	2,000	---	---	1,917	2,776	1,130	649	1,622	733	980	---
5 1/2% C. P.	102.50	109.00	100	200	---	---	78	1,441	1,231	---	---	---	---	---	---
New Samanbagh	24.94	21.50	10	100	---	---	---	---	1,231	527	1	507	299	1,416	---
8% C. P.	91.50	101.50	100	149	60	---	50	264	292	132	---	262	18	83	---
Nipulur Tea	149.00	94.00	100	700	500	172	140	845	1,254	320	159	567	673	26	---
North Western Cachar	600.00	500.00	100	100	60	152	13	237	471	249	---	111	39	240	---
Okanyi	79.00	93.00	100	50	---	---	---	---	---	---	---	---	---	---	---
7% C. P.	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Oodlabari	14.50	17.06	10	640	330	247	10	268	1,238	303	2	382	100	76	---
Palthamara	7.00	7.19	10	259	---	---	-223	1,205	654	94	1	619	60	---	---
Patrakola	193.00	142.00	100	3,600	4,525	1,460	184	9,170	6,424	2,585	100	3,947	2,934	8,121	---
Phakotla	150.00	144.00	100	250	185	192	-7	149	571	210	---	266	50	68	37
Poobong	6.94	8.00	10	300	---	---	4	148	612	241	---	107	57	2	---
Pusaibong	10.50	10.12	10	205	113	95	---	173	540	97	48	140	57	15	---
7% C. P.	93.00	99.00	100	205	---	---	-13	173	376	168	1	198	38	10	---
Putinbarre	47.00	50.00	10	100	60	135	---	528	1,521	656	54	778	156	50	---
Rajabhat	18.50	19.25	10	600	577	530	2	620	1,138	492	2	338	204	294	---
Rajgarh	42.50	47.50	10	200	844	42	39	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10	320	100	4	141	638	810	433	1	1,084	106	338	---
Rajner	9.56	9.56	10												

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	REVENUE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Cross Block	Depreciation	LIQUID ASSETS				
	March 1960	March 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Rs. p.p.	Rs. p.p.													
Andhra	24 50cd	22 50cd	10	3,000	1,800	905	23	5,276	9,139	2,875	220	3,174	1,015	331	...
Calcutta	3 4 parts	2 81	5	1,400	120	1,540	59	9,356	4,348	3,235	1,178	6,730	1,621	154	10
East	120 50	120 50	100	1,200	750	2,268	983	6,420	5,581	3,785	2,286	11,193	365	70	...
Ordinary 'B' Class	...	...	10	300	...	...	...	...	...	...	...	...	...	...	...
Belapur	326 50	291 50	50	7,050	75.19	43.24	3,00	9,014	150.48	198.77	22.79	116.52	14.02	87.02	...
Belund	13 00	13 12	7 1/2	1,949	725	100	67	6,600	3,356	2,571	718	4,166	3,183	102	...
Bharat	13 00	13 00	10	1,500	650	756	5	2,529	2,344	1,491	1,366	2,719	945	45	...
5% R.C.P.T	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Bhocal	25 00	26 25	10	1,750	8.87	37	5	8.22	33.04	21.37	3.34	20.53	9.89	1.96	...
5% C.P.	84 50	85 00	100	1,250	...	...	...	...	...	...	...	...	...	...	...
Carew	11 50	8 56	10	3,200	1,260	1,747	14	15,627	15,264	10,544	54	16,561	2,947	502	14
6 1/2% R.C.P.	85 50	36 00	100	800	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	980 00	920 00	1000	1,750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	900 00	100	400	...	...	...	...	...	...	...	...	...	...	...
Cauvery	145 00	107 50	10 1/2	3,983	...	...	...	6,038	1,177	...	...	860	1,466	638	7859
6% C.P.	101 12cd	1 00 00	10	3,000	2,050	4,252	-2,224	8,961	16,483	9,810	264	7,005	2,456	283	427
Cawnpore	15 59	1 61	10	1,000	...	...	...	...	...	...	...	...	...	...	...
8% C.P.	102 00	104 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Champanar	20 00	15 50	10	1,800	1,440	2,865	17	6,440	8,499	6,318	37	9,342	1,578	355	29
Deccan	13 95	11 29	5	3,984	2,100	2,461	150	14,706	11,944	6,695	395	14,528	2,218	1,315	310
7% Preference	6 25	6 00	5	700	...	...	...	...	...	...	...	...	...	...	...
Deoria	10 06	9 56	10	958	143	1,57	-40	5,328	2,648	1,727	1,077	3,707	606	31	103
5% Debentures	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
Dherbhang	18 00	21 12	10	2,600	31.00	2,36	1,12	19.18	57.53	37.24	2.58	36.93	12.89	6.97	...
Dyer Meakin	20 06	14 00	5	1,620	3,500	2,274	26	4,137	4,341	1,518	264	3,950	3,762	1,043	116
E. I. D. (G)	48 00cd	36 50cd	£1	550	1,000	1,75	56	1,275	1,431	781	609	915	800	247	...
7% C.P.	20 00	16 25	£1	200	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 87	19 75	10	2,600	150	3,480	25	3,840	6,972	2,235	2,136	2,667	536	18	...
Ganga Sugar	7 50cd	8 75	10	5,492	1,202	515	20	23,939	13,006	5,509	2,149	15,754	2,772	60	36
Gobind	...	...	...	500	160	57	5	2,792	2,911	1,240	24	2,665	123	31	...
5 1/2% R.C.P.	...	...	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Gwalior	...	...	100	1,594	...	761	9	6,091	4,568	2,788	170	4,956	2,250	473	...
7% R.C.P.	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	...	...	100	540	...	...	...	...	...	...	...	...	...	...	...
Harnagar	...	...	100	250	10.00	1,50	14	63.39	37.63	30.49*	4.86	44.81	27.49	74	...
Ordinary	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Hindustan	216 00	220 00cd	100	6,100	4,662	1,850	43	20,229	21,144	8,621	284	18,201	2,156	121	...
5% C.P.	9 1/2	9 00	100	500	...	...	...	...	...	...	...	...	...	...	...
India	12 50	13 40	10	6,397	337	573	25	9,892	7,860	2,377	3,138	3,148	6,471	84	...
7 1/2% C.P.T	68 25	93 00	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Jagatit Sugar	5 25	5 25	10	1,109	11.54	5.37	9.81	50.08	16.18	15.41	13.75	59.97	2.81	58	...
Jatwant	78 50cd	69 50	100	2,600	1,200	353	73	12,079	12,450	7,379	62	9,825	1,120	93	134
5 1/2% B.C.P.	16 25cd	15 5 00	10	1,630	...	...	...	...	...	...	...	...	...	...	...
Jeyore	100 00cd	93 00cd	100	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	32
7% C.P.	106 00cd	100 00cd	100	200	...	...	...	...	...	...	...	...	...	...	...
K. C.P.	21 00	20 00	100	1,060	...	...	...	...	...	...	...	...	...	...	...
5% R.C.P.	93 00	100 00cd	10	1,052	57.50	23.00	27	195.11	179.03	35.20	25.50	95.18	24.95	2.70	...
Deferred	...	...	10	329	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	70 00	55 00	100	1,197	...	1,649	-19.86	9,083	7,260	2,637	1,912	6,679	462	254	...
5 1/2% C.P.	132 00	115 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	101 50	100	3,400	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	10	2,000	...	...	47	268	2,790	1,730	...	1,193	49	19	...
Modi Sugar	...	...	10	7,339	1,240	895	83	6,146	12,360	5,689	44	6,766	2,133	490	...
Mohini	3 06	2 00	10	1,000	...	216	-2,646	8,769	5,516	1,831	20	2,117	1,476	23	44
Founders	...	...	1	25	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	70 00	70 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Murree Brewery	...	...	10	2,400	6.13	2.00	-7.88	5.52	7.56	39	4.84	6.87	4.28	4.56	2,050
Mysore	58 50	51 50cd	10	2,179	6,250	3,023	144	13,313	15,731	9,618	4,018	9,700	4,149	616	204
Nawabganj	60 00	60 00	100	1,200	550	910	739	3,524	5,622	3,052	1,660	1,537	1,619	434	453
'B' Class	...	...	1	500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	50	1,000	...	...	...	...	...	...	...	...	...	...	...
New India	29 12	26 12	10	789	2,150	719	6	5,441	5,291	3,083	1,684	4,202	1,957	109	...
5 1/2% R.C.P.T.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
7 1/2% C.R.P.P.	150 00	92 00	100	49	...	...	...	...	...	...	...	...	...	...	...
New Sarn	5 25	5 06	10	1,100	2.75	178	3	561	4,909	2,920	57	...	50	21	...
Nizam Sugar	...	...	25	10,917	5,252	3,105	102	47,825	29,270	17,639	343	39,772	16,404	2,162	681
5% C.P.	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
4% C.P.	...	...	50	5,000	4,074	1,793	150	11,343	11,877	7,042	207	8,503	4,720	4,003	25
Phaltan Sugar	169 50	80 00	100	1,200	270	957	11	4,161	3,642	2,166	1,251	2,977	580	61	251
Punjab Sugar	80 00	12 12	10	900	200	1,764	16	2,414	4,388	3,294	35	2,711	1,703	39	312
Purtapore	12 00	13 00	10	600	...	...	...	...	...	...	...	...	...	...	...
10% C.P.	13 75	21 31	10	1,660	1,825	2,008	20	3,701	7,292	3,626	...	5,650	330	12	558
Ramnugger Cane	21 87	21 31	10	1,660	1,825	2,008	20	3,701	7,292	3,626	...	5,650	330	12	558
6% C.P.	92 00	89 50	100	400	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	500	595	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	1 45cd	2 65	10	1,175	...	114	-285	3,148	3,242	2,324	10	3,073	155	34	...
9% C.P.	...	...	100	39	...	...	...	...	...	...	...	...	...	...	...
Revadgaon Sugar	122 00x1	125 00	50	2,000	11.00	25.27	68	41.30	95.61	56.01	14.75	84.58	2.71	1.21	...
4 1/2% Cum Pref.	64 50	69 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00	30 00 N	10	400	...	...	...	...	...	...	...	...	...	...	...
Debenture	495 00	625 00	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	13 14	13 50	10	6,390	1,843	902	7	6,290	8,710	3,413	1,697	5,152	2,845	255	...
Ryan	15 94cd	19 00	10	800	150	500	1	5,537	2,927	2,393	2 0	4,252	1,53	539	...
6% C.P.	8 40cd	9 00	10	800	...	...	...	...	...	...	...	...	...	...	...
Somastipur	13 25	12 06	10	1,199	315	1,342	21	3,489	4,813	2,603	...	3,527	500	126	30
Shidial	...	...	100	857	1,100	1,319	228	14,931	12,580	5,554	816	8,749	1,986	58	513
5% C. preference	...	...	100	641	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	11 00	10 25	10	2,000	...	2,239	4	3,712	4,819	1,682	1,543	1,299	908	16	...
Debentures	...	...	...	500	...	...	...	...	...	...	...	...	...	...	...
Shree Chandee	28 75	31 10	12 1/2	3,750	1,500	165	2	5,821	7,912	5,351	1,396	6,051	992	129	100
Shree Hanuman	16 00	14 65	10	2,500	50	1,050	12	5,080	6,446	3,441	66	4,765	1,524	331	...
5% C.P.	55 00	60 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanodaya	13 69	10 75	10	3,999	2,100	663	41	12,263	13,634	8,052	860	12,665	2,639	40	51
6% 'A' Pref.	85 00	81 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	72 00	65 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures	...	...	...	1,500	...	...	...	...	...	...	...				

ELECTRIC

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowances and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Pre- vious	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Dishergarh Power	Andrew Yule & Co. 5% 'A' C. P. 41% 'B' C. P.	...	6,625	...	5,608	118	3-59	1,222	1,056	7½	7	6½
Ellore Elec. Supply	Chandrie & Co.	1,608	3,20	14,65	2,91	14	3-54	68	63	7½	7½	6½
Ganepore Elec. Supply	Macneill & Barry 4% Debentures	...	6,679	...	6,151	91	3-59	1,106	1,245	10	10	7½
Gudwada Elec. Supply	Mechel Engineering Co.	...	1,66	...	1,18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Moona Lall & Sons 6% Debentures	27,23	9,42	21,85	7,82	32	12-53	1,47	1,38	6½	8½	8½
Jorhat Elec. Supply	K. N. Himatsingha & Co. 6% C. P.	...	1,37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	Martin Burn Ltd.	32,109	3,588	28,096	2,869	140	3-58	(a) 958	(b) 604	9'20	9'20	9'25
Kanadukathan	Directors	...	1,93	...	2,14	...	3-56	82	88	3	3	3
Karikkal Elec. Supply	A. S. Ahilandam	958	1,87	883	1,75	13	3-59	49	41	8	8	7
Kumbakonam Elec. Supply	India Company Private 6% Cum. Pref.	7,657	1,264	7,343	1,186	24	3-59	460	426	9	10	12½
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36,50	10,02	34,22	9,37	42	3-56	2,36	1,44	10	10	10
Mirzapur Elec. Supply	Directors	2,293	641	2,047	577	...	3-59	109	105	5	8	10
Moudaerpore Elec. Supply	Octavius Steel & Co.	3,927	1,301	3,513	1,162	41	3-59	224	275	10	10	10
Muttia Elec. Supply	Directors	36,26	641	31,87	5,39	...	3-56 H	1,62	1,23	7	6	6
Nadad	Sonyala Co. Private 6% C. P.	...	624	...	529	27	3-59	169	146	9	7½	...
Nasik Dealali	Rajputana Textiles Agency 7% Cum. Pref.	7,019	1,689	6,563	1,622	54	3-59	436	361	6	6	6
Nagapatam Elec. Supply	India Co. Private Ltd. 6% C. P. 44% Debentures	5,431	535	4,993	500	12	3-59	156	157	7½	8	...
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	35,279	4,861	32,980	4,455	122	3-59	(b) 1,285	1,456	7½	7½	10
Poona Electric	Rajputana Textiles Agency pri. 7% Cum. Pref. 6% Debentures	73,202	5,677	76,754	6,324	144	3-59	(r) 1,397	(s) 1,137	8	7½	nil
Saharanpur	Directors	...	5,87	...	781	...	3-59	113	96	6	5	...
Salem Erode Elec'ty	Partly Paid Octavius Steel & Co. 6½% R. C. P.	26,354	2,364	25,596	2,254	73	3-59	319	452	10	10	10
Saugor Elec'ty Supply	Martin Burn Ltd.	1,678	547	1,906	621	36	3-58	98	101	5	6½	6½
Shahjahanpur Elec. Supply	Octavius Steel & Co.	3,341	850	2,845	773	37	3-59	185	187	5	5	5
Shilong Hydraulic	Development of Industries Partly Paid	...	6,00	...	5,31	40	6-55	2,20	2,04	6	6	6
Sijona (Jheriah) Elec. Supply	Bird & Co. pri Ltd. 5% Debentures	...	6,392	...	5,927	98	3-59	543	566	7½	6½	7½
South Arcot Elec'ty	Directors 6% C. P. 5½% C. P.	21,265	1,788	17,425	1,427	...	1-254	366	272	6½	6½	6½
South Madras Electric	Sashasayee Bros Private Ltd. 51% 1st C. P. 54% 2nd Pref 4% Debentures 5% Debentures 5½% Debentures	81,763	6,929	83,689	6,660	80	3-59	(m) 1,983	1,625	9	8½	12
Surat Elec'ty Co.	Killick Industries Ltd. 61% C. P.	...	7,551	...	7,106	143	3-59	1,483	1,271	7	7	7
Tata Hydro Electric	Tata Hydro, Elec. Agencies Pri. 7% C. P. T.	...	15,353	...	11,830	467	3-59	(a) 7,725	(j) 4,783	8	8	5'52
Tata Power Co.	Tata Hydro, Elec. Agencies Pri. 7½% C. P. T. 4% Debentures 4% Debentures	...	32,144	...	30,293	678	3-59	(p) 13,251	(k) 10,971	8	8	5'62
Tinnevely Tuticorin Elec....	Octavius Steel & Co. 61% R. C. P	19,847	1,790	18,220	1,708	58	3-59	(i) 416	389	10	10	10
United Provinces Elec.	Martin Burn Ltd. 41% Debentures	80,042	9,715	75,694	9,098	155	3-58	(a) 2,224	2,142	10	10	10
Upper Ganges Valley	Martin Burn Ltd.	11,902	1,943	11,960	2,076	57	3-58	284	287	18	12½	9½
Upper Jumna Valley	Martin Burn Ltd.	16,685	2,706	13,602	2,244	...	3-58	400	310	12½	12½	12½
Vellore Elec. Corpn.	Chandrie & Co. Private 6% C. P.	106,03	9,24	87,02	7,68	37	3-56	2,77	1,95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5½% C. P	116,22	10,92	120,77	11,89	58	3-53	2,60	2,51	10	10	7½

(a) After transferring Rs 60,000 from Deferred Taxation Reserve, other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

(b) After transferring Rs 179,837 from Tariffs and Dividend Control Reserve.

(c) After transferring Rs 3,814 from General Reserve.

(d) After transferring Rs 8,80,000 from Dividend Control Reserve;

other contingencies no longer required and Rs 30,000 from Deferred Taxation Reserve.

(e) After transferring Rs 180,000 from Deferred Taxation Reserve and Rs 189,298 from Tarriff and Dividend Central Reserve.

Central Reserve.

(g) After writing back Rs 44,000 from Deferred Income Taxation Reserve and Rs 17,300 from provision for taxation.

(b) Includes Rs. 445,150, balance

(i) After transferring Rs 75,000 from Deferred Tax

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1960	March 1959			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Other
	Ra. np.	Ra. np.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Disbargarh Power ...	67 00	74 50	100	4,320	2,000	163	377	2,173	8,009	3,586	3,575	1,044	711	71	8
5% 'A.C.P.	78 50	69 50	100	1,600											
4 1/2% 'B.C.P.	75 00	79 50	100	1,200											
Ellore Electric Supply ...	10 35	11 15	10	300		37	4	2.33	6.26	1.73	18	75	61	67	1
Gorepore Electric Supply	...	...	100	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,009	1,583	51	...
4% Debentures	850 00	840 00	1000	2,500											
Gudwada Electric Supply	...	...	100	118		3	3	1.03	2.01	62	6	23	38	18	1
Jhansi Electric Supply ...	6 00ad	6 62	10	535		29	3	9.71	21.44	9.16	5	2.98	4.18	25	...
5% Debentures	850 00 N	850 00 N	1000	380											
Jorhat Electric Supply ...	...	...	10	250		8	-17	1.48	5.88	2.44		32	82	17	1
6% Cum Preference	...	...	100	50											
4% Debenture	...	...	...	35											
Jubbulpore Electric Supply	13 75	13 25	10	2,250	1,175	1,352	29	4,085	9,831	3,584	169	890	1,312	145	127
Kanadukathan	...	...	500	500		1	10	2.14	8.92	4.35	57	81	62	11	56
Karalkhal Electric Supply	9 95	9 90	10	210		54	27	353	538	152		137	98	23	...
Kumbakonam Elec. Supply	10 70	12 12	10	1,500	75	455	2	2,009	4,804	1,486	85	390	246	253	...
6% Cum. Pref.	9 60	9 45	10	250											
Mangalore Electric Supply	...	...	10	560	28	3,09	57	5.49	20.16	8.99	56	1.92	1.35	1.41	...
5% Debentures	...	...	500	137											
Mirzapur Electric Supply	7 00	5 06	9	495	125	99	39	386	1,310	640	29	231	133	80	...
Mozafferpore Elec. Supply	7 62	8 00	10	582	183	210	9	2,402	3,633	1,233	28	368	365	135	90
Muttia Electric Supply	9 12	8 34ad	10	700	60	1,06	15	5.92	14.28	6.97	1,33	1.62	1.63	2,77	...
Nadiad	54 00	61 50	50	250		359		414	1,345	332	14	91	1,23	86	26
6% C. P.	39 00	42 50	50	310											
Nasik Deolali	105 00	72 00	100	1,168		1,000	1	1,424	4,237	1,460	222	394	286	348	28
7% Cum Pref.	91 50	100 00 N	100	100											
6% Debenture	...	...	...	1,000											
Neopatnam Electric Supply	10 00	10 37	10	498		170	1	368	1,436	520	53	107	158	103	...
6% C. P.	9 50	9 00	10	100											
4 1/2% Debentures	...	...	100	200											
Patna Electric Supply	10 81	12 10	10	3,507	2,605	1,440	79	4,628	14,185	5,606	439	2,168	2,367	527	...
5% Debentures	450 00	450 00	500	2,000											
Poona Electric	112 25	113 75	100	4,889	17	962	3	7,000	14,803	5,738	2,289	466	1,103	1,001	148
7% Cum Pref.	101 00	101 00	100	400											
6% Debentures	...	...	...	800											
Sahasrampur	...	...	100	469		93	4	872	1,415	570	181	158	227	6	...
Partly Paid	...	...	10	28											
Salem Eorelectricity	12 50	13 00	10	880	601	546	28	2,299	4,936	1,761	264	465	387	453	...
6 1/2% R. C. P.	9 24	9 90	10	409											
Sejpur Electric Supply	...	...	10	300	142	69	2	971	1,431	329	24	248	51	52	1
Shahjahanpur Elec. Supply	6 80	8 81	10	910	165	52	37	636	1,120	545	154	398	535	124	1
Shillong Hydraulic	4 96	5 50	2	773	1,66	1,56	60	911	21,61	9,00	21	53	3,02	88	3,4
Partly Paid	...	...	...												
Sijua (Jheriah) Elec. supply	10 56	10 32	10	1,680	224	980	7	1,383	6,693	4,376	312	1,151	926	387	32
5% Debentures	910 00	910 00	1000	1,200											
South Arcot Electricity	...	...	100	1,674	1,10	88	15	36,27	53,94	13,65	3,19	5,57	2,91	1,01	6,1
6% Cum Preference	...	...	100	200											
5 1/2% Cum Preference	...	...	100	200											
South Madras Electric	10 10	12 10	10	5,600		1,140	5	8,652	19,603	6,106	1,196	2,182	1,830	19	...
5 1/2% Cum Preference	9 97	9 15	10	2,200											
5 1/2% 2nd Cum Preference	9 40	8 39	10	800											
4% Debentures	90 00	90 00	100	200											
5% Debentures	93 50	93 50	100	100											
5 1/2% Debentures	95 00	95 00	100	200											
Surat Electric Co.	97 50	111 50	100	6,062	454	1,880	5	3,835	14,351	4,680	375	1,231	1,049	340	7
6 1/2% Cum Preference	101 00	111 00	100	500											
Tata Hydro Electric	102 00	120 00	100	23,999	5,221	3,775	25	30,148	68,399	17,569	4,342	3,010	5,895	197	7,82
7% C. P. T.	100 50	116 00	100	8,928											
Tata Power Company	1041 25	1182 50	1000	51,536	10,360	12,282	29	60,243	167,367	36,050	3,600	8,733	10,121	1,272	15,9
7 1/2% C. P. T.	1100 00	1121 25	1000	8,973											
4% Debentures	867 50	867 50	...	4,773											
5% Debentures	990 00	1001 00	...	25,000											
Tinnevely Tutcorin Elec.	12 37	12 50	10	970	439	266	30	1,683	4,332	1,618	254	436	325	116	...
6% R. C. P.	9 57	9 50	10	450											
United Provinces Electric	131 00	137 00	100	3,600	2,190	4,898	83	12,375	32,303	12,897	974	3,665	2,972	813	31
4 1/2% Debentures	90 00	90 00	100	3,000											
Upper Ganges Valley	16 50	13 75	10	598	243	224	9	1,800	2,109	936	92	464	522	415	1
Upper Jumna Valley	18 75	16 75	10	500	500	489	34	2,080	3,055	986	115	463	590	341	2
Wellore Elec. Corporation	11 50ad	13 75	10	400	48	1,57	1,45	16,94	24,17	6,57	63	7,46	2,16	2,76	...
6% Cum Preference	6 75	7 05	10	125											
West Coast Electric	12 50	13 75	10	1,000		1,67	52	15,16	26,59	6,42	45	3,25	2,68	1,41	1,8
5 1/2% Cum Preference	7 00	7 10	10	250											

(j) After transferring Rs 200,000 from General Reserve and including Rs 146,772 being Revenue of previous years and Re 8,489 being excess debits in previous periods.

(1) After transferring Rs 485,000 from General

Reserve.

(m) After transferring Rs 173,890 from Tariff and Dividend Control Reserve.

(n) After transferring Rs 75,000 from General Reserve and Rs 19,000 from Tariff and Dividend Control Reserve.

(o) After transferring Rs 452,716 from General Reserve.

(p) After transferring Rs 1,462,659 from General

(q) After transferring Rs 100,000 from General Reserve.

(r) After transferring Rs 131,536 from Tariffs and Dividend Control Reserve and Rs 60,081 from excess provision.

(s) After transferring Rs 129,091 from Tariffs and Dividend Control Reserve

(8) After transferring, Rs. 72,022 from Reserve for

SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	CROP HARVESTED			Sales Ra. 000	Stocks Ra. 000	Managing Agents' Commission Ra. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea 000 lbs.	Coffee 000 Cwts.	Rubber 000 lbs.					Latest Ra. 000	Previous Ra. 000	Latest	Previous	2nd Previous
Alageswar	Ramani & Co.	393			1,008	93	7	6-59	116	139	7 1/2	10	10
Amalgamated Coffee	Directors				1,492	495		3-59	290	251	7 1/2	6	4
	6% Cum. Pref.												
	5 1/2% Debentures												
Anandam	A. V. George & Co.	285		114	587	52	8	12-58	106	115	10	15	20
	7% C. P.												
	6% Debentures								10		7	7	7
Anapalai	Associated Planters Private		10		1,191	1,603	65	6-59	620	481	25	35	40
	6% Debentures												
Aethala	R. N. Kapur & Co. Ltd.	2,86			4,35	76		3-59	40	14	nil	nil	nil
	6% C. P.												
Athimattam	M. Sebastian			62	89	3		2-56	34	24	5	3 1/2	3 1/2
	6% Debentures												
Bababudin	A.V. Thomas & Co. (Mysore)		3		571		13	6-59	132	130	12 1/2	25	25
	6% C. P.												
Badra	Young India Agencies Private				400	508	16	5-59	164	155	17 1/2	17 1/2	17 1/2
	7 1/2% R. C. P.												
Balanoor	Young India Agencies Private	464	3	41	1,274	521	27	3-59	336	322	15	17 1/2	17 1/2
	7 1/2% C. P.												
Balmadies	Planting Agencies Pri		1		286		4	5-59	50	134	7 1/2	12 1/2	12 1/2
	6% C. P.												
Be Be	Mg. Director			360	610	27		3-59	152	168	5	5	5
	6 1/2% C. P. T.												
	6 1/2% R. C. P. T.												
Blue Mountain	Kothari & Sons Agencies Pri...	1,277	11		5,460	203	85	6-59	907	2,026	12 1/2	12 1/2	12 1/2
	Directors	332	1	3 1/2	724	193		6-59	111	(b) 235	12 1/2	15	15
	7 1/2% Cum. Pref.												
Chembra Peak	Peirce Leslie & Co. Ltd.	1,686			3,290	962	45	3-59	649	(a) 428	15	10	20
	7% C. P.												
Cochin Malabar	Peirce Leslie & Co Ltd				4,743	1,269	120	2-59	1,626	1,076	15	10	15
	7% C. P.												
Coffee Lands	Consol Coffee Estates		1		6,048	410	2	6-59	1,601	1,469	25	20	40
	5% C. P.												
Consolidated Coffee	Mg. Director				11,908	115		6-59	4,710	3,605	25	20	40
	6% C. P.												
Coonor Tea	Matheson Bosanquet & Pvt.Co.	334			1,063	91	19	9-58	259	247	20	20	17 1/2
	6% C. P.												
Coorg Tea	Srinivas Agencies	412			715	167	20	3-59	208	135	20	20	30
	6 1/2% R. C. P.												
Cottanad Plantations	Associated Planters pri.	158		52	603	206	18	3-59	112	137	15	15	17 1/2
	7 1/2% C. P. P.												
Cowcoody	Peirce Leslie & Co.				472	174	9	6-59	126	475	25	65	50
Dornahole	Mg. Director	384			897	161		12-58	341	(i) 201	25	17 1/2	25
Devon	Young India Agencies Private	313	1		740	263	9	3-59	110	147	15	17 1/2	17 1/2
	7 1/2% C. P.												
Emerald Valley	Parkins Private Ltd.	128			262	64	8	12-58	75	38	6	6	10
	Young India Agencies			64	123	29	6	12-58	59	48	6	6	7 1/2
Global Rubber													
Haileyburia	Parkins Private Ltd.	2,269			3,341	923	109	12-58	1,079	875	20	15	25
	5% C. P.												
	5 1/2% Debentures												
Highland	A. V. Thomas & Co.	1,271		11 1/2	2,544	237	56	12-58	557	472	15	7 1/2	20
	6% C. P.												
Kadur	Young India Agencies Private				111	109	2	5-59	18	41	7 1/2	7 1/2	7 1/2
	6 1/2% C. P.												
Kaliba	A. V. George & Co.			952	1,484	222	60	2-59	588	682	20	25	25
	6% Debentures												
Kalasa	Peirce Leslie & Co.	507			986	144	17	3-59	270	(d) 208	15	12 1/2	15
	7% Debentures												
Kalpotta	A. V. Thomas & Co.	318		272	1,111	145	18	4-59	202	192	12 1/2	10	20
Karikode Rubber	E. I. Agencies Private			151	232	54	8	12-58	56	40	10	10	12
	6% Cum Pref												
	5% Debentures												
Kil Kotagiri	Peirce Leslie & Co.	890	47		2,609	313	68	10-59	897	949	35	15	15
	6% C. P.												
Kumergode	Peirce Leslie & Co. Ltd.		5		771		16	10-59	220	252	20	20	25
	7 1/2% Debentures												
Kurchemala	Ipo Oommen & Co. Pr. Ltd.	258	149		470	132	21	3-59	204	111	8	6 1/2	7 1/2
	6 1/2% Cum Pref.												
Lucky Valley Tea	Matheson Bosanquet & Co. Pri.	236			624	111		12-58	163	79	10	10	10
Malabar Agricultural Co.	Vimons Private Ltd.	603			1,170	136	15	3-59	33	...	...	...	...
	6% C. P.												
Malabar Industrial	Mg. Director	71		314	593	8		2-59	76	98	7 1/2	10	22 1/2
Malankara	Johnson's Estates & Agencies	152		685	1,157	92	40	3-59	519	534	16	17	22 1/2
Musar	Vasanth & Co. Private				107	13	6	3-59	9	74	5	12	9
Manimala	Ruby Industries Private				29	3	6	12-58	26	34	nil	5	5
	5% C. P.												
	6% Debentures			270	301	204	13	6-59	128	116	20	20	15
Marutha	Associated Planters Private												
	6% Preference												
Midland	A. V. Thomas & Co Ltd.	1,525		900	4,555	395	78	3-59	1,950	1,024	10	10	20
	6% C. P.												

(a) Cardamom.

(a) Arrears of Preference dividend from 1-6-1947 to 31-3-1958 at the rate of Rs. 5.35 per preference shares amounting to Rs. 2,14,000. will be paid by the issue of one new preference share for every two preference shares already held, and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	March 1960 Rs. np.	March 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Alageswar	2 60	2 65	2	600	530	61	8	375	1,648	388	65	165	190	93	...
Amalgamated Office	14 50	13 60	10	675	...	112	57	668	1,775	241	...	916	91	46	...
6% C. P.	8 75	8 10cd	10	600	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	495 00	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	15 10	17 15	10	250	...	574	20	214	1,283	99	6	74	36	8	...
7% C. P.	8 30	9 00	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	100	123	...	...	...	...	...	...	...	...	...	...	...
Anaparai	5 00cd	4 95cd	2	1,208	228	...	28	2,352	1,928	192	259	1,656	520	29	...
4% Debentures	96 50	97 00	100	384	...	...	...	...	...	...	...	...	...	...	...
Arthala	4 00	4 00	5	300	...	11	119	1,360	992	148	723	115	49	11	10
6% C. P.	9 20	9 20	10	200	...	...	...	...	...	...	...	...	...	...	...
Athimattam	1 25	1 10	2	325	...	50	3	55	370	17	...	5	49	27	...
Bababuddin	9 65cd	14 50	5	200	270	208	8	151	717	99	...	401	18	26	...
6% C. P.	8 35cd	8 35	10	300	...	...	...	...	...	...	...	...	...	...	...
Badra	3 97	4 25	2	425	250	102	36	477	827	74	12	514	15	147	...
7 1/2% C. P.	9 27	9 62	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	17 65	21 00	10	1,099	376	110	5	561	1,651	310	22	586	307	341	...
7 1/2% C. P.	11 00cd	11 25	10	250	...	...	...	...	...	...	...	...	...	...	...
Balmadica	2 45	3 35	2	300	150	85	2	66	424	43	34	6	105	151	...
6% C. P.	8 80	7 90	10	75	...	...	...	...	...	...	...	...	...	...	...
Ba Be	3 70	3 62	5	866	...	336	1	225	1,336	...	268	52	30	20	150
6 1/2% C. P. T.	2 76	3 03	5	143	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R. C. P. T.	6 02	6 44	10	286	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	3 46	3 63	2	5,250	1,100	1,068	179	2,166	7,586	1,218	13	417	1,699	1,265	...
Chandramala	2 87	3 07	2	850	550	7	...	303	1,515	303	...	177	137	22	...
7 1/2% C. P.	2 15	2 12	2	137	...	...	...	...	...	...	...	...	...	...	...
Chembra Peak	4 50	4 10	2	933	1,450	30	76	644	2,470	740	1	241	967	101	...
Cochin Malabar	7 67cd	6 23cd	3	2,691	2,025	...	15	1,514	5,055	698	...	1,559	314	128	...
7% C. P.	52 50	46 70	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	24 00	23 35	10	2,250	2,600	259	128	2,490	5,062	1,130	117	1,014	3,420	485	...
8% C. P.	84 50	80 00	100	1,041	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	22 90	21 35	10	7,155	5,775	603	80	7,056	15,168	3,594	796	1,358	8,152	664	...
6% C. P.	25 50	26 00	25	1,875	...	...	...	...	...	...	...	...	...	...	...
Conoor Tea	27 50cd	26 50	100	378	313	946	22	347	2,126	140	3	118	15	34	...
6% C. P.	91 75cd	98 00cd	100	150	...	...	...	...	...	...	...	...	...	...	...
Coory Tea	5 85	5 25	2	480	...	57	413	4	304	1,089	195	11	275	108	221
6 1/2% R. P.	4 69	4 62	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	14 67	15 25	10	400	80	487	3	369	1,243	60	1	244	104	10	...
7 1/2% C. P. P.	10 25	10 75	10	106	...	...	...	...	...	...	...	...	...	...	...
Cow Cuddy	6 13	7 40	2	409	175	...	29	410	272	60	15	232	15	529	...
Devashola	32 55	27 12cd	10	600	455	40	6	323	1,211	308	131	168	25	195	...
Devon	17 50	18 00	10	449	250	105	38	314	1,037	211	10	315	112	95	...
7 1/2% C. P	105 00cd	104 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	7 00xrs	8 12	5	350	125	8	3	97	369	60	...	87	12	175	...
Gokul Rubber	1 75cd	1 45cd	2	450	20	...	1	67	377	14	115	34	4	23	...
Haileyburia	15 75	18 75	10	1,875	850	1,013	19	2,032	4,515	832	4	1,451	294	836	...
8% C. P.	72 50	70 00	100	250	...	...	...	...	...	...	...	...	...	...	...
8 1/2% Debentures	...	...	1000	230	...	...	...	...	...	...	...	...	...	...	...
Highland	14 25	12 00	10	1,800	481	518	21	678	3,013	640	416	401	219	389	...
6% C. P.	8 45	9 05	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 84	2 95	2	120	30	12	4	93	163	4	...	131	4	15	...
6 1/2% C. P.	6 84	7 17	10	50	...	...	...	...	...	...	...	...	...	...	...
Kalais	5 50	5 21	2	1,185	578	400	33	620	2,964	237	16	254	5	415	...
6% Debentures	500 00	500 00	500	600	...	...	...	...	...	...	...	...	...	...	...
Kalais	4 30	3 95	2	600	600	114	68	245	1,405	282	...	282	28	412	...
7% Debentures	502 50	502 50	500	218	...	...	...	...	...	...	...	...	...	...	...
Kaipetta	12 75	13 50	10	800	533	261	7	771	2,049	337	22	277	140	223	...
Karimoda Rubber	9 50	10 25	10	150	...	125	6	94	526	30	15	58	32	28	...
5% Cum Prof.	7 50	7 33	10	200	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	100 00	100 00	...	55	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	6 00cd	8 75cd	2	859	1,425	470	28	868	3,275	465	...	599	30	479	...
6% C. P	9 72	9 10	10	250	...	...	...	...	...	...	...	...	...	...	...
Kumrappa	6 00cd	5 50	2	400	300	...	13	220	964	146	...	172	7	29	...
7 1/2% Debentures	502 50	502 50	500	94	...	...	2	264	1070	94	1	146	31	16	...
Kurchimala	8 75	7 00	10	345	...	430	...	...	...	...	...	...	...	...	...
6 1/2% Cum Prof.	6 37	7 12	10	130	...	...	...	...	...	...	...	...	...	...	...
Lucky Valley Tea	13 00cd	12 75	10	500	36	...	30	460	904	47	...	134	24	...	3
Malabar Agricultural Co.	7 50	8 55	10	500	180	100	130	1,004	2,149	213	1	163	52	8	...
6% C. P.	16 56	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	12 85	15 50	10	458	61	101	1	360	728	39	45	42	147	50	...
Malankara	18 60	18 25	10	1,350	165	312	11	543	2,094	371	...	135	8	514	...
Manar	2 45	2 76	2	350	...	17	1	29	343	17	6	15	3	47	...
Manimala	8 75	8 75	10	400	...	...	28	114	775	7	...	5	...	6	8
5% C. P.	9 00	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	1000 00	1000	100	...	...	...	...	...	...	...	...	...	...	...
Mercara Rubber	10 35cd	8 65	5	325	250	...	12	214	762	11	...	237	15	48	...
6% Preference	8 25cd	7 71	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	13 00	12 60	10	4,050	310	1,370	34	1,787	8,824	1,108	201	906	374	72	...
6% C. P	8 40	8 25	10	1,720	...	...	...	...	...	...	...	...	...	...	...

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NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales	Stock	Managing Agents allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT			
		Tea	Coffee	Rubber					Latest	Previous	Latest	Previous	2nd Previous	
		000 lbs.	000 Cwts	000 lbs	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000	Latest	Previous	Latest	Previous
Miamala	Directors 74% C. P.	34			878	91		3-59	198	162	20	15	18	7
Mysore Amalgamated	Prakash Agencies Private 6% C. P.				290		5	3-59	53	46	10	10	10	7
Mysore Coffee	Pavan & Co. (Private)				882		24	6-59	212	157	15	15	15	6
Mysore Plantations	Mg. Director 6% C. P.	120	2		434	179		3-59	61	84	6	6	6	6
Neelamalai	A. V. Thomas & Co 5% C. P.	1,147	2		3,622	1,971	45	6-59	(a) 571	809	74	74	74	7
Neelampathy	A. V. Thomas & Co. Ltd. 6% C. P.	746		83	1,902	301	30	6-59	230	492	10	15	20	6
Neelithanam	Directors 7% C. P.			67	176	21		3-59	30	58	7	10	12	7
Nemmeny	A. V. George & Co. 7% C. P.			5,34	7,59	2,45	21	12-58	2,00	1,61	15	7	15	7
New Glen Morgan	Ramu & Co. Private	4,15			3,86	78	23	12-58	94	2,21	10	15	15	6
Nilambur	Associated Planters (Private) 6% C. P.			235	393	64	9	12-58	96	80	6	6	6	6
Nilgiri Tea	Debtentures A. V. George & Co. 61% C. P.	975			1,912	266	18	3-59	198	310	5	6	6	6
Nonsuch Tea	6% Debtentures Harrisons & Crossfield	1,020			3,300	805	55	6-59	1,097	1,557	20	35	20	6
Orsooe	Peirce Leslie & Co. 5% Debtentures				601	230	28	3-59	139	331	15	13	13	13
Oochterlony	Peirce Leslie & Co. Directors	1,219	10		5,452	1,188	40	10-58	(b) 336	(11) 615	10	30	10	10
Panchura	Math. Bosanquet & Co. Parkside	162	131		98	159		6-59	125	68	40	25	37	17
Peermade	Aspinwall & Co. (Trav.) Ltd. 6% C. P.	2,093			2,202	330	58	6-59	837	914	27	25	37	17
Perinamalar	Directors		16	342	637	244		12-58	(a) 608	901	168	6	6	6
Periakaramalai	Peirce Leslie & Co. Ltd.	4,874	2		10,718	1,837	145	2-59	378	208	20	15	25	6
Periyar & Parakkanni	E. I. Agencies Private Ltd. 74% R. C. P.			3,23	5,11	1,46	15	3-59	2,017	2,133	12	10	35	6
Periyar & Parakkanni	64% Debtentures							12-56	1,64		12			
Periyar & Parakkanni	Directors			57	102	15					7			
Periyar & Parakkanni	61% C. P.							7-59	39	38	nil	5	6	6
Periyar & Parakkanni	Aspinwall & Co. Ltd.			648	892	140	14	3-59	243	186	5	14	5	5
Periyar & Parakkanni	6% C. P.					62	51	3-59	514	624	10	10	10	10
Periyar & Parakkanni	Ruby Co. Private	2,65		141	1,910									
Rajagiri	A. V. Thomas & Co. Ltd. 6% C. P.			1,435	2,099	196	93	6-59	859	927	20	20	20	6
Rajendra Coffee	Associated Planters Private 6% Cum. Pref.		3				18	3-59	174	166	50	40	25	6
Rajendra Coffee	54% Redeem Cum. Pref.										6	6	6	6
Rajendra Coffee	Paten Sencoces 7% Cum Preference		5		312	359		3-59	288	449	9	9	9	9
Rajendra Coffee	7% Debtentures										7			
Rajendra Coffee	Peirce Leslie & Co. A. V. Thomas & Co. (India) Ltd.		4	490	4,50	7,47	14	11-58	193	137	15	15	15	15
Rajendra Coffee	T. Stanes & Co. Ltd.	653			1,437	150	16	6-59	300	2,09	7	8	10	14
Rajendra Coffee	54% Debtentures							6-59	222	328	6			
Rajendra Coffee	Directors				104			3-59	9	6	7			
Rajendra Coffee	64% Debtentures													
Rajendra Coffee	Srinivas Agencies 6% C. P.	733			1,273	366	24	3-59	(n) 201	(k) 191	5	6	10	6
Rajendra Coffee	East India Agencies Private 6% C. P.			431	660	68	12	3-59	173	186	6	6	6	6
Rajendra Coffee	64% Debtentures													
Rajendra Coffee	A. V. George & Co. 64% C. P.			241	3,62	65	15	12-58	1,43	1,66	30	30	30	6
Rajendra Coffee	Peirce Leslie & Co. 71% Debtentures			710	1,160	3,42	28	9-58	3,86	1,95	10	5	12	6
Rajendra Coffee	Directors			482	702	134		12-58	138	183	10	15	38	7
Rajendra Coffee	Aspinwall & Co. (Trav.) 6% C. P.	1,180		1,058			16	12-58	780	(a) 261	5	6	6	6
Rajendra Coffee	Typical Plantations Twyford	562		592	1,803	148		12-58	391	252	6	4	12	20
Rajendra Coffee	1,213				1,655	517	26	12-58	296	362	15	15	20	20
Rajendra Coffee	A. V. George & Co. 7% C. P.	304			4,38	50	5	12-58	35	31	7	6	7	7
Rajendra Coffee	64% Debtentures													
Rajendra Coffee	T. Stanes & Co.	1,427			4,045	2,88	101	3-59	1,334	1,087	15	16	17	17
Rajendra Coffee	Directors			4,67	6,41	1,14		12-58	(1) 4,57	4,04	30	35	35	6
Rajendra Coffee	Padinjarek Bror. 54% Debtentures	74		2	181	7	4	3-59	40	29	6	6	6	6
Rajendra Coffee	Ooppottil Kurien & Co. (Pri.) 7% C. P.	44		416	547	190	19	2-59	201	246	10	10	12	7
Rajendra Coffee	6% Debtenture													
Rajendra Coffee	Kothari Mehta & Co. Private 6% R. C. P.	1,130			4,453	139	121	6-59	1,203	1,420	12	12	12	12
Rajendra Coffee	Peirce Leslie & Co. 5% Debtentures				1,320	750	96	3-59	595	660	15	15	7	7
Rajendra Coffee	Goodall & Co. 64% C. P.				152	8	6	6-59	1	16	nil	6	6	6
Rajendra Coffee	6% Debtenture													
Rajendra Coffee	Directors	221		234	777	129		3-59	184	171	5	5	10	6
Rajendra Coffee	64% C. P.													
Rajendra Coffee	64% R. C. P.													
Rajendra Coffee	6% Debtentures													

(a) After transferring Rs 62,000 from Dividend

(b) After transferring Rs 64,502 from General

(c) After writing back Rs 138,000 being excess

(d) After writing back Rs 80,000 being excess provi-

(e) Includes Rs 60,388 being surplus provision and

(f) Includes Rs 370,000 being estimated surplus provi-

(g) After transferring Rs 75,000 from Dividend

(h) After transferring Rs 23,179 from Capital Re-

(i) After transferring Rs 80,000 from Dividend

(j) After transferring Rs 80,000 from General

(k) After transferring Rs 80,000 from General

(l) After transferring Rs 186,172 from General

PLANTINGS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	REVENUE & SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	March 1959	March 1959			General	Other	Carry- forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Others
	Ra. 000	Ra. 000			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
Aiamalay	40 87	40 25	25	300	...	617	3	220	1,177	263	77	116	67	463	...
74% C. P.	20 25	24 50	25	300	...	15	8	141	335	27	...	210	6	26	...
Mysore Amalgamated	6 25	5 33	5	225	45	...	...	...	...	...	...	...	...	...	...
6% C. P.	7 10	6 40	10	117	...	150	18	978	1,207	114	...	166	550	36	...
Mysore Coffee	5 10	3 83	2	600	95	55	2	375	1,139	159	...	194	92	10	...
Mysore Plantations	1 83ad	1 45	2	500	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	7 10	6 65	10	250	...	...	...	...	...	...	...	...	...	...	...
Neelamalai	4 70	4 80	5	3,600	875	1,304	5	1,363	7,994	1,319	10	1,124	576	554	...
5% C. P.	6 91	7 10	10	1,800	...	...	...	...	...	...	...	...	...	...	...
Neelampathy	2 60ad	2 95	2	1,200	503	204	...	672	2,624	536	7	408	178	347	...
6% C. P.	8 70	8 50	10	490	...	...	...	...	...	...	...	...	...	...	...
Neelithanam	12 05	12 25	10	190	279	...	54	114	497	121	21	21	64	12	...
7% C. P.	...	...	10	10	...	...	...	...	...	...	...	...	...	...	...
Nemmeny	18 25	15 65	10	335	408	6	35	552	1,586	249	...	282	10	8	...
7% C. P.	9 75	9 25	10	300	...	...	...	...	...	...	...	...	...	...	...
New Glen Morgan	...	15 25	2	650	2,80	3,02	4	3,48	11,68	1,30	82	1,09	1,51	1,71	...
Nilambur	18 75	7 46	10	200	120	208	2	280	955	68	...	73	56	93	...
6% C. P.	6 90	...	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	98 00	98 00	...	100	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	7 60	8 70	10	1,406	70	625	18	420	3,899	566	3	377	141	91	...
61% C. P.	4 72	4 40	5	281	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	501 00	497 53	500	1,125	...	...	...	...	...	...	...	...	...	...	...
Nonsuch Tea	26 75cd	27 75cd	10	2,310	...	922	35	1,587	3,215	364	449	922	67	594	...
Ochoerlony	3 80	...	2	650	94	471	4	323	734	54	95	250	28	889	...
5% Debtentures	100 00	...	2	400	...	...	...	...	...	...	...	...	...	...	...
Jucherkolony	5 53cd	5 60cd	...	1,946	1,094	1,225	5	641	4,593	1,575	...	1,440	175	177	...
Panchura	4 47	3 55	1	150	150	2	65	310	261	19	128	160	140	6	...
Parkside	26 55	21 87cd	10	1,354	450	1,197	50	1,066	3,158	472	...	406	110	936	...
Peermade	24 12	20 75cd	10	1,700	...	784	63	1,159	3,921	1,311	150	551	155	392	...
5% C. P.	92 00	94 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Perinsular	21 35ad	2 00	10	600	2,49	6	124	438	848	61	43	256	16	309	...
Periakaramala	3 80	4 30	2	5,795	2,680	101	146	2,020	10,678	3,157	61	2,611	258	199	...
Perivar & Pareekana	...	...	10	500	...	40	4	4,99	10,09	33	15	1,55	9	2,86	...
74% R. C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
61% Debtenture	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ponmudi Rubbers	1 40	1 40	2	165	48	...	1	43	314	11	...	18	2	5	...
64% C. P.	8 70	9 35	10	70	...	...	...	...	...	...	...	...	...	...	...
Pullangotti	1 90	1 78	2	1,650	200	29	72	384	2,156	552	201	221	13	446	...
6% C. P.	8 65cd	8 65cd	10	150	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 75	3 20	2	2,100	1,200	365	82	584	3,363	312	195	175	665	245	...
Rajagiri	20 50	18 12	10	1,350	300	600	45	1,469	4,774	448	...	283	113	1,230	72
6% C. P.	7 60	8 15	5	2,260	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	17 50	13 87	10	154	12	42	396	350	...	35	100	358	116	114	...
6% Cum. Pref.	7 75	8 46	10	100	...	...	...	...	...	...	...	...	...	...	...
54% Redeem. Cum. Pref.	7 00	7 00	10	100	...	...	...	...	...	...	...	...	...	...	...
Sangameshwar	2 85	2 00	2	1,200	25	110	16	376	1,824	58	...	641	4	278	...
7% C. P.	10 80cd	10 00cd	10	300	...	...	...	...	...	...	...	...	...	...	...
7% Debtentures	500 00	500 00	500	600	...	...	...	...	...	...	...	...	...	...	...
Savimalai	1 77	1 94	2	1,350	1,70	2,00	54	5,66	9,80	86	4	77	25	118	438
Sevaroy	15 25	14 01	10	900	190	1,105	4	389	2,735	763	...	222	248	46	...
Shanmug Amalgamated	450 00	460 00	500	200	...	...	...	...	...	...	...	...	...	...	...
54% Debtentures	2 80	2 35	2	125	12	...	1	63	187	5	...	9	60	3	21
Swinton	505 00	505 00	505	75	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	1 85	1 80	2	1,250	110	932	1	1,040	3,356	303	2	664	196	217	...
6% C. P.	7 50	8 15	10	750	...	...	...	...	...	...	...	...	...	...	...
Tookay	8 10	7 35cd	10	1,000	...	248	14	457	2,250	179	...	89	72	387	...
6% C. P.	8 22cd	...	100	360	...	...	...	...	...	...	...	...	...	...	...
61% Debtentures	100 00	100 00	100	250	75	200	32	1,73	5,98	42	45	69	...	...	...
Thamarapally	30 50	4 62	5	175	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	4 60	1 74	1	915	450	50	30	862	2,293	158	...	430	48	195	...
Thirunhadi	1 82cd	495 25	500	500	...	...	...	...	...	...	...	...	...	...	...
74% Debtenture	494 75	7 25	10	600	...	27	1	328	812	159	...	161	19	124	...
Travancore Rubber	15 62	17 75cd	10	4,100	750	671	24	1,097	8,555	1,644	200	590	265	274	...
T. R. T. & Co.	8 62	7 95	10	1,600	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	8 00	24 25	25	2,000	...	96	9	571	3,128	827	...	216	12	152	...
Tropical Plantations	22 37	17 60	10	1,125	1,543	101	1	871	2,682	283	1	701	202	342	...
Twyford	15 00	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Udayagiri	14 00	11 15	10	220	148	262	1	223	973	95	1	67	5	2	...
7% C. P.	9 65	10 30	10	80	...	...	...	...	7,71	...	...	...	...	...	...
64% Debtentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
United Nilgiris	22 08	19 50ad	10	2,193	300	1,169	102	1,093	4,415	1,568	520	438	171	882	...
Vaikundam	27 75	23 50	10	880	165	119	...	519	976	32	250	133	49	297	10
Vayniti	1 57	1 50	2	400	75	30	29	54	559	57	2	12	52	19	...
54% Debtentures	6 51	6 25	5	600	375	81	6	385	5,01	102	1	220	133	95	...
Velimalai	9 00	9 10	10	250	...	...	...	...	1,746	...	...	...	...	...	...
7% C. P.	...	100 00	500	397	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	500 00	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Waryhully	3 80	...	2	1,200	500	640	156	811	1,472	89	254	772	71	1,377	...
5% Debtentures	100 00	...	2	550	...	...	...	...	...	...	...	...	...	...	...
Waryhully	3 55	3 93	...	3,150	2,000	1,078	118	2,504	6,041	778	27	521	2,091	1,450	...
6% C. P.	9 60	8 75	10	500	...	53	3	30	326	84	5	8	10	...	...
Woodcote	1 67	1 70	1	100	...	...	...	...	...	...	...	...	...	...	...
64% C. P.	3 14	3 46	5	60	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	...	...	500	50	...	...	...	...	...	...	...	...	...	...	...
Woodlands	7 25ad	8 00	10	695	42	205	2	186	1,419	72	1	196	102	92	...
64% C. P.	7 80	8 15cd	10	100	...	...	...	...	...	...	...	...	...	...	...
64% R.C.P.	7 67	8 37cd	10	132	...	...	...	...	...	...	...	...	...	...	...
6% Debtentures	502 50	502 50	500	415	...	...	...	...	...	...	...	...	...	...	...

ENGINEERING COMPANIES

NAME	Managing Agents/ Secretaries	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up per Share	Reserves		Current Liabilities		Gross Block	Depreciation	Liquid Assets		Other		
			Latest	Previous Period	Latest	Previous	March 1960	March 1959		Rs. 000	Rs. 000	Rs. 000	Rs. 000			Rs. 000	Rs. 000		Rs. 000	Rs. 000
CALCUTTA																				
Arthur Butler	N. Bihar Trading Co., 7% C.P.	10-54	-3.45	-1.71	nil	nil	12 75	9 12	10	4.00	15	-4.73	17.37	12.78	9.57	6	11.99	6.29		
Barakar Engineering	5% Debentures K.C. Thapar & Brothers	3-58	128	39	nil	nil	10 75	10 75	5000	...	...	-386	3.113	1.480	464	94	605	24		
Bharis Elec.	Deferred B. S. Co. Ltd.	12-58	3,264	4,025	124	124	14 37	16 87	1	2,500	...	54	8,705	13,820	8,570	36	7,135	3,534		
Bathwaite	12-58	3,879	4,723	3,879	224	224	28 20	27 20	10	5,660	...	4,255	7,733	12,733	1,279	18	1,942	996		
Bridge & Roof	12-58	(m) 5,371	1,733	(m) 5,371	20	20	25 00	27 00	500	1,200	...	499	9,950	7,360	1,838	5	5,160	300		
Brit. Building	1% Debentures 1% Debentures	3-58	419	531	5	5	7 31	6 00	100	1,984	...	100	5,634	3,725	1,180	261	3,680	36		
Brit. Engg.	5% C.P. 5% C.P.	12-58	1,224	962	6	6	60 00	76 10	100	2,000	...	1	13,546	9,144	4,252	2	13,043	31		
B.L. Elec. Cons.	1% Debentures 1% Debentures	12-58	872	713	20	20	31 81	25 60	500	2,000	...	68	4,305	2,270	1,304	2	2,366	11		
B.L. Elec. Cons.	1% Debentures 1% Debentures	4-58	12,841	13,778	7	7	464 00	418 00	100	84,000	...	130	72,360	41,287	27,106	806	12,551	22,074		
Ca. at Keen	12-58	(m) 14,959	(m) 16,143	20	20	42 62	37 37	37 37	...	10,056	...	44,875	41,381	19,914	603	28,158	21,517	237		
Chintan Alator	1% Debentures 1% Debentures	3-58	11,686	8,354	5	5	...	...	10	49,613	...	513	14,554	5,044	28,653	1,448	37,566	6,950		
H. S. S. S.	6% R.C.P.T. 6% R.C.P.T.	12-7	552	614	10	10	1 00	118 00	50	28,104	...	1,100	6,037	6,007	3,890	...	1,065	2,981		
Inda Mahanry	7% C.P. 7% C.P.	6-58	328	288	nil	nil	3 62	2 00	100	2,195	...	184	46	737	2,201	...	569	27		
I. Calcutta	12-58	(m) 5,557	615	(m) 5,557	6	6	21 06	15 56	10	3,250	...	-274	1,975	4,681	2,861	13	2,571	150		
Indus Iron	1% Debentures 1% Debentures	3-58	131	132	7-05	7-05	2 50	5 05	100	24,400	...	1,027	50,649	85,359	112,585	24,598	147,603	164,666		
I. Mill, Cantag	1% Debentures 1% Debentures	3-58	...	...	...	...	...	...	100	16,995	...	13	3,117	1,753	817	149	1,387	18		
I. S. Wagon	1% Debentures 1% Debentures	3-58	5,214	5,869	20	20	9 10	9 10	100	3,000	...	...	...	...	...	...	...	...		
I. Steel & Wire	1% Debentures 1% Debentures	3-58	8,711	6,984	163	163	126 00	122 00	100	9,653	...	4,714	52,751	10,040	6,415	303	16,282	13,134		
Jay. Engg. works	1% Debentures 1% Debentures	3-55	28,60	23,76	12	12	13 43	11 59	1	2,277	...	2,266	15,518	21,888	14,583	3,797	10,945	9,323		
Jessop & Co.	10-53	(m) 5,872	7,157	(m) 5,872	6	6	25 37	29 12	100	7,82	...	58	48,411	5,478	7,256	2,516	7,904	21,583		
Kuma. Bhabhi	11-58	1,303	1,658	10	10	7 19	10 06	10 06	3	1,843	...	100	10,659	8,722	2,917	46	5,588	4,883		
Marshall Sona	6-58	527	681	20	20	420 00	400 00	6 56	2	1,050	...	84	15,216	1,791	1,409	126	11,108	6,762		
National Rolling Steel	3-59	1,355	1,247	61	61	9 62	9 00	9 00	10	4,994	...	133	7,883	13,033	7,526	305	5,127	2,580		
National Rolling Steel	6-58	1,808	1,370	6	6	...	...	...	10	2,000	...	5,0	2,610	8,349	2,223	3	2,651	1,812		
National Rolling Steel	12-58	700	201	6	6	...	...	...	10	1,500	...	32	2,581	1,214	637	2	1,097	1,818		
National Rolling Steel	6-55	31,02	31,91	5	5	...	...	...	100	10,000	...	17,01	11,652	50,38	13,59	...	52,73	85,000		
Sona	3-59	505	635	61	61	7 81	7 37	7 37	4	6,000	...	8	22	2,451	3,108	2,019	50	1,716	830	
Son. R. S. S.	9-58	1,935	2,164	5	5	...	...	...	10	7,000	...	45	21,266	18,475	4,266	1,382	7,592	1,917		
Steel Products	1% Debentures 1% Debentures	4-52	49	17	Nil	Nil	3 00	1 78	31	2,80	...	1,00	9,36	4,76	3,78	...	2,47	6,71		
Test Machy.	12-53	10,040	10,252	15	15	25 65	23 45	23 45	10	15,000	...	37	46,901	39,033	17,191	304	27,235	7,006		
W. H. B. S. S.	12-53	...	...	...	...	...	...	...	100	3,000	...	2,509	...	...	...	...	135	7,907		
W. H. B. S. S.	12-53	...	...	...	...	...	...	...	100	3,000	...	2,509	...	...	...	...	135	7,907		

BOMBAY																		
Arms. Manis	Walchand & Co. Private 4% C.P.	6-56	3.51	1.81	nil	nil	...	...	10	240	...	...	...	22.34	2.80	9	14.22	6.42
Alcock Ashdown	1% C.P. Turner Morrison	12-55	(m) 662	958	121	121	272 00	270 00	100	3,342	...	1,863	24	4,060	7,736	6,100	1,039	2,116
Brady Engineering	W.H. Brady & Co. Walchand & Co. Pri. Ltd.	12-58	294	306	7	7	70 90	60 10	60	1,500	...	245	4	281	1,661	638	...	...
Hind Cycle	5% R.C.P.T. 5% R.C.P.T. 5% R.C.P.T.	3-59	(m) 439	(m) 961	nil	7	156 00	140 00	100	2,520	...	1,00	10,28	95	43,25	52,91	36,45	...
Inves. Machine Tools	Invest Industrial Corpn. 4% C.P.	12-55	-1.21	-71	nil	nil	...	...	100	1,500	...	...	...	...	...	...	...	...
Jaipur Metals	Poonamchand & Bros. Pri. 6% C.P.	12-58	841	449	6	6	...	...	100	1,000	...	200	215	5	586	156	...	...
Jas. Engg.	4% Debentures Karami Bros. Private	3-59	121	143	10	10	65 10	70 50	50	4,000	...	275	38	11	14,355	5,691	...	...
Kamani Engineering	3% C.P. Kamani Bros. Private	9-58	1,392	559	5	5	12 52	6 24	100	2,000	...	60	65	6	2,759	8,312	...	...
Kamani Metals	5% R.C.P.T. 5% R.C.P.T. 5% R.C.P.T.	6-59	1,501	2,128	74	54	55 50	50 50	100	1,000	...	...	...	...	...	...	...	...
Kirloskar Box.	4% Debentures Kirloskar Sona	7-56	1,163	833	6	6	32 25	21 41	25	6,500	...	38,31	14,61	6	31,98	70,38	...	...
Luren & Toubro	3% C.P. L. & T. Management	3-59	3,321	(m) 593	121	121	23 23	23 23	100	500	...	1,00	499	37	17,636	5,644	...	...
Mackenzie	5% Pref. Directors	7-58	(m) 624	378	5	5	86 00 N	78 00	100	1,100	...	43	329	5	7,266	3,731	...	...
Mahindra & Mahindra	5% Cum. Pref. 5% 2nd C.P.	10-58	(m) 681	4,309	22	22	102 50	101 00	100	2,500	...	1,051	99	74,716	13,344	2,312	...	...
Mukund Iron	6% R.P. Private 5% R.C.P.	3-59	3,324	2,240	6	6	19 26	15 38	10	3,970	...	1,200	2,280	34	6,688	9,741	...	...
Myers Kirloskar	5% R.C.P. Kirloskar Associates Ltd.	6-53	1,544	1,128	71	71	125 00	130 00	100	1,225	...	845	1,472	3	5,161	8,126	...	...
Praga Tools	Ordry. shares Indiant. Trust Fund	12-54	-309	72	71	71	...	...	50	6,981	...	...	...	...	...	...	...	...
Premier Automobiles	4% C.P. Aero. Auto Private Ltd.	6-58	4,745	6,705	4	4	315 50	281 50	100	1,000	...	...	...	...	...	...	...	...
Premier Construction	Walchand & Co. Ltd. Promoters	12-55	18,728	17,25	281	281	85 00	88 00	100	1,500	...	...	...	...	...	...	...	...
Tata Iron	6% C.P.T. 2nd 6% C.P.T. 3rd	3-59	(m) 1,199	(m) 20,356	907	11	147 00	147 00	75	13,739	...	124,537	151,798	847	113,692	1,567,849	470,056	...
Tata Locomotive	New India 7% C.P.T. 2nd	2-59	26,259	(m) 27,059	6	6	135 00	156 75	150	7,500	...	...	...	...	...	...	...	...
	5% C.P. Industries 5% Debentures				71	71	107 75	116 50	100	69,382	...	4,383	10,389	195	170,459	203,208	77,984	...
					5	5	207 00	183 25	100	99,954	...	...	...	...	...	...	...	...
					5	5	990 00	992 50	1000	30,000	...	...	...	...	...	...	...	...
MADRAS																		
Ashok Leyland	Directors A. V. Thomas & Co.	12-58	3,943	1,838	6	6	4 05	4 80	5	18,710	...	650	1,023	28	12,953	17,381	4,209	...
Brintron & Co.	6% C.P.	12-58	92	-26	nil	nil	6 25	6 25	10	3,70	...	56	-53	1,000	1,043	470	...	...
Indi. nSteel Rolling	Directors 5% C.P.	12-58	380	435	9	9	12 00	14 47	10	2,378	...	3	237	1	840	3,226	1,491	...
Standard Motor P.	5% C.P. Standard Motor Co.	12-56	1,203	1,530	21	21	9 20	8 30	10	500	...	600	1,348	51	7,595	10,030	2,392	...
T. I. Cycle	6% C.P. Delected	6-53	7,299	2,616	10	10	...	...	100	3,000	...	2,450	5,997	64	10,374	14,170	3,271	...
Testool Co	Delected	4-58	749	2,060	12	12	...	...	100	1,992	...	500	731	30	10,992	5,361	1,869	...

(a) After writing back Rs 30,000 being provision for taxes made in previous years not required.
(b) Includes Rs 1,60,000 being "excess provision" for sales tax made in previous years. (c) Includes Rs 61,870 being unclaimed dividends forfeited and Rs 25,465 being paid for the year ended 31-12-54 under Section 25(A).
(d) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (e) Includes additional dividend at 5 5/14 per cent has been paid for the year ended 31-12-54 from provision for taxation.
(f) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (g) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (h) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (i) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (j) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (k) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (l) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (m) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (n) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (o) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (p) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (q) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (r) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (s) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (t) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (u) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (v) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (w) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (x) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (y) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (z) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (aa) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ab) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ac) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ad) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ae) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (af) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ag) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ah) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ai) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (aj) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ak) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (al) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (am) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (an) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ao) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ap) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (aq) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ar) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (as) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (at) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (au) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (av) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (aw) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ax) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (ay) Includes dividend paid at

(a) After writing back Rs. 30,000 being provision for taxes made in previous years not required.
(b) After transferring Rs. 435,000 from General Reserve.
(c) Includes Rs. 1,50,000 being excess provision for sales tax made in previous years. (d) Includes Rs. 61,678 being unclaimed dividends forfeited and Rs. 21,465 being paid for the year ended 31-12-54 under Section 20(A).
(e) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955. (f) After transferring Rs. 4,18,300 from General Reserve.
(g) After transferring Rs. 10,097 being provision for taxation.
(h) After writing back Rs. 2,00,000 from Bad and Doubtful Debts Reserve.
(i) After transferring Rs. 22,70,942 from General Reserve No. 1.
(j) After writing back Rs. 7,53,894 being excess provision on sale of Fixed Assets.
(k) Includes Rs. 29,031 being profit on sale of Fixed Assets.
(l) After transferring Rs. 1,50,000 from Investment Depreciation Reserve and Rs. 24,846 from Bad and Doubtful Debts Reserve.
(m) After transferring Rs. 1,00,000 from Reserve for works and Ore Mines New Extension.
(n) After transferring Rs. 57,788 from Taxation Equalisation Reserve.
(o) After transferring Rs. 26,802 from Dividend Equalisation Reserve.
(p) After transferring Rs. 381,500 from General Reserve.
(q) After transferring Rs. 22,70,942 from General Reserve No. 1.
(r) After transferring Rs. 48,294 from Dividend Equalisation Reserve.
(s) After transferring Rs. 26,802 from Dividend Equalisation Reserve.
(t) After transferring Rs. 381,500 from General Reserve.
(u) After transferring Rs. 22,70,942 from General Reserve No. 1.
(v) After transferring Rs. 48,294 from Dividend Equalisation Reserve.
(w) After transferring Rs. 26,802 from Dividend Equalisation Reserve.
(x) After transferring Rs. 381,500 from General Reserve.
(y) After transferring Rs. 22,70,942 from General Reserve No. 1.
(z) After transferring Rs. 48,294 from Dividend Equalisation Reserve.

GILDED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 31-3-60	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 31-3-60	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 31-3-60
GOVERNMENT OF INDIA LOANS						MADHYA PRADESH						MUNICIPAL LOAN					
Rupee Loans												BOMBAY MUNICIPAL LOAN					
NON-TERMINABLE LOANS																	
9334000	3	1896-97	3 Months notice	30-6/31-12	73-60	1,01,44,700	3	1950	1960	31-1/31-7	98-40	25,00,000	5	1928	1958	1-1/1-7	
						2,01,28,800	3	1948	1964	1-3/1-9	95-00	26,21,000	5	1929	1959	1-2/1-8	
						1,02,18,100	3	1951	1962	17-3/17-9	98-75	17,97,000	3	1950	1960	1-6/1-12	
						1,02,18,100	4	1953	1963	15-1/15-7	100-40	110,00,000	4	1963	1963	1-3/1-9	
						1,50,00,000	4	1955	1967	1-3/1-9	100-25	215,00,000	4	1964	1964	1-3/1-9	
						1,50,00,000	4	1956	1968	3-3/3-9	100-15	244,14,500	4	1964	1964	1-3/1-9	
						2,60,00,000	4	1958	1970	15-1/15-7	102-15	200,00,000	3	1950	1965	15-2/15-8	
TERMINABLE LOANS						UTTAR PRADESH											
97,05,69,000	21	1946	1961	1-2/1-8	98-50	2,20,93,600	21	1946	1961-66	1-3/1-9	97-75	175,34,000	3	1951	1966	3-4/3-10	
45,63,07,000	21	1946	1960	15-1/15-7	97-75	2,17,89,700	3	1945	1960	14-3/14-9	99-50	63,00,000	3	1952	1966	3-4/3-10	
75,86,72,000	21	1946	1962	15-5/15-11	98-45	1,57,42,600	3	1936	1961-66	15-3/15-9	97-75	60,00,000	3	1952	1966	1-2/16-8	
14,71,48,000	21	1946	1976	16-3/16-12	81-30	1,94,11,700	3	1951	1962	17-3/17-9	99-40	24,50,000	3	1936-37	1967	1-2/1-8	
30,33,10,000	3	1938	1963-65	1-6/1-12	98-03	5,65,15,300	4	1953	1963	15-1/15-7	100-40	69,00,000	4	1967	1967	1-3/1-9	
110,11,78,000	3	1943	1966-68	1-4/17-10	96-05	6,11,45,200	4	1952	1964	1-2/1-8	100-35	30,00,000	3	1938	1968	14-3/14-9	
115,05,83,000	3	1945	1970-75	15-4/15-12	92-15	8,50,00,000	4	1955	1967	1-3/1-9	100-25	30,00,000	3	1939	1969	1-3/1-9	
248,91,37,000	3	1946	1986	16-3/16-9	71-25	8,50,00,000	4	1956	1968	3-3/3-9	100-15	64,00,000	3	1940	1970	1-3/1-9	
87,27,36,000	3	1956	1962	16/1/6-7	99-65	7,00,00,000	4	1958	1970	15-1/15-7	102-15	48,00,000	3	1940-41	1971	1-3/1-9	
75,29,00,000	3	1953	1961	1-6/1-12	100-05							25,00,000	3	1941-42	1972	1-3/1-9	
58,54,92,000	3	1958	1963	12-5/12-11	99-75							135,00,000	4	1973	1973	1-3/1-9	
158,17,92,000	3	1954	1964	19-4/19-10	100-40	3,81,77,200	21	1946	1961	1-3/1-9	97-40	20,60,000	3	1943-44	1974	1-3/1-9	
103,67,92,000	3	1955	1965	1-1/1-7	99-86	2,78,44,000	3	1945	1960	14-3/14-9	99-40	22,00,000	3	1944-45	1975	1-3/1-9	
63,81,83,000	3	1956	1967	16-1/16-7	99-61	4,38,25,400	3	1950	1960	31-1/31-7	99-40	54,00,000	3	1947-48	1977	1-3/1-9	
30,00,00,000	3	1958	1968	26-2/26-8	99-65	3,01,49,000	3	1951	1962	17-3/17-9	99-40	75,00,000	3	1947	1977	1-2/1-8	
66,63,54,000	3	1959	1969	1-1/1-7	99-20	1,03,309,100	4	1953	1963	15-1/15-7	100-35	61,00,000	3	1949	1979	1-3/1-9	
56,99,30,000	3	1957	1967	1-2/1-8	100-75	5,24,81,200	4	1952	1964	1-2/1-8	100-35	88,14,500	3	1949	1979	15-3/15-9	
34,31,89,100	3	1958	1968	12-5/12-11	100-65	7,60,00,000	4	1955	1967	1-3/1-9	100-25	10,00,000	5	1920	1980	1-3/1-11	
49,17,27,000	3	1947	1957	1-2/1-8	101-40	12,50,00,000	4	1956	1968	3-3/3-9	100-15	80,00,000	3	1950-51	1980	1-3/1-11	
63,30,26,000	4	1926	1960-75	15-3/15-9	100-40	5,00,00,000	4	1958	1970	15-1/15-7	101-90						
49,51,44,000	4	1958	1973	15-3/12-11	101-45												
		1959	1979	1-1/1-7	100-18												
STATE GOVERNMENT LOANS						MYSORE GOVERNMENT						CALCUTTA MUNICIPAL LOAN					
WEST BENGAL																	
1,75,00,000	3	1951	1962	17-3/17-9	99-00	5,99,72,900	3	1936	1956-61	20-10/20-4	99-80	10,00,000	5	1932	1962	1-4/1-10	
3,62,23,300	4	1953	1963	15-1/15-7	100-50	2,95,85,200	4	1933	1953-63	1-6/1-12	101-75	33,91,000	3	1933	1963	1-1/1-7	
2,00,00,000	4	1952	1964	1-2/1-8	100-40	3,31,47,200	4	1953	1963	15-1/15-7	100-35	60,00,000	3	1936	1966	1-4/1-10	
7,00,00,000	4	1955	1967	1-3/1-9	100-30	3,25,00,000	4	1955	1967	1-3/1-9	100-15	47,50,000	3	1938	1968	1-6/1-12	
7,00,00,000	4	1956	1968	3-3/3-9	100-30	4,10,00,000	4	1956	1968	3-3/3-9	100-15	17,84,400	3	1942	1959	1-5/1-11	
5,00,00,000	4	1958	1970	15-1/15-7	102-00	3,00,00,000	4	1957	1969	1-6/1-12	102-00	21,10,000	3	1942	1972	1-4/1-10	
			1971		100-10	5,00,00,000	4	1958	1970	15-1/15-7	102-00	15,49,000	3	1951	1960	1-2/1-8	
BOMBAY						COCHIN											
2,92,30,300	3	1950	1960	31-1/31-7	99-25							16,33,000	3	1951	1961	1-2/1-8	
5,61,12,200	3	1949	1962	1-2/1-8	97-55							66,88,000	3	1951	1966	1-4/1-10	
2,97,86,300	3	1951	1962	17-9/17-3	99-50	30,00,000	3	1937	1956-61	1-6/1-12	98-00	87,36,000	4	1952	1962	1-5/1-11	
5,50,35,400	4	1953	1963	15-1/15-7	101-00							72,50,000	4	1954	1979	1-3/1-9	
3,61,10,900	4	1952	1964	1-2/1-8	100-90							2,22,74,000	4	1955	1965	1-6/1-12	
9,00,00,000	4	1955	1967	1-3/1-9	101-01							1,67,12,000	4	1958	1970	1-7/1-11	
7,50,00,000	4	1956	1970	3-3/3-9	100-90							1,60,35,000	4	1958	1968	1-9/1-3	
			1970		100-90												
6,00,00,000	4	1957	1969	16-3/16-9	102-65												
10,00,00,000	4	1958	1970	15-1/15-7	102-65												
10,00,00,000	4	1958	1970	15-1/15-7	102-50												

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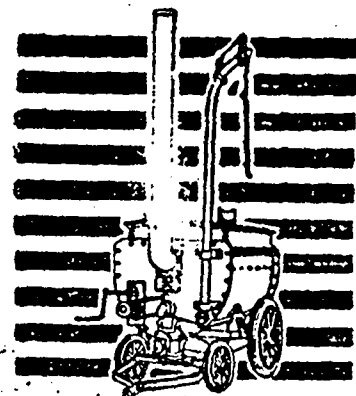
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WORLD OF FINANCE

Mystery of Year-End Transactions

ALL the expected complicating factors, as well
as some that come as a surprise, make their
appearance in the returns of the Reserve Bank
for 1 April—the statement that embodies the
fiscal-year-end transactions of the Central Gov-
ernment. The unravelling of mysteries may be-
come somewhat less difficult when the return of
Scheduled Banks for the relevant week is also
available, and hence we shall content ourselves
this week with pointing out the main changes.

Firstly, the Central Government would appear
to have exercised their privilege of tendering
to have exercised their privilege of tendering
rupee coin for Rs 5 crores to the Reserve Bank;
this is indicated in the rise of Rs 4.03 crores in
Rupce Coin, whereas the normal expansion of
currency has caused outflow of rupee coin for
Rs 0.97 crores. Secondly, the net effect of busy
season demand, month early demand and the
special demand arising from the year end transac-
tions of the Central Government has been to
result in an expansion of Rs 19.62 crores in Active
Note Circulation. Cash in the till has thus de-
clined by Rs 15.61 crores. Thirdly, deficit financ-
ing in an amount of around Rs 15 crores has been
resorted to; and with further heavy payments by
the Centre, its balances have nevertheless im-
proved by Rs 10.34 crores; this is because there
is still a large amount in respect of which issued
drafts have not yet been presented for encash-
ment, with Bills Payable rising by another Rs 5.50
crores. The impact of governmental disburse-
ments has already been apparently felt by banks,
since the Reserve Bank's Other Loans and Ad-
vances have shrunk by over Rs 13 crores, half
of this being on account of the State Bank.
Moreover, if the figures of the State Bank are
isolated, Reserve Balances of member banks seem
to have improved by roughly Rs 3 crores—
attesting to a further rise in Scheduled Bank
Deposits in that week. The rise of Rs 15.05
crores in Government Treasury Bills is difficult
to explain, as also is the sizable fall of Rs 8.61
crores in Balances Held Abroad, though this last
may be linked with the increase of Rs 4.51 crores
in Other Deposits.

The State Bank's return for 1 April shows a
small rise of Rs 3.80 crores to Rs 631.24 crores in
small rise of Rs 3.80 crores to Rs 631.24 crores in
Deposits; Cash in hand and with Reserve Bank
has been steeply drawn on, by Rs 17 crores, to
reduce borrowings by Rs 6.75 crores and to in-
crease the investment portfolio by Rs 7.50 crores.
Advances are lower by Rs 2.30 crores, and the
further rise of Rs 9.19 crores in Other Assets
may relate to further impending purchase of
gilts from the Reserve Bank. The return of
Scheduled Banks for 25 March will be analysed
next week.

UCO Bank's Excellent Performance

THE results of the United Commercial Bank
Ltd for 1959 (whose accounts are pub-
lished elsewhere in this issue of Indian
Finance) would be reckoned superlative in any
year, and they are the more to be commended
since such a performance has been notched up
in respect of an accounting period wherein the
generality of experience of Indian Scheduled

Banks has been, to put it mildly, disappoint-
ing. The net profit earned in 1959, that is,
after taxation, is shown to have practically
doubled, if regard is had for the fact that, in
1958, credit was taken in the Profit and Loss
Account for a sum of Rs 5.79 lakhs as profit on
sale of investments. This stellar performance
of United Commercial is due as much to the
control that has been exercised over expendi-
ture as to the expansion in banking business.

The balance-sheet of United Commercial as
at the end of 1959 shows that Deposits and
other accounts have been marked up by
Rs 18.40 crores at Rs 98.68 crores. It is heart-
ening to find that a fair proportion of this rise
in Deposits has been registered under the head
of current accounts, contingency accounts, etc.,
which are higher by Rs 7.51 crores at Rs 32.68
crores. The main increase, however, is under
Fixed Deposits, which have risen by Rs 9.58
crores to Rs 56.11 crores. Savings Bank Depo-
sits have improved by Rs 1.33 crores to Rs 7.99
crores. The bank was able remuneratively
and profitably to utilise such additional re-
sources. The Advances portfolio has been
marked up by Rs 11.09 crores to Rs 56.25
crores. At the same time, the gilt-edged por-
tfolio has been strengthened by Rs 3.61 crores
to Rs 37.23 crores. Nevertheless, owing, it is
to be presumed, to the emergence of busy
season demand for accommodation toward the
end of the year, borrowings figure at Rs 4.60
crores, though this is lower than the 1958
figure by Rs 1.16 crores. In the result, cash
balances, including money at call, have gone
up from Rs 8.39 crores to Rs 10.10 crores.

It is significant that acceptances, endorse-
ments and other obligations of United Commer-
cial are sharply higher by Rs 11.31 crores at
Rs 26.53 crores. For, this may be taken to be
an index of the foreign exchange business,
that, in the case of United Commercial, has
expanded so considerably. Under contingent
liabilities, indeed, we find that forward ex-
change contracts outstanding are placed at
Rs 21.24 crores, as compared to Rs 20.51 crores
in the 1958 accounts.

So, now, to the Profit and Loss Account. Here,
we must remember that the figures for 1959
are not strictly comparable with those for 1958,
consequent upon the Finance Act 1959. For,
in respect of income derived on Government
Securities after 1 April 1959, deduction of tax
at source is at the much higher rate of 45 per
cent. (In the State Bank's accounts, indeed, a
footnote indicated clearly that the figures in
this regard were not comparable). It is this
factor, it may be inferred, because tax deducted
on Government Securities was so high, which
enabled United Commercial to show its balance
of profit for 1959 as net of taxation. However,
by the same token, the bank may have written
back, to the Profit and Loss Account, that
aspect or some part of the surplus of tax de-
ducted at source. In any case, income by inter-
est and discount has risen by nearly 14 per
cent from Rs 3.09 crores to Rs 3.62 crores. The
contribution of commission, exchange and
brokerage to the bank's income has also risen
by Rs 14 lakhs to Rs 1.21 crores. As such,
gross income has increased by more than 15
per cent from Rs 4.24 crores to Rs 4.91 crores.
A tight rein on expenditure is seen in the
moderate rise of Rs 29.72 lakhs to Rs 2.47
crores in interest paid on Deposits. Similarly,
salaries and allowances take up only Rs 13.39
lakhs more at Rs 1.23 crores. The profit that
has been struck, after provision for taxation,
is thus Rs 60.42 lakhs in 1959. This compares
with a balance of profit of Rs 45.38 lakhs in
1958; but, from the latter figure, we have to
deduct, in order that the comparison may be
true, the profit on investments of Rs 5.79 lakhs
and the provision for tax of Rs 9 lakhs, and,
therefore, the comparable profit for 1958 was
really Rs 30.89 lakhs.

The appropriations for 1959 are fully in
consonance with the magnificent results for
the year. The transfer to reserve has been
stepped up from the already massive Rs 14
lakhs of 1958 to nearly double that figure at
Rs 27 lakhs. The Bonus to staff absorbs fully
Rs 3.75 lakhs more—that is, a rise of over 50
per cent—to Rs 11 lakhs. The dividend to be
paid is at the rate of 11 per cent subject to tax,
which means that United Commercial has
stepped up its distribution from 7½ per cent
free of tax to 7.7 per cent net of tax.

Credit for such performance clearly belongs
to the drive and energy, as also the neat
management, that Mr S. T. Sadasivan, the
General Manager, with the apposite assistance
of his able colleagues, has brought to bear on
the bank's working. Particularly deserving of
plaudit is the fact that United Commercial has
progressed so well and so far in the acquisition
of foreign exchange business.

In his speech at the Annual General Meeting
of the United Commercial Bank, Mr G. D.
Birla, the Chairman, has been modest in de-
scribing the results for 1959, in contenting
himself by being gratified that the year was
one of "marked expansion of business and
sharp rise in our profits." It is spectacular
expansion and unprecedented rise that, justifi-
ably, Mr Birla could have spoken of. It is, we
presume, Mr Birla's desire to utilise the
forum provided by the Annual General Meet-
ing of the bank for an assessment of the larger
national picture of the economy which thus
makes him almost belittle the achievements of
the bank.

Indeed, his speeches in earlier years have
always underscored the economic problem of
the year. To cite but one example, Mr Birla
was first to draw attention, some year ago, to
the calamitous and unnecessary, not to say
undesirable, competition that was being waged
by banks for Deposits. This year, it is the
prospects of the Third Plan which intrigue and
arouse comment. The picture that he paints
is one essentially of hope. It may not be too
much to expect, the United Commercial bank's
Chairman said, that "foreign exchange, com-
mensurate with our requirements, will be
forthcoming." Similarly, he points to the ex-
pansionary trend in Governmental revenues as
"the most hopeful development" in respect of
internal resources. The price situation is
somewhat disquieting, and Mr Birla suggests,
consequently, that "Government should en-
courage production in every way, so that rev-
enues may become more buoyant, and so that
additional output can thwart inflation." It is
interesting to find that Mr Birla, by implica-
tion, does not favour bank rate as a weapon,
in Indian circumstances, against inflation. In-
deed, he refers to the findings of the Radcliffe
Committee as to the scope of monetary mea-
sures as a weapon of economic policy. This is
what, in this context, Mr Birla has to say:

"In an expanding economy a restrictive
policy in regard to money supply could be
self-defeating but at the same time the need
to check demand in certain sectors with a
view to holding the price line would indicate
that the solution is directional control rather
than change in the money rate which, while
raising the cost of borrowing by banks from
the Central Banking Authority and bringing
about a break in the Government security
prices, would have no further effect on
supply of money in the face of deficit financ-
ing and Plan expenditure."

In a passing reference to selective credit
control—Mr Birla does not use the word
squeeze—he hopes that "measures of restrictive
credit control would not be such as to deny the
growing needs of developing industries."

Mr Birla's real contribution is the mood of
confidence that, for his part, he is in a position
to profess in respect to Third Plan Prospects.

on this account would have to be deemed reasonable for two reasons, namely, that there has been an increase in the number of personnel in keeping with the increase in the tempo and scale of development and also some increase in the cost of living. What is surpri-

TABLE III.

Income Generation,	(Figures in Rs Crores)				
	1956-57 Accounts	1957-58 Accounts	1958-59 Accounts	1959-60 Revised	1960-61 Budget
A. Wage and salary incomes generated by Government Administration	170	185	197	211	246
B. Net Output of Departmental commercial undertakings:					
1. Wages and salaries (including wages and salaries component of repairs and maintenance)	182	193	207	217	249
2. Interest	35	41	48	53	57
3. Profits (transferred to administration and retained less renewals and replacements in excess of depreciation provision)	39	19	-20	1	5
Total B	256	253	235	271	311
C. Wage and salary component of Government outlay on construction	46	54	64	72	78
Grand Total (A, B and C)	472	492	496	554	635

Retrospect and Prospect of Indo-Pakistan Trade

THE trade agreement signed at New Delhi on 21 March constitutes an important event in Indo-Pakistan relations. It is the fifth trade agreement concluded between the two countries since this sub-continent was partitioned in August 1947. The first trade agreement was signed in February 1951; the second in August 1952; the third in September 1955 and the fourth in January 1957.

In spite of geographical contiguity and the complementary nature of the economies, the trade between India and Pakistan has not expanded as rapidly as it should have. The following table shows the trend of balance of trade:

India's Balance of Trade with Pakistan. (In Rs. lakhs)			
Exports	Imports	Balance of Trade	
1952	46.34	29.14	+17.20
1953	7.62	19.41	-11.79
1954	10.09	17.82	-7.73
1955	8.71	25.08	-16.37
1956	8.08	20.91	-12.83
1957	6.77	13.40	-6.63
1958	7.16	6.27	+ 89
1959	4.92	4.17	+ 75

The volume and value of India's trade with Pakistan was the highest in 1948, when India imported goods worth about Rs 100 crores and exported goods valued at over Rs 70 crores. But, in the subsequent years, the trade between the two countries declined owing to various factors. Pakistan's policy of diverting its trade to other countries, the growth of indigenous industries and its shortage of foreign exchange have been largely responsible for the fall in our trade with Pakistan. The US economic aid programme, which has helped Pakistan to import cotton textiles and yarn from many countries like Japan, Hongkong, etc., has also contributed to the fall in our trade.

The main items of goods exported to Pakistan in recent years have been coal, spices, chemicals and drugs, machinery and textiles. Among imports, the major items are raw cotton, fish, etc. A statement is shown at the end of this article giving the chief items of imports and exports in recent years.

There is no doubt that the existing level of trade between the two countries is disappoint-

ing, on the other hand, is that, in spite of much construction activity that has been going on, the Government's contribution (by way of wages and salaries) to the generation of national income has not registered any very impressive absolute increase.

ingly small and that there is vast scope for improvement which will benefit both. It is therefore good to note that the latest agreement seeks to enlarge the trade as much as possible. It is expected that the total trade annually may go up to about Rs 8.20 crores. Although this is not a big amount, it can be said that a good beginning has been made and it should be possible to bring about considerable expansion over a period.

The main features of the trade agreement may now be analysed. Under the first protocol signed between the representatives of the two countries, Pakistan has agreed to raise the value ceiling for its raw cotton exports to India from Rs 1 crore to Rs 1.5 crores and supply jute cuttings to the value of Rs 1 crore a year. India has undertaken to supply Pakistan with iron and steel to the value of Rs 1 crore and raise the value of ceiling for export of cement and bidi leaves from Rs 70 lakhs to Rs 1.5 crores per year.

		EXPORTS TO PAKISTAN						
		(In 000 Rs)						
Articles	1952-53	1953-54	1954-55	1955-56	1957	1958	1959 (Jan-Mar)	1959 (Jan-Mar)
Spices	67.13	11.96	25.12	5.32	15.66	26.39	1.08	32
Fruits	1,15.79	1.24	1.27	...	13.38	9.17	...	...
Salt	8.40	13.51	8.71	...	...	...	...	...
Tobacco (raw)	77.47	4.28	23.66	12.93	...	...	...	...
Tobacco (manufactured)	51.65	3.13	28.58	12.93	10	38	...	...
Coal	3,21.55	2,74.32	2,40.79	21.78	2,54.11	3,68.36	81.24	...
Oil	2,74.52	8.83	9.59	1.31	5.61	10.36	1.07	...
Oilseeds	10.48	1.34	2.43	2.72	2.72	2.74	51	...
Boots and Shoes	1	2	...	...	1.97	1.89	41	...
Chemical and Drugs	62.43	34.04	51.06	17.59	19.27	18.67	2.72	...
Hardware and Cutlery	10.02	...	...	...	...	...	...	...
Hides and Skins	9.26	25	...	...	...	2.74	...	...
Machinery and Millwork	50.00	22.13	12.56	12.01	22.28	24.97	5.18	...
Textiles	1,07.83	29.81	15.84	47	24.36	50.81	45	...
Metals	83.91	10.25	13.07	...	4.00	76	15	...
Cotton piecegoods	4,15.05	26.51	2,16.40	...	22	89	...	...
Jute manufactures	2,80.69	6.54	...	...	...	...	...	...
Animal and vegetable crude materials	...	...	...	...	...	...	...	...
Total	31,11.04	8,01.41	9,64.61	25,23.90	6,68.29	7,11.85	1,15.00	...

		IMPORTS FROM PAKISTAN						
		(In 000 Rs)						
Articles	1952-53	1953-54	1954-55	1955-56	1957	1958	1959 (Jan-Mar)	1959 (Jan-Mar)
Rice	39.96	...	43.20	69.89	...	...	...	...
Grains and pulses	37.96	...	43.20	...	21.10	...	...	...
Spices	...	...	...	...	11.23	49	...	...
Hides and skins	55.53	62.12	58.80	1.30	33.44	33.17	10.64	...
Oilseeds	91	...	13	...	...	...	...	...
Raw cotton	...	1	...	...	7,28.32	3,49.04	27.88	...
Fruits	85.48	60.03	30.22	...	64.82	9.22	10	...
Fish	1,33.60	1,59.39	2,59.35	...	2,07.41	2,01.63	95.69	...
Betelnuts	32.55	3.30	10	...	...	...	...	...
Cotton seeds	4.18	3.65	...	...	...	...	...	...
Raw jute	16,40.73	14,24.76	12,97.27	8,14.82	...	...	...	...
Dairy products	...	...	...	...	89.89	2.16	37	...
Non-metallic minerals	...	...	...	...	1,39.60	1	...	...
Total	21,87.91	19,30.34	19,38.29	27,11.00	13,40.33	6,28.22	1,37.69	...

The second protocol provides for the import of raw jute from Pakistan. The quantities are to be decided under the existing procedures. India has also agreed to supply 30,000 tons of coal a month in addition to 100,000 tons a month now being supplied to both East and West Pakistan under the last trade agreement.

The schedule of items for export from India to Pakistan contains 66 commodities, including the following: mica, dyeing and tanning substances, chemicals, machinery and mill-work all sorts, electric cables and wires, bicycles and spares parts, cinema films (exposed), essential oils, sugar, tea for blending, coffee, spices all sorts, synthetic stones, iron and steel, cement, livestock, sewing machines and spares and typewriters.

The schedule of items for export from Pakistan to India contains 43 commodities. Some of the more important ones are jute cuttings, raw cotton, hides and skins, betel leaves and nuts, livestock including horses, chrome ore, newsprint and paper.

The agreement provides that any adverse balance of trade arising out of the exchange commodities will be settled in sterling. Payments under the protocol are to be made in rupees. The two countries will accord most-favoured-nation treatment to each other.

The signing of the latest Indo-Pakistan trade agreement has been widely welcomed in India, though disappointment is felt about the fact that no understanding could be arrived at on the question of border trade. It is reported that this matter will be discussed shortly between the two countries.

There is no doubt that, if the agreement is implemented in the spirit in which it has been concluded, it is bound to result in closer cooperation and better understanding not only in the commercial field but also in wider spheres. The two countries are now engaged in a programme of intensive development in agriculture and industry and therefore there is bound to be considerable scope for collaboration in many fields. The Government of Pakistan are now trying to attract foreign investment for the following industries:

Heavy engineering; heavy chemicals; production of synthetic distillation of coal and gas; pharmaceuticals; antibiotics; mining, refining and processing of all minerals; manufacture of producer goods and spare parts, etc. The Government of Pakistan have also provided the following safeguards to foreign investors:—

(1) There will be no restriction on remittance of current profits to the country from where the investment originates.

(2) Foreign capital in approved industries established after September 1954 may be repatriated at any time to the extent of original investment. Any appreciation of capital investment ploughed back into approved industrial undertakings may be treated as investment for the purpose of repatriation.

(3) Government have no intention of nationalising industries involving foreign investment. Should circumstances or an emergency necessitate nationalisation, just and fair compensation will be paid in the currency of the country from where the foreign investment originated.

(4) Relief from double taxation will be available for foreign investors from countries with which Pakistan has an agreement on double taxation relief, such as the USA, the UK, West Germany, Japan and India. Similar agreements with other countries are under consideration.

(5) Foreign technicians employed in an industrial undertaking under a contract approved by the Central Government are and will be entitled to income tax relief.

In the circumstances, both India and Pakistan should consider how far it is possible for them to cooperate with each other not only in the matter of trade but also in promoting the economic development of this sub-continent.

Company Law Administration

A PERUSAL of the annual report of the Company Law Administration for the year ended 31 March 1959 should be rewarding to any student of current industrial problems who has viewed with some scepticism the interested assertions that the climate for private enterprise has been, and continues to be, unfavourable. If there has been full or partial compensation, by way of State-created facilities in the infrastructure of the economy, for the heavier incidence of income taxation, there has also been in evidence a more constructive attitude on the part of the Commerce and Industry Ministry toward the licensing of new industrial schemes and the working and administration of The Companies Act 1956. These three factors, besides some others, have undoubtedly been responsible for the buoyant revival in business activity in the last two years. Particularly in the sphere of company law administration, the change for the better had set in during 1958-59. The setback in new company registrations recorded in the first year of the Companies Act was only a "passing phase"; in the very next year "the new Act, by itself, had ceased to be regarded as a deterrent to company formation, following a better understanding of its provisions and wider appreciation of the constructive attitude of the Administration."

The third year of the working of the Companies Act may be described as the year of "revival of market confidence in the prospects of the corporate sector" for two reasons, namely, that the number of new registrations recorded a substantial rise as compared to

1956-57 and that the number of applications for availability of names for new companies proposed to be formed increased nearly four-fold. As regards new registrations, the region-wise trends may be known from the following table:

Region	1956-57	1957-58	1958-59
Eastern (Assam, Bihar, Orissa, West Bengal, Manipur, Tripura)	334	4.0	421
Western (Bombay, Madhya Pradesh)	175	198	254
Northern (Punjab, Rajasthan, Uttar Pradesh, Delhi, Himachal Pradesh)	192	191	211
Southern (Andhra Pradesh, Kerala, Madras, Mysore)	147	152	206
Total	848	961	1095

The region-wise totals, however, conceal the continuing trend of concentration of new companies in four States, namely, West Bengal, Bombay, Madras and Delhi. Statistics relating

to new registrations in these four States alone are given below:

State	1956-57	1957-58	1958-59
(1) West Bengal	301	359	364
(2) Bombay	170	191	240
(3) Madras	91	60	113
(4) Delhi	112	117	130
Total	674	747	847

(5) As per cent of all new registrations in the country as a whole

The industrial pattern of new companies registered since 1956-57 shows that by far the greatest increase has taken place in the sector of processing and manufacturing. It will be seen from the following table of industry wise distribution of new companies that most of the increase (247) in the number of new companies in 1958-59 as compared to 1956-57 has been in the sector of processing and manufacturing. This, again, is a significant trend which shows that greater enterprise has been in evidence in the sector of industrial production as such, as distinct from commerce or transport.

INDUSTRYWISE DISTRIBUTION OF NEW COMPANIES.

		(Authorised Capital in Rs Crores)			
		1956-57	1957-58	1958-59	
Serial No.	Industrial Group	No. of Companies	Authorised Capital	No. of Companies	Authorised Capital
1.	Agriculture and allied activities	28	2.24	39	1.01
2.	Mining and quarrying	31	78.78	17	1.94
3.	Processing and manufacturing	330	88.20	427	68.89
4.	Construction and utilities	17	3.99	37	1.30
5.	Commerce (Trade and Finance)	292	23.56	281	17.15
6.	Transport, Communications and Storage	68	11.34	70	10.21
7.	Services of all kinds	84	2.54	90	2.21
Total		848	210.63	961	102.71

The size pattern of new companies shows that small companies with an authorised capital of under Rs 10 lakhs continue to predominate.

		1956-57				1957-58				1958-59			
		Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private
1.	Below Rs 1 lakh	4	167	4	227	3	249	3	249	3	249	3	249
2.	Rs 1 lakh and under Rs 5 lakhs	16	291	15	359	14	428	14	428	14	428	14	428
3.	Rs 5 lakhs and under Rs 10 lakhs	19	211	15	214	12	262	12	262	12	262	12	262
4.	Rs 10 lakhs and under Rs 25 lakhs	11	59	6	60	8	55	8	55	8	55	8	55
5.	Rs 25 lakhs and under Rs 50 lakhs	12	14	5	19	5	19	5	19	5	19	5	19
6.	Rs 50 lakhs and under Rs 100 lakhs	7	9	3	6	7	11	7	11	7	11	7	11
7.	Rs 100 lakhs and above	16	13	17	11	9	13	9	13	9	13	9	13
Total		84	764	65	896	58	1,037	58	1,037	58	1,037	58	1,037
Small companies (under Rs 10 lakhs as per cent of 8)		46.4	87.6	52.3	89.3	50.0	90.5	50.0	90.5	50.0	90.5	50.0	90.5

From the point of view of authorised capital, however the pattern that emerges is different. Here, the break-up of new companies into

Government and non-government companies has also to be taken into account. A consolidated picture in this regard is presented in the following table:

		(Authorised Capital in Rs Crores)			
		1956-57	1957-58	1958-59	
		No. of Companies	Authorised Capital	No. of Companies	Authorised Capital
New Giant Companies (with authorised capital of Rs 1 crore and above):		7	119.0	2	8.0
Government		...	51.5	26	58.0
Others		21	...	16	...
Total		28	170.5	22	239.2
All New Government Companies		12	124.9	18	8.4
All New Non-Government Companies		836	85.6	943	94.3
All New Companies		848	210.7	961	102.7

It may be seen from the above figures that new giant-sized companies (with an authorised capital of Rs 1 crore and above) have accounted for larger part of the aggregate authorised capital of all new companies in each of the three years. The more significant trend, however, is that the aggregate authorised capital of new non-government (private sector) companies has accounted for the larger part of the aggregate authorised capital of all new companies in the two years, 1957-58 and 1958-59. But the position in regard to the paid-up capital of new non-government companies is not known. This, however, is no bar to an understanding of the revival of market con-

fidence in the prospects of the corporate sector in-so-far as it is revealed by the figures of aggregate authorised capital, especially in respect of new giant-sized companies.

Another statistical proof of the revival of market confidence is provided by the increase in the number of applications for availability of names for new companies proposed to be formed from 1,296 in 1956-57 to 4,132 in 1958-59. This is a fairly reliable proof because "applications for new names of companies are indicative of intentions on the part of company promoters to set up new business undertakings." The Company Law Administration is right in drawing the twin conclusion that

there has been a rapid increase in promotional activities in the private sector in recent years and that this confirms the earlier rosy assessment of the long-term effects of the new Companies Act on the climate for investment in this sector. But, of course, the Company Law Administration alone should not claim the entire credit for this turn for the better.

Industrial Court Decisions

By M. SUR

Can a Tribunal Alter a Production Bonus Scheme?

THE Titagur Paper Mills Co Ltd put a production bonus scheme into operation in 1949. The scheme had the prior approval in principle of the trade union and was accepted by an Industrial Tribunal in the same year as a suitable basis for awarding profit bonus for the years 1945-46 and 1946-47. In 1953, the workmen at the mills raised a dispute, demanding profit bonus for the years 1950-51 and 1951-52 and certain changes in the production bonus scheme. The demand for profit bonus was rejected by the Industrial Tribunal on the ground that the workmen had the benefit of the production bonus scheme, and the union appealed. The Labour Appellate Tribunal rejected the claim for 1950-51 on technical grounds, but on the "available surplus" formula of the Full Bench gave one month's bonus for 1951-52 and revised the basis of the production bonus scheme. The company then appealed to the Supreme Court.*

It was argued on behalf of the company that the introduction of a production bonus scheme is a matter for the discretion of the employer and therefore could not be the subject of a dispute. Further, since a production bonus scheme is a function of management, the tribunal should not interfere with the details of the scheme unless convinced that the employer was guilty of mala fides.

The Supreme Court, considering the meaning of production bonus, held that, "in effect, it is an incentive to higher production and is in the name of an incentive wage," and ruled that a dispute about an existing production bonus scheme is within the jurisdiction of the industrial courts because it is a term of employment. The court did not go into the question of whether the introduction of such a scheme could be the subject of a dispute, but held that a tribunal would have the power to interfere with an existing scheme, as it had the power to interfere with any function of management falling within the purview of the law, but that a tribunal would not lightly interfere and must have good reason for altering a production bonus scheme.

The company's scheme had provided for a production bonus of 13 days' basic pay on a minimum production of 30,000 tons and 1 day's basic pay for every 460 tons over the minimum up to 36,000 tons. The award of the Labour Appellate Tribunal had raised the rate to 1½ days' basic for each increase of 460 tons between 30,000 and 36,000 tons, and thereafter to 2 days' basic for each increase of 460 over the 36,000 tons. The Supreme Court held that, since the union had agreed to the rate up to 36,000 tons, there was no justification for the Labour Appellate Tribunal to interfere with this rate. The scheme did not provide for production over 36,000 tons, which apparently was not anticipated at the inauguration of the scheme, but the company had continued to pay at a flat rate of 1 day's

basic for each additional 460 tons, and the workmen had accepted payment on this basis.

The Supreme Court held that production beyond the original target must have meant intensification of effort by labour, since the number of workers was not materially increased, although admittedly there had been some improvement in machinery. For this reason, and because labour costs must have gone down proportionately with increased production, the court favoured a progressive increase in the production bonus rates from 1½ to 2 days' basic wage for different slabs from 36,000 to 60,000 tons.

If this principle is generally applied, it would cut out entirely the application in Indian industry of certain well-known Premium Bonus systems, such as the Halsey and Rowan systems, which are based on a standard time allowance and so arranged that the hourly rate of workers' earnings increases at a lower rate than the increase in output. These systems have been planned to allow for payment of some incentive bonus to supervisors and to those not on direct production, so that they too can benefit from more economical production. They also allow for passing on a share to the consumer by way of price reduction. This is an important point. The worker is also a consumer. Considering the high cost of paper today and its repercussions on the poor student, it is equally arguable that some of the benefit of increased production should be passed on to the consumer.

The Supreme Court also held that, as the nature of production bonus is entirely different from that of profit bonus under the Full Bench Formula, the existence of a production bonus scheme would not rule out a profit bonus. In view of these two rulings, there seems little chance of a reduction in the price of Titagur paper on the market!

Can a Minority Union Terminate an Award?

The Supreme Court's decision in the case of the Associated Cement Companies Ltd* does not help to unravel the tangle that many companies find themselves in as a result of rival unions. Writing some years ago, a former Labour Commissioner of West Bengal stated that "rival unions afford opportunities to management to 'divide and rule'". While this may have been the case at one time, it is certainly not so today. Employers faced with rival unions do not know what line to take, and it is almost certain that whatever action they take will lead to further trouble. The tendency for rival factions and minority unions to create discontent in industry will only be fostered by the Supreme Court's ruling that "logic and fair play would justify the conclusion that it is open to a minority of workmen or a minority union to terminate the award." It is important, therefore, to see how this conclusion was reached.

When a dispute was referred for adjudication by the State of Saurashtra, one party, the Associated Cement Cos., raised an objection against the reference on the ground that the prior award by which the parties had been bound had not been duly terminated under section 19(b) of the Industrial Disputes Act, because the union which had given notice to terminate the award represented only a minority of the workmen bound by it. The majority union had not given notice of termination. When the award had been given, the workmen were represented by a single union, but its registration had subsequently been cancelled and two separate unions had thereafter been registered.

Section 18 of the Act makes an award binding on all persons employed in the establish-

ment or parts of it to which the dispute relates on the date of the dispute, and also on all persons subsequently employed therein. Section 19 makes the binding effect of an award continue after its expiry until two months after notice is given by either party to terminate it. The section says that "any party bound by the award" may terminate it. Literally, this would seem to suggest that even a single employee who is bound by the award can give notice to terminate it, but this was ruled out by the Supreme Court, for, as an individual dispute cannot become an industrial dispute, it would be difficult to hold that "any party bound by the award" could mean an individual workman.

It was argued on behalf of the companies that it would be an anomaly if a minority were allowed to terminate an award when the majority were willing to abide by it, but the Supreme Court considered this unreasonable and held that it would prejudice the interests of employees and hinder the development of trade unionism to insist on a majority rule. "If the majority rule is adopted, very few awards, if any, could be terminated because very few unions would be able to claim a majority of members on their rolls, and in their present stage of organisation in very few cases would a majority of workmen be able to meet, decide and act together otherwise than through their unions." Since an industrial dispute can be raised by a minority of workmen, why, said the court, should it not be open to a minority to terminate an award? It would still be open to the majority of the workmen to come to an agreement with the employer to continue the award and adopt means permissible under the Act to make the agreement effective.

But the Supreme Court has not made a distinction between a minority of workmen and a minority union. That such a distinction should be made is important not only to industry but to the trade union movement. Admittedly, a vast number of unions cannot prove membership of a majority of the workmen in the unit they claim to represent and this has made it necessary to accept that a minority of workmen may raise a dispute. This is clear enough when there is only one union in the unit, but when it comes to rival unions in the same unit, surely, the position is rather different. With rival unions one may command the allegiance of a majority of the workmen, or neither may be able to do so, but in either case it should be possible to establish, with the help of the Registrar of Trade Unions, which is the major union, that is, which has the larger following. Where it is quite clear that one is more representative than the other (leaving aside altogether the degree of representation), surely the ordinary rule of democracy should prevail. We do not expect every MP who is elected to have a clear majority of the total votes in his constituency; we are satisfied if he has a majority over his opponents. There seems no valid reason why this rule should not apply in industry. It would help the management to know where they are, and it would help in the development of strong, responsible unions. At present, it is a real hindrance to the growth of the trade union movement that small, rival unions can challenge the decisions of far more representative unions. They have always been in a position to raise a dispute and have it referred to adjudication. They can now give notice to terminate an award (and possibly an agreement also?). Before we can get out of the present tangle, some recognition must surely be given to the representative aspect of trade union membership.

Restrictions on the Right to Transfer:

There are very few of management's former prerogatives which have been left intact by the

industrial courts in the last ten years. Transfer was one of these, but it has now been assailed by the Supreme Court. Hitherto, industrial courts have usually maintained that it was a function of management to decide on the necessity for transferring an employee from one unit to another within the same company, but they maintained their jurisdiction to interfere if on investigation it was found that there was any element of discrimination against an employee or "victimization" on account of trade union activities involved in the decision to transfer him from one place to another. In the case of the Kundam Sugar Mills*, the Supreme Court was concerned with whether transfer was a condition of service, express or implied, of the respondents to the appeal.

The workmen concerned had been employed in a sugar factory run by a partnership which subsequently purchased another sugar factory and shifted its premises to another place. There was no doubt that the two mills, located in different places, with accounts separately maintained and different service conditions, were two separate entities, although they were under a common management. Certain workmen were dismissed for refusing to obey an order of transfer from the original to the new mill, and the Industrial Tribunal upheld their dismissal. The Labour Appellate Tribunal reversed this decision and reinstated the men on the ground that the employer had no right to transfer the concerned workmen to the new factory. Whilst there was evidence that the service conditions for the transferred workmen were less favourable in the new factory, the Supreme Court was less concerned with this than with the question of whether the transfer could be considered a condition of employment. There was clearly no statement about possible transfer in their terms of employment, but the condition was implied? The Supreme Court held that, since, at the time of their employment, there was no evidence to show that the employer had the intention to purchase sugar factories at other places or to extend his

activities, and the workmen were unaware of any such intention, it would not be right to consider that there was any implied condition of transfer. Therefore, the decision of the appeal court was upheld.

It is important, therefore, that in new appointments managements should make clear their right to transfer if there is any possibility of starting a new concern or extending the company's activities in the future. As regards existing employees, there is little that can be done, for, their terms of employment can only be altered with their express consent. Transfer may, of course, be covered by standing orders, but these also must have the approval of the trade unions.

*Labour Law Journal 1960 I 206.

Rubber Expands

INDIA'S rubber manufacturing industry has made considerable progress in recent years. In regard to many items, it has been possible for the industry to achieve self-sufficiency and in some cases an export market has also been built up. Imports are confined only to certain special items and the actual quantity of imports has been small.

According to official statistics, there are at present 74 units in the organised sector of the industry. These units are engaged in the production of a variety of rubber goods such as tyres of different types, footwear, belts, gloves, hoses, railway fittings, automobile rubber components, surgical goods, etc. It is pointed out that the capacity and production of most of these items are adequate to meet the present requirements of the country.

During 1959, there was an increase in the output of almost all major items of rubber goods as compared to the preceding year. It is significant that the natural and synthetic rubber consumed by the industry during January-September 1959 was about 12 to 13 per

cent higher relative to the consumption during the corresponding period of 1958.

So far as automobile tyres are concerned, the output recorded a sharp increase in 1959 from the level of the previous year. The number of giant automobile tyres produced went up from 732,257 in 1958 to 915,530 in 1959, motor tyres from 235,520 to 267,055 and motor cycle tyres from 37,669 to 50,690. The production of other types of tyres and tubes also increased substantially as will be seen from the table published.

There are at present three units producing automobile tyres and tubes. Their installed capacity is 1,438 million numbers a year. Additional capacity for 900,000 has already been licensed under the Industries (Development and Regulation) Act. The existing capacity, together with the licensed capacity, would be sufficient to meet the demand arising by the end of the Second Five Year Plan. The position in regard to automobile tubes is also more or less the same.

As regards bicycle tyres, the present capacity is 14.61 million a year on a three-shift basis. It is estimated that the demand for bicycle tyres by the end of the Second Plan period would be of the order of 14.72 million a year; and, in order to meet this demand, an additional capacity of 6.19 million a year has been licensed.

The automobile and bicycle industries are making rapid progress. In 1959, the production of automobiles rose from 26,788 in 1958 to 34,259; motor cycles from 2,653 to 3,064; and three wheelers from 683 to 1,380. The output of complete bicycles also increased from 912,594 to 1,067,000. With the growing demand for automobiles and bicycles, the tyre manufacturing industry can look forward to a bright future.

Next to tyres and tubes, the manufacture of footwear is the most important item in this category of goods. In 1959, production of rubber footwear was about 38 million pairs as compared to 36 million pairs in 1958. There

CAPACITY AND PRODUCTION OF RUBBER INDUSTRY.

		1958.			1959.			
Name of Products.		Accounting Units	No. of Units	Installed Capacity	Actual Production	No. of Units	Installed Capacity	Actual Production
RUBBER MANUFACTURES								
Belt:								
(i) Fan Belts	...	Nos.	6	1,009,160	666,464	7	1,253,610	1,010,870
(ii) Vee Belts (Industrial)	...	Nos.	5	.....	546,071	5	.....	738,210
Camel Back	...	Lbs.	9	5,898,000	7,082,236	10	6,198,000	9,691,210
Dipped Rubber Goods	...	Dozens	14	42,826,260	24,229,703	13	40,324,700	27,153,310
Ebonite	...	Lbs.	14	1,383,484	234,329	14	1,833,484	242,785
Hoses—								
(i) Radiator Hoses	...	Nos.	9	570,060	168,196	9	588,300	201,025
(ii) Other Types of Hoses	...	Ft.	14	11,34,800	9,217,094	14	1,134,800	1,154,109
(iii) Vacuum Brake Hoses	...	Nos.	4	1,080,000	602,151	4	1,080,000	558,890
Latex Foam Sponge	...	Lbs.	7	1,674	2,226,045	7	1,674,000	2,402,015
Rubber Components of Railway Fittings (Springs)	...	Nos.	4	1,536,000	1,350,218	4	1,536,000	1,369,805
Rubber Footwear	...	Pairs	19	45,092,460	36,696,395	19	45,846,060	37,938,080
Tyres:								
(a) Automobile—		Nos.	2	672,480	732,257	3	847,200	915,530
(i) Giant	...	Nos.	2	360,864	235,520	2	343,440	2,67,055
(ii) Motor	...	Nos.	2	.....	37,669	2	.....	50,690
(iii) Motorcycle	...	Nos.	1	31,932	42,074	2	63,720	43,350
(b) A.D.V.	...	Nos.	2	6,156	2,333	2	5,940	2,110
(c) Aero	...	Nos.	6	7,229,268	8,259,048	9	12,101,712	9,622,350
(d) Bicycle	...	Nos.	3	1,284,000	274,141	3	1,284,000	221,480
(e) Cab	...	Ft.	2	6,372	3,293	2	6,372	3,420
(f) Off-The Road	...	Nos.	2	32,148	28,900	2	30,600	33,840
(g) Tractor	...	Nos.	2	.....	.....	.....	.....	.....
Tubes:								
(a) Automobiles—		Nos.	2	665,208	591,880	2	666,000	717,730
(i) Giant	...	Nos.	2	380,592	295,061	2	391,400	322,595
(ii) Motor	...	Nos.	2	.....	59,824	2	.....	72,620
(iii) Motorcycle	...	Nos.	1	46,080	55,840	2	99,360	53,005
(b) A.D.V.	...	Nos.	1	4,428	1,136	2	4,500	1,160
(c) Aero	...	Nos.	2	8,253,000	7,853,471	7	12,639,200	10,047,235
(d) Bicycle	...	Nos.	5	6,372	3,342	2	6,372	2,410
(e) Off-The Road	...	Nos.	2	33,912	31,176	2	34,920	33,840
(f) Tractor	...	Nos.	2	6,294,000	3,236,248	13	6,294,000	3,702,530
Waterproof Fabrics	...	Yards	13	.....	.....	.....	.....	.....

*Civil Appeals Nos. 450, 451 and 514 of 1957.

*Civil Appeal No. 404 of 1958.

are 19 units in this industry with an installed capacity of over 45 million pairs. Additional capacity to the extent of 2.4 million pairs a year is being set up.

Other rubber goods whose production recorded a substantial increase in 1959 were latex foam sponge, water proof fabrics, hoses and dipped rubber goods like toys, balloons, etc.

Although the rubber manufacturing industry has been making steady progress, it has still to depend considerably on imports for its requirements of raw rubber. The gap between availability and requirements is as much as 25,000 tons. The Government of India therefore have recently issued a licence for the manufacture of SBR Rubber for an annual production of 30,000 tons. However, production in the initial stages will be of the order of 20,000 tons of SBR rubber.

What Can Be, But What Is

THE evolution of public enterprise in India under the spur of a new social philosophy is a subject of special interest to Parliament, and two lectures delivered at Madras by Mr A. K. Chanda should stimulate thinking not about objects but about methods of control in the larger public interest. The case for monopoly in civil aviation or life insurance is tacitly conceded, but Government now are in business in a big way, and the statutory corporations enjoy a degree of autonomy that is hard to reconcile with the doctrine of accountability. The Auditor-General in a synoptic survey that gains from its freedom from political bias has presented a picture of what is, and what can be. It is important to recognise that, in banking, shipping and other fields, the Government are now a potent factor and the performance of the chosen instruments has a bearing on the economic growth which Socialists want, whether it be in Australia or India.

The device of Crown Corporations adopted in Canada has not been adopted in India; and, in the UK, the business concerns are run as monopolies that have to face wage claims but are not exposed to the risks incident to running for years at a loss and get grants. While the political climate is unfavourable to further nationalisation, the views of Mr Herbert Morrison have shaped policy in relation to public enterprises, and the control of Parliament is more or less formal. Whether the same doctrine should prevail in India, where conditions are different and the tradition of bureaucracy is still rampant, is an issue to be dealt with by informed judgment. Mr Chanda's own views are not obtrusive, but his dissatisfaction with procedure (different but satisfactory in the case of Government-owned private companies) is not concealed.

It is rather curious that the practice in Sweden, where Socialism is both respectable and popular, has not been given weight in the survey of tasks and achievements. The power monopoly, the railways and the airlines in Sweden have been acclaimed as proof of the triumph of social purpose and public interest. The hydro electric system made a profit and paid interest due over a long period to the State, though profit-making was not the prime object of State control. The tobacco and liquor monopolies are part of the Middle Way described so eloquently by Marquis W. Childs, indicating that well-paid and uncorrupt Government servants free from political interference can show results comparable to any. Social insurance is financed by the Swedish monopolies and the radio has been adapted to the same form of management. If monopolies in coffee and petrol have been avoided,

the Swedish Government have obtained full control over armaments manufacture by a system of official licensing and inspection. In regard to the liquor trade, the claims of Temperance have been admittedly secured by the rationing in force and the excise revenue has risen steadily.

This may not hold lessons for a country that is pledged to total Prohibition, but the point is that larger revenue helps the Government to borrow on occasions and the compromise made with the "Drys" illustrates the Swedish preference for the middle way. The exclusion of Swedish policy and practice does not detract from the value of Mr Chanda's review of what public enterprise should start with and secure. The public sector is very necessary, and there is none who would like strategic industries to pass under private control. Even the USA, by its control of atomic energy, is wedded to a new theory of public enterprise, which the TVA is a case of federal control for largescale development and welfare. Public enterprises use loan capital, but not in the way that Veblen described, to concentrate control among "insiders" to exploit the public, and it is certainly important to bear in mind that the recent stir over TV abuses has forced the USA to think of the cultural impact of a special type of business on the minds and morals of the public, especially the young.

The pattern of control is, however, to be distinguished from the growth of State capitalism, which is deplored by the Swatantra party, which has conveniently forgotten that the subsidised Khadi industry is largely the creation of CR, who also imposed burdens on the mills in order to assist handloom weavers. The value of Government aid to organised industry, under expert advice of course, makes it clear that private enterprise has not launched itself and its financial strength is derived from loans, tax concessions and exemptions. The fact that aluminium and non-ferrous metals are left to the private sector in this country while competition with private plants will probably develop in the steel industry makes it possible to look for the persistence of a mixed economy. But in a mixed economy the Corporation should be the accepted form and a regular review of results in the public interest should be made by audit which, according to officials, is most important for testing operational efficiency. But efficiency largely rests on location and the Auditor-General's warning against political pressures for starting new industries has special value in the circumstances of the coal-mining industry, handicapped by both price control and new obligations for safety and welfare. It is gratifying to find that, in pleading for a new attitude, Mr Chanda too has emphasised the need to make profits and to provide resources for development. Public enterprises must find the means for their own growth and prices charged must show a profit margin. This view, associated with Professor Galbraith of Harvard, is upheld by Mr Chanda, whose plea for flexibility in management will be endorsed by all like his theory that foreign equity capital in State-owned plants will help to limit the strain imposed on foreign exchange earnings.

The main theme however, of the lectures is the concept of State management of industry, and it is curious that the Chartered Companies' work in Rhodesia or Borneo, reconciling distinctive claims, has escaped the notice of Mr Chanda, perhaps because they have passed into history on the other hand, the sale of Government assets to private capitalists in the USA is invested with significance in the resume presented to illustrate the variety of control and experience, though the contrast provided in the past between the Canadian Pacific and the National Railways may, with-

out prejudice, illustrate the point made about effective business management of public enterprises. The predominance of the public sector belongs perhaps to the future, but the State Governments have been told indirectly of the need to remodel business concerns and to bring in outside talent and experience—a point made familiar by Mr A. D. Gorwala in his critical report on public administration in Mysore. The insistence on accountability through Ministers elected to the legislature may be regarded by some as the cardinal point in the recent lectures, but some will hold that the emphasis is on competition between State monopoly and free enterprise, and that the obligations accepted by the latter must be shared by the former.

There is, however, no doubt that the lectures present a point of view, at once critical and sympathetic, and the officials who run new sugar mills, co-operative spinning mills or transport undertakings will benefit from the soundings taken by Mr Chanda whose own experience makes him incline to corporations instead of departmental agency. This is a well-founded preference, inspired perhaps by the departures in denationalisation in Germany and the advent of people's shares in Austria also, so that the initial nationalisation has been modified. Few will say that the UK Labour party's recent adjustment of ultimate aims is inspired by the tempered results of nationalisation, but the Suez Canal Authority, as a new type of public enterprise looking beyond local or national interest, may also deserve study. But Mr Chanda has accepted the pragmatic solution offered by the desire for a mixed economy here, and it is not without significance that restraints on private industry are part of the British economic pattern, influenced by Mr Harold Macmillan's presentation 22 years ago of apt compromise in the Middle Way (Macmillan & Co.).

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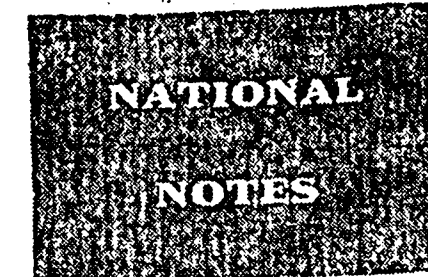
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Dynamics of Development

The report of the discussions of the Panel of Economists on the approach to the Third Plan reveals the existence of an unfortunate bias on the part of some economists against the private sector. While the Panel has given its broad approval to the size and pattern of the Plan, it is difficult to appreciate the view attributed to some of its members that the private sector should not be given such a large share of the total investment proposed. According to the tentative proposals, the total private sector investment for the Third Plan has been estimated at Rs 4,000 crores. Considering the record of the private sector during the Second Plan, this figure cannot fairly be described as on the high side.

The economists who want the private sector investments reduced, ignore the needs of balanced development of the national economy. With the growing output of power and basic materials in the public sector, there is need for corresponding development of capacity in the private sector for their utilisation. Have they calculated what it will involve, if State undertakings have to be set up to fabricate all the steel coming out of the steel plants and con-

sume all the electricity from the power projects? And until that is done, the huge investments in steel plants and power projects will not be reflected in rising standards; on the contrary, the locking up of resources in large projects has led to a decline in levels of living. Unless that trend is corrected, the Third Plan may impose too heavy a burden on the democratic framework before its foundations have had time to set.

A large Plan will be feasible only if it provides for a larger volume of investment in the private sector than under the Second Plan. The share of the private sector can be reduced only at the cost of reducing the total outlay to a larger extent. It is rather puzzling that some of the members of the Panel should close their eyes to these elementary aspects of the dynamics of development. The argument that investment in the private sector should be limited to what it can find out of its own resources is even less impressive. When the bulk of the community's investible surplus is mopped up by Government—through taxes, loans, small savings, deficit financing and now Prize Bonds—it is less than honest to suggest that the scale of investment in the private sector should be limited to its own resources. And, after all, financial investment, though important, is not everything. Development of the numerous industries required to fill out the gaps in the national economy requires, in addition to money, investment of talent and enterprise. This will be more readily forthcoming if the scope for private enterprise is not hamstrung on narrow, doctrinaire considerations.

Flexible Steel Plan

IN his inaugural address to the annual conference of All India Manufacturers' Organisation, the Prime Minister has given a clear indication of his preference for a pragmatic approach to the problems of economic development. The field is so vast that, even without rigid demarcations of the areas reserved for the public sector, it is possible for both State and private sectors to make rapid progress without getting in each other's way. While a broad demarcation will help in the economic application of limited resources, the adoption of irredentist attitudes by the Government or the private sector will not make for their optimum utilisation. This has been recognised in the revised Industrial Policy Resolution of 1956 which declared that the private sector may be allowed to establish units in industries reserved for State enterprise in appropriate circumstances, while reiterating that it shall be open to the State to undertake any type of industrial production and to start any industry in the sphere allocated to the private sector, "when the needs of planning so

require, or there are other important reasons for it". With the current emphasis on steel production and machine building, which will continue to dominate the Third Plan as it did the Second, the most significant indication of this flexible approach is the ready acceptance by the Prime Minister of the suggestion for the establishment of small steel plants wherever it was feasible. What China has been able to achieve with small steel plants may not be relevant to Indian conditions. But the Chairman of the AIMO, who made the suggestion, has pointed out how small plants will be advantageous, in view of the shortage of high grade coking coal and the presence of large deposits of low grade coals suitable for use in low shaft furnaces. Government have already sanctioned the establishment of nine small blast furnaces, and two of them have gone into operation. The larger availability of melting scrap that is anticipated highlights the need for expansion of capacity for its utilisation, through the establishment of small steel-making units dispersed all over the country. Last year, Government sanctioned 19 new electric furnaces. Dependence on imports for special varieties of steel will be reduced if the small plants are designed for the manufacture of the special tool and alloy steels. With the growth of the machine building and engineering industries, the demand for these special varieties is bound to increase by leaps and bounds. But as the demand for each variety will be limited to a few thousand tons, it will not be economical to undertake their manufacture in large units. The principal handicap of the small iron and steel plants is the problem of high working cost, as these establishments will not be able to make use of techniques for achieving maximum fuel economy. By concentrating on manufacture of special steels, which sell at comparatively high prices, the small plants will be enabled to bypass this difficulty.

Parkinson's Law in India

A study undertaken by the National Employment Service gives details of the growth of employment in the public sector. During the first three years of the Second Plan, this increase is estimated at 1.14 million which works out to 44.7 per cent of the Plan target of additional employment for the public sector. The total employment potential of the Second Plan was originally estimated at eight million. Subsequently, the estimates of additional employment were scaled down to six million. Even assuming that employment will be generated at an accelerated pace in the remaining two years of the Plan, it is clear that the bulk of the new employment opportunities will have to be created in the private sector if the plan targets are to be reached. The same pattern of distribution of new jobs between

the private and public sectors is likely to continue in the Third Plan period, and it will, therefore, be useful if a survey is undertaken of new employment in the private sector to see how far expectations have been, or are likely to be, realised.

Services account for over half the increase in employment in the public sector undertakings, and the largest increase has occurred in administrative offices and departments. Though it is explained that administrative cadres include professional and technical personnel, the impression may persist that with the expansion of the public sector India experiences Parkinson's Law.

Increase in the number of administrative personnel and office-workers, as compared with the number of workers employed in actual production, is one of the consequences of adoption of modern industrial techniques, irrespective of whether the establishments are in the public or in the private sector. A comparison of distribution of employees among the different categories in representative undertakings run by private enterprise in India and abroad should act as a necessary corrective to the impression that growth of administrative personnel in India has outpaced the growth of the national economy. As at end of March 1959, the total number of persons employed in the public sector undertakings was 6.37 million. This works out to four per cent of the total working population of India. In spite of nationalisation of industries and planned economy, the share of employment in the public sector is still very low compared with Great Britain, where the corresponding figure is 24.3 per cent,

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or the USA where workers in the public sector form twelve per cent of the total workforce.

All This and Rum, Too

The three year trade pact with Yugoslavia is certainly derived from friendship, but the balancing of exports against imports, even those obtained on credit, speaks of a desire to lift Indian exports this year, though current regulations in force will apply to the trade. But convertibility of rupees for purchases in Yugoslavia is ensured by the account opened in the Central Banks of both countries. Moreover, commercial banks also will be able to acquire and exchange Yugoslav dinars. Bunkering services for the ships will be available, but coastal trade is reserved. Yugoslavia, according to the schedule annexed, appears as an exporter of chemicals, asbestos, fabricated steel and mineral oil. Surprise will be caused by the entries under raw films, hops and textile machinery. Yugoslavia is ready to sell machine tools as well as non-ferrous metals to India in addition to ships and cranes. India "looks" for a market for sugar, cocoa and pepper, though it is patent that it has no sugar or cocoa to spare for export. India, under the new agreement, emerges as a shipper of rum as well as tea and coffee. A market for ores and pig iron, too, is expected, and coal is one of the items in the schedule, though Polish coal must always be cheaper. Light engineering goods find a place along with sports goods and shark liver oil in the schedule of exports. India seems ready to ship precious stones as well as medicinal herbs.

Letters exchanged promise scientific collaboration to supplement trade. Familiar items like shellac, jute bags and cotton waste are supplemented by the inclusion of laminated jute bags and linoleum in the schedule of 95 items. Whether the export trade in handicrafts will benefit may be doubted, but the schedule is a sign of new horizons opening for India's trade, and one thing is plain. India is ready to sell raw materials like hides and skins in addition to vegetable oils, on the assumption that export quotas will be provided for the latter item. The exchange of capital goods is ensured by the new trade pact and Yugoslavia is apparently eager to follow East Germany and Hungary as a new supplier of machinery to India. The agreement makes no reference to the present official rate of exchange and probably the price under all transactions will be converted into sterling for purposes of calculation. This will suggest that, even without a draft on sterling reserves, it is impossible to work out trade and exchange except by reference to London. The variety of Yugoslav exports will surprise many, but there is no place in the schedule for tobacco, maize or pork

products—the major items in Yugoslavia's trade in the past.

Forward Bullishness

The solemn warning issued to the forward markets recently by Delhi, and not only against kerb dealings, is based presumably on the experience of the cotton trade and the rise in prices of jute manufactures. Advances in prices for oils on speculative support have inspired official misgivings and it is noteworthy that Adoni seems to be preferred for operations by Bombay interests. The bull market in commodities has certainly caused much anxiety and it is evident that market trends abroad have little influence on prices ruling in India. But shortages in evidence, for instance in cotton, are the major factor at present and price control is not so important as the strict limit placed on imports by the tight exchange position. The statistical position of jute is also stronger and the course of prices has consistently favoured those with stocks.

The reversal of the earlier quiet trend since the Budget is the main reason for the tighter control threatened, but it may be assumed that export prospects will continue to inspire bullish fervour in oils and oilseeds. The higher margins have not so far affected sentiment in cotton or oilseeds and the outlook is governed as much by the fear of strained relations with China as the inference that the last Budget spells inflation and the Third Plan will not brake the steady rise in prices. This country is more impressed by the rise in bullion prices than the low level of interest rates. Regulated markets do not limit speculation, it is realised, and if the upward course of prices in pepper is broken by the New York rates and the authorities are able to curb the rise in jaggery by means of the rise in Indian Sugar mills' output in 1959-60, the general setting is not conducive to the removal of speculation because it is certain that domestic demand is going up for cotton and jute alike, and there is no prospect of large imports from Pakistan. Even if the volume of trading is curtailed by intervention the price structure seems to be durable.

Coal Price Rise by Instalments

Another concession to the coal industry has been forced on the Government, and it looks as if the revision of prices contemplated two years ago is coming in instalments. Of course, the representations by mining interests, anxious to explain the prospect of shortage and the slow growth of the public sector's output, have not been

without influence. The Government have come to recognise that wage awards have raised mining costs and the new surcharge on rail freight is a factor in costs as well as prices. The increase in the price of coke may not affect steel producers and the revision of soft coke prices is probably overdue. In any case, what was done to stimulate sugar output has to be adopted in respect of coal and coke also, and the Coal Commissioner has to deal with the claims of the larger segment of output outside the Government's control at present.

It is reassuring to find that points made this year about the position of the coal mining industry have been given some weight by the authorities. The restoration of the export trade with nearby countries is essential, and the Government's own offer to ship coal to Pakistan is an added reason for the restoration of the mines' capacity to produce more coal. The controlled industry's claim for rehabilitation may not be conceded in full, but there is now appreciation of the difficulties that stand in the way of coal mining reaching its target as intended four years ago. The steel plants will require more coal, and washeries alone cannot provide a solution.

The problem of colliery owners was stated by Mr Agarwala lately in moderate terms. It is not conservation alone that is wanted. Extension of mining operations is required and leases should be fully utilised whenever possible. The merger of small companies approved formally has been delayed, though it is plain that labour also stands to gain from the formation of large, efficient undertakings. The small recovery in coal shares is a sign that the future earnings' potential is hopefully appraised and the revision of prices may end sudden local shortages, due however to transport difficulties. The case for a square deal to the oldest industry has been accepted. But this too is a case of better late than never. The postwar benefits to miners have also been given at the expense of the shorn investor who has put his money in an industry exposed to many risks.

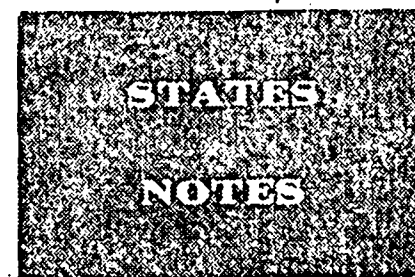
Tariff Commission on Sugar Costs

The Tariff Commission, set to work out a rational cost structure for the sugar industry in answer to the clamorous demands for revision of sugar prices by mill interests, have rightly stressed the distortions that would be reflected in a uniform schedule for the entire country. With varying durations of seasons and differing recovery percentages of sugarcane in the different sugarcane growing belts in the country, an all-India schedule of cost of production will,

in the words of the Commission, only result in inflating the all-India cost. For purposes of costing, the Commission have divided the sugar producing states into four regions: (1) Northern, comprising Bihar, UP and Punjab; (2) Bombay State; (3) Madhya Pradesh and Rajasthan; (4) the Southern region, consisting of Andhra Pradesh, Mysore and Madras. The Commission have worked out four schedules to represent the ex-works cost of manufacturing sugar in the four regions exclusive of the cost of sugarcane. The main recommendation regarding the cost structure is that, from year to year, the price for each region should be determined according to duration and recovery with the help of the regional schedules. In the grouping of States for costing, there seems to be some risk of overlooking State-wise differences in production costs. However, considering that it is the cost of sugarcane which accounts for the major part of sugar production cost, and also in view of the fact that sugarcane costs are left out of reckoning in the regional costing, the effect of omitting State-wise costing may be considered to be of minor importance.

Another important recommendation of the Commission concerns the question of rehabilitation allowance. While the industry has made out a case for such special rehabilitation allowance for purposes of modernising machinery, the Commission have considered the claim of the industry indefensible on the ground that the industry, working with low capital costs, has functioned in an inflationary period when prices were high and profits were substantial. In this connection, the Commission say, "It is against the canons of social justice to claim that since they have applied the resources they had for expansion, the consumer, in whose interest control is imposed, should now be called upon to pay the cost of their rehabilitation programme which all the available evidence shows was delayed so long."

The growth of the sugar industry since the grant of protection in 1932 has been truly phenomenal. "Whereas there were only 29 factories in 1930-31, the number in operation had risen to 157 by 1957-58. Progress has been particularly remarkable in the last decade. In the course of this period, sugar production increased by about 100 per cent from slightly more than a million tons to 1.98 million tons, while consumption increased from 1,185,000 tons in 1948-49 to nearly 2,100,000 tons in 1958-59. With the licensing of additional capacity under the Third Plan, to meet the anticipated rise in demand arising from rise in the standard of living, shift from gur and khandasari to crystal sugar and growth of population, production should be headed further upwards.



Complaint or Commonplace

In an address to the Industries Minister of Andhra Pradesh, the Andhra Chamber of Commerce in Madras referred to the need for a financial corporation that would screen and underwrite new issues, offer technical advice, take up shares, and advance loans, if necessary, to promising ventures. It indicated that a new agency, more vigorous and resourceful than the State Financial Corporation, is needed at present. Whether the ICIC should be supplemented by a decentralised agency may be debated, but some banks and insurance companies are thinking of branching out into the field of "mixed" banking, mainly for the use of the larger funds at their disposal. The selection of investments, the nursing of infant concerns, and the placing of shares at some stage can be deemed part of the work of Trust companies on the US pattern, and it is fairly certain that, in a new mood of confidence, the investing public may provide long-term deposits for such new agencies. Whether foreign collaboration is necessary for proceeding with the provision of extra facilities is doubtful, but good work may be done by retired civil servants for whom a second career in business would be opened up easily. The Minister for Industries in his reply to a plea for a more vigorous development of industry in Andhra Pradesh mentioned his desire to reduce power tariffs, water rates and adjust sales tax to the requirements of new industry. The Centre may permit such adjustments without prejudice to the competing concerns, and if sugarcane cess were modified, the sugar industry in Andhra may develop more rapidly than in Madras or Mysore. But the cement industry will not gain, as any relief from excise is out of the question and the recent wage award will press on the cement manufacturers.

The lack of capital in Andhra Pradesh for organising new industry was mentioned openly and it is merely an endorsement of the academic view that joint-stock enterprise has not yet struck root in Andhra, and the record of the Industrial Trust Fund does not encourage outside capital to come in. However, Mr A. C. Subba Reddi hopes that entrepreneurs from other States will be inclined to start new ventures in Andhra Pradesh, where the tanning and leather industry, for instance, is dormant like the glass industry. Of course, the paper and artificial

silk industries have been nursed back into health by transfer to the private sector and the future may be appraised hopeful if a pig iron plant is started in the State. Only limited benefits have so far accrued from the shipyard and the oil refinery and the limited hydel power supply has stood in the way of the growth of engineering industry. That Telangan is better off in respect of industry and ryots in the Circars have not invested in industry are commonplace rather than complaints, and it is evident that the planners in Andhra who wish to start manufacture of electric motors, diesel engines and wire ropes must be able to draw in both capital and expertise from other States, though, in regard to fertilisers, the proposed factories in Madras may find the Andhra market more dependable, owing to the steady expansion of irrigation facilities, and the effective use of molasses may help the cultivation of export crops like tobacco.

"Heart of India"

The inquiry conducted into the economy of Bihar by the National Council of Economic Research dwells on the problems of overpopulation and the differences subsisting between North Bihar and South. The decline of indigo, and latterly of sugar, complicates the economic problem for the North and it is but fair to remember that the sudden decline of the big zamindar and earlier the earthquake of 1934 had aggravated the difficulties. That outside capital has flowed into Bihar, though coal-mining has been for two decades a depressed industry, must be mentioned as also the outlet for Bihar's surplus labour found in both Bengal and Assam. The recent economic survey as compared with Sir John Houlton's account of Bihar (Longmans 1949) may not dwell on the forests or minerals but it must be noted that in Singbhum are found the main resources for heavy industry in India, and Ranchi has been transformed already from a health resort to an industrial centre. The lack of cotton or jute mills cannot be called a handicap when Bihar produces lac as well as mica for export, and if large expensive industrial units preponderate, the gain is really that of organised labour.

That heavy industry, has created towns like Jamshedpur is wholly to the credit of the outside capitalist and it may be added that Kumbhari and other concerns have endowed Bihar with an engineering industry and the Company-managed railways had truly contributed to the growth of coal-mining. The plea for small scale industry is in part derived from the contrast between North and South Bihar, but it may be mentioned that the Sindri plant represents new massive investment by the Centre, and the postwar railway extensions have helped South Bihar

more than any other area. Accelerated growth of small scale industry largely depends on local capital and it must be ascertained whether the response to the challenge will come promptly from the agricultural classes. To urge that Government should do more for rural housing and education and help small industry, when the extractive industries have not come along rapidly, is to miss the point that, for a century, Bihar has depended on Bengal for both capital and enterprise and the difficulties of the former explain to some extent those experienced by the latter. The future cannot be viewed without reference to the past, but there is no reason to think either that industrially Bihar is backward or that land reforms will strengthen the essential agricultural base. The enlargement of opportunities may well come from the opening up of Nepal and the effective use of forest wealth in the south-west as well as the north. Incidentally, the latest survey is but one of a series starting with the inquiries of Buchanan-Hamilton into the life and labour of what is felicitously called the Heart of India by Sir John Houlton.

Aluminium in Mysore?

Mysore's Chief Minister, Mr B. D. Jatti, told the State Assembly recently that the industrial tempo in the State as a whole had increased during the current plan. Industrial production had risen from 40 crores to Rs 60 crores. Employment potential had also increased by about 10,000. A total of Rs 90 crores had been invested in different concerns worked by the Government and, in these, production was worth over Rs 21 crores.

There was a proposal for setting up an aluminium plant in Mysore State, preferably in the Karwar-Gokak region. Mr Ligate of the Indian Aluminium Company had submitted plans on the Central Government's advice, and Mr Jatti stated that this plan seemed to be attractive and that the State Government were considering the proposition.

Mr Jatti said Government themselves were thinking of a paper mill at Ugar in Belgaum district utilising bagasse. A West German proposal to start a paper factory was also another scheme about which a decision would have to be taken soon.

As for the raw material for the proposed aluminium plant, Mr Jatti said that it would not depend upon the Mysore ore only. Kerala, Kolhapur and Saurashtra bauxite would be quite suitable and the ore would be got by sea from these centres.

Will a private party be allowed to generate electric power for the aluminium plant? This seems to be a question agitating the minds of both the Mysore and the Central

Governments. For the proposed aluminium plant for which Mr Ligate had put up proposals, he had also submitted a power generator from the two tributaries of the Kalinadhi river in Mysore. If the financial aspect is thought of and if the Government wished to give the power project to a private concern, there need be no qualms about it even on the basis of sharing the outlay in some proportion so that there might be state control over power production.

Regarding the Kolar Gold fields, which had been taken over by the State some years ago, Mr Jatti stated that it had earned a profit of 61 per cent after paying Rs 19 lakhs royalty. The Government electric factory earned a profit of about 35 per cent and the Mysore Government Soap Factory about 37 per cent.

Mr Jatti said that there was a proposal to set up a cooperative spinning mill in Belgaum district and some cooperative sugar factories at Mogatkanhalli, between Dharwar and Belgaum. The revival of the Dharwar cotton mills with a total spindlage of 15,000 was also thought of. In this Bijapur district, a cooperative spinning mill was likely to be set up soon, and the Government were eager to help this industry with an investment of Rs 10 lakhs or even Rs 12 lakhs in this cooperative venture.

Science and Defence

Mr J. R. D. Tata, President of the Court of the Indian Institute of Science, while recently addressing the General Assembly of the Institute in Bangalore, asked: "have we in fact the potential to sustain even a limited war if one were forced upon us?"

He posed this question while pleading for greater coordination among scientists, engineers and other highly trained personnel in the Defence Administration Services. Uneasiness had been caused by recent events on India's northern borders, and there was anxiety about security. India had decided to remain aloof from power blocs as a matter of basic policy and for good reasons. Therefore, said Mr Tata, India should inevitably depend on its own resources and on the use it could make of them. "What is the state of defence technology and science in our country? Is there adequate coordination between those responsible for defence and those engaged in science and technology? Has sufficient thought been given to correlating scientific activity to defence needs in times of emergency?" Mr Tata asked.

Mr Tata thought that the Bangalore Institute could be utilised in a number of ways in service of the nation. The security of a democratic state, he believed, depended on self-knowledge and on the confidence based on such knowledge that the people had in the pre-

paredness of their country their Government and their military apparatus.

Mr Tata felt that there was far too much secrecy about defence in India, even in regard to things of little importance or in regard to facts too well known to a potential enemy. He did not claim to know about the military resources of country or about the means at the country's command, the size of the armed forces and the range of the weapons, munitions and military stores they could make or were capable of making. In this connection, he felt that scientists, engineers and others highly trained had an important role to play in assisting in the military preparedness of the nation.

In case there should be any serious emergency, Mr Tata asserted, there should be a greater degree of coordination between them and the defence services than there was today.

Next, he pointed out the dearth of design engineers in the country. The different disciplines in the Bangalore Research Institute suited the establishment of design engineers training centre. The project on instruments designing and development would be of great value in this context. The Instruments Committee of the Planning Commission had strongly recommended the setting up of designing and development units, and the joint Committee of the Court and the Council felt that one such unit should be located at the Institute. The provision of an M.E. Degree course in machine design in the Mechanical Engineering Department was also stressed by Mr Tata.

In the Electrical Communication Engineering Department, facilities hitherto utilised for training at the degree level would be gradually made available for turning out engineer scientists who would, after advanced study in mathematics and physics at the M.Sc. level, enter the engineering field and receive the kind of practical and theoretical training that would fit them for research and development work. Mr Tata also wanted the Institute to make a distinct contribution to bridge the gulf separating them from advanced countries in matters of industrial design and in the problems that only trained design engineers could successfully tackle. The Institute should adopt flexibility in regard to promotion and recruitment procedures if only they realised they had to preserve both individuality and encourage initiative.

Stressing the need to increase research, Mr Tata wanted liberal scholarships, already provided, be further stepped up.

Finally, the pace of India's technological advance would depend on its ability to reach the point of economic take-off, and Mr Tata hoped the Institute would, in times ahead contribute splendidly to India's advancement.

FOREIGN NOTES

A Place in Spain

Not atomic weapons but bases abroad are now the issue associated with German rearmament. After the flurry about air fields in Spain for Germany's use and the sharp argument that was provoked, there is a claim by Herr Strauss for the consent of the NATO Council for bases outside its territory. A place in the sun may be an outworn phrase, but Germany's industrial power has led to a reiteration of a plea at Paris for bases. It may be Mr K's visit that has led to a formal claim for a full alliance to permit Germany to use arms for a common purpose. It is evident that Herr Strauss is not deflected by Western suspicion of Spain or the distaste to let Germans enter Spain and not merely to share with the USA in the reorganisation of Spanish defence forces. The current moves for disarmament do not probably impress Germany, which can re-enter the arms traffic by sale of surplus to a country like Spain in return for mineral ores or other Spanish exports. The effectiveness of forces can be raised by training overseas and the USA can scarcely counter the argument in view of its own bases in the Pacific. And Britain, still bargaining for a base in Cyprus, and still in possession of Malta and Gibraltar, can present no convincing argument against the German claim for bases.

Since NATO is built upon military bases from Iceland to Morocco, and the way to repel the German plea is hardly obvious, it is clear that the Summit conference will have another issue connected with Germany's future. The economic integration of Western Europe admittedly strengthens Germany's case, but the Socialist parties will not be impressed by the plea that an integrated supply system is needed. However, the expected loss of economic power by Belgium and French pre-occupations with Algeria may help Germany to press its point of view, and it is not surprising that, in the event of losing face in Berlin, the West German Government is anxious to show results at home from the tie-up with NATO. It is also well to recognise that militarism has economic objectives and the export drive cannot but have wider ambitions based on Germany's past.

ECAFE Survey

The Ecafe Survey for 1959, while drawing attention to the all-round progress in industrial and agricultural production which set up new records, has also emphasised the con-

tinuing imbalance between needs and resources of most of the countries of the region. A review of the foreign trade of the primary exporting countries of the region, covering a period of three decades from 1927 to 1957, shows that the chronic payments difficulties of these countries have not been caused by accidental or short-term factors; projections of trade trends show that the imbalance is likely to continue. Over the period as a whole, it was found that the primary exporting countries of the region fell behind not only the industrial countries, but also the rest of the primary exporting countries both in the volume of exports and in their value. Terms of trade have deteriorated since 1951. On the other hand, programmes of industrialisation on which these countries have embarked, and increased defence commitments, have resulted in larger imports which have grown much faster than the capacity to pay for them with exports. The region as a whole, which was a net exporter of foodgrains three decades ago, has now become a net importer. The implications of the changed pattern of trade disclosed by the review demand the urgent attention of governments and the adoption of trade policies which will reduce their growing dependence on the industrial countries for imports of staple foods and essential raw materials. As the scope for increasing the traditional exports are not encouraging, the countries in this region will be well advised to adopt a programme of regional self-sufficiency, to the maximum possible extent. Such a programme, which co-ordinates the development plans of individual countries, has greater chance of success than unilateral efforts at export promotion. The survey has pointed out that the primary exporting countries of the region may find it necessary to consider the question of promoting intra-regional trade. A proposal for setting up a Free Trade Area, sponsored by four countries—Philippines, Thailand, Malaya and Viet Nam—emerged at the last meeting of the ECAFE at Bangkok.

Consumer Confidence Returns in USA

It is one thing to say that conditions are ripe, in terms of incomes, employment and general business activity, for an upturn in consumer spending in the US but it is quite another thing to say with any reasonable degree of assurance that the buying public will see these conditions in the same favourable light, and will feel sufficiently well-off and confident to be willing to open their purse strings wide enough to assure such an upturn.

And while the current rate of US economic activity is undeniably high and vigorous, there is little doubt that consumers will have to step up their spending above present levels if the optimistic projections about 1960 economic prospects are to be realized.

With this in mind, there is an important message to be read in the results of the latest survey of consumer attitudes and buying intentions, made public last week. The survey was conducted during Janu-

ary and February by the Survey Research Centre of the University of Michigan, and its message is this: Public uncertainty in the wake of last year's lengthy steel shutdown seems to have passed, and consumer confidence in the future has rebounded to near-peak levels.

If consumers act the way this survey suggests—and historically, its results have proved to be remarkably accurate omens of consumer behaviour—economists can put behind them any serious worries about 1960 business trends.

On the question of consumer buying plans, the survey uncovers a 20 per cent rise over a year ago in intentions to purchase automobiles in the next 12 months. An important stimulant seems to be the new compact cars, which appear to be winning favour with the buying public. Since these cars tend to cost less than the standard, full-sized vehicles, the median planned expenditure for automobiles is slightly below last year's.

Plans to buy houses also have picked up considerably during the past few months, after sagging last spring and summer under the impact of rising interest rates for home mortgages.

Of course, as has been pointed out by George Katona, head of the Survey Research Centre, consumer moods are important keys to spending plans. And these moods tend to reflect what are often highly subjective judgments about personal financial prospects and the prospects of the economy in general.

Here again, the survey provides a cheerful note. About 40 per cent of those questioned—the highest count yet on this particular subject—expect to be better off financially a year from now, compared with 33 per cent in the Centre's previous survey last winter.

Consumer confidence soars even higher when it comes to the outlook for national business conditions. Close to 75 per cent of those questioned see good times ahead for the country as a whole in the coming year, compared with 61 per cent last October and November. On the other hand, those who are clearly pessimistic have shrunk to seven per cent from last winter's 13 per cent.

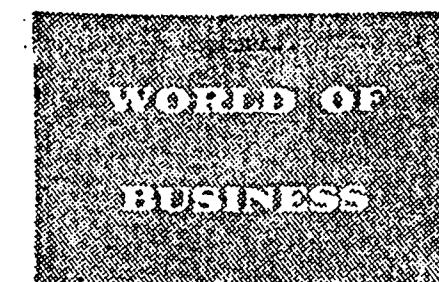
While these results point unmistakably to rises in consumer confidence and outlays, there are a few qualifications that should be taken into account. For one thing, despite the significant upturn in the Centre's indexes of consumer attitudes and buying intentions, these are both a little below the peaks reached in the 1955-56 period.

For another thing, the survey finds that consumers still are wary of rising prices, despite the stability of the past year. And while this awareness of inflationary dangers can be considered a healthy development, it still could act as something of a deterrent to some of the more ambitious spending plans.

Yet even these qualifications have their brighter side, insofar as they indicate that no runaway "boom" in consumer outlays—with its possibly harmful after-effects—is in the making. As the Centre concludes, "consumers' current inclinations to buy promise a positive stimulus to the American economy."

Indian Finance

9 April 1960



Assorted Exports

IT is to the Indian Trade Journal that one must turn to learn what varied exports are shipped at present. The rules for drawback of excise paid by manufacturers lay down that rate of drawback can be varied and exporters will have to give particulars to the Government, about goods used if required. Shipment, before rebate is allowed, is also envisaged but exporters have to put in a claim for drawback. Among goods that qualify for drawback are art silk fabrics, plastic goods, crown corks, steel products including tin containers, and steel wires. Agricultural implements in which steel is used are also now held eligible for export.

The concessions are inspired by the levy of a new duty on steel, but the drawback is variable, ranging from Rs 550 per ton to Rs 52 per ton of steel used in manufacture. A small drawback on chemicals shipped abroad figures in the recent Government notification, and India seems to be exporting glass, glassware, playing cards, carbon paper and blotting paper. The higher excise levied by the latest Budget is offset by the new concessions. There is a drawback on plywood as well as on staple fibre yarn and rackets strung with nylon guts. The exporter of gold jewellery, if authorised by the Reserve Bank, is also eligible for drawback at Rs 15 per tola of gold if it is proved that only imported gold has been used in manufacture. This, of course, is a condition hard to satisfy. Drawbacks are allowed on silver articles up to 50 nP per ounce. This concession applies to cultured pearls also on the same condition. The export of ground and roasted coffee, glycerine, etc., is encouraged by the new rules. As for colours and paints the same relief is available. The export of cigars is encouraged and India is trying to push its plywood chests into new markets. Polo sticks, paper clips, bicycles, dyestuffs, electric fans, tooth paste, umbrella ribs, spark-plugs and diesel engines are also among the exports. Where imported materials are used, the Customs duty paid plus the excise are taken together for calculation of the drawback payable to exporters. Among exports now made possible by local manufacture are air conditioners, typewriters and stainless steel furniture as well as textile machinery. The volume and value of these assorted exports can be learnt only later on but it is now apparent that India can make a lot of things for export and prices charged abroad will be lower be-

cause of the tax relief available to exporters. The cost of these concessions cannot be calculated precisely at present, but it is good to find that aluminium conductors and cables made in India rank among the goods on which excise is refunded, as is only proper.

—And Exploring Markets

India's future well-being as a nation will depend on whether or not we are able to effect a sizable improvement in exports. In view of the heavy burden of foreign loans already contracted and will be contracted during the next few years, it has become imperative that ways and means should be devised of earning sufficient foreign exchange to service loans, to meet the continued large requirements of imports and to make repayment of maturing liabilities. This can be feasible only by considerably enlarging export earnings. The additional income has largely to come from new products, since India's traditional exports are unlikely to increase substantially their contribution due to stiff competition from other countries exporting such products. In this regard, engineering products have already shown great promise. Much of this is to be attributed to the sustained effort put forth by the manufacturers and by the Engineering Export Promotion Council.

A delegation of this Council recently visited countries in South America, the US and the Caribbean Islands with a view to exploring the possibilities of increasing exports of Indian engineering goods. It has now returned convinced that Indian products have a splendid opportunity in all these markets. The Caribbean Islands and the Central American countries can be made to take in a sizable quantity of Indian goods as they import a good deal of consumer goods to meet the needs of the large tourist traffic.

The delegations' findings in the US have made it clear that the fact that a country is far ahead in industrialisation does not necessarily mean that there is not much scope for selling Indian engineering goods there. The idea was exploded when USA began to evince interest in some engineering goods like sewing machines. The delegation has now succeeded in creating a demand for iron and steel-based components manufactured in India for incorporation in final products in US industries. The availability of raw materials and the comparatively lower labour costs in India seem to have opened up new possibilities of Indo-American industrial cooperation for mutual profit. Perhaps, the most valuable result of the delegation is that it has spread the news that India offers a wide range of engineering products of good quality and at competitive prices.

Although we have in recent years been sending a number of

delegations to foreign countries with a view to exploring new outlets for the steadily increasing range of manufactured products, much still remains to be done. The latest EEPC delegation has shown that potential markets have not been aware that, besides traditional commodities like jute and tea, we can also offer finished products like engineering goods. There are still many other countries which have not been adequately explored. This work should properly belong to trade delegations. But there will still remain the task of publicity and sales promotion, as an integral part of modern trade and commerce; and, on these aspects, we have to devote our concerted attention if export promotion programmes are to yield the desired results.

Janata Cars

There is nothing reprehensible in the plan for a People's Car to be made in the public sector. But Janata policies have not made headway, and there is the bad example of the People's car in Germany under Hitler. Of course, the postwar period has made the Volkswagen both popular and universal, giving the shareholders more than their money's worth. But only a different regime has provided redress to the creditors of the State who had subscribed largely for a new automobile.

The decision to exclude the private sector from small car manufacture will raise mixed feelings. There is, however, a promise to liberalise essential imports for the struggling automobile industry, and the Jha Committee's recommendations inspire the proposal to encourage the manufacture of ancillary parts so that concerns started in 1958-59 can count on tariff and other advantages. The price of the small Swadeshi car of the future is put at Rs 6,000 to Rs 6,500, but doubts are expressed already about the price. And the new excise may well raise the price ultimately paid by the consumer. A consequence of this decision may be a rise in the price of small secondhand cars which are latterly becoming more expensive. The larger supply of spares to keep them on the road must be ensured in accordance with demands made by users as well as traders. Even the removal of control on the sale of new cars may appear desirable to many, who feel that the restoration of full competition is necessary for raising both the output and sales of new cars. The entry of the public sector into car manufacture, probably at Bangalore, will certainly lead to new claims for wage increases in an expensive city.

For Cold Comfort

For a new entrant in India's industrial sphere, the record of the refrigeration and air conditioning industry is commendable. Like many modern amenities, the refrigerator and aircooler are also fast becoming items of necessity in-

stead of being viewed as symbols of luxurious living. It is but a natural development that the demand for these should record a steady increase with the improvement in the standard of living of the people. But, as yet, the common man is deriving the benefit of these amenities only indirectly, when he goes to his office or factory or when he visits a picture-house or a restaurant in the big cities. Actual possession of the amenity is still limited to the upper stratum of society. It is, however, increasingly being realised by employers that air conditioned work places increase the efficiency of their staff.

Refrigeration has a wider and perhaps more important function. Here, the emphasis is on its aspect as a means to check wastage and ensure proper preservation. Cold storage has opened up new possibilities in food preservation. Perishables which were going waste previously can now be kept for a considerably long period without their losing any of their nutritive properties or freshness. In the course of his speech at the annual meeting of the Indian Society of Refrigerating Engineers, Mr P. Kutar has pointed out that, even at the present high price, a refrigerator will pay for itself in a year or two. This is largely because it helps cut down waste in the form of excess unusable food.

Refrigeration and air conditioning are becoming inevitable needs with the rapid progress of industrialisation. Mr Kutar has added that recent studies have shown that airconditioned offices increase efficiency of the staff by 30 per cent while absenteeism is reduced. It is also wrong to think that airconditioning is costly, because, unlike ordinary buildings, airconditioned buildings need no high ceiling or electric fans and the cost of maintenance is also comparable. Air conditioning is indeed a great boon for industries which have a large number of precision instruments to maintain, as in ordinary conditions the delicate instruments often can work only with reduced efficiency.

One of the reasons for refrigeration and airconditioning being looked upon by the majority of the people as possessions fit for the wealthy, is their present high cost. If these are available at prices within the purse of the middle class people, there will be a big increase in demand. Therefore, the industry has a great opportunity now in the shape of the drastic import restrictions firmly to establish itself. Furthermore, we are told by Mr G. Ramchandani, President of the Society of Refrigerating Engineers, that the industry has the active support of Government. The initial shock of the import ban has slowly given place to confident endeavour to make the products indigenously. And, in this the industry has achieved signal success in the short space of the past three or four years. Indigeneous production is now to the tune of Rs 2.62 crores and the targets

for the Second Plan for the three categories are: Domestic refrigerators 25,000; Window Airconditioners 25,000; and Water Coolers 3,000. The industry expects to have a much higher target for the Third Five Year Plan, which is as follows: Domestic refrigerators 50,000; Window Airconditioners 50,000; and Water Coolers 20,000. With the rapid expansion of production, prices can be brought down and Mr Ramchandani seems to be confident that attractive prices levels can be attained in a few years. It is also encouraging to note that certain types of steel plates needed by the industry, which are now being imported, will shortly be made available from the Rourkela Steel factory.

As in most other industries, in the refrigeration and airconditioning industry also, there is need for personnel planning. Improvement both in quality and quantity is essential for taking care of the growing needs of the industry and the consumers. It is gratifying therefore to note that the Society is doing its part by providing training facilities. But the task is too big to be carried out by the Society alone. As an adequate number of trained personnel will be in the interests of the industry as well as the consumers, there is need for joint effort from all concerned in assisting the Society to expand training facilities to the required degree.

Paper : Book Profits Fall

Mr G. L. Bangur, Chairman of the West Coast Paper Mills Limited, has raised an important point in his speech at the annual general meeting of the company in Bombay last week. According to him, the fair prices fixed for paper by the Tariff Commission do not ensure that the essential needs of the paper industry are not unduly jeopardised. The present selling prices are not such as to leave "sufficient resources for the expansion of the existing units and which also attract new entrepreneurs in these industries."

Of course, the rapid progress of the industry is of deep interest to Government. For, India is still far from self-sufficient in paper and paper products, and there is now an acute shortage in many of the common varieties of paper. It is primarily with a view to protecting the interests of the consumer that the new paper prices have been formulated. There is therefore no doubt whatsoever that paper production should be stepped up considerably as quickly as possible. The fact that the target for paper production during the Third Five Year Plan is fixed at 900,000 tons (nearly double the Second Plan target) is an indication of the big leeway that has to be made up in paper production in the next five years if a paper famine is to be averted. But mere formulation of plans or the issuance of licenses will not do the trick. Private en-

terprise, to whom the task of meeting the increasing demand is entrusted, should be given sufficient incentives so that it can mobilise the necessary resources. But it has been protesting, ever since Government's acceptance of the recommendations of the Tariff Commission, that the new paper prices will seriously interfere with expansion programme because there will be little left of the profits to be ploughed back into the business.

The Tariff Commission also seem to have ignored the fact that there are many units in the industry which have come into being only in recent years. For instance, the West Coast Paper Mills is a new unit which has started production only since the middle of last year. The new selling prices apply to this company also. It is to be hoped that, as a result of the fresh discussions that the Commission are having with the representatives of the company, all new units will get a fresh deal with regard to the selling prices of their products.

Housing & Economic Growth

A growing body of authoritative opinion supports the view that the surest means of accelerating the pace of economic growth is an imaginative housing programme. The net shortage by the end of 1961 is estimated at 5.9 million houses. Some measures for mobilising the financial, technical and material resources for a housing programme of this magnitude are suggested in a paper prepared by Dr S. D. Punekar. The measures suggested include the establishment of a Housing Finance Corporation in each State to serve as a central financing agency, tax concessions, subsidies, rent regulation, use of modern techniques of economic construction, administrative coordination and provision of essential municipal services such as sanitation, drainage, water supply, roads, etc.

A programme for housing should take into consideration how and where the people who are to live in the houses earn their livelihood. Inadequate attention to this aspect has been responsible for the slow growth of ambitious schemes for development of satellite towns. The improvement of standards of rural housing depends on success of measures to achieve a sizable increase in rural incomes. Programmes of slum clearance in urban areas should be accompanied by planned dispersal of industries. National housing policy should form part of an integrated programme of regional planning including the location of industries.

IISCO's 3rd Rolling Stand

The formal commissioning of the third Rolling Stand in the Rolling Mill of the Indian Iron and Steel Company Limited at Burnpur by Sir Biren Mookerjee heralds the

completion of an important stage in the expansion programme of the Company. Claimed to be the most modern and the biggest of its kind in the country and operated by Indian Engineers, the new mill will engage in the production of beams, broad flanged beams, angles and rails of different varieties. It is reported that the new plant will account for almost double the quantity so far produced by the two mills already in operation and the total output of the IISCO will be to the tune of over 25,000 tons a month.

In the course of the Press conference held after the opening ceremony, Sir Biren Mookerjee highlighted the importance of careful implementation of the stage-by-stage expansion programme for maintaining a steady flow of products. He pointed out that the paucity of essential raw materials for the Iron and Steel Industry, which has already hampered production, will be increasingly felt when more steel works are put into commission. He complained that the use of a poor variety of coal and limestone has not merely resulted in lowering the production capacity but also pushed up the cost of production. In addition to these, the recent enhancement of railway freight rate will also have its toll in impeding the progress of the industry in general.

Tobacco Unhappy in Andhra

Tobacco worth Rs 35 lakhs remains unsold in the Mangalagiri area in the Andhra State, according to Mr N. Ramachandra Reddi, Andhra's Agricultural Minister.

The Indian Leaf Tobacco Development Company bought 3,000,000 lbs at the intervention of the Union Government last January. The National Tobacco Company may lift another million lbs.

Mr Yellamma Reddi, the member who sponsored the "call-attention" motion in the State Assembly, said that Virginia tobacco worth about Rs 1 crore to Rs 1.5 crores was lying with the Mangalagiri growers. Price fluctuations placed the growers in a very difficult situation.

The Minister said that the Indian Leaf Tobacco Development Company and other major buyers had completely stopped buying Mangalagiri tobacco since 1959-60 season as tobacco grown in this area was not acceptable to foreign traders. It was found that this tobacco was unsuitable for cigarette manufacture. Since this tobacco was grown in low-lying areas, the manufacturers were of the view that this leaf proved unsuitable to the purpose. Despite this warning, growers had cultivated this variety extensively in 1,800 acres in 1958-59 and this was more than the area in which tobacco was cultivated in 1957-58.

The State Government had been urging upon the Union Government to take expeditious steps to relieve the distress and it was at their instance that the ILTDC bought 3 million lbs.

(Andhra Pradesh produces 95% of the total production of Virginia tobacco in India. It also accounts for 80% of the export of Virginia tobacco from India.)

Watch Factory

With the signing of the agreement between the Government of India and the Citizen Watch Company of Japan for the installation of a watch factory in India, the manufacture of low-priced quality watches in the country has become a certainty. The proposed watch factory will be located in the vicinity of the Hindustan Machine Tools Limited and will manufacture low and medium priced watches with all the technical perfections of costly ones.

The factory, which is expected to go into production during 1962, will attain full production of 360,000 watches from the sixth year onwards. The indigenous components of the watches will also progressively rise to about 84 per cent from 54 per cent by that time. However, items like main and hair-springs, shock absorbers, and jewels will have to be imported for a considerably long period. The import of plant and other equipments will be financed out of the Yen credit facilities made available by the Japanese Government.

The capital cost of the plant and equipment over the next plan period will be to the tune of over Rs 70 lakhs. The Japanese firm will assist the Union Government in the establishment of the factory, in the preparation of specifications for the plant and the equipment, supply of technical know-how, research and development. Apart from these, the Citizen Watch Company will also train 100 Indian technicians for a period of five years in its watch factories.

Rubber in January

Rubber consumption in India during January 1960 outstripped production, according to Rubber Board statistics. Consumption in January amounted to 3,205 tonnes against output of 2,438 tonnes. Corresponding figures for January 1959 were consumption at 2,866 tonnes against production at 2,324 tonnes. Imports of raw rubber in January 1960, however, declined to 488 tonnes from 671 tonnes in January 1959. Stocks at the end of January 1960 were 10,496 tonnes against 11,716 tonnes at the close of January 1959. Stocks with estates and dealers also declined to 5,770 tonnes from 5,950 tonnes; and stocks with manufacturers went down to 4,726 tonnes from 5,766 tonnes in January last year.

Cashew Prices Firm

Cashew exports from the West Coast ports have again boomed due to the recent Russian purchase of 40,000 cases and with sustained US inquiries for April and nearby shipments.

An export House in Madras told an Indian Finance correspondent that there is a possibility of the Eastern European countries, in combination with Russia, importing 200,000 cases in the coming months.

The United States of America has waited so long apparently for the prices to go down, but with the Communist countries keeping up their fervour for cashew from the West Coast ports, the US also contracted for about 15,000 cases for July-September shipment. There are indications that New York importers would lift about 400,000 cases in the next six months.

Alleppey and Cochin report that price of raw cashew has been high since the foreign inquiries for processed nuts has gone up. East African cashew has risen from Rs 840 to Rs 900 per ton for unprocessed nuts. This year, the import of cashew nut has been higher by 15,000 tons at 75,000 tons. The local price of cashew has also gone up on a parity with the East African nuts.

Pyrites in Bihar

On the recommendations of the Norwegian expert appointed to explore the possibilities for the exploitation of pyrites deposits found in abundant quantities in the Amjor area of Bihar State, the National Industrial Development Corporation has decided to set up a new plant in that locality for the manufacture of sulphur, sulphuric acid and other products from this valuable minerals. The new company—The Pyrites and Chemicals Development Company Limited—which will have an authorised capital of Rs 5 crores, will undertake the mining of large quantities of pyrites ore and then these will be smelted and converted into sulphur. The initial smelting capacity of the new project will be to the tune of 200 to 300 tons a day and this capacity is likely to be expanded later.

It may be recalled that, at present, India imports over 120,000 tons of sulphur every year, and the production of this important material, which is essential to the various chemical industries, will be of immense help to the nation in bringing about a substantial saving of foreign exchange.

Mr K. N. Kaul, the Chairman of the National Mineral Development Corporation, will also function as Chairman of the new company. The Board of Directors includes representatives of some Union Ministries, the chemical industry and labour.

Coal-Washing Plant for HSL

A contract to supply a coal preparation plant at Bhojudih, in West Bengal, has been placed by Hindustan Steel Ltd with Coppee Co (Great Britain) Ltd. The plant, which will cost about Rs 2 crores, consists of a separation plant for the larger sizes, with a cyclone washing machine for the "smalls".

This cyclone-type washery, the British company states, will be the

first of its kind to be installed in India.

About half of the total contract, it is understood, will comprise Indian-made materials and labour. The plant will be in operation in 1962.

The company said: "Indian coal, in general contains a large proportion of intermediate material, and the efficient separation of the dirt from the clean coal is not easy. The cyclone plant to be installed is specially designed for high efficiency separation of 'smalls' such as will be encountered in India."

The firm added: "The production of steel in India depends on the supply of the correct type of coking coal to produce the necessary coke for iron-making. The Indian Government, through Hindustan Steel, has embarked on the provision of a number of coal preparation plants to produce the required type of coal, and a very extensive programme to provide such plants is envisaged in the near future."

An office has been set up by the British firm in Calcutta, and a manager and other staff are shortly leaving Britain to assist in carrying out this contract.

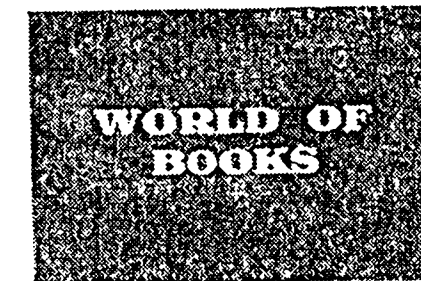
Further Schemes of Drawback

As a measure of export promotion, the Government of India have decided to allow drawback of Customs and Central Excise duty paid on materials used in the manufacture of cork wadding, tea chests, typewriters, mild steel pins and clips, impregnated varnishes and super-synthetic enamels used in the electrical industry and fishnet twine or cord. Changes have been made in the rates of drawback for paper products, potassium citrate and mild steel pipes black or galvanised.

Paper Machinery

The installation of the pulp and paper machinery manufacturing plant, the first of its type in India, at Dalmianagar can be rightly considered as an important stride in the industrialisation of the country. The credit of embarking on this new venture, which is destined to expedite the development of small scale industries, goes to The Rohas Industries Limited, a leading producer of paper and board in India. The new plant, with a capacity of producing 25 units a year, is expected to release its products in the market shortly.

Inaugurating the plant, Mr Manubhai Shah, the Union Minister for Industries, drew pointed attention to the need of developing small scale industries in the country to help solve the problems of poverty and unemployment. Quoting examples of industrially advanced countries like Japan, Germany and the United States of America, the Minister pointed out that, apart from providing employment to the people, the small scale industries can even help the nation in earning a sizeable amount of foreign exchange by exporting their products.



Indo-German Economic Cooperation

Going round Calcutta's Industrial Fair, I found a stall devoted to illustrating West German economic cooperation with India, and was presented with a book entitled "India's Silent Revolution" by J. M. Hunck, published by Verlag Handelsblatt GMBH, Dusseldorf. A beautiful production, it is obviously a tribute to the technical skill of German printing, but it also proved a most readable and interesting study of Indo-German economic co-operation. First published in 1958, it was revised in September 1959, and its avowed aim is to promote a closer exchange of views between the people of India and Germany and to develop trade between the two countries.

Our industrial ties with the Federal Republic of Germany are very close. India is West Germany's biggest customer after the United States. There are more than a thousand Indian students and trainees now in West Germany. German firms have participated in construction work in several river valley projects, in hydraulic and electrical work, in the sugar industry, and milk sterilization plant. German advice and assistance has also been generously given on such problems as harbour installations, water resources, coal mining, exploitation of oil, fertilisers, manufacture of bamboo pulp and so on. Kandla Port is evidence of German economic assistance, and the Madras Institute of Technology was equipped as a present from the Federal Republic on the occasion of Mr Nehru's visit to Germany in 1956, and is being largely staffed in its early years by German teachers and skilled craftsmen. Even in the field of tourism, Germany has shown an increasing interest in India, and the number of Germans who visited India rose from 920 in 1955 to 3,000 in 1958.

It is always useful to see ourselves as others see us, and it is therefore worth while to consider the comments of such a friendly critic as Mr Hunck. First, in the field of trade, he finds a quite "exceptional" disproportion between Indian imports from Germany and Indian exports to Germany. This he finds disquieting and says the remedy lies in the manufacture in India of more goods suitable for export markets: "if necessary at the expense of internal consumption." He quotes the First Secretary (Commerce) of the Indian Embassy at Bonn as saying that "no serious attempt has been made to cultivate the German market." Import facilities for Indian cotton fabrics granted by Germany in special agreements, he says, "were not even utilised."

Referring to the example of Japan, Mr Hunck points out that it is "by

no means impossible steadily to develop what was originally a small market." After Germany adopted the system of global quotas in 1957, he feels Indian export of cotton goods could have been considerably expanded. The Japanese offer competitive goods designed to attract the German market. The attractive patterns of Indian hand-woven fabrics are popular in Germany, but much more could be done to interest the market in manufactured cottons.

A similar comparison with Japanese methods was made recently by an American lady. Indian designs, she said, were very popular in America and manufacturers in the clothing industry there were buying cloth from India and manufacturing ready-made dresses which sell at high prices, although the cost of the cotton fabric is cheap. Japanese manufacturers, however, are making up garments to American specifications and selling them at cheaper rates in the American markets than the local manufacturers. Ready-made dresses, manufactured in India to good designs, would provide India with an excellent export market in the States, I was told.

"Indian prices are not higher than the Japanese, but potential buyers are not nearly well enough acquainted with Indian goods." In October 1955, in a radio talk, it was announced that the Indian Government would arrange a permanent display of raw materials and finished products at Hamburg. "Since then," adds Mr Hunck, "much water has flowed along the river Elbe, but there is still no display."

Naturally, German importers need to be able to inform themselves not only on the quality of Indian goods, but on export regulations and possibilities. In the past, there have only been two or three Indian importers resident in West Germany, and the Indian export trade has had little information on the German market. Fortunately, the Frankfurt Export Promotion Centre is helping, and since this book was written, an Indian Trade Centre has been set up under Mr R. M. Phillips, a former official of the Indian Ministry of Commerce and industry. This provides a permanent exhibition of Indian goods and a "pattern-book library." An Indian Tourist Office has also been established at Frankfurt.

German importers nearly all have the same complaints on the subject of trade with India. They say that goods ordered to sample are frequently not supplied to the same quality and type, quantities of goods are not available to compensate the outlay for publicity, displays, trade shows, etc.; and goods are often not delivered on time. These are shortcomings which could be remedied, and India would benefit thereby, for, it is the Federal Republic's avowed aim to give all possible assistance to young industrial nations.

The same complaints have been levelled against products of small industries. Large-scale Russian and Polish contracts for shoes were made with India, but it was found that the poor quality of the workmanship led to a high rate of rejection; nor were the shoes finished in time. Mr

CALCUTTA BOMBAY MADRAS NEW DELHI

maid of progressive forces. And there is no reason to believe that it will be anything different in India. With the rapid industrialisation of the country, advertising has a busy and useful time ahead of it. Instead of decrying advertising, Mr Nehru would do well to give it all the encouragement it requires, because he can have no better ally in his task of bringing about a rapid improvement in the standard of living of the people. In the words of Sir Winston

Churchill—who is appropriately quoted at the opening page of the Convention Souvenir—advertising helps both consumption and production. There is no doubt that the first Advertising Convention has succeeded in banishing from the public mind some of the basic misconceptions about advertising. The able organisers of the Convention deserve congratulations for establishing a common forum for discussions on all aspects of advertising.

There are no rumours of resignation to make the mild and bitter budget in the UK go down well with the vocal backbenchers in the Tory Party. With Defence spending still high at £1,600 million, the main problem for Mr Amory was getting in more revenue. And, as forecasts had it, indirect taxation was to go up, to curtail free spending and to enlarge savings. The UK budget still drains a lot of the national income, and getting a surplus is harder

even with £328 million of extra income. But it has been done, and the only industry to qualify for relief is the cinema. Not unexpected, owing to the rivalry of audiences, and the continued closure of prominent cinemas that could not keep going on profits from popcorn and icecream.

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The lift in the tobacco excise may have little to do with study of lung cancer but the object is plain. More significant is the plugging of loopholes. Stockbrokers who go in for glasshouses or greenhouses will get no fiscal relief, since losses from amateur farming cannot be set off against professional income. Compensation for loss of office as directors (a sequel to take-overs) will be liable to tax, though exceptions about gratuities are promised. The Economist had suggested that both should be dealt with. Reduction in death duties relating to gifts is a sop to the capitalists in a way, and relief by way of allowances for dependent relatives is too late a recognition that parents, like young children, are not self-supporting. This may well be adapted to Indian conditions at present. The 2½% increase in the profits tax is, of course, a bear point for the Stock Exchange, already hit by the fall in Kaffirs and the poor form of dollar stocks lately. The immediate reaction in Home Industrials also is forbidding. There is of late worry about the reserves of the sterling area, and the UK economy, too, has its pockets of unemployment. The continued rise in savings, especially small savings, in 1959 is treated as a good sign, and the rise in the Bank rate to 5% does not seem to have hit new investment so far. The credit curbs do not affect industrial expansion, with the Treasury also ready to lend for worthy ventures in backward areas, but the Budget proves that a third victory at the polls has made the Government ready and able to take unpopular decisions, to guide the boom, and to defer cuts on Health services and the like. The Budget proves over again that cleverness is not at present confined to the Socialists, and that Tories are now the least class-conscious of political parties. Maybe, that too is a sign of the times, which India should read quickly. Even the cut in the duty on wines will be taken as a sign of healthy social advance from Back-room beer to sherry, and the object may be more to let in cheap, Spanish and French wines than to push Colonial wines through. But brewing is a very solid industry, and the Inland Revenue has never deflected it from its steady pursuit, by bids and other means, of both property and prosperity. And that, too, may make for confidence in a time of shrunken share values in Britain, where yields are rising to make ordinary shares safer for the average investor.

EAVESDROPPER.

WHY WE ADVERTISE... 7

achieving
higher
standards
of living



Mr. Pestonji Polson, Chairman, Polson Limited

OUR experience, in the Butter & Coffee Industry, has outlined most clearly that Advertising is much more than a sales device; it is a potent educative force in the modern world.

We had two basic objectives: to achieve higher standards of presentation and quality, and to educate the public to want these better standards;—arouse them from their apathetic acceptance of sub-standard, badly-packed and often, spoilt or deteriorated goods.

To achieve our second objective, we advertised—using this great method of mass communication as a beacon to spread enlightenment, arouse interest, create the desire for better goods.

People did learn of new standards through our Advertising.

And the demand thus created for scientifically and hygienically prepared, and well-packaged food-stuffs—in short, for our products—enabled us to turn to mass production, to enlarge our distributive systems and services, to sell at lower prices.

By educating people, Advertising turns them into potential customers for the products that can help them live happier, healthier lives. The demand thus created enables the manufacturer to produce these higher-quality goods more cheaply, distribute them more widely. In showing a better way of life, and in indicating how best it can be served by product, article or living pattern, Advertising plays a vital role.

Good advertising serves you



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JWT. HA. 934

GATEWAY GOSSIP

The Road or the Railway

MR. S. H. TURNER, Chairman of Hindustan Lever, has weighty reasons for talking at length on transport at the annual meeting of the company held this week in Bombay. Transport costs of Hindustan Lever are maintaining an upward curve and, in recent years, such movement has been greatly accelerated. Last year, they were equal to nearly half the company's profits. Expressed differently, they were considerably more than what the shareholders get by way of dividend. Cost is not the only consideration. Much depends on how quickly the raw materials reach the factory and the finished products go to their destination. The third consideration in transport is the manner in which the finished products and raw materials are moved. This should be suitable both to the company and to the dealers.

These principal criteria have led to two main innovations in Hindustan Lever in the movement of finished products. One is the increased use of road transport and the other is the sizable increase in the number of depots. Nearly fifty per cent of the materials transported now moves through road, whereas some ten years ago, the company was almost entirely reliant on the railways. Road transport has proved a boon to the company since, for its purposes, this mode of transport has been found to be particularly suitable with added advantages which are absent in transport by rail. Transit time has been reduced from 21 days, when use of rail transport was predominant, to 5 days. Quick movement of goods has meant considerable reduction in locked-up capital with consequent larger availability of funds for deployment in other profitable activities. And there are many other advantages, like door to door delivery and prompt settlement of claims. Mr Turner, however, gives the railways their due credit for the improvement lately noticeable in their attitude toward their customers and the service they provide.

How come, then, with the new innovations, transport costs of the company are still mounting? If, in the past decade, companies like Hindustan Lever are trying their best to effect economies in transport, the tax gatherer, too, has been bestowing increased attention on it. Rail freight has gone up by 26 per cent during the past ten years, and every other type of transport is considerably costlier today than it had been some years ago, thanks to the rise in the cost of fuel, in-

creased Customs and Excise duties on vehicles, etc.

But what seems to puzzle Mr Turner is the apparent lack of interest on the part of Government to enabling the people to utilise even existing transport facilities to the maximum extent possible. One often hears fervent pleas for reducing the strain on the railways. But what Government are doing seems to militate against the effective use of roads. Mr Turner refers to the multiplicity of rules that now govern road transport. Inter-State disparity in regulations causes considerable hardship to road transport operators. Government, too, seem to be meting out a stepmotherly treatment to road transport. Nearly 20 per cent of the Second Plan's total outlay has gone to the railways and the planners have justified the large allocation by pointing out that, as matters stood at the beginning of the Second Plan, only the Railways were in a position to take up the responsibility of sizably increasing the transport facilities so that the increased demand that would be generated during the Plan period could be taken care of. Even before the Plan reached its halfway mark, the realisation had dawned upon Government that greater attention to road transport would have made the transport situation much more satisfactory than it had turned out to be.

Since then, road transport seems to have got some concessions and the promise of good treatment in the future. Even this little stimulus has given much encouragement to transport and, in the course of the past two or three years, it has come to offer stiff competition to the Railways. It would appear that road transport operators' success stems from the fact that they have contrived to eliminate some of the blatant defects found in the railway administration. It is common experience that, with their vast expansion, the railways have tended to become more and more autocratic. In marked contrast to the personalised service that road transport offers, the railways are impersonal; and, often, consignees have found it quite a job to get adequate wagon space or a satisfactory reply to their complaints. Even when the railways become all attentive to the needs of the public, road transport will continue to have its attraction. There are certain inherent advantages in road transport which the railways can never hope to equal. That is the reason why, in highly industrialised countries, road transport has developed so much that it often outstrips the railways in the matter of tonnage carried. In recent years, the trend in the UK is toward increased use of road transport for movement of goods. Between 1952 and 1958, road transport has increased its share of the total volume of traffic, while the railways have recorded a decline.

Why did Hindustan Lever get disenchanted with the railway? I

will let Mr Turner do the talking for me:

"In 1950, our normal method of despatch of finished goods was by rail straight to the dealer, and, as far as possible, in full wagonloads. This meant that we tied up a great deal of our own capital, the goods spent an average of 21 days in the wagon, and in addition at the end of 1949 we had Rs 187 lakhs worth of manufactured goods at the factories because we got wagons very irregularly. It was common experience in those days that for several days we got no wagons and then had sixteen on one day. We also had to tie up a good deal of our dealers' capital. The man in a small town who had to take a full wagonload of vanaspati, might well find himself with four or five months' requirements on his hands at once; and for this tying up of our dealers' capital, of course, we had to pay either in bigger discounts or in letting them make larger profits on stocks in their hands whenever we had to raise our prices."

The alternative? The road. Unfortunately, for reasons best known to Authority, road transport has not been given the attention it deserves, and Mr Turner has cited a number of examples to show that road transport continues to be neglected or its needs are being looked into only leisurely. His reference to the flood damage in Gujarat, where both the roads and the railway tract have been damaged, illustrates this point. The railway line was put into commission in about three weeks, but he estimates that the full restoration of the

road to Surat will take one year. In the meantime, road traffic is diverted through the fields, causing much hardship and loss to road transport operators. Nowhere in the country is there adequate realisation of the need for improving roads or for putting up bridges capable of withstanding heavy traffic. Even where important bridges are being constructed, there is apparent a lack of proper assessment of the main purpose for which such main road links are established.

There is no reason why the wholesome principle in vogue in western countries, that the people have a right to choose the type of transport according to their convenience, should not be emulated in India. By giving undue prominence to the railways and neglecting the interests of road transport, movement of goods has been made to lean heavily on the railways. This cannot be deemed a healthy development because, with the sizable development of the country that is in the offing, the demand for transport will increase proportionately heavily. It will be prudent to develop road transport from now on for the simple reason that, after a particular stage in their development, railways may not be able to increase appreciably their carrying capacity. It would appear that there may exist a misgiving with the Government that, if road transport is given the necessary encouragement, it will soon supplant the railways. Such a fear is not worrying even countries where road transport has taken big strides. In those countries, the railways continue to prosper side by side with road transport.



CALCUTTA TRAMS

Advertisement Managers:

The Publicity Society of India Ltd.
1, Waterloo Street, Calcutta-1

THE UNITED

(INCORPORATED ON 6th JANUARY, 1943)

COMMERCIAL BANK LIMITED

Report of the Directors

The Directors have pleasure in submitting their seventeenth Annual Report together with the Accounts of the Bank for the year ended 31st December, 1959.

The net profit for the year after providing for depreciation charges and including Rs. 82,037,656 brought forward from the previous account amounts to Rs. 61,04,096 = 00.

The Directors have transferred Rs. 27,00,000 to the Reserve Fund and provided Rs. 11,00,000 for Bonus to staff. They now recommend the payment of a Dividend at Rs. 5 = 50 per share, subject to deduction of Rs. 22,00,000, leaving an unappropriated balance of Rs. 1,04,096 to be carried forward.

The Bank's business and profit showed a marked improvement during the year.

The Bank's investments appear in the balance-sheet at below market value.

During the year branches of the Bank were opened at Abohar, Bhalinda, Bhilai, Chandpole Bazar (Jaipur), Chaudigarth, Duplex Street (Pondicherry), Kowloon (Hongkong), Malout, Millerganj (Luchiana), Nakodar, Sambalpur, Serangoon Road (Singapore), Srinagar and Udaipur.

The Directors are thankful to the shareholders and the clients of the Bank for their continued support. They also express their gratitude to the Bank's Advisers and Advisory Committees for their able help and guidance.

The Directors place on record their appreciation of the services of the General Manager and the Officers and Staff of the Bank during the year.

The Directors retiring by rotation under Article 92 of the Bank's Articles of Association are Mr. G. D. Birla, Mr. M. L. Shah, Mr. M. R. Ruita and Mr. G. D. Kohari, who offer themselves for re-appointment. Pursuant to Section 280(2) of the Companies Act, Mr. G. L. Bangur will also vacate his office at the conclusion of the next Annual General Meeting and he, also, offers himself for re-appointment. Mr. G. D. Birla, Mr. M. L. Shah and Mr. G. L. Bangur have attained the age of 65 years and special notices of Resolutions for their re-appointment have been given in terms of Sections 190 and 281 of the Companies Act, 1956.

The Shareholders are requested to appoint auditors for the current year and to fix their remuneration.

On behalf of the Board,
G. D. BIRLA
Chairman,
29th February, 1960.

BALANCE SHEET AS AT 31st DECEMBER, 1959

CAPITAL AND LIABILITIES	December 31, 1959	December 31, 1958
Rs.	p.	Rs.
1. CAPITAL:		
Authorised Capital: 8,00,000 shares of Rs. 100 each	8,00,00,000	8,00,00,000
Issued and Subscribed Capital: 4,00,000 shares of Rs. 100 each	4,00,00,000	4,00,00,000
Amount Called up: 4,00,000 shares at Rs. 50 per share	2,00,00,000	2,00,00,000
2. RESERVE FUND AND OTHER RESERVES:		
Reserve Fund (including that under Section 17 of the Banking Companies Act)	1,75,00,000	1,45,00,000
3. DEPOSITS AND OTHER ACCOUNTS:		
Fixed Deposits	58,10,58,223	46,54,87,678
Current Bank Deposits	7,89,24,048	5,56,72,864
Advances and Loans	32,67,08,160	25,16,36,973
4. BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC.		
(i) In India	4,55,75,000	5,20,50,000
(ii) Outside India	4,32,55,180	46,70,855
PARTICULARS:		
(i) Secured by part of Investments per contra	4,57,23,339	6,68,00,039
(ii) Unsecured	2,84,212	8,20,816
5. BILLS PAYABLE	1,37,22,624	1,08,56,368
6. BILLS FOR COLLECTION BEING RECEIVABLE as per contra:		
(i) Payable in India	5,43,23,824	4,21,55,036
(ii) Payable outside India	3,91,76,017	3,73,70,166
7. OTHER LIABILITIES:		
(i) Branch adjustments	2,89,13,252	2,16,34,484
(ii) Unclaimed Dividends, etc.	3,34,387	4,36,635
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra	26,53,17,066	15,22,57,163
9. PROFIT AND LOSS:		
Profit as per last balance-sheet	15,62,097	15,49,452
Less Dividend	15,00,000	15,00,000
Add Profit for the year	61,04,096	45,37,666
Less Appropriations made:		
To Reserve Fund	27,00,000	11,00,000
To Bonus to staff	11,00,000	22,00,000
Total	1,45,44,53,154	1,14,15,01,322

10. CONTINGENT LIABILITIES:

(i) On Parly Paid Shares

(ii) Claims against the banking company not acknowledged as debts

(iii) Guarantees given on behalf of customers and Correspondent Banks

(iv) On Foreign Bills Re-discounted all of which have run off by 27-2-60

(v) Forward Exchange Contracts outstanding for the purchase and sale of Bills and Telegraphic Transfers of which upto 27-2-60 Rs. 9,36,49,596 = 61 have been delivered.

(vi) There is a liability for outstanding bills, not certified by the architects, in respect of the Bank's buildings.

(vii) Demands of Rs. 25,75,850 = 29, 05 were made for assessment years 1952-53, 1953-54 and 1954-55 respectively by the Income-tax Officer assessing the Bank in India by adopting a totally new method. The Bank appealed against the assessments disputing the very basis of assessment and contending that there is no liability. The assessments for the years 1952-53 and 1953-54 have been decided in favour of the Bank, but the Department has appealed to the Tribunal. No provision has been made for the relative demands. Accordingly, provision for later years has been made on the basis adopted all along in the past and accepted by the Department.

PROPERTY AND ASSETS	December 31, 1959	December 31, 1958
Rs.	p.	Rs.
1. CASH:		
In hand and with Reserve Bank of India and State Bank of India (including foreign currency notes)	.....	6,14,23,967
2. BALANCES WITH OTHER BANKS:		
On Current Account:		
(i) In India	Rs. 25,65,977	44
(ii) Outside India	Rs. 3,26,01,692	66
On deposit account:		
In India (State Security)	.....	6,80,000
3. MONEY AT CALL AND SHORT NOTICE	37,00,000	00
4. INVESTMENTS: (at below market value)		
(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments	37,22,62,126	49
(ii) Shares:		
(a) Fully Paid Preference Shares	29,65,148	50
(b) Partly Paid Preference Shares	25,57,225	00
(c) Fully Paid Ordinary Shares	1,23,22,522	56
(iii) Debentures or Bonds	54,56,255	50
(iv) Securities of the U.S.A., Burma, Malaya, Siam, and Pakistan Governments and Foreign Trustee Securities	2,33,79,562	26
(v) Gold	.....	.....
5. ADVANCES:		
(i) Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors:		
(i) Loans, Cash Credits, Overdrafts, etc.:		
(i) In India	Rs. 28,25,70,957	59
(ii) Outside India	Rs. 8,31,67,779	80
(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)	19,67,88,878	75
PARTICULARS OF ADVANCES:		
(i) Debt considered good in respect of which the banking company is fully secured	41,25,99,428	86
(ii) Debt considered good in respect of which the banking company holds other security than the company's personal security	5,51,85,480	89
(iii) Debt considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	6,47,42,696	39
(iv) Debts considered doubtful or bad, not provided for	Nil	.....
(v) Debts due by directors or officers of the banking company or any of them either severally or jointly	12,68,287	82
(vi) Debts due by directors or officers of the banking company or any of them either severally or jointly in the case of private companies, as members	4,29,52,926	64
(vii) Maximum total amount of advances, including temporary advances made at any time during the year, to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	12,68,287	82
(viii) Maximum total amount of advances, including temporary advances made at any time during the year, to the companies or firms in which the directors of the banking company are interested as directors, partners, or managing agents or, in the case of private companies, as members	5,11,45,845	38
(ix) Due from banking companies	41,12,187	41
6. BILLS RECEIVABLE BEING BILLS FOR COLLECTION as per contra:		
(i) Payable in India	5,43,23,824	76
(ii) Payable outside India	3,91,76,017	15
7. CONSTITUTIONAL LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra	26,53,17,066	51
8. PREMISES LESS DEPRECIATION:		
Cost as per last balance-sheet	56,37,932	99
Additions (Rs. 4,55,149 = 28)	4,55,149	28
Less depreciation written off during the year	60,39,082	27
Less depreciation written off to date	9,65,460	74
9. FURNITURE AND FIXTURES LESS DEPRECIATION: (including vehicles and equipment)		
Cost as per last balance-sheet	82,82,149	60
Additions (Rs. 21,29,005 = 40)	18,77,171	03
Less depreciation written off during the year	1,01,59,320	69
Less depreciation written off to date	51,13,703	14
10. OTHER ASSETS, INCLUDING SILVER:		
(i) Land and Buildings:		
Cost as per last balance-sheet	Rs. 21,04,866	72
Additions (Rs. 26,24,530 = 32)	.....	.....
Less depreciation written off during the year	Rs. 21,78,600	82
Less depreciation written off to date	Rs. 42,83,467	54
(ii) Interest accrued on Investments	Rs. 16,470	02
(iii) Estimated amount of refund of Income-tax and Advance payment of Tax	31,40,662	15
(iv) Income-tax assessment for six years 1954 to 1959 not yet completed	57,57,113	87
(v) Stamps and Stationery	40,349	97
(vi) Silver	.....	.....
11. NON-BANKING ASSETS ACQUIRED IN SATISFACTION OF CLAIMS:		
Land and Buildings (at cost)	9,09,470	00
12. PROFIT AND LOSS	.....	.....
TOTAL	1,45,44,53,154	17
	1,14,15,01,322	

REPORT OF THE AUDITORS.

TO THE MEMBERS OF THE UNITED COMMERCIAL BANK, LIMITED.

We have audited the attached Balance-sheet of The United Commercial Bank, Limited, as at 31st December, 1959, and the annexed Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the Branch returns audited by the Statutory or other Auditors. In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to Sub-sections (1) and (2) of Section 211 and Sub-sections (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance-sheet and Profit and Loss Account are not required to be, and are not, drawn up in accordance with the Sixth Schedule to the Companies Act, 1956; they are, therefore, drawn in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank;

(c) in our opinion proper books of account, as required by law, have been kept by the Bank so far as appears from our examination of those books, and proper returns adequate for the purpose of the audit have been received from the Branches of the Bank;

(d) the Bank's Balance-sheet and Profit and Loss Account, dealt with by this report, are in agreement with the books of account and the returns;

(e) in our opinion, and on the basis of the information and explanations given to us, the said Balance-sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1959, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

Calcutta,
29th February, 1960.

C. P. KAPADIA & CO.
BANKERS & CO.

Chartered Accountants

THE UNITED COMMERCIAL BANK LIMITED, BALANCE SHEET—(Contd.)

Profit & Loss Account for the Year ended 31st December, 1959

EXPENDITURE.		Year ended Dec. 31, 1959 Rs. nP.	Year ended Dec. 31, 1958 Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions).	Year ended Dec. 31, 1959 Rs. nP.	Year ended Dec. 31, 1958 Rs.
1. Interest paid on deposits, borrowings, etc. ...	2,46,93,165	11	2,17,20,344	1. Interest and Discount	3,62,39,181	01 3,03,79,783
2. Salaries and allowances and Provident Fund ... (Salary and allowances of General Manager Rs. 84,000)	1,22,95,891	14	1,09,57,319	2. Commission, Exchange and Brokerage ...	1,20,94,398	60 1,06,55,552
3. Directors' (Rs. 785,000) and Local Committee Members' fees and allowances ..	88,428	00	75,309	3. Rents	7,26,001	33 2,55,428
4. Rent, Taxes, Insurance, Lighting, etc. ..	15,45,148	93	14,27,301	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any Particular Fund or Account)	.....	5,79,032
5. Law charges	63,515	71	60,287	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any Particular Fund or Account) .. .. .	.....	.....
6. Postage, Telegrams and Stamps ..	6,89,145	55	5,66,632	6. Income from non-banking assets, and Profit from sale of, or dealing with, such assets ...	.....	.....
7. Auditors' fees for statutory and periodical audits	1,20,143	50	1,14,920	7. Other receipts	1,266	00 1,705
8. Depreciation on, and repairs to, the Banking Company's property	11,45,813	25	7,91,216	8. Loss ... ..	.....	.....
9. Stationery, Printing, Advertisement, etc. ...	12,91,681	71	11,23,419			
10. Loss from sale of, or dealing with, non-banking assets .. .. .	.....	.....	.....			
11. Other Expenditure	10,23,935	60	9,91,459			
12. Balance of Profit	60,41,998	44	45,37,663 (Subject to Tax)			
Total ..	4,90,60,846	94	4,23,71,502	Total ..	4,90,60,846	94 4,23,71,502

G. D. BRULA Chairman	I. P. GOENKA A. C. LAW G. L. BANGUR P. D. HIMATSINGKA R. L. NOPANI M. L. SHAH	} Directors.	M. R. RUIA N. R. DAHANUKAR M. L. TAPUKIAH Y. N. MAFATLAL G. D. KOTIARI T. S. RAJAM	S. T. SADASIVAN General Manager.	As per our report annexed.
Caldutta, 30th. February, 1960.			V. P. DESAI Accountant, Head Office.	G. P. KAPADIA & CO. K. N. QUTGUTIA & CO. RAY & RAY Chartered Accountants.	

G. D. BIRLA
Chairman
Calcutta,
30th February, 1960.

I. P. GOENKA
A. C. LAW
G. L. BANGUR
P. D. HIMATSINGKA
R. L. NOPANY
M. L. SHAH

Directors.

M. R. RUIA
M. L. DAHANUKAR
Y. N. TAPURIA
Y. N. MAFATLAL
G. D. KOTHARI
T. S. RAJAM

S. T. SADASIVAN
General Manager.
V. R. DESAI
Accountant.
Head Office.

As per our report annexed.
G. P. KAPADIA & CO.
K. N. GUTGUTIA & CO.
RAY & RAY
Chartered Accountants.

The United Commercial Bank Limited

Purposeful & Profitable Use of Resources

Sharp & Substantial Rise in Banking Profits

Hopeful Development in Government Revenues

Statement of Mr G. D. Birla, the Chairman

Statement of Shri G. D. Birla, Chairman, circulated to the Members at the Seventeenth Ordinary General Meeting held on Wednesday the 6th April, 1960.

Gentlemen,

The accounts of the Bank for the past year and the Directors' Report are before you and it is gratifying to be able to look back on a year of marked expansion of our business and sharp rise in our profits.

DEPOSITS

The deposits at the end of 1959 at Rs. 88.68 crores showed an increase of Rs. 18.40 crores against a rise of Rs. 17.21 crores in 1958. This increase of 19.0 per cent compares with 16.1 per cent by which the deposits of scheduled banks as a whole rose during the same period.

CASH

Cash on hand and with banks and money at call and short notice were Rs. 10.10 crores and represented 10.4 per cent of the deposit liabilities.

UTILISATION OF FUNDS

It was possible to utilise the additional resources profitably instead of keeping the funds idle or at best channelling them into securities. By reason of this, our investments in Government securities rose only by the modest amount of Rs. 4.85 crores whereas, in the previous year, owing to the absence of commercial demand for advances, we were obliged to increase our portfolio of Government Securities by as much as Rs. 15.27 crores. Our advances rose from Rs. 29.89 crores to Rs. 36.57 crores and our bills discounted and purchased from Rs. 15.27 crores to Rs. 19.68 crores. You will thus see that by far the greater portion of our increased resources was utilised in profitable advances and bills and that only a quarter went to augment our holdings of securities.

LIQUIDITY

Our quick assets, viz., cash and free investments, amounting to Rs. 45.10 crores, formed 46.8 per cent of our total deposits. Our liquid assets consisting of cash on

hand and with banks, money at call and short notice, unencumbered investments and bills amounted to Rs. 64.78 crores and represented 67 per cent of our deposit liability. This is a very satisfactory figure and conforms to our high standard of liquidity.

PROFIT & LOSS ACCOUNT

The year's working has resulted in a sharp rise in profits. This is due, in a large measure, to purposeful and profitable utilisation of enlarged resources, rendered possible by the sustained demand for funds from trade and industry and the beneficial effects of the reduction by one-half of one per cent per annum, with effect from 1st September 1958, of the interest rate ceiling on deposits. It is a matter of satisfaction that the inter-bank agreement evolved in October, 1958 is working, on the whole, smoothly and the current year's results will show the full favourable impact of the lowering of the interest ceiling. The profits would have been better still if the increase had been less in the deposits for fixed periods and more in current accounts. But

the shift of funds into term deposits has become an established trend while in respect of current accounts the rise is small, though the velocity of turnover has shown a steady increase. Operating costs, of which salaries are the biggest item, continued to rise but the steady expansion in the volume of business has brought in increased revenue in the form of interest and commission.

The exceptionally good profits have enabled the Board to transfer the substantial sum of Rs. 27 lacs to the Reserve Fund and raise it to Rs. 1.75 crores, which is only Rs. 25 lacs short of the paid-up capital of the Bank. At the same time, it has been possible to increase the rate of dividend to shareholders so as to compensate them for the deduction of tax at source on dividends which has been prescribed by the provisions of the Finance Act, 1960. The Directors have felt glad to increase the bonus payable to the staff so that they could also benefit from the improvement in the working results of the Bank.

NEW HEAD OFFICE BUILDING

At the back cover page of the balance-sheet is a reproduction of the architect's perspective of the multi-storeyed building of the Head Office of the Bank, now under construction in Calcutta, at the intersection of India Exchange Place and Brabourne Road. Much thought has been devoted to the design of the building with a view to afford the customers of the Bank improved facilities for transacting their business in a pleasant functional atmosphere and to provide ample working room for the vastly expanded operating departments of the Bank. When it is completed, we hope it would be a most modern and attractive building of advanced design and a worthy addition to the city's business centre.

INDUSTRIAL GROWTH

The year under review witnessed a vigorous growth in industry and a strident increase in industrial production. Several new industries have been started, the installed capacity of many industries has been increased, expansion schemes have begun to yield results, new plants have commenced production and there has been a fuller utilisation of existing capacity, due to liberal imports of essential raw materials. Industrial output in the first ten months of 1959, for which statistics are available, with the Index Number 149.1, has shown a rise of 7.4 per cent as compared with the rate of increase of 1.7 per cent in 1958 and 3.5 per cent in 1957. Participation of foreign private capital in Indian industry is steadily increasing and, for the first time, direct Rupee loans to industrial units have been granted by the Export Import Bank of Washington out of the PL 480 funds earmarked for this purpose.

MONEY MARKET

Comfortable conditions characterised the money market during 1959 and the seasonal demand during the first four months of the year caused only a moderate pressure. The increase in bank credit during January-April 1959 amounted to Rs. 154.78 crores but, as the deposit resources of the banks rose by Rs. 118.81 crores during the same period, the borrowings from the Reserve Bank of India to make up the difference were relatively small. The average borrowings of the Indian scheduled banks from the Central Banking Authority in those four months were only Rs. 34.26 crores, followed by a steep fall in May and June. In fact, the banks were practically out of debt during the slack season.

A comparison of these figures with those for 1958 is rather instructive. In January-April 1958, the seasonal expansion of credit was Rs. 99.51 crores and the increase in banks' resources was Rs. 144.60 crores. It is common knowledge that the 1958 busy season was characterised by the easiest credit conditions in the recent history of Indian banking. In the

larger expansion of bank credit in January-April 1959, we see the super-imposition of industrial credit on the traditional seasonal movement and the beginning of that robust revival of business confidence and resumption of industrial expansion which has continued unabated upto the present time.

The figures for the whole year are still more revealing and impressive. The scheduled banks' deposits at the end of 1959 at Rs. 1827.11 crores show a rise of Rs. 253.6 crores, inclusive of the accretion of PL 480 funds with the State Bank of India. The expansion of bank credit over the year was Rs. 99.0 crores in which there is no seasonal element, and this may be taken as a measure of the increased requirements of the expanded industrial structure. By contrast, in the year 1958, which was one of industrial stagnation, there was a contraction of bank credit of Rs. 24.40 crores over the 11 months January-November (the 1958-59 busy season started early in December 1958). Deposits rose by Rs. 206.1 crores in the year and investments in Government securities increased by Rs. 203.75 crores. The contrast between 1959 and 1958 is thus complete.

MONEY SUPPLY

Money supply with the public at the end of 1959 was Rs. 2520 crores showing an increase of Rs. 170 crores made up of Rs. 146.7 crores in currency and Rs. 23.3 crores deposit money. Though deposit money with the public at Rs. 767 crores has not changed significantly during the last four years the annual rate of turnover or the velocity of circulation of current account balances has steadily risen and over the past four years has increased by 26.8 per cent in Calcutta and 23.9 per cent for all India. It is interesting to note that in June, 1959, for the first time, in Indian banking history the total deposits of the banks at Rs. 1737 crores exceeded the currency in circulation of Rs. 1714 crores. It will, however, take some considerable time for bank deposits to increase to the level when bank notes in circulation may be regarded as the "small change" or subordinate element of money supply. The basic factors underlying the increase in money supply are bank credit to Government and to the public and the surplus on balance of payment account. The last factor is significant as the country's foreign exchange reserves, inclusive of the balances of the Government of India abroad have risen in 1959 from Rs. 343.92 crores to Rs. 387.54 crores after paying in the additional subscription of Rs. 25 crores to the International Monetary Fund. In view of this decisive improvement in the exchange situation coupled with rising exports and the encouraging prospects of foreign investment, loans and aid it is permissible to hope that exchange will be released freely and that industrial progress will be steadily maintained.

NEW CAPITAL ISSUE

The capital market was very active with the floatation of a number of new companies with substantial capital and increase of capital by many existing companies. On the whole, several issues were oversubscribed and all the entrants to the capital market were able to get their requirements which were in the neighbourhood of Rs. 40 crores. It would thus appear that the finding of Rupee capital is becoming less of a problem to Indian industry.

REFINANCE CORPORATION

The Refinance Corporation for Industry Private Ltd., established for the purpose of enabling banks to assist medium-sized industries with medium-term loans and of which we and other banks are members, has completed two years of existence but has not, unfortunately, made any significant progress in the realisation of its objectives. We, ourselves, have been ready and keen to provide substantial medium-term credit to industry, subject only to eligibility for refinancing, but the demand has been small and availability tardy. Slow availing of industrial credit has also been the experience of the Industrial Credit and Investment Corporation of India Ltd. There is an unavoidable time lag between the time a customer of the bank obtains consent for extending credit and the time when he can actually draw on it because a variety of approvals and licences are required from Government departments which inevitably take time. But, even so, the volume of applications from industrial borrowers awaiting approval of member banks would appear to be small and it is, therefore, necessary to review the basis of the Refinance Corporation's charter and bring about such modifications as may be necessary to popularise its facilities.

Two main obstacles to greater utilisation of these facilities have to be removed. Firstly, the ceiling of Rs. 50 lacs to individual borrowers should be raised and secondly, the definition of a medium-sized industry in terms of maximum assets to Rs. 2½ crores of the company should be modified. It often happens that a company with large assets starts some new industrial unit which, though of medium size, is not eligible for finance because when the assets of the new unit are added to the other existing industrial assets of the company the ceiling is exceeded and the industrial unit becomes ineligible for refinancing at the hands of the lending bank. I hope that these and other considerations are receiving the attention of the Corporation and the Government and that soon a way may be found for channelling into private industry that part of PL 480 funds which has been earmarked by the American Government for extension of term loans to private industry here.

As a result of a number of representations the Government is

gearing up its licensing machinery with a view expeditiously to dispose of applications for starting of new industries and issue of licences in connection therewith. As a first step the Government has exempted from the licensing procedure industries which employ less than 100 workers and which have fixed assets not exceeding Rs. 10 lacs.

THE BUDGET

The Budget for 1960-61, presented by the Finance Minister Mr. Morarji Desai a month ago, bears heartening testimony to a quickening in the nation's economy. This is to be inferred from the buoyant trend in governmental revenues, particularly from excise duty collections. While, no doubt, the reduction in the revenue deficit for 1959-60 is partly due to a lower volume of disbursements, as also to the customary under-estimation of revenue receipts by Indian Finance Ministers, it seems to me that the general improvement, under almost all the main heads of revenue, is clear indication of a dynamic economy at work. It is here that I may draw attention to some element of disappointment in business circles at Mr. Desai's decision to leave unchanged the rate at which companies are to be taxed. Mr. Desai's Budget is almost without qualification a good one, but, surely, he cannot plead insufficiency of data for fixing the corporate tax rate at 45 per cent, the level at which it was decreed, in the budget for 1959-60, that advance payment of tax was to be made. Company results in respect of accounting periods ending after April 1, 1959 have more often than not disclosed an inability on their part to maintain their old effective return to the shareholders. This has been due, in the main, to the higher tax load. Again, the revised estimates for the last year show that realisations from corporation tax and taxes on income in the aggregate are higher by Rs. 5 crores as compared with the Budget estimates. Since it was the stated intention of the Finance Minister to achieve, with his new tax structure, merely the "status quo" in revenues derived from Income-tax and Corporation tax on Companies the evidence already available would suggest the necessity of a cut in this rate; and, if past experience is to be any guide, the actuals for 1959-60 are quite likely to show that receipts from these two heads are even higher than has been envisaged in the revised estimates. There can, otherwise, be little quarrel with Mr. Desai's Budget, and there is reason for particular satisfaction that Budgets nowadays do not, as they till recently used to do, seriously upset the investment climate.

The borrowing programme for the current year has been placed modestly at Rs. 250 crores gross, this including receipts from the year's innovation, the Prize Bonds Scheme. Maturities during the year are of the order of Rs. 110

crores, and the new money sought is thus at Rs. 140 crores, well within the capacity of the gilt-edged market to absorb. In this context, however, I would urge the monetary authorities to plan their borrowing programme with some regard for the needs of the banking system. In 1959, the new loans of the Central Government comprised a ten-year issue and a twenty-year issue. As at the end of 1958, securities held by banks and maturing within 5 years, excluding treasury bills, accounted for only 40.8 per cent of total holdings, as against the corresponding figure of 52.8 per cent at the end of 1957. By the impact of the new loan programme in 1959, this ratio would have dropped, still further at the end of the year. Banking soundness requires that the banking system should not be compelled to have in its portfolio too large a proportion of longer maturities. It is for this reason, I suggest, for the current year, that at least one of the new loan issues should be a short-term one meant particularly for the banking institutions.

INCREASE OF BANK RATE INADVISABLE

While on the subject of gilt-edged, I should like to touch for a moment on the question of interest rates generally. On the eve of the Budget, it was anticipated that a rise in the Bank Rate might be in the offing. I am glad that we have been spared any such rise, for, its outcome might have been to spoil the gilt-edged climate which, over the past three years, has been assiduously improved by the very proper open market operations of the Central Banking Authority. The gilt-edged market has been in fine fettle, and the success of the borrowing programme under the Second Plan must surely be ascribed, in part, to the atmosphere created whereby banks have been eager purchasers of Government securities. Any raising of the Bank Rate at the present juncture would cause a depreciation in gilt-edged values, and this would undoubtedly have a repercussion on future absorption of Government securities.

In this context I would commend to the authorities the findings of the Radcliffe Committee on the working of the British Monetary System in so far as it deals with the scope of monetary measures as a weapon of economic policy. In an expanding economy a restrictive policy in regard to money supply could be self-defeating but at the same time the need to check demand in certain sectors with a view to holding the price line would indicate that the solution is directional control rather than change in the money rate which, while raising the cost of borrowing by banks from the Central Banking Authority and bringing about a break in the Government security prices, would have no further effect on supply of money in the face of deficit financing and Plan expenditure.

CREDIT CONTROL

It would now appear that the Government has decided to follow a policy of selective credit control and the Reserve Bank of India has issued a directive to the banks to increase the margin on advances against shares to 50 per cent and restrict clean facilities to customers. The banks are also required to keep additional cash reserves with the Reserve Bank of India equal to 25 per cent of the increase in the deposits of banks over the figure of 11th March, 1960. Mr. B. R. Bhagat the Union Deputy Minister for Finance, recently reminded the banks of their responsibility for checking the inflationary activity but at the same time urged upon them to see that the growing volume of resources with them are utilised to help the Five-Year Plans. He went to the length of suggesting the granting of long term loans to industries. Let me however, hope that measures of restrictive credit control would not be such as to deny the growing needs of developing industries.

THIRD PLAN

The National Development Council has approved the proposed outlay on different heads of development to the tune of Rs. 7,000 crores in the public sector and Rs. 4,000 crores in the private sector during the Third Five-Year Plan. As the Finance Minister remarked in his Budget speech, this is not the juncture at which we can relax our efforts. Momentum has to be gained, so that India can arrive at the "take-off" stage in the quickest possible time. A Third Plan that is big is therefore inevitable. It also seems certain that the tasks allotted to the private sector will, as a proportion of the total plan, be larger than what it was during the Second Plan. If the private sector is to invest something like Rs. 4,000 crores in the next quinquennium, the magnitude of the demand on the banking system as a consequence can easily be imagined.

But it is important that approach to planning continues to be pragmatic. It is true, the country needs a big plan. But can the country have it? This would obviously depend on whether or not we can raise the necessary resources. Indeed, with foreign exchange reserves run down during the Second Plan so far (though, happily, reserves were added to in the course of the last year) the implementation of the Third Plan would require as a basic pre-requisite the underwriting of the foreign exchange needs. The gap in the foreign exchange resources is estimated at Rs. 2,200 crores. This would need a very considerable amount of foreign assistance. Fortunately, however, prospects are today rather brighter than were hopes at the beginning of the Second Plan. In 1959, two great friends of India, the respective Heads of their States, visited this country. The reception that was accorded to President Eisenhower was unprecedented, and he is said

to have been deeply impressed with the efforts India is making in chalking up progress industrially. The American President has urged the Congress to be more generous in its aid allocation for this country, and the improved Indo-American relations augur well for greater assistance than we have heretofore received. Similarly, Mr. Khrushchev has made it clear that Russia is anxious to help India in the prosecution of the Third Plan, and preparatory agreements about such assistance for the next five-year period have already been negotiated. Other friendly foreign nations have also professed interest in Indian development. So, it may not be too much to expect that foreign exchange, commensurate with our requirements, will be forthcoming.

In regard to internal resources, the most hopeful development is the expansionary trend in Governmental revenues. Deficit financing in 1958-59 turned out to be Rs. 230 crores against Rs. 280 crores in the Revised Estimates for that year; and, in 1959-60, the revised estimate, already shows a drop of roughly Rs. 30 crores as compared with the Budget estimate. Moreover, for 1960-61, reliance on deficit financing has been reduced from the equivalent of Rs. 208 crores to a little over Rs. 150 crores. But, nevertheless, the price situation has been causing a good deal of concern. It has not been established that there is a link between created money and such rise in prices as has obtained in this country. It may be that, in a developing economy, there will always be some areas of shortages and some of surpluses. Firm steps are being taken by the authorities from time to time to arrest the upward trend in prices. These, however, have been effective only in a limited degree. Perhaps, it is the already increased prosperity of the agriculturist which, by enabling him to withhold his stocks from the market for a longer time, has contributed to the higher level of, particularly, foodgrains prices. Be that as it may, we must obviously be chary of undue reliance on deficit financing for the Third Plan. It is therefore that Government should encourage production in every way, so that revenues may become more buoyant, and so that additional output can thwart inflation.

To make the Third Five-Year Plan successful, besides external and internal resources, we need trained personnel to man them in proper manner. Attention should therefore be directed towards creating an army of well-trained personnel, both technical and administrative. I am quite hopeful that this will be done and the Plan will be successfully carried out and the targets achieved.

NOTE: THIS DOES NOT PURPORT TO BE A RECORD OF THE PROCEEDINGS AT THE ANNUAL GENERAL MEETING.

THE TATA IRON AND STEEL COMPANY LIMITED.

NOTICE

Extension of date for submission of coupons and applications in respect of "A" Second Preference shares and new Ordinary shares.

Notice is hereby given that the last date for submission of coupons in respect of the "A" Second Preference shares and the new Ordinary shares in terms of the Company's Circular dated the 12th October 1959 expires on the 31st March 1960. However, for the convenience of the resident shareholders and with a view to enable the non-resident shareholders to comply with the Exchange Control regulations, the Directors have resolved that the Company's bankers be authorised to receive applications on and after the 1st April 1960 upto but not later than the 31st May 1960 in respect of such coupons. Provided that in case of resident shareholders along with each such application with the required coupons and the moneys to be received with such application interest at the rate of 9% per annum thereon (which the Directors have decided to charge) from the 16th day of December 1959 to the date of payment shall be paid to the Company's bankers.

For the convenience of the non-resident shareholders the Directors have also resolved that the last date for receiving applications in respect of "A" Second Preference shares and new Ordinary shares from them which was fixed as 31st March 1960 be extended upto 31st May 1960 provided that along with each such application and the moneys to be received with such application interest at the rate of 9% per annum thereon (which the Directors have decided to charge) from the 1st day of April 1960 to the date of payment shall be paid to the Company's bankers.

No application in respect of coupons received from resident shareholders on and after the 16th December 1959 and no application in respect of right "A" Second Preference shares and new Ordinary shares received from non-resident shareholders on and after the 1st April 1960 will be entertained by the Directors unless interest is paid as aforesaid. No such application will be entertained after the 31st May 1960.

Dated at Bombay this 31st day of March, 1960.

By Order of the Board
TATA INDUSTRIES PRIVATE LIMITED.

Managing Agents:
J. D. CHOKSI
Director.

Mercantile Bank Limited

(Registered in London under the Companies Acts of 1862 to 1890, on 2nd December, 1892)

Authorised Capital ... £4,000,000
Subscribed Capital ... £2,940,000

Paid-up Capital ... £2,940,000
Reserve Fund ... £2,200,000

Head Office: 15, GRACECHURCH STREET, LONDON, E.C.3.

BOARD OF DIRECTORS:

Chairman: Sir Kenneth W. Mealing; Deputy Chairman: Sir Cyril E. Jones, K.C.I.E., C.S.I., Sir Charles A. Innes, K.B.E., E. J. Bunbury, Esq., C.B.E., M.C., Lord Catto of Cairncatto R. N. Drake, Esq. R. W. B. Dunlop, Esq., Sir John G. Hay, C. D. Miller Esq. Sir Arthur Morse, C.B.E. S. W. P. Perry-Aldworth, Esq.
Chief Manager: C. R. Wardle.
Deputy Chief Manager: C. F. Pow.

BALANCE SHEET AT 31st DECEMBER, 1959

	£	£		£	£
CAPITAL AUTHORISED—			CURRENT ASSETS—		
4,000,000 Ordinary Shares of £1 each	£4,000,000		CASH IN HAND AND BALANCE WITH OTHER BANKS ...		4,932,049
CAPITAL ISSUED—			MONEY AT CALL AND SHORT NOTICE ...		2,979,707
2,940,000 Ordinary Shares of £1 each fully paid		2,940,000	BALANCE WITH PARENT COMPANY ON CURRENT AND DEPOSIT ACCOUNT ...		4,979,841
RESERVE FUND ...		2,200,000	TRADE BILLS OF OVERSEAS GOVERNMENTS ...		112,500
PROFIT AND LOSS ACCOUNT ...		231,879	TRADE BILLS DISCOUNTED ...		12,291,772
		5,371,879	HONG KONG GOVERNMENT CERTIFICATES OF INDEBTEDNESS deposited against Note Issue ...		...
		232,316	INVESTMENTS, at under Market Values:		
NOTES IN CIRCULATION ...			BRITISH, COLONIAL AND OTHER GOVERNMENT SECURITIES:		
CURRENT, DEPOSIT AND OTHER ACCOUNTS, including Reserves and Provision for Contingencies and Taxation ...		64,882,480	Quoted in Great Britain ...	8,261,980	
AMOUNTS DUE TO SUBSIDIARY COMPANIES ...		40,535	Quoted outside Great Britain ...	5,251,780	
ACCEPTANCES ON BEHALF OF CUSTOMERS ...		443,904	OTHER INVESTMENTS:		
PROPOSED FINAL DIVIDEND in respect of the year ended 31st December, 1959 ...		112,547	Quoted outside Great Britain ...	161,708	13,675,468
		65,479,466	ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS less provision for Bad and Doubtful Debts ...		30,674,816
			BALANCES OF REMITTANCES, DRAFTS, ETC. IN TRANSIT between Head Office, Branches and Agencies ...		330,927
			LIABILITY OF CUSTOMERS FOR ACCEPTANCES, per contra ...		443,904
			FIXED ASSETS—		
			Investments in Subsidiary Companies, at cost ...		70,420,984
			Bank Premises at cost, less amount written off ...		55,482
					607,185
					£71,083,661

NOTES—

- Confirmed Credits, Guarantees and Endorsements amount to £18,617,138 (10,663,638) in addition to which there are commitments in respect of outstanding Forward Exchange Contracts.
- Foreign Currency Balances have been converted into Sterling at approximately the rates ruling at 31st December, 1959.
- Investments having a market value of £319,375 (£230,400) are deposited with the Crown Agents to cover the liability in respect of the Authorised Note Issue.
- Group Accounts are not prepared as the Directors consider they would be of no real value to members in view of the insignificant amounts involved in the accounts of the Subsidiary Companies.
- Contracts for outstanding capital expenditure £284,886 (£83,303).
- Uncalled Capital amounting to £54,983 (£54,963) in respect of partly paid shares in Subsidiary Companies.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1959

	£	£		£	£
AMOUNT WRITTEN OFF BANK PREMISES ...		75,000	BALANCE BROUGHT FORWARD from 31st December, 1958 ...		231,407
AMOUNT TRANSFERRED TO RESERVE FUND ...			PROFIT FOR THE YEAR ENDED 31st DECEMBER, 1959, after providing for Taxation thereon, and after allocations to Contingency Accounts, out of which full provision has been made for Bad and Doubtful Debts and any other diminution in the value of Assets ...		300,566
DIVIDENDS—			NOTE—Directors' Remuneration—The aggregate amount of the Directors' Fees was £13,096 (£11,465).		
Interim Dividend of 6½ per cent. less Income Tax at 7/9 in the £ ...	112,547		Additional Payments—To a former Director as a pension in respect of his services as a Director £600 (£448).		
Proposed Final Dividend of 6½ per cent. less Income Tax at 7/9 in the £ ...	112,547	225,094	To a Director for executive services Nil (£544).		
BALANCE OF PROFIT unappropriated carried forward to 1960 ...		231,879			
		£531,973			£531,973

C. R. WARDLE, Chief Manager.

F. N. WITHERS, Accountant.

C. E. JONES,
C. A. INNES,
R. W. B. DUNLOP,
Directors.

REPORT OF THE AUDITORS TO THE MEMBERS.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from Branches not visited by us. We have examined the Balance Sheet and Profit and Loss Account set out on pages 6 and 7 which are in agreement with the books of account and returns. In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1948, in the manner thereby authorised for Banking Companies and on such basis the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December, 1959, and the Profit and Loss Account gives a true and fair view of the profit ascertained in the manner therein indicated for the year ended on that date.

COOPER BROTHERS & CO.,
W. A. BROWNE & CO.,
Chartered Accountants.

London, 9th February, 1960.

9 April 1960

Hindustan Lever Limited

Two Innovations in Goods Movement

Step-Motherly Treatment to Road Transport

Mr S. H. Turner, Chairman, on need for Urgent Remedial Measures

The following is the text of the speech delivered by Mr. S. H. Turner, Chairman of Hindustan Lever Ltd. at the Annual General Meeting of the Company held on 6th April 1960.

It gives me great pleasure to welcome you to this Annual General Meeting of the Company.

I shall take as read the Report and Accounts for the year 1959 which have been with you for sometime. I have also circulated to you my review of their salient features. I shall, therefore, proceed to talk to you about transport which plays a vital role in our business.

We have 11,000 Direct Dealers. Last year we issued 1,35,000 invoices. In other words, each of our dealers bought from us on an average twelve times during last year. Every one of these transactions involves us in a transport movement; many of them involve two, because often we move our goods not direct to the dealer, but first from the factory to a depot, and then from the depot to the dealer.

There are also several thousand tons of materials required for production moving to our six factories located in different regions of India. In 1959, our factories received 85,000 tons of vegetable oils and 60,000 tons of oilseeds—our main raw materials—from various parts of India, over the internal transport system; and of these about 10 per cent of the former and 48 per cent of the latter moved at our risk part or whole of the way and the rest at the risk of the suppliers. Here, again, more than one movement is involved, first to the collection points and then to our factories either directly or through our suppliers.

With so many hundred thousands of movements to consider, we are necessarily deeply interested in everything that goes on in transport. First, our transport costs were, in 1959, equal to nearly half our profits. They added up to considerably more than our proposed dividend; naturally, therefore, it is of the utmost importance to us that they should be as low as possible. Secondly, every ton of oilseed or oil held up at the collection points for want of transport or delayed in transit, every case of SUNLIGHT or tin of DALDA that is sitting in a railway wagon or a truck instead of in a consumer's kitchen, is capital tied up

earning nothing. Of your total current assets, one rupee in every five represents goods in transit or in a depot or factory awaiting despatch. Every rupee we can free by better organization or quicker transit times is a rupee we can use elsewhere to serve the consumer and make you a profit by doing something else. Thirdly, our methods of transport must suit the consignees, be they our factories or dealers. It is no good getting goods to the destination cheaply if they arrive in the middle of the night and the consignee is required to unload straightaway. It is no good getting in oil quickly to our factories if there is considerable leakage as a result nor is it any good getting the finished goods to the dealer quickly if every DALDA tin is dented, and every bar of soap bruised.

In achieving these objectives we use every form of transport available to us, having regard to the nature of the product and its packing, distance, transit time, cost and convenience of consignees. Over the last ten years, the Railways have done a commendable job in improving transport over their network; particularly in regard to the movement of raw materials in bulk and transport of finished products over long distances. However, over the last decade, we have made two main innovations in the movement of our finished products, namely road transport and depots.

In 1950, our normal method of despatch of finished goods was by rail straight to the dealer, and, as far as possible, in full wagon-loads. This meant that we tied up a great deal of our own capital, the goods spent an average of 21 days in the wagon, and in addition at the end of 1949 we had Rs. 187 lakhs worth of manufactured goods at the factories because we got wagons very irregularly. It was common experience in those days that for several days we got no wagons and then had sixteen on one day. We also had to tie up a good deal of our dealers' capital. The man in a small town who had to take a full wagonload of vanaspati, might well find himself with four or five months' requirements on his hands at once; and for this tying up of our dealers' capital, of course, we had to pay either in bigger discounts or in letting them make larger profits on stocks in their hands whenever we had to raise our prices.

Now we have become much more flexible. Last year about 50 per cent of our despatches were made by road; another 2 per cent were made by Quick Transport Service; a service the railways simply did not offer ten years ago. Our average transit time has been reduced from the 21 days of 1950 to 5 days now. At our present rate of sale, that means we are saving perhaps Rs. 1½ crores of scarce capital. Moreover, we have much less damage. Road journeys normally involve no transshipment, whereas rail transport involves transshipment whenever there is a break of gauge; and road journeys are door to door, whereas with rail, even though we have sidings, our dealers do not, so that there is always an extra handling at their railway station. Finally, with road contractors we are usually able, at a price, to get them to accept responsibility for damage; the railways are very chary of accepting responsibility, and their employees are frequently correspondingly careless. When we make a claim on our road carriers, it is settled within days, and usually in full. When we claim on the railways, it takes an average of six months before a decision is obtained and we do not recover more than half our losses. There has been improvement in recent months. I hope though that the railways will improve further now that the Railway Minister has made the most welcome decision to accept carriers' risk for them. Indeed, even before that the railways were improving. As road competition has grown, they have become more attentive to claims, and the Quick Transport Services cause much less damage from heavy shunting than ordinary services.

With costs we have had less good fortune. Changing to the road has saved us money on the short hauls, roughly speaking on all those below 300 miles, which represent about 80 per cent of our despatches from our distribution centres. From our Bombay factory to Poona by road, for instance is Rs. 6.50 per ton of DALDA cheaper than by rail; it is Rs. 3.25 cheaper to take a ton of SUNLIGHT from our Delhi depot to Ludhiana by road than by rail. And we are endlessly looking for economies in packaging. Once upon a time, for instance, all our soap was moved in wood boxes. Now 70 per cent goes in cardboard containers, which are a quarter cheaper. If all this still

had to go in wood boxes, it would cost us an extra Rs. 24 lakhs; you can see what that would do to your dividend.

We have also been helped by our depots. We now have fiftyone where in 1950 we had four. For a cost of some Rs. 22 per ton, including the extra freight the break of journey involves, they give us two very great advantages. First, we can reduce our working capital. If we had to carry enough stocks at our Calcutta factory to be able to despatch to each dealer in our toilet preparations all over India what he wanted in smalls on just those occasions when the railways had smalls booking open, we would fill many more godowns at the factory with hair oil and talcum powder than we at present possess; and we would have still more capital sitting idle in railway wagons as the smalls consignments wended their slow way across the sub-continent. Secondly, we can see to it that our dealers are much more seldom out of stock. Our minimum toilet preparations order is Rs. 200. You can imagine that a dealer in Tirunelveli who had to wait for Rs. 200 worth of preparations to get to him by smalls from Calcutta would be out of stock most of the time; or else he would lock up an immense amount of capital by buying months and months of his requirements at a time; and if he does that, he has to put his margin up, which for the same consumer price, means that our margin has to go down. If he has to add another 5 per cent to the price to make up for the fact that he is turning over his capital once in three months. Instead of once a month, the addition is equal to half our profits, even in a good year like the one just past; it would be equal to much more than half in a bad year.

Our depots are so placed about the country that they can always be served by full wagon or lorry loads, and our customers can then be served from them, usually by road, in the smallest of smalls, and within at most a few days of the receipt of their order. The result is that both we and our dealers can operate with less stock in the pipeline. The minimum pipeline stocks of vanaspati, for example have been cut by some 2000 tons, or nearly a third, over the last three years; this has led to a reduction of Rs. 40 lakhs in the capital invested in packed stocks, spread between ourselves and our

wholesalers and a very large part of it is due to the depots.

Because they permit smaller individual orders moreover, the depots make our whole distribution system more efficient. When we had to send vanaspati in full wagon-loads, we could not have a separate wholesaler in a small town. He would have had to take perhaps a year's stock at a time. So the little towns had to be serviced from nearby, bigger ones, which was always expensive and often inefficient. Now we can often serve these direct from the depot, even though they can only take a few cases at a time, and the number of our vanaspati wholesalers has risen from about 1,500 in 1956 to 1,780 in 1960, with all that means in extra energy and initiative being applied to our business.

But all such savings get swallowed up, though they do not thereby become any less important, by government's ever-increasing use of transport as a means of taxation. Since 1950 rail freights have gone up from 14 per cent to 40 per cent depending upon the product and distance; the cost of diesel oil in Bombay has almost exactly doubled—it was Rs. 1.18, it is now Rs. 2.34; an excise of 40 per cent has been put on tyres; that part of the cost of petrol in Bombay which is tax has gone up two and one third times; the tax (Customs and Excise) on an ordinary Mercedes Benz truck has been increased from Rs. 2070 to Rs. 5070. I may put it in another way; a truck doing 35,000 miles in 1950 paid Rs. 1,500 in taxes of every sort; today it pays over Rs. 2,000 and still more on inter-State movement. Naturally, our bills have gone up with them.

We would mind the extra taxes less if they were spent on the means of transport from which they are taken. We recognize the great improvement which has occurred in the services provided by the railways over the last decade. Wagons are usually freely available, transit times have come down, railway officials of every grade are more helpful than they used to be. But nothing like enough has been done for the roads. Key bridges are still missing, the lack of which reduces the value of hundreds of miles of national highway. The bridge over the Chambal on the Bombay-Agra highway is now ready, but no bridge has even been begun at Dehri-on-Sone on the Calcutta-Delhi highway, or over the three great rivers between Calcutta and Cuttack. Indeed, often essential parts of a through highway have still not been built; thus the 10 crore bridge over the Ganga at Mokameh cannot be used to full advantage because the authorities have still not built the few necessary miles of approach road on either side of the bridge. A bridge is under construction over the Brahmaputra at Pandu in Assam. Our enquiries reveal that in the master plan there is no provision

for a riverghat near the bridge site, with the result that goods coming by water transport from Calcutta will have to proceed beyond Pandu to Gauhati and come back by road to Pandu. Even where the highways have been built they are usually narrow, and often badly surfaced; frequently their bridges are weak and their foundations inadequate. There is only one adequate road in all India, the Grand Trunk Road from Delhi into the Punjab. The result is accidents and low load limits; both are dangerous, both waste capital. Sometimes, indeed, the load limits are lower than even the bad roads make necessary. Thus, Bombay State has an average pay-load carrying limit of 130 maunds, whereas its neighbours with no better roads permit 200; not only are freight in Bombay State unnecessarily higher as a result, but also lorries have to reload when they get across the State border, with much consequent delay, damage and expense.

Not only are the allocations for road improvement too low, but there is no urgency about what is being done. Bridges take years to build. When a road is damaged, it takes months to mend. After the recent Gujerat floods, the railway line to Surat was mended in three weeks. The full restoration of the road will take one year. Traffic is diverted involving extra distance of 60 miles and often through the fields, for months when the repair or improvement concerned could have been carried out in weeks; and every such diversion puts up costs, and uses up scarce foreign exchange, for going through the fields shortens the life of vehicle and tyres, and puts up the consumption of fuel.

Most irksome of all are the involved rules governing road transport. The planners perpetually complain that the country is short of transport, and that the provision of more rail capacity is one of the heaviest of all burdens on India's limited capital—about 20 per cent of the whole second five-year plan is being devoted to the railways. One would have thought, therefore, that they would want to see the maximum use being made of those roads which exist, and the maximum relief being given to the railways by the use of lorries. In other words, one would have expected, if transport were properly planned, that there would be no restrictions placed on road transport beyond those necessarily imposed by the limitations on the availability of trucks. In fact, so deeply are the railways and the road transport authorities rooted in the thinking of the 1930s, that restrictions are infinite, restrictions on the routes that can be plied, on the distances that can be travelled, on carrying goods from one State to another, on loads, on the use of trailers. One would think India had an immense superfluity of transport, and that the loads had to be rationed out to give everybody a living, regardless of cost, instead of transport being always on the

verge of bottleneck and so expensive that every further addition to its costs is a serious matter—one rupee in every twenty of our costs is already transport including handling.

I would not like to close on this sour note. Railways and roads alike have improved enormously over the last ten years; our own transport department has some considerable achievements to its credit; and of late both the Government and the carriers have shown so much responsiveness to new ideas that I am emboldened to make a few suggestions, all of them based on our own experience in this business.

First, we would welcome the introduction by the railways of a container service of the type they have in many foreign countries; this would be particularly useful in India, where they would ease the whole problem of transshipment at points where the gauge changes.

Secondly, we feel the time has come when more attention should be paid to refrigerated transport, both by rail and road. The lack of refrigerated transport at present inhibits particularly the development of the fruit, vegetable, fish and milk industries, all of them admirable ways improving both the income of the villager and the nutrition of the townsman, and all of them dependent for carriage over any distance upon refrigeration. We would be interested too, in insulated wagons for edible oils and for our own vanaspati; these do not require refrigeration but they would keep better if they could at least be insulated.

Thirdly, the municipalities should be prompter in their refund of octroi on re-exports; at present one often has to wait months for such refunds; it takes us six months in town as big as Ahmedabad and Bangalore; sometimes a refund of terminal taxes cannot be bought at all as at Agra and Kanpur; and we have just had to close down an otherwise perfectly suitable depot in Gwalior because the Corporation would not refund the octroi on despatches sent outside the town; we can see no reason why the inhabitants of one town should be allowed to tax the surrounding villagers, or the inhabitants of other towns in this way.

Fourthly, there is scope for improvement in the way vegetable oil is transported by sea. We use country-craft to bring seed and oil from Saurashtra to Bombay; 13,851 metric tons of seed and 4,676 metric tons of oil were transported in this manner in 1959. While the facilities provided by country-craft for movement of bagged material are reasonably adequate except during the monsoon, we cannot say the same about movement of oil. Shipment of oil in drums by country-craft or coastal steamer is an uneconomic method due to the weight of the drums transported and the losses which

occur in transit. The cheapest way of moving oil would be in bulk, but there are no bulk handling facilities in Saurashtra ports nor are they adequate in the other ports. This is a problem which is tied up with the much larger problem of loading large quantities of oil into steamer for the export trade. If India's Third Plan targets for export of oil are to be attained, serious consideration must be given to providing better facilities at the main ports for storage prior to loading and ultimate pumping from the storage tanks into ships bulk tanks.

My final and major suggestion is that the recommendations of the Masani Committee on Road Transport Reorganization, which has been generally endorsed by the Transport Council, should be implemented without further delay. While the problems of co-ordination of different forms of transport are now the subject matter of further consideration by the Neogy Committee, there should be no difficulty in the way of the implementing those recommendations of Masani Committee which do not bear on this subject.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

THE TITAGHUR PAPER MILLS CO. LIMITED

NOTICE OF INTERIM DIVIDENDS.

The Board of Directors have declared on the 30th March, 1960, the following Interim Dividends in respect of the Company's Financial year ending 31st March, 1960. These Dividends, pursuant to the provisions of the Finance Act, are subject to tax deduction before payment.

On 8% First Cumulative Preference Shares—Rs. 4/00 per share; on 4½% Second Cumulative Preference Shares—Rs. 3/21 nP per share; on Preferred Ordinary Shares—17 nP per share; on 'A' & 'B' Ordinary Shares—Re. 1/20 nP per share.

These Dividends will be paid on or after 25th May, 1960 to those shareholders (or their mandatees) whose names appear in the Company's books on 30th April, 1960, as the Registered holders of the above Shares.

The Share Transfer Registers of the Company will be closed from 11th to 30th April, 1960, both days inclusive.

By Order of the Board.
F. W. HEILGERS & CO.
(Private) LIMITED,
Managing Agents.
Chartered Bank Buildings,
Calcutta, 31st March, 1960.

West Coast Paper Mills Limited

Need for Realistic Price Policy

G. D. Somani's Review

Following are the extracts from the speech delivered by Shri G. D. Somani, M.P. in the absence of the chairman, Shri G. L. Bangur, at the fourth Annual General Meeting of the Company held in Bombay on 30th March, 1960.

Gentlemen,

I have great pleasure in welcoming you to the 4th Annual General meeting of the West Coast Paper Mills Limited. The audited Statement of Accounts for the year ended 30th June 1959 including the Directors Report has been in your hands for some time and I propose to take the same as read with your permission.

Before I proceed with the affairs of the working of your Company, I would like to make some general observations regarding the economic situation in general and the prospects of the Paper Industry in particular.

I am glad that the wide spread apprehensions about serious additional burdens anticipated in the last Budget did not prove true and the Finance Minister has taken a realistic and constructive approach to ensure that no section of the community is hit hard. The Finance Minister's Budget proposals require all the more to be appreciated in the light of the fact that he has had to find additional resources not only for the ever increasing need of the planned programme of development but also for the additional needs of Defence and the burden imposed upon the Government by the recommendations of the Pay Commission.

The target for the Paper Industry under the 3rd Five Year Plan has been fixed at 9 lakh tons per annum. Our per capita consumption of paper is so low at present that the demand is bound to increase progressively and, therefore, this target cannot be regarded as over-ambitious. The fulfilment of this target will depend largely on the realistic policy which the Government should follow in regard to the price structure for this Industry and I would like to take this opportunity of saying a few words about the general policy being followed by the Government in this vital matter.

The question of fixing fair prices for the manufactured goods of certain industries arises due to the short supply and the resultant hardship which may otherwise be caused to the consumers. While the need for ensuring fair prices to the consumers cannot be disputed, the fact must be realised that the ultimate solution for dealing with such shortage lies in adequate increase of production, which alone

will result in the achievement of the objective we have all in view. Our experience of the physical controls and the enforcement of artificial prices has been that the consumers never get the benefit which is intended for them and that these lead to all sorts of malpractices. It is, therefore, very desirable that the Government should follow a long term policy to ensure reasonable prices to such industries which will leave sufficient resources for the expansion of the existing units and which will also attract new entrepreneurs in these industries.

The present method adopted by the Tariff Commission for determination of fair prices is to allow return on Capital not on the basis of the book value or replacement value of the gross block but on the basis of the so-called "capital investment" which consists of the net block plus the net value of the current assets used in the business. Moreover, items like Managing Agency Commission, Bonus to labour, taxation, interest on loans etc. are also included in the gross return for calculating fair prices. It will be appreciated that all these items cannot be logically included in calculating the return on capital. While no doubt the Tariff Commission is a high-powered judicial body consisting of eminent experts and its recommendations deserve fullest possible weight and consideration, my submission however is that the time has come when the Government should, in consultation with the Tariff Commission, lay down certain broad principles for the determination of fair prices which will be conducive to the rapid expansion of the industries whose selling prices have to be regulated in the period of short supply.

The new uniform prices for the Paper Industry enforced from 1st January last have caused a lot of discontentment in the Industry and responsible spokesmen have clearly indicated as to how the future development of the Industry will be adversely affected by these new prices.

So far as we are concerned, I would like to point out that the principle of special prices for new units has been recognised by the Government and the Tariff Commission in regard to other industries and I see no reason why the New Paper Units and those under expansion should be given a different treatment. It is indeed a matter of great concern to us that the Tariff Commission should have recommended a policy of uniform prices even when the new units are springing up in this industry,

which would be hit seriously unless they are treated separately.

I would like to take this opportunity of informing you that soon after the new prices were announced, we made strong representations to the Government drawing their attention as to how a new Unit like ours will be adversely affected.

I am glad to inform you that the Ministry of Commerce & Industry have forwarded our representation to the Tariff Commission and have invited their views. Our representatives have had detailed discussions with the Chairman and Members of the Commission very recently when all aspects of the price structure as affecting our Paper Company were discussed. I am not yet in a position to say as to what exactly will be the recommendations of the Tariff Commission in the light of this, but the incidence of the depreciation and reasonable return on the capital employed, even on the basis of the Commission's own formula, is so heavy in our case that we have reasonable grounds to be hopeful.

As you are aware, the working of the Factory was formally inaugurated by Shri Morarji Desai, Union Finance Minister, on 16th May 1959 and it was only from July onwards that all the departments of the Unit were commissioned into production. The period under review, therefore, saw only trial operation for some time and the production of paper in that period was only 3387 tons. It will, therefore, be appreciated that the results of the working could not have been better.

So far as the production since July is concerned, the various departments have been working normally and have attained normal efficiency. Indeed production since August last year has been keeping well ahead of the rated capacity. The only department which did not achieve the normal efficiency was the Recovery Section which consists of specialised equipment. We were, however, able to obtain the services of an American Expert together with a Technician from our Machinery Manufacturers in the U.K. and I am glad to say that there has since been some progress in the working of this plant and, it is hoped, satisfactory results will be possible in the near future.

Another special feature, which I am glad to mention is about the superior quality of the different varieties of paper being produced by your Company. Looking from the reactions of a number of consuming centres, I can safely say that there has been a wide appreci-

ation of the standard of our qualities which are regarded as superior to others. This clearly indicates that the plant and machinery designed for your Factory are most modern and have given good results both from the point of view of quality and quantity.

Another difficulty which we have continued to suffer, has been about the inadequacy of railway transport facilities. The Railway system from Alnavar to Dandeli is run by the Forest Department of the Mysore Government and the condition of the track and other facilities are far below standard. We have been representing to the Railway Ministry for a long time that the line should be taken over by them and its standard of efficiency should be improved. Recently, the Railway Ministry have agreed at last to take over this Railway Line subject to certain special conditions which they want to impose. The whole matter is now under negotiation between the State Government and various Industries of the State on the one hand and the Railway Ministry on the other and I hope and trust that the Railway Ministry will take a broad view and will not impose any conditions which might adversely affect the development of this area.

The Board is actively considering the expansion of the capacity of the Plant. Various aspects such as finance, raw materials, power and transport are under study and the details thereof are being closely examined by our Technicians. Once these studies are completed, I hope the Board will be able to take final decision in this regard in due course.

I take this opportunity of thanking the members of the staff and labour who have rendered valuable services in bringing about normal production of the new Plant and Machinery.

Note:—This does not purport to be a full report of the proceedings of the meeting.

JARDINE HENDERSON LIMITED.

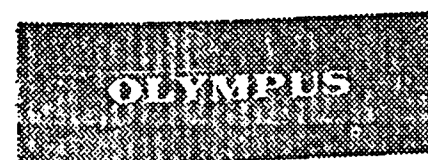
NOTICE is hereby given that an Interim Dividend at the rate of 2½ per cent, subject to deduction of income-tax and super-tax at the appropriate prescribed rates, will be paid to the Registered Members as on the 6th day of May, 1960, of the 50,000 Cumulative Preference Shares of Rs. 100 each in the Company in respect of the year ending 31st March, 1960.

The Share Transfer Books of the Preference Shares will be closed from the 22nd April, 1960, to the 6th May, 1960, both days inclusive.

By Order of the Board,

D. FORDWOOD,
Secretary.

4, Clive Row,
Calcutta—1,
31st March, 1960.



A-IMO Annual Session

THAT ideas are never good except in moderation and that even hard criticism could be more persuasively made in the language of restraint were amply illustrated by Mr N. D. Sahukar's presidential address to the 20th Annual Conference, inaugurated here on Sunday last by Prime Minister Nehru, of the All-India Manufacturers' Organisation. Mr Nehru's speech, in return, was a model of what "friendly and constructive criticism" can evoke by way of reciprocal understanding on the part of Authority of the requirements of the private sector. A certain readiness to accept friendly advice and practical suggestions was spontaneously displayed by the Prime Minister who was visibly happy to be on the platform of an organisation drawing most of its membership from the ranks of medium and small businessmen and whose speech on the occasion was even more conciliatory in tone than the one he made at the FICCI Annual Session only the week before. Your correspondent, who gained these general impressions, was thus not disappointed in his expectation that the "pervading temper" of the whole session would not be one of acrimony but would be one of harmony between the two sectors—public and private.

This happy tone for the Conference was set in the welcome address by Sardar Mohan Singh, Chairman of the Reception Committee, an address which was refreshingly practical in its approach and singularly devoid of any reference to the sectoral "conflict." It was pleasing to hear Sardar Mohan Singh describe the part played by a number of small and medium industries in feeding the big industries in both the sectors. For example, in Ludhiana, a good many small industries, recently established, were specialising in the manufacture of certain parts of cycles and sewing machines, thereby giving a great impetus to the development of these industries. The speaker added that the cycle industry, which was formerly importing spare parts worth about Rs 24 per cycle, had been enabled to reduce its requirements of imported parts to just Rs 5 per cycle. In the same way, the manufacture of radio parts was being taken on hand. Sardar Mohan Singh also disclosed that the A-IMO was setting up in Delhi a model industrial colony on a co-operative basis and with a research centre. It was expected that this cooperative colony would enable the small industrialists to achieve better results and that this would lead to the establishment

of similar colonies at other centres. The A-IMO had also plans, he said, to set up industrial information bureaux where any industrialist wishing to put up an industry, big or small, could get correct advice and guidance as to the feasibility of the scheme, extent of Government help, availability of raw materials, selection of sites, etc. And he looked forward to Government's help and co-operation in this regard.

The presidential address of Mr N. D. Sahukar, Chairman of the A-IMO was a model of moderation in ideas as well as in language, though it was mildly critical of some administrative policies and procedures. The rapid growth of industries in all sectors, he said, was being retarded by the circumlocutory processes and procedures that a would-be manufacturer had to wade through. While he admitted that planning did presuppose control, he wondered if controls in their present rigour were now necessary. Mr Sahukar also made a number of telling points regarding tax policies. In his view, if tax evasion had not been on such a large scale as it was, the economy might have probably developed at a faster pace than it had. He suggested in this connection a socio-psychological study of the tax-evader's mind, though he did not indicate how to spot the "tax evaders." If such a study were undertaken and it were found therefrom that tax evasion was indulged in only because of the heavy incidence of taxation, it would be a wise thing, in Mr Sahukar's view, to revise tax policies and levels of taxation in such a manner as to induce even the evader to pay his taxes willingly. While on the subject of taxation, the A-IMO Chairman also urged that, before raising further the incidence of tax on any commodity, Government should thoroughly examine the likely effect that such taxation would have on the price of that commodity.

Among the practical suggestions made by Mr Sahukar for Government's consideration were the following:—(1) Steps to bring out hoarded gold; (2) the linking of wages to productivity; (3) five-fold increase in technical education, the aim being to have one vocational school in every taluka town, one polytechnic in every district and at least one engineering college in every divisional headquarters; (4) steps for making available co-operative banking finance to small and medium industries; (5) a reduction of 1 per cent in the interest rates that medium and small industries have to pay to the various financial institutions; (6) the scheme of hire-purchase of industrial machinery to be extended and liberalised; (7) Government encouragement to the private sector to set up small steel production units by utilising new processes like low-shaft furnace smelting; and (8) streamlining labour legislation so as to ameliorate

the condition of the industrial worker and, at the same time, to protect the honest employer against exploitation by the unscrupulous labour union leader.

The Prime Minister welcomed some of these suggestions. In particular he invited schemes, for Government's consideration, in regard to small-scale steel production. He also promised Government's help and encouragement to the A-IMO's plans for running industrial information bureaux. In regard to technical education, Mr Nehru said that though the success already achieved was very considerable, both general education and technical education were being planned to go ahead faster and faster. As regards the Chairman's suggestion that a socio-psychological study of the tax evader's mind be undertaken, the Prime Minister was not sure how to give effect to it although he welcomed the idea. (Of course, it might not have immediately occurred to him that such a study could be undertaken either by examining confidentially such persons as were known to the income tax authorities to be tax evaders or by examining a random sample of income-tax assesses through the confidential technique of public opinion research). For his part, Mr Nehru suggested to the industrialists that they should organise their own designing sections, the crucial importance of which had not been realised by the railways, for example, till very recently.

Mr Nehru's speech was also highlighted by a reference to the impressions of an eminent foreigner who had recently seen him. That foreigner told him that the people whom he met bemoaned the lot of this country and indulged in self-condemnation and self-deprecation although, in fact he could clearly see that the country was making progress all round. It was indeed strange that what was visible to a foreigner was not visible to some of our own people. Mr Nehru was, therefore, rightly unhappy that some of our own people were "living in the miasma of self-condemnation and self-deprecation", thereby creating "an atmosphere of misery and sorrow" instead of "an atmosphere of hope, strength and self-reliance." This was also true, according to Mr Nehru, of many writers who were writing long articles in newspapers without knowing what was really happening in the country.

The Annual Conference of the A-IMO has passed three major resolutions—one on industrial relations, one on indirect taxation and one on import policy. The first resolution has demanded a uniform labour policy for the whole country with limited rule-making powers to the States, taking into account their special needs; it has called for an industrial truce for at least the Third Plan period, adding that no dispute should be allowed to precipitate into a strike

by workers or a lock-out by the management without a reference being made to their respective central organisation; and it has also pleaded for exemption for new industries for a period of five years from the provisions relating to retrenchment and retrenchment compensation under the Industrial Disputes Act. On the face of it, this is a reasonable and moderate resolution.

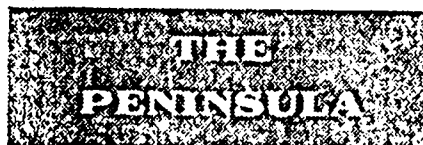
The second resolution has expressed the view that there is a cost-price inflation in many industries as a result of the present and ever-increasing incidence of indirect taxation; it has suggested amalgamation of the various levies in such a way that the total incidence does not exceed a certain reasonable percentage of the value of the commodity concerned; and it has, therefore, demanded the appointment of a commission to study the incidence of indirect taxation on manufactured commodities with particular reference to its effect on the total cost of manufacture. In view of the increasing importance of indirect taxes, there is everything to be said in favour of the suggested commission as in the case of the Tyagi Committee on direct taxes administration. Incidentally, the difference between the FICCI's approach to tax policies with its accent on direct taxes and the A-IMO's approach with its accent on indirect taxes is striking.

The third resolution has emphasised the need for conserving foreign exchange by curtailment of imports of finished goods on the basis of progress made by indigenous industries; it has demanded liberalisation of imports and licensing for actual users of industrial raw materials; and it has also suggested that the validity period of all licences should be increased from six months to one year and that barter deals by manufacturers and exporters be allowed to enable them to import permissible essential materials and equipment against additional exports of traditional and non-traditional items.

NOTICE

Owing to the intervention of the Easter Holidays, INDIAN FINANCE for the week ending 16 April 1960 will be released on 18 April 1960.

Calcutta Manager.
9.4.60



Debate on State Transport

AS the Madras Legislative Assembly discussed the state of the nationalised motor transport, the State Government found themselves deserted by men of their own ranks. Several Congress members spoke critically of the results of the nationalised State transport, while one of them even pleaded that public interest would be served better by leaving road transport in private hands.

Only those Congressmen who had had the dreadful experience of bus travel in the city service could have been courageous enough to be disloyal to the party on the question of nationalisation of motor transport in the State. One woman Congress member pictured the plight of the city bus passenger when she observed that there was something seriously wrong in the nationalised city transport when a member of the public leaving office tired at 5 PM, could not reach home before 8 o'clock because of lack of space in the city bus. With the agonising delay at the bus stops and the insolence of the conductors, it looks as if a ride in the State bus during peak hours is meet punishment for the citizen for not being able to afford personal transport!

Thrown into disarray because of disloyalty of individual Congressmen, the Government met with unsolicited support from the Communist opposition, for whom private enterprise in any field is anathema. Communist members expressed themselves as being antagonistic to private enterprise running road transport either in the city or outside. The Industries Minister, Mr Venkataraman, was, however, clearly on the defensive against attacks on his Government's policy by men of his own party and sought to parry further criticism by disavowing the earlier intention to increase the bus fares.

Mr Venkataraman admitted that the number of buses with the city transport was not adequate to meet the growing number of travellers in the city. The 453-strong fleet could not all be under commission at the same time. Over a hundred of them would be decommissioned for various reasons daily. A report by an ILO expert has estimated that, every year, there should be addition of 10 per cent to the fleet strength to meet the growing volume of bus traffic in the city. Against this, the State Government are only thinking in terms of strengthening the fleet by one seventh every year.

With a view to pacifying critics, Mr Venkataraman pointed to the economical working of city transport. It was revealed that, out of

the gross profit of Rs 29 lakhs, Rs 16 lakhs went to meet the interest charges. About Rs 70 lakhs went to depreciation fund, which, it was pointed out, was larger than that provided in other cities such as Bombay or Delhi. Mr Venkataraman invoked the authority of the ILO expert in proof of this.

Further, the note circulated on the working of the Madras branch of the transport system discloses that this branch would, during 1959-60, make a profit of Rs 18.79 lakhs. In the Kanyakumari district but transport, nationalised last year, was estimated to disclose a surplus of Rs 3.59 lakhs. The number of passengers carried by the city bus transport was computed at 143,053,415 against 137,462,272 in 1958. The total collections amounted to Rs 1,72,91,252 against Rs 1,63,38,747 in 1953-59.

Mr Venkataraman announced that, next year, the State would take over some long distance routes such as Madras-Salem, Madras-Tiruchi, Madras-Tirunelveli, Madras-Madurai, Madras-Nagercoil and Madras-Coimbatore lines. In the present context of absolute inefficiency of State-operated city service, there could hardly be any sympathy with the Government's decision to take over more lines. Already, the inefficiency of city transport is being used as the ground by anti-nationalists for debunking the principle of state nationalisation of commercial undertakings and services. It is doubtful whether, in the event of Government choosing to implement their decision, they could measure up to the standards of perfection set up by privately operated services. Passenger amenities have been the first casualty in the case of State-owned motor transport. Of this, the city service is a standing illustration. Mr Venkataraman seems to believe that running of long distance traffic is easier and could be done more efficiently than short distance traffic. This at best is a weak argument for extending nationalisation of motor transport. It could, however, be argued that, in the case of long-distance bus transport, there would be a compulsion to improve services so that the competition from railway transport could be effectively met. If the Government could provide the needed passenger amenities and keep up to time schedules in the running of buses, it should even be possible to divert a considerable number of the travelling public from the railways.

FOR the expanded industrial programme in the State of Madras during the Third Plan period, a greater scheme of producing abundant electric energy has been thought of. There is to be an aluminium industry at Mettur. Ootacamund will have a raw film factory. Salem is thought of for an iron factory with the use of Neiveli lignite. There was a report by the State's Techno-Economic

survey conducted by the National Council of Applied Economic Research. This survey made a forecast that the State's power requirements by the end of the Second Plan would be 891,000 k.w. and, by the end of the Third Plan, the power requirements would have gone up to 1,443,000 k.w. The schemes for power are estimated to cost Rs 133.21 crores. The Second Plan outlay for such electricity schemes in the State was of the order of Rs 71.45 crores. The First Plan outlay for the same purpose stood at Rs 30.68 crores only.

The national outlay for power development is Rs 1,230 crores of which the State's share is only Rs 133.32 crores. The foreign exchange component of this capital outlay would be about Rs 43.6 crores. The power projects of the entire country are estimated at Rs 300 crores during the Third Plan.

Power cuts in the Mettur-served area are inevitable for five draught months. With the installation of the first Power House at Kundah, this cut is obviated. Storage in the Kundah and the Pykara basin will be conserved to the extent necessary for utilisation in the summer months during which power cut becomes imperative. This scheme will be developed in two stages, the first of which involves the construction of a power house with an installed capacity of 100 mega watts in two units and utilising 10,000 cusecs. This will get completed during the Third Plan stage. Two more units could be added with the civil engineering works completed ahead of time. The first stage, on completion, will add to the Madras grid an energy potential of 385 million units.

During 1960-61, the last year of the Second Plan, the first stage would have been completed.

At the first stage, which was inaugurated last week at Kundah, only a drop of about 3,647 ft was utilised. A total fall of 5,359 ft is available. The third stage would utilise the balance drop of 1,712 ft and also collect the water of nearby and enroute rivers.

Again, the fall will be developed in two more power stations. A third power station will have an installed capacity of 120,000 k.w. in three units. A fourth power station will have a capacity of 50,000 k.w. in two units. The present Plant No. 1 will have a third unit and Plant No. 2 will have another fifth unit. An auxiliary station of power will utilise the fall between Upper Bhavani and Avalanche reservoirs with an installed capacity of 15,000 k.w. During this stage, the total installed capacity will be 240,000 k.w.

Thus, the Kundah Hydro electric scheme will have an installed capacity of 420,000 k.w. The energy potential of this scheme will be 1,803 million k.w. hours per annum. The whole report is under the consideration of the Central Water and Power Commission and the Planning Commission.

Mr Kamaraj Nadar, Chief Minister, Madras State, allayed the fears expressed in some quarters about Kerala Government's fears of sharing Parambikulam waters with Madras. He was answering some questions at a Madurai Agricultural Conference last week when he said that it was not true that Kerala Government did not want to negotiate with Madras over the Parambikulam waters. He wanted the people to understand the position of the two Governments and assured the Coimbatore audience that negotiations would end successfully.

This project envisages the construction of two power stations. One will be in the Parambikulam valley. This will utilise the stored waters of the river Ninar and surround and above Kerala requirements at the Sholaiyar power plussing waters of the Sholaiyar house.

Another station would be placed at Sarkarapatty utilising the tall race waters of the first power station and regulated flows from the Parambikulam, Tunakadu and Tekkadi rivers. The Sholaiyar power station will have a 70,000 k.w. capacity in two units and the Sarkarapatty will generate 25,000 k.w.

Periyar Second Stage extensions provide for the installation of one more 35,000 k.w. unit at the recently commissioned Periyar Power Station to increase the installed capacity from 105,000 k.w. to 140,000 k.w.

Coal being costly, the cost of thermal power produced by coal is three as costly as hydro power. Neiveli lignite will be utilised to have a station with a capacity of 150,000 k.w. This is not sufficient to meet the Madras demands, and the proposal is to request the Neiveli Lignite Corporation to have the capacity raised to 200,000 k.w. This power will be released in full to the Madras State.

Otherwise, the Government of Madras have requested the Corporation to release adequate lignite so that the State itself could raise a power station for an output equal to 200,000 k.w. for the Madras Grid.

The total installed capacity of hydro-stations in Madras State by the end of 1965-66 will be 929,000 k.w. with an annual energy potential of 4,285 million k.w. The total energy of the Grid will be 7,280 k.w.h. per annum inclusive of the energy available from the thermal stations and the power to be purchased from the Neiveli Lignite Corporation.

Thus, the total capacity of the Madras Grid will be 1,400,000 k.w. This includes 359,000 k.w. to be obtained from the Neiveli Lignite Corporation.

The Third Plan envisages the formation of a 220 k.w. super grid. This will facilitate the effective utilisation of power within the State and also efficient interchange of power between Madras and its neighbouring States. There is also a proposal to interconnect Madras-Mysore, Madras-Andhra and Madras-Kerala.

WORLD OF JUTE

Need for effective remedial measures

THE jute markets continue to maintain a firm trend and with bulls deriving further encouragement from the support the goods market has had during the past two weeks from a number of foreign countries and the Government of India, there does not seem to be any early likelihood of a reaction. It would appear that Authority is still chary, for reasons best known to it, of taking the only possible remedial measure—the import of a sizable quantity of raw jute from Pakistan.

The present high price levels in the jute markets have mainly stemmed from the apprehension of a shortage of raw jute toward the end of the current jute season. It will be useful to study anew the raw jute supply situation during the current jute year. With the announcement of the final mesta forecast, the total 1959-60 jute crop is placed at 5.65 million bales. This, together with the carryover from last season of 2.45 million bales and 509,000 bales of imports from Pakistan, will give a total availability of 8.60 million bales. As against this, total distribution will amount 8.90 million bales comprising mill consumption at 6.60 million bales and domestic consumption at 300,000 bales. As per these estimates, there should be available a quantity equivalent to 1.80 million bales for carryover into the next season. Such a position is not at all unsatisfactory.

What seems to have sparked afresh the speculative fervour is the fast dwindling raw jute arrivals. Out of a total Indian crop of 5.65 million bales, as much as 3.95 million bales have already been received in Calcutta and mill centres by the end of February. The Jute Balers' Association, Calcutta, estimates arrivals of Indian jute during March at 350,000 bales. The total arrivals for the first 9 months of the season will thus amount to 4.3 million bales. Adding to this figure the estimated domestic consumption of 300,000 bales, the Jute Balers' Association puts the total of take of this year's crop at 4.60 million bales. During the remainder of the season, therefore, there will be a little over a million bales only left of the crop to arrive at Calcutta and mill stations.

It is rather strange that, when the total availability is deemed adequate to meet the requirements of mills and leave a moderate quantity to be carried forward into the next season, the mere fact

that, between now and the arrival of the new crop, only a small quantity of the current year's crop will be available, should cause so much concern. It cannot also be contended that indications of the new crop so far have been so discouraging as to engender the apprehension that the arrival of the new crop will be delayed.

But it is a fact that the scarcity idea has gained firm ground in the Indian World of Jute as will be evident from the high levels prevailing for a number of weeks now. The remedy, as I have pointed out earlier, is to import a sizable quantity of raw jute from Pakistan. This will have the desired effect on raw jute prices and consequently on the goods market. One wonders whether the Indian Jute Mills Association has considered the possibility of using its good offices with its members (provided, of course, it is in full agreement with the official crop estimates) to help one another in the matter of raw jute supply and thus cut the ground under the speculators whose main strength seems to come from the anxious purchases of raw jute by some mills during the past few weeks.

The jute goods market ruled firm during the week ended Wednesday. Both the principal sections were active with prices taken to new highs. Hessians met with sustained interest on higher advices from the US market where a buoyant undertone was noticeable following fresh buying interest. Some fresh enquiries were reported in the Calcutta market and Hessian 40"x10 oz Ready was taken to a high of Rs 43.20 from Rs 42.45 to be finally placed at Rs 42.65. The heavy goods section was in the limelight with prices moving up sharply. The market, which was moving up as a result of the incentive provided by the Chinese and Egyptian orders, was given further fillip by the announcement of a sizable Government order this week. The cumulative effect of the orders was reflected in a squeeze in ready goods, the prices of which had gone up steeply during the week. B Twills Ready, which was quoting at Rs 114.80 this time last week, moved up briskly to be placed at a high of Rs 116.75 before closing at Rs 116.20 on Wednesday. The raw jute market also ruled firm with Assam Bottoms quoting at Rs 34.25 against Rs 35.50 this time last week. Around midweek, there were reports that Government had decided to allow the import of a further 200,000 bales of Pakistan cuttings, but the news failed to have much adverse effect on sentiment.

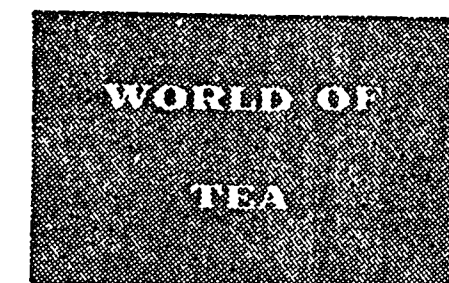
	As on 30th March	Week's High	As on 6th April
Hessians:			
40"x10 ozs:			
Ready	42.45	43.20	42.65
July/Sep.	43.15	43.25	43.00
40"x8 ozs	35.00	35.70	35.50
40"x7 1/2 ozs	32.75	33.15	33.00

Sackings:			
B. Twills:			
Ready	114.80	116.75	116.20
July/Sep.	113.40	113.85	113.65
Hy. Cees (Green)	117.50	118.50	118.50
Corn sacks	117.25	118.00	117.00
Cubans	137.00	140.00	139.00
A. Twills	146.00	147.50	147.00
L. Twills	129.50	132.50	132.50
D. W. Flours	138.00	140.00	140.00
Sugar Twills	131.00	133.00	133.00

Futures:			
Hessian—May	42.58	43.18	42.72
Sacking—May	113.80	115.70	115.05
Hessian—Aug.	113.55	113.55	113.55
Raw Jute—Sept.	30.56	30.98	30.58

Ready Raw Jute:			
Assam Bottoms	33.50	34.50	34.25
Northern Bottoms	32.75	33.50	33.25

*This delivery started on the 5th April.



Trend of Exports

ACCORDING to the Government of India, Tea exports have shown a decline last year as compared to the previous year. Four causes are mainly responsible for this. First, the United Kingdom had built up large stocks by making heavy imports during 1958. Secondly, the UK, due to its comfortable stock position, was not interested in the end-of-the-season teas available during January/May 1959. Thirdly, heavy purchases were made by internal buyers in the first quarter of 1959. Finally, as a result of maximum exports in 1958 and, particularly during the last quarter of 1958, there was no availability in India of sufficient stocks of quality teas, which was commonly in demand.

With an export of 3.37 million pounds, total exports from Chittagong have, however, increased to 14.01 million pounds from 12.16 million pounds in 1958. Besides exports, tea shipments from this Port to Karachi amounted to 39.62 million pounds as compared to 41.97 million pounds in 1958.

Meanwhile, there is a general feeling that sales in India can be promoted only if the price is low, although world supply and demand appear to have been fairly well balanced. In this connection it is said that the decline in the price of Plain teas, during the past few months, cannot be lightly ignored.

An important factor contributing to the decline in the demand for Plain teas is the prospect of increased African supplies. If that area, along with other producers, increases production as is expected, the Indian industry will face greater competition. It is, therefore, time that steps are taken to improve quality as well as to reduce cost of production.

It is, however, encouraging to note that there is a slight improvement in the prices obtained for Plain teas on the London market during the week under review. It now remains to be seen whether this marks the beginning of an improvement in plain teas, especially when the decline over the past three weeks has been extremely sharp. The size of blenders' stocks is still unknown; but possibly demand may pick up now as prices are low and the seasonal influx of teas into London should have passed its peak.

In the Internal Sale, held in Calcutta this week, offerings were 21,145 packages of Dusts and 668 packages of Leaf grades. The market opened to a strong demand and prices were generally lower. As the sale progressed, a harder tendency was seen. Orthodox teas found ready buyers around last rates with the brighter lines a strong feature. Legg-cut descriptions were irregular, the plainer kinds being sometimes easier. The better liquoring teas were sold readily at slightly enhanced levels.

Medium CTC Dusts were supported at firm and sometimes dearer rates except for the more fibrous kinds which came to a lower market. Powdery types were again sold well, registering slight advances in prices. The best CTC dusts were irregular, but were generally taken up at around last levels. Medium Doors Dust was quoted at Rs 1.88 to Rs 1.94; Medium Assam Dust Rs 1.82 to Rs 1.94; Medium Assam CTC Dust Rs 1.98 to Rs 2.20 and Best Assam CTC Dust Rs 2.40 to Rs 2.75. There was a strong demand for Leaf grades at dearer rates.

In the Cochin market, offerings were 800,000 pounds. The quality from the Nilgiris was about maintained, while that from other districts showed a seasonal decline. High-grown Brokeners were sold at firm rates and sometimes dearer following quality. Good Mediums met with less enquiry than in recent weeks and eased by 5 nP to 10 nP per pound. Medium and Low Medium Brokeners registered a drop of 10 nP to 15 nP with similar Fannings a particularly weak feature. Low-grown and Plainer kinds were irregularly 5 nP lower. Low Medium tea was quoted at Rs 1.90 to Rs 1.95; Medium at Rs 1.95 to Rs 2.10; Good Medium at Rs 2.20 to Rs 2.25 and Quality at Rs 2.85 to Rs 4.85.

Tea shipments from Cochin Port, in February 1960, were higher at 6.31 million pounds as compared to 6.08 million pounds in the corresponding month of last year.

According to trade sources from Indonesia, tea production has shown a downward trend during the past few years. With an outturn of 7.1 million pounds in December, total production of tea in Indonesia last year was placed lower at 96.4 million pounds as against 101.7 million pounds in 1958 and 102.8 million pounds in 1957.

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WORLD OF COTTON

Futures Rebound

THE cotton futures market in Bombay, after remaining somewhat easy, staged a rebound on allocation of indigenous cotton to mills as well as somewhat better spot advices. With stale liquidation over, the market responded even to small buying orders. It may, however, be noted that trading has become very thin as there is very little inducement to do business in the forward section as spot prices are almost quoted over ceiling rates in practically all varieties by about Rs 100 per candy. ICC March, after dropping to Rs 754.50, rallied to Rs 778 to be placed at Rs 769.

Still Tighter Control:

The Textile Commissioner, Mr D. S. Joshi, has expressed the view at the Cotton Textiles Advisory Committee meeting held on 4 April that the tight position regarding Indian cotton supply would continue during the next cotton year, judged from the consumption and availability to the mills. The position regarding supply has unfortunately deteriorated. Indeed, the estimates about the size of the crop have had to be revised downward very sharply. When the Cotton Advisory Board met early in November 1959, the commercial crop of Indian cotton was estimated at 4.8 million bales, and availability for the mill industry at 4.5 million bales. The commercial crop estimates have gone down, and, today, even 4 million bales is considered to be a liberal estimate. With export at 200,000 bales and allowing 50,000 bales for Khadi production, the availability of Indian cotton to the mill industry is being placed at scarcely 3.75 million bales.

He has also maintained that, if the system of quota allocation of Indian cotton had not been introduced last

December, the position would have been worse. These measures have not been fully respected. The Standing Committee of the Cotton Advisory Board has conceded that the control measures already introduced must continue in the next season. He has visualised that, if the present tendency of using more Indian cotton by some mills continued more rigorous measures might have to be introduced. He has expressed the view that, for some time, selective requisitioning and distribution may be introduced, but, if necessary, fuller control over distribution will have to be taken. He has, however, reiterated Government's assurance that production would not be allowed to suffer for lack of cotton.

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Spot Market:

Prices in the spot section, after remaining quiet, have improved by Rs 10 to Rs 20 per candy. Porbunder Co 2, which had gone down to Rs 1100, was marked up to Rs 1125. Vijay, Digvijay and Berar Khandesh are quoting about Rs 90 to Rs 100 "on" over the ceiling levels, while the short staple Wagad is placed at

Rs 125 "on". With a view to avoiding the clutches of law in respect of evading the cotton control order, mills, which are buying their requirements of Indian cotton, are adjusting their positions. Broach Vijay was put through at Rs 1045 to Rs 1055, Bordell at Rs 1030 to Rs 1040, Dabhoi at Rs 1038 to Rs 1048, Kaledia at Rs 1040 and Jambusar at Rs 1045. Broach Digvijay came to business at Rs 1063, Dabhoi Digvijay at Rs 1083, and Masar Road Digvijay at Rs 1090. Amraoti L 147 changed hands at Rs 1025, Gadag Laxmi at Rs 1081, Nagar Co 2 at Rs 1081, and Aurangabad at Rs 940 to Rs 975.

Larger imports from the USA under PL 480 have been planned. An announcement has been made by the Union Minister for Commerce and Industry in Parliament suggesting that Government were proposing to import an additional quantity of 400,000 bales from the US under Public Law 480 and other sources. As arrivals of cotton of 1" staple and below from US will be gathering momentum, trade quarters are inclined to await the impact thereof as this variety of cotton is being imported for the first time after a lapse of some five or six years.

Among African cottons, Jingia was done at Rs 1122 to Rs 1130 CIF for April shipment, while Sudan G 45 was done at Rs 1635 for April/May. Sudan EG 45 at Rs 1700 CIF for June shipment, Busoga at Rs 1245, BP 52 at Rs 1325 and BP (Unug) at Rs 1360 for April/May shipment.

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Cloth Market:

Moderate activity passed in the cotton piecegoods market, with prices ruling steadier in view of the higher raw cotton prices and the increased emoluments to textile workers. With the increase in manufacturing costs, the competitive position of the Indian cotton textile industry in the overseas markets has suffered to some extent, and the general feeling is that it would be difficult even to repeat the export performance of 1959 during the current year, apart from the need to step up exports further. With the surcharge of 5 per cent on Railway freight having come into force from 1 April, the industry, and particularly those mills in Ahmedabad using coal as fuel for power generation will certainly be hit. Hence, it is very difficult to look for any notable reduction in cloth prices.

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New York Cotton:

The New York Cotton market ruled slightly better. The American cotton farmers have been in favour of an increase in acreage and have elected to plant 17,502,843 acres as against the original allotment of 16,310,000 acres. The increase is reported to have been provided for by operators of 61,139 farms who had selected to plant choice "B" cotton.

Egyptian cotton exports since the beginning of the season till 16 March 1960 have totalled 660,708 bales as against 511,012 bales during the corresponding period of last year. In the quality-wise break-up of the exports of 660,708 bales, Karnak figures at 113,678 bales, Menoufi at 303,815 bales, Ashmouni at 148,335 bales, Guiza 30 type at 39,395 bales, Dandra at 42,722 bales and others at 12,763 bales.

MARKETS

Pepper Market in a Highly Sensitive State

OF late, Pepper has been an erratic market. The news of the 500-ton purchase of the commodity by China last week pushed up the price on the London market by about 1sh a pound, though part of this upswing was subsequently lost. Stocks in Singapore are now thought to be down to about 700 tons, which can be a dangerously low level. But consumer demand in both Europe and America still remains small. If this continues until the arrival of the Sarawak crop, prices may stay around the current level.

This year, stories are already circulating that not one but two Syndicates of Chinese dealers in Singapore are preparing to corner the white pepper market. These stories may not be true; but any sign of large-scale buying in the coming weeks is bound to have a powerful effect on prices.

As far as the Indian market is concerned, the outlook for the commodity is reported to have undergone a drastic change. It is learnt that New York has bought a moderate quantity, during the last few days, at around 61 cents a pound as against 55 cents quoted only a week ago. The fact that Indian shippers have entered into business with shipment in April/May shows that the market is likely to improve further. Again, there are some enquiries from Egypt and the chances are that fairly good business will be done with this country through the STC.

There is, therefore, a general feeling among Indian trade circles that, if the present trend continues, it is likely that shipments during the current season will far exceed the yearly average. Trade estimates place exports during the first five months of the current season beginning from November last at about 12,000 tons as against an annual export of 13,000 tons.

As a matter of fact, the improved conditions in the export trade are well reflected in the Cochin market, where the ready rate has moved up to Rs 280 from Rs 260 per candy quoted in the previous week. May delivery is quoted at Rs 302.59 per cwt.

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Rubber

Although it is not known how soon the Tariff Commission's report on Rubber will be out, present

shortage of the commodity is such that, during the current year, India will have to buy from abroad the largest quantity ever imported. Estimate of production for the year is placed at about 30,000 tons; but consumption will be much higher than last year's.

The Rubber Board is reported to have recommended to the Governments of Kerala, Madras and Mysore to make available all suitable lands in their respective States for rubber cultivation and to grant necessary financial assistance for establishing and developing rubber plantations in order to bridge the widening gap between production and consumption of natural rubber in India.

Meanwhile, the Malayan Government have announced that a Committee is to be set up to consider establishing a separate rubber market in Malaya. Traditionally, Malaya, the world's largest producer of rubber has sold in the Singapore market. The new move is being made, as Malaya has now become independent and feels the need for a market of its own with international recognition. It is expected that the Malayan market which is being given strong Government support but will not be run by the Government, will make an attempt to

1958-59 Season:

	Quantity	Rs.
Robusta Cherry PB ...	20,000	153.00 to 153.10
Robusta Cherry Flats ...	64,000	150.20 to 153.80
Robusta E. P. Bulk ...	5,000	151.10
Rob. Flats Cl. Garbled ...	30,000	150.75 to 153.10
Liveria Rob. Chy. PB ...	1,000	146.10
Total ...	120,000	

1959-60 Season:

	Quantity	Rs.
Plantation PB ...	9,000	232.60 to 233.50
Plantation A ...	32,000	214.80 to 220.80
Plantation B ...	7,000	202.70 to 207.80
Plantation CT ...	17,040	191.60 to 197.70
Arabica Cherry Flats ...	12,915	182.60 to 183.10
Total ...	77,955	
Grand Total ...	197,955	

Sugar

Thanks to easy supply position and expectation of a marked increase in overall production in the country, Sugar markets are ruling quiet. In the Muzaffarnagar market, prices have declined by Rs 3 to Rs 4 per bag, to be quoted at Rs 109 to Rs 112.

The Government of India have fixed, with immediate effect, the ex-factory price of Rs 38.35 per maund for ISS D-29 grade of sugar, produced by factories in South Bihar. Ex-factory price of other grades will be according to prescribed differentials. The controlled price will apply to all the stocks available with the mills, and also to the sugar produced hereafter. The entire sugar of these factories will now be allotted by the Central Government for sale at the fixed ex-factory price. Sugar produced by the factories in Uttar Pradesh, North Bihar and Punjab

stop price speculation and stabilise prices for the commodity.

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Coffee

It is a bit early to make any estimate of the next season's Coffee crop, as blossom showers have not been adequate in some areas and, in some others, they have not fallen. But the general condition of the stands is so good as to give hope that, unless the weather upsets everything, the crop will be above 30,000 tons.

According to one estimate, the 1965/66 crop will be about 80,000 tons and, according to another, over 100,000 tons. It will mean all the difference between holding and marketing of 30,000 tons and 50,000 tons in about five years from now, when nobody knows what the market will be like. The Working Group for the Third Plan is going by the lower estimate; but the informed planters hold the view that the small growers have so improved their cultural practices that the effect is going to be felt in the next five to ten years.

The following types and grades of coffee have been released for internal consumption in the Pool sale, held at Kozhikode on 25 March 1960, to wholesalers (quantity in Kilos and prices per unit of 50 kilos or about 112 lbs):—

	Quantity	Rs.
Robusta Cherry PB ...	20,000	153.00 to 153.10
Robusta Cherry Flats ...	64,000	150.20 to 153.80
Robusta E. P. Bulk ...	5,000	151.10
Rob. Flats Cl. Garbled ...	30,000	150.75 to 153.10
Liveria Rob. Chy. PB ...	1,000	146.10
Total ...	120,000	

1959-60 Season:	
Plantation PB ...	9,000
Plantation A ...	32,000
Plantation B ...	7,000
Plantation CT ...	17,040
Arabica Cherry Flats ...	12,915
Total ...	77,955
Grand Total ...	197,955

1958-59 Season:	
Robusta Cherry PB ...	20,000
Robusta Cherry Flats ...	64,000
Robusta E. P. Bulk ...	5,000
Rob. Flats Cl. Garbled ...	30,000
Liveria Rob. Chy. PB ...	1,000
Total ...	120,000

1959-60 Season:	
Plantation PB ...	9,000
Plantation A ...	32,000
Plantation B ...	7,000
Plantation CT ...	17,040
Arabica Cherry Flats ...	12,915
Total ...	77,955
Grand Total ...	197,955

is already allotted by the Central Government at fixed ex-factory prices.

The Government of India have decided to release 1.85 lakh tons of sugar. There will be no release for free sale from the factories in Uttar Pradesh, North Bihar, South Bihar and Punjab except a small quantity which will be released to each factory for sale to its employees.

Allotments will be made at prices fixed by the Government. The controlled ex-factory price for UP and North Bihar factories is Rs 37.85 per maund and for factories in Punjab and South Bihar Rs 38.35 per maund for ISS D-29 grade with prescribed price differentials for other grades. The fixed f.o.r. destination prices in respect of allotments made to Kanpur and Calcutta will be Rs 38.60 and Rs 39.85 per maund respectively for sugar of ISS D-29 grade.

The Government of India have announced that the price of sugarcane, to be crushed by the vacuum pan factories during the 1960-61 season, should be as follows: (a) A basic minimum price of Rs 1.62 per maund for delivery at the gate of the factory and Rs 1.50 per maund for delivery at the rail centres; and (b) a deferred payment of an amount which may be found due under the formula prescribed by the Government, or under any alternative scheme applied in a State or region by the State Government concerned, with the previous approval of the Central Government, for linking the price of cane with the price of sugar as realised by the factories concerned.

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Gur

After an early fall, Gur prices have improved slightly on demand from the consuming centres coupled with a fall in arrivals due to the harvesting period. In the Muzaffarnagar market, the rate for the Pansera quality has improved by 37 nP to 50 nP a maund on enquiry from the Punjab and Rajasthan.

In the Hapur market, new season's arrivals have increased; but the quality is damp. The price has eased by Rs 1.50 a maund. Efforts are being made by the Hapur Chamber of Commerce to get sanction for forward trading in sarson.

At a meeting of the representatives of the five recognised Chambers conducting futures trading in gur in North India, held at Meerut toward the end of last week, it was decided to propose to the Forward Markets Commission to grant them permission to start trading in Fagun contract 2017 delivery from 11 April. They have also proposed a meeting with the FMC at Delhi to settle the terms of the new contract.

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Khandsari

Khandsari prices have eased by about Rs 2 a maund, as demand is slack and stocks are mounting. Stockists are, therefore, keen sellers, while purchasers are hesitant to enter into long commitments on reports of early decontrol of sugar.

In the Muzaffarnagar market, stocks are reported to have increased to 175,000 maunds. Medium quality is quoted at Rs 35 and superior at Rs 37 to Rs 39 a maund.

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Bullion

Fluctuations on the bullion market in Bombay were confined to a narrow range but as in the past week, the tendency remained somewhat irregular. However, a steady tone was discernible despite the fact that the rank and the file of traders rather hesitant to go in for higher levels. Floating stocks of silver and gold in Bombay mar-

For all products manufactured by us

PRECISION IS THE KEY-NOTE

and included in our wide range of production are Tea and Jute Machinery, Steel Structural, Railway Signalling and Interlocking Equipments, Screw Couplings, Carriage and Wagon Forge Fittings, etc.

Yet, another item included in this list is the manufacture of Printing Machinery on a phased schedule in collaboration with a U.K. firm.

THE BRITANNIA ENGINEERING CO., LTD.
Titagarh, West Bengal.
Managing Agents: McLEOD & CO. LTD.

ket were estimated at 700 bars and 32000 tolas respectively.

The maturing Chaitra silver delivery early decline to Rs 216.25 recovered to Rs 217.06 to be placed at Rs 216.75 while Baisakh delivery was quoted at a discount of Rs 1.19 at Rs 215.56. Jeth delivery came to business at Rs 213.94 and Rs 214.56 to be placed at 214.59. Standard silver was almost quoted at par with Chaitra delivery.

Gold Chaitra delivery recovered to Rs 130.31 from Rs 129.12 to be quoted around Rs 129.69 while Baisakh delivery was placed at a discount of Rs 1.19 at Rs 128.56. Jeth delivery changed hands at Rs 127.62 to Rs 128.19 to quote at Rs 127.62. Standard gold commanded a premium of 0.44 nP over Chaitra delivery. Sovereign was placed at Rs 86.50.

Yarn

As the import policy for the period April to September remained unchanged the general feeling re-

mained somewhat bearish and prices for art silk yarn suffered a further setback. Staple fibre yarn also turned slightly lower. In art silk yarn, Bemberg Cuprassa for April delivery after dropping to Rs 1769 recovered to Rs 1785 to be placed at Rs 1781 while June delivery was quoted at a premium of Rs 30 at Rs 1816. Staple fibre yarn for April delivery changed hands to Rs 680 to Rs 690 to be placed at Rs 686 while June delivery was quoted at a discount of Rs 6. Cotton yarn prices were steady.

Metals

As an import policy for Zinc remained unchanged for the period April to September, prices for this metal hardened further. The Spot was quoted at Rs 140 per cwt. However, the liberalisation of import of copper unwrought and brass scrap has been welcomed by the trade in as much as this would help in bringing down the price. The import quota for copper unwrought has

been raised from 75 to 100 per cent. and for brass scrap to 50 per cent from 33½ per cent while quota for copper scrap remains unchanged at 66 2/3 per cent. It would have been in the fitness of things if the import quota for Zinc which remains at 30 per cent was also raised. Tin quota was also unchanged at 40 per cent. Copper scrap was quoted at Rs 211 per cwt. brass scrap at Rs 176 per cwt. and aluminium scrap at Rs 1.49 per lb. while lead and tin were placed at Rs 75 cwt and Rs 135 cwt respectively.

Oils & Oilseeds

In view of the unusual delay in granting permission to trade in the distant delivery contracts by the Forward Markets Commission, the oilseeds market in Bombay turned distinctly firm during the week under review. Trade quarters are wondering as to why the delay is being caused for the Bombay centre as permission has already been granted for the same for Adoni

and Saurashtra centres. Certain quarters are inclined to believe that as the relations between the FMC and the Board of Directors of the Bombay Oilseeds and Oils Exchange are not so cordial following the attitude taken by some Directors of the Exchange over the dereliction of the duty by the Secretary of the Exchange, the delay has been caused in granting permission. Whatever may be the reasons behind the policy, shorts were hustled to cover their sales in groundnuts due to tight supply position while in Castor also improved export outlook for oil following the Brazilian developments has aided sentiment. Linseed prices have strengthened due to prospects of export business. The FMC's decision on the plea to allow trading in distant delivery contract is awaited.

Castor May delivery advanced to Rs 176 from Rs 173 while castor oil commercial quality has firmed up to Rs 18.44 from Rs 17.56. Groundnuts May delivery has shot up to Rs 215.75 from Rs 209 while April May oil has gone up to Rs 22.44 from Rs 22.00. Linseed May delivery came up to Rs 33.31 from Rs 33 per cent while linseed oil was placed at Rs 16.12. Cottonseeds May delivery advanced to Rs 152 from Rs 149.50.

Exports of HPS Groundnuts in March till 25, came to 2169 tons, Sesame 37 tons, Castor oil 2476 tons, Linseed oil 50 tons, groundnut oil cake meal (extraction) 6279 tons and Linseed oil cake 11528 tons.

New Possibilities for Jute Products

New possibilities for the future of jute products can be seen in some of the latest advances in soft floor coverings, which are composite constructions of jute and man-made fibres. This was pointed out by the retiring chairman, Mr A. S. Kyle, at the annual meeting of the British Jute Trade Federal Council in Dundee, Scotland, on 23 March.

Good marketing plans for jute products were of growing importance, Mr Kyle said. The industry must see to it that "more emphasis is placed on getting more information back from the ultimate user of jute goods as to his special needs and problems. We must increase our efforts to anticipate developments, so that we are not merely abreast of the times but ahead of them."

A total of £11,500,000 had now been spent on the post-war modernization of the Dundee jute industry, Mr Kyle said. Expenditure on re-equipment during 1959 amounted to £477,000. Additional capital commitments entered into by 1 January this year were already greater—at £540,000—than actual expenditure in 1959, he added.

The new chairman of the Federal Council is Mr Gavin H. Ogilvie (of Malcolm Ogilvie & Co.), and the vice-chairman is Mr Nigel W. Campbell (A. & S. Henry & Co).

FOR THE INVESTOR

Mr Desai Negates Tax Relief Hopes

Investment Gossip:

For the past two days the Stock market has been displaying a quietly steady trend. The present mood is generally attributed to the reported observations of Mr Morarji Desai on taxation and the recent RBI directive. The Finance Minister is said to have damped down all hopes of relaxation of tax effort on the part of Government in coming years. Representations are being made for modification or reduction of the rates of taxation on some of the commodities and articles on which levies have either been increased or newly imposed. While referring to these demands, Mr Desai is reported to have reminded his audience that Government are almost committed to a further tax effort to the tune of Rs 1,650 crores during the Third Plan period. The 1960-61 budget is to be taken as preparing the ground for what is to come. It may, however, be noted that the same idea had been postulated by him in his budget speech itself.

Referring to the RBI directive, Mr Desai has made it clear that it has come to stay. This is said to have caused disappointment. But to whom? It would appear that some quarters are expecting a retracing of its steps by the RBI directive atleast in some respects. For it is maintained that besides interfering with genuine investment activities it will be found to be useless as a deterrent measure. Mr Desai's categorical statement leaves no room for any of these lingering hopes about relaxation of the main aspects of the directive.

A more logical explanation of the apparent slackening of the renewed bullish fervour noticeable during the early part of the week is the tendency to await the tangible effect of the credit squeeze which will be known on 11 April. The fact that the meeting of the LIC investment committee is scheduled at Bombay on that very day has further added to this cautious tendency.

In the meantime, there has been much encouraging news. The rise in production recorded last month in the two private sector steel companies and a fresh quota of price increase for coal have put fresh life into the coal and steel sections.

Prime Minister Nehru's declaration that Government want both the public and private sectors to try to beat the other in the race for rapid industrialisation of the country has further strengthened the confidence he had revived in the future of private enterprise some months ago in his reply to the representation made

to him by the President of the Federation of the Indian Chambers of Commerce and Industry. His readiness to consider any feasible scheme to set up a new steel factory in the private sector is another clear indication of Government's sympathetic attitude toward private enterprise.

All this only goes to prove that the outlook for equities is bright. The outlook for unbridled speculation will however continue to be bleak as Government have made it quite unambiguous that they will not hesitate to clamp down further restrictive measures when occasion demands.

ERs

New Issue Notes

At the extraordinary general meeting of Rohtas Industries Limited, to be held on 29 April, a special resolution has been proposed, subject to the consent of the shareholders, to raise the authorised capital of the company from Rs 5 crores to Rs 15 crores by the creation of 75,00,000 Ordinary shares of Rs 10 each ranking pari passu with the existing Ordinary shares and 2,50,000 Preference shares, ranking as regards return of capital pari passu with the existing preference shares, and to be issued on such terms and conditions as regards dividends or otherwise as the directors may determine from time to time. Since the last increase in the authorised capital in 1944, the activities of the company have considerably increased. The directors have in view the issue of further capital for effecting substantial expansion in the capacity of the company's pulp and paper factories.

It is understood that, out of the public offer of 25,000 shares of the Indian Hume Pipe Co., Ltd. by the Premier Construction Co., Ltd., applications received were for about 35,000 shares. The majority applications were for 5 to 10 shares. It is understood that the Life Insurance Corporation applied for 2500 shares and it has been allotted 875 shares. The allotment which was made last week in consultation with the Stock Exchange authorities was on the following lines:—

Shares applied for	Allotment of shares
5	Full
10	Full
15 to 20	10
25 to 30	15
35 to 40	20
50	25
55 to 60	30
80	40
100 to 105	50
150	55
200	70
300	105
500	175
1000	350
2000	700
2500	875

ERs

Investment Notes:

The benefits of the expansion schemes of TISCO and IISCO are reflected in the production results of the companies in 1959-60. The

following table gives the comparative results (figures in tons):—

TISCO:	1959-60	1958-59
Saleable Steel	1,213,000	885,000
Pig Iron	1,578,400	1,131,000
Steel Ingots	1,532,800	1,148,000

IISCO:

Saleable Steel	660,695	497,551
Pig Iron	1,053,612	959,933
Steel Ingots	827,072	608,205
Despatches	678,512	506,141

The first project to make Baby Food in India is well under way at the Amul Dairy at Anand and is expected to go into production in October this year. The licensed capacity of the plant is 2,500 tons a year.

It is understood that the Ahmedabad Electricity Company Limited is exploring ways of raising additional capital for an expansion programme, either by way of a loan or in the form of a right issue as circumstances may warrant. The company is believed to have agreed upon the installation of additional 30,000 k.w. to meet the serious power shortage in the proposed State of Gujarat. In this respect, an application has been made to the State Electricity Board.

The Premier Construction Company Limited has asked for extension of time from the Central Government for the scheme of conversion of Promoters' shares into Ordinary shares, and also capitalisation of the Reserve by the issue of bonus shares.

It is learnt that Shri Ambika Mills Limited, Ahmedabad, will undertake the manufacture of certain new lines. It is now proposed to widen the objects of the company by altering suitably the provisions of its Memorandum of Association.

ERs

Investment Briefs:

Titagur Paper Mills Company Limited has recommended interim dividends of Rs 1.20 per share on the "A" and "B" Ordinary shares and 17 nP per share on the Preferred Ordinary share for the year ended 31 March, 1960. Both the dividends are subject to tax and payable on or after 25 May. Transfer Books will be closed from 11 April to 30 April.

South Karanpura Coal has declared a final dividend of 5.3 per cent, making a total of 9 per cent, subject to tax, for the year ended 31 August, 1959. This works out to a net dividend of 6.3 per cent as against 7½ per cent, tax-free, for the previous year.

G. K. Williams Limited has proposed a final dividend of Rs 1.60 per share, making a total of Rs 2.40 per share for the year ended 2 January 1960.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Previous Dividend (Rs Per Share)	Transfer Books Closed
Chitavalah Jute	April 11	1.50	1.25	30/3/60 to 11/4/60
Nellimaria Jute	April 11	1.40	1.00	30/3/60 to 11/4/60
Union Carbide	April 18	0.80	0.65	27/3/60 to 18/4/60
Jay Shree Textiles	May 5	1.14	1d	.....
Burma Mines	May 16	1.80	1.40	.....
Mafatlal Fine	April 19	2.50	1.00	18/3/60 to 14/4/60
Sassoon Spg.	April 19	2.50	2.00	18/3/60 to 8/4/60
Vishnu Cotton	April 20	Nil	Nil	6/4/60 to 20/4/60
Lakshmi Cotton	April 21	25.00	15.00	7/4/60 to 21/4/60

Calcutta Steam has declared a dividend of Rs 1 per share, subject to tax, for year ended 30 June 1959 as against a tax-free dividend of Re 1 for the previous year.

ERs

Balance-Sheet Briefs:

The National Peroxide Limited (in which Bombay Dyeing has invested Rs 15 lakhs) has reported a net profit of Rs 8.79 lakhs for 1959. The directors have recommended a taxable dividend of Rs 18 per share.

Sir Shadi Lal Sugar Company Limited has been able to recommend a final dividend of Rs 12, making a total of Rs 18 per share (taxable) for last year as against nil in the previous year, thanks to a net profit of Rs 2.85 lakhs against a loss of Rs 2.19 lakhs.

The New India Industries Limited has earned a profit of Rs 9.03 lakhs for 1959 as against Rs 9.29 lakhs. A taxable dividend of Rs 25 (net Rs 17.50) is recommended against Rs 18 paid for the previous year.

The net profit of the Premier Construction Company Limited is slightly lower at Rs 26.38 lakhs for 1959 as against Rs 27.56 lakhs for 1958. The dividend on the Ordinary shares is Rs 18 per share against Rs 12 and on Promoter's shares Rs 5.79303 against Rs 4.34193 per share. The latest dividends are payable subject to tax.

Despite an increase in profits from Rs 31.07 lakhs to Rs 33.29 lakhs, the Maharashtra Sugar Mills Limited has proposed a dividend of Rs 21 (taxable) for the year ended 30 September 1959. This works out to a net dividend of Rs 14.70 against a net distribution of Rs 17 paid for the previous year.

The Ahmedabad Jupiter Spinning, Weaving and Manufacturing Company Limited has shown a higher net profit of Rs 10.23 lakhs as against Rs 6.85 lakhs. The directors have recommended a dividend of Rs 25 plus a Bonus of Rs 3 per share, subject to tax.

The Delhi Safe Deposit Company Limited has made a higher net profit of Rs 42,580 as against Rs 38,504 in 1958. Gross dividends of 12 per cent and 8.57 per cent are recommended on the equity and Preference shares respectively.

The working of the Victoria Mills Limited has resulted in a profit of Rs 4.14 lakhs as against Rs 2.92 lakhs in 1958. The directors have recommended a taxable dividend of Rs 11 on the Ordinary shares. In addition, they have decided, subject to Government sanction, to issue bonus shares in the proportion of one share for every ten ordinary shares held. The company paid a dividend at Rs 20 in the preceding year.

COMPANY REPORTS

Fall in Income, Profit, Dividend of Killicks

Balance-Sheet Reviews:

A DROP in the gross income of Killick Industries Ltd., in the year ended 30 November 1959 from Rs 80.18 lakhs in the preceding 17-month period to Rs 64.13 lakhs has been immediately reflected in a reduction in the net profit. Commission and office allowances from managed companies have declined from Rs 21.75 lakhs to Rs 14.70 lakhs. Similarly, income from trade investments has gone down from Rs 18.55 lakhs to Rs 13.86 lakhs. In the result, the net profit, before providing for Taxation and Depreciation, has declined rather sharply. In the earlier period, the figure of such profit was, including a transfer of Rs 2.50 lakhs from General Reserve and Rs 2 lakhs from Dividend Equalisation Reserve, Rs 35.64 lakhs; in the latest year, the relative figure, after transferring Rs 1.60 lakhs from Dividend Equalisation Reserve, is Rs 22.09 lakhs. Provision for taxation has been more than halved from Rs 18.20 lakhs to Rs 8.90 lakhs. The allocation to Depreciation has also been reduced from Rs 3.35 lakhs to Rs 2.41 lakhs. The transfer to Development Reserve has been pruned to Rs 43,323 from Rs 76,358. The proposed dividend is at 9 per cent subject to tax against 13 per cent free of tax for the earlier period, though the dividend payable is on a somewhat larger capital.

The balance-sheet of Killick Industries as at 30 November 1959 shows an ordinary capital of Rs 1.25 crores, against which the reserve and surplus, excluding the share premium account, are shown at Rs 24.24 lakhs. On the other side of the ledger, the gross of block of Rs 48.23 lakhs has a net value of Rs 31.38 lakhs.

NB: Figures are not strictly comparable, because 1958-59 accounts relate to 12 months' and 1957-58 accounts to 17 months' working.

Chairman:—Mr. A. N. Haksar.			
Period ended	1-12-1958	1-7-1957	1-7-1956
	Rs.	Rs.	Rs.
Sales	2,294,894	2,546,350	1,178,069
Interest, Dividends & Mts. Incomes	3,291,395	4,814,665	3,870,647
Stocks	775,789	577,814	143,708
Works in progress	47,593	71,043	142,595
Net profit	2,209,122*	3,564,210†	2,994,964‡
Taxation	290,000	1,820,000	1,573,000
Depreciation	241,078	334,906	323,768
Development Reserve	43,323	76,358	—
Div. Amount Ord.	1,037,774	1,326,416	1,099,997
Carry Forward	6,237	9,290	2,758
Div. % Ord.	9½	13	11

(Annual General Meeting on 21-4-60 at 4 p.m.)
*After transferring Rs 160,000 from Dividend Equalisation Reserve.

†After transferring Rs 250,000 from General Reserve and Rs 200,000 from Dividend Equalisation Reserve.

‡After transferring Rs 200,000 from Dividend Equalisation Reserve.

§Dividend subject to deduction of tax.

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

Liabilities	Nov. '59	Nov. '58	June '57
Capital Paid-up:			
Ord. @ Rs 100	12,482,560	10,000,000	10,000,000
Ord. @ Rs 25	—	622,625	—
Share Premium	899,335	899,215	400,095
Reserve Fund	500,000	500,000	750,000
Other Funds	1,918,030	2,034,707	2,158,351
Loans Secured	7,487,294	6,417,660	5,288,605
Loans Unsecured	—	908,875	—
Taxation Provision	369,896	742,239	1,100,330
Debits	1,235,743	1,540,886	1,234,968
Carry Forward	8,237	8,290	2,758
Total	24,899,035	23,565,477	20,943,997

Assets	1959	1958	1957
G. Block	4,822,945	4,550,246	3,885,170
Depreciation	1,684,812	1,445,332	1,125,734
Block (net)	3,138,133	3,104,914	2,759,436
Cap. Exp. in progress	951,534	458,547	—
Stores	122,369	108,247	93,987
Stocks in Progress	47,593	71,043	142,595
Goods in Transit	66,531	50,206	61,860
Stocks	1,238,905	897,056	540,784
Outstandings	905,924	1,028,213	386,049
Do More than 3 months	29,678	16,402	14,143
Mis. Deposits and Advances	1,545,564	1,289,680	609,767
Investments	16,778,069	16,523,379	16,242,818
Cash	71,735	37,690	92,568
Total	24,899,035	23,565,477	20,943,997

Excellent Results of Elgin Mills

THE Elgin Mills Company Limited has produced excellent working results for the year ended 30 September 1959, reflecting the valuable contribution made by the company toward the export promotion scheme. Sales have risen to Rs 3.56 crores from Rs 2.98 crores, while the net profit, before providing for Depreciation and Taxation, amounts to as much as Rs 45.23 lakhs against Rs 25.96 lakhs in the previous year.

In respect of allocations, the Depreciation amount is reduced to Rs 4.50 lakhs from Rs 6.75 lakhs, while Taxation provision is raised to Rs 19 lakhs from Rs 11 lakhs and Rehabilitation Reserve to Rs 13 lakhs from Rs 2.50 lakhs. The directors have recommended a taxable dividend of Rs 1.15 per share on the Ordinary and Vendors shares as against a tax-free dividend of 75 pP previously.

The paid-up capital, as on 30 September 1959, is Rs 78.20 lakhs consisting of 4.80 lakh Ordinary shares of Rs 10 each; 1.50 lakh Vendors shares of Rs 10 each; 11,000-8 per cent Cumulative Preference shares of Rs 100 each and 42,000-5 per cent "B" Cumulative Preference shares of Rs 10 each. Reserves and surplus are shown at Rs 1.22 crores. The gross block at Rs 1.75 crores is depreciated by Rs 1.53 crores to show a net block value of Rs 21.57 lakhs.

Mg. Agents:—Begg, Sutherland & Co. (Private), Ltd.

Year ended Sept.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	35,560,238	29,827,935	36,147,383
Stocks	5,117,525	6,991,240	4,576,856
Net profit	4,523,277	2,596,081	5,485,777
Taxation	1,900,000	1,100,000	2,900,000
Depreciation	450,000	675,000	650,000
Reserve Fund	—	—	900,000
Other Funds	1,300,000	250,000	300,000
Div. Amount Ord.	724,500	472,500	640,000
Div. Amount Pref.	118,000	109,000	109,000
Carry Forward	95,889	65,112	75,531
Div. % Ord.	11½	7½	10
Div. % Pref.	8	8	8
Div. % 2nd Pref.	5	5	5

*Dividend subject to tax.

(Annual General Meeting on 30-4-60 at 9 a.m.)

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

Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
8% C. Pref.	1,100,000	1,100,000	1,100,000
5% C. Pref. 'B'	420,000	420,000	420,000
Ordinary	6,300,000	6,300,000	6,300,000
Capital Reserve	—	—	4,500,000
Reserve Fund	300,000	300,000	3,800,000
Other Funds	11,834,814	10,520,021	2,256,192
Loans Secured	4,067,715	5,303,083	4,510,238
Loans Unsecured	28,862	17,416	116,070
Taxation Provision	1,521,552	1,025,023	2,882,343
Debits	4,149,820	5,627,046	3,491,476
Carry Forward	95,889	65,112	75,531
Total	29,818,652	30,677,701	29,451,850

Assets	1959	1958	1957
G. Block	17,464,803	17,356,243	16,840,953
Depreciation	15,307,559	14,868,839	14,193,839
Block (net)	2,157,244	2,487,404	2,647,114
Cap. Exp. in Progress	72,565	20,579	71,470
Stores	1,051,046	990,940	1,031,989
Raw Materials	6,768,976	5,698,580	5,195,900
Stocks	5,117,525	6,991,240	4,576,856
Outstandings	2,344,273	1,682,526	4,062,846
Do More than 3 months	708,439	1,149,279	273,968
Mis. Deposits and Advances	2,438,615	2,483,767	4,211,031
Investments	8,633,438	8,648,686	7,319,243
Deposits in Banks	485,024	467,990	—
Cash	41,607	56,721	61,443
Total	29,818,652	30,677,701	29,451,850

Mafatlal Fine Raises Ordinary Dividend

Thanks to increased earnings, the Mafatlal Fine Spinning and Manufacturing Company Limited has been able to raise the Ordinary dividend for 1959. A taxable dividend of 29 per cent, now recommended, works out to a net dividend of 20.3 per cent as against 18 per cent paid for 1958.

Sales are higher at Rs 2.45 crores against Rs 2.24 crores, while the net profit works out to Rs 57.45 lakhs against Rs 42.87 lakhs. Apart from providing a sum of Rs 3 lakhs for Dividend Equalisation Reserve, the Depreciation amount is raised to Rs 8.58 lakhs from Rs 8.37 lakhs; Development Rebate Reserve to Rs 3.42 lakhs from Rs 2.62 lakhs; Taxation provision to Rs 19.65 lakhs from Rs 17.21 lakhs and General Reserve to Rs 4 lakhs from Rs 3 lakhs.

The balance-sheet, as at 31 December 1959, shows a paid-up capital of Rs 87 lakhs, divided into 58,000 Ordinary; 14,500-4½ per cent Redeemable Cumulative First Preference and 14,500-4½ per cent Redeemable Cumulative Second Preference shares, all of Rs 100 each. Against this, Capital Reserve is shown at Rs 9.86 lakhs; General Reserve at Rs 1 crore; Dividend Equalisation Reserve at Rs 6 lakhs; Investment Fluctuation Reserve at Rs 8.82 lakhs; Development Rebate Reserve at Rs 12.71 lakhs and Statutory Development Rebate Reserve at Rs 4.53 lakhs. The gross block amounts to Rs 2.18 crores; Depreciation to Rs 1.47 crores and the net block to Rs 71.64 lakhs.

Mg. Agents:—Navinchandra Pushotamdas & Co., Ltd.

Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	24,491,106	22,380,559	21,025,169
Interest, Dividends & Mts. Incomes	881,742	816,379	774,849
Stocks	477,298	791,331	698,246
Works in Progress	1,547,374	1,713,757	1,421,581
Net profit	5,745,120	4,287,102	3,224,675*
Taxation	1,965,000	1,721,000	763,300
Depreciation	858,191	837,116	1,082,607
Reserve Fund	400,000	300,000	—
Development Rebate Reserve	—	—	505,649
Other Funds	341,985	262,388	—
Div. Amount Ord.	1,682,000	1,044,000	870,000
Div. Amount Pref.	186,470	130,500	130,500
Carry Forward	6,549	17,366	25,288
Div. % Ord.	29	18	13
Div. % Pref.	6.43	4½	4½
Div. % 2nd Pref.	6.43	4½	4½

(Annual General Meeting on 19-4-60 at 3-00 p.m.)

*After transferring Rs 425,000 from General Reserve.

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

Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
4½% R.C. Pref. 1st	1,450,000	1,450,000	1,450,000
4½% R.C. Pref. 2nd	1,450,000	1,450,000	1,450,000
Ordinary	5,800,000	5,800,000	5,800,000
Capital Reserve	980,060	953,678	767,228
Reserve Fund	10,030,193	9,813,216	3,653,782
Other Funds	3,206,074	2,541,709	7,877,710
Loans Secured	—	—	220,223
Taxation Provision	1,965,000	1,721,000	763,324
Debits	3,763,240	2,968,341	2,576,908
Carry Forward	6,549	17,366	25,288
Total	28,697,116	26,515,399	24,594,438

Assets	1959	1958	1957
G. Block	21,843,643	20,322,627	18,984,638
Depreciation	14,679,309	13,939,112	13,123,373
Block (net)	7,164,334	6,383,515	5,861,265
Cap. Exp. in Progress	405,837	488,317	562,132
Share Application A/c.	1,691,800	—	—
Stores	1,330,114	1,491,202	1,383,966
Stocks in Progress	1,547,374	1,713,757	1,421,581
Raw Materials	1,981,027	1,021,836	3,455,592
Stocks	477,298	791,331	698,246
Outstandings	1,195,288	2,085,517	2,011,176
Do More than 3 months	—	4,003	9,185
Mis. Deposits and Advances	1,544,703	1,623,937	996,313
Investments	7,588,042	7,852,650	7,626,778
Deposits in Banks	2,400,000	1,800,000	—
Cash	1,331,199	1,289,434	558,224
Total	28,697,116	26,515,399	24,594,438

Satisfactory Working of Sassoon Spinning

The Sassoon Spinning & Weaving Company Limited has reported satisfactory working results for 1959. Sales are higher at Rs 5.32 crores against Rs 4.96 crores. The net profit has risen to Rs 31.77 lakhs from Rs 22.24 lakhs. A sum of Rs 14.86 lakhs (13.34 lakhs) is provided for Depreciation; Rs 36,766 (Rs 37,157) for General Reserve; Rs 5.14 lakhs (Rs 82,000) for Taxation; Rs 4.80 lakhs (Rs 2.63 lakhs) for Statutory Development Rebate Reserve and Rs 2.47 lakhs (nil) for Development Rebate Reserve. The directors have, after transferring a sum of Rs 5.25 lakhs from General Reserve, recommended a dividend of Rs 2.50 per share, subject to deduction of tax.

Against a paid-up capital of Rs 37.70 lakhs, the Share Premium Account is shown at Rs 35.65 lakhs; General Reserve at Rs 61.12 lakhs; Capital Reserve at Rs 63,137; Statutory Development Rebate Reserve at Rs 7.44 lakhs and Development Rebate Reserve at Rs 16.96 lakhs. The net block at Rs 2.81 crores is depreciated by Rs 1.64 crores to show a net block of Rs 1.17 crores.

Mg. Agents:—M. G. Investment Corporation Private Ltd.

Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	53,197,737	49,668,529	54,363,406
Processing Charges	3,311,151	2,180,505	—
Stocks	2,644,725	3,315,622	2,400,719
Works in Progress	975,541	1,010,958	1,015,319
Net profit	3,702,099*	2,463,545†	3,897,073‡
Taxation	514,000	82,000	1,128,000
Depreciation	1,486,205	1,334,065	1,803,192
Reserve Fund	36,766	37,157	41,784
Development Rebate Reserve	727,853	263,000	324,202
Div. Amount Ord.	942,825(a)	754,020	754,020
Carry Forward	215	5,465	12,162
Div. % Ord.	25(a)	20	20

(Annual General Meeting on 19-4-60 at 3-45 p.m.)

*After transferring Rs 525,000 from General Reserve.

†After transferring Rs 240,000 from General Reserve and Rs 500,000 from Dividend Equalisation Reserve.

‡After transferring Rs 325,000 from General Reserve.

(a) Dividend subject to deduction of tax.

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

Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
Share Application Money	3,647,320	—	—
Share Premium	3,565,023	3,565,023	3,565,023
Capital Reserve	63,137	45,094	45,094
Reserve Fund	6,112,291	6,544,248	6,439,820
Other Funds	2,439,631	1,711,778	1,948,778
Loans Secured	4,628,313	4,279,979	2,356,176
Taxation Provision	514,000	938,151	1,663,117
Debits	5,425,400	5,427,487	4,519,267
Carry Forward	215	5,465	12,162
Total	30,165,430	26,288,325	24,322,567

Assets	1959	1958	1957
G. Block	28,169,010	25,180,351	21,134,514
Depreciation	16,424,391	14,971,803	13,687,248
Block (net)	11,744,619	10,208,548	7,447,266
Machinery	339,068	246,162	155,947
Stores	2,334,712	2,536,747	1,517,171
Stocks in Progress	975,541	1,010,958	1,015,319

Assets	1959	1958	1957
G. Block	19,863,685	19,816,979	18,450,574
Depreciation	14,817,868	14,439,237	12,578,615
Block (net)	5,045,817	5,377,742	5,871,959
Cap. Exp. in progress	960	960	1,152,848
Stores	1,676,142	1,706,237	1,566,773
Stocks in Progress	836,781	758,073	808,539
Raw Materials	2,234,032	1,538,491	2,593,083
Stocks	4,136,306	4,390,724	4,530,705
Outstandings	2,063,646	2,069,615	1,963,305
Do More than 3 months	81,977	85,294	377,338
Mis. Deposits and Advances	861,527	491,225	856,350
Investments	100,000	100,000	771,310
Cash	129,209	69,306	28,571
Total	17,165,437	16,617,657	20,518,761

Empire Jute Reduces Dividend

The decline in sales from Rs 1.34 crores to Rs 1.29 crores is reflected in the net profit of the Empire Jute Company Limited for the year ended 31 July 1959. The net profit, after providing for Depreciation and Taxation, is lower at Rs 3.51 lakhs against Rs 3.79 lakhs in the previous year. The Depreciation amount is raised to Rs 4.17 lakhs from Rs 2.92 lakhs and Taxation provision to Rs 2.75 lakhs from Rs 2.60 lakhs.

After transferring a sum of Rs 1.00 from Machinery Renewal Reserve and Rs 1.05 lakhs from Development Rebate Reserve, the directors have set apart Rs 1.31 lakhs (Rs 1.37 lakhs) for Development Rebate Reserve and Rs 1.00 lakh (nil) for General Reserve. A taxable dividend of Rs 1.25 per share is recommended; and this works out to a net dividend of 8.40 per cent against 10 per cent paid previously.

Against a paid-up capital of Rs 34 lakhs, General Reserve is shown at Rs 25.50 lakhs and Development Rebate Reserve at Rs 2.70 lakhs. The gross block of Rs 1.70 crores is depreciated by Rs 70.09 lakhs to show a net block of Rs 37.31 lakhs.

Assets	1959	1958	1957
G. Block	12,908,646	13,360,045	11,382,321
Depreciation	529,018	938,460	936,281
Block (net)	1,295,328	1,180,360	1,496,036
Cap. Exp. in progress	71,073	92,283	109,920
Stores	1,148,194	931,368	599,506
Stocks in Progress	275,000	260,000	155,000
Raw Materials	417,088	292,187	221,806
Stocks	131,000	137,250	106,600
Outstandings	187,500	150,000	112,500
Do More than 3 months	70,000	70,000	75,900
Mis. Deposits and Advances	93,729	26,123	4,192
Investments	121	10	71
Cash	7	7	7.59
Total	14,048,642	14,048,642	14,048,642

Assets	1959	1958	1957
G. Block	1,000,000	1,000,000	1,000,000
Depreciation	1,500,000	1,500,000	1,500,000
Block (net)	886,000	886,000	886,000
Cap. Exp. in progress	900,000	900,000	900,000
Stores	2,550,000	2,450,000	2,450,000
Stocks in Progress	270,000	343,850	206,600
Raw Materials	618,611	584,786	1,509,221
Stocks	11,064	...	...
Outstandings	809,184	815,604	781,648
Do More than 3 months	856,083	1,476,288	1,283,876
Mis. Deposits and Advances	93,729	26,123	4,192
Investments	...	...	...
Cash	...	...	...
Total	9,493,671	9,982,649	10,526,537

Assets	1959	1958	1957
G. Block	10,739,530	10,187,736	9,261,066
Depreciation	7,008,897	6,599,232	6,307,745
Block (net)	3,730,633	3,688,504	2,953,321
Cap. Exp. in progress	973,404	748,890	773,787
Stores	71,073	92,283	109,920
Stocks in Progress	1,295,328	1,180,360	1,496,036
Raw Materials	529,018	938,460	986,280
Stocks	645,651	905,207	1,669,324
Outstandings	80,820	163,721	149,114
Do More than 3 months	...	...	...
Mis. Deposits and Advances	1,044,732	1,243,497	1,105,159
Investments	937,003	937,003	937,003
Deposits in Banks	52,000	52,741	33,379
Cash	153,929	127,968	89,284
Total	9,493,671	9,982,649	10,526,537

Presidency Jute Reports Increased Profits

Although sales have declined to Rs 1.14 crores from Rs 1.43 crores, the Presidency Jute Mills Company Limited has reported a higher net profit of Rs 5.05 lakhs for the year ended 31 July 1959 as against Rs 3.23 lakhs in the previous year, thanks to the cut in manufacturing and other expenses. The Depreciation amount is raised to Rs 2.57 lakhs from Rs 2.16 lakhs and Taxation provision to Rs 2.55 lakhs from Rs 2.40 lakhs.

After transferring a sum of Rs 96,344 from Development Rebate Reserve and Rs 43,656 from Debenture Redemption Fund, the directors have provided Rs 1.43 lakhs (Rs 1.30 lakhs) for Development Rebate Reserve and Rs 2.00 lakhs (nil) for General Reserve. They have recommended a taxable dividend of 50 p per share as against a tax-free dividend of 37 p per share previously.

The paid-up capital is Rs 25 lakhs divided into 5 lakhs Ordinary shares of Rs 5 each. General Reserve is shown at Rs 7.50 lakhs and Development Rebate Reserve at Rs 2.73 lakhs. The gross block is shown at Rs 99.90 lakhs; total depreciation at Rs 72.62 lakhs and the net block at Rs 27.28 lakhs.

Assets	1959	1958	1957
G. Block	11,439,777	12,296,854	13,581,593
Depreciation	721,090	819,860	525,094
Block (net)	1,232,486	1,261,870	1,515,661
Cap. Exp. in progress	111,428	122,813	114,004
Stores	1,161,565	778,312	594,273
Stocks in Progress	255,000	240,000	182,000
Raw Materials	267,467	215,522	204,705
Stocks	200,000	...	...
Outstandings	143,000	130,000	96,244
Do More than 3 months	250,000	187,500	150,000
Mis. Deposits and Advances	68,437	12,339	7,049
Investments	101	71	6
Cash	...	...	...
Total	13,000,000	13,000,000	13,000,000

Assets	1959	1958	1957
G. Block	2,500,000	2,500,000	2,500,000
Depreciation	61,000	800,000	800,000
Block (net)	760,000	500,000	500,000
Cap. Exp. in progress	273,000	418,788	283,173
Stores	887,604	1,042,729	381,974
Stocks in Progress	11,317	...	...
Raw Materials	705,795	707,266	579,027
Stocks	760,175	1,294,104	1,208,435
Outstandings	68,437	12,339	7,049
Do More than 3 months	...	...	...
Mis. Deposits and Advances	6,046,323	6,536,236	6,259,638
Investments	...	...	...
Cash	...	...	...
Total	10,810,504	10,409,753	9,799,165

Assets	1959	1958	1957
G. Block	9,989,888	9,202,573	8,618,253
Depreciation	7,261,540	7,004,073	6,797,872
Block (net)	2,728,348	2,298,500	1,820,381
Cap. Exp. in progress	424,651	357,668	339,053
Stores	111,428	122,813	114,004
Stocks in Progress	1,232,486	1,261,870	1,515,661
Raw Materials	721,090	819,860	525,094
Stocks	113,480	525,276	1,126,647
Outstandings	74,517	167,504	57,403
Do More than 3 months	...	...	...
Mis. Deposits and Advances	373,663	501,641	405,107
Investments	111,888	111,888	244,947
Deposits in Banks	41,000	141,706	41,688
Cash	113,967	150,108	69,573
Total	6,046,323	6,536,236	6,259,638

Nellimarla Jute Reduces Net Dividend

Despite a decline in sales from Rs 1.33 crores to Rs 1.16 crores, the Nellimarla Jute Mills Company Limited, in McLeod & Co. group, has reported a slight increase in the net profit, before providing for Depreciation and Taxation, to Rs 11.83 lakhs

for the year ended 31 July 1959 from Rs 11.43 lakhs in the previous year. The Depreciation amount is raised to Rs 3.52 lakhs from Rs 1.56 lakhs, while Taxation provision is reduced to Rs 1.20 lakhs from Rs 4.90 lakhs. After transferring a sum of Rs 9.75 lakhs from Machinery Renewals Reserve and writing back Rs 85,000 from Development Rebate Reserve, the directors have set apart a sum of Rs 9.00 lakhs (Rs 50,000) for General Reserve and Rs 4.13 lakhs (Rs 1.14 lakhs) for Development Rebate Reserve. The directors have recommended a taxable dividend of Rs 1.40 per share and this works out to a net dividend of 9.8 per cent against a tax-free dividend of 10 per cent paid previously.

The gross block of Rs 59.70 lakhs is depreciated by Rs 26.86 lakhs to show a net block value of Rs 32.84 lakhs.

According to the directors' report, modernisation of the Sacking Weft Spinning was completed during August 1959 and the remainder of the mill modernisation on the Warp side should be completed by June 1960.

Assets	1959	1958	1957
G. Block	11,844,873	13,256,218	11,918,169
Depreciation	763,574	979,124	1,237,033
Block (net)	1,766,826	1,628,541	2,130,792
Cap. Exp. in progress	123,413	96,533	115,769
Stores	1,342,837	1,149,221	689,009
Stocks in Progress	120,000	490,000	330,000
Raw Materials	351,876	155,964	120,581
Stocks	...	50,000	...
Outstandings	412,800	113,500	55,572
Do More than 3 months	367,500	262,500	236,250
Mis. Deposits and Advances	42,857	30,000	32,500
Investments	138,623	90,769	43,512
Deposits in Banks	14	10	9
Cash	6	6	6.50
Total	13,000,000	13,000,000	13,000,000

Assets	1959	1958	1957
G. Block	2,500,000	2,500,000	2,500,000
Depreciation	61,000	800,000	800,000
Block (net)	760,000	500,000	500,000
Cap. Exp. in progress	273,000	418,788	283,173
Stores	887,604	1,042,729	381,974
Stocks in Progress	11,317	...	...
Raw Materials	705,795	707,266	579,027
Stocks	760,175	1,294,104	1,208,435
Outstandings	68,437	12,339	7,049
Do More than 3 months	...	...	...
Mis. Deposits and Advances	6,046,323	6,536,236	6,259,638
Investments	...	...	...
Cash	...	...	...
Total	10,810,504	10,409,753	9,799,165

Assets	1959	1958	1957
G. Block	5,970,247	3,773,995	3,127,861
Depreciation	2,686,043	2,334,167	2,192,842
Block (net)	3,284,204	1,439,828	935,019
Cap. Exp. in progress	123,802	771,890	782,127
Stores	937,995	735,344	568,851
Stocks in Progress	123,413	96,533	115,769
Raw Materials	1,766,826	1,628,541	2,130,792
Stocks	763,574	979,124	1,237,033
Outstandings	987,050	1,311,670	1,028,639
Do More than 3 months	87,732	95,566	116,006
Mis. Deposits and Advances	1,373,031	2,167,187	1,726,855
Investments	713,475	703,475	588,178
Cash	649,402	480,595	569,899
Total	10,810,504	10,409,753	9,799,165

Assets	1959	1958	1957
G. Block	9,989,888	9,202,573	8,618,253
Depreciation	7,261,540	7,004,073	6,797,872
Block (net)	2,728,348	2,298,500	1,820,381
Cap. Exp. in progress	424,651	357,668	339,053
Stores	111,428	122,813	114,004
Stocks in Progress	1,232,486	1,261,870	1,515,661
Raw Materials	721,090	819,860	525,094
Stocks	113,480	525,276	1,126,647
Outstandings	74,517	167,504	57,403
Do More than 3 months	...	...	...
Mis. Deposits and Advances	373,663	501,641	405,107
Investments	111,888	111,888	244,947
Deposits in Banks	41,000	141,706	41,688
Cash	113,967	150,108	69,573
Total	6,046,323	6,536,236	6,259,638

In our review in these columns in the issue dated 26th March, 1960 (Page 578), we mentioned that the item "Contracts Involved" was shown lower at Rs 3.42 crores against Rs 3.35 crores. The word "lower" should read "higher".



Renewed Buying Fervour

Watch-Dog Writes:

DESPITE profit-taking at bulges, stock markets have continued to rule firm, thanks to a return of full confidence and offerings remaining at a low ebb. Again, the recent shake-out has helped to strengthen the technical position of the market.

On the Calcutta Stock Exchange, selected shares recorded further gains over last levels due to renewed speculative support.

The Bombay Stock Exchange suffered a slight setback due to profit-taking.

Mild buoyancy prevailed where Madras Stock Exchange where Planting issues met with good demand at enhanced levels.

Calcutta, Friday Evening.

The local stock market gave an excellent performance during the week under review when prices forged ahead due to renewed speculative support coupled with short-covering. The main inspiration for the bull operators was derived from the reports of the smooth settlement in the Bombay Stock Exchange, the announcement of the new import policy, the encouraging production figures released by the Indian Iron & Steel Company Limited and the increase in the price of coal.

It was also believed that the return of the funds, which had been blocked in some of the recent issues, should release more liquid sources for further investment in the stock market. There was, however, a general disposition to adopt a cautious attitude in following the rise in prices due to an anxiety to wait until 11 April when the period of one month, allowed for banks to adjust their margins against shares, would expire. The uncompromising attitude of the Finance Minister as regards tax concessions and credit squeeze measures was also a contributory factor. Above all, the approaching holidays for the New Year and Easter induced some hesitancy to extend commitments. The undertone remained, however, steady.

In the absence of further selling pressure, Gilt-edged securities recovered on a broad front although higher levels could not be retained till the close due to profit-taking. 3 per cent 1960 Conversion Loan,

after touching a new low of Rs 72.50 from Rs 73.85, improved steadily to Rs 74.10, to finish the week at Rs 74.

Bank shares were quietly steady with Punjab National changing hands at Rs 20.62 to Rs 20.75 and United Commercial at Rs 71.25 to Rs 71.50.

The Jute section was comparatively neglected although a few selected shares were active for special reasons. Also, there were expectations of a fall in fibre prices against the possibility of an earlier jute crop and the Government's decision to import two lakhs bales of Pakistani Cuttings. Howrah were at one time taken up to Rs 23.25 from Rs 23.12; Ganges up to Rs 12.75 from Rs 12.06; India up to Rs 16.50 from Rs 16.19 and New Central up to Rs 26.56 from Rs 26, to close a shade easier at Rs 22.62; 12.56; Rs 16.37 and Rs 26.37 respectively. Anglo-India were a steady feature at Rs 220 and so also Chamdany at Rs 125.

Coal shares enjoyed a mild boom on reports of the Government decision to increase the price by 81 p per ton in soft coke. Hopes were also held that the Government might be obliged to grant facilities to collieries in the private sector to expand. Bengal changed hands at Rs 335 to Rs 346; East Indian at Rs 29.87 to Rs 30.37; New Beerboom at Rs 24 to Rs 25; Central India at Rs 10.31 to Rs 10.59 and Western Bengal at Rs 7.94 to Rs 8.41. Burrakur, after touching a new high of Rs 21 from Rs 20.44, turned ex-dividend, to be quoted around Rs 20.25 at the close.

Tea shares were not so much supported as other sections, although isolated bright spots were traceable. This was mainly due to the approaching time for the announcement of dividends by some companies. There were also talks that tea stocks with the traders were not high and the internal consumption was in the increase. It was, therefore, believed that the new season might get a good start in the second week of May. Brooke Bond had good support up to Rs 17.75 from Rs 17.50; Bishnauth up to Rs 20.44 from Rs 20; Jayshree up to Rs 17.56 from Rs 17.12 and Tezpor up to Rs 19.25 from Rs 18.25. Huldibari hardened to Rs 27 from Rs 26.62 with Grob ruling quiet at Rs 14.96 against Rs 14.19 on lack of support.

Sugar shares were fairly supported. It was thought that, due to the steady increase in output, the earnings of the companies might improve during the current season. Raza/Buland met with business at Rs 12.97 to Rs 13.15; Cawnpore at Rs 15.25 to Rs 15.75; Ramnagar Cane at Rs 21.56 to Rs 21.62; Dyer Meakin at Rs 20 to Rs 20.50 and SKG at Rs 13.62 to Rs 13.94.

Textile shares came in for selective enquiry following encouraging advices from the cloth front; but higher levels attracted considerable

profit-taking toward the close. Jayshree finished the week at Rs 13.12; Elgins at Rs 20.50; Kesoram at Rs 24.75 and Dunbar at Rs 177 after touching high levels of Rs

done as high as Rs 72 to close at Rs 68. Premier Automobile advanced to Rs 146 from Rs 139 to terminate at Rs 142. Gwalior Rayon was taken up to Rs 34.50 to react to Rs 33.75. Laxmi Starch found buyers at Rs 152. West Coast Paper ruled steady at Rs 169. Sugar shares were steady with

ROHTAS INDUSTRIES LTD., Dalmianagar (Bihar)

NOTICE is hereby given that an Extraordinary General Meeting of the Shareholders of the Company will be held on Friday, the 29th April, 1960, at 11.30 a.m. at the Registered Office of the Company at Dalmianagar (Bihar) to consider and if thought fit to pass with or without modification the following resolution, which will be proposed as a Special Resolution:—

(To be proposed as a Special Resolution):

"RESOLVED that the Authorised Capital of the Company be increased from Rupees Five Crores to Rupees Fifteen Crores by creation of (i) 2,50,000 Preference Shares of Rs. 100/- each ranking as regards return of Capital pari passu with the existing Preference Shares and to be issued on such terms and conditions as regards dividends or otherwise as the Directors may determine from time to time and at the time of issue and (ii) 75,00,000 Ordinary Shares of Rs. 10/- each ranking pari passu with the existing Ordinary Shares."

By Order of the Board
for ROHTAS INDUSTRIES
LIMITED,
for SAHU JAIN LIMITED,
A. K. Jain
Managing Director,
Managing Agents.
Calcutta,
4th April, 1960

N.B.:—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Explanatory Note:

Since the last increase in the Authorised Capital in 1944, the activities of the Company have considerably increased. The Directors have in view issue of further Capital for effecting substantial expansion in the capacity of the Company's Pulp and Paper factories. It is, therefore, necessary to increase the Authorised Capital. No change in the existing rights of the Preference Shares is proposed. The resolution as mentioned above is, therefore, proposed for the consent of the shareholders.

The Directors of the Company, the Managing Agents or their Directors have no interest in the proposed increase of the Authorised Capital.

Belapur looking up at Rs 331. Rs 326 to react to Rs 325, while Walchandnagar met with buyers at Rs 390 on account of the extension of the sugar machinery making plant. Kesat Sugar met with buyers at Rs 73. Wimco were taken up to Rs 260 from Rs 240 before closing at Rs 252. Bombay Burmah moved between Rs 577 and Rs 564 to terminate at Rs 565. The week's movements in prices of a few representative scrips are as follows:

	High	Low	Close
B. Dyeing	71.30	66.40	69.40
Century	472.00	440.00	461.00
India Ordn.	11.64	11.00	11.00
Kohinoor	325.50	316.50	319.00
Swadesh	464.00	252.00	274.25
Standard Mills	900.00	875.00	890.00
A.C.C.	144.50	138.75	142.50
Belapur	331.00	324.00	325.00
B. Burmah	577.00	560.00	561.50
N. Rayon	474.50	463.50	467.50
Pr. Constr.	327.00	313.50	319.00
Scindia	14.52	14.20	14.40
T. Chemicals	17.92	17.52	17.60
Tata Loco	215.00	204.00	216.25
Tata Steel	152.00	145.50	149.50
Volta	230.00	227.50	224.50

* = xd. † = cd.

Madras

THERE was selling pressure on all counters today in the Madras Stock Exchange resulting in a weak market and a sliding down of prices of shares and stocks which showed an upward trend last week. This was ascribed to the turning down of the suggestion by Mr. Morarji Desai that there should be no restriction on bank advances by the Reserve Bank of India. Caution marked today's dealings.

Government Securities: 3% Government of India Security 1963 was marked up to Rs 98.00. 1979 Government of India 4% security was sold at Rs 100.20. Madras Government 4% 1971 loan was available at Rs 100.00 and Mysore's 1971 4% loan was marked at Rs 100.10. Kerala's 4% 1971 was unchanged at Rs 99.70. Transactions were reported in Andhra Government's 4% loan 1970 at Rs 101.99. Orissa Loan 4% 1970 was available at Rs 100.75.

In Briefs

Another new issue in the offing is that of Juggilal Kamlatpat Cotton Spinning and Weaving Mills Co. Ltd. It is gathered that Rs 1.01 crores will be sought in all, Rs 62 lakhs in ordinary shares and Rs 39 lakhs in 6½ per cent tax free Preference shares. The new money is to be used for the manufacture of JK Rayon. It is expected that the company will apply for enlistment on both the Calcutta and Bombay Stock Exchanges.

New Beerboom Coal has recommended a final dividend of 95 p.p. making a total of Rs 1.50 per share for the year ended 31 October 1959 as against Re 1 paid previously.

In Bombay, Poison Limited has proposed a taxable dividend of Rs 15 for 1959. This works out to a net dividend of Rs 10.50 as against a dividend of Rs 10 in the previous year.

In Madras, Gokul Rubber has declared a taxable dividend of 9 per cent for 1959 as against a tax-free dividend of 6 per cent for 1958.

Jawahar Mill has proposed a dividend of 15 per cent (taxable) for 1959 as against a tax-free dividend of 15 per cent paid for the previous year.

Peermade Tea has recommended a final dividend of 15 per cent, making a total of 22½ per cent (taxable) for 1959 as against a tax-free dividend of 16½ per cent.

With reference to a news item published in our issue of 2 April 1960, regarding a new fertiliser factory, to be set up in Madras State, we are now informed that the name of the company will be Premier Fertilisers Limited and not Madras Fertilisers Limited, as mentioned.

"All-Weather" Mangalore

Mr. B. D. Jatti, Mysore's Chief Minister, told the State Assembly recently that the Central Government had decided to convert Mangalore port into an "all-weather" port and the Karwar Port in North Kanara district into an "intermediary port." The Minister's statement was based on the "most reliable information" about the decision of the Central Government upon this question. He also stated that the upgrading of the Mangalore Port would cost Rs 11 crores. The State Government would be permitted, he said, to go ahead with the work with an initial expenditure of Rs 1.50 crores. He also informed the House that the Union Government would implement the Karwar scheme at a cost of Rs 1.50 crores.

SPECIFICATION FOR STOVES.

The Indian Standards Institution has published a specification for oil pressure stoves (IS: 1342-1959). The standard specifies the requirements for design, construction, safety and performance of two popular types of oil pressure stoves.

The ISI has also published a specification for steel-yards. This standard is one of a series on commercial weighing instruments being prepared at the instance of the Standing Metric Committee of the Government of India, in connection with the introduction of metric system.

Copies of the standards can be had from the Indian Standards Institution or from its branch offices at Bombay, Calcutta and Madras.

RAIL CONCESSION FOR EXPORT PROMOTION RAILWAY BOARD ANNOUNCEMENT.

To help in the drive to stimulate exports, the Railway Board has approved concessional freight rates for some more commodities from certain stations to specified ports.

These commodities are electric motors, cotton and hair belting, grinding wheels, machine screws, automobile hand tyre inflators, bare copper conductors (ACSR and AAC), plywood tea chests and sheet glass.

The concessional freight, which has already become effective, is given in the form of 50 per cent rebate on normal tariff rates by goods trains.

Concessions have earlier been given in the case of a number of other commodities.

FOREIGN TRADE IN JANUARY

The provisional figures of foreign trade of India by all routes, i.e., sea, air and land, on private and Government accounts during January 1960, according to information available to-date in the Department of Commercial Intelligence and Statistics, Calcutta, are given below:—

Merchandise, excluding over-land trade with Nepal, Tibet, Sikkim and Bhutan: Exports Rs 51.51 crores, re-exports Rs 53 lakhs, imports Rs 62.53 crores. The import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment and of private merchandise under reference to Customs for verification.

Treasure: Exports (including re-exports) of currency notes Rs 31 lakhs, gold nil and current coins (excluding gold coins) negligible. Imports of currency notes Rs 1.01 crores, gold Rs 3 lakhs, current coins (excluding gold coins) negligible.

Balance of Trade: Subject to the limitation in import figures mentioned above, the total value of exports (including re-exports) of merchandise and gold fell short of imports by Rs 10.52 crores.

A comparative table showing the trade in January, 1960, December, and January, 1959, is given below:—

	(In lakhs of rupees)	Jan. '60	Dec. '59	Jan. '59
Foreign Trade				
Merchandise—				
Exports	51.51	60.01	44.78	
Re-exports	53	56	33	
Imports	62.53	60.74	80.24	
Trade	-10.49	-17	-35.08	
Balance of Trade				
Treasure—				
Exports	...	...	...	...
Re-exports	...	...	...	...
Imports	...	...	...	...
Trade	...	...	...	...
Balance of Trade	...	...	...	...

Gold	...	...	...
Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

In Gold	...	...	...
Government of India Current coins	...	...	...
Foreign Current coins excluding gold coins	...	...	...
Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

Exports	...	...	...
Re-exports	...	...	...
Imports	...	...	...
Trade	...	...	...
Balance of Trade	...	...	...

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees).

	1-4-60	25-3-60	3-4-59
LIABILITIES:			
Notes in Banking Dept.	6,32.89	21,93.68	15,41.74
Notes in Circulation	1864,52.58	1814,90.34	1741,31.59
	1870,85.47	1866,84.02	1759,73.13
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	163,00.89	163,00.89	178,00.89
Total of A	280,76.92	280,76.92	295,76.92
(B) Rupee Coin	128,17.21	124,14.34	132,21.24
Rupee Securities	1461,91.34	1461,92.76	1331,24.97
	1870,85.47	1866,84.02	1759,73.13

BANKING DEPARTMENT:

LIABILITIES:	5,00.00	5,00.00	5,00.00
Capital Paid-up	80,00.00	80,00.00	80,00.00
Reserve Fund	...	...	...
National Agricultural Credit (Long term Operations) Fund	30,00.00	30,00.00	25,00.00
National Agricultural Credit (Stabilisation) Fund	4,00.00	4,00.00	3,00.00
Deposits—			
(a) Central Govt.	73,48.95	63,14.77	60,60.94
(b) Other Govt.	35,34.27	42,96.76	21,85.53
(c) Banks	79,01.88	92,89.75	73,07.86
(d) Others	104,61.61	100,10.35	118,92.80
Bills Payable	59,12.13	53,62.11	29,60.80
Other Liabilities	44,69.82	43,77.77	41,01.38
	515,28.66	515,45.51	448,06.92
ASSETS:			
Notes	6,32.89	21,93.68	15,41.74
Rupee Coin	3,47	2,13	3,39
Subsidiary Coin	6,28	6,06	4,90
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	49,24.58	33,59.67	23,11.10
Balances held abroad	25,49.89	34,11.17	30,32.36
Loans & adv. to Govt.	27,80.62	22,34.37	31,26.03
Other Loans & Adv.	143,52.18	156,54.21	97,85.52
Investments	248,17.80	232,57.96	231,46.45
Other Assets	14,60.86	14,26.26	12,55.43
	515,28.66	515,45.51	448,06.92

LIABILITIES:	5,00.00	5,00.00	5,00.00
Capital Paid-up	80,00.00	80,00.00	80,00.00
Reserve Fund	...	...	...
National Agricultural Credit (Long term Operations) Fund	30,00.00	30,00.00	25,00.00
National Agricultural Credit (Stabilisation) Fund	4,00.00	4,00.00	3,00.00
Deposits—			
(a) Central Govt.	73,48.95	63,14.77	60,60.94
(b) Other Govt.	35,34.27	42,96.76	21,85.53
(c) Banks	79,01.88	92,89.75	73,07.86
(d) Others	104,61.61	100,10.35	118,92.80
Bills Payable	59,12.13	53,62.11	29,60.80
Other Liabilities	44,69.82	43,77.77	41,01.38
	515,28.66	515,45.51	448,06.92
ASSETS:			
Notes	6,32.89	21,93.68	15,41.74
Rupee Coin	3,47	2,13	3,39
Subsidiary Coin	6,28	6,06	4,90
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	49,24.58	33,59.67	23,11.10
Balances held abroad	25,49.89	34,11.17	30,32.36
Loans & adv. to Govt.	27,80.62	22,34.37	31,26.03
Other Loans & Adv.	143,52.18	156,54.21	97,85.52
Investments	248,17.80	232,57.96	231,46.45
Other Assets	14,60.86	14,26.26	12,55.43
	515,28.66	515,45.51	448,06.92

LIABILITIES:	5,00.00	5,00.00	5,00.00
Capital Paid-up	80,00.00	80,00.00	80,00.00
Reserve Fund	...	...	...
National Agricultural Credit (Long term Operations) Fund	30,00.00	30,00.00	25,00.00
National Agricultural Credit (Stabilisation) Fund	4,00.00	4,00.00	3,00.00
Deposits—			
(a) Central Govt.	73,48.95	63,14.77	60,60.94
(b) Other Govt.	35,34.27	42,96.76	21,85.53
(c) Banks	79,01.88	92,89.75	73,07.86
(d) Others	104,61.61	100,10.35	118,92.80
Bills Payable	59,12.13	53,62.11	29,60.80
Other Liabilities	44,69.82	43,77.77	41,01.38
	515,28.66	515,45.51	448,06.92
ASSETS:			
Notes	6,32.89	21,93.68	15,41.74
Rupee Coin	3,47	2,13	3,39
Subsidiary Coin	6,28	6,06	4,90
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	49,24.58	33,59.67	23,11.10
Balances held abroad	25,49.89	34,11.17	30,32.36
Loans & adv. to Govt.	27,80.62	22,34.37	31,26.03
Other Loans & Adv.	143,52.18	156,54.21	97,85.52
Investments	248,17.80	232,57.96	231,46.45
Other Assets	14,60.86	14,26.26	12,55.43
	515,28.66	515,45.51	448,06.92

(1) The item 'Other Loans and Advances' included Rs. 15,50,00,000 advanced to scheduled banks against advance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	Week Ended		
	27-3-59	18-3-60	25-3-60
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	11,24.00	12,41.67	12,97.04
(ii) other demand liabilities	722,38.09	753,31.95	780,82.99
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	21,80.91	21,60.99	20,48.91
(ii) Other time liabilities...	912,62.56	1132,46.21	1121,39.05
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities ...	14,44.04	14,58.09	16,40.58
(ii) Time Liabilities ...	35.00	17.00	17.00
Borrowings in India from the R. B. I. ...	61,85.94	76,84.40	79,44.07
Cash in India ...	43,36.09	61,95.04	61,91.93
Balances with the Reserve Bank of India ...	64,39.72	79,77.70	90,94.63
Balances with other banks in current account in India ...	13,59.00	18,18.87	18,89.00
Money at call and short notice in India ...	24,38.17	19,39.40	18,32.00
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts ...	619,37.10	739,37.48	714,72.00
Advances in India ...	865,06.82	939,45.82	951,17.00
Island Bills Purchased and Discounted in India ...	109,78.06	121,25.60	129,37.00
Foreign Bills Purchased and Discounted in India ...	38,82.22	45,44.25	46,50.00

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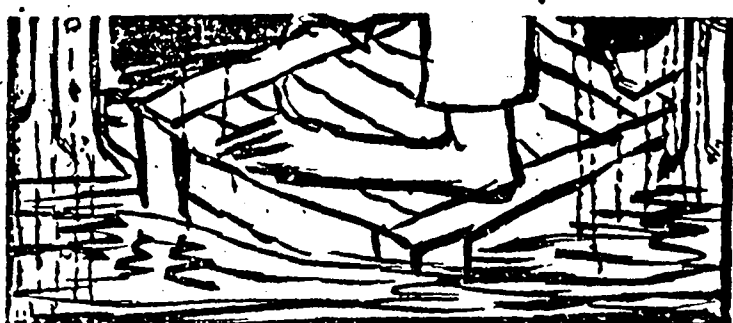
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Indian Finance

Indian Finance
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Or is it, as Paul Hoffman has forcefully implied, indivisible?

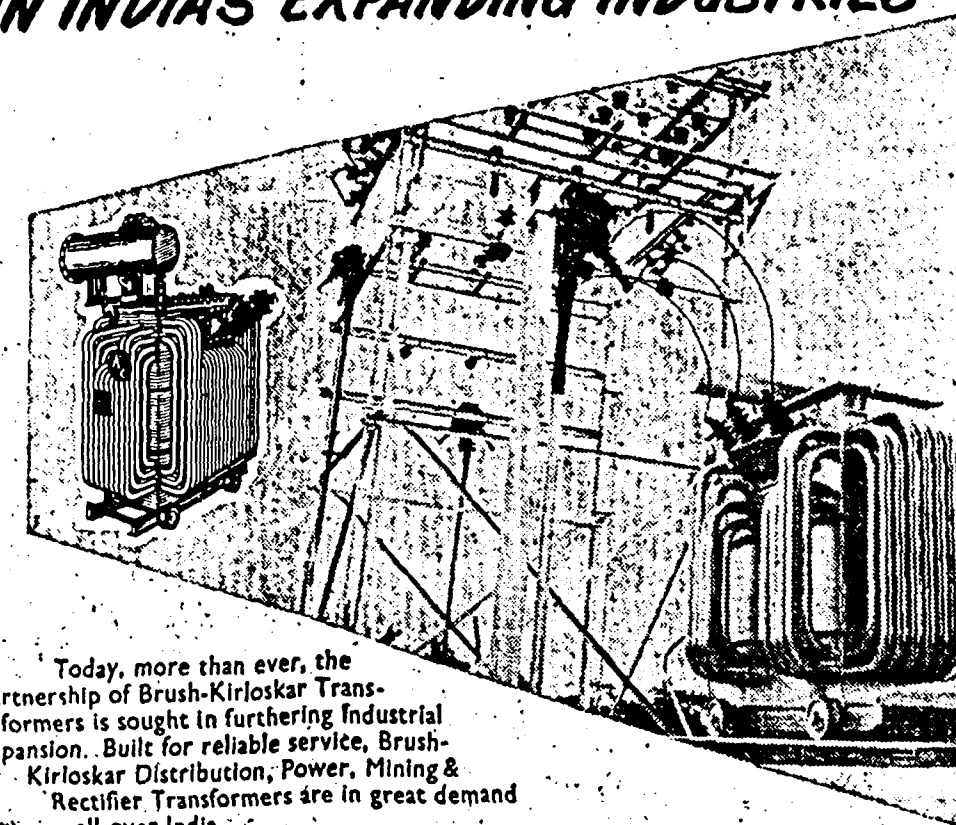
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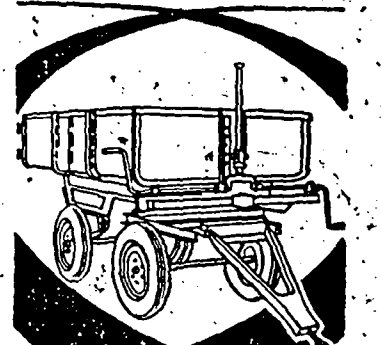
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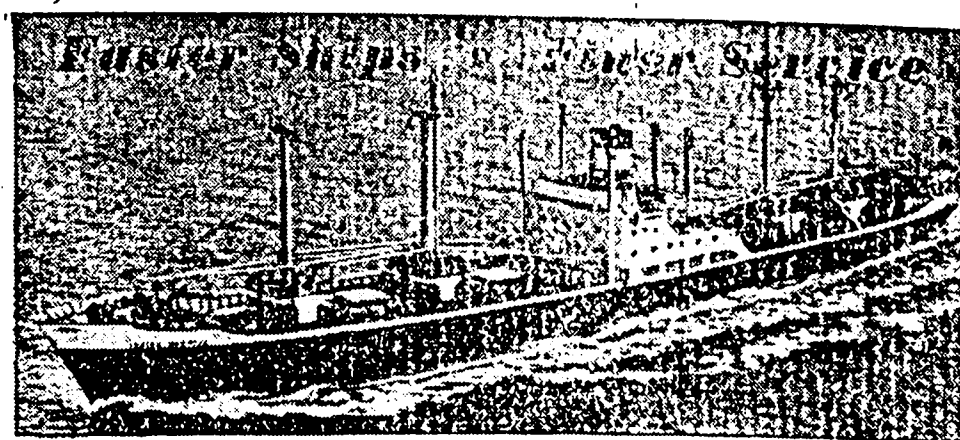
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WORLD OF FINANCE

Rs 32 crore Expansion in Note Circulation

THE colossal combination of Governments' year-end disbursements, busy season demand for funds, and expenditure connected with the beginning of the month has made its impact fully felt in the returns of the Reserve Bank for the week ended 8 April. Active Note Circulation has jumped up by Rs 32.24 crores to Rs 1896.77 crores. Rupee Coin has gone out into circulation for Rs 1.68 crores. Currency has been expanded for Rs 40 crores against Rupee Securities by transfer from Investments in the Banking Department. The Reserve Bank's cash balances, as a result, have improved by Rs 6.07 crores to Rs 12.40 crores.

The currency expansion is owing considerably to governmental expenditures; the Centre's balances are down by Rs 11.16 crores at Rs 62.33 crores; drafts issued have partly been encashed, since Bills Payable are lower by Rs 16.12 crores at Rs 43.00 crores; State Government expenditures—to prevent presumably, lapses in appropriations—have been extremely heavy, since their Deposits

have shrunk by a steep Rs 29.78 crores to a meagre level of Rs 5.57 crores; and this last is on top of a further rise of Rs 6.43 crores to Rs 34.24 crores in their ways and means borrowings from the Reserve Bank.

There is the wisp of the suggestion that the banking system, during the week ended 8 April, has felt the benefit of governmental disbursements; for, the Other Loans and Advances of the Reserve Bank are very sizably reduced by Rs 31.51 crores at Rs 112.01 crores, and this decline is in the main likely to relate to Scheduled Bank borrowings; though, in the relevant week, the State Bank has not significantly reduced its loans from the central banking institution. On the other hand, the rise of Rs 7.58 crores to Rs 86.50 crores in Reserve Balances of member banks is not in this regard noteworthy, since the State Bank, in the week under review, has enlarged its cash in hand and with Reserve Bank by upwards of Rs 11 crores. Balances Held Abroad are down by Rs 0.93 crores at Rs 24.57 crores, and Investments, by dint of the transfer to the Issue Department, are lower by roughly Rs 40 crores at Rs 208.45 crores.

+

The State Bank, perhaps due to governmental year-end disbursements, reports a rise of Rs 5.96 crores to Rs 637.20 crores in Deposits in its return for 8 April. Busy season demand and the needs of month-early disbursements have, however, caused an expansion of Rs 3.08 crores to Rs 214.00 crores in Advances. With a fall of Rs 4½ crores in Other Assets, the State Bank's cash in hand and with Reserve Bank has risen by Rs 11.22 crores to Rs 31.60 crores.

Fiscal Year-end Transactions

The return of Scheduled Banks for 1 April does not significantly assist in the unravelling of the mysteries connected with the fiscal year-end transactions of the Central Government. As such, such conclusions as we are able to draw in this regard will be limited to inferences made from the figures relating to the Reserve Bank.

In the first place, the deficit, financing incurred by the Central Government during the week ended 1 April should have been of the order of Rs 20 crores. This is indicated in the rise of 15.60 crores to Rs 248.18 crores in investments in the Banking Department of the Reserve Bank, combined with the knowledge that the State Bank figured as a purchaser of gilt-edged for Rs 7½ crores during the week, whereas other Scheduled Banks have disinvested for Rs. 5 crores. Besides the year-end commitments of the Central Government, there is reason to believe that a special transaction was completed during the week under review. Such is the inference to be drawn from the decline of Rs 8.61 crores to Rs 25.50 crores in Balances Held Abroad and the rise of Rs 4.51 crores to Rs 104.62 crores in other Deposits. Moreover, further drafts have been issued in behalf of the Central Government as is evidenced by the further rise of Rs 5.50 crores to Rs 59.12 crores in Bills Payable. In the net result, the Central Government's balances have improved by Rs 10.34 crores to Rs 73.49 crores, after having regard for the fact that the Centre has exercised its option to tender rupee coin for Rs 5 crores

to the Reserve Bank and receive credit thereagainst.

Deposits of State Governments were lower by Rs 7.62 crores at Rs 35.34 crores on top of a rise of Rs 5.46 crores to Rs 27.81 crores in their ways and means borrowings from the Reserve Bank; and this, we may presume, is an index of year-end disbursements made by the State Governments lest appropriations should lapse.

The Reserve Balances of member banks have been marked down by Rs 13.88 crores at Rs 79.02 crores. But, in that week, the State Bank is known to have drawn down its cash in hand and with Reserve Bank by Rs 17 crores. Thus, other Scheduled Banks clearly added to their Reserve Balances. The reason for such rise in the statutory deposits of the other Scheduled Banks can be found from the return of Scheduled Banks for the relevant week, in which a rise of Rs 4.82 crores to Rs 1940.50 crores has been registered in gross Deposits; though a large rise under demand liabilities was largely offset by a fall in time liabilities.

Thus, busy season needs, year-end transactions and month early disbursements have all combined, during the week ended 1 April, to cause an expansion in active note circulation of Rs 19.62 crores to Rs 1864.53 crores. Currency was expanded for Rs 5 crores against rupee coin by the Government tendering rupee coin in this amount. There has been outflow of rupee coin for Rs 0.97 crores, and the Reserve Bank's cash in the till has been drawn down by Rs 15.61 crores to Rs 6.33 crores.

Indian Bank's Results for 1959

IN its balance-sheet as at 31 December 1959, the Indian Bank Limited reports an increase in Deposits and other accounts from Rs 40.93 crores to Rs 43.93 crores; and the rise has taken place mainly under the head of Fixed Deposits, which are higher by Rs 2.17 crores at Rs 16.45 crores. Remunerative use for money has taken the total of Advances sharply up from Rs 23.14 crores to Rs 28.85 crores. There is a rise of Rs 1.39 crores to Rs 13.34 crores in gilt-edged investments. Thus, recourse to borrowing was necessary, the liability being shown at Rs 1.55 crores against nil in the previous balance-sheet. In the end result, cash and balances with other banks are slightly better at Rs 4.87 crores against Rs 4.74 crores, though money at call and short notice stands reduced at Rs 13 lakhs against Rs 1.61 crores.

The gross income of the bank has improved by Rs 36.93 lakhs to Rs 2.67 crores, with almost the whole of this rise being due to an increase of Rs 35½ lakhs in the income by interest and discount. Expenses have not risen proportionately; interest paid absorbs only Rs 9 lakhs more at Rs 1.16 crores, while another element of Rs 9 lakhs rise is shown in respect of salaries and allowances. In the result, the balance of profit is shown higher by Rs 15.54 lakhs at Rs 36.84 lakhs. But this increase is as large as the rise in the provision for tax, which has gone up from Rs 6.50 lakhs to Rs 23 lakhs. Hence, the transfer of Rs 7.30 lakhs to Reserve Fund in the previous year has been skipped, and the transfer to Bank's Buildings Account is lower by Rs 10,000 at Rs 20,000. However, a sum of Rs 1 lakh is transferred to Sinking Fund against nil. The dividend payment for 1959 is at 15 per cent taxable.

The return of the State Bank for the same week showed a small rise of Rs 3.80 crores to Rs 631.24 crores in Deposits. Since the return of Scheduled Banks shows a rise in gross Deposits of Rs 4.82 crores, it is clear that the fiscal year-end disbursements of the Central Government have yet to make their impact felt upon the Deposits of the banking system. This impact may conceivably be reflected in the return of Scheduled Banks for 8 April.

The return of Scheduled Banks for 1 April shows that, besides the improvement in Deposits, and confirmation of the drawing down of Reserve Balances by the State Bank—Cash balances of Scheduled Banks have decreased by Rs 17.24 crores to Rs 172.84 crores—there has been, significantly, a small drop of Rs 0.29 crores to Rs 1126.76 crores in the total of Advances. It may be that, to this limited extent, the year-end payments of Governments have helped constituents to reduce somewhat their overdraft accounts, and such reduction largely offset the busy season expansion in the demand for funds. However, this does not mean that the 1959-60 busy season has ended, and the demand for funds is likely to continue for some 4 weeks more or so. Such a state of affairs has been taken advantage of to reduce indebtedness to the Reserve Bank by Rs 11.14 crores to Rs 68.30 crores though Rs 6.67 crores of this amount relates to the State Bank. For this purpose, Scheduled Banks other than the State Bank were compelled to disinvest for Rs 5 crores.

The Risk of Liberalisation

By Paul Einzig

IT seems certain that, during the next year or two, we shall witness considerable progress toward liberalisation of international trade and finance. The remaining exchange restrictions in Britain and in Western Europe will be greatly reduced, if not removed altogether. Trade barriers are certain to be lowered, partly through regional arrangements such as the European Common Market and the European Free Trade Association, and partly through general reciprocal concessions. This trend toward the free movement of goods and funds is greatly assisted by the growing prosperity amidst which many Governments feel justified in paying the price of liberty both in the form of disadvantages to sectional interests and in the form of increased risks.

The removal or lowering of trade barriers is bound to hit industries which are at present protected by those barriers. It is, however, one of the basic rules of classical economics that the gains of the community through the increased application of international division of labour, under which everything is produced where it can be produced at the lowest cost, heavily outweigh the losses suffered by the victims of the change. An additional powerful argument which was unknown in the days of Adam Smith is that increased international competition tends to reduce or keep down prices. In the face of the world-wide inflationary threat, this argument is indeed very effective. One of the reasons why Professor Hallstein's plan to speed up the integration of the Common Market is opposed by the German Minister of National Economy, Dr Erhard is that, since it involves an increase in West German Tariff, it would reinforce inflationary pressure. A similar argument is responsible for the conversion of the Conservative Government and a large part of the Conservative Party in favour of Free Trade. Even many of those who believe in the advantages of protection feel that they would be more than outweighed by the advantages of the disinflationary effect of increased imports at lower prices.

Support for the free movement of capital follows logically the support for Free Trade. If it is to the general interest that goods should be produced in the country where they can be produced at the lowest cost, that end could be furthered by an increased freedom of the international movements of capital so that the financing of the production of goods in the cheapest country should not be hampered by lack of capital.

These arguments are, of course, virtually unanswerable during a period of prosperity and expansion. It would be a mistake, however, to disregard the other side of the picture. In existing circumstances, the economy of most countries can easily absorb the workers who become unemployed as a result of increased international competition. Indeed, owing to the widespread scarcity of labour, it is an advantage if, in each country, manpower is not wasted on inefficient industries and is made available for the expansion of efficient industries. But it must be borne in mind that, as a result of this process, the economy of each country tends to become increasingly vulnerable.

In any case, a rising standard of living means expanding consumers' choice, and this again means that change in consumer demand is liable to affect particular industries within a community. It may be relatively easy to absorb the effect of such a change in the domestic economy. When it means, however, that the overspecialised export trade of a country is affected to a high degree, the result is a threat to the balance of payments and to exchange stability.

Any such effect on the exchange is liable to be aggravated by a freedom of international transfers of funds, especially if that freedom is extended to cover the nationals of the country concerned. An adverse change in the balance of payments is liable to be accompanied by a heavy outflow of money. It is important to realise the above considerations. Their realisation need not lead to conclusions opposing the liberalisation plan. The right conclusion is that the free countries must be prepared for setbacks liable to arise from liberalisation and must establish close cooperation in order to minimise such setbacks.

Even though the resources of the International Monetary Fund and the International Bank have only just been increased, it is necessary to increase them much more in order to enable them to face increased disequilibria that are liable to arise with the progress of liberalisation. But, in itself, the provision of financial aid would not be sufficient. There must be much closer cooperation between Governments in order to be able to assist effectively a country whose trade becomes affected as a result of the reduction of trade barriers. The countries of the Free World must view each other's economic problems with a much higher degree of understanding. Regional arrangements would help in that direction, but the world, or at any rate the Free World, is economically indivisible. Prosperity of one trading bloc should not be achieved at the cost of inflicting major hardships on other trading areas.

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Indian Finance

Indian Finance

Founded by:
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Vigorous Commercial Diplomacy

THE new interest in export of a wide variety of Indian manufactures is partly attributable to the existence of surplus capacity, in many Indian industries. Commercial organisations, aware of the scope for increasing trade in the South East Asian region, have drawn up a programme for progress, though it is realised that India's imports of rice, timber and other raw materials must increase in order to retain a hold on the export trade secured. The sudden thrust of China into South East Asian markets, the difficulties due to import control elsewhere and the reparations offered by Japan are complicating factors at present. But, since last year, when a Burmese trade mission visited India, it is realised that real opportunities co-exist with difficulties and Indian exporters might adopt co-operative action, provided commercial diplomacy is vigorous.

The attention given to the direction of trade at present is not due merely to the recognition that US aid to several countries, including Vietnam, will enable India to sell more goods in future. The reliance on the State Trading Corporation for expanding exports is now modified by the acceptance of the part played by engineering trade missions to many countries since 1958. There is also a persistent surplus of items like tobacco for which a market abroad must be secured and the economic progress made by Malaya and other countries is held to be a good reason for stepping up exports. In countries like Indonesia, prospects may be dim and rivals like Pakistan may have acquired advantages already, but there is no harm in trying to locate importers who will maintain a direct connection with Indian shippers.

Agencies to take care of the needs of export trade are not to be termed superfluous and non-profit-making bodies set up to study markets and build up connections are not without their uses at present. The fact that Pakistan is a rival in textile and other lines deserves special attention and it is to India's immediate advantage to see that jute manufactures are not again priced out of foreign markets by the rise in prices at home owing to the speculation that persists in spite of control of futures trading at present. The lucid and compact analysis presented by the Federation of Indian Chambers of Commerce and Industry in 1959 has been supplemented by an ECAFE study of trade in SE Asia, and it is fairly obvious that Japan is now a vigorous trade rival in Malaya and other countries in respect of textiles and other items.

Though export control belongs to the past, it is clear that, in some countries, exchange control stands in the way, and India does not have tariff advantages as in the past. Economic nationalism has already raised its head in Indonesia, Ceylon and other countries, and Indian exporters must adopt measures to raise quality and to lower prices. Export performance rests also on sales technique and it is necessary to show whenever possible that India Can Make It. Steps taken lately to give drawbacks on goods that are subject to Central excises perhaps are of less importance than the appointment of indenting agents well

posted about prices, delivery terms, etc, and the maintenance of regular shipping services. It will be generally admitted that Japan's shipping lines sustain its export trade, and India must soon do more by way of regular shipping services to neighbouring countries like Burma and Ceylon.

The outlook for engineering exports, including tea machinery and sugar mill parts, may be called promising, because Indian manufacture is derived from arrangements with foreign suppliers and it is quite likely that more rubber or tin can be imported by India from Java if pepper prices are stabilised by agreement. The presence of Indian traders in places like Singapore and Hongkong represents a real advantage and extension of banking services may help to develop trade. The chances of selling salt as well as pig-iron to Japan have been canvassed already; that is dependent more on cheap freight than regular delivery dates.

The fact that India has a favourable balance of trade with Asian countries in contrast to the adverse balance with European countries must not limit endeavours to raise income from exports, and when necessary, some export of capital for local trading or industrial ventures may even be called for so that composite firms may build up both export and import trade. The reinstatement of confidence in the Indian rupee seems to be an indispensable part of the export drive, and that is why the maintenance of price stability at home is now invested with great importance. The advantages held by Japan are due to cheapness, standardisation and novelty of products and, in countries like Thailand or Taiwan, it is Japan that is now seen as the real rival. The higher standard of living in Asian countries might raise export of piecegoods, provided Indian mills follow changes in demand overseas. The chances of selling more leather goods, including footwear, to Asia must be kept in view, and as for export quotas under oilseeds or oilcake the aim always must be to meet demand and the prices quoted must be related to prices abroad in the case of cotton or oilseeds.

The Union Minister has suggested that the value of Indian exports should be raised by Rs 50 crores per annum and it is up to manufacturing industries to attempt the task, especially when industries like tyres and bicycles have steadily expanded and can provide a surplus for export purposes. The early adjustments of sales tax in the case of exports have long figured in non-official representations and the concessions given to co-operative agency must be extended to private exporters also. The Export Councils have already done much to establish quality control in respect of cotton textiles, hides and skins, tobacco, etc, and continuance of the same procedure may be desirable in the case of tea and coffee also so that larger exports may be ensured in the future. There are new opportunities in regard to soap, cosmetics and medicines and brand names will doubtless help India to sell certain lines easily abroad. And Prohibition may even help to sell beer, rum and spirit in countries

Indian Finance

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like Ceylon, provided an agreed policy on excisable items is evolved.

The need to help Indian firms to tender for foreign contracts will be appreciated in view of the present position of the cement industry in India and the probable steel surplus. Assistance to contracting firms may be offered both in respect of controlled materials like steel and the exchange facilities required for visits abroad by staff. The country's invisible exports may be substantially enhanced by finding employment for Indians in adjacent countries that are starting large scale projects. This is a point that may require special attention in view of what British and American companies are able to do for their countries in sales and service alike.

A Policy for Exports

MR K. B. LALL, Director-General of Foreign Trade, is reported to have said recently that, during the Third Five Year Plan, the Government would give licence to units in the private sector only in case they are able to export their products and earn foreign exchange. Government's anxiety to step up the earnings of foreign exchange is understandable, but it is not clear how far this new policy is going to be helpful. It should be remembered that success in exports depends on numerous factors over which Indian businessmen have little control. Moreover, commodities which could be exported in one year may not be able to find a market in the next year. There are, besides, many other complications which may arise in case Government are to enforce the rule rigidly. It will therefore be better if Government refrain from resorting to coercive measures to stimulate exports. Instead, Government should study sympathetically the various difficulties encountered by the export trade and remove them as far as possible.

It is reported that Government are going to encourage the formation of cooperative organisations among the various industries with a view to increasing exports and that Government would give careful consideration to the representation made by such bodies in the matter of tax relief, freight concessions, etc., for export purposes. Fuller details are not at present available about the actual role of these cooperatives. But it is not clear why Government should wait for these cooperatives to come into existence before action is taken on matters like tax relief, freight reduction and so on. The Chambers of Commerce and trade associations have been making various suggestions from time to time in respect of these questions. The tea industry has been pleading for the past many years that the export duty should be abolished or at least kept in abeyance for a temporary period and that the different levies imposed on tea by the Government of West Bengal and Assam should be reduced or removed. The cotton textile industry has been agitating for reduction in railway freight rates so that mills in the up-country regions may be in a position to export more successfully. The engineering industries have been demanding relief to exporters in respect of

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income tax; financial assistance for the preparation of films and advertisements; help in arranging market surveys; reduction in prices of steel, tinplate and pig iron and reduction in shipping freight. Other important industries like manganese ore have also been asking for various types of facilities to increase exports. However, the authorities have not carried out these suggestions. It may not be easy for Government to implement all the suggestions made from trade and industry, but there is no doubt that, if only the authorities had been more alert and prompt in dealing with genuine grievances, and proper coordination had been effected among the various ministries, our export performance would certainly be far more satisfactory than at present.

In any scheme of export promotion, the highest emphasis should be given to the Big Three, namely, tea, jute goods and cotton textiles. These three commodities account for the bulk of our export earnings. But, regrettably, not enough attention has been paid to the difficulties confronting them. In the case of tea, for instance, there was a steep decline of as much as Rs 10 crores in exports in 1959 as compared to 1958; and the decline took place mainly in the early part of 1959. According to the Union Ministry of Commerce and Industry the fall in tea exports in the last year was due to four main causes:

- The UK had built up large stocks by making heavy imports during 1958;
- The UK, because of its comfortable stock position, was not interested in the end of the season teas available during January-May, 1959;
- Heavy purchases made by internal buyers in the first quarter of 1959;
- As a result of maximum exports in 1958 and particularly during the last quarter of 1958, non-availability in India of sufficient stocks of quality teas commonly in demand.

These explanations may look convincing to some extent, but the fact remains that, if only some timely fiscal relief had been given to the industry, it might have been able to record a better performance. As competition from Ceylon and East Africa is becoming keener, it is necessary to see that the tea industry is helped actively to overcome its handicaps.

As regards jute goods, the main problem lies in providing the mills with adequate supplies of raw jute of the right quality. We have practically achieved self-sufficiency in the matter of raw jute so far as quantity is concerned, but attention has now to be concentrated on improving the quality. The modernisation programme should also be expedited as far as possible.

In regard to cotton textiles, it is a matter of regret that the industry has been burdened with an additional wage bill of Rs 14 crores a year at a time when the need to keep prices competitive has become more urgent than before. Hong Kong, Japan and other countries are able to compete successfully mainly because of low labour costs. Therefore, we should see to it that the capacity of our mills to compete in foreign markets does not get affected owing to high costs of production.

As regards the direction of our trade, it should be stressed that greater efforts should be made to develop trade with South East Asia and West Asia. A delegation recently sponsored by the Engineering Export Promotion Council has pointed out that there is considerable scope for increasing exports of engineering goods to USA, Canada and other countries. It is not clear from the press reports whether and to what extent this optimism is justified. There is, however, a danger that, in our zeal to expand exports to the USA and Canada, we may neglect markets nearer home. This should not be allowed to happen.

The American countries are very highly industrialised and we have to satisfy ourselves carefully whether we can really make headway in these markets and whether it is worth while to spend our money and efforts in this direction. If, on the other hand, we concentrate on the nearby regions, the results are bound to be more satisfactory. At present, it is the USA, Japan, the UK and West Germany that supply most of the requirements of the countries of South East Asia and West Asia. Our exports to these countries are negligible. For example, out of Rs 549.51 crores worth of exports in the first eleven months of 1959, the share of Thailand was only Rs 212 lakhs, Burma Rs 1086 lakhs, Ceylon Rs 1998 lakhs, Malaya Rs 419 lakhs, Philippines Rs 95 lakhs. Further details are given in the following table. Therefore, India's export policy should be designed in such a way as to strengthen the export of traditional items, to encourage the export of new commodities and to lay particular stress on the markets situated in West Asia, South East Asia and the Far East.

In this context, mention may here be made of the belief entertained in certain quarters that sugar production in the country may conceivably in the next year exceed indigenous requirements. If that should be so, sugar can well figure as an important export commodity to this area. Of course, it is problematical if, in fact, demand will not rise in proportion to production. In any case, what matters is that, even in regard to sugar, there is the real prospect that we can build up an export market in this area.

INDIA'S EXPORTS TO SOUTH EAST ASIA & OCEANIA, 1959 (January-November).

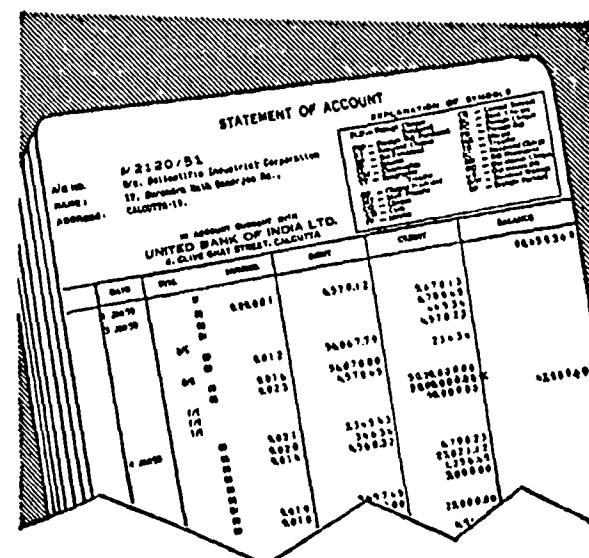
Country	Value (Rs lakhs)	Share of each country in the total %
Australia ..	17.43	3.17
Burma ..	10.86	1.98
Ceylon ..	19.98	3.63
Indonesia ..	3.70	0.67
Japan ..	31.29	5.69
Malaya, Federation of ..	4.19	0.76
New Zealand ..	4.22	0.76
Philippines ..	95	0.17
Thailand ..	2.12	0.37
TOTAL (ALL COUNTRIES)	549.51	100.00

Chinese Realpolitik

PARLIAMENT has been made aware of what China expects from India by way of frontier delimitation, now that the Prime Minister has described the Himalayan boundary as a live frontier. From the reply given by the Chinese Government, it is evident that India's claims based on Kashmir's control of Ladakh in the past and in the present and the Anglo-Tibetan convention of 1914 are not conceded by Peking, and whatever India may say in regard to the McMahon line or the principle of following the watershed of the Brahmaputra, there is no inclination on the part of Peking to take for granted that India has inherited in full the rights and authority of the British Government. Caution in dealing with the Dalai Lama, who has found favour with some Opposition parties in India has not made any difference to the Chinese attitude, and it has now been made clear that Communist China relies on the Imperial maps and regards Tibetan independence as a purely temporary

phase which makes no difference to the assertion of Chinese territorial claims.

Since Nepal has agreed to a definition of the boundary along the Himalayas in relation to Tibet, it may be difficult for India to resist the Chinese demand for joint consultations for drawing up a boundary that will prevent border incidents in future. It may be noted that Tibet is repeatedly referred to as a region of China and it is also stated, that the Chinese Government have been using a corridor between Sinkiang and Tibet. The authority of various maps has been invoked in this connection, and one more point made plain is that the tribal areas in the North East were never fully under the control of the Ahom dynasty, and any rights secured by India from the transfer of Assam by Burma to India does not vest in India rights to the triangle when India, Burma and China meet. That China is willing to negotiate and take steps for avoiding clashes, is the main result of the elaborate argument conducted so far in the belief that Russian representations might induce Peking to appreciate the historical relationship between India and Tibet which, by failing in its revolt last year, has created a problem for the Indian authorities. The ethnic differences between the Tibetans governed by their High Priest and the Chinese governed by the Manchu dynasty are ignored by Peking, whose main argument is that, in the last ten years, the position has greatly changed, and the historical geography of British India has no relevance in relation to the present issue. This is certainly a formidable case of Realpolitik, and during the week which the Chinese Premier spends in Delhi, India may have to summon expert assistance from outside to buttress its main theory that what Tibet had done about Ladakh in the past is binding on China at present.



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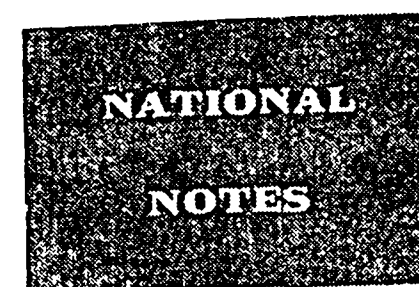
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The Impact!

It will not be entirely accurate to regard the current interest in the development of small scale industries as a reaction from the earlier preoccupation with establishment of large scale undertakings. In fact, even before the Second Plan put steel plants in its core, the problems of small scale industries were studied by a Ford Foundation team which reported on the technical aspects of their future development. Since then, a vast organisation for fostering the growth of small industries has been set up, consisting of the Small Scale Industries Board at the apex, the National Small Industries Corporation, Service Institutes and Regional organisations, staffed according to the prevailing pattern of Government establishments. As the organisations have been functioning for some years, it is time to find out what they have actually accomplished.

In the annual report of the Union Ministry of Commerce and Industry, which gives a panoramic view of the growth of Indian industry, the section devoted to small scale industries is the least satisfactory. We learn more of the growth of the establishments than of the results of their work in the shape of new industrial units contributing to additional production. Under the heading, "Impact of the Pro-

gramme," the Ministry's report says: "The programme envisages the preparation of schemes for small scale industries so that they could be undertaken by prospective entrepreneurs all over the country." In all 400 schemes, the report says, are likely to be prepared which will be examined by a panel of technical officers before they are published. That is about all the report has to say about the "impact."

The Second Plan had originally proposed the establishment of 110 industrial estates. Subsequently, this number has been reduced to 97 on a reappraisal of plan resources. By the end of 1959, only 36 industrial estates had been set up and, of these, only 29 were in operation. About five thousand persons have been provided with jobs in the 400 factories working in these estates. The total expenditure so far amounts to Rs 608.10 lakhs, which works out to an investment of more than one lakh per job, without taking into account the investment by the individual units.

It is, of course, possible that facilities already created would provide more jobs without additional investment. Nevertheless, it will be useful to undertake an evaluation of the employment potential of small industries in relation to investment, which is usually put forward as the strongest argument in favour of a programme of fostering small industries.

The work of the small scale industry institutions that have been set up by the Government is promotional in nature, and it is not easy to establish the quantum of their impact. But the very difficulties of evaluation make it imperative that it should be attempted, if only to assure the public that the Small Scale Industries Department develops something in addition to its own establishment.

Sound and Fury

Regional development is a topic on which there has been more talk than action. The reason perhaps may be that, so far, there has been no attempt to come to grips with the problem of evening out the disparities in the economic development of various regions of the country. Location of industry, even under the aegis of the State, is determined by the usual factors that operate under a system of complete free enterprise, namely, nearness of sources of raw materials, markets, availability of water, transport and power. The establishment of an industrial complex in one area leads to further opportunities of development, so that the backward regions remain backward, while all new developments tend to be concentrated in the favoured regions. The establishment of the big steel plants near the sources of ore and fuel have led to the concentration of railway and other ancillary developments in this re-

gion, which has left little for development of railways elsewhere. And there are vociferous complaints that the South is neglected in the matter of sanctioning of new railway lines. But planning has no meaning unless it does something to correct the natural trend toward uneven development. It can be done, but at a cost.

The Lok Sabha recently debated a non-official resolution urging greater attention to the development of backward areas during the Third Plan period. The Planning Minister stated that Government were trying to shift larger resources to the undeveloped areas. He also said that, through its licensing powers, Government were doing their utmost to see that industries were carried to areas which needed greater development. Establishment of industries in regions remote from the established areas is likely, for one reason or another to result in higher costs, both in terms of capital outlay and running expenses. If the idea of attracting new industries to backward areas is to succeed, the cost differential must be kept as low as possible. All the regions that come under this category do not suffer from the same handicap. It will, therefore, be useful to undertake intensive surveys of the different backward regions, to isolate the factors responsible for their present condition, as well as any special advantages which they have that could be profitably exploited if the handicaps are removed.

Small industry development is generally offered as a panacea for the development of backward regions. Those who think in this way are perhaps not aware that, as a matter of fact, small industries have generally developed under the shadow of some big establishment. It was only after the railway workshop and some big engineering workshops and jute mills had been established near about Howrah that small industries started developing in this region. The surest way to foster small industry development in the underdeveloped areas is to locate some large public sector undertaking in these regions. This will enable an appreciation of the cost involved in any programme for dispersal of industries, which, in all fairness, should be borne by the State, as, in that case, the costs can be set off against the social gains resulting from balanced development.

Cambay Commercial

With the finding that Cambay oil is commercially feasible, hopes of attaining self-sufficiency in petroleum products have heightened. In the course of his announcement regarding the exploitability of Cambay oil in the Lok Sabha last week, Mr K. D. Malaviya, Union Minister for Mines and Oil, has further disclosed that a refinery of half a million tons' or one million tons' capacity is pro-

posed to be set up in the region. Government are also hopeful of finding some oil fields in the Lunaj region, adjacent to Cambay. Mr Malaviya thinks that the Assam and the Cambay oil fields between them will be able to take care of more than half the country's requirements of crude oil by the middle of the Third Plan. In the meantime, the search for oil is to continue relentlessly as Government's policy is progressively to expand the area of oil exploration. Recently, the Cauvery basin has been much in the news as a very probable oil bearing region. Madras State will be especially happy to note that seismic study of the basin will soon be undertaken on the receipt of the necessary equipment from abroad. Exploration is continuing in West Bengal and there are other regions in the country waiting to be investigated.

Exploration for oil and the exploitation of oilfields found commercially feasible have gained a new urgency not only because oil is so essential for rapid industrial progress but also because more and more indigenous production of oil will mean a considerable lessening of the strain on our meagre foreign exchange resources. As against the fast growing consumption of petroleum products, production of crude oil in India is only about half a million tons. It is estimated that, by the end of the Third Plan, something like 15 million tons of crude oil will be required. Such requirements are likely to be further sizably increased in the Fourth Plan period when, as a result of the vast development programmes envisaged in the next Plan period, there is bound to be a discernible improvement in the standard of living of the people.

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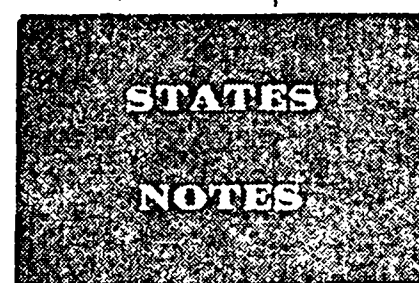
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Malik on Malaya

The visit of an Indian Trade Commissioner to Madras led to eager queries about trade opportunities in Malaya and Singapore. Mr Malik pointed out that the adverse balance of trade is largely due to essential imports of rubber and tin, and this country must look beyond the export of traditional items like cloth or condiments. The high standard of living, the sudden withdrawal of China, and the entrepot trade of Singapore still represent real advantages. At the Andhra Chamber, Mr Malik spoke of the steps taken by Textile Export Promotion Council to push exports in a market exposed to Japanese competition. He indicated that plastics can be sold easily and the demand for leather cloth will help India. The sports goods from India are sure of a larger off-take, because of the popularity of both football and badminton in Malaya, if exporters take a hand, and the Malayan market for light engineering goods is still growing. The chances of pushing medicines and instruments are also bright, because Indian doctors in Malaya would help and the manufacturer could claim that what is offered is now equal to British preparations. Registration

of intending exporters is required, but it is also felt that Indian banks can help in the export drive and there is no real need to spend on advertising as the overseas importer must be reached by other means. The advent of Japanese joint ventures to develop the resources of Malaya is a good reason for more energetic salesmanship, and the outlook for Indian goods is rated promising by the Singapore Indian Chamber of Commerce, whose last report is a model publication, objective and concise, besides being informative. There are some tariff concessions also, but India's own import policy regarding betelnuts, sago, etc., may be regarded as a handicap by experts.

Handicapped Madras

The Minister of Industries in Madras endorsed the general view of the trade that iron and steel supplies for the South are both deficient and irregular and uniform prices enforced do not represent a real advantage when the quota is seldom delivered according to schedule. That control is the consequence of shortage and that shortage will persist were commonplaces in the speeches delivered on Sunday at Madras when it was made clear that the development of local small industries was delayed by the failure of Iron and Steel control to meet even limited indents. This certainly gives force to the trade view that, apart from transport difficulties, Madras is distinctly handicapped in the matter of steel supplies and the efficiency of registered stockholders is no solution for the basic

problems of inadequate supplies.

The long-range remedy is seen to be the establishment of a steel plant in the South for using the ore found in Salem by adopting a process using lignite instead of coking coal; but, for the present, the best solution appears to be the setting up of re-rolling mills. There are, however, many units all of which are handicapped by inadequate supplies of raw material and there is certainly not enough scrap to keep new units going. Industrial users are at a disadvantage, and the interposition of State control has created difficulties, according to Mr Cleetus of Tisco, who also wanted a proper adjustment of priorities and the maintenance of normal trade relations. Though the trade has grievances, the continuance of Control is regarded as inevitable, and one suggestion made is that the price of steel should be lowered by Rs 100 per ton in order to encourage consumption of steel, which may be surplus after the opening of the new State-owned plants.

In the annual report of the iron hardware merchants' association, it has been urged that abuses are rare; and, over the last eighteen years, the registered stockholders have been able to ration supplies and, while operating on a modest profit, have served the public well. These claims made by the trade are largely due to the formation of a jointstock venture working carefully with the Control authorities, and even failures in the past to secure adjustments of quota in relation to the growth of local demand has not discouraged the trade from hoping that improved distribution would follow the increase in production. The Industries Minister's services in regard to the inception of new major industrial enterprises and the promise of more in Madras were specifically mentioned at the conference in order to inspire new faith in control as such.

Andhra Beckons

Andhra State's Industries Minister, Mr A. C. Subba Reddi, had not made any pretence about his knowledge of the portfolio with which he has been entrusted. This is in refreshing contrast to most of the Ministers either in States or the Centre. While being entertained at tea in Madras while he was here early this month by the Andhra Chamber of Commerce, he told the well attended meeting of that business body that he welcomed suggestions from the experts as to the manner by which the Andhra State could be well set on the road of true and real industrialisation. He bluntly dismissed the notion that by remaining an agricultural State, Andhra could be on par with other developing states though, he sadly reflected that with the plentiful supply of raw materials like coal, iron, sulphur and other things in Andhra, it had not been given any thought by the Planners of the

Government of India. The worthwhile industries Andhra had, he sadly mused were only the rice and oil mills. Incidentally he mentioned that domestic "quarrels" should have been apparently responsible for the imbalance between Andhra and other States in the matter of industrialisation.

Though the industries portfolio was admitted by him to be entirely new and therefore he was a novice in that subject, his suggestion that the country be divided into zones in accordance with the availability of raw materials should merit some attention. But that division of zones into water tight compartments should not be rigid and should always be subject to alterations as and when new sources are developed and discovered.

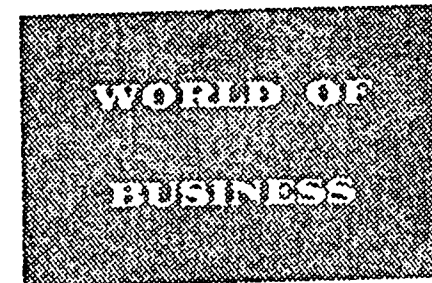
Mr Subba Reddi openly welcomed industrialists from other States into Andhra, where he promised sizable concessions to them in affording very cheap electricity, water tax lower sales tax and other taxes levied by the State.

About the present grow more food production Mr Subba Reddi had no pleasant remark for the methods pursued by the States or the Centre. Himself an agriculturist, Mr Subba Reddi said presently it was not possible to improve an agriculture because none knew as to how much of fertilisers our soil required. The paramount need today, he stated, was the establishment of at least a few laboratories for soil testing. A farmer never knew the deficiency of his soil and the agricultural experts were equally ignorant of this fact.

Another complaint of Mr Subba Reddi about Andhra State's lagging behind was that while, in other States big projects were centrally sponsored such big projects in Andhra were State-sponsored absorbing much of the State's resources. He told the Chamber that he would urge the Centre to take over the fabulous Rs 200 crore Nagarjunasagar Project from next year onwards so that the State could direct its own resources for the establishment of other medium and small scale industries.

Early this week Mr Subba Reddi told newsmen in Hyderabad that his State would get the synthetic drugs factory costing Rs 8.5 crores. This is a Russian-aided project. Mr Reddi had been to New Delhi and probably he fought with the authorities for the location of this big project in Hyderabad. Russian assistance would be to the tune of about Rs 2.3 crores. The factory's capacity is understood to be about 900 tons of drugs yearly employing about 1,700 workers.

The Praga Tools Corporation in Andhra would be expanding its capital by another Rs 2 crores in Hyderabad. Mr Reddi is fighting for the setting up of a steel and iron factory in Andhra and six other major industries. Mr Reddi is a good intentioned fighter and his enthusiasm would certainly carry him very far in his ambition to make Andhra a big industrialised State in the country.



Queer Mistake

Complaints that Indian diplomatic representatives do not help exporters much have been met by a complaint that official reports appearing in Government publications are not read by the commercial organisations and the public does not know what is being done for the benefit of commerce and industry. The allegation of Mr Khilnani made at Madras some months ago that most exporters talk, and do not study the changing economic position in foreign markets may well have provoked queries about the value of Indian publications as compared with the the Board of Trade Journal, costing a shilling but worth a guinea. The Indian Trade Journal of 2 April presents a report on Japan from the Indian Embassy which gives the local price of coal as £4,180 per ton. This is patently grotesque (though the appendices give prices in dollars and rupees) and the official failure to distinguish between Yen and Sterling may well put off readers of the report which refers to the increase in imports from the USA, following a rise in Japanese exports to that country.

The more important consideration is that in Japan, the coal industry is under-going rationalisation and the annual production quota is set at 48.3 million tons in order to get more coking coal out. In order to get over the difference between the cost of production (probably £4,628 per ton) and the standard price (£4,180 per ton) the Japanese Government have set up committees to get over the industry's depression. The report makes it clear that Goa is shipping more iron ore to Japan as also Malaya, and Indonesia too has started to export manganese ore to Japan. But the trade in mica is kept up and India is also selling cotton waste as usual. There was little trade in coal with India, but Japan was still buying US coal, which must cost a lot because of the freight to and from the Pacific Ports. It was also buying a lot of American scrap for the steel plants, while India was shipping only small quantities to Hongkong and Australia.

Labour Found Wanting

The idea of labour participation in management has been conceived with a view to bringing about better industrial relations. In India, where a socialistic pattern of society is the ultimate objective of official policy, such ideas perhaps get easier acceptance than

elsewhere in the world. A common mistake is to think that opposition to the idea of letting in labour into its affairs comes from management. With the introduction of joint management councils in some industrial units, it has been proved beyond doubt that labour is by no means very enthusiastic about participation in management. Thus, while management is somewhat lukewarm about taking labour into its confidence in its problems, perhaps due to a mistaken notion of self-interest, labour has been equally guilty of putting its own narrow ends before the advancement of labour as a whole. The main trouble in the labour ranks seems to be inter-union rivalry. Such bickerings leave little time for labour unions to look after the interests of members or to make themselves effective, useful instruments of labour welfare, which they should be. It is not surprising that the much more important responsibility of selecting their representatives to sit on the joint councils has found them grossly wanting.

It was with great expectations that one welcomed the news that a scheme of workers' participation in management has been successfully put into operation at the Hindustan Machine Tools factory. But the satisfaction has been vitiated as the council has practically remained inoperative for the past six months. The breakdown has evidently been the result of differences between management and labour and disputes between one section of labour and another. Although the inactivity of the council is officially described as temporary, one wonders whether conditions conducive to the council's active functioning can be brought about if both sides—labour and management—do not evince much interest in the idea of joint councils. There is no doubt that joint councils will be productive of much good if allowed to function smoothly. It is, therefore, incumbent both on management and labour to leave no stone unturned to make the scheme a success. Management can do much toward helping labour to take abiding interest in the idea. It is also time that labour realised that the initiative rests with it and that inter-union rivalry in the matter of representation is holding up its progress.

Cotton Scarcity

Addressing a meeting of the Cotton Textile Advisory Committee, in Bombay, Mr D. S. Joshi, Textile Commissioner to the Government of India, observed that the tight position regarding Indian cotton supply would continue during the next cotton year. Latest estimates of crop indicate a sharp decline in output at 4 million bales against earlier estimates which put the commercial crop of cotton at 4.8 million bales. The pressure of the reduced supply on prices has

been aggravated by speculative elements drawn from the ranks of management. The spurt that occurred in the prices of yarn and cotton in January was particularly heavy. In the circumstances, there seems very little scope for relaxation of control over the distribution of cotton to the industry. Though Mr Joshi has warned that controls would be lightened further in case present measures continue to be flouted by the industry, the tendency that has been discernible of late for prices to become reasonable should obviate such a step.

The present supply position being unprecedentedly low, with availability for mills estimated at not more than 3.75 million bales, there can be no question of further additions to the export quota. In ruling out scope for such additions to export quotas, Mr Joshi has also stressed the need for economy in consumption of Indian cotton by textile mills. The lack of adequate cooperation from the mills in this matter, alleged by Mr Joshi, would only retard the process of recovery of the industry from its present ills, and ultimately tell upon the export performance in the current year. Already, the export prospects for 1960 have been judged as less encouraging than in 1959. Though at one time it was anticipated that exports during 1960 would be fairly high, reaching the one thousand million yard mark, consequent on the continuance of abnormally high prices for cotton, it is not expected that could be excluded the exports of 1959. Whether the position would change, would inevitably depend on the measure of improvement that could be effected in the internal situation in regard to cotton supply and prices.

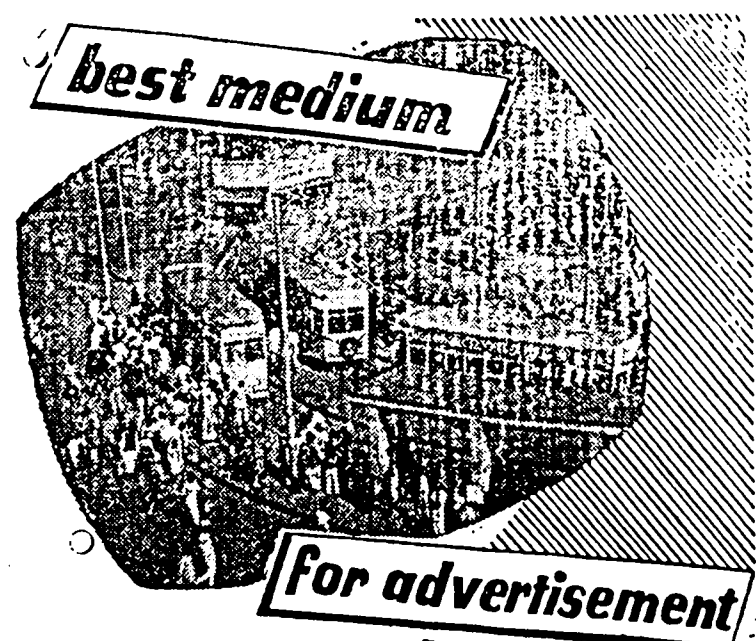
NIDC as Research Institute

The National Industrial Development Corporation is more than a lending agency using Government funds, and its report for 1958, appearing this week, may have only historical interest. For, technical missions have come out, projects have been prepared, and the NIDC has new clients and new contacts abroad. The raw film scheme may be in the air, but the synthetic rubber project is in the bag, because Firestone already has taken a hand. Dyestuffs, too, are now to the fore and Bayer of Leverkusen is an associate of the Government. As for aluminium, the expansion scheme is under way, and the capital market has digested the schemes mentioned in the report tentatively. The complaint that rayon pulp manufacture has not made a start yet may not be well-founded, for, 1959 stands out as the rayon year for investors of all degrees and pulp is realised to be more important than yarn. And, as for paper from bagasse or newsprint manufacture at Bodhan by the Nizam Sugar Co, the technical investigation is over.

The part played by the NIDC loans in rehabilitating the jute mill industry is well known, and cotton mills, too, have started to borrow big sums for renewals and replacements. Madras Mills' loan for Rs 75 lakhs marks the beginning of the modernisation programme, and other mills are ready to take loans from the NIDC and repay in instalments. Different from the IFC not only in the volume of fund handled, the NIDC, over which the Union Minister for Commerce and Industry presides, has relied on loans from the Government to supplement its modest capital of Rs 10 lakhs only. Its own fixed assets are few; it owes rent for the offices used, and has not found money for the audit fee or the allowance due to the staff deputed. Its accounts show a strong rise in entertainment charges, bank charges and a hefty rise in the telephone bill for the year. But the salaries item is distinctly lower, while the cost of investigating possibilities is up, because the NIDC is committed to the local manufacture of sulphur as well as optical glass at present and the Government make grants for study of the projects including manufacture of drugs. Maybe, the NIDC is less of a commercial enterprise than an applied research institute at present. But its work can be judged best by reference to the results achieved in the jute industry which has turned the corner, to go by the resumption of payment of dividends by many mills.

The Walchandnagar Landmark

The achievement recorded in an important sphere of national activity was referred to by Mr Manubhai Shah, Union Minister for Industry, while inaugurating the extension works of the sugar machinery plant of the Walchandnagar Industries in Bombay. Manufacture of machinery in the past ten years has made phenomenal progress. The value of indigenous produced industrial machinery in 1952 was only about Rs 10 crores, but the value of such production is now placed at Rs 120 crores. Even so, India's imports of machinery continue to consume a large quantity of foreign exchange. Machinery items have accounted for 30 per cent of India's total imports of Rs 887.4 crores in 1959. It is to be expected, therefore, that, during the Third Plan, production of machinery will receive special attention not only for substantial saving of foreign exchange that can be effected but also because it is essential, for achieving rapid industrialisation in the true sense of the term, that we manufacture a large proportion of the machinery needed indigenously. According to Mr Shah, industrial machinery to the value of about Rs 300 crores per annum will be produced in the country by the end of the Third Plan. In other words, 1966-67, 80 per cent



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of the country's requirements of industrial machinery will be available from indigenous sources.

If, today, India expects confidently to catch up with the Western countries in economic development in the foreseeable future, it is largely because of its programme of planned development. The first two five year plans have helped unleash national effort on an unprecedented scale and the result is apparent now all over the country. But, because of the tremendous leeway that has to be made up, we have reached only the threshold of

industrialisation even after a decade of planned development. The Third Five Year Plan, with its proposed big outlay, is an indication of the task ahead. The next few years will call for further intensification of national effort, but this is unlikely to deter us. For, the work that has already been done has brought confidence in our ability to undertake big programmes for economic development. Industrial production has taken long strides and today it can truthfully be said that we have completed the work of firmly lay-

ing the foundation for a great industrial future. It is, therefore, not merely the national urge for rapid progress but the knowledge that the country is now well poised to take a great leap forward that are guiding our planners.

Liberal Licensing

The Federation of Indian Chambers of Commerce & Industry, in an outline of official procedure relating to the licensing of new industrial undertakings, has made it clear that location, capacity and

the arrangements made with foreign firms for technical or other aid are subject to official scrutiny. The Government notification of 20 March has indicated positively that new ventures employing less than one hundred workers and having fixed assets below Rs 10 lakhs need not take out a licence under the Industries Development and Regulation Act. This means that firms embarking on manufacture of ancillaries need not be much troubled about permits, though royalty agreements would be liable to review. Rules about loans taken or participation of foreign interests in local ventures are explicit. But it is emphasised that demand for foreign exchange exceeds the credits made available to India and the import of capital goods can be arranged only with official sanction. In the case of imported second-hand machinery, a certificate of efficiency and expected working life is called. Those who need capital goods from abroad have to indicate an alternative source, as also whether they can pay cash for getting a licence to import when Government pays on the foreign credit. The administrative division to deal with applications for import of capital goods in future has been set up already and factories requiring generating plant for their factories have to get special sanction from the Central Power Commission.

Far more important is the indication now available about the existing capacity for the manufacture and the inadvisability of starting new ventures. This means a freeze in regard to certain lines of local production using iron and steel as well as non-ferrous metals. Applications for making flashlight batteries, steel files, hurricane lanterns and ferro-manganese, for instance, will hereafter, be rejected, like those for making small electric motors, bicycles and bicycle parts. This obviously means that fuller working of present plant is demanded. Singularly, many protected industries with high costs are told that there is no scope for expansion. And the list of enterprises for which licence will not be issued includes the manufacture of superphosphate as well as soap, myrobalan extract as well as cigarettes and safety matches. The last may be included in order to help the cottage industry. While the prohibition of new ventures for making fireworks and paper is understandable, the ban on starting of new concerns for making many drugs and medicines seems strange at present. The new procedure devised may not be due to Essential Work Orders in operation for conserving scarce, skilled labour but to the fact that, in India, secondary industry is now viewed largely in terms of small scale enterprise suited to the industrial estates started in the country.

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of Industrial Employers at New Delhi, Mr Lakshmi Pat Singhania, President of the Organisation, spoke of the need for a broad-based wage policy related to economic currents and economic potentials. The aim should obviously be to evolve a structure of wages that would minimise employer-employee frictions that too often break out on the question of fair wages for labour. It is clear that, as pointed out by Mr Singhania, levels of wages for any particular section of the labour force and its improvement could not be viewed in isolation. Due recognition should be given to important economic indicators such as national income, size of population, especially the size of the new entrants in the employment market, the state of the economy and the relationship between wages and productivity. The national wages policy should, if it is to serve its purpose of increasing industrial production, particularly take into account the claims of the working population to a decent standard of living and also the capacity of the industries to bear the burden of the wage level. In a developing economy biased ideologically toward the socialistic pattern of society, there are apparent conflicts between these two considerations. However, it cannot be in the interest of employers to keep wages at a depressed level since this would retard industrial progress by reducing consumer demand. As Mr Singhania put it, "What use is increased production if it cannot be sold because of lack of purchasing power in the hands of consumers?"

It is also essential, if industrial progress is to be sustained, that wages should be kept within limits which would be bearable by industry. A factor which limits scope for wage increases is the shape of mass unemployment and underemployment. The injection of fresh purchasing power by means of wage increases would, in view of the time lag between production and recruitment of labour, only result in inflation and fritter the effects of the wage increase. It is important therefore that wages should be related to productivity. Mr Singhania seems to consider the present wage levels as comparatively higher than those in foreign countries in relation to the per capita national income. The fact that the average yearly earning of the Indian industrial worker in the organised sector was over 400 per cent of the per capita income of the country against the ratios of 190, 150, 116 and 230 for the US, the UK, France and Canada respectively, however, proves nothing about the inflated structure of Indian wages but only points to the existence of a predominant section represented by agricultural labour eking out a submarginal living from depressed agriculture.

Newsprint

In answer to a question put by Dr R. B. Gour, Mr Manubhai

Shah, the Union Minister for Industry, informed Parliament last week that, the Government of India would soon take a final decision about installing a plant in Shankarnagar in Hyderabad for the manufacture of newsprint out of bagasse. The proverbial lack of conventional raw materials for making newsprint has hitherto been standing in the way of embarking upon a scheme for the production of newsprint in the

country. But recent developments in the industrially advanced countries, especially in West Germany, where a type of synthetic paper was invented, acted as an eye opener to those concerned in our country, and arrangements already completed for the despatch of ten tons of bagasse from the Nizam Sugar Factory to West Germany for conducting production scale tests. Another consignment of ten tons of bagasse will also be shipped

to Japan for similar tests. The crystallisation of such a scheme, apart from providing more employment to the people, will help the country to bring about a sizeable cut in the import of newsprint and thereby save a good amount of foreign exchange. But the utilisation of bagasse for the manufacture of newsprint will naturally involve the sugar industry in the search for a substitute fuel.

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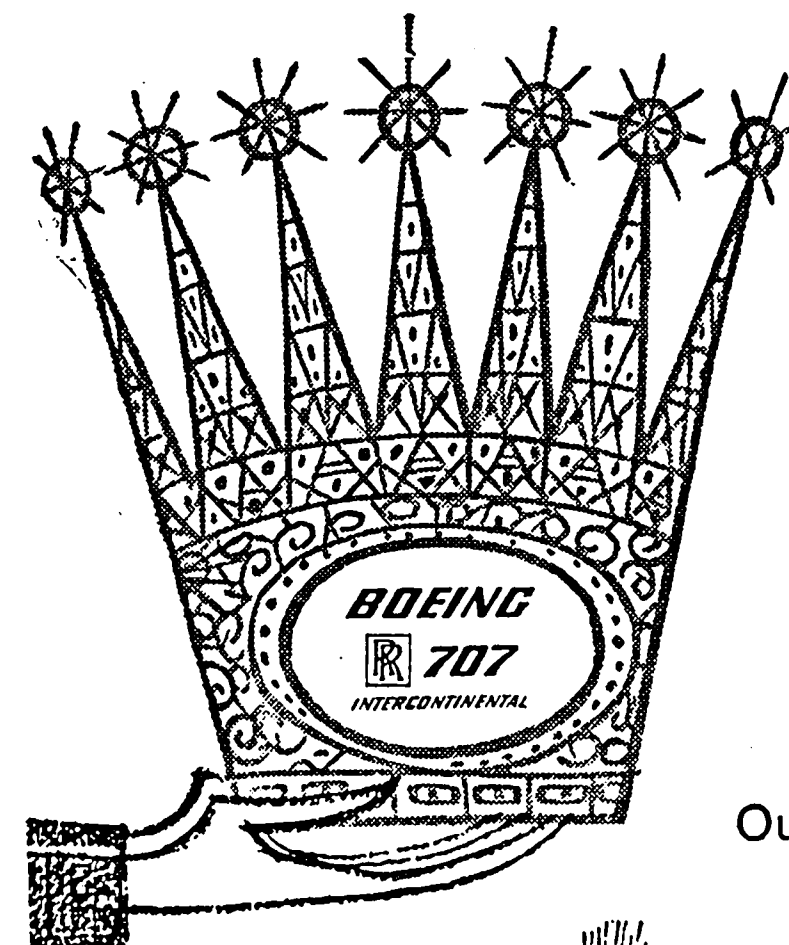
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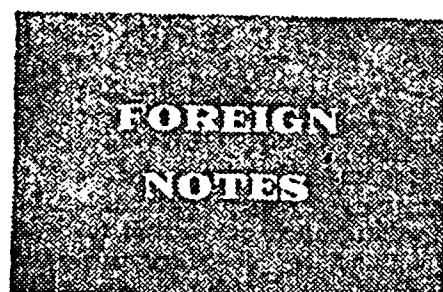
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AIR-INDIA





FRG's Trade Policy

The trading relations of the Eastern European countries are based on an agreement made in 1949 to help Russia even more than Poland or Czechoslovakia. The Communist group, according to an independent view offered by the Hamburg Chamber of Commerce, is not concerned with real economic integration but with helping Russia toward self-sufficiency. The chances of increased trade between West Germany and the seven countries under Communist rule are viewed as decidedly small, and only in case of sheer necessity is Poland or Czechoslovakia willing to buy from Western countries. Their reliance on bilateral trade pacts is partly due to the fact that Western Europe requires only limited quantities of timber, coal and meat and there is no great enthusiasm for importing more from the European Common Market, even to carry out investment programmes.

It has been noted that the engineering industries in Czechoslovakia, Poland and Russia have produced machine tools which are remarkable but do not seem to sell in the leading industrial countries. On the other hand, they have to be sold in Asia and South America in order to earn foreign exchange under special arrangements. At present, West Germany does not expect permanent competition from the Communist bloc, because its own exports to the Eastern bloc have increased, particularly with Poland and Hungary.

While diplomatic relations are decidedly strained by the special encouragement given by Moscow to Eastern Germany commercial relations are improving slowly of late, and West Germany has resumed trade with China as well as Russia. The emergence of an export surplus in West Germany is regarded as necessary for enabling West Germany to repay debt or import capital, but it is also prepared to increase imports from under-developed countries, though deliberate diversion of trade is difficult to reconcile with a liberal German trade policy. These considerations apply to trade with Eastern Europe, but the Hamburg Chamber's report makes an exception in regard to India which is now trying to increase exports of coffee and tea. There is an excise in West Germany on tea, and if it is removed, consumption, there may increase. India's export

drive in regard to textiles has created apprehensions among German manufacturers who feel that the difference in cost structure is an argument for limiting imports from India. The conclusion reached is that, instead of increasing the volume of trade imports, Germany will do well to concentrate on the possibility of long-term capital exports.

Africa Ltd

The old academic conclusion that South Africa was exceptional in attracting foreign capital quickly and other African territories would get little, and only gradually, is vindicated by Mr Eugene Black's judgment that scope for investment is limited. The "wind of change" has evidently affected the climate for investment and recent political developments are not conducive to the rapid flow of foreign capital. The shortage of skilled labour, the weakness of industrial discipline, and the advance of peasant farming with the holding power given by producers' co-operatives and State Boards handling export commodities are real factors to which the UN Economic and Social Council cannot be impervious. The judgment may be harsh about the poverty of human resources and the low level of education—but it is not unfair. In the light of Liberia's record of a century of freedom, it may even be termed just, and there is at least one point on which Mr Black is certain about economic growth and industrial expansion in the East. But Africa has an advantage; there is no population problem to force the pace of development and the Governments are not saddled with debt. The foreign capital is mostly invested by big mining companies, well integrated by finance houses, and the big dividends drawn out in the past may make them superior to any sudden turn of fortune.

The new view of Africa as a continent of limited opportunity may not please Americans, who wish to develop rapidly Ethiopia's resources, but is certainly based on hard facts like the present troubles in Kenya and Uganda, with Asians feeling the hatred of Africans in no uncertain manner. The problem of immigrants may not be acute in Zanzibar, where the Arabs are in the possession of power, but in Tanganyika and other places, the chances for the outside capitalist are abridged by the rise of nationalism. Trade will, of course, continue as before and it may be recalled that Sir Richard Burton, exploring East Africa, found Cutai merchants supplying blue Indian cloth and discovered that, when Europeans held nothing, the bold Indian merchants were the main link with Asia. But it is no use at all recalling history after the Suez episode and the only point to remember is that a great part of Africa has already passed out of the colonial era, and the clash between

Boer and Zulu is one of history's queer revenges for the British conquest of the republic whose forgotten Presidents have given their names to the postwar mining enterprises into which British investors have plunged in the usual gold fever. Anyway, the new view of Africa will probably reduce the European settlers' eagerness to cling to the land and help officials to concentrate on educating the Africans to the urgent responsibility of raising more food crops and keeping less cattle.

US Department Store Sales Up

Two reports issued within the past week—one Department Store and Automobile Sales—go far toward substantiating the view that consumer spending will be an important source of strength for the American economy this year. They also tend to support the widely held opinion that the apparent lag in retail sales in the early part of the year was due more to the idiosyncracies of the calendar and the weather than to any weakness in the consumer sector.

Automotive industry figures show that passenger car sales took a sharp upturn in the latter part of March, to bring total deliveries for the month to 576,000 units—the largest total for any month in nearly a year. Industry officials are attributing the last-March pick-up largely to better weather, coupled with strong sales campaigns by manufacturers and dealers.

Actually, the sales total for March as a whole was 13 per cent higher than in March 1959, not much different from the 12 per cent year-to-year increases racked up during January and February. But the figures show that, during the last third of the month, the industry delivered about 26,000 cars a day, or 29 per cent more than the daily rate during the same period of 1959. This has led industry officials to interpret the late-March upswing as a harbinger of further sales gains with the arrival of more truly spring-like weather in April and May.

Even more revealing, insofar as they reflect the broad range of consumer spending, are last week's figures showing that in the latest reported week—that which ended 2 April—Department store sales spurted 22 per cent over the same week in 1959.

This was the first week in which the US Federal Reserve Board (FRB), which compiles the figures, estimated that department store sales should have been affected favourably by the approach of the Easter Holiday on 17 April—and the 22 per cent rise was well in excess on the gain the Board normally would have expected. Since something less than two-thirds of

the rise can be attributed to the advent of the Easter sales season, according to unofficial FRB reckoning, it follows that the week's gain exceeded normal seasonal expectations by a good margin.

The sales gains, moreover, are not confined to just one week. Despite the inclement weather throughout the country, Department store sales over the past month or so have been noticeably better than might have been expected in view of this year's late Easter. When allowance is made for the shifting Easter date (it was 29 March last year) total sales over the five-week period ended 2 April were in the neighbourhood of five per cent above those of the corresponding 1959 period.

It should be noted that this evaluation seems to contradict the sales figures, published earlier. However, those figures, which showed a distant year-to-year dip in department store sales, were somewhat misleading in that they did not take seasonal factors—notably the shifting Easter date—into account. One reason for this is that the FRB is in process of sharpening its seasonal adjustment formula for department store sales, and hence in the interest of precise measurement has been hesitant about publishing anything beyond the unadjusted figures.

There is another factor which must be taken into account when considering the sale picture and its impact on the national economy. That would be the relationship between sales and inventories. And here again, the data are clearly on the optimistic side.

Total business inventories—including those of manufacturers and wholesalers as well as retailers—have been rising steadily during the past few months. They reached a new high, seasonally adjusted, of \$91,400 million at the end of February, giving rise to uneasiness among some businessmen about possible retrenchment in the months to come.

In a dynamic and expanding economy such as that of the United States, however, inventories cannot be adjudged to be high or low of themselves; this uneasiness would be justified only if the rate of inventory accumulation were significantly higher than the rate of sales. And the figures show that inventories, relative to sales, have registered no increase at all—in fact, are at historically low levels.

The end-of-February inventories were equal to 1.47 month's sales at the February rate of sales. This compares with a ratio of 1.48 a year earlier and 1.71 two years earlier. What is more, this year's inventory-sales ratio has been low for all three major divisions of business—manufacturers, wholesalers and retailers—and thus signals a well-balanced inventory situation for the US economy as a whole.

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Clive Street Gossip

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

I find that the familiar Western belief that "prosperity is indivisible" seems to be giving place to its opposite. The new belief that "prosperity is divisible" is based on the experience of unprecedented prosperity in the late 1950's in the advanced industrial countries—a prosperity which, according to Mr Andrew Shonfield in a BBC talk last month, they have sustained by trading more and more among themselves and which is supposed to have exploded the myth that the West depended, for maintaining its own standards of living, on the trade and prosperity of the poorer countries. Assuming, for the nonce, that this is a valid and incontrovertible generalisation (which, of course, it is not), it would appear that there can be no element of enlightened self-interest in any economic aid given by the advanced countries to the under-developed part of the world. If that is so, it looks very much like a gloss over the Western disillusionment on the score of bilateral aid—a disillusionment to which Mr Shonfield himself has given expression:

"The greater part of the billions of dollars expended by the United States on economic aid has gone into a series of holding operations on the periphery of Asia, where a most unpromising collection of governments, either unconcerned with or incapable of conducting an effective plan of economic development, have been precariously propped up. It must have been one of the most luxurious exercises in the history of Western policy, with the United States like a confused sugar-daddy not knowing when it was being blackmailed, cajoled, or loved. The Americans just happen to be the best-publicised case—they have a habit of spelling out their doubts and frustrations at the top of their voices in public—but the more discreet British and French have also been involved in some fairly extravagant operations of the same type round the world."

If, according to Mr Shonfield, the whole trend of Western thinking is turning against the attempt to use economic aid as a weapon in the cold war, it is probably due to the fact that the anti-communist bias of bilateral aid has provoked the Soviet Union to launch its own programmes of aid on a counter-balancing scale at critical points. Where, thus, neither enlightened self-interest nor considerations of political advantage are thought of as a sufficiently strong motivation for a possible expanded programme of developmental aid in the sixties, can "generosity" and "wisdom to be patient in the face

of stupid complaints and unfair accusations from over-sensitive and aggressive people whom we are trying to help", as suggested by Mr Shonfield, be relied upon to do the trick? Human nature being what it is, is there any reason to suppose that these difficult virtues can be easily practised by benefactors who seem to expect, but do not get, gratitude and appreciation from the beneficiaries?

What, then, is the way-out? The most constructive and imaginative answer to date is provided by Mr Paul G. Hoffman in his booklet, "One Hundred Countries—one and one quarter Billion People", recently made available by the UN Information Centre in India. In this booklet, which carries the significant sub-title, "How to speed their economic growth and ours in the 1960's"—significant because it conveys that prosperity is indivisible—Mr Hoffman lays down emphatically that "the objective today must be to help the under-developed countries create self-propelling economies that will yield increasingly high standards of living and sustain internal freedom and political independence from any power, whether it be the US, the USSR, or any other" and that "the best way to avoid the intrusion of political factors into this process of economic building is to rely on multi-national rather than bilateral operations."

This approach logically flows from Mr Hoffman's critical analysis of the lessons of the bilateral aid programmes in the fifties. As many as seven major mistakes are spotlighted in this connection. The greatest mistake hitherto made has been to think of aid as "charity", and this has naturally aroused resentment and hostility among the low-income nations. Secondly, since the flow of development funds to the less developed countries has depended on annual decisions and appropriations in the advanced countries, there has been an element of uncertainty as to its continuance and quantum; this has discouraged the recipient countries from effective development planning for a period of years ahead. The third mistake is that sufficient investments have not been made in basic public improvements in the under-developed countries—the kind of improvements, though not meeting bankable standards, re-

of such multi-national organisations as the UN to accomplish economic development abroad.

Most of these mistakes are not likely to recur if bilateral aid is largely replaced by multi-lateral aid through the UN and its specialised agencies. Mr Hoffman's manifestly correct diagnosis should have logically led him to suggest such a wholesale change from bilateral to multilateral aid. If, instead of suggesting such a course, he has chosen to advocate only a pronounced shift in emphasis from bilateral to multilateral aid, either he might have thought that there must be an element of gradualness in the change or he might have been sceptical about the prospect of full-fledged participation by the Communist bloc countries in multilateral aid programmes. To say this is not to detract from the constructive and imaginative character of what may well be called the Hoffman Plan for multilateral aid.

The elements of this Plan, in broad outline, are as hereunder.

Firstly, by 1962, the pre-investment operations of the UN Special Fund and the UN Expanded Programme of Technical Assistance should be expanded to absorb \$150 million and something more in the following years. Here, the aim must be to train over a million additional persons in the "high talent" or "strategic manpower" category as part of the development plans of the 100 under-developed countries over the next 10 years; one-tenth of this technical manpower may need to come temporarily from advanced countries.

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Secondly, in the sixties an additional investment averaging \$2 billion a year (besides \$4 billion, being the present annual level of private investment and bilateral and multilateral aid, plus the expected increase, over this level, of \$1 billion per annum) should be channelled to the 100 under-deve-

loped countries. Such additional investment will then come to \$20 billion over the entire 10-year period, half of it being channelled through the International Development Association. Mr Hoffman has not indicated how the other half is to be channelled; he has merely stated that most of the extra \$20

billion will have to be public money, provided by Governments. So, it may be presumed that the other half also will be multilateral assistance channelled through the UN agencies.

Thirdly, the International Development Association, begun on a

modest scale, will have to expand its operations promptly after the first year so that it can make \$1 billion in investment each year. The IDA's investments should be in the "infrastructure", meaning such "underpinnings" as public facilities and hospitals, sanitation and other community services, communication facilities, agricultural extension services, credit facilities and pilot housing, power development, irrigation, transportation and the like which are needed but do not produce identifiable and recoverable revenues. These must be loans of exceptionally long terms, with exceptionally low interest rates; and, in most instances, they should provide for deferred interest and principal payments.

It is estimated that, if an aggregate of \$7 billion a year is invested in the sixties in the 100 under-developed countries, their per capita annual income will increase from the present estimated figure of around \$100 to around \$125 in 1970. Given this rate of economic activity over the ten-year period in the under-developed countries, the total exports of all the developed countries to those areas over that period might be as much as \$320 billion. What better proof is required to show that "prosperity is indivisible" and that "enlightened self-interest" can be a sufficiently strong motivating factor in economic aid given by the richer countries to the more numerous poorer countries? Mr Hoffman has rendered a unique service by proving conclusively that "development aid is in essence trade, just as increased trade is development aid."

If this imaginative approach finds its echo in the disarmament council rooms, what a great change there will be in the entire structure of economic aid to the less developed countries! It is not inconceivable that the resources now made available by the leading Powers in bilateral aid plus such additional resources as may be made available by them in the wake of possible disarmament might go into a single pool for multilateral assistance through the United Nations. Already, the Hoffman Plan has the great merit that, under it, multilateral aid may well account for about 50 per cent of the estimated \$7 billion of annual investment in the under-developed countries in the sixties. The other 50 per cent may be covered by private capital (roughly \$1.8 billion a year) and bilateral aid (roughly \$1.7 billion a year). If wisdom decrees disarmament, the Hoffman Plan has the potentially greater merit that it may transform all bilateral aid into multilateral aid—one of the surest guarantees of world peace. That the poorer countries which are now treated as pawns in the "cold war" game would need to be freed from the tensions of that game is the most clinching argument in favour of multilateral aid. **EAVESDROPPER.**

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GATEWAY GOSSIP

Needs of Cotton Textile Industry

MR MANUBHAI SHAH, Union Minister for Industry, observed in Bombay some time ago that the organised sector of the cotton textile industry with its present installed capacity would be able to step up its output to meet any possible increase in demand for cloth in the country. He made the statement in the nature of an assurance to consumers who were then experiencing considerable difficulty in obtaining their requirements of mill-made cloth. It was his contention that even if the shortage was the result of a rise in consumption there was no need to worry because if need be mills could easily increase production, to 6000 million yards and more. The reference to mills' reserve capacity has not been seriously contended at that time and anywhere there has been no occasion for verifying Mr Shah's contention. Thanks to Government's decision to allow more imports of cotton and the timely warning issued by the Indian Cotton Mills Federation to speculators, the desired result of dispelling the scare about shortage of cloth ensued.

Mr Kasturbhai Lalbahai, the outgoing Chairman of the Indian Cotton Mills Federation has told the annual meeting of the Federation held in Bombay this week, that the so-called elasticity of mills is not there in reality. The reserve capacity is in working additional shifts. But it would appear that this is not as simple as it appears. Says Mr Kasturbhai:

"Whatever elasticity we had through the mechanism of the working of additional shifts has been destroyed by the provisions relating to lay-off and retrenchment compensation. One has to think twice before starting additional shifts for fear of the heavy liability that will arise, when due to changed circumstances, it may become necessary to reduce or stop the working of such shifts."

He further points out that because of this disability the industry could do little to counter effectively the scare of cloth shortage that was noticed some time ago.

It is, therefore, clear that Government and the industry are by no means agreed on the question of ability of the organised sector as it is situated at the present juncture, to meet any possible increase in demand. So long as demand does not outstrip production the real test may not come. But will it be prudence to allow a crisis to overtake us. The recent shortage which fortunately proved to be artificial has shown how widespread can be the repercussions of

a scarcity in a basic commodity such as cloth. It has been noticed that recently there has been a perceptible change in the pattern of consumption of cloth. More and more people are taking to fine and superfine cloth than a few years ago. And if anything this tendency will strengthen in coming years. With the steady improvement in the standard of living of the people, consumption of cloth is likely to increase. Now that the Third Plan envisages further big strides in around development of the economy, it is only logical to assume that demand for mill made cloth will record a sizable rise in the course of the next few years. For some reason or other—largely because of the rise in the cost of foodgrains—cloth consumption has not risen as anticipated. The per capita consumption still is not far above than it was, say twenty years ago. But this is no reason to think that in the future also the rate of rise will be as slow. On the contrary plans must be based on the assumption that there will be a marked increase in consumption of mill made cloth.

The question arises how this anticipated rise in demand is to be met. Government seem to believe that, even as it is, the organised sector is capable of taking care of any increase in demand. It is, however, not indicated what would be done if the demand exceeds the additional capacity that can be pressed into service. The industry does not think that the idea of working additional shifts with a view to meeting any increase in demand is feasible. The solution suggested by the ICMF Chairman

is an expansion of the organised sector of the industry. He thinks that during the Third Plan the weaving capacity of mills should be expanded by 25 per cent with a corresponding expansion in the spinning capacity. Though there has been a small increase over the past twenty years in the latter from 10 million spindles to 13½ million spindles, the weaving capacity has remained stagnant over this period at around 2 lakh looms.

It may be recalled that the ICMF has estimated, in a memorandum submitted to the Planning Commission in August last year, that at the end of the Third Five Year Plan the total requirements of cloth will be around 9,600 million yards. The figure has been arrived at on the basis of a per capita consumption of cloth of 20.3 yards and an export target of 800 million yards. The memorandum has suggested the allotment of production between various sectors of the cotton textile industry thus: mill industry 6,300 million yards, handlooms 2,500 million yards, powerloom 500 million yards and other cloth 300 million yards.

It is not improbable that the ICMF estimates may be found to be on the low side. With the keen awareness in the country about the need for stepping up food production, it is quite reasonable to expect that the food problem may not preoccupy the attention of the people in the Third Five Year plan period to the same extent as it does now. Absorption by exports may also show a sizable improvement, and anyway the estimate of 800 million yards seems to be too conservative. There has already been

a marked improvement in exports and during 1959 the total has touched the 800 million yards mark. Prospects for the current year, although somewhat clouded because of the continued shortage of raw cotton, nevertheless seem to be bright. Perhaps it may be difficult to attain the earlier expectation of 1000 million yards but the performance may at least be expected to excel that of the last year.

However, export promotion of cotton textiles should continue to receive sustained attention. As Mr Kasturbhai has noted Government's scheme in this regard has succeeded in stepping up exports sizably last year. But much still remains to be done. In today's highly competitive world cotton textile market, no one who is not able to offer good quality goods at competitive prices will have much chance to stay in business for long. It cannot be said that Indian goods now satisfy both these prime requirements. For Indian goods to stand on a par with competitive goods it is essential that modernisation of the Indian Mills is completed as quickly as practicable.

But it would appear that conditions are by no means conducive to speedy modernisation. Mr Kasturbhai thinks that the process which will involve an annual investment of about Rs 40 crores is daily being rendered harder by the continuously rising cost of production. The recommendations of the Central Wage Board for the cotton textile industry, for instance, may be found to be a severe blow to an industry which is just recovering from three years of depression.

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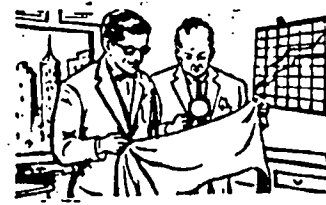
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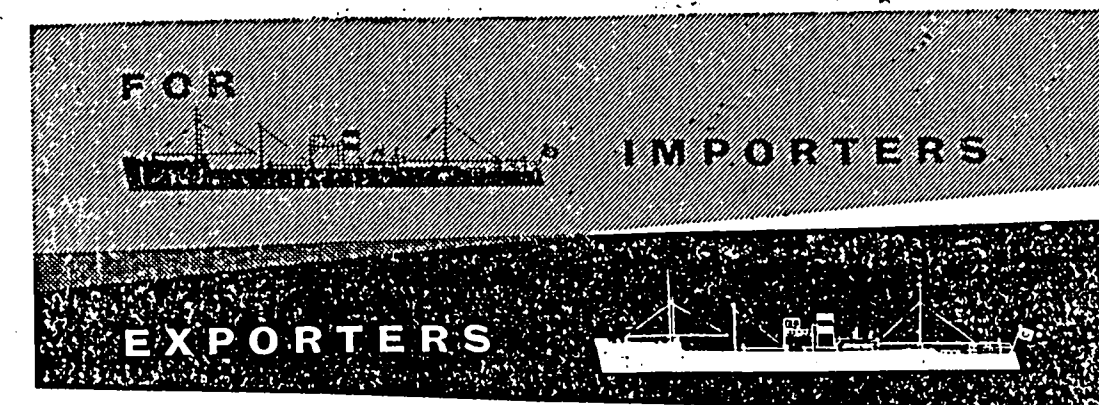
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One way full— (one way empty)

P & O Chairman warns consumers the world over

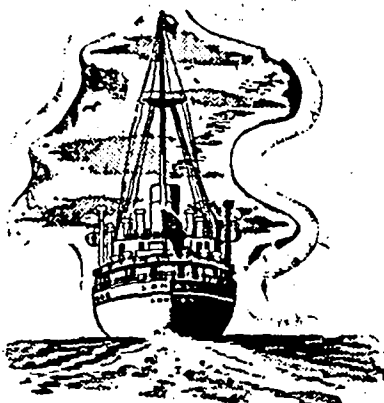
THE most serious problem facing British shipping today", Sir William Currie told P & O Stockholders at their Annual Meeting, "is that of flag discrimination, in fact I should say not only our own shipping, but also the shipping of other maritime countries. Since the war ended several countries have decided that they should possess a Merchant Navy. To this we can take no exception, and we have in many instances, brought their ships into our Conferences. For one acknowledges the right of a country to utilise its ships in its own trade. Unfortunately one of the concomitants of post-war trade is the menace of State trading. The corollary of this is that those State trading departments discriminate in favour of their own ships to the disadvantage of their shipping colleagues in the trade. The problem thus becomes one for action by our Government—as a Shipping Company, or a Shipping Conference, cannot fight a Government.

The result of flag discrimination, brought to its logical conclusion, is one way traffic—one way full and one way empty—thus increasing the cost to the consumer of his goods, for a ballast voyage must be paid for. The low percentage of retail cost which freight rates represent in competitive conditions clearly demonstrates the soundness of such competition. "One of the most heartening aspects is the increased interest in shipping and recognition of its value to the Nation now being shown by the Press, by the public, and, most important, in the House of Commons.

The Future Outlook

"After the warning to the previous year's report", Sir William continued, "that the 1958 results did not reflect the full force of the depression that has hit the shipping industry, the result for 1959 will have caused no one any surprise. Fluctuations in freight rates are usually slow to be reflected in profits because their effect is greatest on the tramp ships and the

voyage of those ships are often of extended duration. It is for this reason that although there has been a slight up-turn in tramp rates since the close of the financial year, I do not look for any marked improvement in the financial results of voyages at present. It is never easy to forecast shipping profits and I am not going to attempt to do so, for shipping is so international that there are too many facets which affect it. I take consolation in the fact that in few trades are ships not earning their depreciation so that we ought to be assured of a steady if modest inflow of cash which will help towards meeting our shipbuilding commitments. But until there are clear signs of revival, new orders for additional tonnage will be kept down to a minimum. There are still many new ships coming forward, both in this country and



abroad, but little sign that owners are rushing to scrap their older ships. It is difficult to see, therefore, how the present surplus of tonnage, which is at the root of the depression, can come to a speedy end. For let us recognise that it is not shortage of cargoes that is bedevilling the freight

market; fundamentally it is too many ships chasing too little cargo that keeps rates where they are". "The past year had shown a big decrease from 1957-58. It had been one of the most depressing years since the thirties", Sir William stated, "and it would be noticed that, although the depreciation charged amounted to £11½ million, it had not been possible to add any amount to Reserve. The Board felt, however, that Stockholders should receive the same dividend as last year. For the Group finances were sound, thanks to the conservative policy through the past years, and with the Group's diversified interests in types of tonnage, and in geographical disposition, there was a resilience in the Group's undertaking which was most helpful in the 'ups and downs' of shipping.

"It was considered necessary", Sir William went on, "to give the

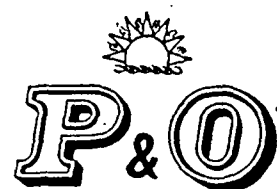
OLYMPUS

Paper Industry's Dilemma

TO expand or not to expand—that seems to be the dilemma of the large-scale paper industry which, like the sugar industry now, has failed to persuade the Tariff Commission to recommend a more favourable structure of prices for paper and paperboard. Whether the industry will be enabled in some way or other to resolve the dilemma soon and expand fast enough to meet the expected heavy demand for paper in the next five years is not known for certain at the moment. But what is presently known, as far as this correspondent could gather, is that the industry has put forward its case for a fairer deal with greater vigour and persuasiveness. It would appear from the more recent representations made by the industry that its case, prima facie deserving of de novo consideration at the hands of Authority, is perhaps not irretrievably lost.

The starting point of this case is the estimate that the capital requirements of the paper industry for installing an additional capacity of 770,000 tons would amount to Rs 205 crores. This estimate is based on the industry's view that Rs 6 crores is the minimum capital outlay required for a unit with a capacity of 22,500 tons per annum, as against an independent estimate of Rs 4 crores deemed sufficient for a unit of that much capacity. If it is thought that there is an element of inflation in the figure of Rs 6 crores, it may be due to the anxiety of the industry to strengthen its case which is that the prices of paper and paper-

Orient Stockholders in the circular of offer of Deferred Stock an indication of the possible dividend for the current year. Subject to any unforeseen crisis, your Board felt we were justified in indicating a payment of not less than 11% on the Deferred Stock as increased by the new issue of Deferred Stock to Shareholders in the Orient Company, and, so far as this year has gone, I see no reason to amend that figure."



This is an extract from the Chairman's address, copies of which, together with an Annual Report, can be obtained from the Secretary of the Peninsular and Oriental Steam Navigation Company, 122 Leadenhall Street, London, E.C. 3.

Indian Finance

board now in effect as a result of the recommendations of the Tariff Commission are not adequate in the light of the need of the industry to raise a large amount of capital in the next few years. Actually it weakens an otherwise strong case in which exception is rightly taken to the biased selection, by the Tariff Commission, of mills for cost investigation.

The Tariff Commission, it may be recalled here, selected 8 mills out of 18 for cost investigation. The inclusion of Orient Paper Mills, Rohas Industries and Titagur Paper Mills in the Commission's selection, according to the industry's representations, makes it more representative of the bigger and, therefore, the lower-cost units of the industry than of the larger number of smaller units with higher costs of production.

The industry's stand is correct because the eight mills selected for costing included all the three mills with a capacity of over 20,000 tons each and the sample was thus biased against the smaller and more numerous units of the industry. Equally correct is the industry's contention that the Tariff Commission, in arriving at the basic price of white printing paper, should not have taken the weighted average of the "fair ex-works prices" of the seven mills whose costs were available for this type of paper. According to the Commission's Report, the "fair ex-works prices" of white printing paper of the seven mills, in terms of NP per lb., were: 52.88, 61.57, 55.02, 72.54, 58.96, 54.13 and 59.25. A simple average of these seven figures would be 59.19. But the Tariff Commission have taken the weighted average figure of 56.24 NP per lb (rounded off to 57 NP) which is less than the actual cost of all except three out of the seven mills taken into account. It is the industry's contention that a simple average figure of 59.19 NP per lb would have been more realistic and that it would have been in accord with the method followed by the Tariff Board in 1948.

That even this figure of 59.19 NP per lb would not cover the increase in costs in recent years seems to be the industry's contention. It is recalled in this connection that, in 1948, the Tariff Board worked out the ex-works price of white printing paper at 8 annas 3½ pies or 51.82 NP per lb while the Tariff Commission now have fixed the ex-works price at 57 NP, thus assuming an increase of exactly 10 per cent in costs over the last 10 years. Actually, in the case of Titagur Paper Mills—a large and economic unit—whose costs of production were investigated both in 1948 and in 1958, the increase, calculated by the Tariff Commission for 1958, in the unit cost of production (before depreciation) of

16 April 1960

white printing paper represents 35.1 per cent of the 1948 cost worked out by the previous Tariff Board.

It is further contended that the provision for contingencies is wholly inadequate to cover increases in costs which have taken place since the cost investigation by the Tariff Commission. Concern is also expressed at the steadily rising prices which mills are compelled to pay for bamboos—their basic raw material—and at the tendency on the part of State Governments to extort the highest possible return from paper mills for bamboos, regardless of the effect on forests or on prices at which mills must sell their finished products.

As regards depreciation, it is pointed out that the Commission have calculated it on the written-down value of fixed assets at normal income-tax rates for first and second shifts only. The industry's contention in this connection is that depreciation on third shift working should have been included on the ground that paper manufacture is a continuous process in which mills work round the clock. The industry's argument is that, if the Tariff Commission consider that provision for such third shift depreciation should come out of the 12 per cent return on employed capital, it should be realised that the return on capital allowed by the Commission is already inadequate to provide incentives for fresh investment.

On the question of fair return on capital employed, the industry's representations are forthright. The Tariff Commission's report, it is pointed out, assumes that the 12 per cent return permitted on employed capital can provide for a variety of payments like labour bonus, interest on debentures and loans, managing agents' remuneration, directors' remuneration, taxation, reserves including development rebate reserve, interest on working capital and dividends including preference dividends. As against this, the industry's demand is for a return of 25 per cent on capital employed, composed of the following items:

	Per cent
Bonus, gratuity, etc.,	1
Managing Agents' and Directors' remuneration	1
Income and Corporate taxes	10.5
Reserve for expansion	4
Dividends to shareholders and interest on borrowed capital	8.5
Total	25

The industry's contention is that, with the permitted return of 12 per cent on capital employed, there will be a fall in retained profits if dividends are not reduced, and equity capital will not be attracted if dividends are reduced. So, the required expansion in the paper industry, it is contended, will be inevitably retarded if the price structure does not include a higher

return on capital employed. At the same time, it is demanded that a rehabilitation allowance should be included as a factor in the fair selling prices.

The industry's demand for a revised schedule of paper prices is based on what it considers to be the need for an increase in the price of white printing paper. This increase in price is expected to cover the difference between the weighted and simple averages of fair ex-works prices calculated by the Tariff Commission, increase in contingency allowance, rehabilitation allowance and increase in return on capital employed. It is difficult to say if all the four kinds of increases expected by the paper industry are reasonable.

The expected increase in ex-works prices may be justified on the ground that the Commission's cost investigation has been biased against the smaller high-cost units.

It can, of course, be argued that any such increase will produce a windfall for the bigger low-cost units. That cannot be helped if the smaller high-cost units are to be enabled to cover their works costs more fully. Apart from this, there is here the compensating circumstance that the windfall in the case of the bigger low-cost units will produce more bonus for labour, more income-tax revenue to Government, and more retained profits or more dividends, either of which will be conducive to expansion of such units.

The expected increase in contingency allowance also seems to be reasonable if it is true that the State Governments are trying to get excessive returns from the mills for bamboos. It may, however, be argued against this demand for an increase in the contingency allowance that the State Governments could be suitably advised not to increase the rate of

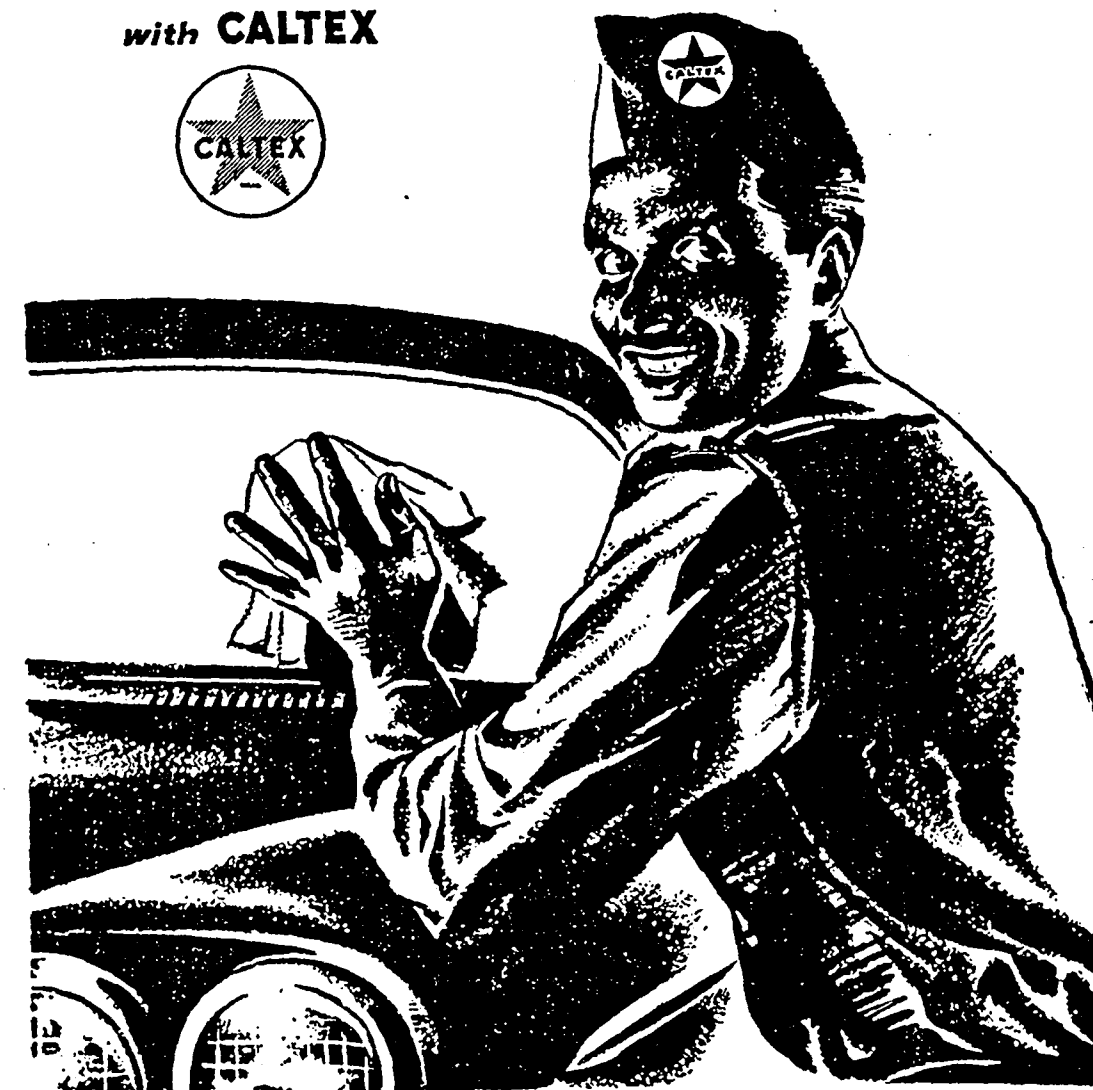
revenue from bamboos in the interests of further development of the paper industry.

The case for rehabilitation allowance in the case of the paper industry would appear to be even weaker than in the case of the still older sugar industry. If the Tariff Commission have rejected the demand for such an allowance on the ground that it has to be met from depreciation provisions made in past years or from assistance from the financing institutions like the National Industrial Development Corporation, there is no reason to believe that the Government will make a departure in the case of the paper industry. Finally, as regards the increase demanded in return on capital employed, this correspondent is unable to figure out the merits of the industry's case in the absence of knowledge of how the Commission has arrived at the figure of 12 per cent.

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THE PENINSULA

Land Ceiling Bill

THE much awaited Land Ceiling Bill in Madras State has after all been introduced in the current session of the State Assembly by the Revenue Minister, Mr M. A. Manickavelu. This is a very commendable bill analogous to the Kerala Agrarian Reforms Bill, but with this difference that the Land Board which would look after the dispersal of the so-called surplus land had not yet been fixed with specific work.

The Bill named the Madras Land Reforms (Fixation of Ceiling on Land) Bill fixes the ceiling on holding at thirty standard acres for a family of not more than five members. Additional five standard acres is provided for every member in excess of five, but in no case shall a family be deemed to hold more than sixty standard acres. In the case of a Trust, the ceiling fixed is 200 standard acres.

The Bill provides that any land in excess of the ceiling shall be acquired by the Government for which payment on specified scales shall be made in bonds, negotiable and transferable, and carrying 5 per cent interest, payable in twenty equated annual instalments.

Compensation shall be determined on the basis of net annual income, the slab ranging from nine times to twelve times, and in terms of amount from Rs 60,000 to Rs 135,000. Inam Lands have special provisions.

Government lands, both Central, State and local and plantations in existence on the date of commencement of the Act have been exempted. Future acquisitions will be controlled.

The Standard acre according to the bill is one acre of wet land assessed at Rs 10 and above per acre, or one and one-sixth acre of wet land assessed to land revenue at Rs 8 per acre or dry land irrigated by lift irrigation from a Government source of irrigation, or two acres of wet land assessed at a rate below Rs 4 per acre or two and half acres of dry land assessed at Rs 1.25 or one and 2/5 acres of inam wet land or irrigated inam dry land or two acres of inam dry land irrigated by lift irrigation from Government sources or three acres of other inam dry land. Thus the definition of 'standard' acre is made much complicated for reckoning the extent of the holding.

The Bill provides certain concessions to women holders. Stridhan land can be owned upto ten standard acres in addition to the ceiling area the family is entitled to hold; that is, the family, in addition to the ceiling permitted by the Bill, could hold another ten standard acres.

The headache for the owner of more than the ceiling specified by the Bill has now commenced in that he has been directed to submit a return containing particulars of his holding to the authorised officer of the Government. No person, of course, shall after the publication of the Act directly or through any other person acquire or possess any land which in the aggregate will exceed the ceiling.

The assessment of the final surplus land available in the State would be published as surplus land required for public purpose. The land together with other things in it would be deemed to have been acquired for a public purpose and vested in the Government free from all encumbrances.

There is then the Land Commissioner, a Land Tribunal and the Land Board. The manner of disposal of such acquired land by Government is not known now, but the Government may make rules providing for the manner in which it shall be disposed of, which would become enforceable after approval by resolution of each House of the State legislature.

The Bill says that in the disposal of the land, the Government would give preference to any person, completely dispossessed of his holding, or whose extent of holding is reduced below the tenants' ceiling by virtue of the provisions of the Act.

A sugar factory, however, is exempted. Though the Bill does not specifically say so, the fact that the Government would consider the recommendation of the Sugar Factory Board is enough to suggest that such sugarcane growing land would get away from the purview of this Bill.

(Already some of the big landholders in this State had converted their paddy-growing lands into sugarcane growing fields with adjacent factories of sugar. Political opposition in the State had been insisting that such converted paddy lands should also get into the ambit of this Bill.)

The compensation payable is according to the broad principles summarised below:

Where the net annual income from land does not exceed Rs 5,000 the compensation payable will be twelve times this amount.

Where the income exceeds Rs 5,000 but not Rs 10,000, the compensation will be eleven times.

Where the income exceeds Rs 10,000 and not Rs 15,000, the compensation will be ten times.

Where it exceeds Rs 15,000 the compensation is only nine times such income.

Compensation for trees, machinery, plant and apparatus in the land acquired would be the value at the date of publication of the acquisition notification.

This is in essence the summary of the complex Bill published in the Madras Gazette and placed in the Table of the Madras Assembly.

Unfortunately in the Statement of Objects and Reasons for the Bill the sponsors of the Bill do not give their own reason for this agrarian reform except to invoke the authority of the Planning Commission.

Here is the brief Statement of Objects and Reasons of the Bill:

"Having regard to the recommendations of the Planning Commission in the Second Five Year Plan for reducing the glaring inequalities in the ownership of agricultural land, the Government have decided to undertake legislation for prescribing the maximum extent of agricultural land that a person may hold. The ceiling, will, except, as otherwise provided in the Bill, apply to all agricultural land held by a person either as owner or as an usufructuary mortgagee or as a tenant or as an intermediary or in one or more of those capacities."

No doubt there has been a sharp reaction among agricultural economists who do not want the present pattern of holding to be disturbed merely to satisfy a doctrinaire principle. The minority of such defenceless people holding land in excess of thirty standard acres have been braving all economic hazards in difficult times to increase production.

Then there is a new problem for the State. Indeed they may not at all be aware of such a problem when once they had set themselves to enforcing this ceiling. It is easy to dispossess when once they set on rolling the Government's ruthless machinery. But how are they going to distribute the acquired lands? Would these be distributed profitably and equitably?

It is unfortunate that such a bill has come at a time when the agriculturists have been bending all energies to maximise production. The bill has completely bound hand and foot all land holders and handed over them on a plate to the merciless bureaucracy. It is again the same bureaucracy quite ignorant of the farming methods which would dictate as to how production of food should be handled.

Even temple lands have not been spared. A legal argument has been raised whether a secular State can have any right to nationalise the lands of religious institutions including temples, and whether this does not militate against the Fundamental Rights.

This Bill has been introduced in the teeth of opposition throughout the State. Many Congressmen did not want this and it is but natural that the oppositionists should describe this as a "bill of sheer expropriation."

The method of compensation payment is described as unfair and arbitrary. Actually the compensation works out to only a half or even less of the market value of the land acquired. Fair compensation has been provided for in the Constitution for possessions acquired by the State. In the compu-

tation of compensation no regard had been paid to social justice.

Passage of this Bill through the two houses of the State will be easy. But before that it may pass through a nominal select committee stage. If this Committee were to be packed with the "yes" men, as it should undoubtedly, then no substantial changes need be expected.

The local Press too have very sharply reacted to the Bill calling it "inequitable, unjust and totally expropriatory."

The Bill contains five clauses imposing restrictions on transfer of land so that scope for evading ceiling shall be minimised. Clause 30, for example, provides that no person shall, after the date of the publication of the proposed Act, either by himself or through any other person, voluntarily acquire or possess, by sale, gift, exchange, lease, usufructuary mortgage, etc., any land, which, together with the land if any already held by him in the State, will exceed in the aggregate the ceiling area. "Transfer" in this clause does not include inheritance and bequest.

Under clause 31, no right, title or interest should accrue in favour of the transferee in any land in excess of the ceiling area by virtue of any transaction made in contravention of Clause 30. The penalty for such contravention is, that the right, title or interest of the transferor in such excess land purported to be transferred by such transaction to the transferee should, on declaration made by the authorised officer, be deemed to have been transferred to the Government with effect from the date of such transfer. Under clause (b) of the proviso to this clause, the liability if any of the transferee for payment of the consideration for such transaction is not affected.

Under clause 32, after the date of the publication of the proposed Act, if any person acquires by inheritance or bequest from any person any land in the State which, together with the land if any already held by him in the State, exceeds in the aggregate the ceiling area, he should within ninety days of such acquisition, furnish to the authorised officer a return containing particulars specified in that clause. If the person concerned furnishes the return or fails to furnish the return or furnishes an incorrect or incomplete return, the provisions of clause 7 and other provisions of this Bill will apply.

Under clause 33, where after the date of the publication of the Bill but before the date of the publication of the proposed Act, any person has transferred any land held by him by way of sale, gift, exchange, surrender etc or has effected a partition of his holding or part thereof, the authorised officer may declare the transfer or partition to be void if he finds that the transfer or the partition as the case may be defeats any of the provisions of the proposed Act. Any document relating to transfer or partition registered during the period mentioned above should operate from the time of its registration only.

16 April 1960



Rice Crop Prospects

RICE is the world's biggest single crop and over 90 per cent of the world total is produced in Asia. India is the biggest producer with a crop, in the 1958-59 season, of 43.7 million tons or about one-third of the world total.

Available reports show that expectations of a satisfactory crop in India are good; but it is not likely that it will be able to enter the export market in any strength for some time to come. The export figure for the whole of 1958 for India is put at only 6,000 tons.

World production of rice this season is expected to exceed last year's record of 132.5 million tons, which was some 9 per cent higher than the output of the 1957-58 season.

Crop reports suggest that, of the main Asian producers, only Ceylon and Formosa will, this season, have a smaller rice crop and the declines are expected to be very small. Ceylon's crop is provisionally estimated at 735,000 tons against 738,000 tons last season, while Formosa's is put at 2.39 million tons against 2.43 million tons.

Meanwhile, conditions in the Hapur Foodgrains market remained generally steady. Wheat prices recorded fractional gains, while the market for Rice ruled quiet, thanks to a comfortable supply position. Gram prices were ruling steady, as crop prospects in the Punjab were not considered to be bright. Although outside buying enquiry was dormant, new Peas prices remained steady due to stockists' support.

Sugar

Thanks to the incentives given to producers, the output of Sugar during the current season has been on the increase, and it is already 300,000 tons higher than what it was by this time last year.

Naturally, conditions in the sugar markets have remained quiet due to the easy supply position. The supply position of cane is also reported to be better. In the Hapur market, the rate is quoted at Rs 115 per bag.

At the meeting held in London last week, the International Sugar Council decided to leave export quotas unchanged at 85 per cent of capacity. At the same time, the Council reasserted its faith in sugar's statistical position and stated that a deficit of sugar seemed likely this year. Estimates of

world demand for the sweet commodity have been raised due to Russia's recent purchase from Cuba, while supplies are now expected to fall slightly.

Cuba is reported to have already sold the full amount previously allocated to it as an exporter for 1960. It is now more concerned with securing agreement to make further sales than to see a rise in sugar prices. In any event, prices seem to increase only when there is no selling by Cuba.

The New York market has since recovered slightly and many traders feel that raw sugar prices should now go higher, possibly above 3.5 cents a pound. But demand has yet to show signs of expansion and some people are still doubtful about the position and have challenged the Council's statistics.

Khandsari

Due to delay in decontrol of sugar, the Khandsari market has

been ruling steady after the announcement of the sugar quota. Demand for the commodity remains brisk from Saurashtra. Besides, the Punjab, Madhya Pradesh and destinations in north Gujarat remain the main buyers for the commodity. Consequently, the price of khandsari has risen by Re 1 a maund, to quote at Rs 37 to Rs 40, according to quality.

Gur

After an early fall, Gur prices have improved in the Hapur market following the revival of buying enquiry. Arrivals have declined to 300 maunds a day, while stocks are estimated around 37,500 maunds. Pansera quality is quoted at Rs 16.12 to Rs 16.37 and Balti at Rs 16.12.

Due to the harvesting period, arrivals of gur and khandsari at Muzaffarnagar, during the past week amounted to only 29,000 maunds, making the total, from the start of the season till to-date,

to 1,449,500 maunds as against 1,377,000 maunds during the corresponding period of last year. Arrivals during the full season last year were 1,537,800 maunds.

Shellac

According to the preliminary forecast issued by the Indian Lac Cess Committee, the total production of Baisakhi crop in 1960, is expected to be 820,000 maunds against 650,000 maunds. The climatic conditions have so far been good this year, and production in all the major lac-producing States is expected to be better than last year.

Production in Bihar is expected to be 393,000 maunds; Madhya Pradesh 250,000 maunds; West Bengal 110,000 maunds; Bombay 40,000 maunds; Uttar Pradesh 16,000 maunds; Orissa 4,600 maunds and other Indian States 7,000 maunds.

Final estimates of the Aghani (Kusmi) lac crop for 1959 are

Khrushchev Points To Need For More Industries

FROM OUR STAFF CORRESPONDENT

Mr. Khrushchev made a special reference in this connexion to the manufacture of refractories, so indispensable for blast and open hearth furnaces. He understood that India possessed abundant raw materials for the purposes, but she still imported them from abroad. The setting up of a refractory industry was, therefore, one of the "urgent tasks" facing India, he said.

Mr. Manubhai Shah, Union Minister for Industry, said today that five refractory factories would be set up "very shortly" in both public and private sectors in India. These factories, he said, would provide in "huge quantities" various types of refractory materials required for building steel plants in the country.

REFRACTORIES IN THE NEWS

The Orissa Cement Ltd., is one of the pioneers in the field and holds the key in this industrial enterprise. With the most up to date equipment, the latest production methods make possible a large output of high grade refractories, to meet the needs of all types of furnaces in the steel, cement, glass and a large number of other industries.

- FIRECLAY
- CHROME

- SILICA
- INSULATION ETC.

- MAGNESITE
- ALL TYPES, SIZES AND SHAPES

Manufactured in Collaboration with
DR. C. OTTO & COMP., Germany

Managing Agents: DALMIA AGENCIES PRIVATE LTD.

ORISSA CEMENT LTD.
P.O. RAJGANGPUR (DIST. SUNDERGARH, ORISSA STATE)

THE PUNJAB NATIONAL BANK LTD., BALANCE SHEET—Contd.

1958 Rs.	CAPITAL AND LIABILITIES.—Contd.	AMOUNT Rs. nP.	TOTAL Rs. nP.
1,63,98,19,299	Brought Forward ..		1,79,40,03,431.22
	9. Profit and Loss Account:		
17,01,901	Profit as per last Balance Sheet ...	16,98,689.70	
12,50,000	Less: Final dividend at Re. 1.00 per share, free of income-tax ...	12,50,000.00	
4,51,904		4,48,689.70	
1,06,21,786	Add: Profit for the year brought from the Profit and Loss Account	84,20,140.62	
1,10,73,690		88,68,830.32	
	Less: Ad-interim Dividend at Re. 1.00 per share ...	12,50,000.00	
12,50,000	Transferred to Provision for Taxation ...	17,50,000.00	
33,50,000	Transferred to Bonus to Staff Account ...	25,00,000.00	
30,75,000	Transferred to Reserve Fund ...	17,00,000.00	
17,00,000	Transferred to Charity Account ...	1,00,000.00	
NIL		73,00,000.00	15,68,830.32
93,75,000			
16,98,690			
	10. Contingent Liabilities:		
28,19,341	(i) Claims against the Bank not acknowledged as debts ...	25,42,728.05	
NIL	(ii) Guarantees given on behalf of Directors or Officers ...	2,000.00	
2,06,07,333	(iii) Guarantees given on behalf of others ...	4,78,85,175.78	
12,041	(iv) Bills of Exchange rediscounted ...	2,86,254.01	
3,14,36,518	(v) Outstanding Forward Exchange Contracts ...	8,47,39,767.78	
25,75,000	(vi) Liability for calls on partly paid shares of Rehabilitation Housing Corporation Limited, Central Warehousing Corporation and Refinance Corporation for Industries Private Ltd. ...	25,50,000.00	
	(vii) In respect of buildings constructed by the Bank and electrical installations, adjustment has been made to the extent of the amount certified by the Architects. Further liability in this respect will be adjusted in the current year, when the final bills are verified by the Architects.		
	Notes: 1. Contingent liability exists in respect of:—		
	(a) Agreement to purchase a building for Bank's use.		
	(b) Compensation and arrears payable to ex-employees re-instated by the Supreme Court of India—amount not ascertained.		
	2. Bank's status in Pakistan has been determined as an Evacuee by the Custodian of Evacuee Property, West Pakistan and Karachi which is disputed by the Bank. The Bank has filed a writ petition in the High Court of West Pakistan. The matter is sub-judice.		
1,64,15,17,989	TOTAL ...		1,79,55,72,261.54

V. SANKAR AIYAR & CO.
Chartered Accountants
S. L. VERMA
Chief Accountant
MOHAN SINGH
Deputy General Manager
31 March 25, 1960.

R. L. TULI
Secretary & Deputy
General Manager
A. M. WALKER
General Manager

MAHARAJ KRISHNA KAPUR
Chairman

C. L. BAJORIA
SHILPA PRASAD
R. N. GOENKA
KAMALNAYAN BAJAJ
MOHAN SINGH
D. D. PURI
J. N. BHAN
ASHOK KUMAR JAIN

Directors

16 April 1960

THE PUNJAB NATIONAL BANK LTD., BALANCE SHEET—Contd.

Profit & Loss Account for the Year ended 31st December, 1959			
1958 Rs.	EXPENDITURE	AMOUNT Rs. nP.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)
3,32,55,844	1. Interest paid on Deposits, Borrowings etc. ...	3,37,31,109.01	6,08,37,504
2,64,09,029	2. Salaries and Allowances and Provident Fund (includes Rs. 66,900.00—previous year Rs. 66,900.00—paid to the General Manager besides payment of bonus amounting to Rs. 8,000.00—previous year Rs. 12,000.00—and contribution to Employees' Gratuity Fund Trust) ...	2,81,97,075.33	1,02,57,362
40,620	3. Directors' and Local Committee Members' fees and allowances ...	53,301.83	12,91,729
16,22,517	4. Rent, Taxes, Insurance, Lighting etc. ...	20,16,524.43	23,88,829
1,01,155	5. Law Charges ...	2,15,043.44	
18,18,604	6. Postage, Telegrams and Stamps ...	16,91,488.15	
12,000	7. Auditors' Fees ...	12,000.00	
9,60,708	8. (i) Depreciation on and repairs to the banking company's property ...	12,72,009.90	
NIL	(ii) Amount transferred to Development Rebate Reserve ...	3,50,000.00	
14,15,856	9. Stationery, Printing, Advertisement etc. ...	14,12,929.32	
74,152	10. Loss from sale of or dealing with non-banking assets ...	16,245.00	
22,85,624	11. Other Expenditure ...	23,66,972.24	
1,06,21,786	12. Balance of Profit (subject to taxation) ...	84,20,140.62	
7,86,77,893	TOTAL ...	7,97,54,839.27	7,86,77,893

SCHEDULE OF PARTICULARS
Required by the Banking Companies Act, 1949 (Act X of 1949), attached to and forming part to the Balance Sheet as at 31st December, 1959.

1958 Rs.	PARTICULARS OF ADVANCES:	AMOUNT Rs. nP.
60,10,43,047	(i) Debts considered good in respect of which the banking company is fully secured ...	63,74,54,664.59
4,09,45,672	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security ...	5,93,76,304.11
2,50,33,016	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	2,82,73,125.67
NIL	(iv) Debts considered doubtful or bad, not provided for ...	NIL
66,76,22,635		72,51,04,094.37
NIL	(v) Debts due by Directors or Officers of the banking company or any of them either severally or jointly with any other persons ...	NIL
4,82,633	Directors ...	6,14,739.14
4,82,633	Officers ...	6,14,739.14
2,40,86,453	(vi) Debts due by companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or in the case of private companies, as members ...	3,76,40,650.49
5,22,017	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the banking company or any of them either severally or jointly with any other persons ...	6,20,818.28
4,34,53,139	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or in the case of private companies, as members ...	3,76,40,650.49
93,22,457	(ix) Due from banking companies ...	70,61,101.31

129,000 maunds against the preliminary estimate of 110,000 maunds. The increase has taken place in Bihar and West Bengal.

Meanwhile, conditions in the Calcutta shellac market remained very steady with Pure TN shellac quoting around Rs 80 per maund. Shipments in April to the sixth of the month, were 6,624 packages comprising 5,136 packages of shellac; 1,085 packages of seedlac; 120 packages of buttonlac and 283 packages of other varieties.

Coffee

The India Coffee Board has released for export 900,000 kilograms of coffee out of the 1959-60 crop, consisting of 477,000 kilograms of Plantation A: 201,000 kilograms of

Plantation B: 72,000 kilograms of Plantation Triage and 158,000 kilograms of Arabica Cherry Flat. A quantity of 201,000 kilograms of Robusta Cherry Flat, out of the 1958-59 crop, has also been released for export. The last date for tender is 20 April.

The following types and grades of coffee have been released for internal consumption in the Pool sale held at Coimbatore on 1 April 1960 to the wholesalers (quantity in kilos and prices per unit of 50 kilos or about 112 lbs):—

Plantation:	Quantity	Price Range (Rs)
PB	35,000	225.75 to 237.90
"A"	75,000	206.60 to 220.00
"B"	19,800	198.10 to 203.10
"T"	34,500	187.50 to 192.15

Bangalore Silk

The prices of all varieties of raw silk maintained a steady trend during March. The prices of filature silk from the Government filature ranged between Rs 42.00 and Rs 44.00 per lb. The different grades of charka silk were quoted between

Arabica Cherry:			
PB	10,033	183.95 to 184.20	
Flats	15,253	180.10 to 182.10	
E.P.	4,850	169.80 to 174.20	
Bulk	14,066	169.80 to 174.20	
Robusta Cherry:			
PB	39,752	153.10 to 155.70	
Flats	133,943	149.70 to 154.50	
Cleanings	9,354	153.55 to 154.10	
Bulk	23,877	150.10 to 151.30	
Blacks/Browns/Bits	13,468	131.05 to 135.10	
Total	428,916		

Rs 24.00 and Rs 34.50 per lb, and cottage basin was quoted between Rs 37.00 and Rs 39.00 per lb.

There was a slight improvement in the rates of reeling cocoons from Mugur area, which were quoted Rs 1.25 to Rs 2.25 per lb. There was no change in the prices of Sidlaghatta and Ramagaram cocoons. Foreign race seed cocoons registered a sharp decline to be quoted Rs 3.00 to Rs 12.00 per 1,000 cocoons as compared to Rs 6.00 to Rs 20.00 per 1,000 during the previous month. Mysore ruled at between Rs 4.50 and Rs 8.50.

The West Bengal market for mulberry silk also maintained a steady trend during the month.

The prices of charka raw silk were quoted between Rs 31.50 and Rs 42.50 per lb. There was no

notable transaction in domestic basin silk, presumably due to limited production. However, it could be sold at about Rs 42.00 per lb.

Transactions of reeling cocoons were open for the last 3 days of the month, being sold at Rs 1.75 to Rs 2.25.

The spun silk yarn, popularly known as "matka" yarn, could fetch about Rs 8.50 to Rs 16.50 per lb during the month.

The Kollegal raw silk could fetch between Rs 40.00 and Rs 48.00 per lb. Kanakapura silk was quoted

at about Rs 39.00 per lb toward the close of the week. Kashmir silk also entered the market during the last week of the month at Rs 44.00 per lb. Raw silk from Malda has been conspicuous by its absence for the last 3 months. Katan, produced from imported raw silk, quoted at Rs 56.00 while that produced from Indian raw silk quoted at Rs 44.00 to Rs 47.50.

During March, there has been no notable change in the prices of raw silk and reeling cocoons. However, there was a modest rise

in the price in the case of silk waste. Raw silk prices remained at about Rs 33.00 for Superfine and Rs 30.00 and Rs 24.00 per pound for 1st and 2nd qualities.

Bullion

The bull operators in bullion were able to manipulate backward action charges in the market during the week under review with the result that some large deliveries of gold were expected in the maturing Chaitra delivery. Doubts

were however expressed for the same in certain circles due to large-budda business at Re 1.50 against sellers having taken them. In view of the general bearish feeling, long distant contracts faced selling pressure as there would be very little offtake both in gold and silver after a month or so. The professional bull traders however on the other hand tried to hold their own by exerting their weight in increasing the backwardation rates which attracted margins.

Gold spot delivery which was done at Rs 130 at the commencement of the week was taken up to Rs 132.06 due to delay in the start of the distant contracts as the Forward Markets Commission has not given permission for the same so far. This delay according to trade circles has resulted from the open clash of the FMC with the Oilseeds Exchange over the reported issue of the Secretary's alleged dereliction of duty in not putting the notice in proper time of the margin imposed by the FMC in groundnut oil. The FMC wants that the secretary should be dismissed but some of the Directors are not inclined to take such a precipitate action. The FMC wants also other issues being settled. This has resulted in an open clash and as such the FMC has withheld permission so far to trade in distant contracts. It is to be seen as to when this deadlock will be resolved but the general feeling is that unless the Oilseeds Exchange revises its stand, permission might not be forthcoming. Efforts however, are being made to end the stalemate and as such, the market face some selling pressure at the time.

Silver spot after being done at Rs 215.12 was marked up to Rs 215.75 in sympathy with the maturing Chaitra delivery which was boosted up to Rs 217.06 from Rs 215.12 to expire at Rs 216.50. Baisakh delivery which was done as low as Rs 213.44 improved to Rs 214.94 to react to Rs 214.56 while Jeth delivery moved narrowly between Rs 211.75 and 212.75 to finish at Rs 212.50. This contract became an active one during the week and as such selling pressure was forthcoming in this contract on ideas that in view of the onset of the slack season the bull operators would not be able to manipulate either the market or the backwardation rates. Floating stocks of Gold and Silver in Bombay Market are estimated around 24,000 tolas and 600 bars respectively.

Yarn

After the recent sharp decline, the Art silk yarn market appeared to have steadied up at lower levels while staple fibre yarn was rather dull as most of the power loom factories have still not reconciled to the imposition of excise duty on staple fibre crop. Cotton yarn prices have continued to manifest a firm tone in view of the shortage of indigenous cotton. Bomberg Cuprassa for April delivery advanced to Rs 1804 from Rs 1788 to come back to Rs 1796 while the June delivery was quoted at a premium of Rs 25. Staple fibre yarn for April delivery came to business between Rs 685 and 693 to be placed at Rs 689. The June delivery which at one stage was quoted at a discount of Rs 10 stood at a close at Rs 6 discount.

Metals

In view of the expectations of larger imports following the enhanced import quota the copper prices ruled generally quiet. Scrap copper however ruled steady around Rs 212 while brass scrap

improved to Rs 179 from 176. Zinc however for spot ruled steady around Rs 140 while the April delivery met some selling on expectation of actual arrival of about 1500 tons of goods on account of STC. Lead was dull around Rs 75. Tin was steady around Rs 135 per quarter due to share demand. Aluminium scrap was slightly better at Rs 1.50 per lb.

Oils & Oilseeds

The oilseeds market in Bombay firmed up further on nervous short covering due to delay in the start of the distant contracts as the Forward Markets Commission has not given permission for the same so far. This delay according to trade circles has resulted from the open clash of the FMC with the Oilseeds Exchange over the reported issue of the Secretary's alleged dereliction of duty in not putting the notice in proper time of the margin imposed by the FMC in groundnut oil. The FMC wants that the secretary should be dismissed but some of the Directors are not inclined to take such a precipitate action. The FMC wants also other issues being settled. This has resulted in an open clash and as such the FMC has withheld permission so far to trade in distant contracts. It is to be seen as to when this deadlock will be resolved but the general feeling is that unless the Oilseeds Exchange revises its stand, permission might not be forthcoming. Efforts however, are being made to end the stalemate and as such, the market face some selling pressure at the time.

Groundnuts May delivery advanced to Rs 218 from Rs 215 to react once again to Rs 215 to finish at Rs 216.50. Groundnut oil April, May delivery was done at Rs 22.56 to 22.75 to be placed at Rs 22.69. Government of India have allowed free export of Vanaspathi till 1962.

Castor Seeds May delivery spurred to Rs 177 to drop down sharply to Rs 172.87 to be placed at Rs 173. Castor oil commercial quality slipped off to Rs 18.31 after earlier rally to Rs 18.69. Linseed was relatively firm on export prospects for oil and oil cake. The May delivery after early decline to Rs 33 advanced to Rs 33.56 to finish at Rs 33.37. Linseed oil firmed up to Rs 18.31 from Rs 18 per quarter. Cotton seeds were steadier with May position covering around Rs 154. Nigarseeds were reported at Rs 33 and Kardiseeds Rs 24.25 per cwt. Exports of HPS groundnuts from Bombay during the month of March came to 2169 tons thus making a total of 7772 tons for the first three months of this year. There were no exports of groundnut oil during the past month and as such, the figure stood at 1893 tons. Exports of Castor oil in March accounted for 2477 tons thus making a total of 11,116 tons for the first quarter of the year. Lin-

seed oil exports in March from Bombay were only 50 tons thus aggregating 1896 tons.

The Madras oilseeds market today showed an easier tendency than last week and prices were a bit lower allround. Summer groundnut kernel crop arrivals locally were good at between 800 and 1,000 tons daily, though in southern regulated market centres arrivals continued to be meagre. Compared to spot goods, business was better in forward positions. The market today closed as follows.

Groundnut oil per candy of 500 lbs ex-Madras godown expeller Ready 3 per cent FFA Rs 402-403. April Rs 404-405; May Rs 402-403; June Rs 405 (nominal).

Groundnut kernels per candy of 531 lbs Coromandel Rs 212-213. Castor oil per candy of 500 lbs Tirupattur Rs 320.

Coconut oil per tin Rs 39-38.

Gingelly oil per maund Rs 22. Gingelly seed per bag Rs 76. Groundnut oil cake Rs 25-12 to Rs 26 per Bag of 160 lbs with gunny.

The quotation for the UK was £120 for groundnut oil per ton.

Groundnut cake was quoted at £33-5 per ton for the UK.

Throughout last week, both groundnut and oil markets were firm. This was ascribed to low arrivals at market centres. Vanaspathi factories went in for big deals apprehending a shrinkage of arrivals in the months to come and prices consequently went up as high as Rs 210 per candy of groundnut kernels. Exporters were keeping quiet and no pressure from this quarter was visible. But prices, however, went on increasing with the result that groundnut registered a gain of about Rs 22-23 per ton while oil gained Rs 62-63 per ton during last week's trading.

Groundnut arrivals were readily absorbed locally. Last week-end, the kernel prices went up to Rs 214 but there was a lowering of prices locally when arrivals showed improvement.

Calcutta interests were throughout the main buyers last week of oil in small parcels. Hesitant sellers were not willing to meet with the Calcutta demands. Because of poor arrivals, sellers thought that prices would go up higher than Rs 405 or so. Despite this, good volume of business was put through at this high rate of Rs 405-406.

Ready oil came down to Rs 404 on Monday. Today, it opened at Rs 402 and increased by eight annas and closed at Rs 403.

There was brisk short-covering in forward positions of groundnut oil. Prices improved and went up to Rs 406. But on Monday the price went down to Rs 403-404.

The price was lower by a rupee today for the May contract, though last week's rate was a

couple of rupees higher. It went down to Rs 402 by the beginning of this week. It again registered a small gain at Rs 403 today.

June position had good demand. It was on par with April in almost every transaction from the beginning of this week. It was higher last week, but went down to Rs 404 at the beginning of this week. It closed nominally today at Rs 405.

Upcountry Markets:

Summer crops have begun to arrive in Southern markets. But the volume so far received does not warrant any price sliding. The end of this month may witness sizable quantities in principal centres. Before harvest, one or two showers would facilitate better maturity and digging operations. Held over winter crop naturally commanded good clearance at the rate of Rs 210 per candy at which good absorption was reported by local interests. Both in Hyderabad and Circular markets, the kernel price improved. Guntur also dealt with oil at Rs 405 per candy.

The following are the latest ruling rates of other seeds and oils:

Gingelly Seed:	Per bag
Itarsi, Bhopal, etc. (Kusumba)	75/76
Rajasthan quality	71/-
Anantapur	71/72
Local	76/-
Gingelly Oil:	
On wholesale basis	22/-
On retail basis	22/8

Coconut oil: Cochin Ready Rs 617 April Rs 622; May Rs 627 per candy.

The latest ruling levels in the UK-Continent for some of the important oilseeds, oils and oilcakes are as under:

Groundnuts June/July, £75/- per ton; Castorseed April/May, £62 to 62½ per ton; Nigarseed April/May nominal £55/- per ton; Groundnut oil spot £120/- per ton; Groundnut oil April/May £120/- per ton; Castor oil BSS Bulk, April £126/127 per ton;

Castor oil Commercial April £122/122 per ton; Tobacco seed oil, nominal £123/124 per ton; Coconut oil Straits April £124 per ton; Coconut oil Ceylon £128½ to 129 per ton; Groundnut oil-cake Expeller 54 per cent O and A £33 to £33½ per ton; Groundnut oil (Solvent) 50 per cent O and A £31 to £31½ per ton.

The following prices prevailed in upcountry markets today:

	Kernels per candy of 531 lbs.	G. Nut oil per 500 lbs. candy.
Guntur-Bezawada	213	405
Vridhachalam	208	400
Nandyal	206	397/8
Villupuram	208	400
Cuddappah		
Yerraguntla	205	397/8
Pollachi nominal	210	390
Tanjore	210	398
Tiruvannamalai	205	395
Salem	210	400

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

Notice is hereby given that the Board of Directors of this Company have decided payment of a Final Dividend on the Company's Preference Stock for the year ended 31st March 1960 at the rate of £2.15.11 1/49d per cent less income tax at 1s. 9d. in the pound equal to £1.14.3d per cent. Payment will be made on 16th May 1960 to those stockholders whose names are registered in the Company's Stock Register on 30th April, 1960.

Applications for transfers received in this office before 12 O'clock noon on Saturday the 30th April 1960, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above dividend.

BY ORDER OF THE BOARD
D. H. P. HENDERSON
AGENT.

Victoria House,
Calcutta, 8th April, 1960.

THE BANK OF INDIA LIMITED

(Established 7th September, 1906)

Capital Authorised, Issued & Subscribed Rs. 5,50,00,000
Capital Paid-up - - - Rs. 3,00,00,000
Reserve Fund - - - Rs. 3,10,00,000

Head Office: MAHATMA GANDHI ROAD, FORT, BOMBAY.

Branches in the principal cities of India

BRANCHES OUTSIDE INDIA:

LONDON-17, Moorgate, London E.C. 2.

ADEN. DAR-ES-SALAAM. HONGKONG. JINIA. KAMPALA. KARACHI. MOMBASA. NAIROBI. OSAKA. SINGAPORE. TOKYO.

DIRECTORS:

Sir Cowasjee Jehangir Barot, G.B.E., K.C.I.E., Chairman.
Mr. A. D. Shroff, Vice-Chairman.
Mr. Ambalal Sarabhai.
Mr. Ramnivas Ramnarain.
Mr. Bhagvandas O. Mehta.
Mr. Krishnaraj M. D. Thackersey.
Mr. Giridharlal Mehta.
Mr. Madanmohan Mangaldas.
Mr. N. K. Feligara.
Mr. Jugmohan Prasad Goenka.
Mr. Jaisinh Vitthaladas.

Every Description of Banking Business Undertaken.

T. R. LALWANI,
General Manager.

STAR PERFORMER OF THE WORLD OVER!

BEDFORD

PETROL AND DIESEL

A great year for the British Motor Industry. And right out in front, leading the leaders, is Bedford... more firmly established than ever before as No. 1 British truck the world over. Bedford's success is based on leadership in design, leadership in value-for-money, and leadership in service-after-sales.

- ★ 50,000 Bedford trucks built in 1959. A truck production record never achieved before by any British manufacturer.
- ★ Highest-ever truck sales in 1959. Latest figures for 1959 show that, while British truck production increased overall by 31%, Bedford production increased by 63%!
- ★ 4 in 10 new British trucks are Bedfords. Latest figures for 1959 show that 39.9% of all new trucks built in Britain were Bedfords.
- ★ 30,000 Bedford DIESEL trucks built in 1959. Diesel-engined models accounted for 60% of Bedford's 1959 production record.

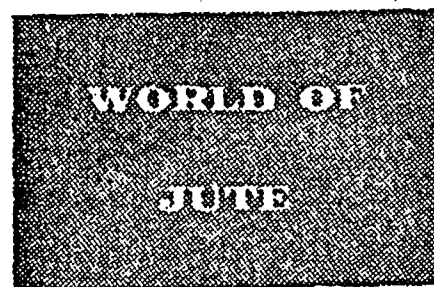
Better buy Bedford

A product of General Motors
World's largest Automobile Manufacturers

HINDUSTAN MOTORS LTD. CALCUTTA

DEALERS:

Agra Cantt; Ambala Cantt.; Ajmer; Ahmedabad; Ahmednagar; Allahabad; Amritsar; Baroda; Bangalore; Bhopal; Berhampur; Bombay; Bareilly; Calcutta; Cuttack; Coimbatore; Dehra Dun; Durg; Dumka; Dibrugarh; Dhanbad; Gauhati; Gwalior; Imphal; Indore; Jaipur; Jabalpur; Jodhpur; Jalgaon; Jorhat; Jullunder City; Jammu; Kathmandu; Kanpur; Kolhapur; Lucknow; Muzaffarpur; Madras; Madurai; Mangalore; Meerut; Nagpur; New Delhi; Nepal; Patiala; Patna; Poona; Pondicherry; Rajkot; Ranchi; Sambalpur; Shillong; Secunderabad; Silchar; Srinagar; Satna; Tatanagar; Tezpur; Tanjore; Trivandrum; Varanasi Cantt.; Vijayawada; Vizianagaram City.



Working on 91 Per Cent of Looms

A CASUAL observer cannot be blamed if he goes away with the impression that the Indian jute goods industry is doing very well indeed. No doubt, he is partly correct because, from an overall point of view, the developments of the past few years in the Indian World of Jute have been such as to revive the hope that the Indian jute goods industry can once again reign supreme in world markets. Raw jute self-sufficiency and mills' modernisation programme have solved some of the recurrent problems. Despite moves on the part of erstwhile importing countries to attain self-sufficiency in jute goods and the growing competition from Pakistan, our jute goods have been able to make a satisfactory showing during the past two or three years, thanks largely to the increased economic activity in many a country.

But the industry has not been able to bring about price stability in its products—an essential prerequisite for any lasting expansion of business in overseas markets. In his address to the annual IJMA meeting, the Chairman has pointed out how the unbridled speculation that overtook the jute markets last November has jeopardised the position of jute goods in overseas markets. The position today in the jute markets is much worse. During the past few days, prices have been soaring. The spurt has occurred despite the announcement that the IJMA has decided to unseal 1 per cent of the looms with effect from 1 May, with a proviso that another 1 or 1½ per cent of the looms may be unsealed effective 1 June.

The provocation for the move to step up production of jute goods has been the statistical position as disclosed by stock figures for jute goods as at the end of March 1960. As generally anticipated, total stocks of jute goods at the end of last month have recorded a decline. As against 73,200 tons at the end of February, March-end stocks are placed at 71,900 tons, showing a decline of 1,300 tons. While stocks of hessian have increased by 900 tons to 27,900 tons, and those of other varieties by 300 tons to 14,600 tons, stocks of sacking cloth and bag have declined by 2,500 tons to be placed at 29,400 tons. Thus, stocks are much less than a month's production and, considering the revival of foreign interest both in hessian and sacking,

coupled with the increasing domestic offtake, it is a natural thing to expect the IJMA to advise its members to increase production.

It may be recalled that, ever since 2½ per cent of the looms were unsealed, bringing down the production of sealed looms to 10 per cent in August last, the question of loomage has been coming up for discussion quite frequently. It was the original idea of the IJMA to reseat the 2½ per cent of the looms effective 2 January. But the statistical position of heavy goods continued to be good, and the decision was deferred to February. February came, and the IJMA had to make a further deferment. In April, the position has been found to be such as to call for definite action. The action when it came was not for resealing, but for unsealing, of a further quota of looms in instalments. In today's extraordinary situation in the Indian World of jute, the IJMA decision raises some important questions.

It is said that the IJMA's decision has been taken after obtaining an assurance from Government regarding uninterrupted supply of raw jute. Government are said to have made it clear that, if need be, jute imports from Pakistan would be stepped up. With the raw material supply problem solved, the IJMA has deemed it fit to advise mills to unseal another quota of looms.

The purpose of unsealing of looms is to increase production, thereby indirectly giving an assurance to consumers that there will be enough jute goods to meet their demand. However, it will be more appropriate to describe this as a gesture or a token increase in production. For, the output from the additional one per cent will not make much of a difference to the total availability of goods.

Presumably, the IJMA is not yet convinced that enough supplies can be moved to mill centres if a larger percentage of looms is unsealed. This brings me again to the question of raw jute availability during the current season.

Last week, I have let in the relevant data to show that, on the basis of Government estimates and the IJMA figures pertaining to the carryover from the last season, there should be enough raw jute to meet the requirements of mills and leave a moderate quantity to be carried forward into the next season. Evidently, these figures have ceased to convey any significance to the mills and Government, too. What was considered the speculators' interested propaganda now seems to have become a widely accepted belief. Mills are behaving as though there is going to be an acute shortage of the fibre, unless considerable imports are made from Pakistan. It is rather strange that, even after the Government assurance about further imports, raw jute prices

are showing no signs of coming down. Whether there is a shortage or no—the crop estimates and other authoritative data show that that supplies are adequate—matters in the Indian World of Jute, especially with regard to raw jute, have been so messed up that the only remedy is to import a sizable quantity of raw jute from Pakistan; no mere assurance but an announcement that licences will be issued for a sizable quantity of Pakistani jute preceded by necessary arrangements for expeditious imports from that country.

In the meantime, all concerned should view with concern the present trend in prices in jute markets. No one can deny that the runaway prices of today are bound to cause much harm to exports. If there is no early realisation of the folly of allowing the market to be dominated by speculators, it is incumbent on Government to take such measures as will bring price levels substantially down.

Firm conditions have developed in the jute goods market with the announcement of the March-end stock figures. The decline of 2500 tons in sacking stocks gave fresh impetus to speculative activity and even though the IJMA announcement about unsealing of a further quota of looms came soon after, the bullish fervour continued unabated with the quotation for B Twills early delivery taken to fresh new highs. It would appear that the assurance of Government sanction for the import of an adequate quantity of raw jute from Pakistan and the possibility of further unsealing of looms have not deterred the operators from pushing up B Twills prices to dizzy levels. The spurt in near delivery goods is evidently due to a squeeze and consequent bear-covering. But the fact that the price rise has spread to distant delivery heavy goods and also to hessian cannot be lightly taken in view of the foreign consumers' known dislike of unstable price levels. B Twills April, which was quoting at Rs 116.65 last Friday, closed at Rs 120.15 by close on Tuesday. Hessian 40" x 10 oz April likewise advanced to Rs 43.80 from 42.90. The raw jute market ruled fully steady. The news that raw jute imports from Pakistan would be allowed in adequate quantities failed to have much effect on sentiment. Assam Bottoms April-May delivery gained Re 1 over the week to be placed at Rs 35.50.

	(000 Tons & Metric Tons)	31 Mar. 1960	29 Feb. 1960	31 Mar. 1959
Hessian Cloth & Bag	...	27.9 (28.4)	27.0 (27.4)	17.0 (17.3)
Sacking Cloth & Bag	...	29.4 (29.9)	31.9 (32.4)	72.6 (73.7)
Others	...	14.5 (14.5)	14.3 (14.3)	17.2 (17.5)
Grand Total	...	71.9 (73.1)	73.2 (74.3)	106.8 (108.5)

	(000 Tons & Metric Tons)	March '60	Feb. '60	March '59
Hessian	...	37.0 (37.6)	36.2 (36.8)	38.1 (38.7)
Sacking	...	45.0 (45.8)	41.6 (42.3)	37.2 (37.8)
Others	...	9.1 (9.2)	8.2 (8.3)	8.0 (8.1)
Grand Total	...	91.1 (92.6)	86.0 (87.4)	83.3 (84.6)
Hours worked	...	209.0	200.5	200.5



Recovery in Prices Predicted

EVERY one concerned with tea-growing is hoping that the distressing decline in Tea prices at the London auctions has now been stopped. This hope is based on the fact that the improvement, evident at the auction last week, has been maintained at this week's sale. As a matter of fact, the official rate for Plain tea has been raised, for the first time in well over a month, even though by only a penny a pound.

Of course, it must be borne in mind that tea from Ceylon, Africa, China, etc., will be coming in all through the summer. One feature of the market this year has been the larger than usual amount coming from China. Another reservation, which ought to be made, is that buyers last week may have been buying tea, simply in order to compensate for not being able to buy over the Easter recess.

Meanwhile, in the Internal Sale held in Calcutta this week, offerings were 23,342 packages of Dusts. There was a good demand; but prices were generally lower. Orthodox teas came to an easier market, closing at up to 6 nP per pound below last levels except for selected bright liquoring lines which were sold at about steady rates. Legg-cut Doars teas followed an easier tendency.

Medium CTC descriptions were sold readily, although they generally registered a slight decline in prices. The brighter types were, however, often firm to dearer. Best CTC dusts met with active support and prices generally followed quality. Following rates were quoted:—Medium Doars Dust, Rs 1.86 to Rs 1.92; Medium Assam Dust Rs 1.80 to Rs 1.90; Medium Assam CTC Dust Rs 1.98 to Rs 2.18; and Best Assam CTC Dust Rs 2.40 to Rs 2.75. Also, 547 packages of Leaf grades were offered. Demand was good and prices were firm to dearer.

Tea stocks in Calcutta warehouses, at the end of last month, were lower at 453,041 chests as against 546,384 chests at the close of March last year. While tea stocks in public warehouses declined sharply from 396,061 chests to 285,929 chests at the end of last month, those in private warehouses rose from 150,323 chests to 167,112 chests.

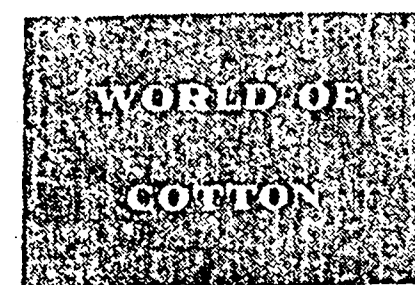
North-East Indian Tea exports, in March 1960, were lower at 15.22 million pounds as compared to 16.77 million pounds in the corresponding month of 1959. In the first three months of the current year, exports of North-East India tea were, however, higher at 70.12 million pounds as against 66.49 million pounds in the corresponding period of last year.

In the Cochin market, offerings were 250,000 pounds of Dusts. Against a strong general demand, prices were irregularly 5 nP to 10 nP per pound dearer for every sort except for high-grown types which were easier. CTC types were strong.

In the Colombo market, offerings were 5,935,165 pounds. Medium Broken met with considerably better demand and advanced by 5 to 10 cents per pound. Low-grown teas were also fairly firm to dearer. Broken Orange Pekoe Fannings followed the trend of their respective BOPS with the exception of plain liquoring media, which were again easier.

Tea stocks in London, as on 1 April, were 159.28 million pounds as against 159.87 million pounds in the previous week. Total amount to be landed, on the same date, was 10.75 million pounds. Total afloat was 19.00 million pounds including from Calcutta 8.42 million pounds; from Chittagong 152,000 pounds; from Cochin not available; from Ceylon 8.36 million pounds and from other Ports 2.06 million pounds.

The average price realised, at the auction held in London during the week ended 1 April, was 47.98d per pound as against 45.87d in the previous week and 51.47d in the corresponding week of last year.



Two-sided Movements in Futures

THE futures market in Cotton has moved narrowly with a quietly steady tone. Movements were two-sided as upturns lacked follow-up due to apprehensions about selective requisitioning move and further tightening of distribution control which were hinted by the

Textile Advisory Committee. Moreover the operation of the stringent margin over the rate of Rs 770 also made the bulls somewhat cautious. The rate for August contract after early dealings upto Rs 771.50 dropped to Rs 767.50 to rebound to Rs 772.25 to react to Rs 767.50 to finish around Rs 770.

Movements in ICC August during the past six weeks were as follows:

Week Ended	High Rs	Low Rs	Close Rs
March 12	774.25	766.25	771.00
" 19	772.50	757.50	759.50
" 26	762.75	756.25	759.00
April 8	771.75	760.00	770.50
" 13	772.25	767.50	770.00

Spot Market:

In the spot market at Seuri moderate activity prevailed and this was mainly confined to Vijay, Digvijay, Co2 and other staple varieties. The trend of prices continued firm. Among Vijays, Palej was done at Rs 1055 for spot, Samlega at Rs 1051, Itola and Jamsar at Rs 1052 while among Digvijays, Samlega came to business at Rs 1051 to Rs 1065, Amad Rs 1075 for spot Karwar Rs 1067 Miyagaon Rs 1075 Samlega Rs 1070 and Palej Rs 1075. Surat changed hands at Rs 1072. Among Co2 Dhrangdhra was done at Rs 1005, Porbunder Rs 1125 to Rs 1145, Vambori Rs 1081, Nagpur Rs 1060 and Ehrirampur Rs 1306. Khanagaon was crossed at Rs 971. Nargud Laxmi Rs 1015 Baramati Rs 1040, Bagalkot Laxmi Rs 1035, Karampur Rs 875, Madhi Rs 1135, Hubli Laxmi Rs 1040 and Amraoti Rs 1015 to 1051.

Among foreign growths, activity was very much restricted. Sudan P3L was done at Rs 1585, Busoga Rs 1240, BP 52 at Rs 1280 to Rs 1330, Manor Rs 1725 CIF for transport shipment, Sudan XG 5L at Rs 1450 CIF June July shipment Egypt T151 at Rs 1975 for May June shipment, Jinja Rs 1115 CIF April May and Sudan XX at Rs 1750 CIF May shipment. Pakistan cotton was reported at Rs 1045.5

All mills have not yet applied for licences against quota of foreign cotton allotted to them. In order that purchases of foreign cotton be expedited and put to use, the Textile Commissioner has recently circulated to all mills that if they consume more Indian cotton by drawing from their carryover stocks than the quota allotted to them during the season 1959-60, they will receive pro rata reduced allocations of Indian cotton during the first half of 1960-61 season.

Some of the mills are finding it difficult to adjust the positions but willy nilly they have to do it though the quality of the goods will be affected to some extent as production schedules cannot be rigidly observed. The main problem facing the cotton textile industry is maintaining the costs of

operations and this has been referred to by Mr Kasturbhai Lalbhai in his annual address to the Indian Cotton Mills Federation meeting. The jute industry is also facing the same difficult position due to shortage of raw material and absence of favourable rains. As for cotton, the outlook rests on the monsoon and unless it proves congenial for higher output the cotton textile industry cannot be expected to fare well.

Cloth Market:

The cloth market depicted steady condition but business is not as brisk as it should be at this time of the season. In view of the high prices the consuming centres have been of late trying to adopt a hand to mouth policy for purchases. In the Export section the performance is not so satisfactory and it is wondered as to how increased imports apart from PL 480 will be compensated. In the circumstances which have developed of late following the increase in the wages of the workers and materially higher prices of raw cotton cloth prices are not expected to come down as the industry would find it extremely difficult to bring down cloth prices. It is to be seen as to what decisions are arrived at the forthcoming conference of the Chief Ministers in Delhi to hold the general price line.

New York Cotton:

The New York Cotton Market during the past week ruled steadier with July position closing at 32.56 cents as against 32.69 last week. Purchases under 'A' programme for the season so far came to 8,635,725 bales. Total sales during the season from this aggregated 5,896,151 bales with the result that the net stocks stood at 2,739,574 bales. Entries into and repossession from the 1959 loan till April 1 were 331,133 bales and 192,633 bales respectively leaving net loan stocks at 138,500 bales. Total sales of 1958 and earlier crop cotton for unrestricted use have aggregated 3,376,489 bales.

The Sudan Gazira Board has estimated the crop at 31 March of 434,720 bales of 420 lbs. Out of this Lambert is placed at 264,700 bales Domains Sakel 103,500 bales Barsakel 62,700 bales and others 1020 bales.

World cotton export this season are expected to exceed 14.5 million bales. This figure which exceeds the previous season by over 3.5 million bales assumes that there will be some replenishing of stocks in importing countries.

HOUSING FOR INDUSTRIAL WORKERS

The Government of India have amended the Employees' Provident Funds Scheme, 1952, to enable industrial workers to draw non-refundable advances from their deposits in the fund for acquiring

houses under the Subsidised Industrial Housing Scheme or for purchase or construction of houses by them direct.

As regards acquisition of a house under the Subsidised Industrial Housing Scheme, a worker, who is a member of the fund, can draw an advance not exceeding 12 months' basic wages or his own total contribution in the fund, with interest there or his own share of cost of the house, whichever is less.

Where a member wants to purchase or construct a house independently, he will be entitled to an advance not exceeding 12 months' basic wages or his own total contribution, with interest thereon, whichever is less.

The Employees' Provident Funds Scheme, which initially applied to six industries, has now been extended to 41 industries. Till the end of December 1959, 7,182 establishments, employing 26.46 lakhs employees were covered by the scheme. The total accumulations in the fund were about Rs 160 crores excluding the amounts refunded or paid out as loans are given to members for financing insurance policies.

PRODUCTION OF STEEL AT BHILAI

The Bhilai steel works registered production of their first one lakh tons of steel yesterday.

Steel production at Bhilai commenced on October 12, 1959, when the first open hearth furnace for steel making was inaugurated by the Soviet Ambassador in India, Mr I. A. Benediktov. Since then, two more open hearth furnaces have been commissioned, second on December 17, 1959, and the third on March 22, 1960.

Each furnace is capable of producing 500 tons of steel daily. The Bhilai steel works will have six such furnaces for production of one million tons of steel annually. The remaining three furnaces are also under construction and will be completed this year.

Upto now about 55,000 tons of steel billets and slabs have been despatched to re-rolling mills all over India.

HEAVY FOUNDRY FORGE PLANT

The Minister of Industry, Mr Manubhai Shah, disclosed in the Lok Sabha that the Heavy Engineering Corporation had entered into a contract with Technoexport, Prague, on March 30 last for the supply of a complete range of machine tools and equipment for establishing a rolls shop at the Heavy Foundry Forge Plant. The rolls shop would cost Rs 87 lakhs.

Mr Shah, who was replying to a question by Mr Ram Krishan Gupta and three others on the progress made, so far, in the finalisation of the Heavy Foundry Forge Plant, added that the detailed project report of the plant, which had been received on November 21, 1959, was likely to be accepted very shortly.



Confidence Unimpaired

Investment Gossip:

THIS week's irregular trend on the stock markets partly stems from the fact that official business has been severely curtailed due to the intervention of holidays—one of the principal centres, Calcutta, has worked only for two days.

The main reason, for the cautious undertone is of course the RBI directive, the full force of which has begun to make itself felt since early this week. There are whispers that not all constituents have found it possible to conform to the new requirements that banks have perforce to enforce.

Meanwhile, rumour mongers are busy forecasting further stringent credit squeeze measures to come. This has evidently has its origin in the coming meeting of the National Development Council which is expected to devise ways and means toward holding the price line in general. The latest Chinese Note on the border dispute has enabled bears to declare the coming Nehru-Chou En-lai meeting a failure even before it has begun.

Bulls, however have in their favour the slightly conciliatory tone of the Finance Minister toward the insistent demand from many quarters as regards the need for affording relief in some of the recently introduced taxation measures.

It is undeniable that corporate taxation is heavier in India than in any other country. But that has ceased to worry both the entrepreneur and the investor. Both are satisfied that, in the present context of rapid industrialisation in which the private sector is given a large share and in the discharge of its function it is getting Government assistance in numerous ways, the future of private enterprise is no longer in doubt.

It may be interesting to note that according to the figures based on industrial production for the whole year, just released, the index for 1959 is 151.0 as compared with 139.7 for 1958. This rise of 11.3 points in industrial production, is the highest recorded so far. In terms of value of output industrial production in the organised sector in 1959 has recorded a rise of 30 per cent as compared with the first year of the Second Plan.

It is not improbable that investors' attention is diverted toward the new issues that have come in

recent weeks and are in the offing in coming weeks. The very fact that sponsors are continuing to place new issues on the market, some for substantial amounts, is an indication of the abiding confidence of investors in equity capital.

£ Rs

New Issue Notes

THE JK Cotton Spinning & Weaving Mills Company, Limited has proposed to issue equity shares of Rs 10 each for Rs 62 lakhs and 6½ per cent tax-free fixed Cumulative Preference shares of Rs 100 each for Rs 39 lakhs, both at par. The Preference shares are redeemable at the company's option after the expiry of 10 years, but not later than 15 years after the dates of respective allotments. The company has now applied for enlistment on the Calcutta and Bombay Stock Exchanges. It is reported that provisional enlistment has been granted, subject to the condition that the company offers a required percentage of its capital to the public. The present offer is a sequel to this stipulation by the Stock Exchange authorities.

A new company is proposed to be formed for setting up a sugar factory in South India. Kothari & Sons, promoters of the venture, have applied to the Government for a licence for starting the factory of 1,000 tons crushing capacity per day, to be increased later on to 1,500 tons. It is stated that the licence will be issued shortly. It is proposed to situate the factory in the Lalgudi Taluk of Tiruchirappalli district of the Madras State. The capital cost of the above project is estimated to be about Rs 140 lakhs. Equity shares for Rs 40 lakhs are expected to be offered for public subscription and the issue is likely to be underwritten. The company may likely enter the market in June or July next.

A new company, name East Anglia Plastics (India), Limited, has obtained Government sanction for entering the market shortly for Rs 25 lakhs, in the form of 2,50,000 equity shares of Rs 10 each. Out of this, 50,000 equity shares are reserved for issue to the promoters, directors and their friends. Applications for shares must be made for a minimum of one hundred shares or multiples thereof. The amount is payable at Rs 2.50 per share on application; Rs 2.50 on allotment and the balance by two calls of Rs 2.50 each. The first call shall not be made earlier than one year from the date of allotment. The subscription list will open on 27 April and close on 7 May or sooner or later as the directors may decide. The Government of India have given their approval to the company's proposal for the

manufacture of Cellulose Acetate Moulding Powder and PVC compounds in India in collaboration with the East Anglia Plastics Limited of the UK. The factory will be located on the Jessore Road, near Calcutta.

The Jay Shree Tea Gardens Limited has announced that the last date for the receipt of applications for right shares along with the payment of Rs 10, as per its circular issued on 10 March, 1960, to the equity shareholders has been extended upto 30 April, 1960.

£ Rs

Investment Notes:

It is learnt that India Cements Limited has not been given the necessary permission by the Industrial Finance Corporation to distribute the recently-announced interim dividend on the Ordinary shares.

The staple and rayon factory of the South Indian Viscose, at Mettupalayam, is stated to be making rapid progress. The factory is scheduled to go into production early next year.

The shares of the Premier Tyres Limited have been admitted to official deals on the Bombay Stock Exchange.

£ Rs

Investment Briefs:

Tata Mills Limited has recommended a taxable dividend of Rs 2.50 per Ordinary share for 1959 as against a tax-free dividend of Rs 1.50 per share for 1958.

Svadeshi Mills Company, Limited has proposed a gross dividend of Rs 14 per share for 1959. This works out to a net dividend of Rs 9.80 against Rs 10 paid for the previous year.

£ Rs

Balance-Sheet Briefs:

The Century Spinning & Manufacturing Company, Limited has reported encouraging working results for 1959, the gross profit having risen from Rs 133.80 lakhs to Rs 176.37 lakhs. The directors have recommended a final dividend of Rs 20, making a total of Rs 31.50 per share, subject to deduction of tax.

United Motors (India), Limited has earned a profit of Rs 69,269 for 1959 as against Rs 44,125 for 1958. A dividend of Rs 1.40, subject to tax, is recommended.

The working of the Parasea Collieries Limited has resulted in a profit of Rs 2.92 lakhs as against Rs 2.28 lakhs for 1958. A dividend of 5 per cent, tax-free, is proposed.

Savamalai Estates Limited, Madras, has reported a sizable increase in earnings for the year ended 30 November, 1959 to Rs 2.93 lakhs from Rs 1.92 lakhs. The dividend is

raised to 15 per cent (Taxable) from 12½ per cent previously.

The net profit of the Vaikundam Rubber Company, Limited is better at Rs 4.60 lakhs for 1959 as against Rs 4.02 lakhs. The directors have recommended a final dividend of 12½ per cent, making a total of 25 per cent (taxable) against 30 per cent paid for the previous year.

Parry & Company, Limited has shown a net profit of Rs 17.19 lakhs for the year ended 30 September 1959 against Rs 15.01 lakhs. The dividend on the Ordinary shares is passed over.

The East India Distilleries & Sugar Factories Limited has earned a net profit of £872,023 for the year ended 30 September, 1959 as against £838,016 in the previous year. A total dividend of 38-4/7 per cent (including a special dividend of 7-1/7 per cent) has been paid subject to tax, against 20 percent, tax-free, previously.

The Trichinopoly Mills Limited has reported a higher net profit of Rs 3.83 lakhs for 1959 as against Rs 2.05 lakhs for 1958. A dividend of 12½ per cent, subject to tax, is recommended against a tax-free 7½ per cent previously.

BIHARAT COLLIERIES LIMITED.

NOTICE

The fifteenth Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at Dalmianagar on Tuesday, the 10th May, 1960, at 11-30 A.M. to transact the following business:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 30th June, 1959.
- (2) To elect a Director in place of the retiring Director Sri P. L. Sonthalia, who being eligible, offers himself for re-election.
- (3) To appoint Auditors for the current year and to fix their remuneration. The retiring Auditors Messrs. K. N. Gutgutia & Co., being eligible, offer themselves for re-appointment.

The Share Transfer Books of the Company will be closed from 2nd May, 1960, to 10th May, 1960 both days inclusive.

By Order of the Board of Directors,
for SAHU JAIN LIMITED

A. K. Jain,
Managing Director
Managing Agents

Dalmianagar,
Date 4th April, 1960.

N.B.—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.

COMPANY REPORTS

Indian Aluminium's Splendid Results

Balance-Sheet Reviews:

Splendid results have been announced by the Indian Aluminium Co Ltd for 1959. With Sales, for the second year in succession, showing a rise of around Rs 2 crores, the net profit, before tax and depreciation, has, in the latest year, passed the Rs 2 crore mark. Sales in 1959 rose from Rs 7.43 crores to Rs 9.70 crores. The net profit has bounced up from Rs 1.37 crores to Rs 2.34 crores. The provision for depreciation has been substantially stepped up from Rs 27.95 lakhs to Rs 52.23 lakhs. Tax, on the other hand, receives the smaller provision of Rs 52.28 lakhs against Rs 57.62 lakhs. The transfer to Development Rebate Reserve has risen many fold from Rs 11.10 lakhs to Rs 61.50 lakhs. The magnificent trading performance has enabled Indian Aluminium to raise the ordinary dividend from 7 per cent tax free to 12 per cent subject to tax.

The balance-sheet shows a capital of Rs 4.38 crores, of which Rs 40 lakhs are in 5 per cent Redeemable Preference shares. Moreover, debentures are outstanding to the tune of Rs 3.05 crores, of which Rs 3 crores—issued last year—bear an interest coupon of 6½ per cent, whereas the balance is in the form of 5 per cent debentures. There is a share premium account of Rs 77.05 lakhs, and a Debenture Premium account of Rs 6 lakhs. The Reserve Fund is shown at Rs 15 lakhs, and Other Funds aggregate Rs 1.03 crores. The carry forward is at Rs 33.42 lakhs, an increase of nearly Rs 18 lakhs over the previous year's relevant figure.

The gross block has shown a rise from Rs 9.25 crores to Rs 9.72 crores. On the other hand, the net block has receded in value slightly from Rs 6.76 crores to Rs 6.72 crores. Cash balances, it is interesting to note, add up to Rs 3.91 crores, on top of Rs 40.08 lakhs figuring as Deposits in banks.

According to the Directors' Report, further expansion has been taken in hand, and construction in this respect commenced early in 1960. The remarks in this respect in the Report are hereinbelow extracted:

"With the successful completion of the first stage of the new smelter at Hirakud, the Company has embarked upon its second stage of expansion.

"The capacity of the Hirakud smelter will be doubled from 10,000 tons of ingot per year to 20,000 tons. Alumina and related bauxite facilities will be expanded from 18,000 tons of alumina per year to 54,000 tons. The capacity of the Belur rolling mill will be increased to approximately 16,500 tons of rolled products annually. A new extrusion press of 3,300 tons ram pressure and with an annual capacity of 2,500 tons will be installed alongside the existing press at Alupuram.

"A contract has been signed with the Government of Orissa for the additional electric power required for the ingot expansion at Hirakud. The necessary licences under the Industries (Development and Regulation) Act, 1951, have been obtained from the Government of India. An import licence for most of the equipment that must be obtained abroad has been received and the Company has already

placed a substantial number of orders on foreign suppliers.

"An engineering project department has been established for the execution of the expansion programme. An agreement, which has the approval of the Government of India, has been entered into with the Company's technical consultants, Aluminium Laboratories Limited of Canada, for engineering design and technical services connected with the expansion. It is presently estimated that the capital cost of the expansion will amount to Rs 9.1 crores, of which the foreign exchange component for fixed capital equipment is currently estimated at Rs 4.85 crores. Foreign exchange has been made available to the Company through the Government of India's Export-Import Bank Programme and through a loan from Aluminium Limited of Canada, the terms of which have received the approval of the Government of India. To meet a portion of the rupee funds required, the Company successfully issued in December 1959 Rs 3 crores of 6½ per cent Debenture Stock 1970-75 at 102 per cent."

Director:—Mr. H. Vance Echols.

Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Sales	96,967,842	74,297,113	54,439,477
Net profit	23,400,955	13,705,684	8,683,243
Taxation	5,228,279	5,762,507	3,447,218
Wealth Tax	...	380,642	449,631
Depreciation	5,222,889	2,795,255	2,629,555
Development Rebate Reserve	6,150,000	1,110,000	...
Div. Amount Ord.	4,812,360	2,778,569	2,313,481
Div. Amount Pref.	200,000	136,999	136,999
Carry Forward	3,342,051	1,554,564	812,852
Div. % Ord.	12½	7	6
Div. % Pref.	5	5	5

(Annual General Meeting on 27-4-60).

*Dividends are subject to deduction of tax.

Synopsis of balance sheet as on the last day of Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
5% R.C. Pref.	4,000,000	4,000,000	4,000,000
Ordinary	39,767,760	38,905,820	38,458,900
6½% Debentures	30,000,000	...	...
5% Debentures	478,200	1,852,400	2,348,000
Share Premium	7,704,740	7,292,480	7,143,800
Debenture Premium	600,000	...	...
Reserve Fund	1,500,000	1,500,000	1,000,000
Other Funds	10,260,000	4,110,000	3,030,000
Loans Secured	26,200,000	21,818,735	9,613,904
Loans Unsecured	...	1,944,500	...
Taxation Provision	12,063,990	11,070,642	4,819,630
Debits	20,932,883	15,767,707	14,190,165
Carry Forward	3,342,051	1,554,564	812,852
Total	156,849,624	109,716,848	85,917,251

Assets	1959 Rs.	1958 Rs.	1957 Rs.
G. Block	97,238,273	92,460,159	71,890,516
Depreciation	30,011,654	24,887,454	22,177,728
Block (net)	67,226,619	67,572,705	49,712,788
Cash	...	...	...
Abroad on Deposit for Machinery Purchases	...	613,964	1,853,096
Stores	4,235,615	2,913,818	2,685,645
Raw Materials	14,289,080	15,692,976	8,833,268
Stocks	12,556,769	10,784,410	12,906,520
Outstandings	13,310,826	9,691,857	7,815,914
Do. More than 3 months	385,239	780,339	720,180
Mis. Deposits and Advances	1,707,666	483,523	580,412
Investments	12,519	12,519	17,854
Deposits in Banks	4,003,203	...	...
Cash	39,117,088	1,170,737	791,574
Total	156,849,624	109,716,848	85,917,251

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up	25,098,000	25,098,000	25,098,000
Reserve Fund	19,562,655	19,562,655	5,749,854
Other Funds	14,515,313	15,025,313	28,538,629
Loans Secured	18,223,908	10,035,863	8,108,677
Loans Unsecured	5,112,266	5,061,598	3,099,919
Taxation Provision	2,085,447	1,024,009	674,120
Debits	14,311,180	14,066,847	12,893,758
Carry Forward	36,929	50,368	85,708
Total	98,926,698	89,924,658	64,248,665

Assets	1959 Rs.	1958 Rs.	1957 Rs.
G. Block	93,484,561	90,144,459	79,530,951
Depreciation	49,054,873	44,294,600	39,339,819
Block (net)	44,429,688	45,849,859	40,191,132
Stores	2,845,369	2,324,417	1,971,107
Stocks in Progress	1,547,660	1,647,159	1,136,016
Raw Materials	18,803,001	12,752,400	13,461,371
Stocks	13,301,638	14,760,018	9,648,106
Outstandings	5,274,858	4,491,115	2,444,031
Do. More than 3 months	54,842	152,696	237,526
Mis. Deposits and Advances	7,340,220	2,693,981	9,941,870
Investments	3,837,264	3,839,875	3,846,840
Deposits in Banks	1,409,116	1,362,369	1,307,607
Cash	82,942	57,789	62,969
Total	98,926,698	89,924,658	64,248,665

A sharp rise in sales from Rs 9.06 crores to just below the Rs 10 crore mark at Rs 9.99 crores has enabled the Bombay Dyeing & Manufacturing Co Ltd to turn in a fine profit and dividend performance in 1959. The net profit has risen from Rs 1.03 crores (in-

cluding a transfer of Rs 17 lakhs from Dividend Equalisation) to Rs 1.10 crores (including a transfer of Rs 12.30 lakhs from Equalisation Reserve). The tax provision has risen four fold from Rs 3.50 lakhs to Rs 13.30 lakhs. Depreciation is marked up from Rs 51.43 lakhs to Rs 54.64 lakhs. Development Rebate Reserve absorbs Rs 7.20 lakhs against Rs 20 lakhs, and the ordinary dividend is being paid at 14 per cent subject to tax against 10 per cent tax free.

As against the capital, all in ordinary shares, of Rs 2.51 crores, the Reserve Fund stands at Rs 1.96 crores, and Other Funds total Rs 1.45 crores. The Gross block, which has risen from Rs 9.01 crores to Rs 9.35 crores, has a net value of Rs 4.44 crores.

The Directors' Report contains an interesting analysis of the impact of the new structure of taxation on the company. It is shown that, under the old system, the total tax liability was Rs 19.92 lakhs, including Wealth Tax and Excess Dividends Tax; under the new dispensation, the tax provision has risen effectively by Rs 3.21 lakhs. If the Finance Minister is to be persuaded to agree to a downward revision of the rate of company taxation, every company should, in the manner of Bombay Dyeing, thus present the increase in tax liability.

Mg. Agents:—Nowrosjee Wadia & Sons (Private), Ltd.

Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Sales	99,941,659	90,563,434	80,222,108
Interest and Miscellaneous Incomes	1,231,202	1,008,262	757,182
Stocks	13,301,638	14,760,018	9,648,106
Raw Materials	18,803,001	12,752,400	13,461,371
Works in Progress	1,547,660	1,647,159	1,136,016
Net profit	11,013,927	10,267,261	12,177,743
Taxation	1,330,000	350,000	784,178
Wealth Tax	...	300,000	647,610
Depreciation	5,463,646	5,142,801	4,811,586
Development Rebate Reserve	720,000	2,000,000	4,580,230
Div. Amount Ord.	3,513,720	2,509,800	2,309,800
Carry Forward	36,929	50,368	85,708
Div. % Ord.	14(a)	10	10

(Annual General Meeting on 21-4-60 at 4-30 p.m.)

*After transferring Rs 1,230,000 from Dividend Equalisation Reserve.
*After transferring Rs 1,700,000 from Dividend Equalisation Reserve.
*After transferring Rs 2,300,000 from Dividend Equalisation Reserve including Rs 665,246 being accumulated net profit of previous years on sales of Government Securities.

(a) Dividend subject to deduction of tax.

Synopsis of balance sheet as on the last day of Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up	25,098,000	25,098,000	25,098,000
Reserve Fund	19,562,655	19,562,655	5,749,854
Other Funds	14,515,313	15,025,313	28,538,629
Loans Secured	18,223,908	10,035,863	8,108,677
Loans Unsecured	5,112,266	5,061,598	3,099,919
Taxation Provision	2,085,447	1,024,009	674,120
Debits	14,311,180	14,066,847	12,893,758
Carry Forward	36,929	50,368	85,708
Total	98,926,698	89,924,658	64,248,665

Assets	1959 Rs.	1958 Rs.	1957 Rs.
G. Block	93,484,561	90,144,459	79,530,951
Depreciation	49,054,873	44,294,600	39,339,819
Block (net)	44,429,688	45,849,859	40,191,132
Stores	2,845,369	2,324,417	1,971,107
Stocks in Progress	1,547,660	1,647,159	1,136,016
Raw Materials	18,803,001	12,752,400	13,461,371
Stocks	13,301,638	14,760,018	9,648,106
Outstandings	5,274,858	4,491,115	2,444,031
Do. More than 3 months	54,842	152,696	

Cawtex passed dividend for Third Year in Succession

THE Cawnpore Textiles Limited has passed the dividend for the third year in succession despite a net profit of Rs 13.08 lakhs for the year ended 31 December 1959 as against a loss of Rs 8.50 lakhs in the previous year. The Depreciation amount is reduced to Rs 3.21 lakhs from Rs 3.36 lakhs and Rehabilitation Reserve to Rs 22,550 from Rs 1.20 lakhs. The net profit is adjusted against the debit balance of Rs 12.94 lakhs brought forward from 1958, to leave a net debit balance of Rs 3.29 lakhs to be carried forward.

The balance-sheet, as at 31 December 1959, shows a paid-up capital of Rs 30 lakhs against which Capital Reserve is shown at Rs 18.18 lakhs; General Reserve at Rs 6.00 lakhs; Stock and Stores Reserve at Rs 5.00 lakhs and Investment Reserve at Rs 5.00 lakhs.

The gross block at Rs 81.46 lakhs is depreciated by Rs 66.09 lakhs to show a net block value of Rs 15.37 lakhs.

CAWNPORE TEXTILES, LIMITED.

Mg. Agents:—Begg, Sutherland & Co. (Private), Ltd.

Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	13,083,677	11,848,911	6,640,536
Stocks	930,677	1,851,240	3,230,844
Net profit	1,308,002*	—849,745	411,698†
Taxation	...	...	24,500
Depreciation	321,000	335,600	325,000
Other Funds	22,550	120,000	100,000
Carry Forward	—329,080	—1,294,192	11,053
Div. % Ord.	Nil	Nil	Nil

(Annual General Meeting on 30-4-60 at 9-30 a.m.)
*Included Rs 115,640 being amount of adjustment of Premium on Cotton Entitlement under Export Promotion Scheme of previous year.

†Includes Rs 150,000 being adjustment on account of changes in stock valuation.

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

Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	3,000,000	3,000,000	3,000,000
Capital Reserve	1,817,550	1,795,000	1,675,000
Reserve Fund	600,000	600,000	600,000
Other Funds	1,075,844	1,067,921	1,068,336
Loans Secured	...	2,089,320	3,127,821
Loans Unsecured	16,494	132,711	22,542
Taxation Provision	...	24,712	92,584
Debts	840,082	716,916	970,522
Carry Forward	...	...	11,053
Total	7,249,970	9,426,580	10,567,838

Assets	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	8,145,632	8,100,226	7,606,050
Depreciation	6,608,685	6,287,685	5,957,015

Block (net)	1,536,947	1,812,541	1,648,035
Cap. Exp. in Progress	107,834	...	...
Stores	548,092	532,299	540,183
Goods in Transit	17,862	...	...
Raw Materials	871,899	1,481,625	2,557,142
Stocks	930,678	1,851,240	3,230,844
Outstandings	911,427	787,312	830,837
Do. More than 3 months	38,762	180,506	168,638
Mis. Deposits and Advances	581,616	453,221	553,701
Investments	997,984	986,269	962,906
Cash	477,789	37,475	75,552
Debit Balance	329,080	1,294,192	...
Total	7,249,970	9,426,580	10,567,838

Kohinoor Mills Reduce dividend Despite Higher Profits

The Kohinoor Mills Company Limited has reported an increase in sales and profits for 1959, thanks to the improvement in the conditions of the yarn and sewing thread markets, especially from October onward. Sales have risen to Rs 5.25 crores from Rs 4.90 crores, while the net profit, before providing for Depreciation and Taxation, amounts to Rs 16.02 lakhs against Rs 9.64 lakhs in the previous year.

In respect of allocations, the Depreciation amount is raised to Rs 7.38 lakhs from Rs 5.58 lakhs; Taxation provision to Rs 3.50 lakhs from Rs 2.00 lakhs and Development Rebate Reserve to Rs 1.53 lakhs from Rs 1.32 lakhs. The directors have recommended a taxable dividend of Rs 9.50 per share against a tax-free dividend of Rs 10 paid for 1958.

Against a paid-up capital of Rs 1 crore, General Reserve is shown at Rs 17 lakhs; Dividend Equalisation Reserve at Rs 10 lakhs; Machinery Reserve at Rs 67 lakhs and Development Rebate Reserve at Rs 6.60 lakhs. The gross block amounts to Rs 3.81 crores; total depreciation to Rs 2.96 crores and the net block to Rs 86.23 lakhs.

Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	52,452,754	49,019,319	52,725,379
Stocks	4,639,936	9,343,384	10,271,982
Works in Progress	3,488,150	4,079,587	3,414,796
Net profit	2,151,912*	1,914,420†	3,253,409††
Taxation	350,000	200,000	950,000
Depreciation	738,439	567,679	613,420
Development Rebate Reserve	153,339	131,757	...
Div. Amount Ord.	950,000	1,000,000	1,800,000
Carry Forward	27,909	67,775	52,791
Div. % Ord.	9(a)	10	18

(Annual General Meeting on 2-5-60 at 4-30 p.m.)
*After transferring Rs 300,000 from Dividend Equalisation Reserve and Rs 250,000 from Machinery Reserve.
†After transferring Rs 550,000 from Machinery Reserve and Rs 400,000 from Dividend Equalisation Reserve.
††After transferring Rs 525,000 from General Reserve and Rs 500,000 from Dividend Equalisation Reserve.

(a) Dividend subject to deduction of tax.

Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	10,000,000	10,000,000	10,000,000
Reserve Fund	1,700,000	1,700,000	1,700,000
Other Funds	8,360,098	8,756,757	9,575,000
Staff Gratuity and Provident Fund	1,400,000	1,400,000	1,400,000
Loans Secured	4,577,939	3,570,515	9,774,027
Loans Unsecured	1,958,463	2,151,953	1,852,655
Taxation Provision	546,933	759,380	2,810,892
Debts	4,982,756	4,699,452	5,432,413
Carry Forward	27,909	67,775	52,791
Total	33,554,096	33,105,832	42,597,778

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

Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	10,000,000	10,000,000	10,000,000
Reserve Fund	1,700,000	1,700,000	1,700,000
Other Funds	8,360,098	8,756,757	9,575,000
Staff Gratuity and Provident Fund	1,400,000	1,400,000	1,400,000
Loans Secured	4,577,939	3,570,515	9,774,027
Loans Unsecured	1,958,463	2,151,953	1,852,655
Taxation Provision	546,933	759,380	2,810,892
Debts	4,982,756	4,699,452	5,432,413
Carry Forward	27,909	67,775	52,791
Total	33,554,096	33,105,832	42,597,778

Assets	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	38,190,145	37,523,474	36,776,376
Depreciation	29,567,372	29,025,380	28,494,794
Block (net)	8,622,773	8,498,094	8,281,582
Stores	3,706,154	4,602,385	4,768,477
Stock in Progress	3,820,110	4,379,556	3,761,593
Raw Materials	9,359,698	14,355,577	10,616,771
Stocks	4,639,936	9,343,384	10,271,982
Outstandings	229,129	99,866	1,056,553
Do. More than 3 months	12,639	12,542	19,958
Mis. Deposits and Advances	2,352,297	1,251,815	3,011,769
Investments	720,000	720,000	720,000
Cash	91,110	62,533	89,063
Total	33,554,096	33,105,832	42,597,778

Shri Ambica Mill Pays Higher Dividend

Shri Ambica Mills Limited, Ahmedabad, has recommended a gross dividend of 45 per cent for 1959. This works out to a net dividend of 31½ per cent as against 30 per cent paid for the previous year. This increase in dividend has been made possible in view of the rise in profits.

Sales have risen to Rs 5.26 crores from Rs 4.73 crores, while the net profit, before providing for Depreciation and Taxation, amounts to Rs 1.09 crores against Rs 1.03 crores in the previous year. The directors have set apart a sum of Rs 14.19 lakhs (Rs 14.65 lakhs) for Depreciation; Rs 48.50 lakhs (Rs 51.00 lakhs) for Taxation; Rs 2.60 lakhs (Rs 6.50 lakhs) for Development Rebate Reserve; Rs 3.74 lakhs (Rs 10 lakhs) for General Reserve and Rs 10 lakhs (nil) for Investment Reserve.

The paid-up capital is shown at Rs 76,35,900 divided into 63,759 Ordinary shares; 5,600-5 per cent Cumulative Preference shares and 7,000-4 per cent Second Cumulative Preference shares, all of Rs 100 each. The gross block of Rs 2.44 crores is depreciated by Rs 1.46 crores to show a net block value of Rs 97.79 lakhs.

Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	52,575,086	47,321,281	46,704,391
Interest, Dividends & Mis. Incomes	627,620	1,671,178	618,655
Stocks	5,835,851	8,632,075	6,407,152
Works in Progress	1,145,243	1,141,871	1,312,688
Net profit	10,855,104	10,284,222	7,561,528
Taxation	4,850,000	5,100,000	4,060,000
Depreciation	1,418,822	1,465,243	1,233,338
Reserve Fund	374,492	1,000,000	...
Development Rebate Reserve	260,000	650,000	...
Other Funds	1,000,000	200,000	650,000
Div. Amount Ord.	2,809,156	1,912,770	1,449,076
Div. Amount Pref.	80,024	56,000	56,000
Carry Forward	59,271	56,680	176,451
Div. % Ord.	45*	30	25
Div. % Pref.	7.14*	5	5
Div. % 2nd Pref.	5.72*	4	4

(Annual General Meeting on 25-4-60 at 9-30 a.m.)
*Dividends subject to deduction of tax.

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

Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:	...	...	...
5% C. Pref.	560,000	560,000	560,000
4% C. Pref.	700,000	700,000	700,000
Ordinary	6,375,900	6,375,900	5,796,300
Share Premium	60,400	60,400	60,400
Capital Reserve	630,627	630,627	630,627
Reserve Fund	21,000,000	22,828,478	21,828,478
Other Funds	7,885,000	6,625,000	5,775,000
Staff Gratuity and Provident Fund	1,200,000	1,000,000	800,000
Loans Unsecured	105,043	103,938	112,962
Taxation Provision	1,787,338	2,895,198	2,048,348
Debts	8,307,118	6,515,644	5,301,929
Carry Forward	59,271	56,680	176,451
Total	48,670,697	48,356,845	44,370,095

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

Assets	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	24,370,561	23,218,408	21,782,370
Depreciation	14,591,624	13,223,150	11,757,907
Block (net)	9,778,937	9,995,258	10,024,463
Stores	1,901,749	1,972,808	1,698,328
Stocks in Progress	1,145,243	1,141,871	1,312,688
Raw Materials	7,026,912	3,680,016	3,487,507
Stocks	5,835,851	8,632,075	6,407,152
Outstandings	5,791,097	5,653,381	5,199,915
Do. More than 3 months	...	24,663	...
Mis. Deposits and Advances	5,316,020	7,003,530	7,629,924
Investments	4,945,338	4,893,638	4,207,277
Deposits in Banks	5,000,000	3,000,000	3,000,000
Cash	1,929,750	2,459,503	1,502,841
Total	48,670,697	48,356,845	44,370,095

Assets	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	24,370,561	23,218,408	21,782,370
Depreciation	14,591,624	13,223,150	11,757,907
Block (net)	9,778,937	9,995,258	10,024,463
Stores	1,901,749	1,972,808	1,698,328
Stocks in Progress	1,145,243	1,141,871	1,312,688
Raw Materials	7,026,912	3,680,016	3,487,507
Stocks	5,835,851	8,632,075	6,407,152
Outstandings	5,791,097	5,653,381	5,199,915
Do. More than 3 months	...	24,663	...
Mis. Deposits and Advances	5,316,020	7,003,530	7,629,924
Investments	4,945,338	4,893,638	4,207,277
Deposits in Banks	5,000,000	3,000,000	3,000,000
Cash	1,929,750	2,459,503	1,502,841
Total	48,670,697	48,356,845	44,370,095



Dull Trading: Selective Interest

Watch-Dog Writes:

IN the absence of fresh support, stock markets have remained, generally dull. Trading has been restricted due to reluctance on the part of operators to extend commitments in view of the approaching holidays for the New Year and Easter. The only relieving feature is the buying interest shown in a few selected scrip.

The Calcutta Stock Exchange remained closed from Wednesday. During the period it remained open, most of the transactions were of a squaring-up nature.

On the Bombay Stock Exchange, dealings were featureless for lack of fresh incentives. The only bright spot were National Rayons, which met with hectic buying on expectation of a higher dividend as well as rumours of an increase in capital.

On the Madras Stock Exchange, trading was fairly active. Buying enquiries, while being selective, were well spread.

Calcutta

Calcutta, Friday Evening.

ACTIVITY on the local Stock Exchange was restricted and prices, after opening on a firm note, developed a slightly reactionary tendency toward the close of the week under review, which covered only two working days due to holidays from Wednesday. Apart from a general disposition to lighten their portfolios in view of the approaching holidays, anxiety was shown by the operators with regard to the political situation. In this connection, the uncompromising tone of the latest Chinese note gave rise to a fear that the talks between Mr Nehru and Mr Chou-En-lai, which are due to be held shortly, might turn to be unsuccessful.

There were also other factors which induced some caution in the minds of the operators. There were rumours of the possibility of the Reserve Bank imposing further credit restrictions to check the speculative rise in prices noticed during the past few days. Again, there were reports that the banks might soon have to sell the shareholdings of some of their customers, who had not yet adjusted their advances in line with the Reserve Bank's directive. Nevertheless, the undertone of the market remained fairly satisfactory, thanks to excellent corporate news, the expectation of either right or bonus issues by existing concerns and the imminence of new share issues.

The Gifted market remained dull. Institutional support was lacking due to stringent monetary conditions. There was no interest whatsoever in State Loans. 3 per cent 1966 Conversion Loan moved

between Rs 73½ and Rs 74.25, to finish the week at Rs 74.00.

Bank shares attracted some attention and selected issues recorded modest gains. Punjab National changed hands up to Rs 21 from Rs 20.62, while United Commercial were a steady feature at Rs 67.50.

In the short week's dealings, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to alternate buying and selling. Against the previous week-end closing of Rs 22.88, the scrip opened better at Rs 23.04 and moved up to Rs 23.06 on the feeling that the Government would sanction retention price at such a level as would enable the company to cover the enhanced cost of production without affecting the profit margin so far enjoyed. It was also felt that the company might be in a position to declare the gross dividend at such a level as would enable the shareholders to receive the net dividend of 10 per cent.

Selling pressure, however, at the higher level caused the scrip to slip down at one time to Rs 22.76, to close finally at Rs 22.87. TEXMACO changed hands at Rs 25.50 to Rs 25.90; G. K. Williams at Rs 43.75 to Rs 44.06 and Jessop at Rs 25.37 to Rs 25.81, to finish at Rs 25.70; Rs 43.94 and Rs 25.62 respectively. Braithwaite came in for good demand up to Rs 29.25 from Rs 28.75 and so also Britannia up to Rs 14.50 from Rs 14.19. Kumardhul and Marshalls were narrow markets around Rs 7.19 and Rs 6.19 respectively.

The Jute section continued to record scrippy business and the decision to unseal more looms had no effect on sentiment. This was mainly due to the operators' reluctance to enter into commitments in view of the growing disparity between raw jute and jute goods prices. Again, the announcement of the proposal to unseal a further percentage of the looms led to fears in certain quarters that the mills might be compelled to buy the raw material at the present high levels to meet increased production and consequently their profit margins would be affected to a great extent. Howrah were depressed further to Rs 22.37 from Rs 22.87; Ganges to Rs 11.94 from Rs 12.62; Belvedere to Rs 152 from Rs 158 and New Central to Rs 26.06 from Rs 26.25. National were almost maintained at Rs 30.81.

Coal shares were subjected to some profit-taking at the recent high levels on the feeling that the increase in the prices of coal and soft coke was not sufficient for the industry to meet the rising costs of the industry. Bengal were marked down to Rs 331 from Rs 342; Central to Rs 9.87 from Rs 10.12; South Karanpura to Rs 13.06 from Rs 13.37 and East Indian to Rs 30.19 from Rs 30.37. New Beerbhoom and Western Bengal were, however, well maintained at last levels. Burrakur, after touching a low of Rs 19

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 8-4-60 Rs NP	8-4-59 Rs NP
Aliahabad 6%	100	101.90	112.00
Behar 5%	50	21.00	19.75

Banks			
Asso. K'pura 41%	100	50.50	50.50*
Bharat 6 1/2%	100	49.50	48.00
Borree 6%	100	81.50	83.50
Burrakur 7%	100	86.50	102.50
Burrakur 6%	100	7.07	5.95
Equitable 6%	100	79.00	100.00
Ghugick & Musila 100	100.00	100.00	100.00
Gourangul 5%	100	59.60	55.50
K'pura 5 1/2%	100	7.94	7.25
Khas Kajora 5%	100	11.62	10.00
J. Beerbhoom 7%	100	2.56	2.50
N. Churulia 6%	100	45.00	44.00
N. Huntodih 5%	100	86.50	91.50
Ondal 6 1/2%	100	50.00	50.00
Parasea 5 1/2%	100	78.00	83.00
Unl. Colliery 5%	100	78.00	83.00

Cotton			
Basant 6 1/2%	100	8.56	9.00
B-Nagpur 7%	100	78.00	75.00
Bowreah 8%	100	152.00	128.00
Bowreah 7%	100	65.00	65.00
Elgin 5%	100	108.00	110.50
Elgin 6%	100	8.00	8.25
Jagatjit 5%	100	38.75	43.75
Jyajeero 5 1/2%	100	90.00	81.50
J. K. Cotton 6%	100	93.60	90.00
Kesaram 7%	100	104.00	102.00
Muir 6%	100	83.00	65.50
N. Victoria 6%	5	3.19	3.03
Orissa 5%	100	80.00	..
Shree Madhusudan 4 1/2%	100	80.00	..
S. Niwas 4%	100	64.00	58.00
Shree Bhawanil 5%	100	108.00	100.00
Swadeshi 6%	100	61.00	73.00

Jute			
Agarpara 7%	100	93.00	101.00
Alexandra 6%	100	90.00	96.00
Alliance 6%	100	68.00	88.00
Anglo-India 7%	100	96.00	101.00
Auckland 5 1/2%	100	73.25	74.75
Auckland 4 1/2%	100	60.00	65.75
Bally 7%	100	98.00	104.00
Barnagore 5%	25	38.50	38.62
Belvedere 7%	100	97.00	101.50
Bengal 5 1/2%	100	63.50	77.00
Birla 7 1/2%	100	91.00	87.00
Birla 6 1/2%	100	92.00	..
Budge-Budge 7%	100	103.50	102.00
Calcutta 6 1/2%	100	77.00	78.00
Caledonian 7%	100	67.50	77.50
Cheviot 7%	100	101.00	102.00
Chitavalasah 7%	100	105.50	100.00
Clive 6%	100	75.00	70.00
Clive 7%	100	84.00	71.50
Dalhousie 7%	100	91.00	94.00
Delta 5%	100	63.00	78.00
Empire 7%	100	83.00	100.00
F. Gloster 7%	100	114.00	105.50
F. Gloster 5%	100	71.00	65.50
F. William 7%	100	111.50	64.50
Ganges Mfg. 8%	100	125.00	110.00
Gourepore 6%	100	81.00	90.00
Hastings 6%	100	90.00	86.00
Hastings 5%	100	8.75	11.00
Howrah A. Pref.	100	101.00	102.00
Howrah 7%	100	104.00	99.00
Howrah 7 1/2%	100	98.00	102.00
H'chanded 7%	100	89.00	83.00
K'hatty 6%	100	90.00	71.00
K'harrah 6%	100	88.00	68.00
Kedarnath 6%	110	85.00	55.00
Kedarnath 7%	100	89.50	99.00
Keirvin 7%	100	89.00	89.50
Kharadah 6%	100	95.00	101.00
Kinnison 7%	100	86.00	135.50
Landowne 7%	100	101.50	135.50
Lawrence 7%	100	88.00	87.00
Lawrence 6 1/2%	100	70.00	65.50
Nalhati 7%	100	101.00	65.00
Nalhati 4 1/2%	100	66.00	65.00

Miscellaneous			
Alum. Corp. 6%	100	75.00	63.00
Alum. Corp. 6%	100	100.50	93.00
Amal. Dev. 5%	100	42.00	42.00
Asso. Hotel 7%	100	51.00	51.00
Bharat Nidhi 6%	100	53.50	59.50
Birds Inv. 5 1/2%	100	53.50	56.00
Br. Biscuits 8% cp	10	9.30	9.70
B. I. Corp. 8%	100	120.00	110.00
Cal. Cr. Corp 6%	100	42.50	44.00
Cal. Cr. Corp 5 1/2%	100	29.00	34.50
Cal. Gas 5 1/2% rpt	100	63.00	52.50
Cal. Silk 6% cp	100	49.12	40.00
Cal. Trams 5% rpt 1	100	8.22	8.12
Duncan Bros. 4%	100	56.00	56.00
Dunlop 6%	100	110.00	118.00
Dunlop 6%	100	87.50	85.00
Eastern Inv. 5%	100	69.94	72.50
Gillanders 5%	100	52.50	52.50
Godfrey Phil. 5 1/2%	100	63.25	68.00
Greaves Cot. 5%	100	40.00	45.00
Greaves Cot. 6%	100	37.00	43.00
Hindustan Motors 6%	100	159.00	..
Hindustan Nat. 6%	100	83.00	101.00
Glass 4% rpt	100	71.50	71.00
Ind. Alum. 5%	100	28.50	25.75
Indian Cables 6%	100	46.00	51.50
I. Rubber 6%	100	73.00	75.00
Ind. Plastics 5 1/2%	100	25.25	32.00
James Wright 6%	50	59.00	55.75
J. Henderson 5 1/2%	100	58.25	62.75
K. Bullen 5 1/2%	100	55.00	63.00
K. Bullen 4%	100	64.00	69.50
Kusum 5 1/2%	100	64.00	69.50

NAME	Paid-up per Share.	Quotation as on 8-4-60 Rs NP	8-4-59 Rs NP
National 7%	100	100.00	108.00
Nellimaria 6%	100	92.00	86.00
N. Central 7%	100	98.00	100.00
Northbrook 5 1/2%	100	77.75	71.25
Rameshwara 6%	100	12.44	9.50
Reliance 7%	100	81.00	71.50
S. Ambica 7 1/2%	100	86.00	96.00
Soorah 7%	100	88.00	95.00
Standard 6%	100	97.00	97.00
Union 7%	100	87.50	98.00
Waverley 5%	50	40.12	41.50

Minings			
Asso. Mining 5%	50	36.00	27.25
Ch. Mica 5 1/2%	100	50.00	51.07
Metal Corp. 5%	100	79.00	50.00
Cement			
Dalmia Bharat 6%	10	8.44	8.69
Jalpur Udyog 3%	100	37.00	37.00
K'pura Lime 6%	100	80.00	80.00
K'pura Lime 6% cp	100	100.50	100.50
K'dhubi Fire 7%	100	101.00	101.00
K'dhubi Fire 5 1/2%	100	64.80	64.50
Orissa Cement 4%	100	35.06	35.06

Chemicals			
Alkali 5%	100	101.50	102.00
Bathgate 4 1/2%	100	28.00	19.00
Beng. Chem. 7 1/2%	100	12.62	12.87
Beng. Chem. 4 1/2%	100	72.00	77.50
Frank Ross 4 1/2%	100	41.00	50.00
Smith Stanl 10%	50	69.62	57.00
Electric			
Calcutta 5%	21	10.19	9.87
Dishergarh 5%	100	78.50	82.00
Dishergarh 4 1/2%	100	75.00	79.50

Engineering			
Arthur Butler 7%	10	10.75	10.75
Br. Bldg. 6%	100	60.00	76.00
Br. Engg. 7%	100	100.00	100.00
Burn & Co. 7%	100	123.50	124.50
Burn & Co. 7%	100	113.00	117.50
I. Iron 6%	100	99.00	104.00
I. Machinery 7%	100	23.00	23.00
Ind. St. Wagon 7%	100	128.00	122.00
Jessop & Co. 5%	100	90.00	79.00
J. K. Steel 7%	100	95.00	92.50
K'dhubi 5%	100	90.00	92.50
R. Cruddas 5 1/2%	100	64.00	3.69
S. Products 6%	100	2.19	90.50
Texmaco 5 1/2%	100	91.50	90.50
Texmaco 5 1/2%	100	61.00	60.25
Texmaco 6 1/2%	100	100.50	..

Shipping			
B-A Steam 7%	100	60.00	54.00
I.G.N. 6%	100	80.00	67.50
I. Steam 5%	100	80.00	90.00
SUGAR			
Carew 6 1/2%	100	85.50	73.00
Cawnpore 8%	100	102.00	104.00
Jaswant 5 1/2%	100	85.00	69.50
Mohini 5%	100	70.00	70.00
New India 7 1/2%	100	150.00	92.00
Purbab 10%	100	13.75	13.00
Rambugger 6%	100	92.00	89.50
Ryam 6%	100	8.40	8.40
S. Behar 9%	100	20.50	20.50
S. Hanuman 5%	100	55.00	60.00
S. K. Gyan 6%	100	85.00	81.00
S. K. Gyan 5%	100	72.00	65.00
Upper Ganges 5%	100	70.00	75.00

TEA			
Assam			
Amluckie 7%	100	37.00	42.71
Bornah Jan 6%	100	62.00	74.00
Brooke Bond 6%	100	69.25	66.50
Dhamsari 7%	100	3.00	3.06
Dumakshi 8%	100	8.00	9.70
Kingsley Gola 6%	100	80.00	86.00
Mohena 8%	100	9.50	9.21
Tezore 2%	100	11.19	9.95

NAME	Paid-up per Share.	Quotation as on 8-4-60 Rs NP	8-4-59 Rs NP
Macneil & Barry 5 1/2%	100	58.50	62.75
Madhya Pradesh Ind. 6%	100	100.00	..
Martin-Burn 6%	100	100.25	98.50
McLeod & Co 5%	100	62.50	54.00
1st Pref.	100	68.00	70.50
McLeod & Co. 5%	100	84.00	76.00
2nd Pref.	100	77.00	88.00
Metal Box 6%	100	77.00	88.00
Nat. Rubber 6%	100	3.00	4.00
Nat. Tannery 5%	100	75.50	72.00
Nat. Tobacco 5%	100	67.00	65.00
N. Bhr. Vanija 100	100	83.00	..
Rails 6%	100	82.50	70.75
Rohas Indus. 7%	100	120.00	118.00
Rohas 4 1/2%	100	60.50	61.50
Sen Raleigh 5%	100	160.00	85.00
Shaw Wallace 5%	100	70.50	74.75
Spencer 8 1/2% A	100	6.87	7.50
Spencer 8 1/2% B	100	8.84	9.47
Standard Vacuum 6%	100	95.50	..
Union Tobacco 6%	100	22.00	22.00

Oils			
I. B. Petrol 7%	100	90.00	89.75
N. I. Oil 6%	100	40.00	40.00
Paper			
Ballarpur 5%	100	117.00	..
Beng. Paper 7%	60	43.25	46.75
Beng. Paper 7%	100	96.50	103.50
Beng. Paper 6%	100	66.00	62.00
Orient 5 1/2%	100	87.00	82.00
Orient 5 1/2%	100	62.00	62.50
S. Gopal 8%	100	103.00	110.00
S. Gopal 7 1/2%	100	103.50	..
Sirpur Paper 6%	100	85.25	87.25
Star Paper 5%	100	78.50	73.00
Star Paper 6 1/2%	100	94.00	98.00
Star 7%	100	97.00	..
Titagur 8%	100	126.00	142.00
Titagur 4 1/2%	100	84.50	83.50

Pressing			
Bhagwati 5%	100	35.00	40.00
Real Property			
Humayan 6%	100	7.45	8.62
Reg. Estate 5%	100	33.50	33.00
Saw Mills			
Ben. Timber 8%	100	30.00	30.00

Shipping			
B-A Steam 7%	100	60.00	54.00
I.G.N. 6%	100	80.00	67.50
I. Steam 5%	100	80.00	90.00

SUGAR			
Carew 6 1/2%	100	85.50	73.00
Cawnpore 8%	100	102.00	104.00
Jaswant 5 1/2%	100	85.00	69.50
Mohini 5%	100	70.00	70.00

PAID-UP				PREFERENCE SHARES			
NAME	PAID-UP PER SHARE	QUOTATION AS ON		NAME	PAID-UP PER SHARE	QUOTATION AS ON	
		8-4-60 Rs NP	8-4-59 Rs NP			8-4-60 Rs NP	8-4-59 Rs NP
Kasturi & Sons	100	100.75	...	Cochin Malabar	3	7.85	6.20
Mad. Vase 54	100	17.20	33.00	Coffee Lands	10	24.90	23.50
Mandya N. Paper	100	100.00	...	Cons. Coffee	10	23.50	21.25
Markar 6%	50	90.00	42.50	Coorg	2	5.85	5.25
Medowell 6%	100	86.00	...	Cottanad	10	14.67	16.00
Mettur Chem. 6%	100	98.00	92.85	Coovody	2	6.10	7.25
Mys. Chem. Mfg. 6%	10	8.40	9.00	Devashola	10	32.60	27.00
Mys. Lamp 4%	10	6.30	6.50	Devon	10	17.50	18.00
National Rubber	...	...	...	Emerald Valley	6	7.00	8.12
Mfrs. 6%	100	80.00	100.00	Gokul	2	1.85	1.45
Panyam Cement	...	...	...	Halleybury	10	15.95	19.00
6% A	100	100.00	...	Higlyland	10	14.75	12.00
Panyam Cement	...	...	...	Kadur	2	3.84	2.95
6% B	100	100.00	...	Kallas	2	5.65	5.20
Parry's 5%	10	9.00	8.35	Kalasa	2	4.20	3.90
Rallia 6%	100	100.00	...	Kalpetta	10	12.75	13.40
Rane 6%	5	4.70	4.40	Karikode	10	9.50	10.25
Rane 6%	5	4.65	4.55	Kilkotagiri	2	5.55	8.55
Rane 7%	5	9.10	9.75	Kumercode	2	6.00	5.53
Ruby 6%	10	8.95	7.50	Kurchimala	10	8.75	7.00
Ruby (Madras)	5	10.00	10.00	Lingsapur	2	7.00	...
Sen Raleigh 5%	100	165.00	101.00	Lucky Valley	10	13.00	12.75
Spencer A 6%	10	9.00	8.00	Malabar Agr.	10	7.50	8.55
Spencer B 6%	10	11.50	11.25	Malabar Indusl.	10	12.85	15.50
Stand. Motor 6%	100	102.00	97.50	Malankara	10	19.00	19.00
Trav. Chem. 6%	10	10.00	9.20	Manar	2	2.43	2.75
T. Stanes 7%	100	83.10	95.00	Manimala	10	8.75	8.75
United Elec. 6%	10	10.00	10.00	Mercars	5	10.20	8.95
Vanguard Fire 5 1/2%	10	4.73	8.73	Midland	10	13.00	12.37
W. I. Plywoods	100	100.00	83.00	Misamalai	25	41.00	41.25

ORDINARY SHARES			
MADRAS			
NAME	PAID-UP PER SHARE	QUOTATION AS ON	
		8-4-60 Rs NP	8-4-59 Rs NP
Andhra	100	103.00	106.50
Andhra	85	85.00	88.75
Canara Bank	50	74.75	...
Canara Banking	50	68.75	72.00
Canara I. & B. 'A'	100	171.00	167.00
Canara I. & B. 'B'	10	17.10	...
Canara I. & B. 'C'	1	1.71	1.58
Indian Bank	100	185.00	193.00
Indian Bank	80	165.00	154.50
Indian Overseas	100	172.45	168.00
Indo-Comm. 'A'	100	41.50	42.50
Indo-Comm. 'B'	25	11.00	11.00
Indo-Comm. 'C'	50	14.00	18.25
Pandyan	25	37.50	30.67
Punjab National	10	21.50	24.37
Trav. Forward	10	6.25	6.80
Trav. Forward	5	2.00	...

ELECTRICS			
Berhampore	10	6.65	6.60
Cochin	10	10.50	10.20
Elkott	10	10.35	11.15
Karakal	10	9.95	10.15
Kumbakonam	10	10.70	12.12
Nagapattinam	10	10.00	10.37
Salem-Erode	10	12.50	13.00
South Madras	10	10.20	12.00
Tin-Tuticorin	10	12.37	12.50
Vellore	10	11.50	13.75
West Coast	10	12.50	13.75

SUGAR			
Andhra	18	24.50	22.60
Cauvery	100	143.00	107.50
Deccan	5	13.95	11.20
M. I. Distil.	20	51.50	34.50
India	10	12.40	13.40
Jeydore	10	16.55	15.00
K. C. P.	10	21.00	...
Kirampudi	100	74.00	53.50
Mylapore	10	59.25	51.50
Travancore	10	11.75	11.62
United Brew	10	73.00	...

PLANTATION			
Alagawar	2	2.65	2.80
Annamalai	10	14.50	13.75
Annamalai	10	15.10	17.15
Annapal	5	5.00	5.00
Arthala	2	1.25	1.10
Attimattam	2	2.90	...
Attikhan	5	9.65	14.50
Babapudini	2	8.97	4.25
Badra	10	17.65	21.00
Balanore	2	2.47	3.30
Balmadras	5	3.65	3.62
Be Be	2	3.50	3.52
Blue Mountain	2	2.95	3.15
Chandramalai	2	4.55	4.15
Chendrabra	2	4.55	4.15

TEXTILES			
Adoni	100	8.12	7.75
Anglo-French	100	121.00	70.75
Asker	100	212.80	217.00
Balarama Varma	100	91.00	89.00
Balarama Varma B	10	8.25	9.00
Balasubramania	40	52.00	52.50
Balasubramania B	70	98.00	95.50
Beng. Woollen	100	202.00	175.00
Buckingham	100	193.50	175.00
Cambodia	10	10.10	9.12
Cannore	100	163.00	144.00
Cauvery	10	14.50	10.80
Colomb. Cotton	100	144.80	135.00
Colomb. Kamala	100	102.00	102.00
Colomb. Kamala	50	50.00	50.00
Colomb. Murugan	100	95.00	91.00
Colomb. Pioneer	100	361.00	270.00
Colomb. Spinning	50	85.50	49.50
Dhanalakshmi	100	225.75	185.00
Hamalathan	10	4.70	9.10
Jaharadan	50	69.00	69.00
Jawanar	5	9.45	11.50
Kadri	100	120.00	130.00
Kadri	10	14.00	15.00
Kannappan	10	8.35	9.40
Kasthuri	25	24.75	24.75

MISCELLANEOUS			
Alum. Indus.	10	24.05	19.50
A. Cement B	10	10.10	10.10
Andhra Scientifics	10	10.00	6.00
Ashok Layland	5	7.20	7.65
Aspinwall	10	6.90	7.00
Aspinwall Trv.	10	5.00	5.80
Assoc. Indl. and Eng.	100	85.50	98.00
A. V. Thomas	10	21.00	15.75
A. V. Thomas I.	10	4.00	4.00
Bang. Prite.	10	15.00	10.25
Binn	100	182.00	170.00
Brunton	10	4.05	4.80
Central Scientifics	5	7.10	6.80
Dalmia Cement	10	12.00	11.10
Dalmia Cem. (Decc)	1	2.51	2.63
Enfield	10	15.50	10.00
FACTS	10	11.25	8.75
Forest Indus.	24	2.95	3.00
Gen. Papers	10	13.25	11.90
Hindustan Ideal	25	24.50	25.00
Hindustan Lever	10	37.82	31.25
India Cement	5	5.85	5.65
Ind. Steel Rolling	10	12.10	15.00
Inv. Trust of I.	100	70.50	74.00
Jeevanlal	10	8.50	8.50
Kilcocker Electric	10	13.00	11.10
K.I.O.	10	11.40	...
Madras Safe	80	47.50	50.00
Madras Vansapati	100	15.00	15.00
Mandya N. Paper	10	10.00	...
Marikar	80	51.00	36.00
McDowell & Co	10	29.20	...
Mettur Chem.	10	12.90	13.06
Mys. Chem. Fert.	10	9.90	9.00
Mys. Chem. Mfg.	10	25.00	24.25
Mys. Coffee Curing	10	16.30	11.40
Mys. Electricals	100	175.00	118.00
Mys. I. T. L.	5	7.50	7.50
Mysore Lamp	10	21.00	19.00
Mysore Paper	10	24.37	18.90
Mys. Stoneware	10	15.10	13.70
Mysore, Tobacco	10	13.25	13.00
Natl. Rubber Mfrs.	10	13.40	16.87
Ogale Glass	5	3.85	...
Orissa Cement	10	13.85	14.44
Panyam Cement	100	90.00	...
Parry Confee.	1	4.45	3.88
Radio & Elec.	5	4.40	6.28
R. E. M. Co.	10	19.00	16.70
Rane	100	103.00	71.00
Ruby Rubber	5	6.10	5.70
Ruby Rubber	10	9.25	10.60
Ruby (Madras)	5	10.00	5.00
Sen Raleigh	10	21.75	17.00
Singapore	10	9.25	17.50
Spencer	10	20.50	20.12
Stand. Motors	10	14.50	13.00
Stanes T.	10	26.00	23.12
Textool	100	186.00	179.00
Trav. Cement	10	9.85	9.95
Trav. Chem. Mfg.	10	15.25	12.00
Trav. Ogale	10	8.00	6.30
Tube Inv.	100	240.00	...
Tube Inv.	50	207.00	...
United Electrical	10	9.50	9.50
United India Fire	7	8.05	7.85
Vanguard Fire	6	3.50	7.00
W. I. Plywood	100	271.00	155.00

PREFERENCE SHARES			
BOMBAY			
NAME	PAID-UP PER SHARE	QUOTATION AS ON	
		8-4-60 Rs NP	8-4-59 Rs NP
Adoni 6%	10	10.00	10.00
Adoni 'B' 6%	10	10.00	10.00
Ah. Adv. 5%	100	80.30	140.00
B. R. Cotton 6%	100	65.00	44.00
Bhawani Cotton	...	...	...
8%	100	100.00	100.00
Bradbury 7%	50	53.50	55.00
Central India 5%	500	401.00	340.50
Century 6%	100	103.00	108.50
Elphinstone 7%	100	66.50	65.00
Hindustan	1000	650.00 N	...
Hindustan	250	175.00 N	...
Indian Mfg.	1000	630.00 N	...
Indian Mfg.	500	315.00 N	...
Jiyajeero 5 1/2%	100	95.00	98.50
Khatua 4%	100	74.00	74.00
Kothari 6%	10	10.00	10.00
Kothari B 6%	10	10.00	10.00
Laxmi 5%	250	170.00	159.50
Marfati 1st 4 1/2%	100	86.00	86.00
Marfati 2nd 4 1/2%	100	92.00	92.00
Mahendra 6%	100	99.00	99.00
Morjee 4 1/2%	100	71.50	70.00
Mysore 4%	50	26.75	28.25
Naydari Cotton 5%	100	91.00	91.00
New Great 5 1/2%	200	112.00	130.00
N. Kaiser-Hind	100	74.50	74.50
Fodar 4%	100	64.00	61.50
Shreenivas 4%	100	61.00	61.00
Standard 5 1/2 1st	100	70.00	70.00
Standard 5 1/2 2nd	100	70.00	70.00
Svadeshi 5%	100	88.00	85.00
Svadeshi (Kan.)	100	86.00	86.00
Vishnu 7%	500	422.50	432.50
W. India 4 1/2%	1000	610.00	...

ELECTRICS			
Amalgam. 5 1/2%	100	91.50	91.00
Amalgam. 5%	100	81.00	77.00
Anand 6%	50	50.00	50.00
Andhra Valley	...	...	...
7%	1000	1065.00	1095.00
Nadiad 6%	50	39.00	45.00
Nagpur 6 1/2%	125	18.52	...
Nasik Deolai 7%	100	91.50	100.00
Poona 7%	100	101.00	101.00
Surat 6 1/2%	100	101.00	111.00
Tata Hydro. 7%	100	101.50	112.25
Tata Power 7 1/2%	1000	1110.00	1121.25

CEMENT			
Andhra 6%	100	100.00	100.00
Dalmia 7%	10	8.52	...
Digvijay 5%	100	85.50	86.50
India Cement 7 1/2%	100	95.00	95.00

STEEL			
Indian Iron 5%	100	101.07	107.50
Mukund 5%	100	62.00	61.00
Tata 1st 6%	180	135.50	158.75
Tata 2nd 7 1/2%	100	110.00	118.50

SHIPPING			
Gr. Eastern 5 1/2%	100	90.00	96.00

SUGAR			
Bhopal 5%	100	84.50	83.00
Cauvery 6%	100	100.00	90.00
Hindusthan 5%	100	90.00	90.00
Maharashtra 7%	250	240.00	240.00
Ravalgaon 5 1/2%	100	64.50	69.00
South Behar 7%	100	20.00	20.00
Waichand 7%	100	115.25	118.75
Waichand 7%	100	115.00	...

PLANTATION			
Highland	10	8.40	9.20
Midland	10	8.40	8.40
Neillampathy 6%	10	9.20	8.80
Rajagiri 6%	10	8.24	8.24
Waterfall 6%	10	8.80	8.80

MISCELLANEOUS			
Alcemic Chem 6 1/2%	100	86.00	86.00
Alcemic Chem 6 1/2%	100	79.00	85.50
Alcemic Chem 6%	100	75.00	72.00
Alum. Corp. 5%	100	75.00	...
Alum. Corp. 6%	100	100.00	...
Amr. Dy. 6 1/2%	100	100.00	98.50
Anil Hardboard	100	110.50	105.00
8%	100	100.00	100.00
Asso. Rubber 5%	100	100.00	100.00
Asso. Stone 6%	100	100.00	100.00
Bom. Pott. 6%	100	78.00	78.00
Bom. Pott. 4 1/2%	100	60.00	60.00

NAME	Paid-up per Share	Quotation as on		NAME	Paid-up per Share	Quotation as on		NAME	Paid-up per Share	Quotation as on		NAME	Paid-up per Share	Quotation as on	
		8-4-60	8-4-59			8-4-60	8-4-59			8-4-60	8-4-59			8-4-60	8-4-59
Bom. Silk 5%	100	47.50	47.50	Jam. Ranjit	1000	1500.00	1450.00	Halleyburia	10	16.52	16.80	Sathe Biscuits	50	50.00	50.00
B. I. Corp. 8%	100	121.00	101.00	Jyoti 5%	10	12.00	9.78	Kalpeta	10	12.28	13.44	Sen Raleigh	10	20.24	17.36
Brunton Eng. 6%	10	7.00*	7.00*	Khandesh	1000	1450.00	1100.00	Midland	10	12.12	11.80	Stand. Batteries	100	138.75	115.00
Delhi Safe 6%	100	100.00*	...	Khandesh	250	375.00	300.00	Nellompathy	2	2.88	3.28	Standard Motor	10	16.24*	...
Dhanga Chem.	100	85.00	88.50	Kothari	10	10.00*	14.75	Rajagiri	10	18.92	18.76	Star Paper	10	12.40*	12.40*
Digvijay Tiles 6%	100	85.00*	85.00	Lakshmi	250	502.50	395.00	Twyford	10	13.24	15.64	Star Paper 'A'	10	12.40*	12.40*
Digvijay Woolen 6%	100	134.00	...	Mafatal	100	800.00	436.00	Waterfalls	2	3.80	3.70	Straw Products	10	12.32	14.00
East I. Hotels 5%	100	100.00*	100.00*	Mahendra	100	315.00	133.00	MISCELLANEOUS							
Estrela 5%	100	36.50	34.50	Mahendra (New)	40	40.00*	40.00	Alembic	100	230.00	183.50	Supreme Indus.	100	175.00	142.50
Evero Alloys. 6%	100	100.00	100.00	Model	250	20.00	105.00	Alembic Chem.	100	215.00	168.00	T. Manek Mfg.	100	100.00	125.00
Gwalior Rayon 6%	100	103.75	75.00	Modern Mills	50	220.00	190.00	New	100	16.36	12.20	Thacker & Co.	50	41.00	43.50
Hind. Const.	100	68.00	75.00	Navari Cotton	100	125.00	90.00	Alumina Corp.	10	280.00	151.00	Tractors (India)	10	31.25	22.76
Hind. Const.	100	65.00*	65.00*	N. Kalsari-Hind	100	51.00	52.50	Ambika Silk	100	155.00	...	United Motors	20	15.00	15.00
Hind. Cycles 5%	100	75.00*	75.00*	Phoenix	100	145.00	123.00	Anil Hardboards	100	327.50	175.00	W. Coast Paper	100	150.00	127.00
Hind. Cycles 5 1/2%	25	25.00*	25.00*	Pulgaon	10	10.24	9.76	Asso. Rubber	100	105.00	101.00	W. Bengal Coal	10	6.60	5.40
Hind. Cycles 6%	100	100.00	...	R. Motilal	10	62.00	35.25	Associated Stone	10	21.28	16.00	W. I. Plywoods	100	238.00	151.00
Hindus. Elec. 6%	100	82.00	81.00	Ruby	25	9.76	9.76	Baroda Rayon	50	90.00	...	W. India Veg.	100	100.00	100.00
Hindus. Motor 6%	50	158.00	73.50	Sassoon Silk	10	50.00	45.00	Bombay Pottery	20	22.60	19.24	W. H. Brady	150	340.00	300.00
Hingir Rampur	80	32.00	32.00	Sassoon Spg.	10	125.00	125.00	Bombay Tiles	200	405.00	365.00	Zandu Pharma	100	112.00	113.00
Indian Dye 6%	100	114.50	124.50	Shubhalaxmi	100	12.00*	12.00*	Bom. Swadeshi	5	8.24	...	Ordinary Shares (Cleared)			
I. Hume Pipe 100	100	57.00	59.00	Swadeshi (Kan.)	10	10.40	10.40	Bom. Swadeshi	5	8.24	...	Ahmed Adv.	100	162.50	140.00
Indian Rayon	37 1/2	37.50	...	Swadeshi (P.O.)	10	10.40	10.40	Bom. Swadeshi	5	8.24	...	Apollo	2	1.20	1.20
Jaipur Metals 6%	100	55.50	59.00	Victoria	100	110.00	90.00	Bom. Swadeshi	5	8.24	...	Azam Jahl	100	74.00	51.00
Kamini Eng. 5 1/2%	100	85.50	50.50	Vishnu	1000	4400.00	4525.00	Bom. Swadeshi	5	8.24	...	B. R. Cotton	100	31.25	17.48
Khandelwal Ferro	50	51.50	...	BANKS								Bombay Dyeing	25	69.60	60.10
L. & Toubro 5%	100	98.80	87.00	Baroda	50	90.00	108.00	Central	25	48.50	50.00	Central India	100	104.00	94.80
Madhusudan 4%	12 1/2	6.00	7.50	Baroda 'B'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Century	100	454.50	493.75
Madhya Pradesh	100	106.00	...	Baroda 'C'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Edwards Tex.	200	290.00	214.50
Ind. 8%	100	106.00	...	Baroda 'D'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Elphinstone	50	38.50	31.50
Mahindra 6%	100	102.50	101.00	Baroda 'E'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Finlay	100	335.00	273.00
Mahindra 6 1/2%	100	107.60	...	Baroda 'F'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Gokak	100	140.00	143.00
Mackenzie 5 1/2% 1st	100	86.00*	...	Baroda 'G'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	India United	10	11.00	8.80
Mackenzie 5 1/2% 2nd	100	100.00*	...	Baroda 'H'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	India United (Defd.)	1	1.22	1.08
Motor & G. Fin.	25	36.00*	36.00*	Baroda 'I'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Indore	100	111.00	97.50
Nat. Elec. 4 1/2%	100	80.00*	80.00*	Baroda 'J'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Khatana	100	332.50	188.75
Nat. Rayon 5%	100	72.00	77.50	Baroda 'K'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Kohinoor	100	320.50	253.00
Nat. Rubber 6%	100	82.00	100.66*	Baroda 'L'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Minerva	100	62.00	62.00
N. Cen. Jute 7%	100	107.00*	100.00*	Baroda 'M'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Mysore	50	70.00	80.00
N. I. Fisheries 6%	100	101.00	101.00	Baroda 'N'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	New Great	100	178.00	293.00
Orient Paper 1st	100	93.20	91.00	Baroda 'O'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Omanahahi	100	40.50	40.00
Orient Paper 2nd	100	58.50	58.50	Baroda 'P'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Podar	100	145.00	150.00
Parshuram Port 6%	25	25.00	...	Baroda 'Q'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Shrinivas	100	258.00	184.00
Parshuram Port 4%	25	16.00	...	Baroda 'R'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Simplex	50	142.00	109.00
Poly Chem. 8 1/2%	50	48.75	53.00	Baroda 'S'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Standard	100	386.00	483.00
Palmco 6%	100	81.50	80.00	Baroda 'T'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Swadeshi	100	251.00	216.50
Prem. Const. 1st	100	85.50	88.00	Baroda 'U'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Prem. Const. 2nd	100	85.00	88.25	Baroda 'V'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Prem. Const. 3rd	10	5.68	6.04	Baroda 'W'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Premier Tyre 6 1/2%	60	52.00	...	Baroda 'X'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Radio Lamp 5%	100	74.00	70.80	Baroda 'Y'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Rohas 7 to 9%	100	110.00	110.00	Baroda 'Z'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Rohas 4 1/2%	100	60.50	61.00	Baroda 'AA'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Sathe Biscuits 7%	100	94.20	94.20	Baroda 'AB'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Sen Raleigh 5%	100	145.00	110.00	Baroda 'AC'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Sirpur Paper 6%	100	88.80*	100.00*	Baroda 'AD'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Standard Motor 6 1/2%	100	103.00*	...	Baroda 'AE'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Standard Motor 6%	100	103.00*	...	Baroda 'AF'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Star Paper 6%	100	78.00*	70.00*	Baroda 'AG'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Star Paper 6 1/2%	100	100.00*	92.00	Baroda 'AH'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Structural Eng. 5%	100	105.50*	100.00*	Baroda 'AI'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Structural Eng. 6%	100	106.00	...	Baroda 'AJ'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Supreme Ind.	100	50.10	50.10	Baroda 'AK'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Tata Chem. 5%	100	99.00	97.10	Baroda 'AL'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Tata Oil 4 1/2%	100	59.00	61.50	Baroda 'AM'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Termaco 1st 5 1/2%	100	62.00	62.00	Baroda 'AN'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
Termaco 2nd 5 1/2%	100	62.00	62.00	Baroda 'AO'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
W. Coast Paper	100	119.00	101.00	Baroda 'AP'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00
W. I. Plywood 6%	100	90.00*	90.00*	Baroda 'AQ'	25	48.50	50.00	Central (F.P.)	25	50.50	59.20	Tata	100	497.00	398.00

16 April 1960

RESERVE BANK OF INDIA
ISSUE DEPARTMENT:
(In 000's of Rupees)

LIABILITIES:	Week Ended		
	8-4-60	1-4-60	10-4-59
Notes in Banking Dept.	12,40.12	6,32.89	14,22.33
Notes in Circulation	1896,76.79	1864,52.58	1764,48.26
	1909,16.91	1870,85.47	1778,70.59

ASSETS:	Week Ended		
	8-4-60	1-4-60	10-4-59
A Gold Coin & Bullion	117,76.03	117,76.03	117,76.03
(a) In India	...	...	...
(b) Outside India	...	...	...
Sterling Securities	163,00.89	163,00.89	178,00.89
Total A	280,76.92	280,76.92	295,76.92
(B) Rupee Coin	126,48.65	126,48.65	131,69.10
Rupee Securities	1501,91.34	1461,91.34	1351,24.57
	1909,16.91	1870,85.47	1778,70.59

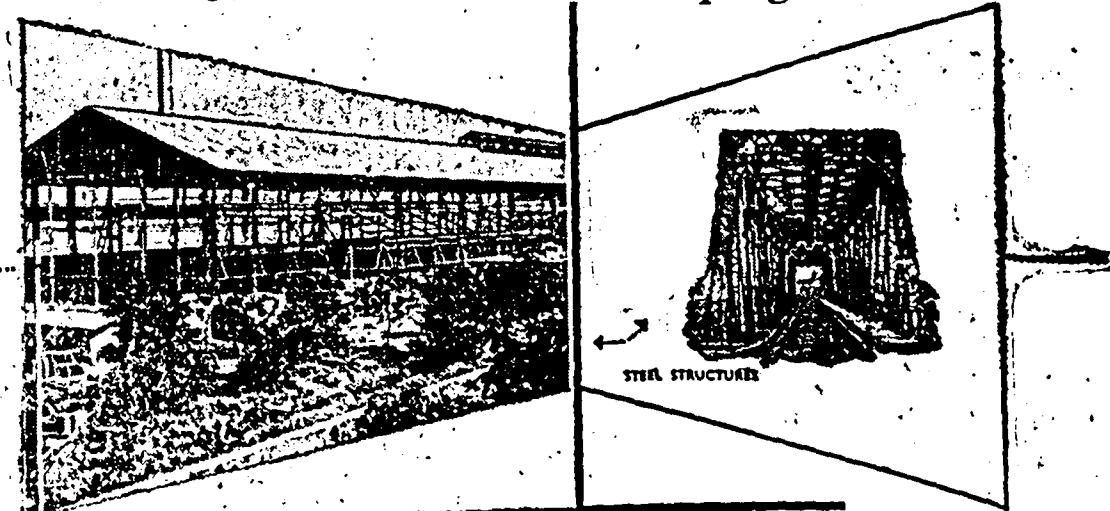
LIABILITIES:	Week Ended		
	8-4-60	1-4-60	10-4-59
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	30,00.00	30,00.00	25,00.00
National Agricultural Credit (Stabilisation) Fund	4,00.00	4,00.00	3,00.00
Deposits:	62,32.79	73,48.95	49,58.66
(a) Central Govt.	5,56.52	35,34.27	7,49.94
(b) Other Govt.	86,59.56	79,01.88	91

Registered No. C1646 (Calcutta)
B6490 (Bombay)

Indian Finance

Braithwaite's

contribution to India's progress

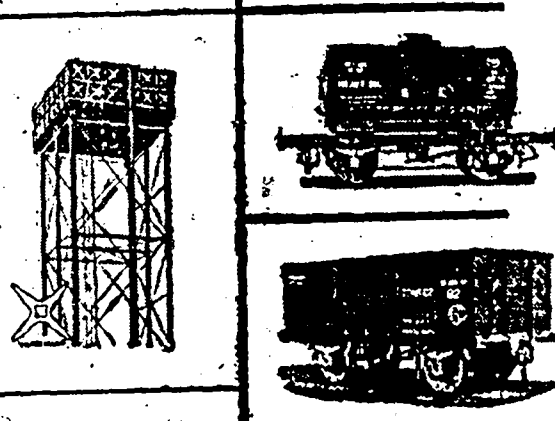


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STEEL WAGONS

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BUILDING MATERIAL MERCHANTS
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FORWARDING AND
TRAVEL AGENTS
TEA BUYERS AND EXPORTERS

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CALCUTTA BOMBAY NEW DELHI ASANSOL

For Service & Security PANDYAN BANK LTD.

Central Office: MADURAI

Bombay Office—'Pandy House',
Frere Road, Fort.
Bangalore Office—127, Sultanpet.

Paid-up Capital Rs. 15,00,000
Reserve Fund Rs. 12,00,000
Working Funds as
on 31-12-1959 Rs. 6,48,20,996

83 Offices serve the Public

Banking Business of every descrip-
tion transacted

S. N. K. SUNDARAM, Mfg. Director.

Indian Finance

HIGHLIGHTS OF THIS ISSUE

Indian Finance
Saturday

23, April 1960

Volume LXV No 16

Price: Rs 1.50

The continuing boom in the new issue market will no doubt be helped by the Finance Minister's concessions announced last week.

How varied is the range of such new issues can be seen from New Issue Notes published this week in the section For the Investor.

Indian Finance
Founded in
1928
by
C. S. Rangaswami

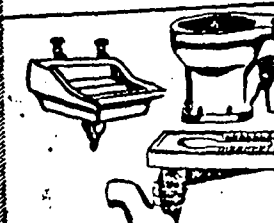
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for general
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TRITON INSURANCE COMPANY, LIMITED

(INCORPORATED IN INDIA)

The Liability of the Members of the Company is Limited



AD. 1850

FIRE

MARINE

MISCELLANEOUS ACCIDENT

HEAD OFFICE:
4, CLIVE ROW, CALCUTTA

Agents: JARDINE HENDERSON LTD. 4, Clive Row, Calcutta

National and Grindlays Bank Ltd.

(Amalgamating National Bank of India Ltd., & Grindlays Bank Ltd.)
Registered in London under the Companies Act of 1862 on the
23rd March, 1866. The Liability of members is limited.

Bankers to the Government in Aden, Kenya Colony, Zanzibar,
Uganda and Somaliland Protectorate

Authorised Capital £4,562,400
Subscribed and Paid-Up Capital ... £3,421,875
Reserve Funds £3,000,000

Head Office: 26 BISHOPSGATE, LONDON, E.C.2;
London Branches:

54 Parliament Street, S. W. 1: 13 St. James's Square, S. W. 1.

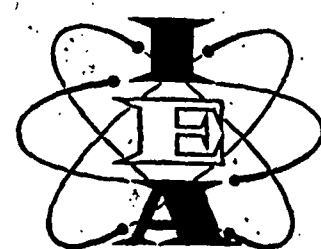
BRANCHES throughout India, Pakistan, Ceylon,
Burma, Aden, Somaliland Protectorate, Zanzibar
Island, Kenya, Uganda, Tanganyika Territory and
Northern and Southern Rhodesia.

The Bank conducts all classes of Banking and
Exchange Business throughout the world. Trust-
ships and Executorships are undertaken.

The Bank undertakes the recovery of Income Tax
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of constituents.

Calcutta Branches:

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& Church Lane, 17 Brabourne Road



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plant, you should be there for nowhere else
can be seen such a comprehensive display
of the world's latest scientific achieve-
ments.

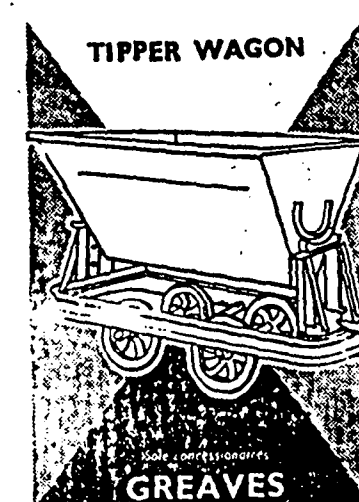
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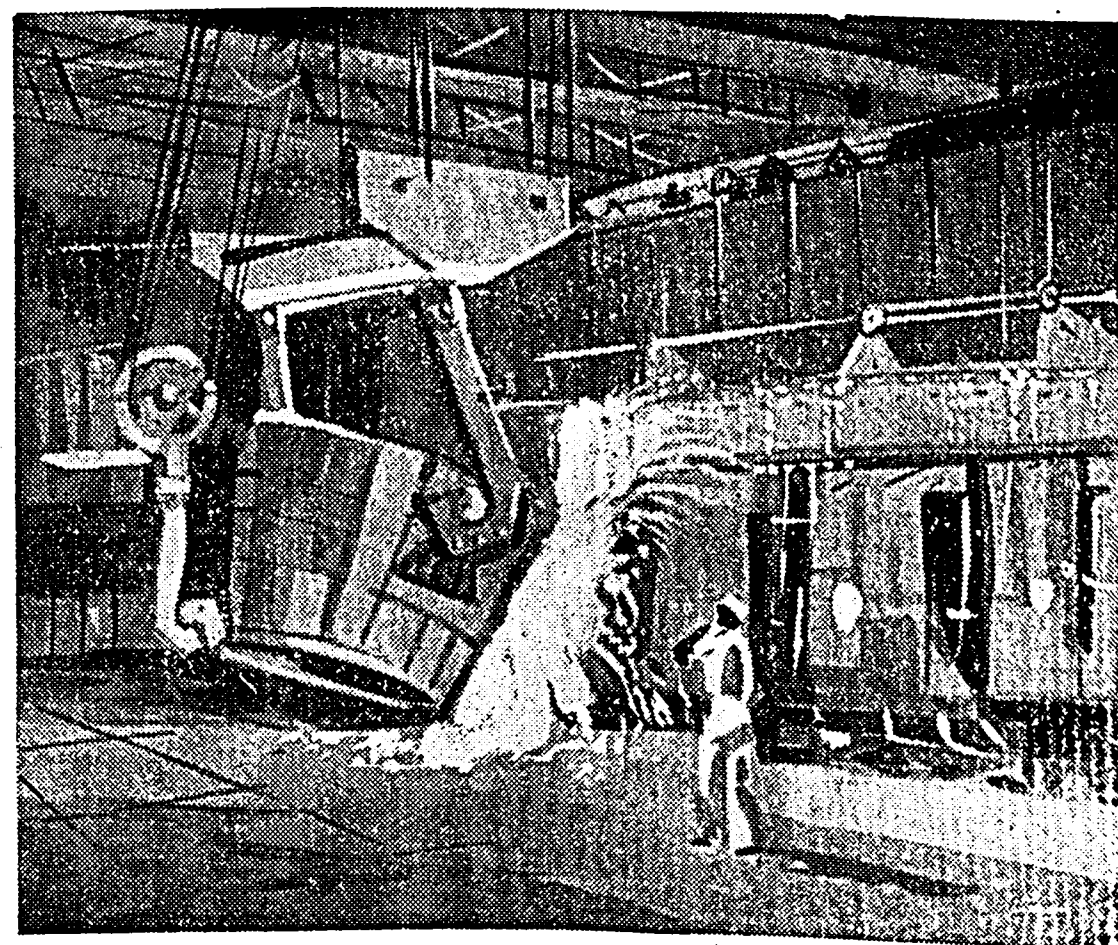
West End Branch, London:
2, Regent Street, London S.W.1.
and at

MANCHESTER, LIVERPOOL, NEW
YORK and HAMBURG.

Branches of the Bank are established
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lished in Iraq, Bahrain, in the
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Sub Branch: I. G. THOMSON
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STEEL, the starting point of all industries.

(IC-7)

WORLD OF FINANCE

Steep Rise in Bank Deposits

THE busy season has not ended, to judge by the return of the Reserve Bank and of the State Bank for 15 April, though there had been indications in the earlier week of a much easier money market condition. The year-end disbursements of governments have had their immediate impact on the banking system, as can be seen from the statutory statement of Scheduled Banks for 8 April. Whether by virtue of special transactions, or as a result of a sudden return of a fair-sized import surplus, Balances Held Abroad have again declined by a not inconsiderable sum. These are the facts that highlight the latest banking figures.

According to the returns of the Reserve Bank for 15 April, Active Note Circulation, in rising by Rs 5.48 crores, has passed the Rs 1900 crore mark to be placed at Rs 1902.24 crores. On the other hand, Rupee Coin has returned from circulation in the fractional amount of Rs 2 lakhs. Currency has been expanded against Rupee Securities for Rs 5 crores by transfer from Investments in the Banking Department. Consequently, the Reserve Bank's cash in the till has fallen slightly by Rs 0.63 crores to Rs 11.78 crores.

In the Banking Department, there is a decline of roughly Rs 5 crores in Investments, and, on the face of it, there does not seem to have been any recourse to deficit financing. But the State Bank is known to have purchased securities for Rs 15 crores, and the Centre's balances have improved by Rs 12.75 crores to Rs 75.08 crores. The inference, therefore, is that created money for Rs 15 crores has been concealed by the fact of sale of securities to the State Bank, and that it is this which has replenished the balances of the Central Government. The Centre's balances have in this wise been buttressed, presumably because some part of drafts issued in connection with the fiscal year-end have yet to be presented for encashment, since Bills Payable, although they have declined by Rs 3.35 crores, are still at the high figure of Rs 39.65 crores. The pressure on State Governments continues to be considerable. The improvement in their Deposits by Rs 0.45 crores to Rs 6.01 crores is as nothing compared to the steep rise of Rs 10.08 crores in their ways and means borrowings from the Reserve Bank. The Reserve Bank's portfolio of Treasury Bills Purchased and Discounted has been marked up sharply by Rs 13.70 crores to Rs 67.24 crores, and State Governments may in this behalf have sought to replenish their balances.

Reserve Balances of member banks have risen by Rs 5.76 crores to Rs 92.35 crores; and, in the relevant week, owing to the purchase of gilt-edged, the State Bank's cash in hand and with Reserve Bank fell by Rs 3.34 crores. Therefore, in the week under review, Reserve Balances of other Scheduled Banks have obviously risen by something like Rs 9 crores. In this regard, it may be noted here that the increase in Reserve Balances of Scheduled Banks in the week ended 8 April does not correspond to the rise in Deposit resources in that week. So, conceivably, the latest

week's rise may relate to the additional deposits made by banks in respect of new accretions in the previous week, though further increase in Deposit resources of Scheduled Banks, in the week ended 15 April is not to be ruled out. Some small rise of Rs 2.98 crores has been registered in the Other Loans and Advances of the Reserve Bank. Finally, as already noted, Balances Held Abroad have declined further by Rs 3.74 crores to Rs 20.83 crores—a level which, unless improvement in the balance of payments position is in the offing, presages at a none too distant date some element of transfer from Foreign Securities in the Issue Department.

The return of the State Bank for 15 April suggests that the continuance of busy season pressure is responsible for both a decline in Deposits and a rise in Advances. At the same time, a rise of considerable dimensions in gilt-edged securities may relate either to replacement purchases (in respect of securities sold during the strike period) or to contra investments in respect of the last tranche of counterpart funds which will be lodged with the State Bank. But the intention to purchase gilt-edged had already been earlier indicated by the high level of Other Assets.

Deposits of the State Bank were run down by Rs 3.76 crores to Rs 633.45 crores. Simultaneously, busy season pressure for funds stands reflected in a rise of Rs 3.85 crores to Rs 217.85 crores in the total of Advances. The gilt-edged portfolio, added to by Rs 15 crores, is now placed at a shade under Rs 370 crores. Other Assets have been sharply liquidated, by roughly Rs 20 crores, to Rs 26.04 crores. While borrowings are more or less unchanged, cash in hand and with Reserve Bank has fallen by Rs 3.34 crores to Rs 28.25 crores, though money at call and short notice has improved by Rs 1.13 crores to Rs 2.47 crores. In the light of the knowledge that future accumulations of Public Law 480 counterpart funds are not likely to be kept with the State Bank, it may be that, for some time at least, the Deposits of the institution will prove stagnant.

The impact of the governmental year-end disbursements is considerably brought out in the return of Scheduled Banks for 8 April, wherein it is to be noted that gross Deposits have risen very sharply by Rs 26.53 crores to Rs 1,967.03 crores, and only Rs 6 crores or so of this was traceable to the State Bank. Governmental expenditures have also moderated the expansion in bank credit, the total of Advances rising only by Rs 3.59 crores to Rs 1,130.35 crores, though, with the State Bank in the relevant week reporting a fall of Rs 2.30 crores under this head, other Scheduled Banks are seen to have experienced a rise of nearly Rs 6 crores in the accommodation they extended. The accretion of such considerable resources has enabled banks to reduce borrowings from the Reserve Bank by as much as a shade under Rs 27 crores to Rs 41.31 crores. Cash balances have also been added to, in being higher by Rs 6.10 crores at Rs 178.94 crores. But, in this regard, it is to be borne in mind that the State Bank had shown a rise of around Rs 11 crores in that week. Hence, other Scheduled Banks somewhat drew down their cash. This is why it is likely that the rise in Reserve Balances of member banks, as shown in the latest returns of the Reserve Bank, may correspond to, in the sense of being linked up with, the increase in the Deposits of the banking system during the week ended 8 April, however, a further rise in Deposits in the week ended 15 April is not to be ruled out.

Punjab National Bank's Performance in 1959

DEPOSITS of the Punjab National Bank Ltd rose in 1959 from a level of Rs 129.20 crores to Rs 141.16 crores; while resources

were in this wise being augmented, their utilisation apparently was profitable only toward the tail-end of the year; this is an inference to be drawn from the fact that, though both Advances and Investments have risen by a level roughly equivalent to the rise in Deposits, the impact of such improvement in earning resources has not, in the profit and loss account, been sizable.

The total of Advances has been expanded from Rs 66.76 crores to Rs 72.51 crores. Gilt-edged investments have also been marked up, by Rs 2.25 crores, to Rs 60.82 crores. The estimated surplus of market value over book value of gilt-edged and trustee securities is of the order of Rs 1.21 crores; and this probably explains an item in the profit and loss account, to which we shall be coming presently. Cash balances, including money at call and short notice, have not changed appreciably, in rising by roughly Rs 32 lakhs to Rs 13.33 crores. The improved resources situation has enabled the bank to reduce borrowings from Rs 6.00 crores in the 1958 accounts to Rs 3.16 crores.

The profit and loss account shows that gross income has risen by a small margin from Rs 7.87 crores to Rs 7.98 crores. Interest and discount have contributed Rs 21 lakhs more at Rs 6.29 crores, while the income by commission, exchange and brokerage is seen to have risen by Rs 5.34 lakhs to Rs 1.08 crores. Credit is taken for Rs 20.43 lakhs as net profit on sale of investments, etc., this figure being somewhat lower than last year's Rs 23.89 lakhs. Expenditure has not been permitted to rise unduly; interest paid absorbs only Rs 4.76 lakhs more at Rs 3.37 crores—a remarkably small rise. On the other hand, the rise in salaries and allowances is a more pronounced one of Rs 17.28 lakhs to Rs 2.82 crores. In the result, after providing Rs 3.50 lakhs for Development Rebate Reserve, the balance of profit is substantially lower at Rs 84.20 lakhs against Rs 1.06 crores.

The transfer to Reserve is unchanged at Rs 17 lakhs, and the Reserve now stands at Rs 1.47 crores against the paid up capital of Rs 1.25 crores. The tax provision—presumably because of the higher rate of tax deducted at source from interest on government securities—is practically halved to Rs 17.50 lakhs from Rs 33.50 lakhs. Bonus to Staff receives Rs 5 lakhs less at Rs 25 lakhs. The amount absorbed by dividend is unchanged at Rs 25 lakhs, but the 20 per cent dividend declared for 1959 is subject to deduction of tax.

Canara Bank Announces Satisfactory Results

IN a year distinguished, if that is the word, by none too satisfactory banking results, Canara Bank's performance in 1959 must be adjudged extremely creditable. Expansion in resources and their remunerative utilisation have together enabled the bank to report a sizable increase in net earnings.

Deposits and other accounts rose from Rs 23.76 crores to Rs 28.93 crores, with the bulk of the rise occurring under the head of Fixed Deposits, which have been marked up by Rs 3.41 crores at Rs 16.01 crores. Accommodation extended to constituents has expanded from Rs 10.93 crores to Rs 15.88 crores. At the same time, the recognition of the value of a strong gilt-edged portfolio is evident in the increase of Rs 1.69 crores in holdings of Government securities. While cash in hand is

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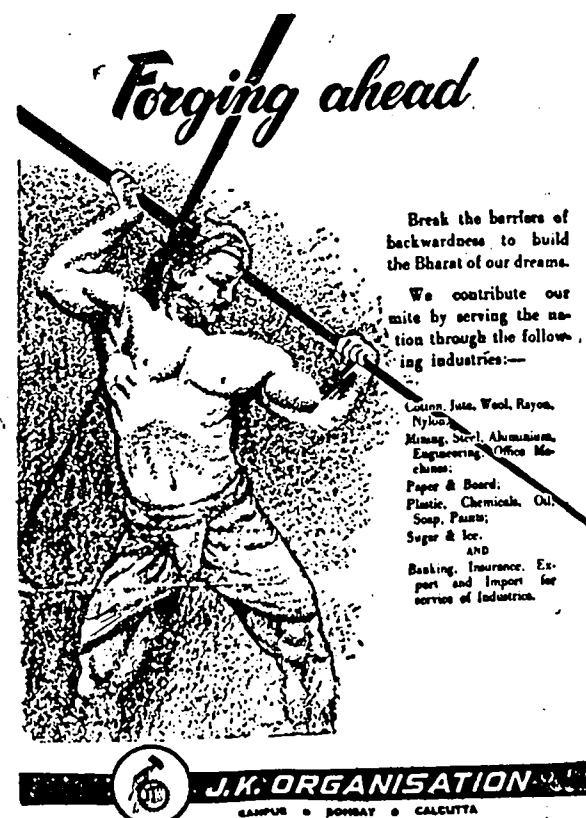
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somewhat better at Rs 2.45 crores against Rs 2.13 crores, balances with other banks are seen to be substantially lower, in declining from Rs 1.02 crores to Rs 31.82 lakhs. Money at Call and Short Notice has also come down from Rs 96 lakhs to Rs 25 lakhs. However, the most interesting figure in the balance-sheet is a nil figure; this is what borrowings are placed at, and Canara Bank must surely be one of a handful, if that, of banks which were able to avoid recourse to assistance from the central banking institution for the year-end window-dressing.

The profit and loss account shows that gross income has improved by more than 25 per cent to Rs 1.56 crores from Rs 1.22 crores. The income from interest and discount has crossed the Rs 1 crore mark in rising by a little over Rs 28 lakhs to Rs 1.19 crores. Commission, exchange and brokerage have fetched Rs 3.74 lakhs more at Rs 28.16 lakhs. However, expenditure has also risen, though not by the same margin. Interest paid absorbs a sum that, at Rs 80.83 lakhs, is higher by Rs 20.20 lakhs; salaries and allowances account for Rs 6 lakhs odd more at Rs 37.38 lakhs. In the result, the balance of profit is seen to have moved up comfortably by Rs 4.30 lakhs to Rs 18.30 lakhs; a performance that undoubtedly deserves to be praised.

The transfer to reserve is maintained at Rs 5 lakhs, and this raises Reserve Fund and Other Reserves to Rs 50 lakhs, or equivalent to the paid up capital; and this is a feature which may be said to make of the 1959 accounts a landmark in the bank's history. Taxation takes up Rs 4.75 lakhs against Rs 3.91 lakhs. Bonus to staff gets Rs 2.40 lakhs, a rise of Rs 30,000 over the previous year. Shareholders, too, benefit from the bank's increased profits, since dividends (including Rs 70,000 on preference shares) absorb Rs 6.10 lakhs against Rs 3.07 lakhs.

Proposed Changes in New Taxes

A Gazette of India Extraordinary announced certain duty concessions in respect of some commodities liable to Central excise duties. These concessions come into force with effect from 20 April.

Films: The rate of excise duty per metre on exposed cinematograph feature films of a width of 30 mm. or higher will be 10 nP on the first 5 prints, 15 nP on the next 5 prints, 20 nP on the next 15 prints, 25 nP on the next 25 prints and 30 nP on the balance of prints of each picture. Reprints of old releases, that is prints cleared after 12 months immediately following the month of certification by the Central Board of Film Censors, will be assessable at 15 nP per metre if they are of a width, of 30mm. or higher. Proportionate reductions in respect of feature films below 30 mm in width and news reels and shorts have also been made. Educational films, children's films and films not exceeding 9.5 mm in width will be totally exempt from the excise duty.

Cars and Tractors: Agricultural tractors have been exempted from the whole of the excise duty. Motor cars of more than 16 h.p. but not more than 20 h.p. which were formerly assessable at Rs 3,000 per car will, in future, be assessed at Rs 1,000 per car.

Fabrics: The compounded rates of duty on staple fibre fabrics have been substantially reduced. For factories employing not more than

9 powerlooms the rates have been reduced from Rs 24 to Rs 18 for the first shift, from Rs 18 to Rs 16 for the second shift and from Rs 9 to Rs 8 for the third shift. For factories employing more than nine but not more than 24 powerlooms the rates have been reduced from Rs 40 to Rs 25 for the first shift, from Rs 28 to Rs 25 for the second shift and from Rs 18 to Rs 15 for the third shift. For factories employing more than 24 powerlooms suitable adjustments in the lower slabs have also been made. The reduced rates will not be applicable to those who manufacture both staple fibre fabrics and art silk fabrics, other than staple fibre fabrics.

Fents: In respect of cotton fents, the limit has been enhanced from 2 yards to 2½ yards.

Cycle parts: Producers whose output does not exceed 1500 cycle freewheels and/or 1000 cycle rims in any one of the immediately preceding twelve months have been exempted from 50 per cent of the existing excise duty.

Combustion engines: Producers of stationary type of internal combustion engines and electric motors whose output for each of these two commodities does not exceed 300 h.p. in any one of the immediately preceding twelve months will get a duty discount of 20 per cent of the existing excise duty on the first 100 h.p. and 10 per cent of the existing excise duty on the next 100 h.p. cleared in any calendar month.

Aluminium sheets: Aluminium sheets and circles etc manufactured by re-melting old aluminium scrap or scrap obtained from virgin metal etc on which appropriate excise duty has been once paid have been exempted from excise duty in excess of Rs 200 per metric tonne. Also aluminium ingots etc manufactured from such scrap have been exempted from the whole of the excise duty.

Pulp Boards: The ceiling limit for concessional slabs in respect of pulp boards, not otherwise specified, including grey board and mill board has been raised from 3000 tons to 5000 tons and a further slab from 1500 to 3000 tons at 7 nP per lb has been prescribed.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 19 April 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.305 and above were accepted in full. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.770 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days, Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 25 April 1960. Successful tenderers should make payment on Friday, 29 April 1960. Other conditions are as usual.

During the week ended 15 April 1960 Government of India Treasury Bills for Rs 225,76,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 20 to 23 April 1960 at Rs 99.326 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 13 to 16 April 1960.

Trend in Savings

ESTIMATES relating to saving in India made by the Reserve Bank in its last monthly bulletin deal with the cash held by insurance companies, the LIC and co-operative institutions as well as joint-stock companies. What is described as the household sector does not seem to have an excess of free balances. And, in the case of banks, the Advances seem to exceed the Deposits made in respect of personal and professional accounts, due to the tradition of borrowing for domestic ceremonies and purchase of durable consumer goods. For the first time, an independent estimate of gold held by private agencies is also offered. It is assumed that every year additions to gold stocks take place in spite of a ban on bullion imports and the Indian output is supplemented by smuggled gold. In this connection, the survey states:

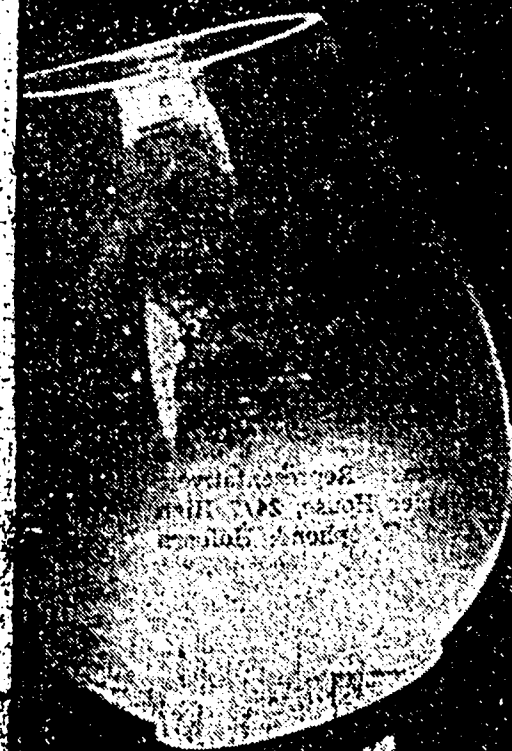
About two-thirds of the imports of Indian currency notes from abroad and particularly from the Persian Gulf area are believed to represent the smuggled imports of gold. It may be presumed that curbs on smuggling provided by restrictions on the export of Indian currency have altered the situation since 1958 and the exclusive purchase of Kolar gold by the Reserve Bank at a fixed price make further addition to gold stocks held privately improbable. The course of bullion prices over a year has merely reflected the pressure of conventional demand in the face of attenuated supplies.

The contribution of life insurance to the total volume of saving appears less considerable, for, loans taken by policy holders have to be deducted from the net addition made to the life funds from year to year, but the trend has been undecided and the steep fall in 1957-58 may require an explanation, apart from the increase in policy loans. However, the regular saving made by policyholders who insure their lives is an addition to investible funds and correspond to the additions made to the Provident Funds. In 1957-58, the net addition amounted to Rs 78.18 crores against Rs 29.5 crores in 1950-51, proving that change in the law had raised the yearly contribution from the private sector. How much of private saving goes into new issues may also be inferred from the analysis indicating that over Rs 50 crores a year is raised. Perhaps the volume of saving in this form has risen in recent years, to go by the success of new issues in 1959-60, and the private investor puts up most of the new money as compared with financial institutions.

The most substantial form of private saving is still to be found in the flow of funds into urban housing, and the net rental income is usually invested in new houses, though much financing of construction is undertaken by prospective tenants for big new premises. This type of investment has risen as high as Rs 200 crores per annum and may rise if conditions are favourable. The survey sustains the general impression that investment in small industries remains marginal, but a great change may have taken place since 1958 in view of special consideration shown to small enterprises. The flow of outside capital into agriculture is decidedly poor, and the funds for high farming do not seem to follow official prescription. The agriculturist has no spare cash, and the 4 per cent estimated to be saved does not afford a solid foundation for technical progress. This is the most important conclusion presented now by the analysis, and the conscious direction of new savings for improving agriculture must be the

“India is the largest market for illuminating Kerosine in the world. This product represents 30% of the country's requirements of petroleum, and demand continues to grow steadily. The very large demand for Kerosine cannot be met from the normal product yield of the four local refineries, and has meant that two-thirds of India's requirements of the product have still to be imported.”

Extract from a Burmah-Shell publication



main task of every rural credit agency. Though agriculture is not extractive, the replenishment of fertility requires regular doses of capital, and the whole problem of resources for agriculture must be viewed in a new light hereafter, if intensive cultivation is accepted as the major aim.

British Deposits Rates

By Paul Einzig

WHILE in the United States deposit rates are fixed under Federal Reserve regulations, in Britain in the absence of official regulations to that end, the banks themselves have for many years conformed to a gentlemen's agreement fixing deposit rates 2 per cent below the current Bank Rate. This arrangement prevents British banks as effectively as regulation prevents their American opposite numbers from competing for deposits.

The conclusion of the gentleman's agreement was a reaction from the cutthroat competition that existed before the War when the five biggest banks in an effort to attract deposits paid deposit rates on foreign deposits which were obviously unprofitable if the funds were reinvested in a liquid form. The competitive spirit that existed between them was inspired largely by the late Reginald McKenna, Chairman of the Midland Bank. Sharp competition was not confined to deposit rates. Until the crisis of 1931 the London clearing Banks, in an attempt to attract acceptance business reduced their commission charged on acceptance credits to 1 per cent for three months, which obviously hardly paid for the clerical work involved. The losses, suffered through defaults during the 'thirties must have wiped out with one stroke the profits made over a period of years.

No such competition exists in British banking today. This does not mean that the competitive spirit is absent, only that it is expressed by means other than outbidding each other for deposits or cutting down rates for credit charges. Competition nowadays assumes the form of providing additional services, or expanding over new fields of financial activity or in the foreign exchange market, of being content with a lower margin of profit.

Among the new services the granting of personal loans to private customers is an outstanding instance. These loans are usually entirely unsecured. They were initiated by one of the leading banks and the others had to follow the example to avoid losing customers. The outstanding example for new financial activities is the instalment credit financing. For a long time British banks were reluctant to follow the example of American banks in taking an active hand in this sphere. Once one of them departed from its traditional attitude of neutrality the others soon followed

its example and today all leading banks control subsidies engaged in instalment credit financing.

Competition in the form of cutting profit margins is most prevalent in foreign exchange market. To some extent this has been the inevitable result of the more intelligent interest taken by commercial firms in foreign exchange. The bigger firms usually have several bank accounts and ask for several quotations before deciding to give the order. But profit margins declined also in international interest arbitrage between banks.

On the other hand, the leading banks are impervious to the arguments put forward from many sides in favour of departing from fixed interest rates on deposits. The chairman of Barclays Bank Mr A. W. Tuke, addressing recently the Institute of Bankers, firmly rejected the suggestion that banks should offer special rates for long-term deposits. He said that the banks were often criticised for sticking to the published deposit rates. The critics maintained that it would be worth their while to offer a more competitive rate. Mr Tuke said that it was only since recently that this question has become a real one. Throughout the cheap money period right until recently there had been excessive liquidity with ample funds available for deposits and practically the only outlet for additional deposits would have been investments in Government securities. There would have been little sense, he said, in competing for deposits to invest in gilt-edged loans on which banks were liable to mark a loss when they wanted to sell them.

Moreover, Mr Tuke pointed out that in any case all money the banks received from customers went into one common pool. Whether the money was on current or deposit account made no difference. Even if one bank temporarily got ahead of the others by bidding up the deposit rates it would not increase the total amount of money held by the banking system. The eventual result would have been that the banks as a whole would have been paying higher deposit rates for the same aggregate amount of money.

Mr Tuke's argument is only valid for domestic deposits. An influx of foreign deposits attracted by higher deposit rates, provided that the resulting firmness of sterling, makes it necessary for the Exchange Equalisation Account to operate to prevent a rise above the limit of 2.82 dollars would increase the total volume of monetary resources of the British banking system as a whole, as well as the resources of individual banks offering higher deposit rates. Nevertheless the rule that deposit rates must not exceed the rate of 2 per cent below the Bank Rate is strictly maintained by the clearing banks and also by a number of other financial institutions.

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Sophistication in Industrialisation

THERE is an element of irony in the comparative lack of public interest in the fortunes of the Second Plan just at the moment when its fruits are making their appearance. Public consciousness of its initial difficulties was more articulate than its approbation of their eventual overcoming. It was known from the beginning that the Second Plan involved a long period of gestation, and that its tangible benefits would begin to be felt only toward the end of the Plan period. One of the principal tasks of the Second Plan, was to deepen reach and widen range of the industrial base even at the cost of a certain amount of current privation. Over the years, this transformation of the base of the economy has been steadily taking place, and the figures for 1959, just released by the Director of Industrial Statistics, make heartening reading. It will be useful to draw public attention—obsessively rivetted at the moment on the shape of the Third Plan—to some of the implications of these figures.

The general index of industrial production for 1959 was 151.0 (Base 1951). This is an increase of 11.3 points over that for 1958. The rate of increase is the highest recorded so far—the increases for the Second Plan period being 10.2, 4.7 and 2.4 points in 1956, 1957 and 1958 respectively. (The index numbers for these years were: 132.6, 137.3 and 139.7 respectively). Individual industries have, in some cases, recorded spectacular performances both during the Second Plan period in general and in 1959 in particular. As we have repeatedly urged in these columns, the general index gives a rather distorted picture of the industrial performance because of the weight attaching to some of the older industries. Thus, the fortunes or misfortunes of the cotton textile industry (whose weight is 36.1 per cent of the general index) throw awry the total picture. Thus, in 1957 and 1958, the fall in production in this industry (index for cotton cloth for 1956, 1957 and 1958 were 115.2, 109.7 and 101.8 respectively) was undoubtedly responsible for the apparently poor showing in the rate of increase in the general index in those two years. By the same token, the comparatively satisfactory performance of this industry in 1959 had something to do with the better rate of growth revealed. The extent of such "distortion" for the better is difficult to determine precisely, but should undoubtedly be borne in mind, if an error in the opposite direction to the pessimism of 1958 is to be avoided.

But, even after making allowance for the "weight" of textiles, the industrial performance in 1959 has been quite impressive. It has been estimated that, the index of production, after excluding textiles, was 184.4 for 1959, which is 19.7 points or 12 per cent over the similar index for 1958. It is clear, therefore, that the tempo of development is steadily on the increase. In terms of value of output, the increase is equally startling. Excluding the textiles group, the total value of output is put at Rs 1,359.12 crores (at 1957 prices), which is about Rs 150 crores over the value of output in 1958. The increase over the first year of the Second Plan is about 30 per cent. Among

the industries that have done particularly well are industrial machinery, especially diesel engines, machine tools, automobiles, chemicals and finished steel, aluminium, fertilisers, cement, and paper and paper-boards.

The value of machinery output has increased from Rs 30 crores in the first year of the Second Plan to Rs 54 crores. In the case of electrical equipment, the increase between the first and fourth years of the Plan has been about 35 per cent. Automobiles, again, have done very well, the increase being from 32,000 in 1956 to 36,000 in 1959. The bicycle industry nearly reached the millionth mark from 660,000 in 1956. Light engineering industry has also shown a steady rate of development—a fact that has been brought home to the common man by the increasing popularity and easy availability of items like sewing machines and fans. New lines like air conditioners and scientific instruments and typewriters have been started, and are well on their way to stability. Among the miscellaneous section (production in which increased from Rs 488 crores in 1956 to Rs 594 crores in 1959), cement, glass, paper and paper-boards and refractories have shown substantial increase in production. Among basic industries, the most important increase is of course in steel. The new plants are getting into stride, and 1959 saw important land-marks in the histories of Bhilai, Rourkela and Durgapur. Non-ferrous metals have also recorded rises. Coal production, despite considerable difficulties, has gone up from 45 million tons in 1958 to 46.6 million tons in 1959.

These are doubtless impressive figures, and bear eloquent testimony to the gathering momentum of the take-off of India's industrial revolution. It is true, performance has not in all cases matched the expectations of the Second Plan. But two things need to be remembered. First, there are a few items in which performance has outstripped hopes, and significantly these are in comparatively new lines like pharmaceuticals and glass. Secondly, in many industries, the installed capacity is as yet not fully utilised; these may therefore be faulted only technically for not catching up with their tasks quantitatively. But, since the foundations for the future have been well and truly laid, such criticism will be carping.

What the index figures do not always adequately reveal is the qualitative changes that have come over the industrial scene in the last few years. If would be a worth while piece of research to collate, in a compendious form, information about new industrial endeavours that have come into being in the last ten years. Such an inquiry will give impressive evidence of the diversification of the economy that has been steadily going on. In 1959 alone, as many as 31 new items came on the industrial scene. These included items like drilling machines, spoke making machines, Vitamins and glass syringes, and coloured sheet glass. It is not merely the number but the comparative "sophistication" in industrialisation that the items imply that is interesting. The shrinking import range has proved a disguised blessing in that we have been thrown on our own

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23 April 1960

"The Wise Man in his attitude towards the World has neither Predictions nor Prejudices. He is on the side of what is Right"—The Analects of Confucius.

resources for items for which, formerly, we fatalistically depended on imports. The system of licensing as an instrument of conscious orientation of the economy has also been of assistance. In this connection, two lists recently drawn up by the Ministry of Commerce and Industry as guidance for licensing in the immediate future makes interesting reading. Licences for fresh capacity will be available for 49 items; requests for fresh capacity will not be entertained for 72 items. Of the 49 items in the first category, 22 are engineering; and, of the 72 in the second category, 32 are again engineering. The range of both the items in which fresh endeavour is to be encouraged (boilers, industrial machinery, small tools, surveying and scientific instruments, construction machinery, knitting and hosiery machinery, sheet glass, laboratory chemicals, laboratory glassware, high tension insulators, fan belts, etc.) and items in which the saturation point has apparently been reached (mostly light fabrications from steel, like wire meshes and nails, air conditioners, etc., and sundry items of chemicals) gives a revealing picture. In some chemicals like caustic soda and soda ash, internal production has increased sufficiently to meet internal demand. In the coming year, more items like potassium chloride and hydrogen peroxide can be taken off the import list.

These qualitative changes in the pattern of our industrial life can be pieced together from a number of sources. But, for a clearer appreciation of what is happening, it is necessary to devise more meaningful statistical measures than are available at the present. We have already referred to the necessity to make the necessary correctives for evaluating the general index of production. The index as at present devised gives only the adjustments for seasonal variations and the break-up. Sometimes, we have additional data about "weights." But, again, nothing like a comprehensive picture of the entire scene is always available. The Reserve Bank Bulletins, and annual reports published by it, are, for instance, arbitrary in their choice of items for inclusion in their tables. Fans and Sewing machines are omitted. Automobiles are apparently "in" and therefore in. Bicycles are out. It is true, minor endeavours that from an infinitesimal part of the whole economic activity of the nation, especially when reckoned in terms of percentage increases, can be misleading. But this increasing importance cannot be ignored. It would be worth the while of the research wing of the Reserve Bank to try to devise a statistical measure that will adequately evaluate the complex changes that are taking place in the industrial scene.

It may also be suggested, at this stage, that it would be desirable to produce a revised index of industrial production, which can suitably take into account the more important at least of the new industries that have come into being in the last decade or so. Such an index may perhaps utilise the occasion offered for reducing the weightage given to the traditional industries, the scope for expansion in the foreseeable future, at any rate, which, for is limited.

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Wages and Prices

MR GULZARILAL NANDA'S speech in the Lok Sabha on 11 April in reply to the debate on the demands for grants for his Ministry deserves careful analysis. One important point made by him was that wages were not responsible in any measure for an increase in prices. It is difficult to agree with this view. Wage increase, of course, is not the only factor causing a rise in prices. Other reasons, like inadequate production, excessive money supply and speculation, may also be responsible. But to imply that any amount of upward revision of wages will not have an unfavourable impact on the price level is incorrect. Presently, the cotton textile industry has been burdened with an additional wage bill amounting to Rs 14 crores a year; and the industry has expressed concern that this is likely to make the prices of Indian textiles uncompetitive in foreign markets. Moreover, the Wage Board, in recommending this increase, does not appear to have taken regional factors into account. The Bengal Millowners Association, for instance, has pointed out that mills in West Bengal are quite unable to bear the extra burden and that several units may even be faced with closure. There is little doubt that a wage rise of as much as Rs 14 crores in a single year will inflate the cost of production and increase the price of cloth to the consumer. Mr Nanda pointed out that workers always lost when prices went up. And yet, this factor appears to be seldom taken into consideration when wage boards recommend increases without relevance to productivity or the capacity to pay.

Mr Nanda also observed that workers were not benefiting at the expense of the community. But the statistics compiled by the All India Organisation of Industrial Employers clearly show that the industrial workers are in receipt of wages which are substantially higher than the income earned by the vast majority of the population. For instance, in 1957, the average yearly earnings of an industrial worker amounted to Rs 1,234, whereas the per capita income was Rs 289 a year. In other words, the average yearly earning of a worker in the organised sector was over 400 per cent of the per capita income of the country. As against this, the ratio in industrially advanced countries like the USA, the UK, France and Canada are 190, 150, 116 and 230 respectively. The following table compares the national income of India with that of three other countries as well as the approximate monthly earnings in manufacture. The figures relate to 1956-57:

Country	Income Per capita per annum	Monthly earnings in manufacture
India .. Rs	290.50	Rs 100.00
UK .. "	4,500.00	" 600.00
USA .. "	10,000.00	" 1,530.00
W. Germany ..	2,250.00	" 325.00

It should also be remembered that, in India, apart from money wages, workers also get substantial benefits in the form of subsidised housing, free medical treatment of workers and their families, and subsidised food at canteens run by the management.

In the light of these facts, it cannot be claimed that workers in India have not been given a fair deal. It is, of course, necessary to improve their conditions still further and provide them with a steadily increasing standard of living. But this will be possible only with an improvement in productivity and in the economic conditions of the country. We should also remember that, apart from factory labour, there are also workers of other categories who, too, have a right to obtain better living condi-

tions. The following table shows the number of workers in various categories:

Factories ..	2,914,312
Plantations ..	1,212,351
Mines & Quarries ..	877,561
Railways ..	923,154
Contract Labour employed in railways ..	700,000
Municipal Workers ..	90,465
Public Works ..	2,064,876
Road Transport ..	388,803
Port Workers ..	49,082
Water Transport ..	158,906
Agricultural labour ..	31,000,000
Khadi ..	200,000
Village Industries ..	2,500,000

Total .. 43,079,510

These data are from the last census and, in the subsequent period, the number of workers must have increased considerably. Therefore, while efforts are made to improve the lot of labour, we have to take into account not merely the factory workers but also workers of other categories; and, moreover, the interests of the rest of the population of the country have also to be taken into consideration.

Employment Exchanges, or . . . ?

WHAT precisely is the role of employment exchanges in India? Is it to help the unemployed to secure jobs or is it the intention to convert these exchanges gradually into some kind of Public Service Commission? Recent official thinking would seem to indicate that employment exchanges would no longer confine themselves to their original functions, but would be used to introduce stricter control and greater regimentation over the private sector.

When the Employment Exchanges (Compulsory Notification of Vacancies) Bill was introduced in Parliament last year, Government gave an assurance to the effect that employers would not be compelled to accept the candidates recommended by the employment exchanges. Nevertheless, fears were entertained in some quarters that the Bill was only the thin end of the wedge and that, sooner or later, directly or indirectly, pressure would be brought on employers so as to make it extremely difficult for them to refuse to accept the nominees of the employment exchanges. The draft rules under this Bill, which have now been circulated for eliciting public opinion, would seem to confirm this fear. This is, for instance, what the All India Organisation of Industrial Employers says: "Rule 4 prescribing the procedure for the notification of vacancies and particulars to be submitted gives the impression that employers will be compelled to recruit through employment exchanges only. This view is strengthened when in Form 1 we find a column requiring employers to give reasons for not recruiting through employment exchanges."

If this impression is correct, and if Government are really going to enforce compulsion in the matter of recruitment through employment exchanges, we shall be confronted with a very serious situation. Apart from the fact that employment exchanges are wholly inadequate and ill-equipped to judge the merits of candidates for particular posts, the proposal constitutes a violation of the rights of the employer to make appointments in accordance with the requirements of various posts. Further, it will give rise to nepotism and corruption of a far worse kind than is now prevailing in the country, and it will also lead to regi-

mentation of the economy where practically every citizen will be a Government servant!

We have to consider in this context the agitation now going on in certain States for giving preference in the matter of employment to local citizens. It is one thing for a State Government to lay down that no employer shall deliberately discriminate against the citizens of that State. But it is a different matter when the State attempts by pressure, persuasion or other methods to shut out from employment citizens from other States merely because they are not "children of the soil". The unity of India has indeed no meaning if people cannot move about freely from one State to another in search of jobs. So long as persons have the requisite qualifications for a particular job, it is unfair to shut them out solely on ground of language or on the ground of their not being "local" citizens. And when a State like West Bengal, which is one of the seriously industrialised regions of India, confines only to "local people" in the matter of private employment, it is time that the Central Government woke up and examined the full implications of this move. The Government of West Bengal are reported to have written to various chambers of commerce to advise their members to recruit their candidates only through employment exchanges. In other words, Government want to utilise the employment exchanges for giving jobs only to one section of the population.

India has already paid dearly for encouraging communalism in the past; but, today, we are faced with a more dangerous enemy, namely, provincialism. The linguistic division of States and the introduction of the mother language as the medium of instruction in higher classes are already complicating the problem of unemployment; and the new move to enforce recruitment through employment exchanges will make matters much worse. Whoever else benefits from this proposal, it will certainly not be the unemployed; for, by compelling them to apply only through employment exchanges, it will greatly restrict the opportunities which they now have to apply wherever they like.

The Second Five Year Plan has not succeeded in creating an adequate number of jobs. An official report says as follows:—

"As regards the prospects for the Third Plan, as compared with the backlog of 5.3 million unemployed at the end of the First Plan, there will be a backlog of 7.5 to 8 million to contend with at the end of the Second Plan. The number of new entrants to the labour force between 1961-66 is estimated at about 14.5 million. It is, therefore, evident that to make sizable impact on the unemployment problem, the main aim of the Government should be to try to absorb at least an equivalent of the new entrants to the labour force during the Third Plan. Any increase in the backlog of the unemployment from Plan to Plan is undoubtedly a matter for anxious consideration."

In the light of these facts, it is a great pity that Government are contemplating measures which, far from expanding opportunities for employment, will have the effect of restricting them. Entrepreneurs will naturally hesitate to set up new industries or expand the existing ones if their freedom to employ people is to be severely restricted. It is worth recalling that one of the charges levelled against the Government of Kerala was that they sought to deprive private schools of their right to recruit teachers of their choice. The Communist Government wanted that all appointments to public schools should be made only through Public Service Commissions—a move which creat-

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ed a storm of opposition and ultimately led to its downfall. It is to be hoped that the Government of India will not resort to coercive measures to expand employment. The existing employment exchanges should be strengthened and their usefulness to the unemployed should be enhanced. But there should be no attempt to use them as instruments to secure greater control over the private sector.

Application of Standing Orders

By M. SUR

THERE is a curious difference of opinion about the application of Standing Orders in industry. In a case last year concerning Guest Keen Williams (Private) Ltd. before the Supreme Court,* the employees argued that they would not be bound by a standing order introducing a retirement age when there was no such provision at the time of their engagement. In other words they claimed that the rule about retirement age could not be made retrospective to employees already in service. This argument was accepted by the Supreme Court, although no objection had been raised by the trade union at the time when the standing orders were certified. Commenting on this case in our issue of 16th January, 1960, we pointed out that the effect of this decision would be to have two different retirement ages operating in the same company, one for those engaged before the date of certification of the standing orders, and one for those engaged after that date—a somewhat anomalous situation.

Now the identical argument used by the Guest Keen Williams employees has been used by the employer to refute the employees' case in an appeal before the High Court, Madras by the 'Hindu',** but in this instance the argument was not accepted by the High Court. The employees of the 'Hindu' wanted to change the standing order regarding retirement and their amendment had been agreed by the Certifying Officer. The company argued that the amendment should not have retrospective effect, that is, it should not be applied to those already in service at the time of the amendment, but only to those subsequently appointed.

The High Court of Madras pointed out with some reason that if changes in standing orders could not be made to apply to existing employees, then, for example, if the order relating to the right authority for granting casual leave were changed, the existing employees might claim that they should still apply to the formerly designated authority and that only new employees should apply to the authority under the amended order. Similarly if the order regarding the right of entry were altered, old employees might claim that they could still enter by the old gate even though it had been closed. The results would obviously be chaotic.

It is inevitable that from time to time rules have to be changed or new rules introduced. New rules in fact are constantly being introduced by industrial court decisions. Yet the Supreme Court held that it would not be reasonable or fair to apply a retirement age rule to those who had entered service when there was no such limitation on the length of service. It is true that the Supreme Court were to some extent influenced by the fact that the Guest Keen Williams standing orders were certified before the amendment to the Industrial Employment (Standing Orders) Act, which gave the certifying officer power to consider the reasonableness or otherwise of the proposed standing orders, but even before

the amendment copies of proposed standing orders had to be submitted to the trade unions concerned, and the Guest Keen Williams union had received a copy of the draft and had raised no objection. It could hardly be said, therefore, that the standing orders had been imposed without giving the union an opportunity to comment on them. Moreover retirement at 55 years of age was a common convention. Many other companies, whose standing orders were certified before 1956, must be in a similar position to Guest Keen Williams.

If there is any doubt about the retrospective effect of standing orders, or amendments to standing orders, in the sense of applying them to employees already in service, then the legislature should be asked to make its intention clear by an amendment to the Industrial Employment (Standing Orders) Act. Section 10 of that Act says that applications for modification of standing orders should be treated in the same manner as original applications for certification. It also allows for applications for modification, whether from the employer or the employees, to be raised after six months of the last certification. It seems, therefore, that the intention was to make modification fairly simple and so meet the changing needs of industrial organisations. It should not be possible to have conflicting rulings on the application of modified standing orders to employees already in service.

*Labour Law Journal, 1959 II 405

** Labour Law Journal, 1960 I 187

Ploughing Back—into the Land

THE package plan tried out in Tanjore from 13 April is more than a device to raise farm output. Its object is to apply knowledge to the soil, increase employment on the land and provide a surplus for investing in the land. The land ceiling proposal may enforce intensive cultivation, and the experts' advice regarding better seed, more manure and pest control cannot be disregarded. The Aduthurai research station has already contributed much to better farming in Tanjore, and the higher average yield is not due merely to the success of those who have grown 5,000 to 6,000 lbs. of paddy per acre. The larger demand for fertilisers may demand both the provision of depots and the control of sharp practices in the trade. The help of the Ford Foundation was ensured by the report presented in April last to the Union Food Ministry about the means to raise output by 20 per cent or more, and the start made in Madras appears more important than getting more US grain through loans.

The deficit districts in Madras are now hampered by the rise in paddy prices in Andhra and the transport difficulties. That only makes for greater dependence on the surplus of Tanjore rice and the Madras Government hope for success, not only through multipurpose co-operatives like the few functioning in Tanjore. The local production of fertiliser has to be raised rapidly, but India has no solid mining industry like Australia, where fertiliser production is the offshoot of the big mining companies. Incidentally, Australia produces far more fertiliser for its small population than India, because even pastures receive a dressing. The rise in iron and steel output has led to a larger supply of ammonium sulphate so that rice is now well established in the irrigated area of Australia. The Government fertiliser factories also help to meet seasonal demand and super-phosphate is both abundant and cheap in Australia. The current demand for fertiliser may be met only

by the success of the Neyveli Scheme, where the mining of lignite must be preceded by the mechanical removal of the overburden. The biggest saving on manure may come from the rapid displacement of cowdung by briquettes as a domestic fuel and the effective balancing of inorganic manure by organic manure. There is, however, little doubt that intensive farming will follow the protection of tenants and the flow of rural savings for improvement of agriculture can be predicted as a consequence of the land ceilings. Perhaps, successful experiments on temple lands by new co-operatives may have a local value denied to formal official precept and the package plan commended by the USA, perhaps because of Japan's record, is regarded as the beginning of a new era of consolidation in peasant farming, directed no longer toward mere subsistence but the achievement of a surplus income that will be put immediately into the land. And the high price of bullion, producing a distaste for jewellery, may even lead to the effective use of current income for adding to future income, to give a new, literal meaning to the phrase about ploughing back of profits.

Britain's Loss was Gain for Sterling Area

By W. T. C. KING

THIS time, my monthly letter has to be written just before the introduction of Britain's annual Budget, though it will not be read until afterwards. This awkward timing has, however, one real advantage, at least for overseas readers. The past month has been an eventful one in London, not least for its output of important statistics on trends in the sterling area, in Britain's balance of payments, and in the domestic economy; and it would be impossible to do justice to these new data if this short letter had to explain and discuss the Budget as well.

One of the most significant facts that emerges from the new external statistics is that the recent deterioration in Britain's current balance of payments has been the counterpart of the massive improvement that has taken place in the current payments of the rest of the sterling areas.

The new quarterly series of estimates showed, as expected, that Britain's balance deteriorated further in the fourth quarter of 1959. Instead of the £37,000,000 surplus that was earned on Britain's current payments as a whole in the fourth quarter of 1958, an exceptionally favourable year, there was a deficit of £18,000,000, following a surplus of £48,000,000 in the third quarter. This brought the surplus for the full year 1959 down to £145,000,000, compared with £349,000,000 in 1958. Four-fifth of this decline was attributable to visible payments, on which, in 1958, Britain had achieved a surplus for the first time for many years. Last year that surplus ran off, notably because of the sharp rise in Britain's total imports—from £3,330,000,000 to £3,605,000,000—that accompanied the rapid expansion of production and an increase in stock-building.

Slight Improvement:

In spite of this decline in the overall surplus, Britain further improved, though only slightly, its position vis-a-vis non-sterling areas. Its deficit on current payments outside the sterling area was reduced by £4,000,000 from the low figure of £78,000,000 reached in 1958; that deficit had been £133,000,000 in 1957 and £154,000,000 in 1956. Hence the aggregate deficit of the overseas countries of the sterling

area on their current payments with the United Kingdom declined dramatically, from £427,000,000 to £219,000,000. Of this improvement, roughly £100,000,000 was attributable to an expansion in Britain's purchases from them and £70,000,000 to a decline in their purchases from Britain.

At the same time, the rest of the sterling area is estimated (in the detailed half-yearly White Paper on the balance of payments) to have reduced its deficit on current payments to non-sterling areas even more strikingly—from £445,000,000 to £179,000,000. All these estimates exclude the proceeds of net sales of gold for sterling in London: these sales produced £210,000,000 in 1959, compared with £231,000,000 in 1958 and £226,000,000 in 1957, thus swinging the balance on non-sterling current transactions plus gold into credit last year, in contrast to the big deficits of previous years.

At the same time, the rest of the sterling area countries' net intake of capital from non-sterling areas—after allowing for repayments and subscriptions in gold or dollars to the international institutions—was again very large: it is estimated at £306,000,000, compared with the peak figure of £392,000,000 reached in 1958.

In consequence of this marked strengthening of its position, the rest of the sterling area has replenished its sterling balances. From the relatively low level of £2,519,000,000 to which they had fallen by end-1958, these balances rose by no less than £184,000,000 during 1959, to £2,703,000,000, the highest end-year figure since 1956.

Pressure Reversed:

A new analysis shows that £2,165,000,000 of this sterling represented the holdings of central banks and other official bodies—£1,479,000,000 for the independent territories and £686,000,000 (including £281,000,000 of currency funds) for the Colonies. The sterling balances of non-sterling countries declined by £39,000,000 to £795,000,000 (comprising £325,000,000 of official and £470,000,000 of private funds), but this fall was much more than accounted for by releases from official German balances in London earmarked for debt repayment and arms purchases.

The fact that the weakening of Britain's current surplus is shown to have been confined to transactions within the sterling area seems to bear out the supposition that the pressure on sterling in the exchange markets towards the end of last year and in the early weeks of this year was indeed attributable, not to the current account, but to the pull of high money rates in other centres on mobile international funds.

At all events, this pressure proves to have reversed from the moment of the increase in Bank rate to 5 per cent. towards the end of January—although, as I pointed out at the time, that move was inspired by the signs of strain arising in the domestic economy rather than by the outward trickle of gold.

Sterling has held firm since then, and in March the gold reserves have shown a rise of £21,000,000, after providing for the monthly repayment of £5,000,000 made to the International Monetary Fund, carrying the total of gold and convertible currencies to £993,000,000; in February there had been a rise of £13,000,000, but in January a loss of £18,000,000.

In the White Paper mentioned above the authorities have underlined the availability of other reserves that could rapidly provide foreign exchange: first, the United Kingdom's quota in the International Monetary Fund, which governs drawing rights, was last year increased from 1,300,000,000 dollars to 1,950,000,000 dollars; secondly, the United Kingdom Gov-

ernment owns dollar securities the market value of which, disclosed during the Suez crisis, is stated still to be between 750,000,000 and 1,000,000,000 dollars.

Double Strain:

In the London market, apart from the pre-Budget influences and the repercussions of political developments in the Union of South Africa, one of the main focal points has been upon the aftermath of the important move made in the gilt-edged market towards the end of February, when the Government broker sharply dropped his dealing prices in the face of heavy selling of Government stock by big banks needing to buttress their liquidity ratios. These have been facing the double strait of tax-gathering pressure upon the volume of liquid assets and a steep increase in advances.

The mid-March make-up statements from the clearing banks showed the selling pressure to have been even greater than the market had generally assumed. Investment portfolios declined during the four weeks by £117,000,000, following a drop of £80,000,000 in the preceding period.

Since only a small part of the decline was understood to have resulted from bond maturities, and since most of the indicated sales had apparently taken place before or at the time of the sharp adjustment in the market prices, the justification for that move was very apparent.

The incident has made it clear to the banks and market that, although the authorities will evidently continue their "smoothing" functions in gilt-edged stocks, and thus may be prepared to absorb offerings that are clearly beyond the capacity of the market in the short run, they will not do so without ensuring that prices duly reflect the pressure.

This demonstration that sales of gilt-edged may be expensive for the banks has provided them with an added reason for vigilance towards their advances. It is questionable whether that influence can yet be discerned in published figures, but the mid-March statement did show a notable slackening of the rate of growth in total outstanding advances to the private sector.

Pre-Budget Surprise

Advances made by clearing banks to borrowers other than the state boards rose by an average of £16,000,000 a week, compared with an average of £24,000,000 in the previous period and one of £10,000,000 before that (the nine weeks to January 20, when the seasonal demands had only just begun). In the corresponding make-up period last year, the rise had been the biggest ever recorded—it averaged £27,000,000 a week, compared with £22,500,000 in the preceding period.

Nasser to Mediate?

SOME will remember that differences between Afghanistan and Pakistan were settled by Colonel Anwar Sasdat and the Flag Incident in Karachi was closed by Cairo's mediation. Hence, Colonel Nasser's offer to mediate in the Kashmir dispute cannot be dismissed as useless, especially when FM Ayub Khan is prepared to accept mediation. This will entail withdrawal of the question from the UNO and a fresh inquiry into events will have to be conducted. The Egyptian move may be partly due to the affinity of the Arab countries with Pakistan, but it may also be attributed to a feeling that India can settle the Canal waters question only by a partition of Kashmir on lines indicated tentatively by Sir Owen Dixon.

Indian Finance

The Kashmir Government, of course, will put forward their own view of relations with India since the accession of the State to the Union, but there is now a new problem due to Chinese incursion in Ladakh and the Indian Government cannot ignore the chances of a settlement arranged by a friendly country to the advantage of Pakistan as well as India.

The Karachi conference may well be traced to the belief that Pakistan would be ready to leave the Cento and Seato in return for an assurance that Kashmir is not wholly lost to it, and it would be able to make the Cease-Fire line a permanent boundary. The plea of a Kashmiri MP for the withdrawal of the Kashmir cases from the UN may not be due to Colonel Nasser's offer. While Delhi is reserved, because of current preoccupation which China's territorial claims, it is certain that Pakistan will try to get fresh backing for Egyptian mediation on the score that a friendly country is now ready to help India to settle the dispute. The outcome of the offer depends largely on India's willingness to talk with Ayub Khan in London, and it is not unlikely that Britain may drop a hint about the need for an early accord, now that Nepal is a buffer State eager for independence and maintenance of an understanding with Peking. The Kashmir problem is now linked with the rivers that flow into the Indus and the World Bank, too, may usefully drop a hint in view of the aid promised already to Pakistan for its new canals. The chances of an understanding must not be spoilt by considerations of prestige, because a friendly country is able to appreciate how good relations are hampered. And it is possible that Pakistan may abate its claims for incometax arrears if it is made clear that India has no interest in the Pakistan problem, especially after Zafrulla Khan's judgement on the Nagar Havell issue.

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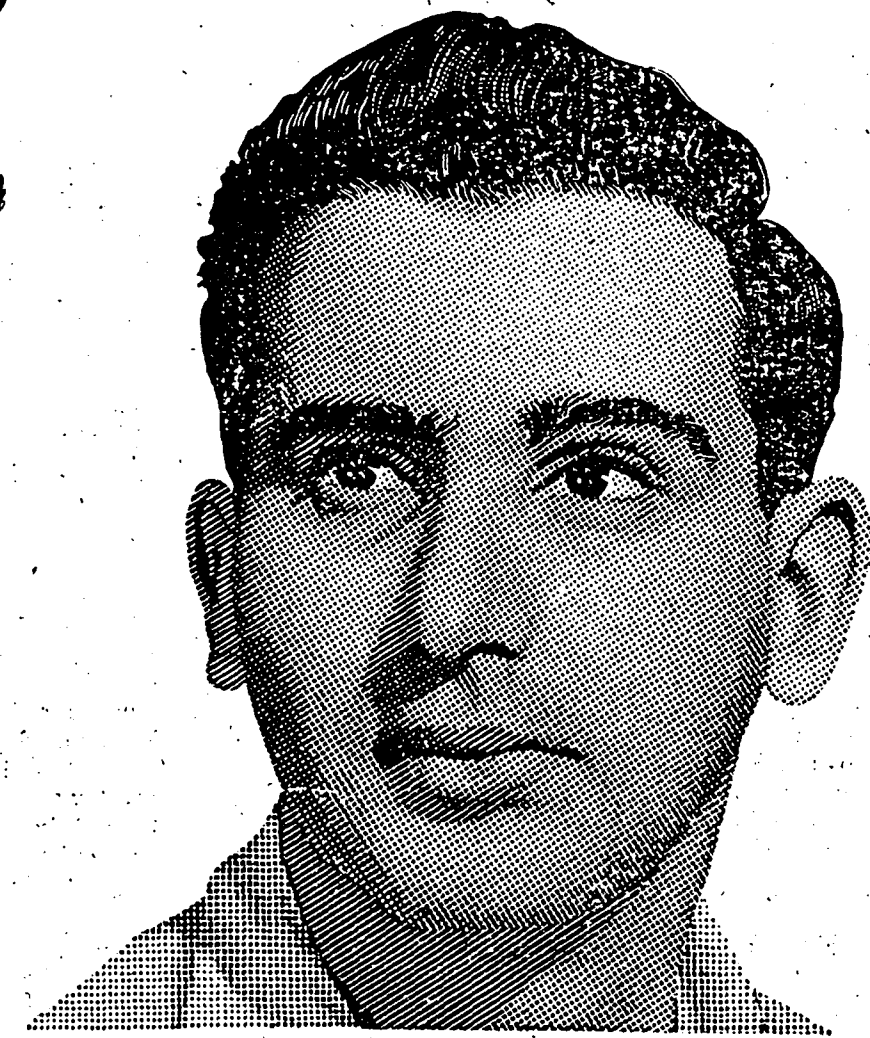
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NATIONAL NOTES

12,000,000 Tons

The radical difference between buffer stocks maintained to hold up prices for producers by withdrawing stocks from sale and a buffer stock built up by consumers toward off scarcity may not be readily apparent to those who think of Mr Patil's US mission as one of getting grain on loan. The arrangement with the USA may help the Commodity Credit Corporation to get a larger share of the world trade in wheat to the disadvantage of either Australia or Canada. But the plan to buy 12 million tons of grains in four years may help the US Government to tell the farming community that exports on credit are better always than stocks accumulated for domestic price-supports. The moral effect of a deal to ensure large imports may be far greater than supposed, for, local shortages cannot be exploited by the private trade which is not going to be displaced by the State. The problem of storage may not be acute but the adverse balance in trade with the USA will undoubtedly remain. This may compel India to look for a larger market for mica, shellac and manganese, and the STC may be forced to do some more export promotion for its own sake.

The PL 480 loans will relieve the USA of giving extra aid when nine nations can be induced to

provide credits for India's economic plans. But the USA may incidentally create a bigger market for hessian at home and the proposed rice contract with Burma will also help to raise the demand for jute manufactures. Dealings on a Government-to-Government basis might not lead to increased employment for Indian shipping but a "sharing cargo" clause might be put in to pull Indian shipping out of its new depression.

The earlier interest of Mr Patil in films has been replaced by an eagerness for American grain till the time when Indian food output goes up by 40 per cent in five years. Whether the new PL 480 loans will not bring inflation in their wake may be debated by some, but the new money may be sterilised and dollar imports may even be allowed liberally after 1965. The best feature of any long-term arrangement will be the price fixed. That may have a bearing on Indian prices which for many years, have been out of line with world prices as in the case of cotton and sugar. Large imports may hold Indian prices down and the current study of stabilisation measures will perhaps embrace the consequences of guaranteed food imports for both stocks and prices in India.

Housing Target

The indication given by the Union Minister for Works, Housing & Supply, regarding investment on Housing in the Third Plan is remarkable for its optimism, especially when set against the record of the Second Five Year Plan. This is not to suggest that investment of the order of Rs 1,500 crores mentioned by him will not be required to provide adequate living accommodation to our growing population in rural and urban areas. On the basis that the programme of housing under the Second Plan would be implemented in full, it was estimated by the Planning Commission that the shortage of houses in urban areas in 1961 might be about 5.3 million, about twice what it was in 1951. The question is about the availability of resources and the effective application of the resources that are available so as to maximise the benefit.

It may be mentioned in this context that the provisional allocation of about Rs 120 crores for housing schemes under the auspices of the Ministry was later reduced to Rs 84 crores. Out of this, Rs 56 crores would have been spent by the end of the financial year ending March, 1960 and the balance would be covered by the provision made in the last year of the Plan. And, under the different schemes, except in respect of Low Income Group Housing and Subsidised Industrial Housing by State Governments, not much progress has been made so far. The Ministry's annual report mentions

that not much headway has been made under the Plantation Labour Housing Scheme, while the Village Housing Projects Scheme got off to a rather late start. The Deputy Minister for Works, Housing and Supply, while speaking on the debate on demands for grants for his Ministry, said that the performance of private employers in building houses for their employees had not been satisfactory.

The Second Plan envisaged that one million housing units would be put up by private construction. But the inability of private employers to avail of the facilities provided under the Subsidised Industrial Housing Scheme suggests that the number of houses actually coming up during the Second Plan may be much smaller. In view of the improvement in the availability of steel and cement, the tempo of house construction in the Third Plan may proceed at a faster pace than in the Second. But if the minimum target aimed at is to be reached, it will be necessary to remove the difficulties which deter investors other than Government contractors from putting their money in houses.

Atomic Energy

According to the 1959-60 annual report of the Department of Atomic Energy released last week, India's first atomic power station will be located between Bombay and Ahmedabad. The preliminary work on the station has recorded considerable progress, and arrangements for the supply of plant will be finalised early next year. The original decision of the Department was to install one reactor of 250,000 kw, but, in view of the tremendous operational advantages in generating this capacity with a couple of reactors, the authorities have decided to construct two reactors instead, each possessing a capacity of 150,000 kw.

In order to ensure adequate raw materials for the power station necessary steps have already been taken to open a new uranium mine in Bihar. A uranium processing mill for manufacturing uranium concentrate from the ore is being designed at Trombay and, on completion, will be located near the mine. The need for amending the Atomic Energy Act in order to encourage greater utilisation of radio-isotopes in agriculture, medicine and industry, without endangering the health of the people, was also emphasised by the Department.

The advantages of generating atomic power in the country and utilising it for useful purposes need hardly be emphasised, for, the industrialisation of the country and the raising of the general standard of living of the people to a level comparable to that of the industrially advanced countries of the world is possible only if there is large-scale utilisation of nuclear energy.

UP's Third Plan: only Rs 600 Crores

It may be recalled that the previous note on this subject expressed the doubt that the new item giving the proposed Third Plan outlay for UP as Rs 1,600 crores might have been based on a mistake somewhere. Nevertheless, it was noted that there was a case for an even bigger Plan, having regard to the considerable leeway to be made up both in agriculture and industry. The fact that the State's population is about one-fifth of that of the whole of India also argues strongly for a leap forward in economic development in UP.

From the authoritative indications now available, it would appear that UP's Third Plan may not be as big as represented by an outlay of Rs 1,800 crores. It is to be both practical and within the confines of the principle enunciated by the Planning Commission. This august body seems to have laid down that the States' Third Plan outlay should be about twice their Second Plan. Besides, there is the NDC's overall allocation of Rs 3,650 crores for all the States put together. These guiding factors explain the latest figure of Rs 600 crores. This is not, however, to say that the big pruning has been accomplished. According to Dr Sampurnanand, Chief Minister, the Plan Working Groups estimate total Rs 952.83 crores. It is going to be quite a task to bring the figure down to the realistic level of Rs 600 crores. Even so, it does not appear to be by any means certain that this comparatively smaller figure will gain ready acceptance.

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STATES NOTES

Employers on Strike

A strike different in purpose and nature is that undertaken by the motor transport operators in Bombay. Not the workers, but the employers have stopped work owing to the Government's non-compliance with demands for tax relief and relaxation of rules. The State Government's appeal to operators has fallen flat, because the expected reduction in the duty on tyres and diesel oil has not followed the notice and implementation of the strike. That operators in all States sympathise with the Bombay lorry-owners is obvious, and inter-State transport has been suspended to prove that all operators are convinced of the essential justice of their demands. The lay-off of vehicles, rather than employees, in this strike may work great hardship to trade and industry, but private carriers are not touched by the strike and the alternative forms of transport remain available.

The partial nationalisation of road transport may not be the proximate cause of the dispute which is concerned really with the protection of earnings for the haulage industry. The continuance of the strike is necessarily a sign that all sections are agreed on the need to revise the excise duties imposed by the Centre, and it is clear that the Chief Minister of Bombay can do nothing to help a settlement. The failure of the move to end the strike is an indication that the road transport industry claims relief as of right and is also prepared to suffer losses in the interval. The strike proves that capital, though associated with lock-outs, is capable of defending itself, and the example will not be lost on industries worried by wage awards at present, if the essential adjustments in relation to capacity to pay are not made for instance, in the cotton mill industry in Madras and West Bengal. The unusual strike is taking place in a slack season, but inconvenience to the public and to producers of perishables must be substantial. The use of Army vehicles in Bombay in the emergency may be justified, but it will naturally raise issues as to the validity of the civil power calling in outside assistance for its own use.

Naga News

The Prime Minister, during his latest visit to Assam has sought the opinion of the Naga leaders as well as the State Governor and the adviser on tribal affairs. The out-

come in relation to the Nagas claim for autonomy in a separate region, will be awaited eagerly, though it is plain that India's future relations with China have a bearing on frontier policy. The Kohima Convention three years ago formulated demands and the end of the rebellion justified the belief that a solution was in sight owing to the split among the tribes. But a final settlement has been delayed. The setting up of a new Army Command makes the North East Frontier region suited to the creation of a non-Regulation province, but it is perhaps necessary to deal at the same time with Manipur and Tripura. Local opinion cannot be ignored, and the Assam ministry will have to be consulted before decisions on the reorganisation of Assam are reached at Delhi. The end of border trouble with East Pakistan might help the Centre to instruct the State Government. Friction between the tribal people and the Plains people may not be a permanent problem, but the Nagas' political aspirations will remain. Indirect rule and the opening up of the hills for civilisation are not treated as long-range remedies, though the Naga convention must accept the essential rule that a border region cannot be released from the control of the Centre at this time and the autonomy given to tribal regions in Burma cannot be copied at present. The financial implications may be more serious than supposed; if an autonomous area is created, it will require a subvention for long and must in consequence follow Central directions for long. The ethnic divisions among the Nagas may call for special councils not only to prevent tribal feuds but to prevent the entry of outsiders. However, the Nagas cannot be kept in a reservation like the Red Indians in Canada or the USA, and the administration of the Excluded Areas must be attuned to the new requirements of defence, in case there are change in the NEFA territory after the talks with the Chinese Premier. The situation of Bhutan and Sikkim as protected princely States is different from that of the Naga Hills, though the withdrawal of the old claim for a separate State is bound to make a difference. It is clear that, even if the Nagas have no outside support, the trend of events has strengthened their case to some extent, and the Home Ministry will have to deal not only with the pending transfer of Berubari but with the aborigines' claim to continue their way of life, till they can get out of it. The exclusion of foreign missionaries or arms aid cannot alter the political issue since the Nagas are not asking for uplift but for self-Government on their own lines.

Thermal Station for UP

The Central Water and Power Commission has accorded sanction for the installation of a thermal power station with a generating capacity of about 450 mega watts

near Singrauli in UP State. This was disclosed, by Dr Sampurnanand, the Chief Minister of the State, in the Legislative Assembly last week in the course of his speech on the progress of preparations made by the State for the implementation of the Third Five Year Plan.

The preliminary studies conducted in the State reveal that the requirements of power at the close of the next Plan in the State will be to the tune of about 1,200 megawatts. As stated by the Chief Minister, a provision has been made in the recent agreement reached by the Government of India with the Soviet Union for supplying the State with five generating sets of 50 mega-watts each for the completion of the new thermal station. The team of Russian scientists will reach the State within a few weeks to conduct the preliminary survey.

WORLD OF BUSINESS

Shipping in the Doldrums

Mr G. L. Mehta has understandably expressed deep concern at the report that the Third Plan allocation for shipping will be no more than Rs 55 crores. He has pertinently observed by implication that if the report were correct the loud exhortations that one hears from people in Authority regarding the urgent need for expanding national shipping are empty words. There is the possibility that common people will go away with the impression that, while Government have shown themselves very keen, it is the shipping interests that are lukewarm about expansion.

The National Shipping Board of which Mr Mehta is the Chairman, has recommended a target of 1,422 million gross tons to be attained by the end of the Third Plan. This modest target—it is generally contended that a minimum target of 2 million gross tons should be stipulated—has been set having regard to the stringent foreign exchange position and the resources position generally. The outlay necessary for this target has been estimated at Rs 104 crores.

The reported cutting down of the outlay to Rs 55 crores, says Mr Mehta, will almost certainly result in severely slowing down the progress of Indian shipping during the next five years. Mr Mehta's contention that, under the proposed dispensation, the total net addition during the Third Plan period may not be even as much as that during the current Plan period is evidently based on the fact that replacements in the next few years will be heavy. Such

gloomy prospects are particularly unfortunate at the present juncture, because the pace of expansion during the past few years has engendered the hope that, if the present momentum is maintained for some more years, the strength of Indian shipping will be sizably augmented. The net addition, it is expected, will reach the 100,000 GRT mark by the end of the current Plan period. In Mr Mehta's view, an annual addition of 100,000 GRT should be the minimum aimed at during the Third Plan. This objective cannot certainly be achieved with the reported size of the allocation for shipping.

Ministers and others in authority are quite eloquent about the need for saving foreign exchange by around endeavour. It is strange, therefore, that the large drain of foreign exchange in the shape of freight paid to foreign shipping has not struck the protagonists of conservation of this precious resource as a matter for fruitful investigation. It would appear that more than Rs 100 crores are annually paid out as freight. Maybe, it will not be practicable to save all this amount, but it should certainly be possible to save a goodly portion of it. Under international conventions, a country's indigenous shipping has a right of participating in its foreign trade to the extent of 50 per cent. How can this be achieved without having adequate tonnage of our own? It cannot be maintained that, in view of the country's financial position, large sums cannot be set apart for shipping. For, a ship will pay itself in about six years. Another important argument in favour of a programme for a sizable increase now in the national shipping tonnage is that conditions in the world shipping market at present are particularly favourable for the buyer.

Leather Target Exceeded

That the Indian Leather Industry was able to surpass the export target of foot-wear during the Second Five Year Plan is, on all counts, no mean achievement. Revealing this fact in his inaugural address at the first meeting of the Development Council for Leather, Leather Goods and Pickle Industries held at New Delhi, Mr Manubhai Shah, the Union Minister for Industries, stated that, during the first eleven months of 1959, India exported over 2.27 million pairs of foot-wear valued at Rs 2.17 crores.

Mr Shah also divulged the information that the production of foot-wear in the country during the next Five Year Plan will be increased by 153 million pairs in contrast to the 102 million pairs targets fixed for the present plan. A similar enhancement in the export target is also being contemplated, and it is expected that the figure will be around 5 million pairs.

The progress made by the leather industry in the country during

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the Second Five Year Plan is quite remarkable. Even greater achievements can be obtained during the next Plan period if more attention is paid to effect a substantial improvement in the quality of its products and introduce salutary modifications in styles and patterns so as to cater to the needs of markets all over the world. The manufacture of machinery and other materials required by the industry in the country itself, which at present we import at the cost of Rs 4 to 5 crores a year, will be of immense help to the nation in cutting down imports and in saving a good amount of foreign exchange.

Paint's Picture

Mr R. G. Goel, the President of the All India Paint Manufacturers Association, was merely voicing the general grievances of the paint manufacturers of the country, when he listed the numerous difficulties the industry has to confront to-day at the meeting of the Association held in Bombay. The major impediments that retard the progress of the industry are, as pointed out by the President, its extreme dependence on foreign countries for raw materials, dearth of technically qualified hands, inadequate facilities for research and training. Yet, it is gratifying to note that, in spite of these obstacles, the industry has been able to record considerable progress during the last few years.

But, in order to meet the growing demands for paints during the next Plan, the industry will have to step up production so that it could reach the target of 150,000 tons by the end of the Third Plan. Mr Manubhai Shah, the Union Minister for Industries, in his inaugural address, called upon the manufacturers to devote more attention to the manufacture of "indigenous fabrication" to meet the requirements of the industry. Besides, as suggested by Mr Goel, the manufacturers can utilise the national laboratories for conducting research till they are able to maintain their own research centres. A decision by Government to install a factory to manufacture raw materials will also be of immense benefit to the industry.

FOREIGN NOTES

de Gaulle to Canada

The visit to be made to Canada by General de Gaulle may confirm the earlier estimate of Canada as an international power by the late Andre Siegfried. It will be more than a sentimental journey to revive memories of Frontenac and Montcalm, for, there is French Canada whose ideals and traditions are not far removed from those of the General-President. The progress of Canada in the postwar period surpasses that of Europe, and Montreal, with a French university, is the centre of Quebec in which the Church is a power in politics and the minority constitutes a majority that declines to be Americanised. The hydel power of Quebec has long spelt industrial growth to a great degree and the St Lawrence has provided access both to Europe and to the Great Lakes.

Canada's sustained growth has been due to the influx of capital, making the US investor eager to plunge on shares listed in Toronto. The strength of the Canadian dollar has been independent of the import surplus and US steel companies have eagerly tapped the iron and copper resources to the north. The sudden development of nickel production in Mountola is like the growth of aluminium output in British Columbia—part of the economic transformation that is leading to a drive to the north-west for tungsten and molybdenum. Despite hints of recession in places in 1958, confirmed by the poor results of the Railways the economic record for 1959 is impressive, and General de Gaulle might see how economic growth has led to a steady rise in labour's share of the national income, bringing new benefits like pensions and vacations with pay. The Canadian worker hopes also for parity with US

Indian Finance

wages and the European visitor may see how labour has steadily marched on without a socialist party to back its claims. The economic achievement of Canada under the Conservative party is as impressive as under the long-lived Liberal regime, and the Prairies are now virtually independent features of the Canadian economy (described by the Toronto Finan-

cial Post last month in a special number). There may be less significant to a visiting European statesman than the rise of a nationalism that is thinking of democracy and peace. A visit to Canada by de Gaulle may help not only to restore faith in co-existence but to impress on Europe that North America has only moved on farther away from the Colonial past.

US Family Incomes

The April issue of the US Commerce Department's monthly survey of current business contains a most interesting article, one showing the continuation of those family income trends which have been among the outstanding economic and social characteristics of the postwar period.

These would be not merely the steady rise in the incomes of American families, but also the pronounced "upgrading" of those incomes—the rise of growing numbers of family units from lower to higher income levels.

These trends were particularly noteworthy in 1959, a year of strong economic expansion. As the article points out, family income increased four per cent in 1959 to \$6,520. This was the steepest year-to-year rise since 1956.

What is more, when figured in constant dollars—after allowance for price changes—1959's rise in "real" average family income was still a full three per cent. This was considerably better than the 1.75 per cent average increase per annum in real family income over the entire postwar period, attesting to the soundness as well as the evident prosperity of the 1959 economy.

The family average, of course, is quite a bit higher than the \$4,750 average annual wage and salary earnings per employee in 1959. This is largely because many families have more than one working member. In addition, the family figures also reflect income from sources other than wages and salaries—such as dividends, rents, interests and Government's social security payments.

The fact that American family incomes have been rising is not especially remarkable in itself; this after all, is a fact has long been known and recognized. It is in the realm of income distribution that the Commerce Department's study takes on a particular significance—and this significance is heightened when the distribution shifts are assessed on a long-term rather than a year to year basis.

The study estimates that the "model"—the most frequent or usual—family income came to \$4,600 for 1959. It also estimates that the "median" income (the level at which half the Nation's

families earn more and half less) was \$5,300.

It is not surprising, then, to find that, in 1959, more families—nearly one quarter of all the 55.6 million families—were in the \$4,000—\$6,000-a-year income range than in any other. In all, about 35 per cent of the family units fell below that range, while 42 per cent were above it.

This represents a remarkable upgrading compared, say, with the early postwar year of 1947—also a prosperous one; here is the way the comparative figures shape up:

Annual Family Income	1947* Percent	1959† Percent
Under \$2,000	25	14
\$2,000—\$3,999	38	21
\$4,000—\$5,999	20	23
\$6,000—\$7,999	9	18
\$8,000—\$9,999	3	10
\$10,000—\$14,999	3	9
\$15,000 and over	2	5

*Total of 44.7 million families.
†Total of 55.6 million families.

This clearly is a remarkable rise up the income ladder, even though the figures show 14 per cent of all family units still earning less than \$2,000 a year in 1959. Commerce Department officials caution, however, against automatically consigning all, or even most, of these to the category of "poor" or "underprivileged".

For one thing, more than half of this lowest income group is made up not of families in the usual sense, but of unattached individuals who, for statistical purposes, are listed as "families", and their needs, obviously are less than those of "regular" families.

Secondly, included in this lowest-income group are many young people, just starting to work, whose beginning incomes naturally would tend to fall well below the average.

Thirdly, in the case of retired persons in this group, the income total does not include money received from annuities or drawn from savings set aside for retirement years.

Finally, the incomes of farm members of this group tend to be understated, since the value of their "in kind" earnings—for instance, the food they grow for their own consumption—is figured not at the usual retail prices, but on the basis of the lower wholesale prices.

23 April 1960

Clive Street Gossip

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

THAT the Golden Jubilee of the founding of the Union Of South Africa should have been heralded by last month's blood bath is altogether fitting. It is as though a primitive anthropomorphism invested the Union with the attributes of a tribal God clamouring for human sacrifice. And since this was a special occasion he should be propitiated with more than usually gory fare. Indeed, Apartheid, with its elaborate taboos, has in its theoretical make-up the makings of a primitive religion. To the frenzied fanatics, Langra and Sharpeville must have provided in their orgiastic extravagance a religious thrill besides which some of the most primitive practices of the so called dark continent must have been dull as a Sunday School treat. The zooming sabre jets that swooped down and the mowing Saracen armoured cars—the Boycott move in Great Britain may at least take the humane form of refusing to supply South Africa with these monsters—that sent women and children screaming in panic are adjuncts that are not available to cannibals. To us in India, the events as also the immediate reasons therefor have a double poignancy. They stir memories not all of them related but all of which strangely combine in a total emotion very near despair. Langra reenacted in its essentials Jallianwalabagh. The curiously staccato style of the agency report communicates the impact of successive horrors on the spectator: "Blood ran in the streets and women screamed and wailed as police opened fire with rifles and sten (sub-machine) guns... After the firing, one policeman described the scene as being 'like Delville Wood (a World War 1 battle) all over again'. A newspaper photographer 'took pictures of more bloodshed than I have ever before seen in South Africa.'"

The immediate provocation for the events, too, recall the similar treatment that was meted out to Indians in South Africa in the first decade of this century and which provided Gandhiji the occasions for his first experiments in Satyagraha. Indeed, Gandhiji kept on intruding during my reflections on these events, sometimes even irrelevantly. For instance, when I read about the attempt on Dr Verwoerd's life. I was relieved when I found that the misguided man was a white. My mind went back to a January evening in 1948 when, amidst all the despair, my mind was comforted by the fact that Gandhiji's assassin was a Hindu.

It is only too true, as the authorities in Capetown claim with some indignation, that the indig-

nity of carrying permits for non-Europeans is not new. During Gandhiji's stay in South Africa, every non-European in Transvaal—which is, perhaps, even today the most barbarous among the units of the Union—had to carry a permit to be abroad after 9 p.m. (As a special case, Gandhiji did not have to carry a permit, but a letter from the State Attorney—who was a barrister of the same inn as Gandhiji—authorising him to move about without police interference). In fact, Gandhiji's most important triumph before he came to India was connected with the requirement of registrations with a full set of finger prints—formerly asked of only convicted prisoners. In 1902, the Transvaal Government gave Indians immigration certificates (with the right thumb impression of the applicant). It was clearly understood that this was the last occasion they would be submitted to this humiliation. But, in 1906, when Gandhiji returned to Johannesburg after serving as a stretcher bearer in the "Zulu Rebellion", the Government came out with an ordinance which required both men and women (formerly the women were left alone) to register again, this time with a full set of finger prints. Gandhiji naturally took up the cause and, despite a lot of protest, the State Legislative Council passed the measure. Since, at the time, the assent of the Crown was needed for "differential legislation", Gandhiji went to England and organised a campaign as a result of which Royal assent was withheld. Meantime, Transvaal ceased to be a colony, and almost the first use to which the Government put their new found power was to reenact the old ordinance. Royal assent could not now be refused with propriety, and the historic satyagraha started. After Gandhiji and others were arrested and as the movement gathered momentum, General Smuts, then Minister of Interior, came to an agreement with Gandhiji by which voluntary registration should be agreed to on condition that the "Black Act" of 1907 should be repealed. Gandhiji was nearly murdered by an infuriated pathan for this characteristic act of compromise, but he honoured his commitment of voluntary registration only to find to his horror that, when the time came, the Government would not repeal the act. "It was then that

Gandhiji resumed his Satyagraha and, at a public meeting in Johannesburg, all the voluntary certificates were consigned to flames.

I have recalled this episode for several reasons. First, the present movement in South Africa has obvious points of comparison with the one that Gandhiji launched. The comparison extends even to the particular indignity. (Of course, the present requirement that the Africans should carry a passbook, which is really a massive document with details of his antecedents and movements and the inevitable finger prints, and produce it whenever required is far more stringent. But what is depressing is the final issue of the two movements. The really tragic part of the present happenings is that there does not seem to be even a ray of hope that the conflict can be resolved. The most important reason for this impasse, is of course, the barbarous philosophy implied in the policy of Apartheid. Even when they talk in mollifying, if not conciliatory terms—as Mr Paul Sauer, the Minister for Lands in the South African Cabinet, did the other day at the Union's 50th Anniversary celebrations—they give no indication of realising how utterly immoral and unreal the basic principles of Apartheid are. Their double isolation—from the sullen

majority whom they will confine spatially and spiritually, and from enlightened world conscience—makes them perversely cling to the very thing that thus isolated them. They are uneasily aware of the consequences, both spiritual and, what is even more immediately important, economic: Thus, Mr Sauer spoke of the need to create "a new spirit to restore overseas faith in South Africa." But he still thinks that the African's most priceless possession is his passbook. (So it would be, if it were of the more conventional kind, to the acquisition of which the South African Government put an almost unbelievable number of obstacles). As the economic pressure, because of the prolonged strike and unwilling possibility of boycott and sanctions, makes itself felt, avowal of faith in Apartheid is more muted. It would be uncharitable to say that Mr Sauer is, Bottom-like, capable of roaring like a lion one moment and as a sucking dove the next, and the reason for the latter pitch is the massive protest of the whole world at the barbarities perpetrated at Sharpeville. But how can Mr Sauer fail to see that there really is no solution for the problem on the basis of Apartheid? Admittedly, the answer to the question (which Mr Sauer is perfectly entitled to ask): "What other basis?" is not easy to find. Some of the experiments that are currently going on in the rest of Africa may offer some clues. But, as The Spectator said, chiding The Times,—(which, with characteristic obtuseness, scolded the Labour opposition for "the smugness, thick as the fat on a turtle) under Apartheid, law and order

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cannot be maintained, for, the laws are "so insensate that they drive people to desperation and violence—so vile, that the Africans have every reason for breaking them."

The truth is,—and this is where the comparison with the early years of the century comes in—neither the Government nor the people in South Africa have the leadership of the requisite calibre. What the whites lack is a leader of the stature of Smuts and what the Africans need is a leader of Gandhiji's stamp. It was not only the idealism but the political will-ness of the two leaders that have lessons for the present. Though

the time has long since gone and mutual hatred far too firmly entrenched for such devices to succeed, is it not barely possible to try to achieve the kind of compromise Gandhiji devised in 1908? Of course, there was a subsequent breach of faith, but that a particular meeting of minds took place at a particular point of time was instrumental in the final solution of the problem. The most horrible thing at the moment is that there is absolutely no meeting of minds between the two peoples in the Union. Is it barely possible to read in the speech of Mr Sauer the vague stirrings of an uneasy conscience? It is difficult to say. Certainly, the South African Gov-

ernment could hardly be in doubt about what the rest of the world is thinking about it. Nor can South Africa seal itself in a world of its own in sullen isolation. In converting the Union into a vast prison-house for eleven million Africans, they are imprisoning themselves as three million gaol warders. Dr Verwoerd harbours the illusion that this can be done, and that one can be happy doing it. He is reported to have said, "The riots can in no way be described as reactions against the Government's Apartheid policy. The disturbances are a periodic phenomenon and nothing to do with poverty and low wages." I am not concerned, at the moment,

with the correctness of this analysis. What appals me is the smugness and moral insensitivity of a man who can accept violence and brutality on the scale that was witnessed last month as a normal incident of a nation's life. Herein lies the hopelessness of the situation in South Africa. And hope? I for one cannot locate it at the moment.

The "report" of the "three wise men", in the form of their letter to Mr Eugene Black, has been released, and there is little in it that is unexpected or which should occasion surprise. While fuller comment is being deferred to the next week, I might here get off my reactions to one particular inference drawn from that report. The Bankers' Mission, which is another term by which this team of experts has been called, has apparently recommended that the Third Plan stands in need of being pruned—even before its formulation is complete. This, at least, is the interpretation placed upon the suggestion that there is room for cutting out schemes of marginal priority; and similar is the connotation, seemingly, of the stress laid on the need for a "flexible" approach to the Third Plan. But I don't see that either of these two suggestions is in fact any admonition to this country that it should not plan big. And, in any case, the attitude of both Government and planners has steadfastly been one in which, without reluctance or ceremony, changes dictated by new situations or developments arising in the course of the plan period have been expeditiously agreed to and implemented. So, this recommendation is tantamount to trying to convert the already converted: the necessity of a flexible approach is recognised in the Second Plan itself. As for the hint that marginal schemes may be suitably deferred, here, too, we find an analogous situation in the Second Plan, wherein, at around its mid-point, a revision divided the endeavours into two parts, of which one represented schemes in the periphery of the Plan and outside its core, whose implementation we decided to keep in abeyance. But, just as it is likely that, when the achievements of the Second Plan are measured and assessed, it will be found that some non-core schemes have been put through, it is necessary, when the Third Plan is drawn up, that targets and objectives are so fixed as will allow for the possibility of resources conceivably improving in a measure that we cannot at the present time anticipate. No, I don't believe that the three wise men have urged the scuttling of large-scale planning; all they have done is to pinpoint the desirability of the recognition, even before the Third Plan is drafted, of the likelihood that there will be some projects of a relatively non-essential nature whose completion may have to be carried over into the Fourth Plan.

EAVESDROPPER

23 April 1960

GATEWAY GOSSIP

Indian Railways

Railway Week has just been celebrated all over the country with due enthusiasm. The Gateway city has a special place in the history of Indian Railways, for, their first train made its debut from Bombay 107 years ago. During this long period of their existence, the Indian Railways have gone a long way from their original track of a few miles and a handful of engines and wagons.

It will, however, be appropriate to say that the Railways came into their own only after the attainment of political independence. They are now a well-knit unit, combining all the advantages of the integration of several segments functioning largely independently in a vast country. But for them, India's planned development would have been much delayed. Although the different railways had been primarily run not with a view essentially to serving the people, they had nevertheless given us a durable framework round which expanded transport facilities can be built. Planned development very largely depends on the availability of adequate transport facilities. The important role of transport has forcefully been brought home to us during the current plan period. Rightly or wrongly, our planners provided a goodly portion of the allocation under transport to the Railways.

It has been pointed out that the reason for the decision to allot the task of shouldering the responsibility of carrying the major portion of the nation's goods to the railways is that, in the circumstances, only they would be capable of expanding sizably with due expedition. The planners have every reason to congratulate themselves over their decision to give the Railways a big task. This of course does not mean that the transport policy as a whole is flawless. The investment on the railways during the past four or five years has amounted to well over Rs 1,000 crores; that is, about one-fourth of the entire Second Plan outlay has gone to the railways. The Union Railway Minister revealed in his speech, while presenting the Railway Budget for 1960-61, that up to 31 March 1960, plan expenditure would amount to Rs 372 crores against the plan target of Rs 1,121.50 crores. However, he expressed the hope that the balance of the amount would be fully expended during the last year of the plan as he anticipated a quickening of tempo in the Railways' development activities. The Railways have today a network of nearly 35,000 miles with a complement of workers as numerous as 1.15 million. In the course of the first four years of the current plan, much headway has been made in a

number of directions. To mention two of the important achievements: 700 miles of track have been doubled; an additional about 600 miles of new lines have been opened, with another 600 miles under construction. Although there has been a small setback in the tonnage carried during the past two years or so, the position is fast improving, and Mr Jagjivan Ram was so hopeful of a sizable improvement in the current year, that is, the last year of the current plan period, that he anticipated the fulfilment of the target of 162 million tons to be carried by the end of the Second Plan period.

The Railways' performance should not be measured only by the yardstick of the tonnage carried or other similar norms. Its aspect as perhaps the biggest nationalised industry is equally important. Apart from the large number of people to whom it provides employment directly and indirectly, and its vital role in the development of the economy of the country, it is an industry which sustains other industries both big and small. The emphasis on self-sufficiency in their development plans has already yielded handsome dividends. Production of locomotives, wagons and coaches has gone up by leaps and bounds, and today the railways have attained complete self-sufficiency in some and near self-sufficiency in the rest. It is a tribute to our planners and the railway administration that some India-made locomotives will be finding their way into foreign markets. Besides the railways' own factories for the manufacture of locomotives, wagons and coaches and other railway equipment and stores, the expansion programme of the railways has given a great fillip to many an indigenous industrial enterprise in the private sector.

The Railways' place in the national life is not merely confined to commercial and industrial aspects. They are the life line of the nation and but for them the administration would have found its work extremely difficult. Because of their extensive network, it has been possible for the Central Government to tackle the food problem without serious mishap. If Indians now know each other better and are in a position to understand and appreciate the customs and manners in the various regions which lie widely separated, much of the credit goes to the railways. May be, travel conditions have not shown any marked improvement as far as the common man and woman are concerned but it is undeniable that, because of the increased facilities for long distance travel, more and more people are undertaking tours to distant parts of the country, thereby contributing to the strengthening of the bonds of unity.

With the sizable improvement of their capacity and the attainment of self sufficiency in many of the items needed by them, the railways are well poised to undertake even bigger tasks in the future.

From indications already available, it is estimated that the railways would be called upon to carry as much as 235 million tons during the Third Plan period. This will mean an increase of 61 per cent in the load on the assumption that the Second Plan target of 162 million tons is achieved as expected.

The Railways, however, would do well to give their earnest attention toward rectifying some of the glaring shortcomings in their administration. It is not enough to proclaim loudly that the Railways are the peoples' own. The railway users must be made to feel that, when they entrust either themselves or their goods to them, the railways treat them in such a manner that further opportunities for going by rail or sending goods will be looked forward to with eager expectation.

THE PENINSULA

"Package Plan"

AGAINST the background of the Madras State Bill, introduced in the current Legislative Assembly and fixing the ceiling on agricultural land holding at thirty standard acres per family of five members, thus injecting an uncertain future for landholders in the State generally and particularly in Tanjore district, the "Package Plan" was introduced in the most fertile deltaic district of Tanjore by the Chief Minister, Mr K. Kamaraj, at Aduthurai. Madras State is the first to be experimented upon with this plan of intensive cultivation, though six other States will have introduced this plan in one district each.

This five-year experiment, sponsored by the Ford Foundation, will cost Rs 8.42 crores of which Madras State will get Rs 3.4 crores. In the course of the next five years, and well within the period of the experiment, it is expected to raise food output by 20 per cent; and, during the first year of this experiment, the Madras Food Minister, Mr M. Bhaktavatsalam, hopes to raise food output by 4 million tons.

The "Package Plan" is nothing extraordinary. It lays particular emphasis on the coordinated operation of scientific agriculture through trained methods of application of desired quantity of fertiliser, use of good seeds, pesticide to prevent damage of crop by insects and so on. The Tanjore peasant is well known for his intelligent farming operation, though he might not be called perseverent like his compatriot in the rain-fed districts like Ramana-
nathapuram or parts of Madurai or even Coimbatore. He has co-operated with the Government, out of enlightened self-interest perhaps, to increase production by

40 per cent during recent years when he accepted the National Extension Service and the crore of rupees it fetched. He has, however, been a stranger to the application of chemical manures or fertilizers, because he is still ignorant as to how much his soil would require that fertilizer for raising production. For this purpose, the necessity for a soil testing laboratory was never greater than now. That, too, has been opened at Tanjore along with the inauguration of this "Package Plan." The American Consul General, Mr W. Simons, officially opened the Laboratory.

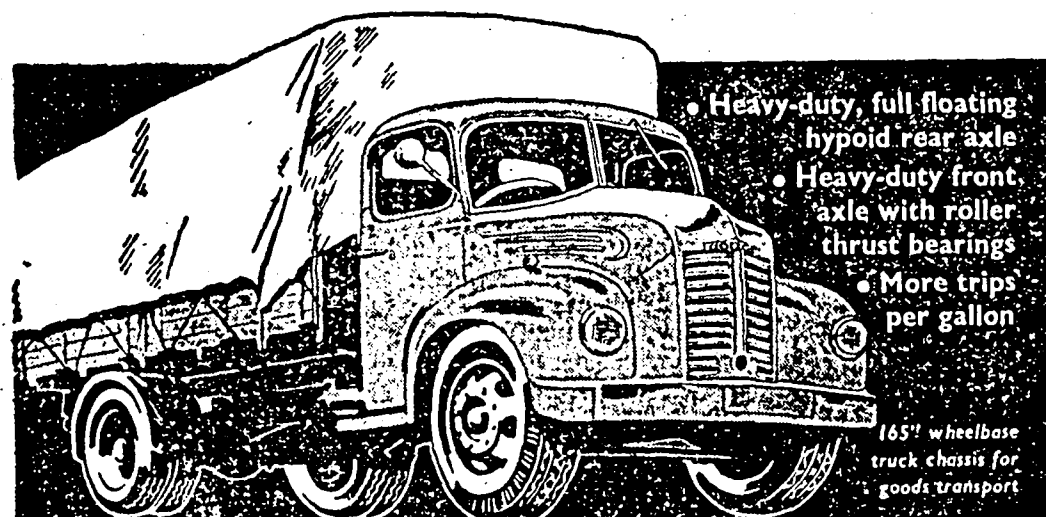
Food production in the State of Madras stood at 3.8 million tons before the First Plan; at the end of the First Plan, it rose to 4.4 million tons, and at the end of the Second Plan it is expected to be 5.3 million tons.

Though Madras was deficit toward the end of the First Plan period, it achieved a small surplus of about 100,000 tons last year. At the end of the Second Plan, the surplus is expected to increase to 300,000 tons. But there is a big "if", that is, that only if seasonal conditions prove favourable could this small surplus be anticipated; otherwise, there would be a deficit of about 500,000 tons. It is therefore imperative that Madras should not only wipe off this deficit by producing more and allow also for a two per cent increase in consumption.

Mr Bhaktavatsalam, at the inaugural function, on Tamil New Year's Day, of the Plan at Aduthurai said that most of the cultivable lands in Madras State had already been put into cultivation. The future line of development should be mainly in the direction of increasing acre-yield in the existing areas.

It is known that Madras produced a higher average of 1,325 lbs of rice per acre and this was above the All-India average of 1,000 lbs; even then, it is low compared to the Japanese average (3,684 lbs per acre) or to Australia, which produced 5,291 lbs per acre. What may have impelled the Agriculture Minister to be optimistic about the State being able to raise yields is the result of a series of crop competitions at which an average yield of 4,100 lbs of paddy per acre or 2,733 lbs of rice was produced. In Tanjore, the Minister stated, the highest yield was 8,730 lbs of paddy or 5,820 lbs of rice.

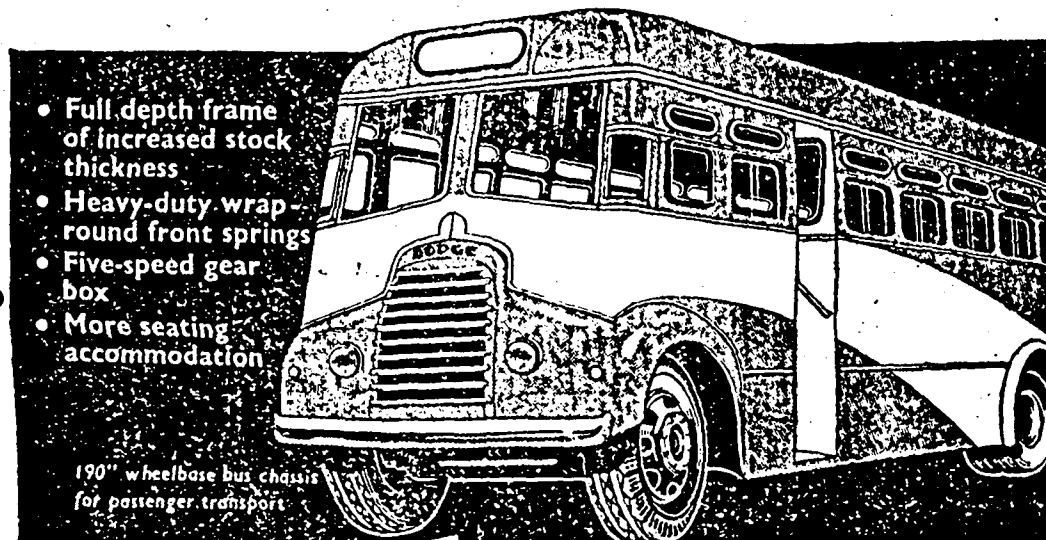
The salient features of this "Package Plan" are: The scheme is introduced in a district with maximum irrigation facilities and minimum natural hazards, will meet the full credit requirements of the farmers based on production plans of individual farmers to be prepared by a trained staff. This will be checked later on by expert supervision. The requirements of pesticides, fertilizers, agricultural implements and improved seeds stains would also be met in full. Cooperative societies would be developed and credit and supplies



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would be channelised through them. The Societies themselves would undertake marketing at market rates and thus credits advanced would be collected through the sales proceeds. The cost of the implementation, as has been noted in the beginning of this article, will be borne by the Ford Foundation (Rs 8.42 crores).

With the Package Plan, Mr Bhaktavatsalam hoped that production in the district would increase by 40,000 tons in the first year, and, with gradual increase in each year, would reach 160,000 tons in the fifth and final year of the Plan. From 5 per cent in the first year, the rate of increase would go up to 20 per cent in the final year.

Mr Bhaktavatsalam stated carefully that this Plan will demonstrate the four-fold objectives of the most effective ways of expanding national food production by co-operative efforts between the Centre, the State, the district, the block, the village and the individual cultivators; that is: to increase the income of the cultivator and his family; to increase the economic resources and potential of the villagers and to provide an adequate agricultural base for more rapid economic development and social betterment.

OLYMPUS

STC's Report for 1958-59

THE third annual report of the State Trading Corporation has just been issued here. It refers to the substantial growth in the trading activities of the Corporation, the direct turnover in its foreign trade rising from Rs 28.6 crores in 1957-58 to Rs 36.0 crores in 1958-59. Of the total value in the latter year, exports accounted for Rs 22.4 crores and imports for Rs 13.6 crores. The bulk of this trade has been with the countries with whom bilateral trade arrangements were in force; imports from these countries in 1958-59, taking the value of licences issued, were Rs 13.8 crores while exports to them were Rs 14.5 crores. Quantity figures in the table at the end show that exports of iron ore, tobacco, gunnies and woollen fabrics registered increases during the year while, on the import side, non-ferrous metals, caustic soda and muriate of potash had similarly registered increases. Notable items figuring for the first time in the export list were shellac and raw jute while new items on the import list were newsprint, insulators for Government projects and sodium sulphate.

It is noteworthy that, in value terms, exports of iron ore alone were Rs 12.3 crores during the year under review, accounting for more than 50 per cent of the Corporation's export trade. It is again

noteworthy that the iron ore exports of the year included 2.7 lakh tons of lower grade ores which were not previously shipped on any significant scale. The report records with satisfaction that bulk supplies of iron ore by a large organisation like the STC with ability to conform to shipping schedules and quality specifications have enabled India to become a dependable source of supply to Japan, Czechoslovakia, Hungary, East Germany, Yugoslavia, Poland and Rumania. It is stated that exports of iron ore can be further stepped up if the ancillary railway and port capacities are built up in order to augment the export potential. As for procurement of iron ore by the STC, it has been done, to the maximum possible extent, from mine-owner cooperatives and associations of traders.

Manganese ore exports by the Corporation during the year, however, showed a decline in the tune of 0.66 lakh tons from the previous year's figure of 4.48 lakh tons. With the implementation of the Wheat-Manganese Barter Deal with the US Commodity Credit Corporation in the current year, it is expected that by the end of March, 1961 India will have supplied under that deal alone 1,12,000 tons of ferro and over 1,50,000 tons of manganese ore for conversion in Japan, Europe and the USA into ferro for supply to the CCC's stockpile. The report also hopes that the recent joint marketing arrangements which the STC (which has only 50 per cent of the exportable quota of manganese ore on its hands) has developed with leading mine-owners and exporters will give the required strength to Indian manganese ore in competing in world markets, when buying starts on a substantial scale in the course of the current year.

That criticism of the STC's trading activities has lost much of its force, could be inferred not only from the trend of concerted action on the part of exporters and the Corporation in the case of manganese ore exports but also from the trend of cooperation in the matter of salt and handloom cloth exports. The handling of salt exports by the STC, on the recommendation of the exporters themselves, has recently led to a bulk deal with Japan. In the case of handloom cloth exports, particularly to the United States, the organisational arrangements involve bringing together leading producers and assisting them in contracting with overseas buyers and by supplying them with dyestuffs, designs and other facilities.

On the import side, the Corporation has handled during the year under review a wider variety of industrial raw materials as will be seen from the table at the end. The STC has also been able to service the essential requirements in some important sectors of the economy. These include X-ray films for hospitals, raw films for the cinema industry, tractors for agriculture, printing machinery, news-

print and machine tools. The value of import contracts thus serviced by the Corporation during the year has amounted to Rs 4.2 crores.

In regulating the distribution of some imported scarce commodities the interest of the consumers, it is claimed, has been kept in view. The sale of caustic soda, soda ash and muriate of potash has continued to be organised through established distributing agencies and associations of established importers; arrangements have been made for the sale of copper and other non-ferrous metals against certified requirements; the distribution and sale of nitrate of soda has been supervised in an effort to assess its utility in stimulating agricultural production or specialised crops; and the benefits of advantageous procurement have been passed on to the consumer as in the case of soda ash where the price was reduced in February 1959. It is by no means clear how such beneficial "intruding" activities of the Corporation in the internal distribution of some scarce imported raw materials can be justifiably criticised. Perhaps the FICCI's criticism of the STC for its "intrusion" into internal trade has no reference to the aforesaid activities.

One wonders if the FICCI's criticism, on the other hand, has reference to the Corporation's handling, in cooperation with the cement industry, of distribution, sales and exports of cement. The

Corporation's cement agency (for which its commission is 1 per cent of the gross turnover for all its functions) has brought for it a revenue of Rs 35.3 lakhs in 1958-59. If this constitutes an eyesore to the normal distribution agencies, it should be less of an eyesore now for the simple reason that the rate of commission has been brought down from 1 per cent of gross turnover in 1957-58 to 1 per cent in 1958-59. While, theoretically speaking, the FICCI may be reasonable in its demand that the STC should not "intrude" into internal distribution and trade, it does not seem to have built up a cogent practical case therefor.

The Corporation's accounts for the year under review show that the gross receipts including the gross profit (Rs 3.33 crores) on trading activities, agency fees, service charges and interest on call deposits and excluding cement agency surplus amount (Rs 2.59 crores which is held on behalf of the Government of India) have come to Rs 3.69 crores. After meeting expenses on establishment, contingencies, etc., a sum of Rs 2.53 crores is available for taxes and other appropriations, of which Rs 1.48 crores is for taxation and Rs 1.28 crores (net) for appropriation to dividend reserve, building fund (office), building fund (staff), insurance fund, price fluctuations fund, trade development fund, staff benefits and fertiliser canalisation suspense.

Particulars of Trading Activities of the Corporation in 1957-58 and 1958-59.

S.No.	Name of Commodity	1957-58 Quantity	1958-59 Quantity
EXPORTS.			
1.	Iron Ore	T. 19,12,091	T. 25,75,603
2.	Manganese Ore	T. 4,48,941	T. 3,82,358
3.	Chrome Ore	T. 17,282	T. 22,982
4.	Manganese Dioxide	T. 683	T. 1,356
5.	Mica		Lbs. 29,494
6.	Kyanite Ore		T. 50
7.	Tobacco	Lbs. 56,87,521	Lbs. 1,64,55,490
8.	Gunny Bags	Nos. 20,62,000	Nos. 43,51,700
9.	Sugar	T. 8,23,099	
10.	Sandalwood Oil	Lbs. 33,690	
11.	Handicrafts	Sundry Items	Sundry Items
12.	Shoes	Pairs. 5,05,950	Pairs. 4,14,387
13.	Woollen Fabrics	Yds. 1,59,836	Yds. 5,19,898
14.	Cotton Waste	Bales. 1,130	Lbs. 2,23,487
15.	Salt	T. 47,771	
16.	Hemp	Lbs. 95,785	
17.	Glycerine		M.T. 81
18.	Hides and Skins		Lbs. 17,208
19.	Sand Bags		Nos. 10,00,000
20.	Annatto Seeds		M.T. 10
21.	Shellac		Lbs. 20,73,700
22.	Groundnut Kernels		T. 460
23.	Pepper		L.T. 335
24.	Vetiver Oil		Lbs. 460
25.	Crude Drugs		Bottles. 500
26.	Cinchona Bark		Ton. 1
27.	Masoor Dal		Tons. 1,302
28.	Raw Jute		Bales. 12,098
29.	Handlooms		Sundry Items
IMPORTS.			
30.	Copper	T. 609	T. 7,470
31.	Zinc		T. 2,627
32.	Caustic Soda	T. 44,335	T. 67,678
33.	Soda Ash	T. 26,293	T. 33,734
34.	Raw Silk	Lbs. 1,61,233	Lbs. 1,91,884
35.	Ammonium Sulphate	T. 68,092	T. 39,418
36.	Chilean Nitrate	M.T. 15,036	M.T. 9,652
37.	Muriate of Potash	L.T. 10,000	L.T. 20,518
38.	Skimmed Milk		Lbs. 1,49,12,380
39.	Sodium Sulphate	Lbs. 1,09,71,200	M.T. 8,619
40.	Mercury		Flasks. 241
41.	Hops		Kilos. 25,000
42.	Pilsen Malt		M.T. 250
43.	Sodium Bicarbonate		T. 914
44.	Potassium Chlorate		M.T. 193
45.	Sulphate of Potash		T. 977
46.	Insulators		Nos. 2,29,039
47.	News Print		T. 7,853.02

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 Mr. C. SHRINIVASA RAO, Savkar, Nagar, ()
 Mr. S. FUNDLIK NAYAK, Merchant, Bombay

GENERAL MANAGER:

[illegible]

AUDITOR:
MR. A. UMANATH RAO, B.A., F.C.A., Chartered Accountant.

DEPUTY GENERAL MANAGERS:
S.A. CALIB. MR. B. V. BHANDARI
S.A. CALIB. MR. C. E. KAMATH

The Directors have pleasure in submitting to the shareholders the Fifty-fourth Annual Report for the year 1933. After making the necessary provisions a sum of Rs. 13,67,472.71 is available for distribution. The Directors recommend the following appropriations:

DIRECTORS' FIFTY-FOURTH ANNUAL REPORT.

To Provision for Income-tax	4,75,000
To Preference Dividend	70,000
To Dividend on Equity Shares at 15 per cent.	5,40,000
To Bonus to Staff	2,40,000

Myrsore State are making satisfactory progress. To meet the credit needs of middle class people, we have, during the year introduced certain schemes like loans to purchase cycles, loans for medical graduates to set up practices, educational loans and loans to students going abroad. These have been introduced on an experimental basis at some of our branches and after finding further experience we propose to extend the schemes at all branches also.

Leaving Balance to be carried forward	...	42,472	71
		13,25,000	00

NY 100-1367472-71

The Balance Sheet and Profit and Loss Account show satisfactory progress made by the Bank and except for the unusual rise

One more senior officer has just returned after a study of banking methods in the Bank of America and two more officers are attending a refresher course at the Deutsche Bank, Hamburg. We are anxious to offer these Foreign Correspondents who have been helpful to us in offering training facilities. The experience gained by these officers will assist further development of the Bank's services.

BALANCE SHEET AS AT 31st DECEMBER, 1959.

	1938		CAPITAL AND LIABILITIES	
	Rs.	nP.		
			I. CAPITAL—	
			Authorised Capital—	
	86,00,000	00	1,72,000 Equity Shares of Rs. 50 each	
	14,00,000	00	28,000—5 per cent Cumulative Preference Shares of Rs. 50 each ...	
	<u>1,00,00,000</u>	<u>00</u>		
			Issued, Subscribed and Paid-up Capital—	
			72,000 Equity Shares of Rs. 50 each fully paid	
	49,50,820	00	28,000—5 per cent Cumulative Preference Shares of Rs. 50 each fully paid ...	
	<u>6,24,46</u>	<u>00</u>	Share Premium Account	
			II. RESERVE FUND AND OTHER RESERVES—	
			Reserve Fund—	
	40,00,000	00	Reserve Fund as at 31st December, 1938	
	<u>5,00,000</u>	<u>00</u>	Add—Transfer from Current Year's Profits	
	<u>45,00,000</u>	<u>00</u>		
			III. DEPOSITS AND OTHER ACCOUNTS—	
			Fixed Deposits	
	12,60,29,445	15	Savings Bank Deposits	
	<u>23,90,21,118</u>	<u>51</u>	Current Accounts, Contingency Accounts, etc.	
	<u>7,76,71,125</u>	<u>55</u>		
	<u>23,76,02,689</u>	<u>21</u>		
			IV. BORROWINGS FROM OTHER BANKING COMPANIES.	

PROPERTY AND ASSETS.			
1958	Rs.	n.P.	Rs.
1. Cash—			
In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes) ...	213,32,591	21	213,32,591
2. BALANCE WITH OTHER BANKS—			
(a) In Current Accounts—			
(1) In India	14,34,483	42	14,34,483
(2) Outside India	12,70,555	20	12,70,555
(b) In Deposit Accounts—			
Deposits with Banks in India	75,29,750	00	75,29,750
3. MONEY AT CALL AND SHORT NOTICE—			
(1) In India	1,02,34,788	62	1,02,34,788
(2) Outside India	96,00,000	00	96,00,000
4. INVESTMENTS—			
(i) Securities of the Central and State Governments and other Trustee Securities of the Face Value of Rs. 11,71,02,300 at cost (approximate Market Value as on 31-12-1959 Rs. 11,78,98,951.42)	9,82,08,012	07	9,82,08,012
(ii) Shares of the Bombay State Financial Corporation, the Madras Industrial Investment Corporation, Ltd. and the Mysore State Financial Corporation (fully paid) at cost			
(iii) Municipal Debentures (Face Value Rs. 23,88,000) and Other Debentures (Face Value Rs. 4,95,500) at cost (Approximate total Market Value as on 31-12-1959 Rs. 28,88,501.17)	1,24,875	00	1,24,875
(iv) Gold	23,23,747	46	23,23,747
	NIL		NIL
	28,93,38,198	09	28,93,38,198
	NIL		NIL
	41,14,533	30	41,14,533
	86,00,000	00	86,00,000
	14,00,000	00	14,00,000
	36,00,000	00	36,00,000
	1,00,00,000	00	1,00,00,000
	14,00,000	00	14,00,000
	50,00,000	00	50,00,000
	6,30,000	00	6,30,000
	45,00,000	00	45,00,000
	5,00,000	00	5,00,000
	16,00,18,833	45	16,00,18,833
	451,88,094	27	451,88,094
	8,60,31,410	37	8,60,31,410
	25,00,000	00	25,00,000
	NIL		NIL
	11,50,58,204	28	11,50,58,204
	8,24,250	00	8,24,250
	27,69,579	67	27,69,579
	NIL		NIL
	31,92,140	07	31,92,140
	25,00,000	00	25,00,000
	NIL		NIL
	25,00,000	00	25,00,000

6. BILLS, FOR COLLECTION BEING BILLS RECEIVABLE
as per contra—

7. OTHER LIABILITIES—			
(i) Rebate on Bills	31,780	32	
(ii) Unclaimed Dividends	41,328	57	
(iii) Branch Adjustments	1,062,282	87	
(iv) Provision for Taxes	6,404	77	
(v) Outstanding Charges and Sundries	15,30,640	70	
	<u>1,23,66,680</u>	23	
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS as per contra	<u>1,62,37,241</u>	31	
9. PROFIT AND LOSS—			
Profit as per last Balance Sheet	11,67,267	68	
Less: Appropriations—			
To Provision for Income-tax	7,30,000	00	
To Bonus to Staff	1,30,000	00	
To Dividends	<u>2,92,500</u>	00	
	<u>11,22,500</u>	00	
	<u>44,767</u>	68	
Add: Profit for the year brought from Profit and Loss Account	<u>14,00,241</u>	03	
	<u>14,45,008</u>	69	
	<u>5,00,000</u>	00	
Less: Transfers to Reserve Fund	<u>9,45,008</u>	69	

3,58,13,217	97	75,932	30
		41,483	17
		1,33,60,029	32
		15,85,328	34
		9,57,37	46
		1,31,56,558	59
		3,52,10,380	47
		9,45,008	69
		9,07,625	00
		37,383	69

the Auditor	Rs.	Rs.	Rs.
(i) Loans, Cash Credits, Overdrafts, etc.	Rs. 10,53,50,392	64	
(1) In India	Nil		
(2) Outside India	10,53,50,392	64	
(ii) Bills Discounted and Purchased—			
(1) Payable in India	Rs. 4,21,25,609	26	
(2) Payable outside India	Rs. 1,13,25,262	30	
	5,34,50,871	56	
	15,88,01,264	20	

6. BILLS RECEIVABLE BEING BILLS, FOR COLLECTION AS PER CONTRA			
(i) Payable in India	3,29,86,819	24	
(ii) Payable outside India	28,26,398	73	
	3,58,13,217	97	
	3,52,10,380	47	
	8,71,579	01	
	(Rs. 15,178.21)		

7. CONSTITUENTS' LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS as per CONTRA			
8. PREMISES AT COST			
Add: Additions during the year (Rs. 36,372.37)			
Less: Deductions			

10. CONTINGENT LIABILITIES—	
(i) Liability on account of Letters of Guarantee given on behalf of constituents ..	24,45,835 83
(ii) Liability on account of outstanding Forwards and Cash Credits ..	224,83,244 70
(iii) Claims against the Bank not acknowledged as debts ..	40,688 60
(iv) Liability on Bills of Exchange re-discounted ..	11,002 50
(v) Liability on account of guarantees given on behalf of Directors ..	Nil

	89,309	60		84,978	17	
	7,82,269	41		14,22,525	66	8,07,795 00
	10,84,798	93		3,63,251	55	
	3,82,587	27		17,85,777	21	
	14,71,386	20		42,845	32	
	48,860	54		17,42,931	89	
	14,22,525	66		5,47,303	31	
	4,56,951	01				
	9,65,574	65				11,95,628 63
10. OTHER ASSETS—						
(i) Interest accrued on Investments ..	11,94,034	58		12,54,257	37	
(ii) Stock, Stationery and Library ..	3,21,921	27		3,98,255	85	
(iii) Branch Demand Drafts Paid, Bills Realised by Agent Banks pending adjustment, Cheques pending collection and Clearing Vouchers received ..	37,55,446	65		40,20,036	45	
(iv) Application Money for Debentures pending delivery of Securities ..	42,61,189	20		12,79,800	00	
(v) Prepaid Expenses and Sundries ..	4,72,283	50		9,10,236	93	
(vi) Taxes paid in advance and Income-tax deducted at source ..	10,12,081	25		33,44,574	67	
	1,10,18,956	45				1,12,07,161 27
11. NON-BANKING ASSETS ACQUIRED IN SATISFACTION OF CLAIMS—						
Land and Buildings at or below cost ..	300	00				300 00
TOTAL	30,52,04,049	60				39,16,30,411 13

178.21 being depreciation on building demolished value of which was written off in 1958.

Schedule of Particulars required by the Banking Companies Act, 1949 (Act X of 1949) attached to and forming part of the Balance Sheet as at 31st December, 1959.

1958		PARTICULARS OF ADVANCES		1958		Rs. nP.			
Rs.	nP.			Rs.	nP.				
8,37,01,430	66	(i) Debts considered good in respect of which the Banking Company is fully secured goods for which the Banking Company holds no other security than the debtor's personal security (inclusive of other securities and secured promotes)	12,14,14,151	01	29,28,818	04	(vi) Debts due by Companies or firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of private companies, as members	30,19,715	64
1,36,16,161	22	(ii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	1,98,81,313	50			(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons		
1,19,84,406	24	(iii) Debts considered doubtful or bad not provided for	1,75,05,799	69	83,189	62	(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or firms in which the Directors of the Banking Company are interested as Directors, Partners, or Managing Agents, or in the case of private companies, as members	54,337	51
NIL			NIL				(ix) Due from Banking Companies		
10,93,01,998	12	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	15,88,01,264	20	81,71,098	64		85,90,768	47
26,074	16		34,990	57	5,19,796	08		3,92,268	23

(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons ...

(ix) Due from Banking Companies

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1959.

		EXPENDITURE		INCOME	
Rs.	nP.	Rs.	nP.	Rs.	nP.
60,63,364	88	1. Interest paid on Deposits, Borrowings, etc.	80,83,025	16	1,19,31,395
31,29,871	02	2. Salaries and Allowances and Provident Fund (inclusive of Salaries and Allowances of the General Manager)	31,306,717	44	28,15,834
76,478	65	3. Directors' and Local Committee Members' Fees and Allowances (inclusive of remuneration to Supervising Director Rs. 30,000; Rent-free quarters Rs. 2,720; P. F. Contribution Rs. 2,499.90)	30,000	4	30,879
3,41,842	27	4. Rent, Rates, Taxes, Insurance, Lighting, etc.	2,499.90	73	54,681
10,562	37	5. Law Charges	13,590	84	NI
2,77,545	08	6. Postage, Telegrams and Stamps	3,25,384	81	NI
5,600	00	7. Auditor's Fees and Travelling Expenses	5,000	00	NI
2,02,815	07	8. Depreciation on and Repairs to the Banking Company's Property	2,14,212	05	NI
3,45,427	29	9. Stationery, Printing, Advertisement, etc.	4,62,030	61	7,43,422
NI		10. Loss from Sale of, or Dealing with Non-Banking Assets	NI		03
3,12,407	25	11. Other Expenditure	3,99,180	75	
14,00,241	03	12. Balance of Profit	18,30,089	02	
1,21,65,574	91	Total	Rs. 1,55,76,213	16	Rs. 1,55,76,213
					16

I beg to report that I have audited the above Balance Sheet of the Canara Bank Limited as at 31st December, 1959, and also the annexed Profit and Loss Account of the Bank for the year ended that date with the Books of Account and Certified Returns from the branches and that I have visited some major branches of the Bank during the year and have examined the Books of Account and Cash and Securities as at the time of my visit and report that:

- I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit.
- Such information and explanations have been found to be satisfactory.
- Transactions of the Bank as have come to my notice have been, in my opinion, within the powers of the Bank.
- The Returns received from the branches have been found adequate for this purpose of my audit.
- The Bank's Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of Account and the Returns.
- In my opinion and to the best of my information and according to the explanations given to me the said Accounts give the information required by the Companies Act, 1956, and the Banking Companies Act, 1949, in the manner so required and the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December, 1959, and the Profit and Loss Account gives a true and fair view of the profit for the year ended 31st December, 1959.
- In my opinion, proper Books of Account as required by law have been kept by the Bank so far as appears from my examination of those books.

BANGALORE, 15th January, 1960.

P. SARVOTHAM NAYAK,
General Manager.

A. DAMODAR PAI,
Chairman.

A. UMANATH RAO, B.A., F.C.A.,
Chartered Accountant,
Auditors.
C. SHRINIVASA RAO,
U. SRINIVASA MALLIAH,
JEENABHAI DAVIDOSS,
K. P. J. PRABHU,
Directors.

MARKETS

Moderate Rise in Sugar Prices

ALTHOUGH the supply position is comfortable, Sugar prices have again looked up by about Rs 10 per bag at many centres, mainly due to a revival of demand for meeting the current hot weather and marriage season's requirements. In the Kanpur market, rates have gone up to Rs 129 a bag as against Rs 120 quoted a week ago. Superior qualities are priced better still. While allottees of the Government are refusing to lift their quotas, it appears strange that the free market prices are showing an abrupt rise. At their present level, the prevailing rates are higher than the peaks attained by the open market last year when the Government thought it necessary to clamp full-fledged control on mill sugar prices.

The aggregate production till date has almost reached the target set by the Government for this season. At least 50 per cent of the mills are still working. In the South, however, the crushing season has been unusually short this year. While in the previous years, excepting a unit or two, most of the factories remained functioning till March and April, this year 40 to 50 per cent mills had ceased crushing. In consequence, the production in the Deccan mills will be almost the same as it was last year, while it will exceed the previous year's record in the North.

Naturally, the possibility of a bumper sugar production this season has induced the export agency of the Indian Sugar Mills Association to ask for an export quota of 50,000 tons. The production is expected to go up to 2,400,000 tons and the season may end with a carry-over of 450,000 tons. Although production is coming to an end at many centres, units in Uttar Pradesh and the Punjab are still reported to be working.

Gur

The Hapur Gur market remains depressed as the demand at higher prices is slack. Arrivals average 200 maunds daily, while stocks are estimated around 33,000 maunds. Gur Pansera quality is quoted at Rs 15.50 to Rs 15.75 and Baitl at Rs 16.12 a maund.

Khandsari

Khandsari prices have registered modest gains during the week on revival of demand from the South and Saurashtra. Receding hopes

of decontrol of sugar were also a contributory factor. Production in small quantities is still continued at some centres and the rates are moving between Rs 38 and Rs 42 per pound, according to quality.

Foodgrains

Barring Wheat whose price declined fractionally due to the arrivals of new grain in the market, prices of coarse grains and pulses showed an upward trend. New grains are expected in the market soon; because the harvesting and winnowings operations are almost complete.

The Rice section remained quiet due to easy supply position. Grain prices recorded gains of about 50 nP a maund on continued firmer advices from the Punjab due to poor crop prospects. The markets for Maize and Bajra remained depressed in the absence of demand.

Coffee

At the fifth Coffee auction held at Mangalore, the Coffee Board exposed for sale the following varieties:—Plantation "A" 882 tonnes; Plantation "B" 294 tonnes; Plantation Triage 174 tonnes; Arabica Cherry Flats 144 tonnes. Robusta Cherry Flats 200 tonnes. All quantities, except the two hundred tonnes of Robusta Cherry Flats, were sold. The range of prices was: Plantation "A" Rs 236.65 to Rs 249.85; Plantation "B" Rs 228.65 to Rs 237.30; Plantation Triage Rs 190.20 to Rs 193.30 and Arabica Cherry Flats Rs 197 to Rs 198 (all prices per cwt).

Unofficial forecasts of the Uganda Robusta coffee crop now put it at a probable 100,000 tons, showing a substantial increase over last year's crop. This means that there will be great difficulties in disposing of it unless demand and prices pick up from the present levels. With large quantities of coffee from Brazil also likely to be pressing on the market this year, the clear-cut outlook is for weaker prices as time goes on.

Pepper

Despite the unwillingness of US buyers to support Malabar Pepper at the prevailing prices, the terminal markets have continued to maintain a firmer tendency. In the Cochin market, the rate has gradually risen to Rs 1,700 a candy from Rs 1,618.75 quoted at the beginning of the month. The firmness is attributed to improved domestic demand and reports of some business with the Communist countries at enhanced levels. Moreover, arrivals have, of late, been on the low side.

Trade estimates that in the first five months of the season to March-end exports of Malabar pepper have totalled about 12,000 tons against a normal annual export of 13,000 tons, have encouraged thoughts that it should be possible to obtain more attractive prices for

the remaining part of the export surplus from out of the new crop.

There are also other factors which have encouraged the export houses to view the near-term outlook for the commodity with optimism. Arrivals of Sarawak pepper are, it is reported, likely to be delayed. It is, therefore, likely that the growers in Sarawak may not press their sales during the harvesting season as in the past. News of the coming crop from Indonesia are also disquieting. Again, there is no news with regard to the size of the Muntok and Lampong pepper. It is, however, believed that the crop is likely to be much smaller than that of last year.

As Sarawak will be producing more white pepper, the supply of black pepper to the USA and other destinations will be in the hands of India and Indonesia. If the crop in Indonesia turns out to be poor, it will be no wonder if Malabar pepper touch still higher prices sometime during autumn.

Cashew

A crisis seems to be brewing in Kerala's Cashew processing industry on the question of workers' minimum wage revision. The report of the minimum wages committee is presently under the State Government's consideration. The manufacturers hold the view that some of the recommendations in this report are impracticable and detrimental to the industry. They say that, if the cost of production is allowed to go up again by enforcing higher minimum wages, the owners of the Kerala factories will be compelled to minimise their activities in Kerala and migrate to other States.

Rubber

According to the figures released by the Rubber Board, production of rubber has shown a sharp decline to 1,155 tonnes in February from 2,438 tonnes in the previous month; consumption to 3,178 tonnes from 3,205 tonnes and stocks with the estates and dealers to 4,440 tonnes from 5,770 tonnes. Stocks with the manufacturers are, however, higher at 5,143 tonnes against 4,726 tonnes. The quantity of rubber imported during February was: Group No. 2,361.656 tonnes; Group No. 3 202.184 tonnes; Group No. 5 101.600 tonnes and Group No. 6 445.008 tonnes. Total 1110.448 tonnes.

The following is the full summary (figures in tonnes):—

Opening stock on 1st February, 1960	10,495.503
Production in Feby. 1,154.581	
Imports in Feby. 1,110.448	2,265.029
Consumption	12,760.532
Stocks with the estates, dealers and manufacturers as on 29th February, 1960	9,583.013
Stock of Synthetic rubber	1,805.557
Total Stock	11,388.570

BANK

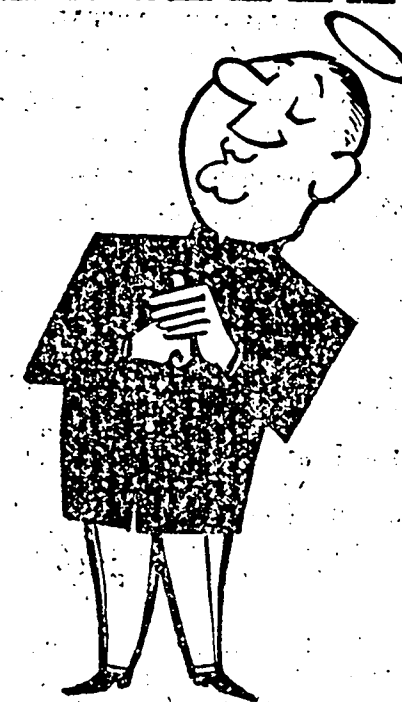
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THE INDIAN OVERSEAS BANK LIMITED
Central Office, Madras

M. C. Muthiah
Chairman

C. P. Doraikannu
General Manager

THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS

No subscriptions are invited on the basis of this announcement. Intending subscribers should obtain from the Registered Office or any one of the Bankers or Brokers referred to hereunder, copies of the PROSPECTUS and the Forms of Application.

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

Two separate licences have been obtained from the Central Government for the establishment of new industrial under-taking for the manufacture of Viscose Rayon Filament Yarn and Sulphuric Acid & Carbon-bisulphide. Copies of such licences are open to public inspection at the Registered Office of the Company. It must be distinctly understood that in granting these licences the Government of India do not take any responsibility for the correctness of any of the statements made or opinions expressed in regard to them.

A copy of the Prospectus, having attached to it the documents required by Section 60 of the Companies Act, 1956, has been delivered for registration to the Registrar of Companies, Uttar Pradesh.

Applications have been made to the Calcutta and Bombay Stock Exchanges for permission to deal in and for official quotations of shares of the Company.

Subscription List will open at the commencement of Banking hours on Monday, the 25th April, 1960 and will close at the close of the Banking hours on Saturday, the 30th April, 1960 unless closed earlier at the discretion of the Directors but not before Thursday, the 28th April, 1960.

Juggilal Kamlatpat Cotton Spinning & Weaving Mills Co., Ltd.

(Incorporated on 24th October, 1924, under the Indian Companies Act, 1913).

(J. K. RAYON)

SHARE CAPITAL

AUTHORISED CAPITAL

30,00,000 Equity Shares of Rs. 10/- each	Rs. 3,00,00,000
5,000 4½% Tax Free Cumulative Preference Shares of Rs. 100/- each	Rs. 5,00,000
6,000 6½% Tax Free Cumulative Preference Shares of Rs. 100/- each	Rs. 6,00,000
1,89,000 Unclassified Shares of Rs. 100/- each	Rs. 1,89,00,000
	Rs. 5,00,00,000

ISSUED, SUBSCRIBED & PAID-UP CAPITAL

6,30,000 Equity Shares of Rs. 10/- each fully paid-up	Rs. 63,00,000
5,000 4½% Tax Free Cumulative Preference Shares of Rs. 100/- each fully paid-up	Rs. 5,00,000
6,000 6½% Tax Free Cumulative Preference Shares of Rs. 100/- each fully paid-up	Rs. 6,00,000
	Rs. 74,00,000

PRESENT ISSUE

39,000 6½% Tax Free Cumulative Redeemable Preference Shares of Rs. 100/- each at par	Rs. 39,00,000
6,20,000 Equity Shares of Rs. 10/- each at par	Rs. 62,00,000
Payable in full on application	Rs. 1,01,00,000
Total	Rs. 1,75,00,000

The present issue is offered to the public for subscription at par pursuant to a Resolution passed at General Meeting of the Company held on the 14th November, 1959.

The entire issue of the Equity Shares to the public has been underwritten.

RIGHTS OF PREFERENCE SHARES

The Redeemable Preference Shares confer the right to a fixed Cumulative Preferential Dividend at the rate of 6½% per annum free of Income-tax and the right in a winding up to be paid all arrears of Preferential Dividend earned whether declared or not, down to the commencement of the winding up and to be repaid the amount of capital paid up or credited as paid up in priority to any payment in respect of Equity Shares but no other rights to participate in surplus profits or assets.

REDEMPTION OF PREFERENCE SHARES

The Shares are redeemable on the expiry of not less than ten nor more than fifteen years from the date of allotment and if not all redeemed at one time those to be redeemed shall be determined by drawings.

RIGHTS ATTACHED TO THE NEW EQUITY SHARES

The new Equity Shares shall rank pari passu with the existing Equity Shares of the Company except that they shall not confer any right to dividend declared in respect of the year ending 31st December, 1959.

DIRECTORS:

Name	Occupation	Address
1. Sir PADAMPAT SINGHANIA, Kt. (Chairman).	Industrialist and Banker.	Kamala Tower, Kanpur.
2. Sri KAILASHPAT SINGHANIA.	Industrialist and Banker.	J. K. Building, Douglall Road, Ballard Estate, Bombay.
3. Sri LAKSHIMPAT SINGHANIA.	Industrialist and Banker.	7, Council House Street, Calcutta.
4. Sri BISHAMBHAR NATH CHATURVEDI.	Merchant.	7, Lyons Range, Calcutta.
5. Sri V. M. BHIDE, I.A.S.	Nominee of the Government of Uttar Pradesh.	Civil Secretariat, Lucknow.
6. Sri S. S. L. KAKKER, I.A.S.	Nominee of the Government of Uttar Pradesh.	Civil Secretariat, Lucknow.
7. Sri SOHANLAL.	Industrialist and Businessman.	Kamala Tower, Kanpur.
8. Sri CHIMANLAL B. PARIKH.	Cotton Merchant.	Nisbat House, 6, Carmichael Road, Bombay.
9. Sri HEMANTPAT.	Industrialist and Businessman.	Kamala Tower, Kanpur.
10. Sri GOVIND HARI.	Industrialist and Businessman.	Kamala Tower, Kanpur.
11. Sri SHYAM HARI.	Industrialist and Businessman.	Kamala Tower, Kanpur.

BANKERS:

STATE BANK OF INDIA
THE CENTRAL BANK OF INDIA LTD.
THE HINDUSTAN COMMERCIAL BANK LTD.

BROKERS:

Messrs. G. M. PYNE, Allahabad Bank Buildings, 14, India Exchange Place, Calcutta.	Messrs. P. R. SUBRAMANYAM, 70A, Stock Exchange, Apollo Street, Bombay.
Messrs. MURARKA BROTHERS, 7, Lyons Range, Calcutta.	Messrs. MAHADEVIA BROTHERS, Stock Exchange Old Buildings, Dalal Street, Fort, Bombay.
Messrs. MATADIN KHATTAN & CO., 9, India Exchange Place, Calcutta-1.	Messrs. RATILVALA & KARANI, Union Bank Building, Dalal Street, Fort, Bombay.
Messrs. ONKAR & SON, 7, Lyons Range, Calcutta.	Messrs. D. S. PURNHOODAS & CO., Stock Exchange New Building, Apollo Street, Fort, Bombay.
Messrs. BRIJNATH KHANDELWAL & CO., 13, India Exchange Place, Calcutta.	Messrs. J. R. MOTISHAW & CO., 32, Apollo Street, Fort, Bombay.
Messrs. STEWART & CO., 7, India Exchange Place, Calcutta.	Messrs. JAMNADAS MORARJI & CO., 8/10, Dalal Street, Fort, Bombay.
Messrs. SANGANERIA PATODIA & CO., 7, Lyons Range, Calcutta.	Messrs. DEVKARAN NANJI & CO., 17, Horniman Circle, Bombay.
Messrs. SAMPAT KUMAR CHANDRATTAN MOHTA, 7, Lyons Range, Calcutta.	Messrs. MACONOCHE & CO., Mercantile Buildings, First Line Beach, Madras.
Messrs. SEWBHAGWAN & SONS, 7, Lyons Range, Calcutta.	Messrs. HARIHARS SINGH MEHTA & CO., 33, Regal Buildings, Parliament Street, New Delhi.
Messrs. BHUWALKA & SONS, 8, India Exchange Place, Calcutta.	

SOLICITORS:

Messrs. ORR DIGNAM & CO., 29, Netaji Subhas Road, Calcutta-1.

AUDITORS:

Messrs. P. L. TANDON & CO., Chartered Accountants, Westcott Building, Mahatma Gandhi Road, Kanpur.

REGISTERED OFFICE:

KAMLA TOWER, KANPUR.

23 April 1960

OBJECTS

The Company was incorporated on the 24th October, 1924, with the objects mentioned in its Memorandum of Association and in particular with a view to take over as a going concern the business of Juggilal Kamlatpat Cotton Spinning & Weaving Mills.

PRESENT BUSINESS.

The Company has been carrying on the business of manufacturing Cloth and Yarn. The popular sorts being dhoties, sarees, sheetings, shirtings, coatings, satins, mulls, drills, gavadins, multi-colour and style prints, mercerised calicos, canvas, lohis, raised cotton, blankets, tapestry and flannel etc. The Company has recently established a new Rayon Factory which produces Rayon filament yarn, Sulphuric Acid and Carbon-bisulphate.

NEW PROJECT.

Considering the great scope for expansion of the Rayon Industry in India the Company, under licences issued by the Government of India, under the Industries (Development and Regulation) Act, 1951, has established a new Rayon Plant with a capacity of 5 tons of Viscose Rayon Yarn per day along with a Sulphuric Acid Plant and a Carbon-bisulphate Plant with a capacity of 25 tons and 5 tons per day respectively.

The Company has also applied to the Government of India for licences to expand the capacity of the Rayon Plant from 5 tons to 10 tons and to install a Super Phosphate Plant.

LOCATION.

The new factory is located at JAYKAYPURI (Jajmau), Kanpur, in the State of Uttar Pradesh.

RAW MATERIALS.

The Government of India granted to the Company from time to time the necessary licences to import caustic soda, sulphur and pulp which constitute the basic raw materials for the manufacture of rayon yarn.

It is reported that rayon-grade caustic soda is being indigenously produced now and attempts are being made to get supplies from these sources. The Central Government have also licensed a few schemes for the manufacture of rayon-grade pulp and it is expected that in course of time pulp will also be available in the country itself.

LAND.

Besides the land on which the existing Cotton Textile Mill of the Company is situated, it has acquired from the Development Board, Kanpur about 100 acres of land for constructing the new factory. The work of construction of buildings has been already completed.

WATER SUPPLY.

The Company has made its own arrangements for pumping water from the River Ganges which flows very near the site of the factory. A complete plant for water treatment and softening has been installed in the factory.

ELECTRICITY.

The supply of power is being derived from the Kanpur Electricity Supply Administration, Kanpur, which is owned by the Government of Uttar Pradesh.

TRANSPORT FACILITIES.

The new factory is located in Kanpur which is a big Railway Junction of important Broad and Metre Gauge lines. The Grand Trunk Road passes through the city. In short, the place enjoys all facilities of rail and road transport.

PLANT AND MACHINERY.

The plant and machinery required for the new project has been imported from West Germany, France, Switzerland, U.S.A. and Japan under licences issued by the Government of India at a total C.I.F. Value of Rs. 1,03,34,210/-. The work of erection of the plant and machinery is complete and the plants are in operation.

GUARANTEE FOR DEFERRED PAYMENTS.

The Company got from the Machinery Suppliers facility of deferred payments to the extent of Rs. 1,40,00,000/-. These payments have been guaranteed by the State Bank of India, Kanpur against the security of plant and machinery of the new Rayon Factory.

CAPITAL OUTLAY AND FINANCIAL REQUIREMENTS.

The Capital requirements for the new undertaking are estimated as under:

(1) Land and Buildings	Rs. 45,00,000
(2) Plant and Machinery, including freight, insurance, duty, etc.	Rs. 2,35,00,000
(3) Erection Expenses	Rs. 14,50,000
(4) Interest Charges	Rs. 15,00,000
(5) Working Capital	Rs. 25,00,000
(6) Miscellaneous Expenses including brokerage and other expenses on issue of shares	Rs. 10,50,000
Total	Rs. 3,45,00,000

SOURCE OF FUNDS.

(1) Loan obtained from the Government of Uttar Pradesh (secured by mortgage of lands and buildings and hypothecation of plant and machinery of the Company excluding plant & machinery of the new Rayon Factory)	Rs. 90,00,000
(2) Deferred payment facilities from suppliers of machinery (guaranteed by the State Bank of India on the security of plant and machinery of the new Rayon Factory)	Rs. 1,40,00,000
(3) New Issue of Capital	Rs. 1,01,00,000
(4) Other sources	Rs. 14,00,000
Total	Rs. 3,45,00,000

PROSPECTS.

The demand for Rayon Yarn in India is progressively increasing and is far in excess of the few existing rayon plants in the country. According to the estimate of Planning Commission regarding the consumption of rayon yarn in India and target of indigenous production fixed by them there is a big gap between the figures of consumption and production of rayon yarn in the country. There is, therefore, considerable scope for new enterprise and for expansion of the existing rayon plants.

ERECTION COMPLETED AND PRODUCTION STARTED.

The work of erection of plants and machinery of the new Rayon Factory has been completed within a record period of about six months. The factory has started giving full production and the production has been placed on and is well received in the market and is considered to be one of the best rayon yarns produced in India.

PROFITS AND DIVIDENDS.

Notwithstanding the difficulties faced by the Indian Cotton Textile Industry, the existing Cotton Spinning and Weaving Plant of the Company is already giving satisfactory profits. Looking to the attractive working results shown and handsome dividends being paid by the existing Rayon Factories in the country, the Directors are of the opinion that the Company's textile mill with its finishing and printing plant and the most modern new rayon plant which are working fully should yield sufficient profit to enable the Company not only to meet its financial commitments including the fixed dividends payable to the holders of Preference Shares but also pay reasonable dividend to the holders of Equity Shares.

In the interest of the prospective subscribers the Directors have come forward with this offer only after the Company's new Rayon Plant has been erected and has started giving full production so that the subscribers may not have to wait for long to reap the fruits of their investments.

The dividends paid by the Company in respect of the last five years are shown in the Auditor's Report annexed hereto. The following dividends were paid to the members in respect of the previous six years preceding the period covered by the Auditor's Report:—

Years.	Dividends Distributed. On Equity Shares.	On Pref. Shares.
1948	23 %	4½ %
1949	12 %	4½ %
1950	15½ %	4½ %
1951	25 %	4½ %
1952	8½ %	4½ %
1953	3 %	4½ %

FINANCIAL INFORMATION.

The following summary is taken from the Report by the Company's Auditors attached to the Prospectus.

Year ended 31st Dec.	Sales Rs.	Profit before Depreciation and Taxation Rs.	Net Profit after Depreciation and Taxation Rs.
1954	1,80,65,451	22,45,180	10,76,850
1955	1,72,21,923	26,03,629	12,84,926
1956	1,96,49,933	25,97,896	10,40,059
1957	2,09,33,338	14,11,687	4,45,366
1958	2,17,26,302	7,38,908	1,44,678
1959 (provisional)	2,90,55,273	17,45,880	6,45,880

Assets and Liabilities	As at 31st December 1958	As at 31st December 1959 (provisional)
Fixed assets (at original cost less depreciation) capital expenditure and investments at cost	1,92,46,906	3,94,88,925
Current Assets	2,14,56,051	1,70,14,405
Total Assets	4,07,02,957	5,74,03,330
Less Liabilities	3,02,47,127	4,69,52,192
Net Assets	1,04,55,830	1,04,51,138

DIVIDENDS ON PAID-UP CAPITAL

Dividends paid by the Company in respect of the five years ended 31st December, 1958, were as follows:

Year ended	4½% Pref.	6% Pref.	Rate of dividend Equity
1954	4½ %		...
1955	4½ %		...
1956	4½ %		6 %
1957	4½ %	6 %	14 %
1958	4½ %	6 %	6 %
1959 (provisional)	4½ %	6 %	9 %

MINIMUM SUBSCRIPTION

The Directors do not consider it necessary to fix any minimum amount of subscription.

UNDERWRITING

	Equity Shares
1. Messrs. G. M. PYNE, Allahabad Bank Buildings, 14, India Exchange Place, Calcutta.	Jointly Rs. 15,00,000
2. Messrs. P. R. SUBRAMANYAM, 70A, Stock Exchange, Apollo Street, Bombay.	
3. Messrs. MACONOCHE & CO., Mercantile Buildings, First Line Beach, Madras.	
4. Messrs. SANGANERIA PATODIA & CO., 7, Lyons Range, Calcutta.	Rs. 10,00,000
5. Messrs. MURARKA BROTHERS, 7, Lyons Range, Calcutta.	Rs. 10,00,000
6. Messrs. NAVBHARAT VANIJYA LTD., 7, Council House Street, Calcutta.	Rs. 27,00,000
Total	Rs. 62,00,000

UNDERWRITING COMMISSION

Underwriting Commission at the rate of 1 1/2% of the nominal value of the Equity Shares is payable to the Underwriters.

BROKERAGE

Brokerage will be paid by the Company to members of the recognised Stock Exchanges and to Banks at the following rates on the nominal value of the shares allotted in respect of applications bearing their stamps.

ON PREFERENCE SHARES ... @ 1 per cent (Rupee one per share of Rs. 100)
ON EQUITY SHARES ... @ 2 per cent (20 NP. per share of Rs. 10)

Brokerage on the same basis will be paid to the Underwriters in respect of applications made by them and in respect of applications bearing their respective stamps and in such cases no brokerage will be payable to any other party.

EXPENSES OF THE ISSUE

The expenses of the issue including brokerage and underwriting commission will not exceed Rs. 5,00,000 and are payable by the Company.

INSPECTION OF DOCUMENTS

Originals and/or copies of the Memorandum and Articles of Association of the Company, Balance Sheets and Profits and Loss Accounts, Auditors' Report appended to the Prospectus, Consent Order of the Controller of Capital Issues, Licences issued by the Government of India for establishing a new undertaking and contracts and other Agreements referred to in the Prospectus can be inspected at any time during office hours at the Registered Office of the Company for a period of fourteen days from the date of publication of the Prospectus or until the subscription list closes, whichever is earlier.

APPLICATION FOR AND ALLOTMENT OF SHARES

Application for Equity Shares must be in lots of 50 shares or multiples thereof and for Preference Shares in lots of 5 shares or multiples thereof.

Metals

Once again a sharp rise in prices of Zinc characterised trading on the non-ferrous metals market. This was mainly due to scarcity of stocks as well as to some speculative activities. Trade quarters are inclined to feel that the Importers' quota should be raised to about 50 per cent and this would help ease the supply position to some extent. However, in the near future about 1,300 tons of Zinc on State Trading Corporation account are due to arrive. Spot zinc shot up to Rs 150. April delivery rose upto Rs 147 while May delivery was quoted at Rs 144.

Copper has remained somewhat dull with fine bars quoting at Rs 229 and scrap at Rs 220. There was very little change to note in Lead and Zinc which continued to be pegged around Rs 75 and Rs 134.50 respectively. Aluminium scrap was placed at Rs 1.52 per lb.

Production in different sections of the non-ferrous metals industry has shown a rise during the year 1959. The output of virgin aluminium last year totalled 17,077 tons, that of virgin copper 7,539 tons, virgin lead 3,894 tons and virgin antimony 613 tons. Improvement in indigenous production has helped to bring down the total import bill for different non-ferrous metal to Rs 37.77 crores in 1959 as against Rs 42.78 crores in 1957. Mr A. C. Dutta President of the Indian Non-Ferrous Metals Manufacturers Association has visualised that by 1966, consumption of Aluminium in the country will rise to 1 lakh tons, copper 150,000 tons, lead 60,000 tons, and Zinc 180,000 tons.

Yarn

After keeping quiet at the outset, the yarn market has depicted moderate improvement. Trade circles are awaiting as to whether the Finance Minister will reduce the Excise duty levied on Staple Fibre cloth in view of the likely revision of some of his taxation proposals. There are reports that Government want about

15 per cent of the Art Silk yarn production to be diverted to manufacture of cloth for export at cost price or slightly above the cost price. A meeting of Rayon Yarn Manufacturers has been convened for finalising the move in New Delhi on 21 April. As this industry is mainly depending for its raw materials on imports, it is the desire of the Government that they should help in earning foreign Exchange. Cupressa Bomberg for April advanced to Rs 1,830 from Rs 1,788 before being finally placed at Rs 1,826 while June delivery was quoted at a premium of Rs 32. Staple fibre yarn for April improved upto Rs 710 from Rs 688 to quote at Rs 708 while June delivery was quoted at a discount of Rs 6.

Bullion

The bull operators on the bullion market in Bombay continued to manipulate the backwardation charges with a view to lighten their commitments but in this process, they were forced to pay heavy margin both in gold and silver on their outstanding long positions. General sentiment in silver for Jeth delivery remained somewhat easy due to the fact that there would be very little offtake of the actual after six weeks. However, at lower levels the silver market not only cried a half due to renewed firmness of cotton and other commodities but rebounded. Gold section, however, ruled quietly steady. Traders are inclined to avail the outcome of the Delhi talks on Sino-China order dispute. In the Chaitra delivery which expired some ten days back, delivery of bars of silver was tendered through the clearing house while there was no delivery of gold at all.

Silver Jeth after early rally of Rs 212.44 dropped down to Rs 211.37 to recover to Rs 213.75 to be placed at Rs 213.50. Balsakh delivery which was quoted at a premium of Rs 3.75 was finally reported at Rs 217.50. The premium of spot over Balsakh was placed at Rs 2.25. Gold Balsakh delivery changed hands at Rs 128.75

Applications should be made on the prescribed forms accompanying the Prospectus and delivered before the date of closing of the subscription list. The application forms together with a remittance for the full amount payable should be sent to the Registered Office of the Company at Kamla Tower, Kanpur or to the Branches of the Company's Bankers Indicated herein. Out station drafts or cheques must be made payable to "JUGGILAL KANLAPAT COTTON SPO. & WVO. MILLS CO., LTD.,—Share Application A/C." and for the protection of the applicants should be crossed "Account Payee only".

A separate cheque or draft must accompany each application.

STATE BANK OF INDIA

KANPUR, BOMBAY, CALCUTTA, MADRAS, DELHI, NEW DELHI, AHMEDABAD, BANGALORE, INDORE, NAOPUR AND PATNA.

THE CENTRAL BANK OF INDIA LTD.

KANPUR, BOMBAY, CALCUTTA, AHMEDABAD, DELHI & MADRAS.

THE HINDUSTAN COMMERCIAL BANK LTD.

KANPUR, CALCUTTA, BOMBAY, AHMEDABAD, AMRITSAR, JAIPUR, DELHI & NEW DELHI.

Copies of the Prospectus and Application Forms may be obtained from the Company's Registered Office and the Bankers and Brokers named herein.

Allotment will be notified by despatch of an Allotment Letter. The Directors reserve the full and uncontrolled right of accepting or rejecting any application in full or in part without assigning any reason. Where no allotment is made the amount remitted with the application will be returned in full; and where a partial allotment is made the unutilised balance will be returned within sixty days of the receipt thereof by the Company.

The shares when issued will be subject to the terms of the Prospectus and to the Memorandum and Articles of Association of the Company.

The Share Certificates will be available for issue in exchange for Letters of Allotment within six months of allotment.

to Rs 129.69 to terminate at Rs 129.62 while Jeth delivery was quoted at a discount of Rs 2. Spot gold was quoted at a premium of Rs 2.87 over Balsakh at Rs 132.50.

Oils & Oilseeds

On the Oilseeds market in Bombay, groundnut prices have climbed to a new high level following the unusual delay in sanctioning new hedge contracts. The FMC and some of the directors of the oilseeds Exchange came to a clash over certain issue. Representations were made to New Delhi and efforts are now being made to meet with the view point of the FMC and the various panels are being reorganised with a view to give more representation to the genuine trade. Anyway this unfortunate episode gave a boost to groundnuts which are already in short supply and the shorts were forced to cover their sales in the advancing markets. Groundnut May delivery rose to Rs 220.75 from Rs 216 before being placed at Rs 220. The ceiling price fixed is Rs 225. Groundnut oil April-May advanced to Rs 23.37 from Rs 22.75 per quarter. Castor seeds May delivery after early rise to Rs 175.25 from Rs 172.50 reacted to Rs 172.87 to be quoted at Rs 175.25. Cotton seeds were firmly maintained at Rs 158. Linseed prices have forged ahead to Rs 33.94 from Rs 33.31 on export prospects and higher advices from UK. At the moment, there is no possibility of export business in groundnut oil.

Groundnuts

Persistent Calcutta demand for groundnut oil and good absorption had enabled groundnut oil price to go up in the Madras Oils and Seeds Exchange. Local arrivals too are not very much and in the wake of better Bombay forward quotations groundnut oil prices remain on the upward trend. The position of groundnut kernels, however, is not comparable to oil, and the price per candy remained comparatively lower. Summer crop arrivals have also acted

as a check of rising kernels prices though oil contents in this variety is lower. Overseas groundnut oil price had shown a decline while Burma at present is out of the picture none quoting for shipment for this destination.

Today's prices at the exchange were as follows:

Groundnut oil per candy of 500 lbs. expeller Ready 3% F.F.A. Rs 404; April 404/8; May Rs 405; June Rs 408.

Groundnut kernels per candy of 531 lbs: Coromandel Rs 207/208. Summer crop Rs 200/202. Castor oil per candy of 500 lbs: Tirupattur Rs 320.

Coconut oil per tin Rs 39/8. (Due to Kundah strike by electricity workers the expellers may be idle and with anticipated shortage of stock due to this strike the price trend seems to be upward since sellers are hesitant to part with this price).

Groundnut cake per bag of 160 lbs. ex-gunny Rs 25/14 to Rs 26.

Groundnut cake UK price per ton £33 1/4; Groundnut oil per ton UK price £119/120. Burma unquoted.

With many intervening holidays last week, there was not much trading and the general tone turned out to be slightly easier towards the close of the week. But with the week beginning, the demand proved to be sizeable this week and offering was only slightly more than the demand. This should reflect higher prices of oil as indeed it did today in the exchange, influenced by another factor of Bombay prices for forward transactions being pushed up.

Disparity in internal price levels as well as in overseas rates and difficulties encountered with combining any business even with the export incentive scheme, no export account was reportable. Both last week and this, Calcutta Vanaspathi interests were the main buyers. Groundnut oil recorded a decline of Rs 27/28 per ton over last week's closing while groundnut lost Rs 10 or so per ton this week.

23 April 1960

WORLD OF JUTE

Prices Touch New High

PRICES in the jute markets have again moved up by a substantial margin during the past week. This is not surprising because recent developments are strongly in favour of the bulls. In the first place, despite indications of larger imports, sellers in the raw jute market continue to be reserved. Presumably, it is believed that there can be many a slip between the issuance of import licenses and the actual receipt of raw jute from Pakistan. And, in any case, supplies from that country may take considerable time to come. Reports about the new Indian crop are also not very encouraging, what with the continuance of dry weather in some growing areas and insufficient rain in others. If, by any chance, arrivals of the new crop are delayed, holders of raw jute can choose their own time to dispose of their stocks. In the meantime, a strong goods market is sustaining the present high price levels in the raw material.

Besides a fully steady raw jute section, the bulls in jute goods have a number of other indications to go by. Stocks of jute goods with the industry are none too plentiful, and the IJMA decision regarding unsealing of further looms cannot make much of a difference to the availability of goods even if one or one and a half per cent of looms are unsealed from June. And more and more foreign buyers are coming out with enquiries. The release of the figures pertaining to burlap consumption in the US during March has further contributed toward strengthening the bullish fervour.

US burlap consumption in March 1960 amounted to 80.6 million yards, compared with 75.0 million yards in February and 72.7 million yards in March 1959. Stocks at the end of March amounted to 276.2 million yards and comprised 133.7 million yards spot and 137.5 million yards afloat. At the end of the previous month, stocks were 251.4 million yards. Stocks at the end of the corresponding month of last year stood at 279.1 million yards.

Toward the close of the week ended Wednesday, however, sentiment both in the raw jute and goods markets was somewhat quiet, presumably due to the apprehension that stringent measures may be taken by authority to stem the tide of speculation.

It is undeniable that the present firmness in manufactures is sus-

tained to some extent by the revival of foreign interest coupled with the rising trend of internal consumption. With the steady increase in the Indian production of food-grains, sugar and commodities like cement, internal consumption will continue to make increasing demand on supplies of gunnies. As for foreign demand both China and Russia are increasing their offtake. With burlap consumption maintaining a high level, the US has perforce to step up its purchases in India. It is, however, wrong to assume that this country will consent to buy Indian hessian at any price at all times. The support that is forthcoming at the present high levels from the US perhaps steps from the realisation that supplies may be scarce for some time to come, what with the inability of the Indian mills to increase substantially their output in view of the tight raw jute supply position. But India would be committing a grave blunder if it thinks that American consumers will continue to pay high prices for their requirements of burlap. A continuance of high price levels in hessian will be an open invitation to American consumers to lean heavily toward substitute packaging materials, and, when this happens, it is not going to be easy for India to woo them back to the use of burlap.

During the early part of the week under review, conditions in the jute goods market have been firm with prices daily scaling new highs. The news of a rise of more than 5 million yards in burlap consumption during March as compared with the previous month and the continued interest evinced in hessian by the US and Russia imparted added enthusiasm to the bulls. Hessian 40"x10 oz April was taken up to Rs 45.85 by close on Wednesday. The rise in heavy goods was much more spectacular, with B Twills' April touching a high of Rs 129.40 on Monday. In the past two days, however, B Twills have turned somewhat quiet to be placed at Rs 128.30 by close on Wednesday. The reaction is due to profit-taking at the higher levels coupled with mills' selling in the forward positions. That the interest in heavy goods is largely confined to near positions is illustrated by the fact that, while B Twills April on Wednesday was placed at Rs 128.30, the October-December delivery position was quoted at Rs 118.15.

The somewhat quiet trend noticeable for the past two days is attributed to the apprehension that the East India Jute and Hessian Exchange may decide to increase the special margin with a view to containing speculation.

The IJHE announced on Thursday imposition of another special margin slab as follows: Hessian cloth per 100 yards: Rs 8 if closing price is Rs 46 or above; Sacking Bags B Twills per 100 bags: Rs 18 if closing price is Rs 124 or above;

Raw jute per maund Rs 10 if closing price is Rs 34 or above.

The raw jute market reported only small mill activity, but this did not deter sellers from maintaining a reserved attitude. Assam Bottoms was quoted at Rs 37 a maund, showing a rise of three points over the week.

Price Trends:

Hessian:	As on April 18	High	As on April 20
40" x 10 oz:	Rs	Rs	Rs
Ready	45.50	45.94	45.94
May	45.50	46.00	46.00
June	45.55	46.00	46.00
July-Sept.	45.50	46.00	46.00
40" x 8 oz:	37.25	37.25	37.00
40" x 7 1/2 oz:	34.50	34.75	34.75

Sackings:

B Twills:	As on April 18	High	As on April 20
Ready	129.25	129.40	128.00
May	128.25	128.70	127.00
June	127.70	127.70	125.80
July-Sept.	123.15	123.50	122.50
Hy. Cees (Green)	127.75	130.00	128.50
Corn sacks	128.25	128.50	128.50
Cubans	142.50	145.00	145.00
A Twills	149.00	151.00	150.00
L Twills	142.00	144.50	142.00
D. W. Flours	155.50	158.00	156.50
Sugar Twills	145.00	147.00	146.50

Ready Jute:

Assam Bottoms	36.50	37.00	37.00
Northern Bottoms	35.75	36.00	36.00

Futures:

Hessian—May	44.20	46.48	45.72
Hessian—August	45.80	46.36	45.54
Sacking—May	121.50	128.60	124.35
Sacking—August	123.80	124.90	121.25
Raw Jute—Sept.	33.90	34.36	33.10

WORLD OF TEA

Future Prospects

Mr Michael Connock, a leading British commodity expert in London, states that, if the consumption in India and the other producing countries can only expand at present when prices are low, there is not much prospect for significant growth in the Tea industry until per capita income in these countries can be raised to a much higher level.

But this, in his view, may be useful to producers in that any future surplus, even though it may momentarily depress prices, will be mopped up, as more tea is drunk in the producing areas and will not act as a drag on the market for years on end.

This state of affairs, coupled with a reasonable return being obtained by producers of fine quality teas in what appears to be a reasonably secure market, gives an impression of a position for tea producers which Mr Connock says, is at first sight "not unenviable".

In the case of Ceylon gardens, Mr Connock points to the heavy export taxes which have cut into

profits as well as the severe income-tax regulations which have made it difficult to keep top level managerial staff. In this connection, he points out the recurrent talk of nationalisation in Ceylon as a discouragement to re-planting and new investment, which have, in turn, resulted in the Ceylon industry expanding at a lower rate than might otherwise have been.

He adds that this investment has been responsible for the growth of much of the East African industry. But here there is now the risk that, by the time the bushes have matured, Governments with policies hostile to business may be in power. Mr Connock concludes by saying that "the rate of increase in production, achieved since the war, will not be maintained; but there is one consolation for existing producers who will have little new competition to fear. They will be able to sell to the existing markets without a feeling being forced by the threat of a surplus to cast about for new ones".

Meanwhile, in the Internal Sale held in Calcutta this week, offerings consisted of 23,855 packages of Dusts and 994 packages of Leaf grades. There was a good general demand. Orthodox grainy descriptions met with fair enquiry, but sold at irregularly easier rates. The smaller and brighter liquoring lines, however, found ready buyers at firm and sometimes dearer rates. Legg-cut Doors Dusts were sold well, the more powdery kinds inclining easier.

Medium CTC teas came to a strong market and generally advanced in price according to quality, with the more powdery dusts again the salient feature. The best CTC descriptions were taken up at enhanced levels. Following were the rates (per pound): Medium Doors Dust Rs 1.84 to Rs 1.92; Medium Assam Dust Rs 1.80 to Rs 1.90; Medium Assam CTC Dust Rs 2.02 to Rs 2.24 and Best CTC Assam Dust Rs 2.45 to Rs 2.80.

In the Colombo market, offerings were 6,610, 728 pounds. Quality showed an overall improvement. There was strong general demand and all offerings were readily taken up. Nuwara Eliya teas met with good demand at firm to dearer rates. Among high-grown teas, BOP's were irregularly dearer following quality. Best liquoring descriptions advanced by 10 to 25 cents per pound. Among medium-grown teas, Medium Broken were, on average, 5 to 10 cents per pound dearer. Commons and "teas for price" met with considerably better demand and were dearer by 10 to 15 cents. A few selected liquoring Dusts met with keen competition at considerably dearer rates. All others were fully firm to dearer.

In the Cochin market, a total quantity of 900,000 pounds was offered. Quality from all districts showed a seasonal decline, which was particularly marked in respect of high-grown teas. There

THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS

This announcement is not an invitation to subscribe for shares but is issued for the purpose of giving information concerning the Company. The Prospectus dated 8th April, 1960, has been delivered to the Registrar of Companies, West Bengal for registration as required under Section 60 of the Companies Act, 1956. Copies thereof can be had from the Registered Office of the Company or from the Bankers and Brokers named below.

Application has been made with the Calcutta Stock Exchange for permission to deal in shares now being offered and in due course for official quotations.

EAST ANGLIA PLASTICS (INDIA) LIMITED

(Incorporated as a Public Company under the Companies Act, 1956).

ISSUE OF 2,50,000 Equity (Ordinary Shares of Rs. 10/- each at par. Payable with Application Rs. 2.50 nP.

on allotment Rs. 2.50 nP. on calls Rs. 5/-.

THE FIRST CALL SHALL NOT BE MADE EARLIER THAN ONE YEAR FROM THE DATE OF ALLOTMENT.

The Subscription List will open at the commencement of banking hours on 27th April, 1960, and will close at the close of banking hours on 7th May, 1960 or sooner or later as the Directors may decide, but in no case the list will close before the midday of 5th May, 1960.

DIRECTORS:

1. Mr. Lionel Hall Moore, Industrialist, 52, Brook Street, London W.1, Managing Director, East Anglia Plastics Ltd.
2. Mr. Ranadeb Chaudhuri, Barrister-at-Law, 34, Ballygunge Circular Road, Calcutta-19, Director of:—National Sugar Mills Ltd., Amrita Bazar Patrika Private Ltd., The Hilla Tea Estates Ltd., etc.
3. Dr. Shrirang Padmanabhi, Adakur, Company Director, 46A, Pedder Road, Bombay-26, Director of:—Monsanto Chemicals of India Private Ltd., Alta Laboratories Private Ltd., etc.
4. Mr. Harendra Nath Sen Gupta, Company Director, 17, Lake Road, Calcutta-29, Directors of:—Plastics (India) Private Ltd., Housing Estates Private Ltd., etc.
5. Mr. Sanjit Sen Gupta, Merchant, 20, Aswini Dutta Road, Calcutta-29, Director of:—The Hilla Tea Estates Ltd.

OBJECTS.

The Company was incorporated in the month of April, 1956 with the objects mentioned in the Memorandum of Association, a copy of which is annexed hereto and forms part of this Prospectus and, in particular, the main objects are:—To carry on the business of manufacturing of and dealing in Plastic Moulding Powders and compounds, Cellulose Acetate flakes and Polyvinyl Chloride polymers, and all such articles and things which can or may be conveniently manufactured from such moulding powders, compounds, flakes and polymers and all other articles or things and machineries which can or may be conveniently used for the manufacture of or in connection with all such articles and things as aforesaid.

APPRECIATION.

At the present time Plastics are considered important in the national economy of all the progressive countries of the world. With the increasing growth of heavy industries in India the plastic industry has now many new opportunities in producing industrial components and accessories as well as for consumer goods required in every home for daily use. Its applications as inexpensive basic industrial and constructional material, as also in fancy goods trade, are on the increase.

At present per capita consumption of plastics in India is only 0.08 lbs. as against 22 lbs. in U.S.A., 18 lbs. in Germany, 11 lbs. in U.K. and 6 lbs. in Japan. It is expected that the per capita consumption in India will increase in line with the general economic improvement and will be at least trebled by 1960. The target of consumption in the third five-year plan is expected to be of the order of 12,32,00,000 lbs. to 13,44,00,000 lbs. per year.

Till recently India had not manufactured any plastic moulding powders or compounds, and her demand for these was being met by imports from the U.S.A., U.K., Germany, France and Italy. The demand for moulding powders on the basis of present import and the requirements of the Plastic Product Industries will for many years to come be more than can be met by the internal capacity for manufacture of these powders. Cellulose Acetate Moulding Powders are not still manufactured in

SHARE CAPITAL.	
AUTHORISED	Rs. 30,00,000
	divided into 30,000 7½ per cent Tax-free Cumulative Preference Shares of Rs. 100/- each.
	Rs. 70,00,000
	divided into 7,00,000 Equity (Ordinary) Shares of Rs. 10/- each.
	Rs. 1,00,00,000
ISSUED:	Rs. 25,00,000
	divided into 2,50,000 Equity (Ordinary) Shares of Rs. 10/- each.
	Rs. 25,00,000

Of the above issue, 50,000 Equity Shares of Rs. 10/- each are reserved for issue to the Promoters, Directors and their friends and associates at par.

LOAN CAPITAL.

The Company has created no Mortgages Debentures or other Loan Capital.

FINANCIAL REQUIREMENTS.

The Financial Requirements of the Company are comprised of:—

FIRST PHASE	
1. Cost of land, cost of factory, office buildings, etc. ...	Rs. 3,50,000
2. Cost of plant and machinery, import duty, transport to site, erection and other implementative expenses and also other local purchases for plant and machinery and fabrication costs	Rs. 6,00,000
3. Working Capital ...	Rs. 7,50,000
4. Preliminary expenses including brokerage and other Share Issue expenses ...	Rs. 1,50,000
	Rs. 18,50,000
SECOND PHASE	
1. Expenses for Addition to Factory ...	Rs. 1,00,000
2. Additional cost of plant and machinery ...	Rs. 3,00,000
3. Working Capital ...	Rs. 2,50,000
	Rs. 6,50,000

MINIMUM SUBSCRIPTION.

The minimum amount which in the opinion of the Directors must be raised by the issue of shares in order to provide the sums required to be provided as per Paragraph 5 of Schedule II of the Companies Act, 1956, upon which the Directors will proceed to allot shares offered by this Prospectus is ONE LAKH TEN THOUSAND Equity Shares of the nominal value of Rs. 11,00,000/- being only a part amount of this issue, out of which Rs. 3,50,000/- shall be set aside for land, factory and office buildings, etc. and Rs. 6,00,000/- will be expended for the purchase and erection, etc. of the plant and machinery and Rs. 1,50,000/- shall be for the preliminary expenses including commission and brokerage and expenses of this issue.

India. As a 'plastic' material, Cellulose Acetate has extended use particularly when good impact, strength, toughness and colourability are required in the end products.

The East Anglia Plastics (India), Limited is the first Company to have received sanction from the Government of India to manufacture Cellulose Acetate Moulding Powders and P.V.C. Compounds in collaboration with a foreign firm.

The uses of Cellulose Acetate Moulding Powders and P.V.C. Compounds, both industrial and domestic, are numerous. The Electrical industry uses them for switch plates, coil forms, connection terminals, small instrument housings, refrigerator and hardware handles and lamp-sheds; Radio makers use them for midge cabinets and for knobs and push buttons; Package users have been aided by the decorative and useful low-cost packages moulded from Cellulose Acetate in the beautiful colours available, the Plywood industry uses them as a bonding material; and the Paint and Varnish industries use them extensively. From Cellulose Acetate are made kitchen utensils, toys, flash-light cases including the lens, bracelets, necklaces, hair ornaments, compacts, zip fasteners, goggles, telephones, oil cans, tool handles, pistol and cycle grips, etc.

P.V.C. being resistant to oils, alkalis and acids is extensively used for manu-

facture of gaskets, rigid pipes, flexible hoses and plating tank protective coating. Being a non-conductor it is used largely as an insulation material for electrical cables, wires and flexible Artificial leather and leather cloth are extensively manufactured from P.V.C. Imports into India of Cellulose Plastics Moulding Compounds and Polyvinyl Chloride Moulding Compounds from U.K. alone during the year 1959 were over 22,40,000 lbs.

Current demands in India for Cellulose Acetate Moulding Powders and P.V.C. Compounds and their anticipated requirements in the immediate future are expected to be between 1,12,00,000 lbs. and 1,34,40,000 lbs.

EXPECTED PROFITS.

The Annual Capacity of the factory in the first phase working in two shifts, is approximately 29,12,000 lbs. of Moulding Powders. According to the estimation of the collaboration company, Messrs. East Anglia Plastics Ltd., of U.K., the profit margin on similar production in U.K., after allowing for the cost of raw materials, processing costs including cost of labour etc., and overheads and packing costs, is approximately £18,534, which is equivalent to about Rs. 6,50,000. In the second phase, the Company proposes to increase production and also to undertake manufacture of end products.

On the above basis and considering the prevailing prices for Moulding Powders in India, the Directors are of the opinion that reasonable profits will be earned by the Company in the first twelve months following the installation of the machinery and equipments and from the commencement of production of Cellulose Acetate Moulding Powders and P.V.C. Compounds and, in the absence of any unforeseeable circumstances, the Company should be in a position to pay reasonable dividends.

TECHNICAL ADVISERS AND COLLABORATORS.

The Promoters have been successful in securing the collaboration of East Anglia Plastics Limited, of 32, Brook Street, London, W.1, as Technical Advisers. The Company is a reputable, old and established manufacturer of these Compounds in the United Kingdom and has long experience of manufacturing Cellulose Acetate Moulding Powders.

The collaborating Company is an associate of Messrs. Monsanto Chemical Company, U.S.A. and Messrs. Monsanto Chemicals Limited, Monsanto House, 10-18, Victoria Street, London. Subject to the provisions of section 255(1) of the Act, during such time as East Anglia Plastics Ltd. shall be the consultants and technical advisers of the Company under the agreement referred to in Article 3 of the agreement adopted in place of or in continuation of the said agreement, East Anglia Plastics Ltd. shall have the right from time to time to nominate two persons to be Directors of the Company and at any time to remove any such Director and appoint another person to be a Director in his place and to fill any vacancy otherwise occurring in the office of such Director.

East Anglia Plastics Limited of U.K. will make available to the Company their 'know-how' concerning the production of plastic compounds. They will give all possible assistance in the setting up of the factory and will supervise the manufacture in India.

Indian Technical Personnel will be trained in the U.K. factories of East Anglia Plastics Limited. East Anglia Plastics Limited have been appointed Technical Advisers to the Company for a period of 10 years.

ROYALTY.

A Royalty at the rate of 3 per cent only on the sale proceeds of Cellulose Acetate Moulding Powders and P.V.C. Compounds manufactured by the Company will be paid to the Company's foreign collaborators, Messrs. East Anglia Plastics Ltd., of 32, Brook Street, London, W.1, in accordance with the sanction received from the Ministry of Commerce & Industry, Government of India, and no other ex-gratia or any payment otherwise will be made to the said foreign collaborators for their technical know-how.

SELLING ARRANGEMENT.

The Company will have the benefit of the association of the Selling Agents, Messrs. Monsanto Chemicals of India Private Ltd., a well-known business house of India, who have wide experience as a marketing organisation and of which the parent company are

23 April 1960

MONSANTO CHEMICAL COMPANY, U.S.A., MONSANTO CHEMICALS LIMITED, LONDON.

Monsanto Chemicals of India Private Limited have been marketing as Sole Distributors in India fine and heavy chemicals and raw materials for the Plastic Industry.

The Company is entering into necessary agreement with them, appointing them as Sole Distributors and Sole Selling Agents of the company for India, Pakistan, Burma & Ceylon.

LOCATION OF THE FACTORY.

After a careful and long survey a suitable site on Jessore Road, near Calcutta, measuring approximately 1,44,000 sq. ft. of land with partly completed structures and floors covering 8,000 sq. ft. approximately with adequate facilities for supply of electricity and water has been selected by the Company for the factory.

TAX BENEFITS.

The Company will be entitled to the special benefits under the Indian Income Tax Act with respect to Development Rebate. The Company will also enjoy the benefit of Section 15C of the Indian Income Tax Act, whereby the profits upto 6% on the employed Capital will be exempted from tax for the first five years of operation.

TECHNICAL ADVISERS & COLLABORATORS.

Messrs. East Anglia Plastics Limited, 32, Brook Street, London, W.1.

BANKERS

1. State Bank of India, 1, 2 & 3, Strand Road, Calcutta-1.
2. Lloyds Bank Ltd., 41, Chowringhee Road, Calcutta-16.
3. Mercantile Bank Ltd., 8, Netaji Subhas Road, Calcutta-1.
4. United Bank of India Ltd., 4, Clive Ghat Street, Calcutta-1.

MANAGING BROKERS.

Messrs. Place, Siddons & Gough Private Ltd., 6, Lyons Range, Calcutta-1.

BROKERS:

- BOMBAY 1 Messrs. Lewis & Jones, Bank of Baroda Building, Apollo Street, Fort, Bombay-1.
- N. DELHI 2 Messrs. Harbans Singh Mehta & Company, 33, Regal Buildings, Parliament Street, New Delhi-1.
- MADRAS 3 Messrs. Paterson & Company, 22, Errabalu Chetty Street, Madras-1.

SOLICITORS

Messrs. Fox & Mandal, 12, Old Post Office Street, Calcutta-1.

AUDITORS

Messrs. Lovelock & Lewis, 4, Lyons Range, Calcutta-1.

INTERNAL AUDITORS

Messrs. H. Mukerjee & Co., 10, Old Post Office Street, Calcutta-1.

SOLE SELLING AGENTS FOR INDIA, PAKISTAN, BURMA & CEYLON.

Messrs. Monsanto Chemicals of India Private Limited, 11, Sprout Road, "Wakefield House", Ballard Estate, Bombay-1.

REGISTERED OFFICE

5/1, Lower Circular Road, Calcutta-20.

PROSPECTUS & APPLICATION FORMS.

Copies of the Prospectus on the terms of which alone Applications will be considered, and Application Forms may be obtained from the Registered Office of the Company or from the Company's Bankers at their Head Office or existing Branch Offices at Calcutta, Ahmedabad, Allahabad, Amritsar, Banar, Bangalore, Bombay, Calcutta, Delhi, Dibrugarh, Hyderabad, Indore, Jaipur, Gwalior, Lucknow, Madras, Madurai, Kanpur, Patna, Rajkot, Surat, Tirunelveli, Varanasi.

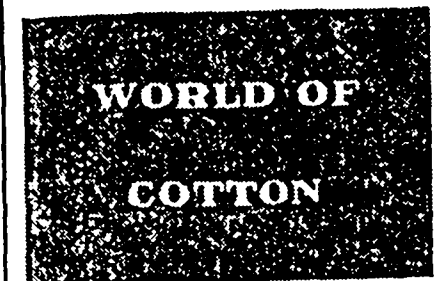
was less demand than in recent weeks for high-grown teas and the majority was sold at rates which were upto 60 nP per pound below valuations. Similar Fannings were often difficult to sell.

Good medium and medium descriptions were generally 10 nP to 15 nP lower. Low Mediums, however, received better support and were absorbed readily at a drop of 5 nP to 10 nP. Low-grown and Plainest sorts received fair support at about firm rates. Whole Leaf grades were firm with Orange Pekoes a strong feature. Low Medium was quoted at Rs. 1.80 to Rs. 1.85; Medium at Rs. 1.85 to Rs. 2.00; Good Medium at Rs. 2.10 to Rs. 2.40 and Quality at Rs. 2.60 to Rs. 4.40.

In London auction, only a smaller quantity of 53,336 packages was offered. Demand, in the aggregate, was fairly good and prices for the most part recorded no significant change. Among the North Indian teas, coloury liquoring kinds and the best qualities were irregularly dearer, with particular attention being paid to autumnal types from Assam.

All well-made and coloury African invoices showed small increases. Of the Ceylon offerings, the plainer high-grown descriptions, especially Uvas, were often 1d per pound lower. The price range for plain teas was unchanged; but was dearer for quality, sorts.

Tea stocks in London, as on 8 April, were 158.18 million pounds as against 159.28 million pounds in the previous week. Total afloat was 15.66 million pounds including from Calcutta 7.12 million pounds; from Chitagon 152,000 pounds; from Ceylon 848,540 pounds; from Ceylon 5.66 million pounds and from other Ports 1.89 million pounds.



Reappraisal of Cotton Supply Position

THE cotton futures market in Bombay gained fresh strength during the week under review. The acute scarcity of the indigenous cotton supply continued to aid the bullish sentiment with the result that the ICC August contract touched new high level. However, as during the non-delivery period, the effective ceiling rate being Rs 790 and not Rs 820, traders who were still bullishly disposed were inclined to book profit at higher levels. The August contract rose to as high as

Rs 736.50 before reacting to Rs 781 to be placed at Rs 782.

The gravity of the cotton supply position during the current season can better be realised from the successive reduction in the crop estimate to as low as 37.50 lakh bales as against earlier ideas of 50 lakh bales. Though the Textile Commissioner has directed the mills to use more and more of foreign cotton, it is generally the impression in trade circles that the mills prefer indigenous cotton in relation to foreign quotas and as such consumption of Indian Cotton might not show any serious drop. Actual arrivals of foreign cotton during the season might not exceed 7 lakh bales despite large import allocation issued so far and expectation of further releases during the rest of the season.

Reappraisal of Supply:

The carry over of Indian cotton at the end of the season i.e., on 31 April, 1960 is estimated around 8.24 lakh bales and of foreign cotton at 2.78 lakh bales i.e., in all 11.06 lakh bales as against 20.27 lakh bales last year comprising 18.47 lakh bales of Indian cotton and 1.60 lakh bales of foreign cotton. With crop estimate of 37.50 lakh bales and imports of 7.25 lakh bales, the total supply position during the current season is placed around 64.82 lakh bales. With consumption of 51.11 lakh bales comprising 45.04 lakh bales of Indian cotton and 6.07 lakh bales of foreign cotton, estimated village consumption of 65,000 bales and exports of 2 lakh bales, the total supply would be 47.69 lakh bales leaving a carry over of 828,000 bales of Indian and 2.78 lakh bales of foreign cotton. This will leave an overall carry over of 11.06 lakh bales on 31 August 1960 as against 20.07 lakh bales comprising 18.47 lakh bales of Indian and 1.60 lakh bales of foreign cotton.

SPOT COTTON.

In the spot market at Sewri, more than indigenous cotton, the bulk of the business was reported in foreign growths due to fresh allocation. The price loss for domestic cotton continued to remain firm. As the marketing season of the staple cotton will be coming to a close after a month or so, mills were no doubt inclined to complete their purchases against the unutilised portions of their quotas.

Dabhol were done at Rs 1,083 to Rs 1,081, subject to survey, Digvijay at Rs 1,120, Limbdi at Rs 930, Porbander Co at Rs 1,125, Mandurbar Surti at Rs 1,045, Verawal Co2 old at Rs 1,115 and Palej Broach at Rs 1,111. Akot L 147 changed hands at Rs 980, Purna G6 at Rs 980, Telhara at Rs 975, Antoli Digvijay at Rs 1,110 and Nagar CO2 at Rs 1,061. Karnataka Laxmi was put through at Rs 965, Ellichpur CO2 Rs 1,045 for spot railway receipt, Mudhol Joydhar at Rs 1,000, Ganganagar at Rs 825 and 850, Digros at Rs 980 and Amravati L 147 at Rs 1,030. In the Kalyan line, business was done at rates varying from Rs 910 to 935.

Among foreign varieties prices of Sudan were reported firm due to limited offerings while Africans ruled quiet. Fairly good business passed in American cotton American

Middling 15/16" came into business at Rs 955 for May-June, 31/32" at Rs 985 while 1" Middling for May-June changed hands at Rs 1,065. Sudan G 3 L for April-May came into business at Rs 1,575 and G 2 L at Rs 1,680 to Rs 1,685.

CLOTH MARKET.

In the cotton piecegoods market moderate business passed during the past week but lacked drive. Prices of cloth of lower medium counts ruled firm due to scarcity of indigenous cotton, while the tendency for fine and superfine goods were a shade quiet. Demand from up-country was rather slack. The stringency in money market has no doubt affected the offtake to some extent while the continuation of the strike by the road operators has also proved deterrent in the clearance of goods.

Production of mills made cloth during the first quarter of this year has increased slightly to 1231 million yards as against 1228 million yards last year for the corresponding period while output of yarn has decreased to for 23 million lbs. as against 429 million lbs.

Cloth stocks with the mills as on 31 March 1960 have increased by 26,000 bales to 286,000 bales out of which unsold cloth accounts for a rise of 16,000 bales at 156,000 bales while cloth sold but not delivered has increased by 10,000 bales to 130,000 bales.

NEW YORK COTTON.

Prices on the New York Cotton market have continued to move narrowly with July position finishing at 32.55 cents per lb. In view of the Government's intervention in the spot business as well as in exports, the market has lost much of its usual liveliness with the result that speculative activity has dwindled considerably. Trade quarters sometime back had urged the US Government to take off its hands from cotton business, but so far no tangible result has been achieved. The result is that the professional operators evince very little interest in the day-to-day movement of the market.

THE ALKALI & CHEMICAL CORPORATION OF INDIA LIMITED

PREFERENCE SHARE DIVIDENDS

In view of the proposals contained in the Finance Bill 1960 relating to the basis of deduction of tax at source from dividends on Preference Shares, the announcement regarding the payment of dividend on the Preference Shares of the Company for the period 1.10.1959 to 31.3.1960 will be deferred until after the enactment of the Finance Act 1960.

By Order of the Board
THE ALKALI & CHEMICAL CORPORATION OF INDIA LIMITED.

F. G. LAMONT,
Director.

13th April, 1960.

The Dunlop Rubber Co. (India) Ltd.

Mr. John Luckham's Review

The 34th Annual General Meeting of The Dunlop Rubber Co. (India) Ltd., was held in Calcutta on 19th April, 1960. Mr John Luckham, Managing Director, said:—

Gentlemen,

The Directors' Report and Accounts have been in your hands for sometime, and with your permission I will take them as read.

I would like to draw attention to the Special Resolution which will come before you today to appoint Mr. P. B. Sen Gupta to the Board. Mr. Sen Gupta has had long and varied experience with the Company which makes him fully qualified to take up this new appointment, and I am confident that the Board's recommendation will have your full support.

THE YEAR'S TRADING:

Our new factory at Ambattur, Madras, was officially opened on the 12th February, 1959. Production has developed satisfactorily and full production will be attained very shortly.

In spite of the additional output from Ambattur it was not possible to meet the demand for all our products. Road transport continued to expand, with a resultant higher demand from the Replacement market and, in addition, we had larger commitments to meet from the vehicle manufacturers, both car as well as commercial vehicles.

The new Gold Seal car tyre which was introduced during the year was very well received by motorists, and in the commercial vehicle range increased supplies of Highway tyres were made available. This pattern is proving very popular.

Bicycle manufacturers also stepped up their production, and a number of new Small Scale units were licensed by Government during the year. We have been able to meet their tyre requirements in full, though our rim production was insufficient to cater for all of their needs. Increased supplies of cycle tyres were also made available for the Replacement market, and I am happy to state that in addition we were able to commence playing our part in Government's export drive, by shipping sizable quantities of cycle tyres to markets in South East Asia.

Our production of Industrial Rubber products was fully sold and, during the year, we completed our Vee Belt expansion. The proposed expansion of Conveyor Belting, referred to in my speech last year, was approved by Government, and the equipment now on order to take care of this should

be installed before the end of 1960. We expect this increased capacity will be fully utilised.

Sales of Dunlopillo were slightly higher than in the previous year, and here also we were unable to meet the demand in full. Apart from its popularity as a household article, Dunlopillo is very largely used in the automobile industry, not only for its natural comfort but also because of its economic advantages. The rapid expansion of the vehicle industry is certain to increase the demand for Dunlopillo, and your Directors have this point in mind.

RAW MATERIALS:

The raw material supply position was generally satisfactory except during a period of two months when there was a strike at our main suppliers of textiles in India and we had to organise, at short notice, alternative supplies from abroad. Fortunately, the imported textiles arrived in time and we were able to maintain full production.

Our consumption of rubber in 1959 increased to 17,291 tons as against 15,926 tons in 1958. The All-India consumption of rubber in 1959 touched a new record at 43,000 tons as against 38,000 tons in 1958. The production of raw rubber in India in 1959 showed no improvement being 23,398 tons as against 24,327 tons in 1958.

Prices of imported raw rubber and cotton textiles increased in the second half of 1959. Whilst this had a small effect on our 1959 costs, the impact on 1960 costs is already a major factor. This not only affects your Company but the whole tyre industry which has had to absorb every rising cost which has taken place over the last four years. The matter is receiving our very close attention at the present time.

FORWARD OUTLOOK:

I have already said that our existing capacities are fully utilised and it is evident that general industrial expansion will continue throughout the Third Five Year Plan. As in the past, your Company intends to play its part and preliminary steps have been taken to obtain Government's approval. You will appreciate that any substantial expansion will require considerable foreign exchange for plant and machinery, and negotiations for this are in progress.

You will have seen press reports to the effect that The Goodyear Tyre & Rubber Co. of India Private Ltd. will be setting up their own factory near Delhi. Ever since our Sahaganj factory was started your Company has manufactured for Goodyear under an

agreement, and the requisite notice has been received terminating this long-standing arrangement with effect from the end of 1961. This association with Goodyear has always worked very smoothly for the mutual benefit of both parties, and we wish them success with their new venture. In our forward plans we have taken account of the fact that the capacity now utilised for Goodyear will become available for increased Dunlop production, and no difficulty is anticipated in marketing this extra Dunlop output.

PROFIT & LOSS ACCOUNT:

The profit for the year before taxation but after providing for depreciation and interest was Rs. 1,92,80,084, compared with Rs. 1,70,56,227 for 1958. As a percentage of sales the profit amounts to 7.45%, as against 7.66% for the previous year.

The provision for taxation of Rs. 74,75,551 is substantially less than the provision for 1958, namely Rs. 88,13,414, reflecting the changed structure of Company taxation consequent upon the Budget proposals for 1960.

Depreciation has substantially increased, mainly because of the establishment of the new factory at Ambattur. There has also been a sharp rise in the quantum of excise duty arising from the enhancement of excise duty rates effected by the 1959 Finance Budget, together with the fact that our sales increased during the year.

A sum of Rs. 17,00,000 has been transferred to Development Rebate Reserve and a sum of Rs. 30,00,000 is appropriated to General Reserve. The total Reserves and Surplus have been increased by approximately Rs. 49,00,000.

The Directors are recommending an ordinary dividend for 1959 at the rate of 21.5%, subject to tax, which is approximately the same as the rate of 16½% free of tax declared for 1958.

BALANCE SHEET:

The net increase in Fixed Assets during the year amounted to approximately Rs. 37,00,000, mainly in plant and machinery. Stock Inventories remained practically the same as in the previous year despite higher output and sales, principally because the continuing demand for the Company's products resulted in a further decrease in finished goods stocks.

Sundry Debtors were noticeably lower than the previous year despite the greater volume of sales.

On the liabilities side, I have already mentioned the increase in Reserves and Surplus. One minor adjustment has been made here in that it was thought expedient to

merge the Dividend Equalisation Reserve with the General Reserve.

You will have seen that your Directors are recommending that the authorised capital be increased by Rs. 2,50,00,000 and that this be done by creating 25,00,000 shares of Rs. 10 each, which shall for the time being remain unclassified. It is felt that an expansion in the authorised capital is necessary taking a forward view of the Company's future requirements and that the creation of unclassified shares will allow the maximum flexibility in the capital structure.

EMPLOYEE RELATIONS:

Last year I told you that our labour relations at Sahaganj had been somewhat strained, and I regret that the improvement which we had hoped for did not in fact take place. The main problem stems from inter-union rivalry making it impossible for management to negotiate terms acceptable to labour as a whole. Production was hampered in varying degrees by go-slow tactics throughout 1959, and early in 1960 an illegal partial strike took place. I am glad to say that normal production has been restored and every endeavour is still being made by management to resolve these labour problems.

Throughout all these difficulties a very large section of the employees continued to give staunch service and to them I am sure you would like to join the Directors in extending their sincere thanks and appreciation.

NOTE:— THIS DOES NOT PURPORT TO BE A RECORD OF THE PROCEEDINGS OF THE ANNUAL GENERAL MEETING.

THE CHAMPDANY JUTE CO., LIMITED.

Notice is hereby given that an Interim Dividend of 4% for the year ended 31st March, 1960 has been declared payable on 27th May, 1960; the dividend is subject to deduction of tax under the Indian Income Tax Act, 1922. Dividend Warrants will be issued to the registered shareholders whose names appear in the Register on the latter date or to their mandatees.

The Share Register of the Company will be closed from 9th to 27th May, 1960, both days inclusive.

By Order of the Board,
JAMES FINLAY & CO.,
LIMITED,
Managing Agents.
2, Netaji Subhas Road,
Calcutta, 19th April, 1960.

FOR THE INVESTOR

Sustained Interest

Investment Gossip:

THE behaviour of the stock markets during the past few weeks clearly reveals that gone are the days of pessimism. There is now available plenty of money for any venture, old or new, which has a fair promise of showing a good working either immediately or a few years hence.

The sustained interest in equities is due to a number of factors which are now at work all at once. There is first a plethora of funds as a result of hefty deficit financing. Growth prospects are another powerful attraction. What with the assistance and encouragement given by Government, new enterprises are springing up in quick succession. The period of waiting for new ventures is also likely to be cut down to the minimum because expeditious commissions is one of the main aims of the industrial policy. Perhaps the main influence in the investment situation today is the revived confidence that private enterprise has a long and profitable future despite talks of a speedy establishment of socialism or the need for the levelling of inequalities in income.

The spectacular success of some of the new issues whose first stock exchange markings are more than double their issue price is no doubt exerting a powerful influence on prospective investors. Quite a few should have reaped a good harvest from their new issue investment. The continued good response to new issues shows that investors' preference is still in this direction.

As noted last week, industrial production last year has recorded a sizable uptrend over the previous year. The current year being the last year of the Second Plan will witness a further accentuation of the trend. Many new industries that have been begun either toward the end of the first Plan or early during the current Plan period will be coming to fruition soon. And the next Plan period will take industrialisation a sizable way ahead.

It is but natural for investors, therefore, to buy growth shares now lest they miss a good chance.

There has also been some good news for the operators. The Finance Minister has announced some tax concessions though it is idle to expect that he can win the approbation of one and all. The supposedly stringent condition pertaining to 'Banks' advance against shares has not done much dam-

age. However, gloomy prophets forecast of a failure of the Chou-En-lai—Nehru talks and more credit curbs to come are contributing to a cautious undertone.

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New Issue Notes

The Britannia Engineering Company Limited has proposed to issue one lakh new Ordinary shares of Rs 10 each, at par, in the proportion of one new share for every four shares held to those shareholders whose names are registered as on 10 May. These new shares will rank, in all respects, pari passu with the existing shares except that they will not participate in any dividend declared for any period ending on or before 31 December, 1959.

Balrampur Sugar Company Limited has announced that the last date for the receipt OF APPLICATIONS relating to the issue of right ordinary shares has been extended to 30 April.

The Union Carbide India Limited has proposed to issue 800,000 right shares of Rs 10 each, at a premium of Rs 2.50 per share, in the proportion of two new shares for every five held. The proceeds will be utilised to finance new undertakings and to repay partly the foreign credits established in 1957 and 1958.

It is learnt that Duncan Brothers and Company Limited, in association with Phillips Petroleum Company of the USA, will promote a new company called Phillips Carbon Black Limited, which will manufacture carbon black in India from indigenous resources. This new company has decided to issue 1,249,989 Ordinary shares of Rs 10 each, at par. Of this, the promoters will take up 749,990 ordinary shares and the remainder will be offered for public subscription. The plant will be set up at Durgapur in West Bengal and is expected to begin production in early 1962.

In Bombay, Premier Tyres Limited has announced that the letters of allotment for equity and preference shares have been posted and that the letters of "regret" are being despatched to the unsuccessful applicants.

A new paper mill and machinery-manufacturing plant is being set up in Bombay. A company, under the name and style of Paper Mill Plant and Machinery Manufacturers Limited, has been formed with an authorised capital of Rs 1 crore. It has secured technical collaboration with Messrs James Bertram & Son Limited of Edinburgh, who are well-known manufacturers of paper and board making plant and machinery. The factory will be situated at Jogheswari, near Bombay. The company does not propose to come to the market for financing the project immediately. It may, however, offer shares to the public when it embarks upon the second stage of expansion.

A new paper mill, known as Seshasayee Paper & Boards Limited, has been formed. It will have an issued capital of Rs 3.50 crores, consisting of Rs 3.25 crores in ordinary and Rs 25 lakhs in preference shares. The Export-Import Bank will provide Rs 2 crores and the

ICIC Rs 50 lakhs. The entire preference capital will be taken up by the LIC. Out of the ordinary capital of Rs 3.25 crores, the Madras Industrial Investment Corporation will take up Rs 1 crore. The foreign participants in the project (Parsons and Whitmore) will take up Rs 75 lakhs. The directors and their friends are expected to take up Rs 25 lakhs and an equal sum by the LIC. The remaining portion of the issue—Rs 1 crore worth of equity shares—will be completely underwritten. The company has received sanction for the issue from the Controller of Capital Issues.

Mysore Cements Limited has offered, for public subscription, 4.40 lakh equity shares of Rs 10 each at par. A sum of Rs 5 per share is payable on application and the balance on call or calls to be made, by the directors, not earlier than four months after allotment. The subscription list will open on 21 April and close on 30 April or earlier, but not before 28 April, at the discretion of the directors. The company will establish a cement plant, operating dry process, with an initial capacity of 100,000 tons. The company has entered into an agreement with Kaiser Engineers Overseas Corporation of the USA for engineering assistance in the design, construction and start-up of the plant. The entire issue of equity shares, offered to the public, has been underwritten.

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Investment Notes:

The control of the Bengal Paper Mill will be transferred, with effect from 28 April 1960, to the Board of Directors. In this connection, it would be recalled that the managing agency was relinquished by Balmer Lawrie & Company Limited on 14 January 1957. But, with effect from 15 January 1957, they were appointed as Secretaries and Treasurers by the directors to carry on day-to-day affairs of the company.

The shares of Rallis India have been keenly sought after during the past few days and the rate is now quoted around Rs 127 against Rs 105 quoted a week ago. This persistent demand for the shares is mainly due to an optimistic view of the future outlook for the company, which is making striking progress in all directions.

The Hindustan Aluminium Corporation Limited is understood to have obtained a licence for the fabrication of aluminium products to the tune of 15,000 tons a year.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed (Rs Per Share)	Previous Dividend (Rs Per Share)	Transfer Books Closed
CALCUTTA:				
Hindustan Building	... April 30	Nil	4%	18/4/60 to 30/4/60
Bharat Collieries	... May 10	Nil	0.60	2/5/60 to 10/5/60
Kamarhaty Co.	... May 13	20.00	5.00	29/4/60 to 13/5/60
Kankarrah Co.	... May 13	Nil	Nil	9/5/60 to 13/5/60
BOMBAY:				
Shree Niwas Cotton	... May 3	15.00	10.00	1/4/60 to 23/4/60
Industrial Invest. Trust	... May 3	6.00	6.00	22/4/60 to 7/5/60
MADRAS:				
T. S. S. Mills	... April 30	1.25	0.75	11/4/60 to 30/4/60
Ruckingham Carnatic	... April 29	10.00	10.00	4/4/60 to 29/4/60
Bangalore Woollen	... April 28	10.00	10.00	13/4/60 to 28/4/60

COMPANY REPORTS

Shree Niwas Cotton Earns Higher Profits

Balance-Sheet Reviews:

Thanks to a substantial rise in sales from Rs 3.09 crores to Rs 3.55 crores, the Shree Niwas Cotton Mills Limited has reported a higher net profit, after providing for Depreciation and Taxation, of Rs 17.94 lakhs for 1959 as against Rs 9.31 lakhs in the previous year. Apart from providing a sum of Rs 8.00 lakhs for Taxation, the Depreciation amount is raised to Rs 10.51 lakhs from Rs 8.33 lakhs.

After transferring a sum of Rs 2.50 lakhs from General Reserve, the directors have provided Rs 8.00 lakhs (Rs 4.65 lakhs) for Development Rebate Reserve. No provision is made for Renewal and Replacement Reserve against Rs 5.00 lakhs previously. A gross dividend of 15 per cent is recommended. This works out to a net dividend of 10.5 per cent against a tax-free dividend 10 per cent paid for 1958.

The balance-sheet, as at 31 December 1959, shows a paid-up capital of Rs 84.80 lakhs divided into 80,000 Ordinary shares and 4,800-4 per cent Redeemable Cumulative Preference shares, both of Rs 100 each. Against this, General Reserve is shown at Rs 28 lakhs; Investment Reserve at Rs 1.88 lakhs; Dividend Equalisation Reserve Rs 4.00 lakhs; Renewal and Replacement Reserve Rs 5.60 lakhs and Development Rebate Reserve Rs 12.65 lakhs. The gross block at Rs 1.74 crores is depreciated by Rs 73.41 lakhs to show a net block value of Rs 1.01 crores.

New additions to the various sections of Plant and Machinery to the extent of about Rs 33 lakhs were made during the year under review and further orders to the extent of Rs 45 lakhs are still pending. The renovation of the entire Spinning Department will be completed very shortly. Negotiations are also being made for the installation of a Sanforizing Plant in the Finishing Department.

A big programme of modernisation of Shree Madhusudan Mills Limited—the subsidiary company—has also made progress and 24,952 new spindles have already been installed in replacement of the old Ring Frames. A further programme of 12,676 spindles is also under implementation. It is expected that the company will be able to consolidate and strengthen its resources during the current year.

Mg. Agents:—The Marwar Textiles (Agency) Private Ltd.

Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Sales	35,537,688	30,920,840	28,994,347
Interest, Dividends & Mts. Income	621,633	502,306	...
Stocks	5,349,154	9,597,402	10,235,407
Works in progress	781,790	780,386	694,875
Net profit	3,595,633*	2,594,187*	964,207
Taxation	800,000	...	50,000
Depreciation	1,031,423	833,320	887,182
Development Rebate Reserve	800,000	455,000	...
Other Funds	1,200,000	800,000	640,000
Div. Amount Ord.	27,456	19,200	19,200
Div. Amount Pref.	41,961	25,207	53,530
Carry Forward	151	10	8
Div. % Ord.	5.73	4	...
Div. % Pref.	...	...	...

(Annual General Meeting on 3-5-60 at 3 p.m.)
*After transferring Rs 250,000 from General Reserve.
*After transferring Rs 820,061 from General Reserve.
*Dividends are subject to deduction of tax.
Synopsis of balance sheet as on the last day of Decr.

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
4% R.C. Pref.	480,000	480,000	480,000
Ordinary	8,000,800	8,000,000	8,000,000
6 1/2% Debentures	3,000,000	3,000,000	3,000,000
Reserve Fund	2,163,000	3,050,000	3,870,061
Other Funds	2,353,455	1,553,455	600,000
Loans Secured	10,539,991	13,285,518	12,331,212
Loans unsecured	415,952	2,663,406	2,817,652
Taxation Provision	800,000	...	58,026
Debts	6,786,779	5,298,081	4,419,753
Carry Forward	41,961	25,207	58,530
Total	35,228,138	37,955,767	32,635,637
Assets			
G. Block	17,414,168	14,758,656	12,766,700
Depreciation	7,340,872	7,066,050	6,773,552
Block (net)	10,073,296	7,692,606	5,993,148
Deb. Issue Exp.	116,813	90,000	...
Stock of Machinery	309,844	291,096	630,809
Stores	1,445,039	1,438,426	1,045,683
Stocks in Progress	610,587	935,279	698,414
Raw Materials	4,840,835	3,165,037	2,810,468
Stocks	5,349,154	9,597,402	10,235,407
Outstandings	627,225	878,990	435,789
Do. More than 3 months	33,489	20,737	31,573
Mis. Deposits and Advances	2,233,657	1,450,493	3,507,135
Investments	9,211,132	9,201,148	7,211,673
Cash	77,197	3,196,553	35,538
Total	35,228,138	37,955,767	32,635,637

Trichinopoly Mills Pay More

The Trichinopoly Mills Limited has been able to recommend a higher dividend of 12 1/2 per cent for 1959 as against 7 1/2 per cent paid for the previous year, thanks to a rise in profits. Sales have risen to Rs 34.56 lakhs from Rs 28.98 lakhs, while the net profit, before providing for Depreciation and Taxation, works out to Rs 3.82 lakhs as against Rs 2.62 lakhs in the previous year.

In respect of allocations, the Depreciation amount is reduced to Rs 71,043 from Rs 79,212, while Taxation provision is increased to Rs 1.47 lakhs from Rs 90,000. As the balance after appropriation to the above funds is small, the directors have transferred Rs 11,000 from Dividend Equalisation Reserve to recommend the dividend mentioned earlier.

The paid-up capital is Rs 13,98,730 against which reserve and surplus amount to Rs 8.64 lakhs. The gross block is shown at Rs 20.42 lakhs; total depreciation at Rs 15.00 lakhs and the net block at Rs 5.41 lakhs.

Mg. Agents:—Mooljee Ramjee & Sons.

Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Sales	3,455,595	2,897,756	3,193,147
Stocks	344,594	178,484	333,434
Raw Materials	1,184,741	533,681	512,942
Works in progress	29,752	33,827	42,433
Net profit	393,474*	273,394*	352,749*
Taxation	147,000	90,000	120,000
Depreciation	71,043	79,212	117,968
Development Rebate Reserve	...	...	50,940
Div. Amount Ord.	174,841	104,905	125,886
Carry Forward	661	71	794
Div. % Ord.	12 1/2	7 1/2	9

(Annual General Meeting on 30-4-60 at 4-30 p.m.)
*After transferring Rs 11,000 from Dividend Equalisation Reserve.
*After transferring Rs 50,940 from Development Rebate Reserve and Rs 20,000 from Dividend Equalisation Reserve.
*After transferring Rs 55,000 from Dividend Equalisation Reserve.
Synopsis of balance sheet as on the last day of Decr.

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up	1,398,730	1,398,730	1,398,730
Reserve Fund	250,000	250,000	250,000
Other Funds	614,030	625,000	695,940
Loans Secured	168,990	10,948	9,106
Taxation Provision	147,000	177,635	348,696
Debts	314,977	213,717	244,813
Carry Forward	661	71	794
Total	2,894,358	2,676,101	2,948,079

Indian Finance

Assets	1959 Rs.	1958 Rs.	1957 Rs.
G. Block	2,041,565	2,072,310	1,958,289
Depreciation	1,500,441	1,438,584	1,360,120
Block (net)	541,124	633,726	598,169
Stores	307,438	281,580	251,347
Stocks in Progress	29,752	33,827	42,433
Raw Materials	1,184,741	533,681	512,942
Stocks	344,594	178,484	333,434
Outstandings	67,052	202,415	253,463
Do. More than 3 months	4,233	4,183	148
Mis. Deposits and Advances	177,481	391,493	698,399
Investments	87,450	12,450	101,747
Cash	60,493	404,282	156,005
Total	2,894,358	2,676,101	2,948,079

Hindusthan Building Passes Dividend

A substantial decrease in earnings is reflected in the passing of the dividend by the Hindusthan Building Society Limited for the year 31 July 1959. The dividend declared for the previous year was 4 per cent.

Profit on sales of land and shares is lower at Rs 97,029 against Rs 2.88 lakhs, while the net profit works out to 92,423 against Rs 2.91 lakhs. The directors have set apart a sum of Rs 473 (Rs 323) for Depreciation and Rs 40,000 (nil) for General Reserve. The carry-forward is higher at Rs 7,928 against Rs 1,233 brought in from 1957-58.

The subscribed capital is shown at Rs 25 lakhs divided into 1.50 lakh Ordinary shares of Rs 10 each and 10,000-4 per cent tax-free Cumulative Preference shares of Rs 100 each. Reserves and surplus amount to Rs 51,579.

Secretary:—Mr A. B. Sen.

Year ended July	1959 Rs.	1958 Rs.	1957 Rs.
Profit on Sales of Land & Shares	97,029	287,030	121,067
Interest, & Dividends	73,381	69,275	52,438
Net profit	92,423	291,306	121,522
Taxation	45,255	210,830	...
Depreciation	473	323	372
Reserve Fund	40,000	...	...
Div. Amount Ord.	...	69,000	60,000
Div. Amount Pref.	...	40,000	40,000
Carry Forward	7,928	1,233	21,050
Div. % Ord.	Nil	4	4
Div. % Pref.	Nil	4	4

(Annual General Meeting on 30-4-60 at 11 a.m.)
Synopsis of balance sheet as on the last day of July

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
4% C. Pref.	1,000,000	1,000,000	1,000,000
Ordinary	1,500,000	1,500,000	1,500,000
Reserve Fund	51,579	11,579	11,579
Loans Secured	384,429	202,086	...
Taxation Provision	172,650	193,001	167,110
Debts	120,127	201,126	341,390
Carry Forward	7,928	1,233	21,050
Total	3,236,713	3,109,025	3,041,135

Assets	1959 Rs.	1958 Rs.	1957 Rs.
G. Block	8,552	8,552	7,153
Depreciation	3,691	3,218	2,894
Block (net)	4,861	5,334	4,259
Chowringhee Property	469,984	469,984	506,168
New Allipore Land	450,363	604,428	179,612
Outstandings	59,010	32,399	29,844
Mis. Deposits and Advances	856,150	431,971	678,784
Investments	1,376,393	1,471,573	1,543,573
Cash	19,972	33,456	40,899
Total	3,236,713	3,109,025	3,041,135

STOCK EXCHANGES

Bullish Tempo Continues

Watch-Dog Writes:

REOPENING after the Easter holidays, stock markets have continued to depict a bullish tempo, thanks to the tax concessions announced by the Finance Minister. The expectation of an early increase in steel retention prices is another contributory factor. With the sustained recovery in prices from the recent low levels, there has also been fresh investment buying. There is, however, a general disposition to book profits at bulges, as operators have preferred to await the outcome of the Nehru-Chou talks on the border dispute. Equities on the Calcutta Stock Exchange encountered fresh support with prices showing a sharp recovery from the pre-holiday levels.

On the Bombay Stock Exchange, price movements were rather erratic on alternate buying and selling. There was practically little change in the general pattern of trading on the Madras Stock Exchange.

Calcutta

ACTIVE conditions were witnessed on the local Stock Exchange last week when selected shares made further headway in expanded turnover. The main inspiration for the bull operators was derived from the announcement of the tax concessions, the imminent increase in steel retention prices and the encouraging news from the industrial front. As a matter of fact, the scramble for shares with growth potentialities continued with buyers remaining unsatisfied. Again, with the sustained recovery in prices, there was also fresh buying by investors.

Rumours were still current that the Reserve Bank might tighten the credit restrictions as the market continued to maintain a bullish tendency. Some anxiety was also shown with regard to the outcome of the present Indo-Chinese negotiations on the border issue. These factors were reflected in stray liquidation at higher levels, although selective buying continued to mould the pattern of trading.

Conditions in the Gilt-edged market remained quiet with business on a reduced scale. Institutional support was lacking, due largely to stringent monetary conditions. Demand from other sources was also negligible. After opening at Rs 74.50, 3 per cent 1986 Conversion Loan moved down at one time to

Rs 73.25, to improve toward the close to Rs 73.50.

Interest in Bank shares was at a low ebb though the undertone was steady. Punjab National changed hands at Rs -20-81 to Rs 21, while United Commercial remained unchanged at Rs 67.50.

Jute shares continued to lack buying interest although a few selected ones showed some improvement in sympathy with the general trend of the market. Turnover, however, remained restricted due to a general fear that the mills might be compelled to buy the raw material at still higher prices to carry out the IJMA's decision of following shares, Birlas being taken month and consequently the profit margin would be greatly reduced. Dealings were prominent in the following shares, Birlas being taken up to Rs 29.75 from Rs 29; Ganges up to Rs 12.12 from Rs 11.75; Howrah up to Rs 23.50 from Rs 22.75; Megna up to Rs 12.50 from Rs 12 and New Central up to Rs 27.12 from Rs 26.56. The closing rates were slightly lower than these levels due to profit-taking. Among higher-priced shares, Alliance improved to Rs 120 from Rs 118; Bally to Rs 240 from Rs 228 and Champdany to Rs 121 from Rs 118.

There was a revival of activity in the Coal section on expectation of an increase in demand for the commodity due to a great stride in industrial production. Central India were enquired up to Rs 12.50 from a low of Rs 9.94; Western Bengal up to Rs 8.44 from Rs 7.62 and East Indian up to Rs 30.37 from Rs 30.19. Bengal were a steady feature at Rs 332, while Burrakur fluctuated irregularly between Rs 19.81 and Rs 20.37, to finish the week at Rs 19.81.

Although dealings in the Tea section were few and far between, prices maintained a steadier tendency due to a general feeling that the industry had done better in the 1959-60 season. It was also believed that the new season would start well in view of the fact that the North Indian crop might be delayed by current drought conditions in the producing areas. Shares, especially of the Assam and Doorga gardens came in for good demand at enhanced levels on the hope of getting satisfactory dividends for last year. Bishnauth changed hands at Rs 20.75 to Rs 21.31; Dhunseri at Rs 17.75 to Rs 18; Grob at Rs 13.81 to Rs 14.12; Hasimara at Rs 23.37 to Rs 23.75; Jayshree at Rs 17 to Rs 18 and Tezpur at Rs 18.31 to Rs 18.62.

Sugar shares continued to fare well with prices recording a further rise due to sustained support. It was felt that the steady rise in production during the current season might improve the earnings of various companies. Raza-Buland were marked up to Rs 13.19 from Rs 13.00; Belsund up to Rs 14.25 from Rs 13.31; Carew up to Rs 12.06 from Rs 11.87; Cawnpore up to Rs 16.37 from Rs 15.25 and Dyer Meakin up to Rs 21.37 from Rs 20.19. Champaran and SKG were

almost maintained around last levels.

Textile scrip presented a firm front. Jayshree had buyers at Rs 13.25 to Rs 13.81; Cawnpore at Rs 7.50 to Rs 7.81; Elgins at Rs 20 to Rs 21.56 and Kesoram at Rs 25.87 to Rs 26.87. New Victoria remained unchanged at Rs 1.56. In Bangur group, Bowreah met with business up to Rs 170 from Rs 159 and Dunbar up to Rs 185 from Rs 175.

In the week's dealings, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to heavy buying due to the hope that the Government would soon sanction the retention price at such a level which would enable the company to cover the enhanced cost of production without affecting the profit margin so far enjoyed. Except for a sharp setback on Wednesday to Rs 23.15 from the initial level of Rs 23.50 due to settlement considerations, Indian Irons were gradually pushed up to Rs 23.91, to finish the week at Rs 23.73. TEXMACO were done up to Rs 26.30 from Rs 25.75 and Jessop up to Rs 26.25 from Rs 25.62, to close finally at Rs 25.90 and Rs 25.37 respectively. G. K. Williams were wanted up to Rs 44.25 from Rs 43.87 with only few sellers in evidence. Britannia Engineering were sought after up to Rs 14.75 from Rs 14.25 following the company's proposal to issue new ordinary shares at par. Kumardhubi and Marshall were nearly maintained at Rs 7.00 and Rs 6.09 respectively.

Of all the sections, the Miscellaneous was the most active and provided several bright spots, thanks to growth prospects. The following table shows the extent of the rise in the prices of a few selected shares:—

	Pre-holiday Closing Rs.	Week's High Rs.	Week's Closing Rs.
Orient Paper	43.00	44.30	43.70
Shree Gopal	23.87	25.50	25.25
Sirpur	16.00	17.19	17.00
Titagarh	39.62	40.62	40.50
Rohas	33.19	35.75	34.25
Dunlop	40.12	42.87	42.00
H. Motor	17.69	18.53	18.12
Alkum. Corp.	17.62	18.44	18.31
I. Cable	31.00	31.75	31.50
I. Aluminium	26.81	28.31	27.75
I. Steamship	11.09	11.19	10.94
I. Copper	4.40	4.52	4.47
I. Oxygen	37.00	36.87	35.87
Union Carbide	44.00	48.25	48.00
Asso. Battery	37.50	38.00	37.25
B.I.O.	7.53	7.62	7.53

Balance-Sheet Briefs:

In the Jardine Henderson Jute group, the Kamathatty Company Limited has shown a net profit, after providing for Depreciation but before Taxation, of Rs 28.33 lakhs for 1959 as against Rs 22.90 lakhs in the previous year. The directors have recommended a final dividend of 15 per cent, making a total of 20 per cent (taxable) against 5 per cent for 1958.

In the same managing agency group, the Kankarrah Company Limited has also reported a higher

profit of Rs 18.33 lakhs against Rs 10.15 lakhs. The dividend on the Ordinary shares is passed as in the previous few years.

Bharat Collieries Limited has incurred a loss of Rs 1.65 lakhs for the year ended 30 June 1959 against a net profit of Rs 5.31 lakhs. The dividend is passed against 6 per cent.

The net profit of the Union Carbide India Limited has increased from Rs 82.85 lakhs to Rs 1.36 crores for 1959. A taxable dividend of 18 per cent (including interim of 7 1/2 per cent) has been proposed. The dividend was 14 per cent, free of tax, in the preceding year.

The working of the Sulekha Works Limited has resulted in a higher profit of Rs 1.65 lakhs for 1958 as against Rs 1.26 lakhs for 1957. The directors have recommended a tax-free dividend of 10 per cent on the Ordinary shares.

In Bombay, Tata Mills Limited has earned a profit of Rs 20.72 lakhs for 1959 as against only Rs 2.20 lakhs in 1958. A taxable dividend of Rs 2.50 per share is proposed against Rs 1.50 previously.

The increase in the net earnings of the Svadeshi Mills Limited is even more pronounced at Rs 41.71 lakhs against Rs 27.69 lakhs. A dividend of Rs 14 per share, subject to tax, is recommended against Rs 10 tax-free.

The net profit of the National Rayon Corporation Limited is substantially higher at Rs 69.86 lakhs for 1959 as against Rs 43.35 lakhs in 1958. A taxable dividend of Rs 22 per share is recommended. This works out to a net dividend of Rs 15.40 per share against Rs 14 paid for the previous year.

Gokak Mills Limited has earned a profit of only Rs 3.24 lakhs against Rs 10.56 lakhs. The directors have transferred a sum of Rs 10.98 lakhs from Reserves to pay a dividend of Rs 6.00 per share, subject to deduction of tax.

The net profit of the Travancore Rayons Limited has risen sharply to Rs 107.47 lakhs from Rs 89.39 lakhs in 1958. A taxable dividend of 20 per cent is recommended against a tax-free dividend of 12 1/2 per cent.

Anglo-French Textiles Limited has earned a higher profit of Rs 13.95 lakhs against Rs 5.11 lakhs. A dividend of Rs 11 per share, free of French-Indian income-tax, is recommended against Rs 6.00 in the previous year.

Thirumbadi Rubber Company Limited has reported a profit of Rs 3.03 lakhs for the year ended 30 September 1959 against Rs 3.51 lakhs in the preceding year. A taxable dividend of 7 per cent is proposed.

Gokul Rubber & Tea Plantations Limited has earned a profit of Rs 68,464 for 1959 against Rs 59,114 previously. A dividend of 9 per cent (taxable) is recommended against a tax-free dividend of 6 per cent.

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 12-4-60	Quotation as on 12-4-59
Banks			
Allahabad 6% 100	101.90	109.00	
Behar 5% 50	21.00	19.75	
Coal			
Asso. K'pura 4 1/2% 100	50.50	50.50	
Bharat 5 1/2% 100	45.50	48.40	
Borree 6% 100	83.80	83.50	
Burrakur 7% 100	66.50	102.50	
Burrakur 6% 100	1.07	0.95	
Equitable 6% 100	79.00	100.00	
Ghushik & Musila 100	100.00	100.00	
Gourangdi 5% 100	40.00	40.00	
K'pura 5 1/2% 100	59.00	55.60	
Khas Kajora 5% 100	7.94	7.26	
N. Beerbhoom 7% 100	11.62	10.00	
N. Churulia 5% 100	2.56	2.50	
N. Huntooth 5% 100	45.00	44.00	
Nodal 5 1/2% 100	86.50	81.50	
Parasa 5 1/2% 100	50.00	50.00	
Uni. Colliery 5% 100	78.50	83.00	
Minings			
Asso. Mining 5% 50	36.00	27.25	
Ch. Mica 5 1/2% 100	50.00	51.07	
Metal Corp. 5% 100	79.00	50.00	
Cement			
Dalmia Bharat 5% 100	8.44	8.69	
Jalpur Udyog 3% 100	37.00	37.00	
K'pura Lime 6% 100	80.00	80.00	
K'pura Lime 5% cp 100	100.50	100.50	
K'dhubi Fire 7% 100	101.00	101.00	
K'dhubi Fire 4% 100	54.80	54.50	
Orissa Cement 4% 100	35.06	36.06	
Chemicals			
Alkali 5% 100	101.50	97.50	
Bathgate 4 1/2% 100	28.00	19.00	
Beng. Chem. 7 1/2% 100	12.82	12.87	
Beng. Chem. 4 1/2% 100	72.00	71.50	
Frank Ross 4 1/2% 100	41.00	50.00	
Smith Stanl 10% 50	69.62	57.00	
Electric			
Calcutta 5% 100	21	10.12	
Dishergarh 5% 100	78.50	82.00	
Dishergarh 4 1/2% 100	75.00	79.50	
Engineering			
Arthur Butler 7% 100	10.75	10.75	
Br. Bldg. 6% 100	60.00	76.00	
Br. Engg. 7% 100	100.00	100.00	
Burn & Co. 7% 100	123.50	124.50	
Burn & Co. 7% 100	113.00	117.00	
I. Iron 5% 100	98.50	105.00	
I. Machinery 7% 100	28.00	28.00	
Ind. St. Wagon 7% 100	128.00	122.00	
Jesop & Co. 5% 100	90.00	79.00	
J. K. Steel 7% 100	95.00	92.50	
K'dhubi 5% 100	90.00	92.50	
R. Cruddas 5 1/2% 100	84.00	84.00	
S. Products 5% 100	2.19	3.99	
Texmaco 5 1/2% 100	91.50	91.00	
Texmaco 5 1/2% 100	81.00	80.25	
Texmaco 6 1/2% 100	100.50		
Miscellaneous			
Albion Plywood 5 1/2% 100	100.00		
Alum. Corp. 5% 100	75.00	63.00	
Alum. Corp. 5% 100	100.50	93.00	
Anal. Dev. 5% 100	42.00	42.00	
Asso. Hotel 7% 100	51.00	51.00	
Bharat Nidhi 6% 100	53.50	59.50	
Birds Invest. 5% 100	53.50	56.00	
Br. Biscuits 6% cp 100	9.30	9.70	
B. I. Corp. 8% 100	120.00	110.00	
Cal. Cr. Corp 5% 100	42.50	44.00	
Cal. Cr. Corp 5 1/2% 100	29.00	34.50	
Cal. Gas 5 1/2% cp 100	63.00	62.50	
Cal. Silk 6% cp 100	49.12	40.00	
Cal. Grams 5% cp 100	8.22	8.12	
Duncan Bros. 4% 100	55.75	56.00	
Dunlop 6% 100	115.00	118.00	
Dunlop 6% 100	87.50	85.00	
Eastern Invest. 5% 100	69.94	72.50	
Gillanders 5% 100	52.50	52.50	
Godfrey Phil. 5 1/2% 100	61.50	68.00	
Greaves Cor. 6% 100	40.00	45.00	
Greaves Cor. 6% 100	37.00	43.00	
Hindustan Motors 6% 100	160.00		
Hindustan Nat. Glass 4% cp 100	93.00	101.00	
Ind. Alum. 5% 100	71.50	71.00	
Indian Cables 5% 100	28.50	25.75	
Ind. Plastics 5 1/2% 100	46.00	51.50	
I. Rubber 5% 100	73.00	75.00	
James Wright 6% 50	25.25	32.00	
James Wright 5 1/2% 100	59.50	55.75	
K. Bullen 5 1/2% 100	58.25	62.75	
K. Bullen 4% 100	55.00	63.00	
Kistum 5 1/2% 100	64.00	69.50	
Macneill & Barry			
Macneill & Barry 5 1/2% 100	58.25	62.75	
Madhya Pradesh			
Madhya Pradesh 5 1/2% 100	100.00		
Madhya Pradesh 5 1/2% 100	100.25	98.50	
McLeod & Co. 5% 100	52.00	54.00	
1st Pref. 100	52.00	54.00	
2nd Pref. 100	52.00	54.00	
Metal Box 6% 100	84.00	76.00	
Nat. Rubber 6% 100	77.00	68.00	
Nat. Tannery 5% 100	3.00	4.00	
Nat. Tobacco 5% 100	75.50	72.00	
Nat. Tobacco 4 1/2% 100	67.00	65.00	
N. Bhrt. Vanija 100	90.00		
Rallia 6% 100	62.50	70.75	
Rohas Indus. 7% 100	120.00	118.00	
Rohas 4 1/2% 100	60.50	61.50	
Sau Raleigh 5% 100	160.00	85.00	
Shaw Wallace 5% 100	71.00	74.75	
Spencer 8 1/2% A 100	6.87	7.50	
Spencer 8 1/2% B 100	8.64	9.47	
Standard 100			
Vacuum 6% 100	95.50		
Union Tobacco 6% 100	22.00	22.00	
Darjeeling			
Glebe 6% 100	70.00	64.00	
Lingia 6% 100	64.00		
Okayti 7% 100	79.00	93.00	
Pusseimbing 7% 100	93.00	95.00	
Singtom 5% 100	5.25	6.12	
Dooars			
Banarhat 5 1/2% 100	105.00	105.50	
Birpara 9% (Pref.) 100	109.00	105.00	
C'bhutti 6 1/2% 100	104.50	100.50	
Hantapara 8% 100	109.00	112.00	
Hasimara 7% 100	106.00	111.00	
N. Dooars 5 1/2% 100	102.50	109.00	
Cachar			
Sonal River 5% 100	98.00	93.00	
Sylhet			
N. Samanbagh 8% 100	91.50	101.00	
Kotamul			
Kotamul 6% 25	15.06	16.50	
Tera			
Atal 4 1/2% cp 100	5.30	4.55	
Tirthanah 0% 100	14.00	13.00	

Ordinary Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 12-4-60	Quotation as on 12-4-59
GOVERNMENT OF INDIA LOANS			
(Non-Terminal Loans)			
3% Govt. Paper	73.50	72.50	
(Terminal Loans)			
3% Loan (1986)	74.05	74.15	
2 1/2% Loan (1981)	98.50	97.29	
2 1/2% Loan (1982)	98.05	97.00	
2 1/2% Loan (1983)	98.30	98.16	
2 1/2% Loan (1984)	98.05	96.90	
3% Loan (1985-86)	98.05	98.87	
3% Loan (1986-87)	98.10	98.87	
3% Loan (1987-88)	98.25	98.28	
3 1/2% Loan (1988)	99.65	99.30	
3 1/2% Loan (1989)	100.05	100.10	
3 1/2% Loan (1990)	99.75	99.87	
3 1/2% Loan (1991)	99.75	99.87	
3 1/2% Loan (1992)	99.75	99.87	
3 1/2% Loan (1993)	99.75	99.87	
3 1/2% Loan (1994)	99.75	99.87	
3 1/2% Loan (1995)	99.75	99.87	
3 1/2% Loan (1996)	99.75	99.87	
3 1/2% Loan (1997)	99.75	99.87	
3 1/2% Loan (1998)	99.75	99.87	
3 1/2% Loan (1999)	99.75	99.87	
3 1/2% Loan (2000)	99.75	99.87	
3 1/2% Loan (2001)	99.75	99.87	
3 1/2% Loan (2002)	99.75	99.87	
3 1/2% Loan (2003)	99.75	99.87	
3 1/2% Loan (2004)	99.75	99.87	
3 1/2% Loan (2005)	99.75	99.87	
3 1/2% Loan (2006)	99.75	99.87	
3 1/2% Loan (2007)	99.75	99.87	
3 1/2% Loan (2008)	99.75	99.87	
3 1/2% Loan (2009)	99.75	99.87	
3 1/2% Loan (2010)	99.75	99.87	
3 1/2% Loan (2011)	99.75	99.87	
3 1/2% Loan (2012)	99.75	99.87	
3 1/2% Loan (2013)	99.75	99.87	
3 1/2% Loan (2014)	99.75	99.87	
3 1/2% Loan (2015)	99.75	99.87	
3 1/2% Loan (2016)	99.75	99.87	
3 1/2% Loan (2017)	99.75	99.87	
3 1/2% Loan (2018)	99.75	99.87	
3 1/2% Loan (2019)	99.75	99.87	
3 1/2% Loan (2020)	99.75	99.87	
3 1/2% Loan (2021)	99.75	99.87	
3 1/2% Loan (2022)	99.75	99.87	
3 1/2% Loan (2023)	99.75	99.87	
3 1/2% Loan (2024)	99.75	99.87	
3 1/2% Loan (2025)	99.75	99.87	
3 1/2% Loan (2026)	99.75	99.87	
3 1/2% Loan (2027)	99.75	99.87	
3 1/2% Loan (2028)	99.75	99.87	
3 1/2% Loan (2029)	99.75	99.87	
3 1/2% Loan (2030)	99.75	99.87	

GOVERNMENT OF INDIA LOANS

(Non-Terminal Loans)

3% Govt. Paper

73.50

72.50

(Terminal Loans)

3% Loan (1986)

74.05

74.15

2 1/2% Loan (1981)

98.50

97.29

2 1/2% Loan (1982)

98.05

97.00

2 1/2% Loan (1983)

98.30

98.16

2 1/2% Loan (1984)

98.05

96.90

3% Loan (1985-86)

98.05

98.87

3% Loan (1986-87)

98.10

98.87

3% Loan (1987-88)

98.25

98.28

3 1/2% Loan (1988)

99.65

99.30

3 1/2% Loan (1989)

100.05

100.10

3 1/2% Loan (1990)

99.75

99.87

3 1/2% Loan (1991)

99.75

99.87

3 1/2% Loan (1992)

99.75

99.87

3 1/2% Loan (1993)

99.75

99.87

3 1/2% Loan (1994)

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3 1/2% Loan (1995)

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3 1/2% Loan (1996)

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3 1/2% Loan (1998)

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3 1/2% Loan (1999)

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3 1/2% Loan (2000)

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99.87

3 1/2% Loan (2001)

99.75

99.87

3 1/2% Loan (2002)

99.75

99.87

3 1/2% Loan (2003)

99.75

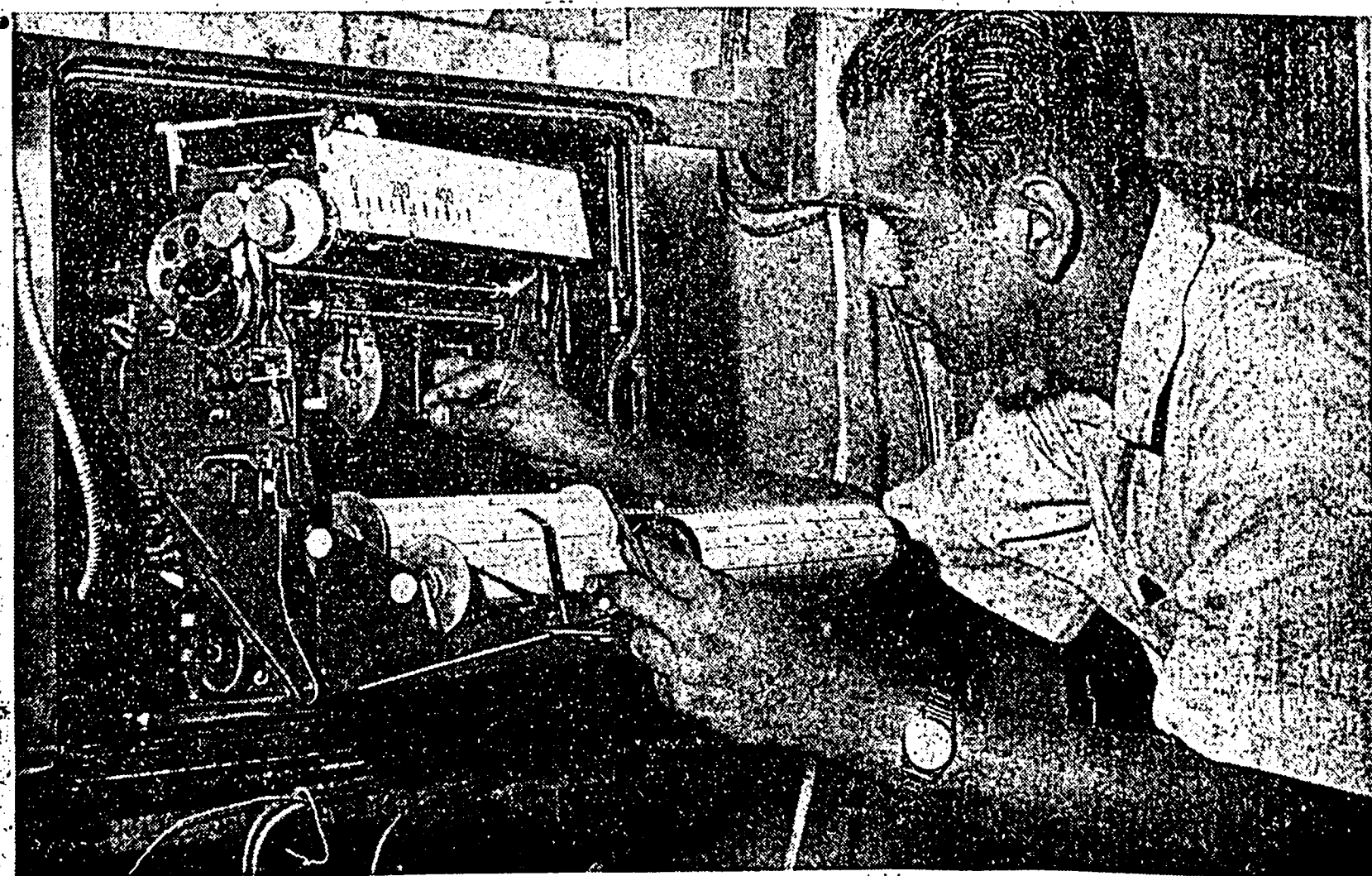
99.87

3 1/2% Loan (2004)

PAID-UP				QUOTATION AS ON		NAME		PAID-UP		QUOTATION AS ON		PREFERENCE SHARES			
NAME		PER SHARE		14-4-60	14-4-59	NAME		PER SHARE	14-4-60	14-4-59	NAME		PER SHARE	14-4-60	14-4-59
				RS NP	RS NP				RS NP	RS NP				RS NP	RS NP
BOMBAY															
Kasturi & Sons ... 100 100.75 ...															
6% ... 100 100.75 ...															
Mad. Vane 5% 100 17.20 33.00															
Mandya Nl Paper ... 100 100.00 ...															
Marker 6% ... 50 50.00 42.50															
Jedowell 6% ... 100 96.00 ...															
Methur Chem. 6% 100 98.00 92.551															
Mys. Chem. Mig. 6% 100 8.40 9.00															
Mys. Lamp 4% 100 6.30 6.80															
National Rubber ... 100 80.00 100.00															
Mfra. 6% ... 100 100.00 ...															
Panyam Cement ... 100 100.00 ...															
% A ... 100 100.00 ...															
Panyam Cement ... 100 100.00 ...															
% B ... 100 100.00 ...															
Parry's 5% ... 100 8.80 9.35															
Rallis 6% ... 100 100.001 90.00															
Rane 6% ... 5 4.70 4.401															
Bane 7% ... 5 4.65 4.551															
Ruby 6% ... 10 9.101 9.751															
Ruby (Madras) ... 5 10.35 5.00															
Ben Raleigh 5% 100 165.00 101.00															
Spencer A 6% 10 8.50 8.00															
Spencer B 6% 10 11.00 11.25															
Stand. Motor 6% 100 102.00 97.50															
Trav. Chem. 6% 100 10.00 9.20															
T. Stanes 7% ... 100 63.101 95.001															
United Rec. 5% 100 4.73 8.73															
Vanguard Fire 5% 6 100.00 88.00															
W. I. Plywoods ... 100 100.00 ...															
Cochin Lalabar ... 8 7.971 6.051															
Cohee Lande ... 10 24.80 23.37															
Oons. Coffee ... 10 23.65 21.25															
Ooonor ... 10 27.501 26.501															
Coorg ... 2 5.85 5.25															
Cottanad ... 10 14.50 16.00															
Coowody ... 2 6.05 7.25															
Deyashola ... 10 32.60 27.001															
Devon ... 10 17.50 18.00															
Emerald Valley ... 5 7.001 8.12															
Gokul ... 2 1.901 1.45															
Halseyburia ... 10 15.87 18.60															
Highland ... 10 14.78 12.00															
Kadur ... 2 2.84 2.98															
Kaliss ... 2 5.65 5.20															
Kallasa ... 2 4.15 3.90															
Kalpetha ... 10 12.87 13.40															
Karkode ... 10 9.50 10.25															
Kikotagiri ... 2 5.521 8.43															
Kumergo ... 2 5.721 5.55															
Kunchermal ... 10 8.75 7.00															
Lingsapur ... 2 7.00 ...															
Kupchar Valley ... 10 13.001 12.75															
Kudabur Agr. ... 10 7.50 8.58															
Madhub Indual ... 10 12.85 15.50															
Malankara ... 10 19.00 19.00															
Manar ... 2 2.43 2.76															
Manimala ... 10 8.78 8.78															
Marcara ... 8 10.101 9.20															
Midland ... 10 13.00 12.30															
Minallay ... 28 41.00 41.25															
Mysore Amalgam ... 8 6.25 5.33															
Mysore Coffee ... 2 5.10 3.80															
Mys. Plantations ... 2 4.90 4.73															
Neelamalai ... 2 2.65 2.92															
Nellampathy ... 10 13.05 13.25															
Nelliathanam ... 10 18.50 16.65															
Neunthy ... 10 18.75 15.25															
Nilambur ... 10 7.65 8.60															
Nilgiri ... 10 28.001 27.751															
Nomstuch ... 2 3.85 ...															
Oosoor ... 2 5.731 5.651															
Oucherlony ... 1 4.47 3.90															
Panchura ... 10 27.751 21.87															
Parkside ... 10 24.751 19.751															
Peernade ... 10 21.35 21.00															
Perinjaleur ... 2 3.40 4.26															
Periakaramalai ... 2 1.40 1.40															
Pondumdi ... 2 1.90 1.77															
Pullangode ... 2 2.85 3.17															
Puthuthottam ... 10 22.00 18.25															
Rajendra ... 5 17.40 14.00															
Sangameshwari ... 2 2.80 2.62															
Savanmalai ... 2 4.301 3.87															
Shervaray ... 2 1.77 1.91															
Stanes Amalgam ... 10 15.25 14.00															
Swinton ... 2 2.85 2.35															
Talayar ... 2 1.90 1.75															
Teekoy ... 10 8.10 7.85															
Thamarapally ... 10 30.50 28.00															
Thirumbadi ... 1 1.751 1.80															
Trav. Rubber ... 10 15.621 18.25															
T. R. & T. Co. ... 10 8.861 7.551															
Tropical ... 25 22.37 24.75															
Tyrford ... 10 13.45 17.00															
Udaygiri ... 10 14.00 11.15															
Und. Nilgiris ... 10 22.15 19.55															
Valkundam ... 10 28.001 25.501															
Vayitri ... 2 1.57 1.55															
Vellimalai ... 5 6.50 6.25															
Wartahully ... 2 3.75 ...															
Waterfall ... 2 3.65 3.93															
Woodcote ... 1 1.67 1.70															
Woodland ... 10 8.00 8.901															
Kothari ... 10 12.10 9.60															
Kr. Rajendra ... 50 75.00 63.001															
Lakshmi ... 50 154.50 110.50															
Lakshmi A ... 25 75.00 53.25															
Lokal ... 50 31.00 31.00															
Madura ... 15 33.001 26.75															
Mettur ... 100 435.00 390.00															
Polamalai Rangam ... 100 103.00 103.00															
Palani Andavar A ... 50 160.001 129.00															
Palani Andavar B ... 75 225.001 182.00															
Pankaja ... 100 55.00 ...															
Pudukotah ... 100 60.00 ...															
Premier ... 100 240.00 145.00															
Pullicar ... 100 121.00 121.00															
Radhakrishna ... 25 28.50 30.00															
Rajalakshmi ... 50 76.00 70.00															
Rajalakshmi ... 100 135.00 117.00															
Rajalakshmi ... 100 200.00 ...															
R. G. Ambikal ... 100 115.00 105.001															
Rangavilla ... 50 50.00 51.00															
Royaleema ... 100 109.001 112.001															
Sivamandha ... 10 21.00 13.00															
Tirumurti ... 100 97.00 114.00															
Thrupati ... 10 9.40 9.40															
Trav. Rayon ... 10 30.501 19.301															
Trichinopoly ... 10 12.501 11.801															
Vasanta ... 100 251.501 222.001															
Venkatesa ... 50 135.50 117.00															
Vijayakumar ... 100 148.00 99.00															
Vijayalakshmi ... 100 100.001 84.00															
Vijayawari ... 100 109.001 90.001															
Virudhunagar ... 50 48.501 34.50															
Alum. Indus. ... 10 24.001 19.001															
A. Cement B ... 10 10.10 10.10															
Andhra Scientia ... 10 10.00 6.00															
Ashok Layland ... 5 7.20 7.601															
Aspinwal ... 10 6.901 7.00															
Aspinwal Trv. ... 10 5.001 5.80															
Assoc. Indl. and Eng. ... 100 85.50 98.00															
A. V. Thomas ... 10 21.00 18.75															
A. V. Thomas I. ... 10 4.00 4.00															
Bang. Prite ... 10 15.00 10.25															
Binny ... 100 182.001 170.00															
Brunton ... 10 4.30 4.80															
Central Scientific ... 5 6.841 6.601															
Dalma Cement ... 10 12.10 11.15															
Dalma Cem. (Deva) ... 2 2.51 2.83															
Enfield ... 10 16.25 10.00															
FACTS ... 10 11.20 8.88															
Forest Indus. ... 24 2.95 3.00															
Genl. Papers ... 10 13.25 11.90															
Hindustan Ideal ... 25 24.50 25.00															
Hindustan Lever ... 10 37.821 31.251															
Indis Cement ... 5 5.75 5.65															
Int. Steel Rolling ... 10 12.10 15.25															
Inv. Trust of I. ... 100 70.50 74.00															
Jeevanlal ... 10 8.50 8.50															
Kipcocker Electric ... 10 13.00 11.10															
K.I.O. ... 10 11.40 ...															
Madras Safe ... 50 47.50 50.00															
Madras Vanaspathi ... 100 15.00 ...															
Mandya Nl Paper ... 10 10.00 ...															
Marikar ... 50 51.00 38.00															
Mc Dowell & Co ... 10 29.201 ...															
Mettur Chem. ... 10 12.90 13.00															
Mys. Chem. Fert. ... 10 9.80 9.25															
Mys. Chem. Mig. ... 10 25.00 24.25															
Mys. Coffee Curing ... 10 16.30 11.40															
Mys. Electricals ... 100 175.00 118.00															
Mys. I. T. L. ... 5 7.50 7.50															
Mysore Lamp ... 10 21.00 19.00															
Mysore Match Mfr. ... 10 10.00 ...															
Mysore Paper ... 10 24.37 18.90															
Mys. Stoneware ... 10 15.10 13.70															
Mysore Tobacco ... 10 13.00 13.00															
Natl. Rubber Mfrs. ... 10 13.401 16.87															
Ogale Glass ... 5 3.55 ...															
Orissa Cement ... 10 13.85 14.40															
Panym Cement ... 100 90.00 ...															
Parrys Confec. ... 1 4.45 3.85															
Radio & Elec. ... 5 4.40 6.15															
R. E. M. Co. ... 10 19.00 16.701															
Rallis ... 100 107.00 72.00															
Rane ... 5 6.10 5.70															
Ruby Rubber ... 10 9.251 10.801															
Ruby (Madras) ... 5 10.00 5.00															
Ben Raleigh ... 10 21.75 17.00															
Sugarcane ... 10 9.251 7.60															
Spencer ... 10 20.50 20.14															
Stand. Motors ... 10 14.75 13.00															
Stanes T. ... 10 26.00 23.12															
Textool ... 100 167.00 180.00															
Trav. Cement ... 10 9.70 9.95															
Trav. Chem. Mig. ... 10 15.25 12.00															
Trav. Ogale ... 10 8.001 6.301															
Tube Invt. ... 100 240.00 ...															
Tub. Invt. ... 50 207.00 ...															
United Electrical ... 10 9.50 9.50															
United India Fire ... 71 8.051 7.85															
Vanguard Fire ... 6 100.00 88.00															
W. I. Plywood ... 100 271.00 155.00															
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Paid-up				Quotation as on		NAME				Paid-up		Quotation as on		NAME				Paid-up		Quotation as on			
NAME		per Share		14-4-60	14-4-59	NAME		per Share		14-4-60	14-4-59	NAME		per Share		14-4-60	14-4-59	NAME		per Share		14-4-60	14-4-59
		Rs	p	Rs	p			Rs	p	Rs	p			Rs	p	Rs	p			Rs	p	Rs	p
Bom. Silk 5%	100	47.50		47.50		Jam. Ranjit	1000	1500.00		1450.00		Halleyburia	10	16.52		16.80		Bathe Biscuits	50	50.00		50.00	
B. I. Corp. 8%	100	121.00		101.00		Jyajeet Rao	100	14.00		9.78		Kaipetta	10	12.28		13.14		Sen Raleigh	10	20.24		17.48	
Brunton Eng. 6%	10	7.00*		7.00*		Khandesh	1000	1450.00		1100.00		Midland	10	12.12		11.80		Standard Batteries	100	139.00		115.00	
Delhi Safe 6%	100	100.00*				Khandesh	250	378.00		500.00		Nellompathy	2	2.88		3.28		Standard Motor	10	16.24*			
Dhanga Chem.	100	95.00		89.00		Kothari	10	10.00*		14.75		Rajagiri	10	18.92		18.76		Star Paper	10	12.40*		12.40*	
Digvijay Tiles 6%	100	85.00*		85.00		Lakshmi	250	505.00		395.00		Tyrford	10	13.24		15.64		Star Paper 'A'	10	12.40*		12.40*	
Digvijay Woollen 6%	100	134.00				Mafatia	100	792.50		438.00		Waterfalls	2	3.80		3.70		Straw Products	10	12.32		14.00	
East I. Hotels 5%	100	100.00*		100.00*		Mahendra	100	315.00		133.00		MISCELLANEOUS						Structural Eng.	100	237.00		251.00	
Estrela 5%	50	36.50		34.50		Mahendra (New)	40	40.00*		40.00		Alemble	100	230.00		183.00		Sundatta Foods	50	83.00		51.00	
Ferro Alloys 6%	100	100.00				Model	250	20.00		95.00		Alemble Chem.						Supreme Indus.	100	180.00		142.50	
Gwalior Rayon 6%	100	103.00				Modern Mills	50	60.00		46.00		New	100	215.00		172.00		T. Manek Mfg.	100	100.00		125.00	
Hind. Const.	100	68.50		75.50		Navsari Cotton	100	220.00		190.00		Alumina Corp.	10	18.36		12.20		Thacker & Co.	50	41.00		43.80	
Hind. Const.	100	65.00*		65.00*		New City	100	125.00		90.00		Amara Dye	100	280.00		151.00		Tractors (India)	10	33.25		23.24	
Hind. Cycles 6%	100	75.00*		75.00*		N. Kaiser-Hind	100	51.00		82.50		Amika Silk	100	155.00				United Motors	20	15.00		15.00	
Hind. Cycles 6%	25	25.00*		25.00*		Phoenix	100	143.75		123.00		Anil Hardboards	100	325.00		175.00		W. Coast Paper	100	158.50		128.00	
Hind. Cycles 6%	100	92.00				Pulgaon	10	10.24		9.78		Asso. Rubber	100	105.00		101.00		W. Bengal Coal	10	6.50		5.40	
Hindus. Elec. 6%	100	158.25		73.50		R. Motilal	100	62.00		77.00		Associated Stone	10	21.28		16.00		W. I. Plywoods	100	236.00		151.00	
Hingir Rampur	50	32.00		32.00		Ruby	25	9.52		9.78		Baroda Rayon	50	120.50				W. India Veg.	100	100.00		100.00*	
Indian Dye 6%	100	114.50		126.50		Sassoon Silk	100	52.00		47.00		Bom. Burns (P.P.)	50	190.00		175.50		W. H. Brady	150	325.00		300.00	
Indian Paper 5%	100	57.00		59.00		Sassoon Spg.	10	50.20		45.00		Bombay Cycles	20	22.60		18.00		Zandu Pharma	100	112.00		113.00	
Indian Rayon	374	37.50				Shubhalaxmi	100	125.00		128.00*		Bombay Pottery	100	143.00		132.00							
Jaipur Metals 6%	100	55.50		59.00		Swadeshi (Kan.)	10	12.00*		12.00*		Bombay Safe	300	405.00		365.00							
Kamini Eng. 5%	100	85.50		50.50		Swadeshi (P.O.)	10	10.40		10.40		Bombay Silk	50	5.00		5.00*							
Khandewal Ferro	50	50.50				Victoria	100	390.00		265.00		Bom. Swadeshi											
L. & Toubro 6%	100	98.80		87.00		Vishnu	100	109.50		92.00		Stores	5	6.24									
Madhusudan 4%	124	6.00		7.50		W. India	1000	4400.00		4475.00		Bom. Uganda	50	49.00		47.00							
Madhya Pradesh	100	106.00				BANKS					Brady Eng.	50	7.00		60.50								
Madhya Pradesh	100	102.50		101.00		Baroda	50	88.50		108.00		B. I. Corp.	5	4.00		5.32							
Madhya Pradesh	100	107.50		90.00*		Baroda 'B'	25	48.50		50.00		Brunton Eng.	10	4.00		8.00							
Madhya Pradesh	100	86.00*		86.00*		Central	25	48.75		57.00		Ceat Tyres	100	180.00		113.00							
Madhya Pradesh	100	100.00*		100.00*		Central (P.P.)	25	50.50		59.00		O. I. Coal	10	8.00		8.36							
Madhya Pradesh	100	100.00*		100.00*		Deyk. Nanjee	50	54.30		53.50		C. I. Machinery	100	10.00*		10.00*							
Madhya Pradesh	100	100.00*		100.00*		Hind. Mercantile	50	14.00		11.24		C. P. Railway	100	49.50		63.50							
Madhya Pradesh	100	100.00*		100.00*		India	50	104.00		136.00		Chemo. Pharma.	25	27.00		20.00							
Madhya Pradesh	100	100.00*		100.00*		India 'A'	50	106.50		137.50		Colour Chem.	100	310.00		310.00							
Madhya Pradesh	100	100.00*		100.00*		Jodhpur Com.	5	2.00		2.48		Commerce (1935)	10	17.00		20.00*							
Madhya Pradesh	100	100.00*		100.00*		Maharashtra	40	55.70		51.00		Dehri-Rohas Ry.	10	22.68		12.44							
Madhya Pradesh	100	100.00*		100.00*		Punjab National	25	21.24		21.24		Dena Inv.	25	11.00		11.24							
Madhya Pradesh	100	100.00*		100.00*		State Bank	100	342.50		342.50		Delhi Safe	10	10.00*		10.00*							
Madhya Pradesh	100	100.00*		100.00*		Union	5	6.52		7.40		Delhi Safe	7	7.00*		7.00*							
Madhya Pradesh	100	100.00*		100.00*		United Comm.	50	67.30		65.70		Dharamsi Chem.	50	154.00		93.00							
Madhya Pradesh	100	100.00*		100.00*		INSURANCE					Dharamsi Chem.	100	150.00		101.00								
Madhya Pradesh	100	100.00*		100.00*		All-India Genl.	5	2.50		2.90		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		British India	10	14.12		14.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Devakarn Nanjee	50	32.25		33.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Empire of India	100	268.75		218.75		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Indian Globe	25	8.00		8.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Ind. Mercantile	40	45.75		44.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Jupiter	15	6.00		5.20		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Neptune	10	1.46		1.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		New Asiatic	5	2.76		2.76		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		New Great	20	23.24		21.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		New India	15	59.50		52.30		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		New India 'A'	15	59.50		54.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Sentinel	50	52.00		50.00*		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Universal Fire	10	12.00		13.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Vulcan	10	20.16		20.32		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		ELECTRICS						Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Amalgamated	10	10.72		11.20		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*		100.00*		Anand	50	53.00		64.00		Dharamsi Chem.	100	150.00		101.00							
Madhya Pradesh	100	100.00*																					

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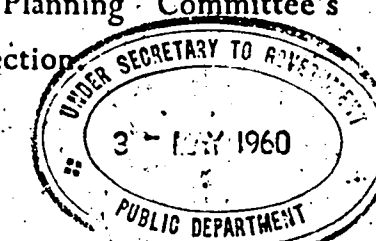
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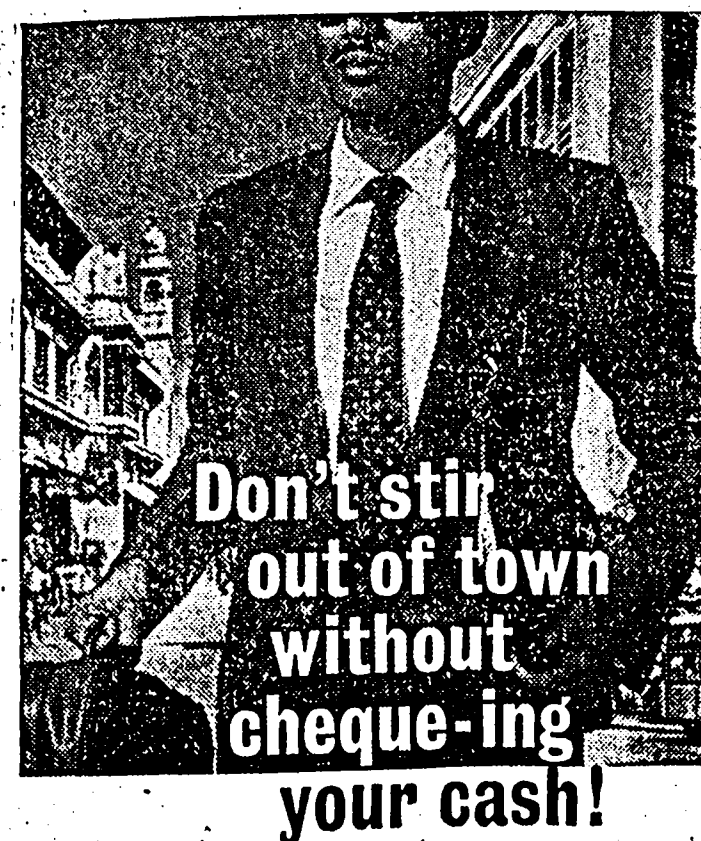
HIGHLIGHTS OF THIS ISSUE

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An Article on the Family Planning Committee's
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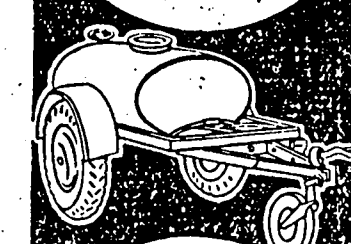
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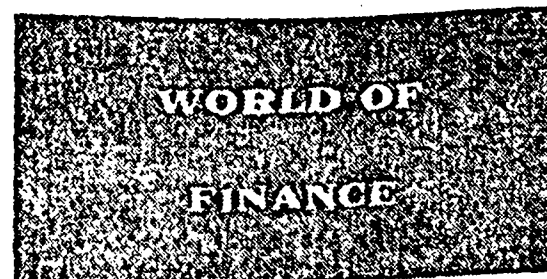
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30 April 1960

WORLD OF FINANCE



Reserve Bank, Banks and Price Behaviour

MR H. V. R. IENGAR, the Governor of the Reserve Bank, has been in Calcutta during the week, and there will naturally be conjecture as to the reasons which impelled a visit to the eastern capital at the present time. It is, we suggest, to be presumed that the provocation for the visit lies in the form and substance that has been taken by the 1959-60 busy season. For, each busy season of the Second Plan period has been throwing up its own special problems, and the one now ending has in this regard been no exception; and, each time, timely remedial measures have been taken by the monetary authorities. Thus, when the general anticipation, at the time, was that the 1956-57 busy season would prove so rigorous as seriously to strain the banking system, the Reserve Bank came forward with liberalised lines of credit to Scheduled Banks under the usance bills scheme. In 1957-58, surprisingly, the busy season seemed almost to be absent, and the Reserve Bank emerged as a supplier of securities to the banking system. In the next busy season, on the other hand, there was a resurgence of stringent conditions, and the expansion in bank Advances touched a new peak; whereupon a directive for the observance of general restraint in the matter of granting new Advances was issued by the central banking authority. Meantime, as and when necessary, the Reserve Bank's arsenal of weapons of selective monetary control was drawn upon. It is in such a background that the 1959-60 busy season assumes a special significance; and it is in such a light that an attempt is made here to interpret the Reserve Bank Governor's trip to Calcutta. We may first consider what the last busy season has been like.

Though, strictly speaking, the 1959-60 busy season has one more week to go, in the light of the decline which the Reserve Bank returns for the week ended 22 April report in Active Note Circulation of the order of Rs 12 crores, as also in view of the lack of changes of a busy season character in the return of the State Bank for the same week, the current busy season could, for all practical purposes, be deemed to have ended. The banking returns in the coming weeks should, therefore, be expected to reveal slack season attributes.

The 1959-60 busy season has turned out to be as busy and active as we had expected it to be. On the eve of the busy season, we had observed in these columns that the busy season would throw up a demand for funds for something approaching Rs 200 crores. It is now known that, between 30 October 1959 and 15 April 1960, the expansion in the advances of the banking system has been of the order of Rs 190 crores. (In the week ended 30 October 1959, dival demand caused a rise of Rs 13 crores in Bank Advances.) While the busy season demand for funds arises principally from the need for financing seasonal agricultural operations, the 1959-60 busy season demand for banking credit derived in no

small measure from the pronounced resumption of the upward trend in industrial production. It is noteworthy that the general index of industrial production for 1959 was 151.0 (Base 1951) against 132.6, 137.3 and 139.7 for 1956, 1957 and 1958 respectively. That the improvement in industrial production should impinge upon the banking system in the form of increased demand for funds was in the circumstances inevitable. However, the continuance of the Reserve Bank control on bank Advances against foodgrains was a factor that helped the diversion of bank credit along productive channels without jeopardising the general price level.

In retrospect, the 1959-60 busy season appears to have been tided over by the banking system without excessive strain being experienced in meeting the demand for funds. What helped the banking system in thus conquering the strains thrown up by the busy season just ending was the expansion in bank Deposits, which rose by nearly Rs 110 crores. The banking system has evidently benefited considerably from the increased tempo of Government disbursements in the fourth year of the Second Plan.

Now, on the threshold of the 1960 slack season, it is necessary to consider the probable nature of the 1960-61 busy season and of the means that would be available to the banking system to meet its demands. In the normal circumstances, it would be premature to embark on such a study of a busy season that lies six months ahead. However, developments have taken place in the banking sphere which make the circumstances that marked the 1959-60 busy season not quite relevant for consideration of the resources that would be available to banks during the 1960-61 busy season. For one thing, the demand for bank finance in the 1960-61 busy season is, in the light of the present and projected upward trend in industrial production, bound to be considerably larger than in the season that is just ending. The production of steel particularly, which holds the key for increase in general industrial production, is poised for a big increase. Further, with the Third Plan's emphasis on self-sufficiency in foodgrains, demand for credit for agricultural operations could also be expected to rise. It is, therefore, reasonable to assume that demand for bank credit during the 1960-61 busy season would be rather more substantial than was the case during the 1959-60 busy season. How far the banking system would be able to measure up to the enlarged demand for funds would depend in no small degree on the decline in Advances that may occur in the coming slack season. It was a favourable factor in the financing of the 1959-60 busy season that it started with a low Advances-Deposits ratio. The recurrence of a similar decline in Advances would lighten the burden on the banking system during the 1960-61 busy season. This, however, is a contingency that cannot be counted upon to occur in the circumstances that obtain today. With industrial production headed steadily upward, an important source of demand for bank credit would remain and pose problems of finding resources. While, therefore, in line with slack season conditions, Advances should show some decline, we do not expect the decline to correspond to the expansion that took place in the 1959-60 busy season.

The principal means of financing the 1960-61 busy season would therefore be found in the accretion to Deposits from which the banks might benefit as a result of Governmental disbursements. Even in respect of the use of such Deposits, the banks, by virtue of the

restraint recently imposed by the Reserve Bank on bank Advances and particularly the statutory locking up of 25 per cent of all new Deposits accruing after 11 March, have been disallowed full freedom. Consequently the banks are sure to be faced with a situation during the 1960-61 busy season in which the problem of resources for meeting the busy season pressure would become more difficult than it had ever been before.

It is in this light that we consider it necessary that the Reserve Bank should address itself to the question of bank resources that would be available during the 1960-61 busy season and devise appropriate measures that would put the banking system in possession of the resources if and when they fall short of requirements.

Undoubtedly, but not entirely reasonably or justifiably, the Reserve Bank feels taken aback by the magnitude of the expansion in bank Advances. It is equally clear that the central banking authority considers, with rather more reason, that bank Advances have at least in part contributed to trends in prices, especially in the Stock Exchanges. These are the two reasons underlying the monetary measures, which we termed credit control and restraint rather than credit squeeze, that were announced early in March. Apparently, and this is pure conjecture on our part, the expansion in Advances that has since taken place has impelled the central banking institution to think in terms of further monetary measures that may now be taken. Certainly, as happened in each of the last two years, the banking system will be called upon, during the currency of the 1960 slack season, to achieve a contraction in Advances that is slightly larger than the Rs 100 crores that had on the previous two occasions been the target. But, this time, the motive, both implicit and explicit, will not be desirability in such wise of freeing resources with the banking system, so that the financing of the next busy season would not present a too serious problem; it will presumably be frankly admitted that the price trends necessitate recourse to various measures of selective monetary control; and, in the background, not too distant, may lie the warning that, if these measures are not efficacious, India may have to accept the "recommendation" of the Bankers' Mission that an increase in interest rates—a raising of the bank Rate—would be necessary.

It is obvious that the Indian monetary authorities are not at all anxious to bring about an increase in the structure of interest rates; our views in this regard do not need to be repeated here, so often have they been reiterated in the past. Suffice it to say that we consider it would be calamitous to increase the borrowing rate of Government. But the problem of prices is unfortunately persisting, and while India can legitimately claim to have had greater success in keeping them in check, such relative stability does not appear to be enough. Clearly, the call for action insinuated by the Three Wise Men needs to be heeded.

Before we discuss the shape and form that further measures of selective monetary control may take, it would be helpful if certain basic facts about price behaviour in India are understood. First of all, with the expenditure on the plan in both the private and public sectors, no range or complexity of purely monetary devices can possibly succeed fully in holding the price line: the fiscal policy is "developmental"—and therefore inflationary as well. Secondly, some element of rise in foodgrains prices may be no more nor no less than the objective of planning, namely, raising the standard of living at the grass roots level.

If the farmer is better off, such that he can and does withhold stocks, is that inflation? What is at fault, in agriculture, is the distribution system; a complex of food policies which aids and abets the feeling of scarcity even in a bumper crop year. It is almost true to say that an index of the success of planning lies in a small rise in foodgrains prices, if this should occur despite a rise in foodgrains crops that is more than proportionate to the increase in the population. Of course, the line has to be drawn somewhere; but, for that, studies need to be made of "fair" prices for agricultural products, and this assessment would need to provide for the number of people who depend on such production. But, by and large, is a "controlled" rise in prices—with the reservation that it must have a stop at some level to be determined—such a bad thing? After all, it increases basic purchasing power, and this serves as stimulus for the development and expansion of consumer goods industries. This brings us to the third point. A bumper agricultural year, with perhaps a small decline in prices in this sphere, will nevertheless result in pushing up prices in other sectors of the economy. Sugar and cotton textiles are two instances where the enlarged earnings of the agriculturist will cause an expansion in the demand for them. The fourth and final point is that, in a developing economy, there are always "soft" spots in the economy, at the same time as there are areas of shortages. That is to say, prices may decline in the one and rise in the other—simultaneously and paradoxically in point of time. As from the end of 1956, for example, and until but recently, cotton textiles were depressed; sugar and raw jute are both commodities that, but a year or two ago, we had a surplus of for export. Cement has passed cyclically from shortage to surplus, and back now in keen demand.

Does the foregoing imply that we, for our part, suggest that we should be fatalistic about prices, because anyway we cannot do much about them? Far from any such belief, we hold the view that the general and overall control of the price line can be accomplished by a variety of measures, of which the most important, it is almost too trite to say, is the fostering of additional production. But the key to an effective grip over the monetary situation lies in a proper understanding of why prices behave as they do in India.

Thus, Reserve Bank policy has paramountly to be based on ensuring that finance is not denied for productive purposes. Indeed, Mr Iengar has been repeatedly asserting that such was the objective of the Reserve Bank: the provision of finance for production, the denial of finance for speculative use. What, in the circumstances, could the Reserve Bank do?

Firstly, there must be the continuing call for general "restraint" on the part of the banks. "Slack" accommodation given by banks, in order to increase their earnings, needs to be discouraged.

Secondly, the target for contraction in Advances during the 1960 slack season should be set at around Rs 125 crores.

Thirdly, the additional statutory deposit requirement needs to be in effect throughout the slack season.

Fourthly, the feasibility of discouraging Scheduled Banks from borrowing from the Reserve Bank by means of an increase in the central banking institution's lending rate, during a busy season, should be examined; and since such higher cost of central banking credit would be confined to the currency of a busy season, with a return to lower levels

during slack season, any tinkering with the bank rate as such could be avoided.

Fifthly, the statutory deposit requirement will not necessarily adversely affect the Government's borrowing programme. After all, with the call for a reduction in Advances, banks will correspondingly be provided with surplus resources, which they will need to invest in Government securities. Also, if expansion in the Deposits of the banking system does not slow down—and there is no reason why it should—an amount equivalent to 75 per cent of new Deposits would also be available for—would be compelled to seek sanctuary in—giltedged.

Lastly, if and when busy season pressures start exerting a strain upon the banking system, the Reserve Bank may in part release the statutory deposits appertaining to resources which gathered with banks after 11 March 1960.

In these various ways, as also by means of suitable directives at appropriate times in respect of selected commodities, both the magnitude and purpose-wise utilisation of bank Advances can be controlled. And since, meantime, the Reserve Bank will not have deterred banking finance for productive purposes, industrial output, too, will rise sustainedly.

To put it in a nutshell, Reserve Bank policy should be framed on the view that, in the final analysis, the only answer to inflation is more production.

Catalyst of Development

WHILE it is understood that the United States has the largest share in the external assistance so far made available to India for its economic development, it has been difficult to make the statistics come alive before the Indian public. The nature of the US assistance which is spread out over a number of projects whose benefit cannot be readily evaluated in familiar economic terms, and the numerous agencies through which the aid is disbursed, add to the difficulty of appreciating either its total magnitude or effective contribution to the development of the country. In drawing up a balance sheet, while the debits in the form of loans add up to a formidable total, the corresponding credits in the form of productive assets are not easily identified. That is the main reason why Soviet assistance in building a steel plant has made a more powerful impact on the popular imagination than US assistance which is at least four times as great. Should it always remain so?

During his recent visit to Calcutta, Mr C. Tyler Wood, Minister for Economic Affairs of the US Embassy, has presented in his speech at the Rotary Club, as well as at his press conference, a comprehensive view of United States Economic and Technical assistance programmes in India which, as of March 26, add up to Rs 963.4 crores. The value of agricultural commodities committed by the United States Government to the Indian Government under PL 480 agreement amounts to Rs 438.5 crores or nearly half the total.

Apart from its size, aid under PL 480 agreement has features which make it a uniquely powerful instrument of economic development in the Indian context. These should be brought home to the public, the businessmen and, we may add, the administrators, even at the cost of tiresome repetition, for there are surprising areas of ignorance

regarding the vast development potential represented by PL 480 assistance.

Under this programme India is able to buy badly needed agricultural commodities—foodgrains and cotton—for payment in Indian rupees. The substantial saving in foreign exchange is the most obvious advantage at the receiving end. At the other end it enables the United States to utilise its embarrassing agricultural surplus for constructive purposes, not only without incurring additional expense, but also effecting substantial saving in warehousing charges. This reciprocal benefit gives the programme its dynamic character.

The rupee funds received in payment of wheat which the United States accumulates in India constitutes a reservoir of continuing development assistance. Out of the total, a sum of about Rs 70 crores has been reserved for US Government uses; another Rs 40 crores is available for loans to joint Indo-US ventures, through the Export Import Bank under the Cooley Amendment. Though it is more than a year since this amendment was passed by the US Congress, it is only very recently that Indian businessmen have become aware of its existence or significance. When it is more widely known, both in India and in the USA, it should give a powerful impetus to American private investment in Indian industry.

But the largest part of the counterpart funds is loaned to the Government of India for development activities and it is by timely utilisation of these funds in creating assets of permanent value that American assistance can act as the catalyst of India's economic progress. Other things besides steel plants are urgently required to strengthen the national economy. For instance power; or, warehouses for storing agricultural products; and their need will be more keenly felt if the Union Food Minister succeeds in his mission to the United States. A beginning has already been made in this direction. But in addition to silos at the main ports, we would suggest a programme for construction of a chain of warehouses for storage of foodgrains and other agricultural products in the community project blocks spread throughout the country. No programme for increased agricultural production and stabilisation of prices can be effectively implemented without adequate warehousing facilities in the countryside. The programme for construction of warehouses should be supplemented by a programme for construction of roads linking up the warehouses with the villages in the area. The two together will be able to make a substantial reduction on the backlog of unemployment which is the bugbear of planners in our country.

United Bank Does Well

AT first glance, it would appear that the United Bank of India Ltd has but slightly improved upon its performance in 1958; but the study of the profit and loss account needs to be made carefully, since there is an element of net earnings for the year which is by way of being "concealed." The 1959 balance-sheet shows that Deposits have risen by more than Rs 4 crores to Rs 47.68 crores. Fixed Deposits Rs 14.77 crores against Rs 11.71 crores, and Savings Bank Deposits show an increase from Rs 15.08 crores to Rs 16.26 crores. Apparently, the relatively lower rate of expansion in Advances was particularly experienced by United Bank, whose portfolio in this regard is almost stagnant at Rs 27½ crores. Thus it is that the rise in Deposits is almost wholly taken up by an augmentation of giltedged holdings, which have risen from Rs 11.69 crores to Rs 14.85

crores. In the end result, cash in hand and with Reserve Bank has declined by Rs 33 lakhs to Rs 4.36 crores, while money at call and short notice has risen from Rs 25 lakhs to Rs 55 lakhs. Borrowings, it may be added, are shown lower at Rs 1 crore against Rs 1.42 crores.

The profit and loss account discloses an increase in the gross income from Rs 2.19 crores to Rs 2.47 crores, almost the whole of this being on account of a rise in the income from interest and discount, an item which has been marked higher by Rs 27 lakhs odd at Rs 1.98 crores. On the other side of the ledger, interest paid has risen moderately by Rs 10 lakhs to Rs 72.48 lakhs. Salaries and allowances have absorbed Rs 17 lakhs more at Rs 1.24 crores; but here is where the first careful note has to be made. The last year's figure in this regard did not include bonus to staff, whereas the 1959 figure includes Rs 5.46 lakhs on this account. Thus, the strictly comparable figures would be Rs 1.08 crores for 1958 and Rs 1.19 crores for 1959.

Automatically, adjustments have to be made in respect of balance of profit which, net of taxation, is seen to have risen from Rs 14.15 lakhs to Rs 14.29 lakhs. For, from the 1958 profit, a sum of Rs 2.83 lakhs was appropriated for bonus to staff, whereas the 1959 profit is net of such provision. This means that the comparable figures of profit for the two years, after tax and bonus to staff, are Rs 11.32 lakhs and Rs 14.29 lakhs; and this level of profit in 1959 has been arrived at after practically doubling the bonus to staff. In effect, therefore, the balance of profit of United Bank, after tax but before payment of bonus to staff, has increased in 1959 by Rs 5.60 lakhs.

As we have seen, the tax provision is not shown in the accounts. Since the published profit is net of tax. And the bonus to staff absorbs Rs 5.46 lakhs against Rs 2.83 lakhs. The transfer to Reserve is slightly lower at Rs 2.90 lakhs against Rs 3.45 lakhs. The dividend has been stepped up to 4.30 per cent free of tax; and this implies a nominally higher distribution to shareholders.

In the course of his speech at the annual general meeting, Dr N. N. Law, the Chairman, has referred to some factors that have come to affect the growth of banking in the country. These relate to the operating costs and the way in which they have risen without any relation to productivity per bank worker. On the one hand, between 1950 and 1958, the ratio of operating expenses to Deposits has, according to Dr Law, risen for Indian Scheduled Banks from 2.97 per cent to 4.24 per cent; and, meantime, against the rise of 43 per cent in operating expenses, the ratio of operating earnings has improved only by 29 per cent.

As Dr Law has observed, the causes for the increase in operating expenses lie in the high cost of deposits and rise in establishment expenses. Though an inter-bank agreement was arrived at in October 1958 to check the uncontrolled rise in the rate of interest paid on deposits, the accretion of a larger volume of Deposits under time liabilities has largely nullified the effectiveness of the agreement. In the background of such higher operating costs, Dr Law examines the propriety of the new Reserve Bank directive which requires the Scheduled Banks to keep 25 per cent of any increase in Deposits accruing after 11 March 1960 with the Reserve Bank. On the ground that the impact of bank credit on the price level at the present time is insignificant, Dr Law considers the measure as superfluous. Whether or not the banking system would be adversely affected by the new measure would depend upon the way in which it is used by the Reserve Bank. A flexible use of the new weapon with the new Deposits being made

available to Banks to finance the busy season, should enable proper control of the price level without adversely affecting the progress of banking along healthy lines.

End of Busy Season in Sight

INDICATIONS that the busy season is truly drawing to a close are discernible in the returns of the Reserve Bank for the week ended 22 April 1960. There is a fair-sized decline of Rs 12.25 crores in Active Note Circulation which is fully reflected in an increase of Rs 13 crores in the cash balances of the Reserve Bank. Rupee Coin has returned from circulation for an amount of Rs 0.84 crores. Foreign securities and Rupee Securities in the Issue Department are unchanged at Rs 163.09 crores and Rs 1506.65 crores respectively.

Though it is the third week of April, the impact of the Centre's year-end disbursements appears far from having ended and the Centre's Deposits have gone down sharply by Rs 23 crores from Rs 75.08 crores to Rs 51.82 crores. In this connection, it is noteworthy that Bills payable in the Banking Department have declined by Rs 14.06 crores. Evidently, drafts issued by the Centre in connection with the year-end transactions have been presented for encashment. The decline of Rs 26 crores in Government Treasury Bills indicates an item in respect of which the Centre had a heavy commitment. It is to be recalled that this item registered a sharp increase of about Rs 13.70 crores in the last week consequent on the State Governments trying to replenish their resources for meeting their year-end payments. The decline this week under this head suggests that some part of the bills have matured and that the steep decline in the deposits of the Centre has a relation to the maturing of these Bills. It would appear from the slight decline in investments which have gone down from Rs 203.39 crores to Rs 202.81 crores that the Centre did not have recourse to deficit financing for meeting its commitments in connection with maturing Bills or for honouring drafts presented. However, it is evident from the returns of the State Bank for the week ended 22 April 1960 that the State Bank has, invested in Government securities for about Rs 5 crores.

After the heavy disbursements incurred last week, which presumably entailed disposal of Government Treasury Bills, the State Governments report fairly affluent conditions in their balances with the Reserve Bank, which have gone up by Rs 8.6 crores from Rs 6.01 crores to Rs 14.61 crores. However, this improvement has taken place after they have increased their ways and means borrowings by Rs 6.15 crores, which have gone up from Rs 44.32 crores to Rs 50.47 crores. There is a net gain of Rs 2 crores which indicates some receipt from the Central Government.

The impact of the Government's year-end disbursements on the banking system is brought out in the decline in the Reserve Bank's other loans and Advances which have gone down by Rs 13.40 crores to Rs 101.59 crores. That part at least of this fall relates to the borrowings of other scheduled banks is borne out by the fact that the Reserve Bank's advances against usance bills have gone down by Rs 5 crores from Rs 13.61 crores to Rs 8.07 crores. However, the reserve balances of other scheduled banks with the Reserve Bank have been drawn down for about Rs 5 crores. While member bank reserves with the Reserve Bank show an increase of Rs 5.36 crores, considering that the State Bank reports an increase in its cash and balance with the Reserve

Bank to the tune of Rs 10 crores, the other scheduled banks must have experienced a decline of Rs 5 crores. Finally, the decline that had been noted in Balances Held Abroad for the past few weeks has been halted, and the latest week's return reports an increase from Rs 20.83 crores to Rs 21.31 crores.

The State Bank's return for the week ended 22 April 1960 reflects more clearly the relaxation of the busy season pressure upon the Banking system. While Deposits are practically unchanged at about Rs 634 crores, Advances have declined by nearly Rs 1 crore in being placed at Rs 216.45 crores. There is a sharp decline in Other Assets to the tune of Rs 11 crores, and consequently the State Bank's cash in hand and with the Reserve Bank has gone up by Rs 10 crores to Rs 38.41 crores. Money at Call and Short Notice, however, has declined from Rs 2.17 crores to Rs 1.4 crores. Finally, as already pointed out, the State Bank has added to its investments by about Rs 5 crores, total investments as at the week ended 22 April being placed at Rs 385.82 crores against Rs 380.71 crores in the previous week.

The return of Scheduled Banks for 15 April 1960 shows that the end of the busy season is in sight. Firstly, the total of Advances has shown a decline, in falling by Rs 2.65 crores to Rs 1127.70 crores. Secondly, cash balances have improved by Rs 6.14 crores to Rs 185.08 crores. Thirdly, the giltedged portfolio has been added to by Rs 14.66 crores to Rs 732.19 crores. On the other hand, Deposits have fallen by Rs 3.33 crores to Rs 1963.70 crores, whereas borrowings from the Reserve Bank have been marked up by nearly Rs 3 crores from Rs 41.31 crores to Rs 45.24 crores.

While a number of the changes indicated above have mainly been influenced by changes in State Bank figures, it is important to recognise that an early end of the 1959-60 busy season was very likely for two reasons. Firstly, the substantial governmental disbursements in the end of March have served to reduce busy season strain. Secondly, the Reserve Bank's measures of credit restraint, in causing a decline in Advances, will also seem to bring about an abrupt end to the busy season.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 26 April 1960. Total amount offered was Rs 2,75,00,000. Tenders at Rs 99.310 were accepted in full and those at Rs 99.305 were allotted approximately 80 per cent. Lower tenders rejected. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.770 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 2 May 1960. Successful tenderers should make payment on Friday, 6 May 1960. Other conditions are as usual.

During the week ended 22 April 1960 Government of India Treasury Bills for Rs 142,96,25,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 27 to 30 April 1960 at Rs 99.326 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 20 to 23 April 1960.

London and New York Interest Rates

By Paul Einzig

THROUGHOUT March and April, interest rates in London have been steady to firm. On the other hand, in New York they fluctuated rather irregularly. In particular the Treasury Bill rates which kept above 4½ per cent in London, fluctuated within very wide limits in New York. For several weeks they had a declining trend that puzzled the experts on both sides of the Atlantic. The most reasonable explanation seems to be the new "fashion" among Wall Street investment advisors to advise their clients to keep one-third of their capital in a liquid form, until it becomes visible which way the cat will jump. They anticipate a decline in equities but have not sufficiently the courage of their convictions to advise their clients to realise their total holdings. So they advise them to keep some of their money in Treasury Bills, so that they could switch it back into equities at a moment's notice when the prospects appear to become brighter.

This new fashion must have been primarily responsible for the outside demand for US Treasury Bills towards the end of March and the beginning of April. The indifferent response to the US Treasury issues was the main cause for the reversal of Treasury Bill rates. Now that the American investing public has acquired a taste for Treasury Bills their rates are liable to continue to fluctuate irregularly, according to how the spirit happens to move this new class of holders or potential holders.

As a result of the ups and downs of US Treasury Bill rates the interest differential between London and New York fluctuated rather widely in March and April. In spite of this the premium on forward dollars remained relatively steady. Although it widened with the decline of US Treasury Bill rates, it did not widen to an extent that corresponded to the change in the Treasury Bill rate parity between London and New York. It became highly profitable for arbitrageurs to transfer funds from New York to London, with the exchange risk covered. This was done to some extent and was mainly responsible for the influx of gold resulting from Exchange Equalisation Account operations to prevent an unwanted rise in spot sterling.

But the fact that the premium on forward dollars did not rise to a point at which such arbitrage would cease to be profitable showed that such operations were not on a sufficiently large scale to restore equilibrium between the forward sterling-dollar rate and its interest

parity. The discrepancy was narrowed down in April as a result of the rise in US Treasury Bill rates. This change again left the forward premium virtually unchanged, presumably because it was already abnormally low before the rise in Treasury Bill rates.

The explanation of the failure of the forward dollar to respond to the changes in its interest parities is partly that the new holders of such Bills have not acquired the habit of buying British Treasury Bills. Their object is to keep their funds liquid while earning a fair yield on them. Although that end could be attained by buying British Treasury Bills and covering the forward exchange, this is a too involved operation for inexperienced non-banking investors.

Another reason for the persistence of the discrepancy is that US Treasury Bills are not at present the favourite form of employment of arbitrage funds transferred to New York. Much better yields can be obtained from holding fine commercial paper or dollar deposits with London banks. The latter are prepared to pay over 4½ per cent on three months' dollar deposits, which is about the same as the yield on British Treasury Bills. So whenever there is a decline in US Treasury Bill rates there is a tendency for arbitrage funds in New York to be switched not into British Treasury Bills but into US fine commercial paper or into dollar deposits with London banks. In either case no new forward exchange transaction need arise, so that there is no reason why the change should affect the forward dollar rate.

In other words there is no really abnormal discrepancy between forward dollars and its interest parities, provided that we allow for the change in the practice of arbitrageurs in investing their funds in New York. When reckoning interest parities it is necessary to base them on the most popular form of investment of arbitrage funds. Until comparatively recently US Treasury Bills were the most popular form of investment for arbitrageurs. Today this is no longer the case. So interest parities have to be based on the yield on short-term investments which are at present the most popular—fine commercial paper and dollar deposits in London.

Such changes are apt to be overlooked by those responsible for the management of monetary policies. They are not followed nearly closely enough by the financial Press either in London or in New York. Yet they are liable to assume considerable importance in determining the international flow of gold and the trend of short-term interest rates in all centres concerned. They must be taken into consideration by anyone who takes an intelligent interest in exchanges.

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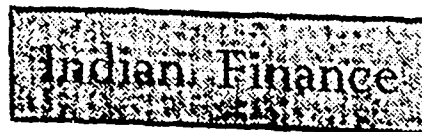
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The Three Wise Men

ON such a well rehearsed subject as Indian planning, it is hardly likely that there can be much room left for breathtakingly new ideas. It is not surprising, therefore, that the report of the Bankers' Mission that recently toured India and Pakistan at the World Bank's instance should be traversing much familiar ground. Moreover, the very nature of its task, with no particular terms of reference and with a short time at its disposal, made it impossible for its conclusion to be anything more than merely impressionistic and, as the report puts it, "qualitative rather than quantitative." But, familiar though the conclusions of the Mission are, the report is valuable as independent confirmation of the bases of much of our thinking.

In the first place, the Bankers' Mission recognises the compulsions behind planning, on which all except certain persons in the periphery of the Swatantra party are agreed. Briefly, scarce capital resources in relation to the needs of the population, low levels of earning, saving and investment, with chronic foreign exchange inadequacy provide the *raison d'être* of planning. Behind this lies, as the Mission has also recognised, the political compulsions of the self-consciousness of the masses who are shrilly asking for the minimum amenities of life.

Once the necessity of planning is conceded, then the question resolves itself into examining in detail the plans themselves. Here, again, the range for manoeuvre in action (and consequently in discussion) is extremely narrow. And, as for Indian planning, there is a considerable amount of data to go by, for, the plans already executed—the Second Plan in particular—have taught us the hard way some of the lessons to be learnt. Among these is the need for flexibility, to which there is a passing reference in the Report. The Mission records that it was informed "by the officials in India, (that they were working out a detailed phasing of the plan designed to allow the necessary room for manoeuvre; and that they were thinking in terms of different variants which may be adopted to meet different circumstances; and that in terms of allocation of foreign exchange, they are trying to form a view about relative priorities which will allow a hard core of essential industrial projects to go ahead, even if others have to be held back." Considering that this approach was indicated by the Government itself—not to mention the fact that it has indeed been put into operation during the Second Plan—the attempt in certain quarters to interpret the Mission's suggestion in this regard as a warning against a disposition to overenthusiastic planning in this country is plainly disingenuous. These people confuse, often deliberately, the question of flexibility in actual execution with the alleged overambitious nature of the plan itself. On this question of the size of the Plan, the Mission's answer is categorical: "The targets set by the plan in terms of increasing per capita income and laying the foundations for self-sustaining growth are in themselves relatively modest." This being the position, to read the Mission's incidental comment on the need for dropping, if and when necessary, some of the marginal projects as an abjuration

of the size of the plan itself is plainly unwarranted.

The general observations of the Mission on the other aspects of the Third Plan are equally familiar and equally valid. First, there is a considerable element of guesswork in the estimate of return on particular investments under the plan. This stems from the uncertainties in the assumptions behind particular capital-output, ratios, not to mention factors like monsoons, over which human control is negligible. Secondly, the Plan would call for heroic self-denial on the part of the people to make possible the necessary quantum of savings. This requirement, inescapable as it is, has political implications that, for a democracy, pose crucial challenges. As far as India is concerned, it is a matter of congratulation that these challenges have so far been met with determination and maturity. Also makes administrative demands which, again, are being met with considerable success in this country. Thirdly, the Plan calls for sufficiently large increase in external assistance. On this subject—which was the primary preoccupation of the Mission—it has made some important recommendations. In the first place, it recognises fully and squarely the economic and moral arguments in favour of such assistance. On the shape that such assistance should take, it rightly rules out the Marshall Plan approach, which implied that the duration of assistance could be limited to a short period enabling the recipient country to reach a particular point of development. The needs of countries like India will have to be considered on a much larger range. It also sees the need for devising modes of assistance that do not involve difficulties of short-term servicing like commercial loans. In this connection, it indicates that the scope of the usefulness of the International Development Association is limited and that much of this assistance will have to be on Government-to-Government basis. But there is need for co-ordination among the policies of prospective donors, if such aid is to be efficiently husbanded.

One particular problem that the Mission recognises, without making any specific recommendation, needs notice. It considers that it is "natural" that countries like India, which plan conscientiously, "should wish to have some kind of assurance about the foreign aid that will be forthcoming over the periods of the plans." But it also recognises that such assurances can hardly be given by the "aid-giving" countries, since they have to obtain annual appropriations from their respective Parliaments. Though the climate for foreign aid has improved enormously in the last few years, and responsible opinion all over the world is firmly committed to responsibilities in this regard, it is Utopian to expect blanket appropriations for several years in advance. But, short of such absolute commitments, there is much that friendly countries can do, as indeed they are doing.

Two other aspects of the Mission's conclusions are worth commenting upon. One is its impression of the priorities under the Indian plan and their practical manifestations. The Mission appears to have its reservations in

accepting Indian professions of over-riding concern for agriculture. It appears to have the feeling that regional and departmental clamour often distort this order of priority. This is an impression that is not wholly unfounded. The over-riding importance that is attached to agriculture certainly needs to be more practically demonstrated than is the case at the moment.

The other point made by the Mission is unfortunately one with which we are unable to agree. It is the tentative suggestion that there is scope for making use of interest rates for mopping up excessive monetary liquidity in the country. For reasons which we have often canvassed in detail in these columns, we consider this particular remedy as worse than the disease.

The Auditor-General

THE proposal to define the powers of the Auditor-General of India under Article 148 is a sequel to misplaced criticism. It is surprising that, on a point like this, the opinion of the profession of Chartered Accountants has not been obtained and that laymen should have commented freely. The obligations of the Auditor-General to the President of India and the charge made on the Consolidated Fund cannot be touched even by the insistence on a new procedure meant to insulate spending Ministries from criticism. It is obvious that earlier scandals had made the Defence Ministry both sensitive and vulnerable and the fact that the Auditor-General is bound by an oath of office has not been given due weight. While his salary, pension and allowances cannot be touched by Parliament, the precise specification of duties may limit the power to warn and advise, especially when public expenditure is getting out of hand. The power to legislate is certainly in the Constitution, but it may be desirable to leave such matters to convention, especially when Article 149 prescribes the continuance of powers and duties obtaining before the promulgation of the new Constitution. The Hoare Act laid down the procedure of appointment and prescribed the performance of duties. The Joint Select Committee in its report of 1934 had suggested Central Audit, though the Provinces at some time could take over, audit also, provided it was made independent of the Executive. The Joint Select Committee followed the Simon Commission in describing the functions and powers of the Auditor-General.

The fact that parliamentary control over expenditure is vague and loose is the main reason for the special status of the Auditor-General, and the changes made in 1955 to give greater freedom to the Ministries was regarded as not quite sound by the orthodox standards. However, there is in Parliament a feeling that the Ministry has been exposed to unwarranted criticism and the Finance Minister has apparently swung round to the view that stringent criticism will put the Defence Ministry in a weak position at a time when it should be made to appear both strong and popular.

Indian Finance

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

Stock Market in First Quarter

THE stock market in Calcutta has given a satisfactory performance during the first quarter of the year. Except for a heavy landslide in values due to nervous liquidation noticed in the middle of March following the announcement of the credit control measures, almost all popular shares showed remarkable resilience and even tried to establish new peak levels on sustained demand from investors, as will be clear from the following price trends of a few selected shares in each counter:

	30th Dec. 1959 Rs.	31st Mar. 1960 Rs.	Percentage Increase or Decrease
Giltedged:			
3% 1986 Conversion	73.60	73.25	- 0.6
Banks:			
P. National	20.75	21.25	+ 2.4
United Commcl.	65.50	71.25	+ 8.8
Textiles:			
Jayshree	12.62	13.25	+ 4.9
Kesoram	23.12	24.12	+ 4.3
Coals:			
Bengal	296.00	330.00	+11.5
Burrakur	18.00	19.87	+10.4
Jutes:			
Howrah	24.62	23.00	- 6.6
National	27.00	30.75	+13.9
New Central	22.69	26.94	+18.7
Teas:			
Brooke Bond	18.25	17.62	- 3.4
Hasimara	23.25	24.19	+ 4.0
Jayshree	16.62	16.25	- 2.6
Tezpur	18.00	18.31	+ 1.7
Sugars:			
Carew	11.75	11.50	- 2.1
Cawnpore	14.37	15.59	+ 8.5
Champarun	19.75	20.00	+ 1.2
Engineerings:			
Indian Iron	23.22	22.48	- 3.2
Jessop	24.44	25.37	+ 3.8
TEXMACO	26.65	25.65	- 3.8
Miscellaneous:			
Orient Paper	38.50	41.70	+ 8.3
Shree Gopal	22.25	23.87	+ 7.3
Sirpur	13.87	15.50	+11.8
Rohtas	25.25	32.00	+26.7
Dunlop	36.00	39.00	+ 8.3
H. Motor	15.62	18.06	+15.6
I. Cable	30.62	30.25	- 1.2
I. Aluminium	23.75	25.87	+ 8.9
I. Copper	4.00	4.48	+12.0
I. Steamship	12.00	11.06	- 7.9
I. Oxygen	31.87	35.12	+10.5
A. Chemical	25.44	26.37	+ 3.6
Rallis India	81.75	109.00	+34.5
B.I.C.	5.56	7.53	+ 3.6
Aluminium Corp.	14.87	17.00	+14.3

It cannot be denied that the buoyancy of share prices in 1959 created conditions favourable to the investors who, at the beginning of this year, looked to the future with the confidence that their shareholdings would continue to be profitable, both in regard to dividend income and appreciation of capital values. As a matter of fact, they seemed to be less concerned with yields than with prospects of capital appreciation. It looked as if they were prepared to forego income for considerable periods in the conviction that they would be fully compensated in the future by the rise in the value of their holdings.

Thus, the extraordinary activity of the new issues market was the most outstanding feature of trading during the period under review. Investors responded eagerly to new flotations, whether in the form of right issues by existing

Indian Finance

concerns or by the newly-formed companies. The table given below shows that, in almost every case, the new issues were heavily over-subscribed:

Company	Type of Issue	Issue Price	Details of Issue
1. Hindustan Aluminium Corporation	Offered to public	Ord. Rs 10 Pref. Rs 100	Authorised capital Rs 20 crores. Proposed to issue Rs 8.35 crores—Rs 5.85 in ordinary and Rs 2.50 crores in preference shares. Public issue Rs 2.15 crores in ordinary and Rs 2.50 crores in preference shares. Total applications received were nearly 29 lakhs against 21.56 lakh shares to be allotted to the public.
2. West Bengal Financial Corporation	Offered to public	Rs 100	Bonds are issued for Rs 50 lakhs, carrying interest at 4½ per cent, redeemable at par on 1 March, 1972.
3. Jayshree Tea Gardens Ltd.	Tea Rights Ordinary	Rs 10 at par.	Offered in the ratio of one for every five shares held.
4. Dyer Meakin Breweries Ltd.	Rights Ordinary	Rs 5 at Rs 2 premium	Issued 1,62,066 shares in the ratio of two for every five shares held.
5. Associated Battery Makers (Eastern) Ltd.	Offered to public	Rs 10 at a premium of Rs 5	Issued Rs 80 lakhs worth of shares. The subscription list was closed on 22 January. Oversubscribed by about fifteen times.
6. India Safe Deposit Vault Co., Ltd.	Offered to public	Rs 100 Ord.	Out of proposed issue of 5,000 shares, only 2,300 shares offered to public; Rs 25 payable on application; Rs 25 on allotment and the balance of Rs 50 in calls, each call not exceeding one-fourth of the nominal value.
7. Vellore Electric Corp. Ltd.	Rights Ordinary	Rs 10 at par.	Authorised capital raised from Rs 6 lakhs to Rs 10 lakhs by the issue of 40,000 equity shares in the ratio of one for one held.
8. Victoria Mills Ltd.	Rights Ordinary	Rs 100 at par.	Capital increased from Rs 24 lakhs to Rs 40 lakhs by the issue of 16,000 Ordinary shares.
9. Radio & Electricals Manufacturing Co., Ltd.	Rights Ordinary	Rs 10 at par.	Issued 1,25,000 equity shares in the ratio of one for two shares held. Payable by Rs 5 on application and balance on allotment.
10. Attikhan (Bill-giri) Ltd.	Offered to public	Rs 2 Ord. Rs 10 Pref.	Total capital raised Rs 6 lakhs in two lakhs equity shares of Rs 2 each and 20,000-9 per cent Redeemable preference shares of Rs 10 each. Offered to the public one lakh equity shares and 10,000 preference shares.
11. Emerald Valley Estates Ltd.	Rights Ordinary	Rs 5 at par.	Issued 30,000 equity shares in the ratio of one for every two shares held.
12. Ravalgaon Sugar Farm Ltd.	Rights Ordinary	Rs 50 Ord. Rs 100 Pref.	Authorised capital raised from Rs 50 lakhs to Rs 1.04 crores by the creation of 48,000 ordinary shares and 30,000 preference shares. Issued only 20,000 ordinary shares to the ordinary and deferred shareholders.
13. Laxmi Starch Factory Ltd.	Rights Ordinary	Rs 100 at par.	Issued 22,000 ordinary shares and 10,000 unclassified shares, both of Rs 100 each.
14. Andhra Sugars Ltd.	Rights Preference	Rs 100 at par.	Issued 30,000-6½ per cent Cumulative Preference shares, pro rata to the holders of preference shares.
15. Premier Construction Co., Ltd.	Rights Ordinary	Rs 100 at a Premium of Rs 50	Sold 25,000 ordinary shares of the Indian Hume Pipe Company Limited. Applications were received for about 35,000 shares.

So great was the response to the new issues that many of the shares went to a substantial premium soon after they were issued. The result of such an activity in the new issues market was, that the imbalance between supply and demand had, to some extent, been corrected, while the shortage of floating scrip had become acute as more and more funds entered the market in search of first class investments. These are reflections of the rising tempo of industrial expansion in the country and of the confidence of businessmen and industrialists as well as investors in the outlook for private enterprise.

Coming back to the original theme, investors did not seem to be very much worried over the Central Budget from the beginning of the year on the thought that the largest proportion of any fresh revenue would have to come from indirect taxes, as direct taxes were well beyond the point where incentive to work and expand activities was affected. Again, they had the impression that the low yields, now

obtained, would be compensated by the scope afforded for modest appreciation over a period in the growth of stocks. There was, however, a general feeling amongst certain operators that there should be new taxation, both for planning and defence. Thus, in January, trading was generally restricted and the trend of prices remained undecided.

The market started February rather shakily and many operators applied pressure, indicating the usual pre-budgetary nervousness. The spate of new issues, which had already been made and which were yet to be offered, also contributed, to some extent, to the downward trend in values. Also, the investing public preferred to subscribe for such new concerns as were coming into existence, as they felt that the return on their investments, in equity shares of the existing concerns at the prevailing level of prices was not attractively remunerative. It was, however, noteworthy that there was no sign of aggressive selling in any of the counters. This appeared to be due to

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hopes that the Finance Minister might not do anything to undermine the confidence of investors, especially when the country is about to embark on a gigantic Third Plan. It was also felt that, while the State Budgets had been harmless, no radical measures would be proposed. Again, it was believed that the continued large-scale expenditure would accentuate inflationary pressures, which might provide a good hedge against inflation.

As a matter of fact, there was a flair-up in equity prices following the announcement of the Budget proposals. Although there was genuine disappointment over the absence of much-needed relief in corporate taxes, bull operators were inclined to the view that, with the extension of tax exemption to the new industrial undertakings for a further period of five years, there would be a boom in new capital issues. Naturally, operators came out as aggressive buyers and the craze for buying infected almost all the sections of the market.

After enjoying a veritable boom till the first week of March, the market witnessed a steady decline in values due to various factors. A section of the operators was inclined to the view that, in the absence of genuine support from investors, the steady rise in prices was mainly speculative in character and could not be maintained without leading to a vulnerable position in the market. This view was based on three possible developments in the coming weeks.

First, operators feared that credit restrictions might be tightened in order to curb speculative activity in stock markets. Secondly, they thought that, in case of a failure of negotiations with China, there might be a possibility of a Supplementary Budget being presented in Parliament to step up defence expenditure. Lastly, the continued strike by the State Bank of India employees induced some fears that the banking facilities would be disrupted and there would be difficulties in clearing cheques.

As the market was thus largely in the hands of speculators, the slump in values, in the third week of March following the announcement of the credit control measures by the Reserve Bank, was sudden and sharp due to heavy liquidation by nervous holders. Moreover, the strict observance of the margin in practice even in the case of discounting bills by certain banks seemed to have added an element of panic. Even the Stock Exchange authorities were compelled to fix up interim clearing rates to enable the operators to avoid further losses despite the fact that the previous settlement was held only on 9 March.

Thanks to the subsequent clarification made by the Reserve Bank, that its directive regulating advances against shares would not apply to the purchase of demand bills covering stock exchange securities to be despatched from one centre to another, induced some bear-covering at the lower levels, resulting in a steady recovery in prices. Also, the investment counters put up slight gains on support. Influenced by the belief that the LIC might step in to take advantage of the prevailing low prices. As a matter of fact, the market gave definite hints of returning sobriety toward the end of the quarter and these were reflected in a substantial volume of replacement buying and the flurry of covering purchases. The main inspiration for the bull operators was derived from the report that the Investment Committee of the LIC, at its meeting held on 25 March, had accepted the bids given in respect of some active shares. There was also a general feeling that the return of large funds, locked up as a result of over-subscription in respect of some recent issues, should augment the floating funds.

In the dealings during the quarterly period under review, price movements were mostly

influenced by the speculative activity in Indian Irons which, in turn, were subjected to wide fluctuations on alternate bouts of buying and selling. Other Engineering issues moved in sympathy.

The only section, which was practically neglected throughout the quarter, was Jute. Despite the strong statistical position of the industry and the firmness of jute goods prices, operators were inclined to restrict their commitments on the feeling that the profit margins of the mills might be squeezed in view of the disproportionate rise in fibre prices.

Coal shares responded well to selective enquiries on expectation of a rise in demand for the commodity in view of the new steel units coming into operation and the reports of rising consumption. Hopes were also entertained that the fixation of a high target in the Third Plan would be followed by incentives on the lines demanded by the industry.

Tea shares were rather susceptible to the fluctuations of rates at the auctions held in Calcutta and London, resulting in only a scrappy business being recorded. The obscure outlook for Common tea also induced some caution in the minds of the operators. A few shares, however, showed a smart recovery from the low levels touched early in the period. Apart from the approaching time for the announcement of dividends by various companies, there were talks that the tea stocks with the trade were not high and the internal consumption was on the increase. It was, therefore, believed that the first export sale for the new season, to be held in the second week of May, might get a good start.

Sugar shares came in for good demand at enhanced levels in the wake of investors expecting increased production during the current season.

In the Textiles section, price movements were rather halting in view of the reluctance on the part of operators to extend commitments. It was feared that, on top of costlier raw material supplies, an unexpected increase in wage costs would cut seriously into the profit margins of various mills.

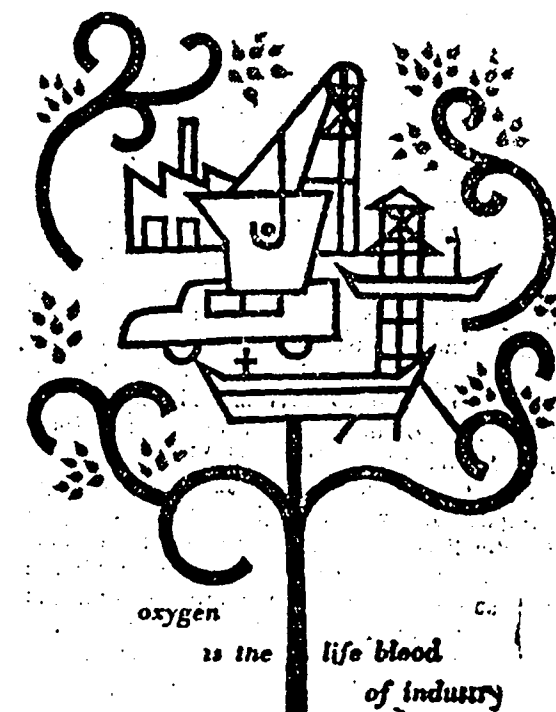
Generally speaking, Miscellaneous issues received constant attention throughout the period, thanks to sustained investment support for the blue chips due to growth prospects and the release of encouraging corporate news.

Report on Family Planning

THE DHANVANTHI RAMA RAU Committee Report on Family Planning, which would need to be made available in printed form to the wider public, is a document of more than ordinary importance. The cautious and balanced character of its recommendations, like that of the Nijalingappa Committee's proposals regarding co-operative farming, renders it far less controversial than it might have been easily otherwise. It is commendable for more than one reason. In the first place, it belies a certain vague fear that the sanctity of the 'family' would be in jeopardy under a population control programme, even as the Nijalingappa Committee Report has belied the fear expressed in some circles that there would be danger to the 'farm' under a co-operative farming programme. So long as the golden principle of 'voluntariness' is honestly emphasised and sincerely adhered to—experience to date in the country in the sphere of co-operative farming as in that of family planning suggests that this principle may not be lightly discarded—there will be no danger to any of the three F's, namely, farm, family and freedom, as far as one can look ahead.

The second reason is that it has amply justified the hope expressed, for example, in the editorial columns of this paper of 24th October, 1959 to the effect that "it may also be that the Committee will ultimately recommend a cautious, balanced and generally acceptable programme of population control in the peculiarly complicated social and political milieu of this country." The hope is justified in the sense that the Committee has firmly set its face against such drastic and dangerous remedies as legalisation of abortion and mass sterilisation by compulsion, however 'serious' the demographic situation may be. Where the Committee itself "appreciates that no definite view can be expressed regarding the optimum population for India, as it depends upon the consideration of innumerable variables whose precise magnitude cannot be predicted with any accuracy", it has wisely confined itself to setting the goal as one of reduction of the present birth rate of 40 per 1,000 by 50 per cent by the year 1986 and it has equally wisely refrained from defining a theoretical "ideal" size for the family. In the result, a flexible and practical programme of family planning has emerged from the labours of the Committee—a programme that may well lead to the voluntary adoption of regular family planning practices by large sections of the population throughout the country. That men in power can be wisely guided by talented people discharging their public duties honestly and conscientiously is borne out by some pragmatic arguments advanced by the Committee for or against the various alternative methods of population control.

For example, in rejecting the suggestion that abortion be legalised as in Japan where, according to the Committee, it "has assisted considerably in bringing down the birth rate within a short period," it is argued that a resort to that method of population control



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would lead to very undesirable results. This argument is based on another aspect of Japanese experience which has shown that, in many cases, the same woman who had one legal abortion on grounds of health or economic stringency resorted to it several times in the same year. The Committee has, therefore, recommended that the "ethical, rational and scientific basis" of the whole family planning movement in India—a basis "where medical knowledge has been utilised to prevent conception and not to interfere with an established pregnancy"—should continue unimpaired. Even if the ethical objections could be brushed aside, there is the convincing practical argument that "the organisation of medical services for legalised abortion would present a most difficult situation in view of the paucity of qualified medical practitioners and the necessary medical services in the rural areas." Although, thus, the Committee has wisely rejected the suggestion that induced abortions be legally permitted, it has not indicated how the incidence of illegal abortions—a practice which according to its report, is widely prevalent in India—can be reduced. Perhaps, the implication here is that with the implementation of the proposed programme for a wider use of dependable contraceptive methods and for voluntary sterilisation, there will be fewer and fewer illegal abortions.

Secondly, while expressing the view "that sterilisation under certain safeguards is a necessary and valid measure in India until such time as contraceptive methods are universally in practice among married couples", the Committee has firmly rejected the suggestion that this be done by compulsion. Compulsory sterilisation, according to the Committee, might lead to abuses and is not desirable; greater success would be achieved by voluntary and regulatory measures. While this recommendation is even wiser than the one regarding abortion, it is somewhat difficult to understand why the Committee has not even tried to establish that there are no biological and psychological complications in male or female sterilisation. The Committee's belief that voluntary sterilisation is likely to become more popular if the requisite surgical facilities are more widely available, seems to be partly based on the fact that the number of sterilisation operations actually carried out has increased from about 8,000 in 1956 to around 19,000 in 1959. This increase is not so very impressive in absolute terms as to suggest that with the provision of more surgical facilities, sterilisation will necessarily become sufficiently popular to have any significant impact on the population situation in the foreseeable future unless it is established convincingly that some popular doubts and fears in this regard are wrong. Those who have already sterilised themselves constitute a sufficiently numerous 'universe' from which a random sample can be conveniently drawn and investigated thoroughly to find out if there are any biological and psychological effects of an adverse character. That such a study is necessary if sterilisation is to be encouraged or discouraged, need not be over-emphasised. The Committee's recommendation that facilities for sterilisation be made available free of charge at hospitals and other medical institutions undertaking surgical work, is alone not sufficient to give an impetus to this voluntary movement, assuming that it is really harmless.

Anyway the Committee itself seems to have some mental reservations about the desirability as well as the feasibility of sterilisation where it is thought of as a temporary method to be popularised "until such time as contraceptive methods are universally in practice among married couples". It thus happens that the Committee has recommended that information and assistance on contraceptive methods should

be very widely disseminated so that all married couples can adopt the habit of planning their families according to their choice. These methods, however, are not as yet cheap enough for the masses where they involve clinical help and guidance. A "non-clinic approach" is therefore recommended for the rural areas where the simpler, though less efficacious, methods could be more widely disseminated. "The wider coverage acquired by the simpler methods could help to overcome their lesser effectiveness, as far as the probable slowing down and lowering of the birth rate is concerned. The point about the handling of simpler methods in the absence of doctors is important because, if family planning services are to be circumscribed by the availability of doctors, the extension of the programme will be gravely retarded."

The Committee's recommendation that there should be one main family planning centre in each Primary Health Centre with five sub-centres, so that the main centre could cover a population of 16,000 and each of the sub-centres a population of 10,000, is certainly realistic if family planning advice and supplies of the simpler methods are to be given more extensively in the rural areas. A provision of Rs 100 crores in the Third Plan for these and other services and for supplies of contraceptives, as suggested by the Committee, would appear to be reasonable. Since contraceptives are to be given free only to the low-income groups and classes, the proposed outlay of Rs 10 crores on this account alone is certainly necessary. It is to be hoped that the Planning Commission will keep this provision intact in its final formulation of the Third Plan. If it can be ascertained that the Hindus in general have no religious objections to contraception—it may be that they do not have any for the reason that their traditional method of family planning through judicious spacing of children is not quite possible in modern conditions of living—that seems to be the safest method, deserving of wider application, in preference to sterilisation even of the voluntary kind. Even here, the biological and psychological effects of contraception would need to be concurrently studied if family planning is to proceed on sound and scientific lines.

Prices and the Plan

(Contributed)

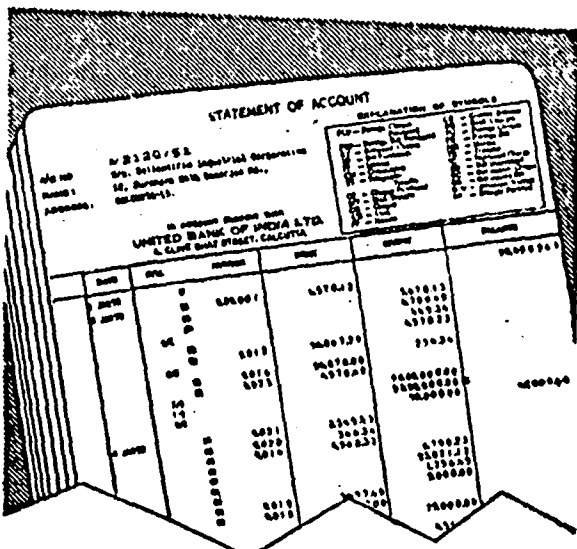
THE problem of rising prices continues to cause concern. The wholesale price index (with the year ended March 1953 as 100) stood at 119.7 during the week ended April 9—the latest period for which statistics are available—which was higher by 6.5 per cent compared to a year ago. Since the commencement of the Second Five Year Plan, the price level is estimated to have gone up by about 20 per cent. The Finance Minister has often pointed out that in a developing economy a rise in prices is inevitable. This may perhaps be correct to some extent. But that does not certainly warrant any complacency about the price situation. The concept of planning will become unpopular in the country if the level of prices shows a steadily increasing trend, causing severe hardship to large sections of the population. Unless, therefore, serious efforts are made to halt the rise in prices and check the inflationary tendencies, it will be difficult to make the people enthusiastic about the Plan and enlist their cooperation for its successful implementation.

The causes for the higher price level are generally well known. According to Mr B. Rama Rao, former Governor of the Reserve Bank, two of the most important factors which have contributed to the inflationary pressure are the failure of the rate of production, especially of foodgrains, to keep pace

with the alarming growth in population and the deficit financing and other Government policies which have tended to increase the supply of money with the people. Mr Rama Rao therefore emphasized, in his speech at the Madras University last week, for giving the maximum encouragement to production.

It will be thus seen that at a time when the money supply with the public has shown a big increase—it was higher by Rs 170 crores at the end of 1959 than a year ago—the supply of food and cloth, the items which are most important from the point of view of fighting inflationary tendencies, has failed to show an appreciable improvement.

On the question of deficit financing, Mr Rama Rao said that resort to this device was not necessarily an evil so long as some caution was exercised. As a matter of fact, deficit financing in 1960-61 is expected to be only about Rs 150 crores as compared to Rs 230 crores in 1958-59. For the Third Five Year Plan deficit financing is estimated at Rs 550 crores as compared to about Rs 1150 crores to Rs 1200 crores in the Second Plan. Mr Rama Rao appears to have expressed satisfaction at the level of deficit financing proposed during the next phase of planning. But the question is whether our planners will be really in a position to keep it at the level of Rs 550 crores. It should be noted that according to present estimates, additional taxation to the extent of about Rs 1600 crores is envisaged. In the Second Plan, additional taxation raised during the five year period is estimated at around Rs 1000 crores and it is doubtful whether it will be possible to raise another Rs 1600 crores between 1961-65 without creating serious disincentives and other undesirable consequences. If there is a shortfall in tax receipts, then obviously resort to deficit financing will have to be much more than what is envisaged at present.



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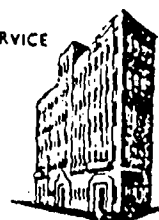
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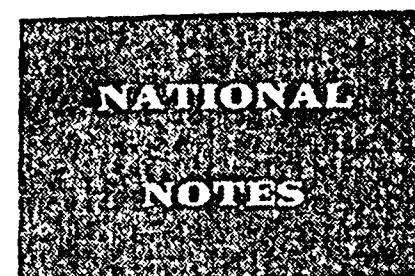
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Equal Pay for Equal Work

The Estimates Committee's directive to Government on equal pay for equal work, for men and women, calls to mind a vital reservation. When the Government of India decided to ratify, the Convention in October 1958, attention was drawn to the fact that the ILO had clarified that the ratification did not create an absolute obligation to implement the principle of equal remuneration regardless of existing conditions. A Government which had ratified the Convention was expected to ensure the application of the principle only in so far as it had control over methods for determining rates of remuneration as, for instance, in the case of public services and occupations and industries in respect of which Government is required to fix wages. In other cases, its obligation was restricted to promoting the principle through appropriate means. The reservation was necessary in view of the unsatisfactory trends in the employment of women in this country which had been noticed, particularly in recent years.

The decline in the number of women in employment over the fifty years since 1911, to which attention was drawn by a survey conducted by the Government Labour Bureau, may be open to

various explanations. Changes regarding ideas of prestige and social status may be one of the contributory causes, for census enumerators have reported a decided preference among rural families to return their women as "total dependents." But there is also evidence that labour legislation, which has obliged employers to grant maternity leave and other assistances, is responsible for the steep fall in the number of women in industrial establishments. The rationalisation of the jute industry in Calcutta has resulted in more women losing their jobs than men.

The Estimates Committee has taken a realistic view in suggesting that, while carrying out the obligation under the Convention, care should be taken to see that such measures did not lead to the reduction or elimination of women workers from industries where they were traditionally employed. Employment exchange statistics suggest that unemployment among women who seek work is in certain sectors as acute as among men. It will be poor consolation to the women who are shut out of jobs to be told that their plight is the result of the principle of equality for men and women.

While relaxation of the principle of equal pay for equal work as regards women workers may be permissible in existing conditions, there is room for doubt whether the principle could be stretched to cover the case of what are described as "unorthodox schemes" to create employment, reported to be under study by the working groups of the Planning Commission and, especially, the programme for creation of community assets by putting unemployed rural manpower to work at wages below the market rates.

Indian Rupee in Nepal

The news that Nepal will retain the Indian rupee along with the local rupee has only brought out the important position held by trade from this country for Nepal's economy. The last official report showing that 163 Nepal rupees are equal to Rs 100 (Indian) made it clear that the local currency had depreciated, also that bullion prices had gone up there also in sympathy with the rise in the Indian bullion markets. Nepal depends on supply of sugar and salt from India; in the case of sugar, North Bihar is the obvious source of supply but Nepali firms did not have funds to take up stocks allotted and sugar sold at Rs 49 per maund in Biratnagar in winter, described as a secure region economically. The fall in wheat prices helped Nepal but other foodstuffs were dearer. That is why a trade pact with India was sought by a visiting mission this year and the fact that Nepal can export jute has latterly been given some weight. Analysis of imports in November via Raxaul suggests that import duties are light and there is a good market

for vegetable oils as well as tea. The requirements of tobacco including cigarettes seem smaller than supposed, but India is selling cement and tyres to Nepal and there seems to be a useful trade in iron and steel manufactures already. The export of rice from Nepal may be temporary but one can look for larger exports of hides and skins to India. In future curiously the export of timber from Nepal seems small but the trade may be seasonal in nature. The export of tea from Nepal is mentioned but this may be due perhaps to re-export of tea drawn from Dehra Dun. It is evident that till minerals supplement timber the means to pay for imports may be very limited and this too may render foreign aid more important than generally presumed. (The start made in export of indigenous herbs and drugs may be termed hopeful and Nepal may find the export trade in potatoes a prop.)

Defence Contracts

Barely had the echoes of the Jeep case died down when the investigation into another Defence contract has been recommended. This may hold no particular moral but it suggests that the Defence Ministry's business practice requires a special study before improvement and its contracts must be vetted by a legal expert. The practice of Whitehall where every department keeps a trained lawyer apart from the Solicitor to the Treasury could well be copied with advantage in India. This is not the only conclusion provided by the postmortem on contracts and contracts.

The withdrawal of the Jeep case in London led to a brief debate in which the Prime Minister was forced to intervene. It came close on the heels of the argument over the audit report relating to the Defence Ministry, leaving in the public mind an impression that prompt comment, maybe, adverse in some cases has its own value.

The withdrawal of the case in London on legal advice may tempt some to ask why advice on filing the case has been departed from. The Government's original claim and the private firm's failure are now treated as trifles that cannot be remedied by the law. Mr H. M. Patel's removal from public employment presented necessarily a handicap. And to say the Queen's Bench is a foreign court in which a Minister cannot depose as a witness sounds strange when the Minister is a qualified barrister like the PM who may be able to score a legal victory and prove that the Inns of court do very well by their students. Compounding a civil case is easy but it could have been done by the solicitors far earlier and much expenditure on the action could have been avoided.

The point why the Jeeps were got from an obscure private firm in London instead of by a contract with the US manufacturer through the India Supply Mission is one of

the difficult issues raised. While the old saying about crying over spilt milk will recur readily, there is force in the argument that the dummy firm has scored a victory and the India Government missed the chances to consult its technical experts before entering into a contract.

New Names For Old

Madras Industries Minister Mr Venkataraman took the State Assembly into confidence regarding a proposal to start a factory to produce highly concentrated 'protein food.' Equipment worth 25,000 dollars would be turned over to one of the oil expelling concerns in Madras who would, in return, hand over 7½ tons of the product, not the oil but the "protein food", daily to the Government for distribution to school children. In former days this substance was known as groundnut oil cake and was used as manure or as cattle-feed. Any proposal to feed school children on groundnut oil cake will find the parents up in arms. The Food Technological Institute which has publicised the nutritional merits of the product, could not get very far with its "de-oiled groundnut". Mr R. Venkataraman has been wise to give it an entirely new name. 'Protein food' is bland and neutral having no associations with the plebian groundnut, so that a knowledgeable member of the Assembly got it mixed up with the proposal to start a baby food factory in the Nilgiris. A rose by any other name may smell as sweet, but there are quite a few who think that the Cooley Amendment to U.S. PL 480 will be more widely known in India if it could be called by some other name.

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STATES NOTES

Town on Top

The Madras Land Reforms (Fixation of Ceiling on Land) Bill had to run the gauntlet of the demand for fixing a corresponding ceiling on urban incomes. The deep-seated psychological urges behind the demand cannot be disposed of by the argument that property in land, which is a natural good, is different in many respects from other forms of property and that, while restriction on the area of agricultural land a person may own is justified by the demographic situation, that is to say the size of the agricultural population in relation to land resources, a ceiling on urban incomes would stifle the growth of the national economy. For the proposal revives in an acute form the traditional rivalry of town and country, which goes back to the days of Aesop, with scales loaded heavily against the latter. The country mouse in an up-to-date version of the fable will not have the heart to contest the tall claims of his cousin from the city.

The argument that ceiling on land is not the same as ceiling on rural incomes and that no limit has been set to the latter lacks conviction. According to the proposals of the Planning Commission which have served as the model for State legislation, the ceiling was fixed on the basis of annual income. The scope for augmenting the income by subsidiary occupations, or by improved methods of cultivation, is strictly limited. The only way in which an ambitious and enterprising individual in rural areas can get out of the orbit of comparative indigence will be by giving up agriculture for industry. The diversion of talent from agriculture to other pursuits, which the Prime Minister recently deplored, may be aggravated. While reduction of the population dependent on agriculture is one of the objectives of planning, to achieve it at the cost of keeping agriculture a depressed industry will have other undesirable consequences which will be hardly helpful to any programme to increase agricultural output.

To think that only the big landowners who are likely to be dispossessed of their surplus acres are disgruntled at the measure will be a serious mistake. The small peasants, and even the few landless labourers who are likely to be benefited, see in it the end of their aspirations. Everyone except the city-bred hot gospellers of land-reform know that the dearest ambition of the peasant is one day to become the master of broad acres. That hope may never be fulfilled,

but gives meaning to his life and saves it from becoming a ceaseless endeavour to draw "nectar in a sieve." The reform may add a few cents to his holding but shuts the door on hope. The Swatantra Party has good reason to be thankful for the Land Reform Bill.

Delhi's Master Plan

Delhi has prepared a Master Plan with a total outlay of Rs 145.30 crores to be included in the Third Five Year Plan. Of the various schemes that will be implemented, those relating to public utilities slum clearance and squatters' rehousing occupy the pride of the place. The schemes will entail an expenditure of Rs 39.27 crores. Next in the order falls the programme of private housing for which a sum of Rs 23 crores has been earmarked. This amount will also include the price of the land to be acquired and loans to be granted to the low and middle-income groups. The Government housing programme, comprising development of community facilities like schools, hospitals, community centres, police stations, post offices and parks, will cost about Rs 16.25 crores.

The scheme of improving sewerage will carry an amount of Rs 4.02 crores while a sum of Rs 1 crore has been set apart for the modernisation of drainage and the adoption of adequate precautionary measures to control floods. The programme for improving transport facilities will be executed at the cost of about Rs 7 crores.

Minerals in Rajasthan

The report of the Estimates Committee of the Rajasthan Vidhan Sabha on Mines and Geological Department submitted to the House recently makes disappointing reading. The activities of the department, as pointed out by the Committee, were conducted in a lethargic manner and it was responsible for the "negligible progress" made in the field of mineral development during the last 11 years. Whatever may be the reasons for this slow progress, it is indeed disheartening to mention that the fuller exploitation of the mineral wealth, on which the prosperity of the State depends, did not receive the attention it deserved. Yet it is quite encouraging to note that the Estimates Committee has brought forth a set of recommendations for expediting the expanding activities of the department for the speedy and fuller exploitation of the State's mineral wealth.

Of the recommendations made by the Committee, the most important that require careful attention are those aimed at removing the bottlenecks that retard the expansion and activation of the survey work and mineral exploitation. The paramount necessity of replacing the existing geographical division by a better system under

which one mining engineer will be in charge of a particular mineral was emphasised by the Committee. The Committee also suggested the formation of ten divisions instead of the present six division and six sub-divisions for proper administrative control. Apart from all these, the adoption of modern technological innovations in mining methods, instead of following the antiquated methods, will also be of immense benefit to the State.

NEFA's Third Plan

The high priority given to road development in NEFA's Third Plan which envisages an outlay of Rs 75 million indicates the main requirement in this region. Communication is a prime necessity and although considerable headway has been made in this direction during the first two Plan periods, much still remains to be done. During the Second Plan, road development has made rapid progress with the result that the target has been exceeded. It is expected that by the end of the current Plan period, there will be 1775 miles of roads constructed in the area. Already the divisional headquarters have been connected with each other by road and during the Third Plan period these will be connected with subdivisional headquarters.

Agriculture also is to get increased attention and self-sufficiency in food is the aim. Once adequate road linking the various parts are constructed and food self-sufficiency is attained, other development programmes will become easier of implementation. Now that the NEFA has come under the purview of the Border Development Committee, other needs of the region may be expected to get simultaneous attention along with the programmes included in its Third Plan.

Madras Institute of Technology

The work of Madras Institute of Technology in imparting higher post-graduate training in engineering subjects is gradually getting recognition of the authorities. The Institute started eight years ago is now in dire need of large resources to extend its training and research activities.

Delivering the Eighth Convocation Address of the Institute last week, Mr C. Subramaniam, State Finance Minister, referred to the dearth of technically qualified men all over the country. Though the State possesses twenty-one polytechnics, the Minister disclosed that there was still shortage of diploma holders. In the Public Works Department itself there were about 200 vacancies for engineering hands. There was lack of men with post-graduate training all over the country. All these bear eloquent testimony to the

fact that industrial development in India is making rapid strides. The Minister was not happy that in engineering studies, India was copying the advanced countries. Copying them might be alright provided there was also original research. Unless our scientific workers also contributed toward the discovery of new scientific principles, they could not claim to have done something for the technological advancement of the country.

Indo-German Trade

The pick-up in Indian exports to Germany in 1959 may belie the fears developed after the inception of the European Common Market. Nevertheless, India's excess of imports conditions the general attitude and the proposal for a joint commission, enabling German importers to get their quotas from approved Indian shippers, is regarded as a hopeful beginning for the essential expansion of trade. The fall in groundnut oil exports was maintained in a recent memorandum presented by the Andhra Chamber of Commerce to a visiting official and it has been noted that exports of sacking have gone down in recent years though hessian shipments are maintained. It is assumed that a drive to sell more coffee will be attended with swift success though Germany's close trade ties with Brazil may limit unofficial optimism.

The Andhra Chamber expressed the view that iron ore also could be shipped to Germany. But the European Coal and Steel Community is an accomplished fact and Germany has long been accustomed to buy ore from Spain. The continuance of India's large imports of German machinery is one reason for the plea; the other is the need for new markets, offering hard currency for Indian exports. The chances of a trade pact to expand Indo-German trade have been mentioned lately and Herr Krupp's visit this year has stimulated thinking. So also the deputation of two German experts to advise on improvement of tobacco cultivation in Andhra Pradesh. The liberalisation of imports by adjustment of quotas or tariffs in recent years is held up by officials as a favourable factor and the recovery of industrial production, despite a surplus of coal last year, is now taken as a reason for hoping that Germany will become a buyer of pepper, cashew and coir goods on a large scale. The Protectionist phase in Germany has apparently ended and the need for larger supplies of raw materials from underdeveloped countries is widely recognised though German agriculture will claim a degree of extended feather-bedding like British agriculture. The chances of more manganese being bought from India rest on the impending separation of the Congo from Belgium as also the export of German capital for new industrial ventures in India.

WORLD OF BUSINESS

Hire Purchase

THE Law Commission has prepared a draft Bill for separating the law relating to the hire purchase from the Sale of Goods Act. The draft on which opinions are invited is based on the English Act of 1938. It may be recalled that Miss Ellen Wilkinson in the thirties was made aware of abuses and sponsored a Bill for effectively protecting unwary customers from traders who had sold household goods on the instalment system and the postwar amendments (extending the law to other goods and raising value) have carried out further the main object of saving the purchaser who has paid many instalments from seizure of goods or forfeiture of money paid. It has been suggested that a purchaser should be able to purchase goods outright even while the agreement is in force and the full deduction of the amount previously paid should be allowed. In the case of premature repayment, a hirer should be shown special consideration to the extent of a rebate. This may not be exactly to the taste of finance companies or credit corporations, but the protection of the buyer who usually pays a stiff rate of interest on goods taken appears necessary. The prohibition of assignment of title in respect of goods taken on hire purchase should not be absolute if the finance company is able to get its dues on time. In respect of goods sold on an instalment basis a clear title should be given and liability should be limited to only the sum due on account. The fact that electric fans, radios, etc are now widely sold on hire purchase makes legal safeguards in the public interest necessary and the Bill specifies that actions under hire purchase should be launched only in District Courts because hire purchase is familiar only to people living in large towns.

The future of hire purchase may not depend only on the entry of banks into the field of consumer credit, and large-scale sale of durable goods may be possible only, if price is payable on instalments by middle class customers. India is not likely to have sales of clothing on an instalment basis though it is not unfamiliar at present. The obligation to specify the cash price, as against the total due under instalments due after the initial cash down payment is, of course, a major safeguard but proper entries of all recoveries on the hire agreement may be demanded by the situation. Proper care of the goods taken on hire is, of course, a condition applied in the

case of motor vehicles bought on hire but the lien of an unpaid seller has to be defined precisely under H. P. agreements. The Law Commission's careful efforts will certainly be welcomed by the public frequently told of bargains in regard to motor cycles, radios, etc bought on the instalment basis though needy buyers of machinery who cannot get long-term loans are also apt to go in for hire purchase through a credit agency. No automobile manufacturer in India has perhaps ventured into this field though General Motors has its famous Acceptance plan for continuing credit sales through its distributors at home.

Screw Industry

Shortage of raw materials continue to be the main handicap of the Indian screw industry. According to Mr D. V. Virmani, Chairman of the Screw Manufacturers' Association, the only source of indigenous supply of steel wire has been found to be unable to meet the entire demand. As import is strictly regulated, the screw industry has perforce to depend largely on the indigenous source which, it is pointed out, is not able to meet even 50 per cent of the requirements. It would, however, appear that the tight supply position may not last long as the expansion programme for the stepping up of steel wire production is nearing completion. The output of Indian Steel and Wire Products, the principal supplier of steel wire to the screw industry, is expected to increase sizably by the middle of next year. By about that time, steel billets in sufficient quantities will also be available from the public sector steel plants. Besides the difficulty in obtaining adequate supplies of steel wire, the industry is having other worries like irregular supply of wire nails and box strapping which are also in short supply. Here again the import restrictions seem to have placed the smaller producers at the mercy of the open market which invariably extracts a high premium. The remedy suggested is to allot quotas to the producers to get their requirements from indigenous sources or to issue import licences. Units in the Punjab are having the additional disadvantage of shortage of power supply. These units are now getting power for only 35 hours per week as against 96 hours previously. Mr Virmani has entered a plea to the Punjab State Government to give priority to the Screw industry in the matter of power supply.

Export prospects for the industry seem to be promising as some recent Indian trade delegations have noted that wood screws of Indian manufacture stand a good chance in neighbouring countries. But success will depend, as in most of our exports, on the industry's ability to maintain a high quality and competitive prices as well-known manufacturers are already in these

markets offering attractive terms to buyers.

There is need for maximising exports because the industry's production has already outstripped domestic consumption. Mr Virmani estimates the indigenous production of wood screws at around 11 million gross. Production of the 21 units registered with the Development Wing amounted to 7.8 million gross in 1957 6.8 million gross in 1958 and 8.1 million gross in the first eleven months of 1959. Domestic consumption is about 8 million gross. It may not be necessary, therefore, to increase the installed capacity of the industry for some time to come but as noted above it has other important problems to solve.

World Shipping in 1959

Ship-building statistics for 1959 put India at the bottom of the list while the USA leads. But India has no laid-up tonnage whereas Britain had nearly a million tons lying idle. The fall in new tonnage launched last year was due to the deterioration in world shipping, as evidenced by the fall in freights. The Lloyd's statistics do not cover China or Russia at present. The provision of large merchant fleet by Liberia and Panama is due to the flag of convenience tactics, not to their share of world trade. It may be, however, noted that Norway, like Greece, is dependent on income from her shipping. An industrially advanced country like Canada has a smaller fleet than backward Spain, but shipping is not without its paradoxes as before. The large additions to UK tanker fleet were in part due to the oil companies' building programme and the entry of liner companies also into the field.

No surprise will be occasioned by the revival of the German mercantile marine based on the activity of heavy industries. But the leading contribution in 1959 to new world tonnage was again made by Japan which had benefited from US orders previously. A point to note is that the USA has a large fleet on the Great Lakes but a part of the US merchant navy is still held in reserve. Only 16.4 per cent of existing world tonnage is described as over 20 years old and the laid-up tonnage may be largely overage. The entry of Yugoslavia as a builder of new ships, like Holland or Poland, may be due to special circumstances but she is hardly a rival to Italy which is building ships for export to the UK like Sweden which has a permanent customer in Norway. The rebuilt yards of Burmeister and Wain have long made Denmark a builder of ships on foreign account but it appears as if France has no export business worth the name. Among oil producers Venezuela is a regular buyer but the biggest buyer of tankers was Liberia which patronised impartially Germany, Japan and Sweden last year. The addition to India's total tonnage

was over 81,000 tons but her fleet with .75 million tons is below that of Brazil or Argentina.

The statistics give no indication of what Indonesia has gained from the Confiscation of Dutch shipping in the East Indies. One point made plain is that the leading maritime countries buy new ships abroad and this may be not without value when arguing about the urgent need to enlarge India's merchant navy by providing more funds. It may be noted that Pakistan too has made on the seas a start and her fleet of 26 ocean-going ships maintains links between Karachi and Chittagong. Pakistan expects to buy a tanker and has added three coasters for the Ceylon-Gulf route. The addition of 1,00,000 tons to the fleet in 1959 proves that the martial law regime did not lag behind others in development of maritime transport and her entry into overseas routes also calls for notice.

Bio-fertiliser Plants

The Government of India's decision to set up, bio-gas and bio-fertiliser producing plants in collaboration with the Chemolimpex, the Foreign Trade Company for Chemical products of Hungary, will be welcome news to the agriculturists in India. According to the agreement recently entered into, the Chemolimpex will provide the technical data and designs in addition to the technical know-how for the implementation of the scheme.

In the initial stage, two plants will be installed on an experimental basis, one in Kanpur and the other in Delhi. The former plant will utilise bagasse as raw material while the latter will avail itself of the cowdung and other agricultural wastes for the manufacture of fertiliser.

Plough Factory for Andhra

The Andhra Pradesh Government have finalised a scheme for the installation of a factory to produce mechanised ploughs in collaboration with a Netherland firm which has offered financial assistance to the tune of Rs 50 lakhs. Sixty per cent of the components required for the agriculturists will be produced in that State. The factory is expected to manufacture more than 1,500 tillers a month within five years. The sanction of the Government of India for the implementation of the proposed scheme is awaited.

Rayon Factory for Kashmir

The Government of Kashmir have decided to set up a worsted yarn factory in Srinagar in collaboration with the Japanese Government at an estimated cost of Rs 20 lakhs. Under the new agreement Japan will furnish all technical assistance to Kashmir and the team of engineers is expected to arrive in the State in July. The factory will possess a capacity of 600 lbs of worsted yarn a day.

FOREIGN NOTES

Re-election in Ceylon

The transient and embarrassed Ministry of Mr Senanayake fell over the weekend owing to a rejected Address. Dissolution and a general election are decreed in Ceylon and the only good feature is that conventions have been followed. The party strife will continue, though the Governor-General is there to run the administration. The Federal Party based on Jaffna will perhaps persist in its demand for regional autonomy and the party that reaches an understanding with it soon may have a far better chance of forming a new ministry after the next election.

The political future is unsettled but Ceylon will probably benefit by officials working as a caretaker regime and the Budget can be certified by the Governor-General who is not a foreigner to invite loud criticism for using his powers. The UNP may build up strength and the Reds may suffer a rout again. That is not without an advantage to the other parties and a lively summer campaign may be forecast. The tourist trade may not suffer, but it is certain that the Indian problem will be used to whip up Sinhalese voters' passions. The minority problem is at the back of the stalemate and India will have to wait till it ends. Delhi cannot make overtures or offer its terms about Liberalising citizenship regulations, and that is one reason why the UNP's return to office is awaited with only moderate optimism at present. The labour problem may not become acute for Indian workers must wait for a solution of the citizenship question, and the guess may be hazarded that the problem will be made easier by waiting and watching. The voters have certainly a greater responsibility after the UNP experiment following the MEP experiment. But the position suggests to some that the old Donoughmore constitution could be tried again and the minorities made to feel secure. However, that is not easy to revive and the Island's taste of adult suffrage may render the committee system useless. The experience of Ceylon is different from that of Burma or Malaya because the Army in Burma has retreated to barracks and the Malayan regime rests on the preservation of an elective monarchy. The two stable elements—the Army and the Sultanate—are absent in Ceylon, and there is no desire, as in Malaya today, for a composite nationality ensuring equality for the diverse racial elements. The linguistic zeal distorts political alignments.

Eclipse of Rhee

Dr Syngman Rhee who appeared to be a durable dictator has been forced to renounce his power and accept a Cabinet system. Not for him the powers of General de Gaulle but the status of a constitutional head of State like the President of Eire. The disturbances which broke over the land of morning calm have not been without value. The USA realised that the re-election was contrived by force or fraud and a rare-military force had made of Dr Rhee a potentate, not a patriot. The US envoy in Korea saw that Rhee had gone out of hand and restraint of the client-State was called for. The Korean Assembly's protest made the USA realise that control of Rhee's republic is vital not just because he has quarrelled with Japan.

The ROK must not be allowed to rock the boat and the truce of 1953 must be maintained and the old territorial division of Korea upheld. The restraints imposed on Rhee will help the US State Department to move towards the Summit without any awkward query from the Far East and the supporters of Rhee have been largely told that liberation was a US achievement and the USA is now in the former position of Japan in regard to Korea. This is not at all unexpected and may help to abolish soon the Rhee line, help Japanese fishing interests and even re-open Korean contract with China via Japan. The sudden eclipse of Rhee at home, most admired for his influence in Washington, is not traceable to the decline and fall of US power in the Far East. It may even help indirectly the cause of India in relation to China and dispel doubts about the course and consequences of US Policy in the Far East. The American alliance is seen by Koreans to be more important than Dr Rhee's leadership, at home at present and the forces of democracy at home are able to hold back the dictator. The USA is no longer committed to blind backing of Dr Rhee and sees that he has done little for a lot of US money spent on Korea over ten years. The USA sees perhaps that, like Peron, Dr Rhee too has shot his bolt and his claim to support for addition to American ways or his old anti-colonial prejudice is the obstacle to bringing Korea in line with the mutual security system based on a new treaty with Japan.

April 23

The way to get 23 April into the National Calendar has been lately discovered and St Andrew's Day with its Caledonian dinner has its counterpart in St George's day. That George is still on gold coins still getting dearer and as a Capadocian accepted in Europe has long acquired sanctity is widely known but the use of a flag may upset true Conservatives especially when the Red Ensign is adopted, and a

careless comparison with the Red Cross may follow. However, 23 April is not only St George's day meant for letting George do it. It is also Shakespeare's day and the English-speaking world has a great interest in Shakespeare. That the Day was a big one for Stratford-on-Avon was natural and the Commonwealth representatives assisted in the local demonstration of pride. If Shakespeare wrote up St Crispin's day only later generations set store by St. George who now is made Shakespeare's favourite saint. The Band is big business, as shown by editions of assorted sizes and has been termed a dollar export since Henry V (on film) conquered New York as easily as Paris and Hamlet too decided to be on the screen for ever. The Folios may have gone across the Atlantic but the tourists still stream into Warwickshire and the legend is a cult easier because there are no descendants of the poet even as in the case of George Washington—the only man who has truly become a monument. What would Christopher sly say—Perhaps "Let the World slide" towards Stratford and "ask for a pot of small ale". One thing more. St George's day makes an end of Bacon's claims Shakespeare has carried the day.

Commonwealth Trade

The first report from the 20th Triennial Congress of the Federation of Commonwealth Chambers of Commerce, held recently in Canberra, Australia, deals with the need to promote expansion of intra-Commonwealth trade. The report, from the federation's committee on industry and commerce, states that the Congress:

Recognizes the desirability of industrial development and economic growth of underdeveloped Commonwealth countries, and warmly supports the policy of expansion of intra-Commonwealth trade.

Recognizes that it is reasonable for such countries to protect their new industries, particularly in the early stages of development.

Acknowledges that such countries must sell their primary and secondary products in order to develop economically, and recommends that other Commonwealth countries examine ways and means of buying from them in ever greater quantity and variety than at present.

Recognizes the existence of balance-of-payments problems and that these may persist for some time, thus necessitating the retention of exchange controls and currency restrictions—even among Commonwealth countries using sterling for the conduct of external trade—but the Congress believes that removal of currency restrictions and full convertibility are the most desirable objectives, full convertibility being an early necessary step.

The report states that these steps envisage the development of existing, and the establishment of new, industries under tariff and other protective measures, but the Congress

is aware that this might mean traditional suppliers finding themselves confronted by diminishing markets or barriers to trade expansion.

The Congress therefore suggests that there is a case for all Commonwealth countries to re-examine their industrial protective machinery, at stated intervals to see whether unnecessary artificial barriers to an expanding Commonwealth economy are being created, and whether some existing secondary industries, or any contemplated, are truly economic to the country concerned and the Commonwealth as a whole.

No Soft Lender

A very high rate of new development lending, increase in the Bank's capital as well as increased contributions from member countries, moves toward establishment of the International Development Association and expansion of technical assistance work are among the highlights of the World Bank's operations surveyed in Mr Eugene Black's address to the last session of the U.N. Economic and Social Council. Among the new developments is the growth of the Bank's lending in Africa. Since April, 1959, the Bank has made nine loans totalling over \$260 million in this region to which it has turned its attention comparatively late. The Bank's total lending has been running at the same high rate as in the previous two years, when new lending was over \$700 million. New loan commitments in the first three quarters of the current fiscal year amounted to \$560 million.

Growth of the Bank's lending resources has kept pace with the continued heavy demand for development finance from member countries. The increase in the Bank's authorised capital, most of which remains at call with member countries, constituted a "massive reinforcement of the Bank's borrowing power in the investment markets of the World". The Bank President has pointed out that the market for the Bank's bonds is widening and is not now confined mostly to the USA as was the case in the immediate post-war years. More than half of the Bank's funded debt is now held by investors outside the United States. This has been accompanied by the growth of private investment in development financing, a process which has been actively encouraged by the Bank. In fiscal 1958-59, the Bank participated in five joint operations with private investors in the United States market which raised a total amount of \$250 million, the Bank's own contribution being \$100 million.

The growing external indebtedness of the countries in the throes of development draws attention to the useful role that the IDA can play in extending assistance to these countries without aggravating the burden on their balance of payments. Dealing with the criticism, much of it unkind, which has greeted IDA even before its birth, (the IDA is expected to come into existence sometime before the end of this year) Mr Black has reaffirmed that, while the IDA will make soft loans in the sense that they will not bear heavily on the borrower's balance of payments, it will not be a soft lender.

MR CHOU EN-LAI has come and gone, and we are not very far from where we were before. This, of course, accords very much with expectations, though considerable misgivings were expressed by opposition parties at the time the idea of the Chinese Prime Minister's visit was mooted. There was no reason at all to feel that Mr Nehru would give anything away, but, from what we can piece out of the actual course of talks, it would appear that the Chinese had different notions of what they expected out of the meeting. The distinction between "talks" and "negotiations" that seemed to come as somewhat hair-splitting was not so excessively thin-spin. After all, for the Chinese came with some idea of "pulling off a deal." Roughly speaking, the idea was to make India yield up the large area in Ladakh in exchange for the Chinese accepting the McMahon line in the East. It was hardly likely that India should accept this kind of simplification of the whole question to the level of what Mr Nehru called a "barter."

I must say that I cannot withhold some admiration for the bland way in which Mr Chou En-lai ignored the Himalayan (in more senses than one) in favour of such over-simplification. His press conference was something of a tour de force in this respect. (Incidentally, there was something intriguing about Mr Chou's reported anxiety to meet the press even before the talks came to an end. Even at the press conference, Mr Chou, it would appear, was most "forthcoming" and it was only the correspondents' desire to catch up with their copy and their sleep that put an end to it). But, in the light of Mr Chou's particular amplification of the joint communiqué, it is clear what he wanted out of the press conference. Throughout his talk to the press, he went about as though certain things that happened in the last two years were of no particular significance for the discussion of the border dispute. The way he made it appear was that the current talks were some kind of leisurely discussion on a long-standing problem, vexatious no doubt, but with no real urgency from the point of view of cordial relations among the two peoples. In fact, he set it in the background of his iterated "millennial friendship" between the two countries. He seemed to imply that there should be no difficulty in settling this dispute with India in the same way in which he settled the dispute with Burma and Nepal. (Of course, as regards the latter, the fat is already in the fire, what with Chinese claims to the Everest). But the basic fact which Mr Chou ignored was that

Clive Street Gossip

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

the whole situation has been precipitated by—not to put too fine a point on it—Chinese aggression in Indian soil in the last two years. When a correspondent drew his attention to this aspect of the matter, Mr Chou said—apparently naively, but really not so naively—that Mr Nehru never said anything about "aggression" in his talks, and any such suggestion would be "unfriendly." Tackled later at his press conference, Mr Nehru was fairly blunt about it: "If we think, and if we told them that they have come on our territory, what does that mean? Obviously, it means they have committed aggression."

Obviously, Mr Nehru could not get himself bogged in a discussion about the technicalities of "aggression" with Mr Chou. But, in discussion the "adjustments" of the western frontier, the question of recent Chinese occupation of the area that we consider ours would obviously arise. And all that Mr Chou says in respect of this is that the area in which they now are is Chinese territory. The Aksai Chin area, which we claim as ours and into which we say the Chinese have moved in the last eighteen months, has been, according to them, in actual or "constructive" possession of the Chinese for the last two hundred years. In this connection, the Chinese make use of certain statements of Mr Nehru torn from the context. Mr Nehru once said that these remote regions are uninhabited and that "not a blade of grass grows there" or something to that effect. This is seized upon to show that the Indians had never been in control of the area. It is, I suppose, the same logic that makes the Chinese claim the Everest as theirs.

But it is in expounding the six "points" (which the Indian Government could not accept) that Mr Chou was at his blandest best. Their formulation, some elementary and others more involved, are admirably sutra-like, and apparently cover the entire gamut of the dispute. But there are crucial equivocations in them, and only those who carefully scrutinise them will spot them. Read as a whole, however, it would appear to a non-involved public (for whose consumption, no doubt, they were intended) as eminently reasonable and even elementary. And when Mr Chou informs the world that

the Government of India do not accept these (without, however, saying why) it will naturally assume that India is being obdurate. Let us look at these principles:

1. There exist disputes with regard to the boundaries between the two sides.
2. There exists between the two countries a line of actual control up to which each side exercises administrative jurisdiction.
3. In determining the boundary between the two countries, certain geographical principles, such as watersheds, river valleys and mountain passes should be equally applicable to all sectors of the boundary.
4. A settlement of the boundary question between the two countries should take account of the national feelings of the two people towards the Himalayas and the Karakoram mountains.
5. Pending settlement of the boundary question between the two countries through discussions, both sides should keep to the line of actual control and should not put forward territorial claims as pre-conditions, but individual adjustments may be made.
6. In order to ensure tranquillity on the border so as to facilitate the discussions, both sides should continue to refrain from patrolling along all sectors of the boundary.

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nothing has happened in the last two years that is inconsistent with an earlier position. Taking that view, they are able to invoke the fifth point, and say, fantastic as it may sound, that it is the Indians who are making territorial claims on the Chinese. It comes to this, then: Not only is each expression in the "points" loaded with equivocation; the crucial question of who is the owner of the areas now occupied by the Chinese in Ladakh is not to be discussed at all. Since the "line of actual control" is so heavily in China's favour at the moment, it has nothing to lose in not coming to any agreement at all. (Any one who has any experience of "negotiating" with the Chinese knows what a weariness of the flesh it can be. Our own experience over Bara Hothi is an eloquent example). And here is the crucial trap: since we cannot bring up the question at all, the status quo will continue indefinitely, giving time to China to consolidate its

position. This suspicion is strengthened by the sixth condition to the effect that patrolling should be withdrawn. In other words, we should leave the Chinese alone to carry on their work of digging themselves in the territory over which they have "actual control."

The blunt truth seems to be something like this: China is and probably has always been interested only in occupying portions of Ladakh for reasons that are fairly obvious. But the claim for areas in the Eastern and Central regions has been deliberately put up, with every intention from the beginning of eventually giving it up; and, in return for this great "sacrifice", ask India to yield what China has always wanted. This pattern of behaviour gains plausibility from a number of related facts. First, the series of agreements with Nepal and Burma on the basis of the MacMahon line were not only in-

tended to demonstrate to the world the comparative tractability of the Chinese in other contexts and thus underlining Indian "obduracy"; it was also intended as a partial bait to India. It is significant that though, chronologically, aggression in Ladakh was earlier, it was comparatively quiet. (The Government of India's unfortunate silence over the fact undoubtedly aggravated matters). The first well-publicised aggression was in Nefu. The consequence was that Indian opinion was aroused over the violation of the MacMahon line, with the result that we were fairly worked up about the Line. The Chinese knew that they never had even a semblance of a case over it, and they are now ostentatiously giving it up, but as a price for the thing they really wanted. It is not without significance that the Indian Communist party also went through the motions of heart-searching, and eventually agreed, with every motion

of patriotic fervour, that the MacMahon line was inviolable. It was, however, significantly temporising over Ladakh. (Even Dange and his friends, who came out openly in favour of the MacMahon line, seemingly precipitating a party crisis, were ostentatiously uncertain about our claims in Ladakh).

Coupled with this is the fact that the long-standing dispute with Burma was suddenly resolved on the basis of the MacMahon line—a concession that China apparently was not formerly willing to make. Then came the agreement with Nepal, though this latter seems to be coming out at the seams. Both added up to a considerable propaganda advantage, since India could be black-mailed with the threat of seeming to the rest of the world as the unreasonable party. (In view of our known thin-skinned reaction to world opinion, this calculation is entirely without basis).

In the event, however, India has shown that it is not willing to fall into all this elaborate trap. The communique shows that there really was no common ground. And Mr Nehru did insist on keeping each particular sector apart and investigate the claims. Indeed, he was willing to examine the factual material regarding the claims over Ladakh. It is the Chinese (whose calculations were entirely different) who were not "ready" with their facts. Incidentally, for people who are in actual control of area, their unreadiness to discuss their "legal title" to such de facto control is surely significant. Mr Nehru, therefore, agreed to let the Chinese produce their facts and have them examined by the officials. But the basic differences are very much there, and it looks as though we must learn to live with our border problems for a very long time to come. A depressing conclusion, but one that has been evident ever since the Chinese started their adventures along the Himalayas.

American enterprise was at work in the city last week. You received an invitation to see a film produced by Fortune magazine about The Big Change in World Markets; and once you went there, to the USIS auditorium, you saw a select few businessmen gathered, also wondering like you what it was all about. The picture started: war-ravaged Europe was shown to transform itself. The underdeveloped countries are not left out; modern methods in agriculture and rapid industrialisation change the landscape of India or Latin America. Ah, yes, at the end of it you get the notion that The First National City Bank of New York appears to be trying to get the message across: "Trade"; and as you leave you thank Mr E. R. Cutting for a very pleasant evening.

EAVESDROPPER.

Indian Finance

30 April 1960

GATEWAY GOSSIP

Two New States

WITH the inauguration of Gujarat and Maharashtra on 1 May, the number of States in the Indian Union will be increased to fifteen. The birth of the two new States may be expected to mark the final chapter in States reorganisation. Although Parliament had arrived at the decision some three years ago that for various important reasons, the region comprising the Bombay State should be a bilingual State, the dispensation was not liked by quite a large number of people. It became clear to close observers of the scene that emotional integration essential for the successful functioning of the bilingual State would not be achieved. A large section of the people were for unilingual States and their demand was insistent and in recent months had been backed by popular support. The Congress leaders had ultimately to bow to popular opinion and once the decision to bifurcate was taken, its implementation proved to be easy. Financial arrangements between the two new States did not present any insuperable difficulty as both parties were quite accommodative.

Even as these notes are written, the five-day celebrations to usher in the new States have begun. People in both the regions are naturally happy that at long last their long-cherished wish has been fulfilled. It is not as though they are unaware of the handicaps that both the States will have by electing to separate, especially after three fruitful years of joint working in the bilingual State. But there has all along been a feeling under the surface that unilingual division will be more satisfying and will be more conducive to sustained effort.

It would, however, appear that emotional integration will continue to demand some attention in both the States. The demand for a separate Vidarbha State indicates the task ahead in this direction for the Maharashtra States. Gujarat may also have its own share of this problem if only in a lesser measure.

In other directions too both the States have heavy work awaiting them, in common with the rest of the country. Perhaps, Gujarat may find the going harder than Maharashtra in the initial stages as it is financially rather weak. Dr Jivraj Mehta, the prospective Chief Minister, has pointed out that large financial resources for development projects may not be forthcoming if the State is left to itself. Substantial Central assistance has to fill the gap and the Planning Commission will no doubt take note of Gujarat's requirements.

In course of time the State by itself will become strong enough to find adequate resources for its future plans. There are considerable natural resources waiting to be tapped, and what is more, there is the people's determination to make Gujarat strong in every respect. There will be no worry about attracting entrepreneurs to establish new industries as Gujarati businessmen will be only too ready to contribute to economic development of their own State. The businessmen of Gujarat have already drawn up schemes for the rapid industrialisation of the region. The fact that Cambay oil has been found to be commercially exploitable has opened up new avenues. Although the oil refinery will be truly national, its location in Gujarat will certainly help accelerate the economic development of the region.

Mr Y. B. Chavan, Chief Minister of Maharashtra, has indicated what a separate Maharashtra State can and should do. On his part he has promised a clear and efficient administration and his record as Chief Minister of bilingual Bombay will be remembered. Rehabilitation of the peasantry will naturally claim the new State Government's main attention. For as much as 64 per cent of the State's population are peasants and the sown area is also largest in whole of the country. Oilseeds and cotton are the two important cash crops but in foodgrain production the State is yet to attain self-sufficiency. The problem of providing increased irrigation facilities has to be given a high priority as only about 5 per cent of the gross cropped area at present receives irrigation facilities. Apart from making agriculture efficient, the State Government have to initiate measures to improve the lot of the tiller of the soil.

On the industrial front, there are already a sizable number of units in varied fields. Cotton textiles engineering, chemicals, paper boards and vegetable oil are some of the more important industries. Of course the textile industry is occupying a predominant place but other industries are also becoming increasingly prominent. Even so, the State will have to put forward sustained effort toward developing the industrial base of the economy. The fact that the State abounds in natural resources adds to the people's interest. Though as yet the region lacks adequate electric power, the commissioning of Koyna from October 1961 will sizably augment the power supply. A number of important industries, big, medium and small based on the power supply from Koyna are planned. An aluminium plant and a newsprint factory have been proposed in the Koyna region. Rich deposits of iron ore, manganese, and bauxite have been found in Vidarbha and these may open up new vistas for industrialisation in the State.

OLYMPUS

India's Trade with West Europe

THE Union Ministry of Commerce and Industry has just released here the report of the Indian Government Trade Delegation which, under the leadership of Mr K. B. Lall, ICS, visited West European countries in September-October last year. The report is mildly optimistic on the score of a possible expansion in India's exports to the six European Common Market countries in particular. This optimism stems, in part, from the Delegation's appraisal of the trend of growth in industrial activity and levels of personal consumption in Western Europe—a trend which, it is expected, will increase the demand for the kind of raw materials which are exported or can be exported by India. It is also partly based on the "assurance" of the European Economic Commission at Brussels that the need of a developing country like India for a relatively larger expansion of trade would receive their careful attention while shaping the tariff and quota policies of the member states of the common Market. It may be that this optimism will be found justified if the present proposal of the Common Market to reduce its external tariff by 20 per cent by way of concession to third parties comes to be implemented in July next. But there is no certainty, as of today, on that score. Even if there is any such certainty, it is also equally possible that this country may not fare any better than other competing countries like Ceylon, Indonesia, Brazil, Turkey, etc., on the West European market. But, at the same time, it is conceivable that all exporting countries including India might be in a position to increase their exports to the Common Market countries.

In recent years, however, India's exports of some commodities to what are now the Common Market countries (West Germany, France, Italy, Belgium, Netherlands and Luxembourg) have either remained static or declined. The comparative picture of exports by India and other competing countries to the said six European countries is presented in a 20-page statistical appendix to the Lall Delegation's report. When these statistics are read along with the Delegation's appraisals of the prospects in respect of the major export commodities, it would appear that India's export performance in the years ahead may well be better in some lines than that of other exporting countries.

To take tea and coffee first. The Common Market countries have been importing tea from three

principal sources—Ceylon, Indonesia and India. The export contributions of these three countries have been as under:

(In \$ Million)				
Exporting Country	1956	1957	1958 Jan-June	1959
Ceylon	7	6	n.a.	n.a.
Indonesia	10	10	n.a.	n.a.
India	7	6	4.8	2.4

The above figures show that India's exports of tea to the said six European countries have been declining in recent years. The Lall Delegation believes that three significant factors, namely, rising standards of consumption, a growing tendency to discourage the use of alcohol and the campaigns under way to popularise the use of milk, open out better possibilities for tea. As tea has yet to find its due place in West European homes and the advantages of its use as a safe stimulant in industrial establishments are not yet widely recognised, the Delegation's advice is that the Tea Board and tea exporters must pay special attention to what can be a potentially larger market for Indian tea.

As for coffee, the Common Market countries have been importing that commodity from three principal sources—Brazil, Belgian Congo and India. The export contributions of these three countries have been as under:

(In \$ Million)				
Exporting Country	1956	1957	1958 Jan-June	1959
Brazil	163	141	n.a.	n.a.
Belgian Congo	15	20	n.a.	n.a.
India	5	12	8.6	2.2

It is noteworthy that Western Europe takes nearly 80 per cent of India's overseas sales of coffee. But what India exports to Western Europe accounts for only 2 per cent of the total coffee imports into that region. According to the Lall Delegation, Indian Arabica coffee enjoys a high reputation and is used as a quality blend; the only serious obstacle to larger imports is the small size of Indian exportable surplus. The Delegation's conclusion is that if Indian production can be expanded and Indian sellers can develop an enduring relationship with West European blenders, there is greater scope for an increase in the export earnings from coffee.

To take iron and manganese ores next. As far as iron ore is concerned, its exports from India to Western Europe have been on a limited scale so far. But, in the opinion of the Lall Delegation, the development of new mining areas, transportation, and port facilities on our West, coupled with mutually satisfactory transportation arrangements, should help West European steel industry to draw a portion of its iron ore requirements from India. The Delegation has gathered the impression that in the context of the steel industry's large plans for expansion, Italy and West Germany in particular will be interested in cooperating with

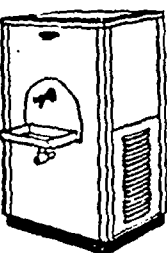
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Indian authorities in developing the ore bearing areas in South-West India as a source of supply of iron ore for their expanding requirements which cannot be met fully from their traditional sources of supply. Although the high quality of Indian iron ore is well known, the long haul landed costs are likely to be somewhat higher than those of supplies from near sources like Norway, Sweden and North Africa. But here the Delegation's hope is that it will not be too difficult to find a mutually satisfactory solution of the price problem.

As for manganese ore, there has been some decline in India's share of French and German imports of manganese ore because of preference shown towards imports from some other sources, particularly the USSR. It is disquieting that India's exports of manganese ore to the six Common Market countries have been valued at just Rs 1.1 crores in the first half of 1959 as against Rs 4.1 crores in the whole of 1958 and Rs 5.2 crores in the whole of 1957. The Lall Delegation's expectation is that an improvement in the off-take of Indian manganese ore will follow the development of closer contacts by Indian suppliers with industrial organisations in Western Europe.

Next in importance is the export of vegetable oils and fats. India's exports of these commodities to the six common market countries have declined, in value terms, from \$28 million in 1955 to \$2 million in 1957. The Lall Delegation believes, however, that Western Europe can provide an expanding market for Indian groundnut oil, for example, which is known for its quality, provided Indian production can be expanded and prices are competitive in relation to those quoted by suppliers in Africa and Brazil.

As for tanned hides and skins, the Common Market countries have been importing from two principal sources—UK and India. The export contributions of these two countries have been as under:—

		(In \$ Million)			
Exporting Country	1956	1957	1958 Jan-June	1959	
U.K.	11	13	n.a.	n.a.	
India	10	12	7.9	4.8	

According to the Lall Delegation, some of the West European countries are yet to appreciate the value of East India tanned goat skins, sheep skins and East India tanned kips. It is the Delegation's belief that since manufacturers of synthetics have not so far been able to furnish an adequate substitute for leather, the demand for tanned and finished hides and skins from India is bound to increase. This will be so because tanners and finishers in India are in a position to work on fresh skins in comparison with tanners and finishers in other countries who have to work on dry salted skins. Since, thus, finished leather of a high quality can be more cheaply produced in India, it should be possible to meet

the exacting requirements of end-users and build an expanding market in Western Europe.

Imports of Indian tobacco into Western Europe have always been relatively small. In recent years they have been around \$1 million in value terms, as compared to the imports of around \$70 million, \$35 million and \$20 million respectively from the United States, Greece and Turkey. But the Lall Delegation believes that there is scope for greater export of Indian tobacco to West Europe if sufficient attention is paid to convince the manufacturers there of the neutral qualities of Indian Virginia tobacco in the preparation of their blends.

As for exports of Indian jute fabrics, the six Common Market countries have absorbed in 1958 just Rs 2.5 crores' worth. Although the Common market countries have well-established jute industries which have been protected against competition from India and Pakistan by a combination of rigid quotas and high duties, the Lall Delegation's finding is that the advantages to the West European economy, which are likely to flow from freer availability of jute manufactures are being gradually recognised. The Delegation has also succeeded, to some extent, in convincing trade and industry in West Europe that larger exports of jute fabrics and products from the Indian sub-continent will prove mutually beneficial if quota restrictions and import duties are reduced. But, according to the Delegation, neither import duties nor quota restrictions need stand in the way of imports of jute fabrics for purposes of re-export.

The Lall Delegation has also indicated the possibilities for greater Indian exports to West Europe of some other commodities like pepper, some varieties of cotton textiles, handloom fabrics, handicrafts, coir mats and matings, carpets and floor coverings, cashewnuts, preserved fruits, molasses and power alcohol. The export prospects of these commodities would seem to be rather limited. But many a mickle makes a muckle. Even so, these commodities too may well contribute to an expansion in India's export trade with West Europe if the trade arrangements concluded by the Delegation lead to the expected progressive relaxation of import restrictions and to the establishment of joint trade commissions. If Indian exports to the Common Market countries do not substantially increase from the present annual level of around Rs 50 crores, it will be increasingly difficult to finance India's trade deficit of Rs 150-175 crores with those countries. The Lall Delegation has given the appropriate finding that Western Europe can retain its place as a supplier of goods to India only if there is a substantial increase both in the special financing facilities available from that area and in exports to it.



Handloom Industry

THERE was an interesting discussion in the Madras State Legislative Assembly last week about the position of the handloom vis-a-vis mill industry. It was refreshing to be told by the Industries Minister Mr R. Venkataraman, in a realistic fashion that the demand for a cent per cent reservation of dhoties and saris production for the handloom would "spell ruin of their handloom."

The Minister was replying to the debate on the demand for grants under "Co-operation". He was frank enough to avow that the handloom weavers' problem could not be solved by reserving production of dhoties and saris for their sector. Mr. Venkataraman recalled that when a resolution on those lines was adopted by the Madras State Assembly and forwarded to Parliament for its consideration, he had himself opposed this suggestion in the Lok Sabha since he felt it would not work to the benefit of the handloom weavers.

The object of such reservation would be to lose the Bombay and Bengal Market, Mr Venkataraman warned, as these are accustomed to borderless dhoties (sent from South-eastern districts of Madras) or saris. Such production by the handloom as contemplated by the reservation cry would then have to be consumed only by the South. He warned that mere political agitation would not solve this problem.

Mr Venkataraman has evidently come to realise the pitfalls facing the workers led by outside and professional agitators and has begun to adopt measures in the industrial field to see that workers understood their own obligations to their employers.

As an instance of his prompt and worthy measure to make workers realise their duty, he, as Transport Minister, ordered for bodies for the State Transport vehicles outside the Government-owned factory at Chrompet. There was a criticism as to why the Government running such a bus-body building unit should go outside this sphere to have their requirements scarcely realising the fact that the labourers in this Chrompet factory had adopted a go-slow policy. When the Minister preferred those bodies to be built outside the factory, the workers, realising their responsibility and reportedly gave up their go-slow tactics. It may be temporary or permanent. But the salutary effect of the Minister's methods on the mind of the workers was a worthy result of the welcome measure adopted by him.

Likewise, the handloom weavers in the State of Madras had been taking shelter under the protection given by the State. They have been crying for all kinds of privileges. Not the least has been the export of the handloom "Bleeding Madras", the kind of fabric fancied by America

and imported by them in large quantities. But when some of the exporters indulged in exporting sub-standard "Bleeding Madras", the American Consumers' resistance had begun to tell upon the Madras production which has begun to accumulate.

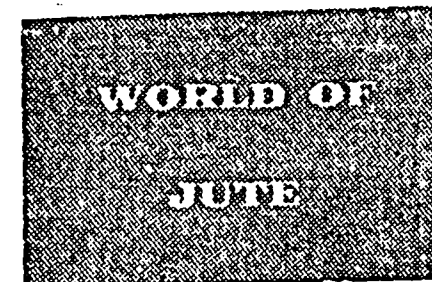
Among the 50,000 handloom weavers solely producing this American fancied check-pattern lungis converted into dress fabrics by the American consumers, competition became stiff with consequent high wages. Greed, rather than reputation, took possession of the shippers and today the cloth not saleable in the American market for which this stuff was intended has to be converted into ready-made garments for local consumption. A function was fixed at a Copley house in the city for inauguration of the sale of these ready-made garments and at this function Mr Venkataraman was reminded that 15,00,000 yards of this exportable stuff had accumulated waiting to be disposed of while 50,000 weavers were in distress.

According to the Madras Government, the Handloom Export Organisation was unable to persuade the American consumers because of substandard fabrics and high prices. The drop in demand was, therefore, steep in America. A crisis soon overtook this hectic competition in passing off substandard cloth to the discriminating consumers in the Western Hemisphere. The conclusion reached by the Madras Government should bring home a lesson to the exporters of such fabric, that this hasty ugly competition underlines the "imperative need for nursing the foreign market and the consistent maintenance of quality exported".

The Government of Madras had suggested to the Export Promotion Organisation of handloom that concessions granted to exporters under the export promotion scheme should be restricted to those getting their fabrics "quality-marked". This should bring private exporters under some intrinsic discipline. It is unfortunate that while the demand for Indian handlooms has been established in the markets of South and West Africa, Middle East and South East Asian countries, and while an external marketing scheme is being implemented by the All-India Fabrics Marketing Co-operative Society, there should have been such complaints of sub-standard cloth export.

In this connection the Madras Government had told the State's handloom weavers that it had transferred control of the ancient Madras Textile Institute to the Government of India. This would result in the reorganisation of the Institute with the introduction of a research section for new designs for sari border and shirtings. Even otherwise the State has allotted Rs 8.86 lakhs for the current year for the improvement of techniques in the handloom industry.

The handloom cess borne by the mill-industry falls for the large benefit for this State. While the 1958-59 cess share of this State was Rs 92 lakhs, the share for 1960-61 has been fixed at Rs 103.38 lakhs. Madras Government themselves had provided Rs 140.22 lakhs and Rs 129.40 lakhs in 1958-59 and 1960-61 budgets respectively for handloom industry development.



Overseas Interest Dries Up

PRICES in the jute markets have sizably declined over the past few days. The easier tendency is largely due to the heavy margins imposed by the East India Jute and Hessian Exchange in a bid to curb unbridled speculation. Just prior to the imposition of the margin, there have been fairly heavy selling by mills especially in the forward positions and profit-taking at the higher levels. The cumulative effect of all these factors has been a steep fall in prices all along the list. Meanwhile, there have also been indications that the foreign buyer has become less keen than a few days ago to place his orders at the high levels.

The events of the past few weeks have, however, clearly shown that there is increasing demand for jute goods in overseas markets. Last year it had been noted that hessian was gaining in popularity in its principal markets and especially in the US. During the past few months, hessian has made further headway, as will be evident from the trend of burlap consumption. According to Mr William A. Nugent, the IJMA representative in North America, the "outlook for Indian jute goods is very encouraging in the current year". He attributes the increase in burlap consumption in US to the improvement in economic conditions in that country, general sales promotion efforts and the increasing awareness among consumers that the use of burlap in packaging is economic.

The position with regard to heavy goods is not so very encouraging. The IJMA Chairman had expressed concern at the decline in off-take noticeable during 1959 by sacking's principal markets. It is true that sacking has done well during the past six or seven months. But this improvement seems to be largely due to the increased interest shown by China. In its principal market, Australia, sacking has recorded a decline in 1959 and indications are that this trend still continues with Pakistan steadily increasing its lead in that region. In the important markets in Africa, also this category of goods from India is yielding ground to competitors. It is unlikely that these markets will think of increasing their interest in Indian sacking at the present high prices.

The prospects of maximising exports of sacking to Australia, Africa and other markets, do not

seem to be encouraging in the present context of the uncertain raw jute situation also. Large imports may not at all alter the price pattern sizably because Pakistani jute may not prove to be less costly than Indian jute. As a matter of fact Pakistani jute prices have already gone up considerably. It is also doubtful if mills will be able to step up their output further than what has been already decided. An additional one per cent of the looms is due to be commissioned from 1 May thereby bringing the percentage of looms still remaining sealed to 9. It is quite likely that the IJMA will be decided to reopen another 1½ per cent of the looms from 1 June. The percentage of sealed looms will then further be reduced to 7½. Although the statistical position of jute goods and the trend of foreign off-take seem to call for the unsealing of a much larger percentage of the looms, it will be too risky to vote for a sudden big increase in production without making sure that adequate raw jute will be available.

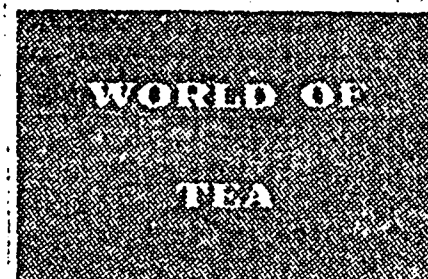
It would appear that the industry's anxious days will not be over even with the receipt of large quantities of jute from Pakistan. Reports from jute growing areas are very discouraging indeed. Sowing operations are said to have been suspended in some northern districts of West Bengal due to lack of rain; and in some other regions, where there have been early sowings, the crop is withering. It is now generally believed that if the hot weather continues for some days more, the new crop may be definitely delayed. If rainfall in the growing areas turns out to be inadequate and very late, the size of the new crop and the time of its arrival will become matters that will please the speculators.

The jute goods market ruled quiet during the past week in the absence of foreign interest. The heavy margin imposed in the forward market effectively curbed speculative activity and holders were keen to unload at every rise. Reports from important foreign markets indicated that consumers were perturbed over the steep rise in prices in the primary market and were unlikely to extend their commitments beyond their immediate requirements. It was believed that overseas buyers might decide to keep out of the Indian market if price stability was not ensured. The apprehension that Authority might take drastic measures to rid the markets of excessive speculation also seem to be influencing the sentiment. However, with indications of a delay in the arrival of the new Indian jute crop, a quietly steady trend was noticeable toward the close of Tuesday. B Twills April steadily declined to Rs 123.15 while Hessian 40"x10oz April declined to Rs 44.25. Although mills did not evince much interest, the raw jute market ruled quietly steady. Assam Bottoms April May Delivery was

placed at close on Tuesday at Rs 36 per maund.

Price Trends:

	As on Week's As on		
	April 21	Low April 27	Rs
Hessian:			
40" x 10 ozs:			
Ready	45.80	44.20	44.85
June	45.85	44.50	45.00
July-Sept.	45.85	44.50	45.10
40" x 8 ozs.	37.25	36.25	36.60
40" x 7½ ozs.	34.75	33.95	34.25
Sackings:			
B Twills:			
Ready	126.45	123.00	124.25
June	124.70	121.90	122.90
July-Sept.	122.25	120.00	122.25
Hy. Cees (Green)	127.50	123.00	125.25
Corn sacks	126.00	122.00	123.25
Cubans	146.00	141.00	142.50
A. Twills	151.50	148.00	149.50
L. Twills	141.00	138.50	139.50
D. W. Flours	155.50	150.00	151.50
Sugar Twills	146.00	140.00	142.00
Ready Raw Jute:			
Assam Bottoms	37.00	36.00	36.50
Northern Bottoms	36.00	35.00	35.50
Features:			
Hessian—May	45.48	44.18	44.90
Hessian—August	45.94	46.14	44.76
Sacking—May	123.45	120.40	122.95
Sacking—August	122.80	118.75	121.20
Raw Jute—Sept.	33.56	32.72	33.53



Suggestions to Boost Exports

THE position of Indian tea has, of late, become vulnerable in world market under the impact of stiff competition from other producing countries. If India is to meet successfully this competition and continue to maintain her position in the world market, Indian tea is to be made competitive in price. This depends on adequate relief being granted to the industry.

The Chairman of the Indian Tea Planters' Association has expressed the view that boosting of Indian tea exports can never be achieved unless the Government set up a strong Tea Export Promotion Council with wide financial powers to promote Indian tea in its traditional and potential markets abroad.

He has suggested certain measures to step up exports; and these include the immediate starting of a country-wide campaign in the UK through suitable agency for popularising Indian tea, abolition forthwith of the export duty on tea and realisation of the cess on production of tea instead of export. This will, no doubt, mean a large increase in promotion costs. He adds that, if, after exhausting the accumulated funds, it becomes necessary to raise the rate of cess to finance effective methods of propaganda, the industry will rise to the occasion and face the additional burden.

Referring to Common tea, which forms 60 per cent of India's tea

production, the Chairman of the Association has stated that the marketability with profit is the problem. Unless the difficulties of Common tea are eliminated, the fixation of production and exportable targets for India will be farcical.

Although the statistical evidence appears to indicate that the new season 1960-61 may begin well considering that the North Indian crop may be delayed by current drought conditions in many producing areas, the balance between the supply and demand can be easily disturbed; because the production of an agricultural product depends greatly on climatic conditions. Any excess in production may, there, have a depressing effect. This can be done if attention is concentrated on quality.

Meanwhile, in the Internal Sale held in Calcutta this week, offerings consisted of 22,614 packages of Dusts. There was a strong active demand with prices generally registering an advance. Orthodox types were well supported, selling at dearer rates. Leg-cut Doars followed the upward trend of the market, the smaller and brighter liquoring types being a strong feature.

Medium CTC descriptions met with active enquiry and were fully firm to 6 nP per pound dearer. The best CTC teas were taken up at around last rates. Following rates were quoted: Medium Doars Dust Rs 1.90 to Rs 2.02; Medium Assam Dust Rs 1.88 to Rs 2.00; Medium Assam CTC Dust Rs 2.10 to Rs 2.28 and Best Assam CTC Dust Rs 2.50 to Rs 2.85. A total of 674 packages of Leaf grades was offered. There was a very strong general demand for these types.

The Ceylon tea industry has got off to a good start this year with an outturn of 35.1 million pounds in January as compared to 33.8 million pounds in the corresponding month of last year. In January 1958, Ceylon produced 28.8 million pounds.

The Pakistan Government have announced an increase of As 4 per pound in the excise duty on tea, i.e. from As 6 to As 10, with immediate effect. The excise duty has been enhanced at a time when superior quality tea has been withdrawn from the market for export purposes and other qualities are being sold at prices 10 to 12 per cent more than the price last year.

Pakistan is expected to produce 57.5 million pounds of tea this year and the internal consumption is expected to be about 40 million pounds, leaving an exportable surplus of 17 million pounds. The target of 20 million pounds for export, set last year, had to be cut by 3 million pounds due to a sudden rise in the local market.

After the Easter recess, the London auction opened on a fairly steady note. Although some non-descript types met with irregular competition, demand generally was sustained at rates prevailing before the holidays.

UNITED BANK OF INDIA LIMITED

Regd. Office: UNITED BANK BUILDINGS, 4, CLIVE GHAT STREET, CALCUTTA-1.

Annual Report of the Directors for the year ended 31st December, 1959.

The Directors beg to submit to the shareholders the Audited Balance Sheet of the Company as at 31st December, 1959 and Profit & Loss Account for the year ended 31st December, 1959 together with the Auditors' Report thereon.

The profit for the year after making provision for taxation and including the balance of Rs. 1,81,542-49 brought forward from the previous year's account amounts to Rs. 16,10,381-82. Out of this amount the following appropriations have been made:

To Reserve Fund under Section 17 of the Banking Companies Act ... Rs. 2,90,000-00

Leaving an available balance of ... Rs. 13,20,381-82

Out of the above the Directors recommend the payment of a Dividend to the shareholders @ 4.30 per cent per annum, subject to deduction of tax at the prescribed rates in accordance with the provisions of the Income Tax Act, absorbing ... Rs. 11,38,817-00

To be carried forward to next year's account ... Rs. 1,81,542-49

The Bank's business during the year made satisfactory progress. During the year under report four Branches were opened in the State of West Bengal at Naihati, Barrackpore, Dum Dum and Kharagpur.

Sri M. J. Vaidya, Sri B. N. Chaturvedi and Sri K. O. Das, Directors, retire under Article 117 of the Articles of Association of the Company read with Section 256 of the Companies Act, 1956 and being eligible offer themselves for re-election.

During the year Sri S. Gupta, at the invitation of the Board of Directors joined the Board. Under provisions of Section 260 of the Companies Act, 1956 and Articles 123 of the Articles of Association of the Company, he will hold office up to the date of the Annual General Meeting and being eligible offers himself for election.

Dr. S. B. Dutt, who was elected a Director at the last Annual General Meeting held on the 4th May, 1959 has since attained the age of 65 years and hence his continuance as a Director will require the approval of the shareholders in the General Meeting in accordance with the provisions of Section 261 of the Companies Act, 1956.

The shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

N. N. LAW ... Chairman.

N. O. DATTA
O. B. MEHTA
M. J. VAIDYA
T. S. SANTHANAM
S. B. DUTT
S. GUPTA
B. N. CHATURVEDI
J. M. DUTT
K. G. M. FAROQUI
R. C. DAS
B. K. DATTA
(Managing Director)

Dated, Calcutta
The 4th March, 1960.

BALANCE SHEET AS AT 31st DECEMBER, 1959.

Previous year. Rupees	CAPITAL AND LIABILITIES—	Rs.	nP.	Rs.	nP.
	1. CAPITAL—				
	Authorised Capital:				
	5,00,000 Shares of Rs. 20/- each ...	1,00,00,000	00		
	30,00,000 Shares of Rs. 10/- each ...	3,00,00,000	00		
		4,00,00,000	00		
	Issued Capital:				
	4,94,850 Shares of Rs. 20/- each ...	98,97,000	00		
	22,60,300 Shares of Rs. 10/- each ...	2,26,03,000	00		
		3,25,00,000	00		
	Subscribed Capital:				
	4,90,012 Shares of Rs. 20/- each ...	98,00,240	00		
	21,98,425 Shares of Rs. 10/- each ...	2,19,84,250	00		
		3,17,84,490	00		
	Called and Paid-up Capital:				
	4,90,012 Shares of Rs. 20/- each ...	98,00,240	00		
	called at Rs. 10/- per share ...	49,00,120	00		
	21,98,425 Shares of Rs. 10/- each ...	2,19,84,250	00		
	called at Rs. 10/- per share ...	2,19,84,250	00		
		2,68,84,490	00		
2,68,84,370				2,68,84,490	00
80,774					
2,68,03,596					
	(Reserved Liability of Shareholders Rs. 49,00,120/-)				
80,80,000					
	2. Reserve Fund and other Reserves ...			83,70,000	00
11,71,43,959					
8,49,617					
16,07,76,977					
16,66,26,828					
43,53,97,581					
	3. Deposits and other Accounts:				
	Fixed Deposits and Cash Certificates ...	14,76,81,766	86		
	Staff Security Deposits ...	8,34,227	82		
	Savings Bank Deposits ...	16,26,21,211	59		
	Current Accounts, Contingency Accounts, etc. ...	16,56,82,447	96	47,68,19,654	23
	4. Borrowing from other Banking Companies, Agents, etc. ...				
	(i) In India ...	1,00,00,000	00		
	(ii) Outside India ...	NIL			
				1,00,00,000	00
	Particulars:				
	(i) Secured by part of the Bank's Investments ...	1,00,00,000	00		
	(ii) Unsecured ...	NIL			
65,32,538				55,78,120	98
	5. Bills Payable ...				
	6. Bills for Collection being Bills Receivable as per contra:				
	(i) Payable in India ...	3,77,25,950	64		
	(ii) Payable outside India ...	88,20,628	73	4,65,46,779	37
3,54,45,206					
87,93,568					
4,42,38,774					
53,52,02,131	Carried over ...			50,42,58,201	59

Previous year. Rupees	PROPERTY AND ASSETS.	Rs.	nP.	Rs.	nP.
	1. Cash:				
	In hand and with Reserve Bank and State Bank (including Foreign Currency Notes) ...			4,48,06,006	37
4,03,53,204					
	2. Balance with other Banks:				
	In Current Accounts—				
	(i) In India ...	3,23,514.75			
	(ii) Outside India ...	81,32,075.93		84,55,590	68
1,87,774					
49,00,061					
50,87,835					
	In Deposit Accounts—				
	(i) In India ...	NIL			
	(ii) Outside India ...	NIL		84,55,590	68
NIL					
26,99,429					
77,87,264					
25,00,000					
	3. Money at Call & at Short Notice ...			54,00,000	00
	4. Investments: at or below market value				
	(i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments ...	14,84,80,288	14		
11,69,43,047					
	(ii) (a) Fully paid Preference Share ...	25,75,517.75			
	(b) Fully paid Ordinary Shares ...	18,05,775.17			
5,31,374					
23,90,349					
1,55,000					
3,59,140					
	(c) Partly paid Preference Shares ...	NIL			
	(d) Partly paid Ordinary Shares ...	3,58,001.00			
300					
	(e) Fully paid Deferred Shares ...	300.00		47,30,593	92
34,36,172					
37,04,854					
	(iii) Debentures or Bonds ...	12,51,503	91		
	(iv) Other Investments:				
	(a) Pakistan Central and Provincial Government Securities ...	2,19,27,120	62		
3,05,67,996					
47,500					
1,29,500					
NIL					
15,48,09,129					
	(b) Foreign Securities ...	47,500	00		
	(c) Capital Redemption Policy ...	1,36,001	25		
	(d) Gold ...	NIL		17,88,52,707	84
	5. Advances:				
	(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)				
	(i) Loans, Cash Credits, Overdrafts etc. ...				
	(ii) In India ...	22,86,15,396.99			
23,16,57,266					
1,34,14,557					
24,50,71,822					
45,05,21,419	Carried over ...			23,41,46,984	89

30 April 1960

UNITED BANK OF INDIA LIMITED, BALANCE SHEET—(Contd.)

Previous year. Rupees	CAPITAL AND LIABILITIES—(Contd.)	Rs.	nP.	Rs.	nP.
53,52,02,131	Brought forward ...			56,42,58,201	59
	7. Other Liabilities:				
	Branch Adjustments ...	1,00,73,528	94		
96,79,691	Unclaimed and unpaid Dividends ...	4,14,553	26		
4,10,091	Staff Gratuity Fund ...	1,50,000	00		
1,50,000	Capital Redemption Fund ...	1,36,601	25		
1,29,560	Sundry Liabilities for Expenses ...	4,01,777	84		
3,41,966	Rebate on Bills Discounted ...	NIL		1,11,76,461	29
NIL					
3,07,11,208					
	8. Acceptances, Endorsements and other Obligations per contra ...			3,07,72,725	90
1,65,15,806					
	9. Profit and Loss:				
	Balance of Profit and Loss Account as per last Balance Sheet ...	9,64,140	49		
9,77,152	Less Appropriation for Dividend ...	7,82,598	00		
7,99,099				1,81,542	49
1,77,463					
	Add: Profit for the year brought from the Profit and Loss Account after providing for Taxation ...	14,28,839	33		
14,14,771					
15,92,224				16,10,381	82
	Less: Appropriations—				
	Transfer to Reserve Fund under Section 17 of the Banking Companies Act ...	2,90,000	00	2,90,000	00
3,45,000					
	Bonus to staff (Debited to Profit and Loss Account this year) ...				
2,83,084					
6,23,094					
9,04,140					
	10. Contingent Liabilities:				
	(i) Claims against the Banking Company not acknowledged as debts ...	46,02,203	62		
44,38,005					
	(ii) Money for which the Banking Company is contingently liable:				
	(a) Liability for partly paid up shares held by the Bank in Investment Account ...	16,23,160	00		
(6,97,150)					
(850)					
(1,00,20,185)					
(NIL)					
(1,58,24,894)					
56,33,93,285				60,75,27,770	59

Previous year. Rupees	PROPERTY AND ASSETS—(Contd.)	Rs.	nP.	Rs.	nP.
45,05,21,419	Brought forward ...			23,41,46,984	89
	(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments):				
	(i) Payable in India ...	3,06,93,836	23		
2,55,94,135					
	(ii) Payable outside India ...	25,79,014	38	332,72,850	61
47,12,466					
3,13,06,601					
27,63,78,423					
	(Particulars required by Act X of 1949 as per separate schedule annexed and forming part of this Balance Sheet).				
	6. Bills Receivable being Bills for Collection as per contra:				
	(i) Payable in India ...	3,77,25,950	64		
3,54,45,206					
87,93,568				88,20,628	73
4,42,38,774				4,65,46,779	37
	7. Constituents' Liabilities for Acceptances, Endorsements and other obligations per contra ...			3,07,72,725	90
1,65,15,806					
	8. Premises less Depreciation:				
	At cost as per last Balance Sheet ...	29,17,685	82		
16,61,114	Add: Additions during the year ...	1,96,342	02		
12,72,001				31,14,027	94
29,33,715					
	Less: Sales or deductions made during the year ...	NIL			
16,029					
10,17,686					
2,2,253				31,14,027	94
	Total cost to date ...			2,72,988	23
22,44,833					
	Less: Depreciation written off to date ...			28,41,039	71
	9. Furniture & Fixtures less Depreciation:				
	At cost as per last Balance Sheet ...	48,54,102	41		
42,06,469	Add: Additions less deductions during the year ...	5,78,918	60		
6,47,663					
48,54,162				54,33,081	01
18,22,248					
	Total cost to date ...			19,75,279	19
30,31,914					
	Less: Depreciation written off to date ...			34,57,801	82
	10. Other Assets including Silver:				
	Interest accrued on Investments ...	19,84,069	77		
17,14,308	Tax deposited and paid in advance or deducted at source ...	71,89,331	46		
71,39,113	Stores, Stationery and Printed materials ...	5,83,816	31		
5,89,118	Land & Buildings not used as Bank's Premises less depreciation ...	12,23,561	95		
12,48,993	(Cost Rs. 17,78,749.29 less depreciation Rs. 5,53,187.34) ...	NIL			
33,186	Premises under construction ...	NIL			
	Sundries (Temporary Advances, Suspense, Security Deposits, Outstanding Rents, Stock of Stamps, Adjusting Accounts etc.) ...	29,89,701	07	1,39,70,500	56
36,24,162					
1,43,48,982					
7,35,056					
56,33,93,285				6,32,777	36
	11. Non-Banking Assets acquired in satisfaction of Claims ...				
	(Immovable property at Book Value) ...				
				60,75,27,770	59

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1959.

Previous year. Rupees	EXPENDITURE	Rs.	nP.	Rs.	nP.
	1. Interest paid on Deposits, Borrowings etc. ...	72,47,006	15		
62,09,569					
1,07,52,778	2. Salaries and Allowances and Provident Fund ...	1,54,63,260	82		
(48,500)	(or which payment to Managing Director Rs. 45,500/- and Bonus paid to staff Rs. 5,44,022.61) ...				
	3. Directors' and Local Committee Members' fees and allowances ...	44,238	00		
41,084					
9,72,940	4. Rent, Taxes, Insurance, Lighting etc. ...	11,20,421	48		
69,260				1,23,173	07
4,70,063	5. Law Charges ...	4,96,650	00		
20,475	6. Postage, Telegrams, Telephone and Stamps ...	30,900	00		
	7. Auditors' Fees ...	4,33,574	81		
7,01,005	8. Depreciation on and repairs to the Banking Company's property ...	6,94,658	93		
6,29,996	9. Stationery, Printing, Advertisement etc. ...	21	06		
51,035	10. Loss from sale of or dealing with non-banking assets ...	5,83,487	92		
5,88,893	11. Other Expenditure ...	14,28,839	33		
14,14,771					
2,19,30,649	TOTAL ...	2,46,56,781	57		

Previous year. Rupees	INCOME (Less provisions made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP.
1,70,55,377	1. Interest and Discount	1,97,58,396	49
33,71,643	2. Commission, Exchange and Brokerage	34,42,518	95
3,44,185	3. Rents	3,53,030	80
309	4. Net Profit on sale of Investments, gold and silver, land; premises and other assets (not credited to Reserves or any particular Fund or Account)	232	78
Nil	5. Net Profit on revaluation of Investments, gold and silver, land, premises and other assets (not credited to Reserve or any particular Fund or Account)	Nil	
3,993	6. Income from non-banking assets and profit from sale of or dealing with such assets	9,944	56
11,54,942	7. Other Receipts	10,87,697	98
2,19,30,649	TOTAL	2,46,58,781	87
J. M. DUTT K. G. M. FAROQUI S. GUPTA N. C. DATTA K. C. DAS		A. K. ROY Secretary	

UNITED BANK OF INDIA LIMITED, BALANCE SHEET—(Contd.)

AUDITORS' REPORT

We have audited the annexed Balance Sheet of United Bank of India Ltd. as at 31st December, 1959 and also the annexed Profit & Loss Account of the Bank for the year ended upon that date in which are incorporated the Returns from the Branches audited by other Auditors.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949, read with the provisos to sub-sections (1) and (2) of section 211 and sub-section (5) of section 211 and section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

- We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- The transactions of the bank which have come to our notice, have been within the powers of the Bank;
- In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the bank;
- The Bank's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account and the returns;
- In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1959, and the Profit & Loss Account gives a true and fair view of the Profit for the year ended upon that date.

Dated, Calcutta,
The 4th March, 1960

RAY & RAY,
Chartered Accountants.

Schedule of particulars required under the Banking Companies Act, 1949, attached to and forming part of the Balance Sheet as at 31st December, 1959.

Previous year. Rupees	PARTICULARS OF ADVANCES	
24,26,00,266	(i) Debts considered good in respect of which the Banking Company is fully secured ...	24,28,29,806 19
2,63,50,790	(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security ...	1,84,43,058 59
74,27,367	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	78,86,293 20
Nil	(iv) Debts considered doubtful or bad not provided for ...	Nil
27,63,78,423		27,61,59,160 98
3,17,180	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons ...	3,09,804 53
1,45,11,945	(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in case of Private Companies as Members ...	1,73,16,603 14
3,23,489	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons ...	3,35,769 94
1,52,71,409	(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of Private Companies as Members ...	1,82,75,829 53
52,385	(ix) Due from Banking Companies ...	58,341 46

United Bank of India Limited

Another Year of Progress

Satisfactory & Encouraging Results Achieved

Dr. N. N. Law, the Chairman on Operating Costs

Addressing the share-holders, at the Tenth Annual General Meeting of the Bank, held on the 25th April, 1960, Dr. N. N. Law said:

"The economy of the country is entering an important and crucial phase. In this the last year of the Second Plan, preparations are afoot for launching the Third Plan which, it is hoped, will mark the achievement of the self-generating stage in India's economic development. In this context, I take your leave to make a few observations bearing upon the banking system generally, before I proceed to present your Bank's balance sheet for your consideration.

The Trend in Banking:

"Despite the strains and stresses that banking in India has had to contend with during the 1950s, its contribution to the developmental effort of the Nation has not been insignificant. There has been a marked growth in deposits as well as in advances; more areas have been provided with banking facilities; banking habit has been further stimulated; finance for foreign trade, in addition to the

growing demand for inland trade and industry, has been provided; and Government borrowings have been supported.

Operating Expenses:

The growth of the banking system has, however, been inhibited by the rising operating expenses, a factor which has cut into the already thin margin of bank profits. Between 1950 and 1958, the ratio of operating expenses to deposits has, in the case of Indian scheduled banks, gone up from 2.97% to 4.24%. This means a rise of about 43% as against a rise of 29% in the ratio of operating earnings from 3.84% to 4.96%.

Operating expenses comprise mainly (a) cost of deposits and (b) establishment charges, over neither of which has the banking system been left with any appreciable measure of effective control. Firstly, in regard to the cost of deposits, while it is true that the upward trend in the rate of interest on deposits was checked by an inter-bank agreement in 1958, it cannot be said that the average cost of deposits has since been

appreciably brought down in-as-much-as in recent years the pattern of deposits, with a preponderance of time deposits has remained unchanged; in 1959 time deposits constituted 60% of the total deposits of Scheduled Banks as against 33% in 1950.

Secondly, in regard to Establishment charges, these are mounting from year to year and have for some time been quite outside the control of the banks. While there has been, in recent years, appreciable increase in the overall remuneration of bank workers, it can by no means be said that there has been a corresponding improvement in their productivity. I appreciate the difficulties experienced by all workers and fixed-income groups, during a period of rising prices. But in a fast developing economy, it is the lot of all citizens to bear such hardships. Unless there is a determined effort to increase productivity and unless an increase in remuneration is linked to a corresponding increase in output, the circle of wage rise and cost inflation would continue unbroken. I would, therefore,

appeal to all workers and particularly to the bank employees, to appreciate the situation and extend their wholehearted co-operation in an endeavour to improve the standard and norm of production.

While on the subject of operating expenses, I want to sound a note of warning against the dangers of a situation, in which, to meet the growing expenses, banks are reluctantly forced to seek increased earnings by a quick rise in their Advances. Expansion of bank credit, when occasioned by development efforts, may be a necessary feature in the process of economic growth, but it becomes a different matter when a rise in advances is sought for the purpose of meeting the disproportionate increase in the banks' operating costs. An enquiry into the manner in which, and the extent to which, the rising operating expenses have so far been absorbed, and whether the process has not adversely affected the banking system and the sound growth of the national economy, would prove to be a very useful study.

30 April 1960

Operating Earnings:

The imbalance between rising operating costs and comparatively less elastic operating earnings, has acquired the dimensions of an international problem. It is instructive to note that despite significantly high service charges of the American banks, the Vice President of the American Bankers' Association has, in a recent address, thought it fit to emphasise the necessity of educating the banks' customers with a view to further passing on the incidence to them. The banks in India are now faced with a similar problem of improving their earnings without much altering their pattern of assets.

Besides meeting the rising costs, the banking system must have a better pattern of earnings to be able to provide better and newer services. Owing to the inter-play of various forces, domestic and international, it has become necessary for the banks to organise and increasingly develop departments which earn no profit for them, such as Economic research, methods and systems research, cost analysis study of specific industries etc. Faster expansion of branches would also require ability to bear losses on the new branches. Again, adoption of new techniques of advances, to meet the requirements of the economic development efforts, needs to be backed by a better built-in cushion.

Monetary Policy:

Having discussed some of the aspects of the trend in Indian banking, I now turn to an important monetary measure recently introduced in this country.

Any step, which is expected to restrain inflation, the most crippling force in an economy, would be welcome even when it is taken in anticipation. While introducing such a measure, however, it is necessary to ensure a proper spread of its incidence over the different segments of the economically active people. Complexity arises when, for reasons of inability or expedience, the attack cannot be directed at the source or the sense of equity cannot be allowed to prevail.

It is in this context that the directive, issued in early March this year, by the Central Banking authority, has to be judged. Banks are now required to maintain with the Reserve Bank, as cash deposit, 25% of any increase in deposits accruing after 11 March, 1960, in addition to the requirement of the usual statutory deposits at 2% of the Time and 5% of the Demand liabilities. Although such measures were adopted before in other countries of the world, when occasion arose, the present directive is the first of its kind in imposing quantitative restriction on the use of bank resources in this country.

The purpose for which this step has been taken, is, according to the statement in the press, to meet

the situation arising out of substantial liquidity in the banking system, expansion of money supply and bank credit and their impact on the price level. With regard to liquidity of banks, early in March this year, the Advances-Deposits ratio of all scheduled banks including the State Bank of India was 56.66%. If the figure for the State Bank (31.01%) is isolated, the ratio of other scheduled banks would stand at over 69% about the date when the directive came into effect. If the amount of about Rs. 300 crores of the P.L.480 counter-part funds lying with the State Bank in deposit, (and which is stated to have been entirely invested in Government Securities) is isolated from its total deposits of about Rs. 614 crores, the advances ratio of that bank to the net figure, will be of the order of 60%. If this figure is taken with the figure of other scheduled banks, the overall ratio of all scheduled banks would be around 67.4%.

As for bank credit, expansion may be allowed as far as the productive requirements of the economy would warrant. In a fast developing economy there is need and scope for flexibility of approach in this regard. The impact of bank credit on the price level, at the present time, is at best insignificant. A major contributor to a cost inflationary trend is the impact of a disproportionate rise in wages. It is our view that wage rise, as it is taking place today, is completely dissociated from the realities obtaining in the life of the masses as a whole. In such a situation, I wonder how far the effect of such non-monetary causes can be neutralised by monetary measures, particularly when the latter cover only a small portion of the total economic activity of the country, —the bulk remaining outside the channels comprising the organised money market. On the other hand, a substantial expansion of the banking system can be an important corrective, and this, we think, needs real encouragement.

Future will answer whether or not the step taken has been much ahead of its time and whether the context in this country was or was not the same as those in which such steps were taken in some other countries. It must, however, be admitted that, if any monetary measure is at all indicated, it is more welcome in its present form than in the form of other conventional restraints. If this measure will succeed in keeping the prices under control, and holding the value of the Rupee, and not aggravate the situation by hampering production, the step will have been justified and the banking system will have no complaints.

Bank's Progress:

I now draw your kind attention to the Bank's Accounts for the past year, which have been in your hands for some time. The

results depict yet another year of progress. Deposits have gone up from Rs. 43.54 crores in 1958 to Rs. 47.68 crores. There has been a slight decrease in advances by Rs. 12.2 lakhs to Rs. 27.51 crores. More foreign exchange business was transacted during the year as compared to the previous year. Against the background of general economic growth, the eastern part of the country suffered considerably during the year under review, from flood and excessive rain. Having a large number of offices in this affected area, your bank could not but feel the repercussion. Judged in this context, therefore, the progress achieved has been both satisfactory and encouraging.

I feel happy to be able to report better operating results than in the previous year. The profit for the year under review has been arrived at after payment of bonus to the staff, an item which figured in the previous year as an allocation from the profit. Although your Directors are now able to recommend dividend at a gross rate of 4.30%, on account of the Finance Act, 1959, the net rate at 3.01% remains almost the same as before. At the recommended rate, payment of dividend will absorb Rs. 11.39 lakhs as against Rs. 7.83 lakhs in the previous year. It may be relevant to mention here that, the new pattern of Income tax has further dug into the effective profits after taxes in the hands of the banks and the shareholders. As a result, there has been a noticeable decline in the value of bank shares with a few exceptions.

New Branches:

During the year under review, we opened four new branches at Barrackpore, Naihati, Kharagpur and Dum Dum. The new branches, along with the others, are making satisfactory progress. More branches will be opened during the current year and preparations for this purpose are in hand.

Finance to Small-scale Industry:

Welcoming the move taken by the Reserve Bank to introduce a scheme of guarantee to cover a portion of the losses that may be suffered by commercial banks in financing the small-scale industrial units, Dr. N. N. Law observed:

"However, in-as-much-as inadequacy of risk capital continues to be a major problem in financing the small business, the idea of establishing an Issue House to assist new floatations and offer facilities for sale and purchase of non-marketable equities, may also be considered at the same time."

He declared that the Bank, which has already been financing small & medium industrial and business units in large numbers, has now decided to organise a separate section at its Head office to handle the small business loans with special attention. "This", he observed, "will enable us to better understand the problems of small scale industries and to see how far

the Bank may further augment its financial assistance to them."

Pakistan:

Referring to the activities of the Bank's branches in Eastern Pakistan, he said, "In recent years the efforts at economic development in Pakistan have been receiving further momentum. The Government have rightly emphasised the priority of development of agriculture, and of small and medium industries based on agricultural produce. It is to be hoped that, efforts in this direction will draw wholehearted support from the people and entice them to inspired activity. Your Bank, through its branches in that country, will not fail to make its utmost contribution, in its humble way toward such developmental efforts."

With regard to developments in the field of banking, in Pakistan, Dr. Law referred to the report of the Credit Enquiry Commission, appointed by the Government of Pakistan in February, 1959, with Mr. Abdul Qadir, Governor, State Bank of Pakistan, as Chairman, and observed: "It will be out of place to discuss the Report here, but it is worth noting that, the Commission has made a detailed study of the problems and has advanced suggestions which merit careful consideration. One of its recommendations is that the subsidy arrangements with the National Bank of Pakistan, for opening new branches, be extended by the State Bank of Pakistan to other Pakistani commercial banks. This is a very useful suggestion and we think that such a measure, if adopted here, would be welcome also in this country."

In this connection, reiterating the need for appointment of a Banking Expansion Commission in this country, Dr. Law said that such a Commission could serve the useful purpose of making a close examination of the entire banking system and suggesting ways and means for further improvement and expansion on proper lines.

Note:—This does not purport to be a record of the proceedings of the Annual General Meeting.

THE BENGAL FLOUR MILLS CO. LIMITED.

The Board of Directors of the Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a Final Dividend of 32½ per cent for the year ended 31st December 1959.

By Order of the Board,
BALMER LAWRIE & CO. LTD.
D. Manson
Secretary,
Managing Agents.

21, Netaji Subhas Road,
Calcutta.
22nd April, 1960.

Killick Industries Limited

Expansion Plans Under Study

Chairman Mr A. N. Haksar's Review

The following is the speech delivered by the Chairman, Mr. A. N. Haksar, at the Twelfth Ordinary General Meeting of the Killick Industries Limited, held in Bombay on 21st April 1960:—

We are meeting on the eve of an historic event, namely, the bifurcation of the present bi-lingual State of Bombay, and the emergence of the new Maharashtra and Gujarat States. We offer our felicitations and dedicated service to the two new States coming into being from 1st May, 1960.

The results of the Company for the year under review, although not fully satisfactory, are considerably better than we had reason to hope, having regard to the operating conditions faced by the different units coming under the banner of the House of Killick. The Managed Companies and other enterprises with which your Company is closely associated have had, in turn, their own specific problems, and these problems have been highlighted, in brief, in the Report. You may, however, wish me to elaborate some of these problems industry-wise.

The progress of the group of Mills comprising the Kohinoor Mills Co. Ltd., has always been the primary concern of the Board, of your Company and special attention was given during the year under review to grapple with the many problems faced by the Mills. In an endeavour to bring them back to their old glory, I sincerely hope that the Mill Company has now turned the corner. The Mills' modernisation programme is well under way, and before the end of the current year, I trust the situation will have been stabilised so as to enable us to look forward with hope to operating results fully comparable with similar units in the Indian Cotton Textile Industry.

The Electricity Companies of Ahmedabad, Surat and Bombay Suburban under your Company's Agency continue to grow. With power planning in the country having set a target of doubling up of capacity in five years, these Electric Supply undertakings are, in common with other units in the industry, faced with even higher expansion programme during the coming years. The basic problem facing the Electric Supply industry today is the need for more and more development capital, the raising of which has been made more difficult by falling share values. The difficulties faced by this industry are under review by the Authorities and there are hopes that a measure of relief will be forthcoming before the end of the current year.

The Shivrajpur Syndicate Ltd. under your Company's Agency is in good form in relation to its capacity to mine and deliver to the export market the targetted Man-

ganese Ore. This Company's operating results in recent years have been circumscribed by the entry of the State Trading Corporation in the Manganese Ore trade. The problems inherent in the participation of the S. T. C. in the export of Manganese Ore will continue to cause a certain amount of uncertainty with which the Manganese Export trade will, it seems, have to reconcile itself. The Manganese Export trade must also have to contend with the vagaries of export demands which underline the need for freedom of action on the part of exporters to enter into forward commitments. The year under review was a very bad one for Manganese. Prices ruled much lower than the previous year and offtake was much smaller because of the American Steel strike.

It can be hoped that the Hingir-Rampur Coal Co. Ltd., which has had more than its share of troubles in the recent years, is on the onward march again. Production is steadily increasing and the Company is now showing regular profits.

The Steel Files Factory at Chandivli, while showing an improvement in its working as compared with the previous year, has not unfortunately shaken off the teething troubles referred to in the Chairman's speech on this occasion last year. Vigorous steps are being taken to reach the maximum productive capacity and to this end we have recently secured from the U.K. the services of a Works Manager with many years' experience in the Steel Files Industry. Efforts are also being made to obtain trained personnel for the various processes which comprise the making of the steel files, while orders have been placed for additional plant to alleviate bottlenecks which have arisen in our production. I am hopeful that within a few months we shall have this Factory geared to full production.

As indicated in the Report, the affairs of the two Subsidiary Companies, Killick Nixon & Co. Private Ltd., and Stanco Industries Private Ltd., are not yet satisfactory and, echoing the remarks in the Report, I can only repeat that earnest endeavours are now being made to rehabilitate these branches of your business. I hope next year will show a marked improvement.

Following the enactment of the Companies Act 1956, the Managing Agency Agreements with the three Electricity Companies, namely, Ahmedabad, Surat and Bombay Suburban, came up for renewal during the year and approval has been accorded for the

renewal of these Agreements by the Government of India. The new Agreements, effective from 1st April 1960, have, in conformity with the proclaimed policy of Government, been renewed for a period of five years.

The Managing Agency Agreement with the Hingir-Rampur Coal Co. Ltd., has also been renewed for a period of five years from 1st July 1960. The remuneration applicable in the case of this Agreement is in line with the graded scale of commission recently announced by the Government of India.

With the Managing Agency Agreements with the Kohinoor Mills Co. Ltd., and the Shivrajpur Syndicate Ltd., having been renewed from 15th January 1957, and 1st December 1957, respectively, i.e., after the enactment of the Companies Act, 1956, they operate for a period of 10 years from that date and consequently these Agreements will come up for renewal only in 1967.

The Managing Agency Agreement with the Central Provinces Railways Co. Ltd., has also been renewed for a period of 10 years from 15th January 1957.

During the closing stages of the First Five Year Plan and the early stages of the Second Five Year Plan, your Company's operations were marked by vigorous expansion programmes, the activities being either on its own account or related to the development of the managed Companies. There has also been a measure of joint enterprise in the expansion of the Associated Cement Companies including the participation in the A.V.B. project, and the planning and execution of the Snowcem project.

In what direction is your Company poised for expansion? Plans now under investigation are mainly intended to add new lines of business mostly involving investment in the Company's industrial estate at Chandivli. A large measure of responsibility also vests in your Company in relation to expansion in the Managed Companies. For instance, the Electricity Companies, which are highly capital intensive, would continue to impose greater obligations on your Company. The new Gujarat with its abundance of entrepreneurial talents and capital resources will call for more and more electric power and this call offers a challenge to the Ahmedabad and Surat Electricity Companies under your Agency for greater efforts. The past record of the House of Killick, which has pioneered power deve-

lopment in Gujarat, is an assurance of your Company's readiness to be of greater service to the new State. The tempo of power demand in the Bombay Suburban area would call for greater investment by Bombay Suburban Electric Supply Ltd., which in turn would add to your Company's responsibility to raise further finance. Perhaps most of you are not aware of the fact that the Suburban Company now has 80,000 consumers connected and several thousands more awaiting connection.

And finally, but by no means of lesser importance, is the development of the Trading side of your Subsidiary, Killick Nixon & Co. Private Ltd. We have obtained several new Agencies which are already doing well and others are being negotiated. We have received Industrial Licences for the manufacture of Vibrators and certain other light engineering equipments and are now in the process of putting up a workshop for the manufacture of these items. Killick Nixon & Co. Private Ltd., has also entered the field of export of Piecegoods, and the performance in the last six months has been very good and I hope will continue to be so.

In any expanding institution the need for capital to sustain development is an evergrowing one. For a large part of development finance in the recent years the Company has relied on Bank accommodation and this source is now being threatened to be limited by the recent credit control measures instituted by the Reserve Bank. While there can be no doubt that under an inflationary situation such as at present there should be guarded expansion of credit and stricter control over speculation, there can be no two opinions that Industrial Houses such as yours should have free access to credit so that genuine industrial development is not jeopardised. It is an accepted truism that a certain amount of inflation is inevitable in any economy poised for expansion, and in this context the fiscal planners should not lose their nerve over a reasonable rise in price levels in the crucial stage of the country's economic development. Your Company's difficulties have been forcefully placed before the authorities concerned, and we can only hope that the credit squeeze now in being will exempt appropriate cases.

The Accounts call for no specific comments but I shall only be too pleased to answer any queries which may be raised by shareholders.

NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting which will be sent separately to shareholders.

The Indian Bank Limited

Need For Survey of Monetary System

Dr. Rajah Sir M. A. Muthiah Chettiar's Review

Speech delivered by Dr. Rajah Sir M. A. Muthiah Chettiar of Chettinad, Kt., B.A., D. Litt., M.L.A., Chairman of the fifty-third Annual General Meeting of the Bank held at Madras, on Wednesday the 20th of April 1960.

Gentlemen,

I am grateful to you for the honour you have done me by once again electing me as Chairman of an Annual General Meeting.

The Directors' Report and the Balance Sheet of the Bank as on 31st December, 1959 and the Profit & Loss Account of the Bank for the year 1959 have been circulated to all the shareholders and have been in your hands for some time and I trust that I have your permission to take them as read.

Before commenting on the figures in the statements before you, I should like to make a few observations on the general economic conditions in the country. A marked increase in India's agricultural and industrial production an improvement in the foreign exchange position, a reduction in budgetary deficits and a continued upward movement in price levels were the chief characteristics of the year 1959. The index of agricultural production rose by about 17 points, while that of industrial production recorded an increase of 11 points. Favourable seasonal conditions were mainly responsible for the improvement in agricultural production but looking to the alarmingly rapid growth of our population, it is obvious that unless production increases vastly, economic progress in the country is bound to be retarded. An intensive drive to accelerate agricultural production to make the country self-sufficient is essential for sustained progress. In the sphere of industrial production, the output of capital and intermediate goods has greatly increased, while the iron and steel and other heavy industries recorded considerable improvement; greater progress in the consumer goods industries is still necessary.

Despite improvement in production, the general price level continued its upward movement. In a backward economy like ours, the maintenance of price stability is of utmost importance. Fiscal and monetary policies should therefore be co-ordinated with a view to ensure that further inflation does not set in.

We are now nearing the end of the Second Five Year Plan. At one time there were apprehensions that the Second Plan could not be carried out according to schedule, but, happily, with the increased

assistance from friendly countries, satisfactory progress has been made. The Third Five Year Plan is to be an even more ambitious programme and will need foreign exchange of great magnitude for its completion. It is hoped that assistance of this magnitude will be forthcoming; especially as there is an increasing awareness in more developed countries of the need to help under-developed economies. Various visiting teams of experts in different fields of activity who have investigated the progress of the country have reported very favourably and the International Economic Mission headed by Sir Oliver Franks have also in their report favourably commented on the progress made by the country during the two Plan periods and have recommended further foreign aid. The visits to India of the Chief Executives of two great countries of the world and their satisfaction with what they have seen for themselves reinforce the hope that assistance to India will come in generous measure.

The Government of India have in recent times been showing increasing awareness on the need to export more to earn much needed foreign exchange. They have adopted various measures with this laudable object in view but the one thing that will have a visible effect in this direction is by giving encouragement to the manufacturers and exporters to visit foreign countries to study at first-hand the needs of those people and adopt such measures as will promote more exports. We have to sell what other countries require and not what we have in surplus. I would, therefore, appeal to the Government to give due encouragement to manufacturers and exporters and also to other Trade Delegations to visit foreign countries to study at first hand the taste of those people, their customs and manners and to know the extent and nature of competition experienced by Indian commodities in those markets.

I must congratulate the Hon'ble Finance Minister, Government of India, for his masterly review of the economic situation prevailing in the country and for introducing a realistic budget for the year. His proposal to broad-base the taxation structure instead of imposing additional burdens on the same section of society has come as a welcome relief. With ambitious development plans on hand with a view to raise the standard of living, no Finance Minister can be free from the temptation of introducing new taxation measures. The Hon'ble

Shri Morarji Desai, having made a critical study of the economic situation prevailing in the country, has introduced indirect taxes so that the effect of them will not be felt by any one section of the community alone. I am not at all unmindful of the hardships caused to the middle income and lower income groups of people and the strain that these new imports will cause to them but the merit of these proposals lies in the fact that the industrial and other economic activities will be maintained and accelerated in the years to come and the results of such economic activity will percolate to the other sections of the society in due course.

You are all aware that some time back there was an expectation that the Bank Rate would be increased to offset inflationary tendencies. I am glad that such a step has not been taken. I have no doubt that if the Bank Rate had been increased, the prices of Government securities would have reacted sharply. Apart from the reduction in value of the large holdings all Banks have of such securities, it would have seriously prejudiced the chances of success of the borrowing programmes of the Central and State Governments. As I stated earlier, we are embarking on a very ambitious Third Five Year Plan and its success depends as much on our being able to raise sufficient resources internally as on our being able to secure foreign exchange. We know how satisfactorily the borrowing programmes of the Governments were fulfilled in 1959. We are also aware that recently large capital floatations have been oversubscribed. All this would not have been possible with a higher Bank Rate.

I would now like to make a reference to the question of credit controls by the Central Banking Institution of the country. The Reserve Bank of India imposed the first of their selective credit controls a few years back in respect of advances by banks against foodgrains as it was felt that the increasing price levels of foodgrains were due to speculative hoarding helped by bank financing. A similar control was imposed in 1959 in respect of groundnuts. It is said that but for these controls, prices would have gone to very high levels. It must be admitted, however, that the control of advances by commercial banks alone, leaving private financiers and co-operative Banking outside the scope of the directive, could only have a very limited beneficial effect.

Very recently, the Reserve Bank of India issued a directive to Banks prescribing a minimum margin of 50% on all advances against equity shares. It is no doubt necessary that speculative and inflationary activities should be curbed. At the same time, I feel that such control may also curb genuine investment activities and militate against the successful floatation of industrial concerns and the expansion of existing units. I would therefore suggest that the Reserve Bank of India may be pleased to exempt from the operation of their directive, advance made by Banks against shares registered in the names of the borrowers themselves or the banks making the advances. It is only the genuine investor who gets the shares transferred to his name or that of his bank. I am, however, personally of opinion that such selective control to curb the price level in the Stock Exchange alone will not by itself serve the purpose as the forces that are at play outside the Stock Exchanges are likely to negate this effect to a large extent.

Simultaneously with the above directive, the Reserve Bank of India have issued another directive freezing 25% of the increase in deposits after 11th March 1960. It is too early to assess the effect of this measure. No doubt the Reserve Bank of India has agreed to pay interest equivalent to the average interest paid by each bank on total deposits. This, however, is not satisfactory enough as the present trend is for an increase in time deposits. This selective control therefore will increase the cost to banks on deposits.

There is also a need for the appointment of a committee of experts for making a survey of the monetary system prevailing in the country and to report how far our programmes of development are related to the maintenance of a reasonable price level. I am glad that the National Development Council is seized of this problem and has appointed a Committee to enquire into the impact of development activities on the price levels prevailing in the country.

Turning now to the Balance Sheet of the Bank as on 31st December 1959, I would first draw your attention to the fact that the paid up capital of the Bank is now Rs. 83 lakhs including a small amount of Rs. 1,010/- being unpaid calls. This figure has been reached by the issue during 1959 of fully paid bonus shares of the value of Rs. 16.60 lakhs.

The total of the Balance Sheet figures has registered an increase of Rs. 6.71 crores over the 1958 figures. Our deposits have increased by about Rs. 3 crores, of which the increase in fixed deposits is over Rs. 2.17 crores.

During the year 1959, we were able to utilise our funds more effectively than in the previous year and as on 31st December, 1959, the total of our advances reached the figure of Rs. 28.85 crores, which is an improvement of Rs. 5.70 crores over last year.

With the increase in our deposits, we have also increased our investment in authorised securities of the Central and State Governments by nearly Rs. 1.39 crores. to Rs. 13.84 crores. In this connection, I would draw your attention to the fact that the difference between the market value and the cost price of our holdings is only Rs. 3.10 lakhs and even this small difference will disappear in 1961. All the securities held by the bank are termin-

able securities repayable at par mostly short dated, and are held in maturities on different dates, in accordance with the usual banking practice.

The Profit & Loss account of the Bank for the year shows that the gross income of the Bank has increased by Rs. 36.93 lakhs to Rs. 2.67 crores. The increase has been almost wholly accounted for by interest and discount. The net profit of the bank has, however, increased only by Rs. 15.53 lakhs. Interest paid on deposits and borrowings has been higher by Rs. 8.72 lakhs and establishment charges have increased by Rs. 9.12 lakhs. The increased interest paid has been necessitated by larger deposits, the bulk of them being fixed deposits. The increase in establishment charges is accounted for by the annual increments payable to the members of the staff and the higher dearness allowances that had to be paid to them on account of the increased average cost of living index.

I hope that you will agree that the results of the working of the Bank for the year 1959 have been satisfactory.

I would now like to say a few words about the appropriations recommended by the Directors. The interim dividend and bonus already paid and a similar dividend and bonus now recommended together add up 15%. Under the present law, the Bank is bound to pay such dividend after deduction of income-tax payable thereon. The Directors are aware that the net dividend that will be received by the shareholders will be less than that has been paid to them in the last few years.

Shri D. P. Parthasarathy Ayyar, who had been in the service of the Bank for 32 years and was our Secretary for the last three years, availed himself of leave at the end of 1959 and retired from the service of the Bank on the 5th February this year. I would like to place on record the valuable services rendered by him to the

Bank during his long tenure of office.

The Directors have appointed Shri G. S. Sundaram, a retired Officer of the State Bank of India as the Secretary of the Bank and he has entered upon his duties very recently. On behalf of all of you, I welcome him and hope that the Bank will show increased progress in all directions during his term of office.

Before I close, I must express our appreciation of the sincere and hard work put in by all members of the staff of the Bank during the year.

I have also great pleasure in expressing our gratitude to the members of the Local Advisory Boards for their valuable advice and guidance.

(NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting.)

30 April 1960



Record Coffee Crop Expected

ACCORDING to the Coffee Board, all planting districts except parts of Hassan and North Coorg are reported to have had satisfactory blossom showers in general and the present expectations are that the next season's crop will exceed 50,000 tonnes with a possibility of touching 55,000 tonnes. In 1958-59, 46,500 tonnes were picked and this is the highest so far picked in India.

The receipts of the 1959-60 crop into the Pool, up to 31 March 1960, amounted to 37,743 tonnes, consisting of 24,154 tonnes of Plantation; 4,714 tonnes of Arabica Cherry and 8,875 tonnes of Robusta. The corresponding receipts, up to the end of March last year, were 37,189 tonnes consisting of 17,593 tonnes of Plantation; 6,335 tonnes of Arabica Cherry and 14,261 tonnes of Robusta variety. More than 60 per cent of coffee under Plantation has already been cured, while the curing of the other varieties is briskly progressing.

The value of coffee exported from India, during the eleven months ended November 1959, has been worked out as Rs 578 lakhs for a total of 13,184 tons of coffee, the largest share of which belongs to Europe, as will be seen from the following figures:

	Tons	(Rs in Lakhs)
Europe	12,247	541.0
Asia	770	80.5
USA	104	3.5
Oceania	63	3.0
Total	13,184	578.0

While the countries constituting Western Europe imported 54 per cent of the total imports of Indian coffee into Europe during the above period, the largest single buying country was USSR with an offtake of 2,798 tons valued at Rs 129 lakhs, followed closely by East Germany, which imported 2,573 tons valued at Rs 118 lakhs.

Pepper

Buoyant conditions have continued to prevail in Pepper markets. In the Cochin market, trading was very lively following a sudden spurt in the overseas demand. The volume of business was fairly large. Ready rate was quoted around Rs 327.50 per cwt.

The all India final estimate of Black pepper for 1959-60 puts the current year's area and production at 232,000 acres and 25,500 tons against the partially-revised estimate of 230,100 acres and 25,500

tons respectively for 1958-59. The increase in acreage is due to the increase in area in the Kerala State. There has, however, been a slight decrease in acreage in the Mysore State.

Exports of black and white pepper from Singapore amount to 29,102 tons last year as against 26,932 tons in the preceding year, showing an increase of 2,170 tons. Exports of black pepper alone amounted to 19,229 tons against 18,131 tons. The rise in the export has been due to increased offtake by the USA, which was the largest importer of black pepper, having absorbed 11,235 tons during the year under review as against 8,855 tons in the previous year.

Exports of white pepper alone amounted to 9,873 tons against 8,801 tons, showing an increase of 1,702 tons. UK was the largest buyer of white pepper, having purchased 4,244 tons against 2,680 tons in 1958.

On the London market, however, conditions remained quiet and prices displayed a slightly easier tendency. With the new crop supplies now very close, it looks as if an upswing in the market of the sort seen last January will not occur again in the immediate future. At the end of last week, the rate was almost back to its lowest level this year.

Ginger

The all-India final estimate of dry Ginger for 1959-60 puts the current year's area and production at 37,000 acres and 13,400 tons respectively. As compared with the partially revised estimate of 35,700 acres and 12,300 tons for 1958-59, the estimates for 1959-60 show an increase of 1,300 acres in area and 1,100 tons in production. The increase in area is accounted for mainly by the Kerala and Bombay States and is attributed to favourable weather conditions. The increase in production is shared mainly by Kerala and Madhya Pradesh.

Sugar

According to the Indian Sugar Mills Association, sugar production has shown a rise to 442,000 tons in March from 366,000 tons in the corresponding month of last season. This brings the total production for the season 1959-60 (up to the end of March) to 2,054,000 tons as against 1,697,000 tons in the corresponding period of last season.

The offtake of sugar from factories, during the month of March, was 151,000 tons against 171,000 tons in the corresponding month of last year. Total despatches, up to 31 March 1960 amount to 779,300 tons as against 862,000 tons in the corresponding period of last season. The closing stock with the factories, as on 31st March 1960, was 1,418,000 tons against 1,168,000 tons on the corresponding date of last year.

Meanwhile, conditions in the sugar markets remain steady, thanks to demand due to marriage season. In the Muzaffarnagar market, prices have improved by Rs 2 to Rs 5 per bag, to quote at Rs 118 in spite of the easy supply position.

Khandsari

Better demand from the consuming areas coupled with the marriage season requirements accounted for gains of about Rs 2 per maund in Khandsari prices during the week. The inferior quality is quoted at Rs 29 to Rs 33 per maund and superior dry quality at Rs 35 to Rs 41, according to quality.

Production in some centres has come to a close; but stocks with the industry are reported to be fairly heavy. The Uttar Pradesh Government have announced that no new taxes will be imposed on the khandsari industry.

Gur

Lack of demand is reflected in the price of Gur. In the Hapur market, Pansera quality is quoted slightly easier at Rs 15.00 per maund and Balti quality at Rs 16. Daily arrivals average 200 maunds, while stocks have dwindled by 1,000 maunds to 32,000 maunds.

Shellac

The Calcutta Shellac market continues to rule steady with Pure TN shellac quoting around Rs 78 per maund. The remarkable steadiness in prices during the past many weeks is attributed to a regular flow of foreign enquiries and shipments running at a satisfactory level. In March, they amounted to 35,663 packages.

During the current month, up to 20 April, shipments are slightly lower at 24,171 packages against 26,559 packages in the corresponding period of March. Out of these, shellac comprise 16,031 packages (14,050); seedlac 7,350 packages (10,819); buttonlac 245 packages (290) and other varieties 525 packages (1,600). Figures shown within brackets were the shipments for the corresponding period of March.

Present indications point to a good demand from overseas countries. Russia and China are reported to have bought substantial quantities, which are to be delivered in April and May. The trade thinks that the requirements can be met without difficulty as the Bysakhri crop is making satisfactory progress.

Metals

The non-ferrous metal market ruled steadier with further rise in Zinc for which spot rate moved up to Rs 152 while May delivery was placed at a discount of Rs 7. Copper wire bars has gone up to Rs 232 from Rs 229 while scrap was quoted at Rs 210. Brass scrap has improved to Rs 179 after early decline to Rs 176. Lead was pegged around Rs 74 and Tin at Rs 135. Aluminium scrap was dull at Rs 1.52 per lb.

Bullion

Bullion prices have hit new high levels altogether on heavy depletion in floating stocks following the excellent seasonal offtake. The breakdown of the talk on Sino-Indian border dispute had also a bullish effect on the market. Shots were induced to cover their sales in the advancing markets while the bull operators tightened their grip by further accumulating lines. Even the small buying orders had an exaggerated effect on the market. Stocks of Silver in the Bombay market have dwindled to about 200 tons, while in Gold floating stocks were estimated around 16,000 tolas. As offtake is expected to remain fairly good for the next two or three weeks and as prices have soared, the Board of Bombay Bullion Association has decided to levy stringent margin and extend the delivery dates subject to the sanction of the Bombay Government.

Oils & Oilseeds

In view of the prolonged delay in getting permission for trading in distant delivery contracts, the Bombay Oilseeds market was in a subdued mood and prices fluctuated irregularly. In view of the shortage in actual groundnut, the undertone in this section was fairly firm but castor-seeds turned quiet due to lack of fresh export business. Cottonseeds were fairly maintained while linseed after early sharp rise reacted. Tenders in May deliveries will commence from 1 May but hopes are held that by 29 April the FMC might grant permission to trade in August and September contracts as most of the outstanding issues are likely to be thrashed out by the time.

Hides and Skins

Prices of tanned cow hides remained unchanged due to poor arrivals. Lower grades were transacted for shipment to United Kingdom. The price negotiated was half a penny per lb higher. Local demand for inferior fiths had been high and so quoted better. As regards rates for shipment, buyers were reluctant to pay the sellers demand which they thought high. There was high demand for tanned buffalo skin and prices naturally went up by 3d. per lb. Neither U.S.A. nor United Kingdom was keen to follow up the high price. U.K. was disinterested in tanned cow-calf skins. Even local prices had to recede between 3 to 6 nP. per lb. In top premium marks, prices declined by two penny per lb.

Tanned sheepskins sold during the week numbered 51,000 leaving 46,000 sheep skins afloat. Goatskins were down by 2,000 pieces leaving 5,000 pieces in the bazar. The prices of common quality went down by about 12 nP. Clearance was slack due to lack of demand from abroad. Also in the export trade, negotiations were next to nothing though prices of goatskins, sheepskins and primes and semi-primes had advanced.

WORLD OF COTTON

Irregular Fluctuations in Cotton

The cotton futures market in Bombay during the past week has fluctuated irregularly within narrow range. Business was very much restricted as the professional operators preferred to keep on side lines. The acute scarcity of indigenous supply is deterring sellers while the fact that the maturity of the August contract is far off and as such the effective rate during the non-delivery period is Rs 790 has restrained buyers. Thus there has been a tendency of late for the turnover to contract. ICC August after early set back to Rs 779.75 advanced to Rs 784 to react to Rs 779.50 to be placed at Rs 780. The futures market has lost its attraction for the present and it is wondered as to when the market can come to its own. Much will depend on the course of the monsoon.

SPOT COTTON.

Trading in the Sewri spot market was sluggish. Needy mills, however, were covering their requirements of the available lots of the long and short staple varieties. Prices were somewhat quiet. Among foreign varieties, mills were persistent buyers of lower varieties of American cotton while in other growths business was very much restricted.

Among indigenous growths, Nagar CO 2 was done at Rs 955, Porbandar CO 2 at Rs 1120, Akot-L 147 at Rs 1040, Netranj at Rs 1130, Khandwa-L 147 at Rs 1060, Malkapur L 147 at

Rs 1015, Hubli Laxmi at Rs 1060, Gadag Laxmi at Rs 1041, Annegiri Laxmi at Rs 1060 and Kalyan at Rs 915 to Rs 935. In imported varieties, American 1/16" Muddling for May/June came to business at Rs 965, Bushoga at Rs 1250, Pakistan NT at Rs 950, Sudan G 55 at Rs 1665, Sudan XG 3L at Rs 1628, Sudan XG 5L at Rs 1540, Jinga at Rs 1145, Budama at Rs 1190 and BPS2 at Rs 1295 to Rs 1300.

COTTON CONSUMPTION.

Cotton consumption during the first half of the current cotton season 1959-60 that is from September to February has increased to 25,93,378 bales as against 25,74,559 bales in the corresponding period of last season. Out of this, Indian cotton has accounted for 23,45,411 bales and foreign 247,967 bales as against 23,49,907 bales and 224,752 bales respectively. The monthly average consumption of Indian cotton has amounted to 390,900 bales as against 391,630 bales and foreign 41,330 bales as against 37,460 bales.

The actual monthly consumption figures of Indian and foreign cotton are as follows:—

	(In bales of 392 lbs each)	
	Indian	Foreign
1959:		
September	396,354	42,154
October	395,050	39,728
November	383,961	37,028
December	408,137	40,848
1960:		
January	392,734	42,826
February	369,175	45,383

From the above table it is evident that the trend of Indian cotton consumption has been somewhat lower while consumption of foreign cotton shows an upward trend. This tendency is likely to be accelerated in the next few months.

IMPORT LICENSES.

The quantity of foreign cotton licensed for import into India amounts to 701,720 bales while the actual arrivals for the seven months

of the current season have amounted to 326,402 bales. The actual break-up being as under.

	Quantity licensed.	Actual arrivals*
U.S.A.	273,147	42,998
Egyptian	162,731	136,633
Sudan	67,114	58,193
East African	101,537	52,873
Others	97,191	35,705
Total	701,720	326,402

*Arrivals include quantity license in the previous season.

SUDAN COTTON.

The Ambassador of the Republic of Sudan in India has expressed the view that India should take more of Sudan cotton. He stated that Sudan was importing Indian cotton textiles on a large scale but regretted lack of reciprocity on the part of the Government of India. The bulk of Sudanese export to India consisted of long stapled cotton. The output of indigenous cotton in India was far below the requirements of the industry but the Government never showed any disposition to import Sudan cotton to fill up the gap. Sudanese trade deficit with India has assumed gigantic dimensions in recent years and no country could afford to leave it as such, he added.

COTTON PIECEGOODS.

The cotton piecegoods market was quietly steady with restricted offtake but the price basis especially for coarse cloth remained very firm as mills were not anxious sellers in view of the high cost of the indigenous raw material. It looks almost certain with the increase in cost of production the price pattern of cotton piecegoods will remain generally high. As such, the export performance has remained more or less unsatisfactory. Pakistan is reported to be making inroads in our traditional markets for Aden and it is

generally felt that unless our mills compete with the export incentive schemes, India may lose some of the markets.

NEW YORK COTTON.

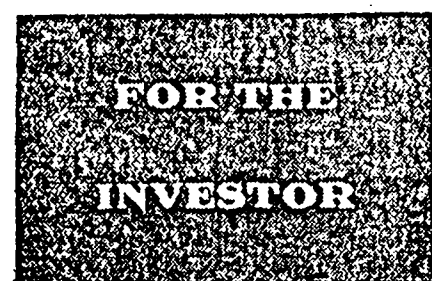
The New York Cotton market has firmed up with July advancing to 32.84 cents a lb. The market was helped by the strength and activity of the cotton grey goods. The new crop October delivery was quoted at a discount of 2 cents. The Commodity Credit Corporation purchases and sales under Choice "A" programme for the season so far worked out to 8,641,458 bales and 5,953.05 bales respectively, leaving net stock at 2,788,413 bales. Entries into and reposessions from the 1959 loan for the season came to 332,013 bales and 210,077 bales respectively, leaving net loan stock at 121,936 bales.

CEILING PRICES FOR HARD COKE

The Government of India have introduced ceiling prices for hard coke and also relaxed the control over the distribution of this variety of coke.

This has been done following the examination of recommendations in regard to the price structure of hard coke made by the Coal Price Revision Committee in its supplementary report in December, 1959. The main report on collieries in Bengal-Bihar and the outlying coalfields of Madhya Pradesh, Bombay and Orissa was submitted in December, 1958.

The Committee in its supplementary report had come to the conclusion that, during the next few years, the production of hard coke would be more than the actual demand for it, that there would, in fact, even be a surplus, and that, if the demand were to grow further, the situation could be met by the establishment of additional production capacity. It had accordingly recommended the discontinuance of control over the distribution and prices of hard coke.



Need for Caution

Investment Gossip:

STOCK markets have ruled erratic during the past week although the undertone continues to be steady. The inconclusive parleys between Mr Nehru and the Chinese Prime Minister in New Delhi has had little adverse effect on sentiment. It would appear that because such an outcome had been generally anticipated, operators seemed to have actually derived some encouragement to extend their commitments. Around about midweek there has been a bold bid by bulls to bolster up prices but this attempt has been only temporarily successful. Since Thursday, there is a subdued tendency and this is attributed to renewed apprehensions about fresh credit curbs. Bank chairman after bank chairman has been speaking during the past few weeks on the inefficacy and inappropriateness of the type of credit curb measures initiated by the RBI recently. It has also been pointed out that any rise in the bank rate would seriously interfere with capital formation.

However, it is significant that periodical rumours about further curbs should be in circulation in the market places. Presumably, there are quite a few among stock market operators who think that any further rise in share prices will be untenable even from the point of view of growth prospects. Any early tax relief is unlikely in view of the massive Third Plan looming large in the horizon. In the present context of rising equity prices it will also be profitable to assess from time to time prospects under the present corporate tax level.

Meanwhile, Mr Nehru's speech on the occasion of the opening of the National Defence College shows that defence will continue to claim increased attention. The latest reference to India of the Chinese Premier does not also seem to be quite helpful. The fact that the joint communiqué on talks between the two premiers says that "every effort should be made by the parties to avoid friction and clashes in the border areas", however, may encourage the hope that the border dispute may not take any untoward turn atleast in the immediate future. It may, therefore, be permissible to take the view that the Finance Minister may not come to the people asking for additional funds for defence before the next Central Budget. But operators would do well to take into their calculation such a contingency.

New Issue Notes

The National Iron & Steel Company, Limited has announced the details of its Rs 25 lakhs Debenture issue. The Debentures carry interest at 7 per cent per annum. They are repayable in eight equal instalments, beginning from 31 December, 1961. The issue is offered at par. It is expected that, within a period of one and a half-years, the company's steel foundry expansion will be completed and that the target of production will be reached.

A new Fertilizer factory with an annual capacity of 40,000 tons of superphosphate is being set up in the private sector of the Madras State. The factory will be situated at Cuddalore. A new company, Premier Fertilizers Limited has been registered with an authorised capital of Rs 1 crore. The issued capital is Rs 50 lakhs, divided into five lakhs equity shares of Rs 10 each. Trial runs of the factory are to be undertaken by the end of 1961 and production is likely to start in January 1962.

The Jeypore Sugar Company, Limited has proposed to issue 54,081 equity shares of Rs 10 each, at par, in the proportion of one new share for every five shares held, to those shareholders whose names are registered as on 14 May, 1960. Last date for the receipt of applications together with payment is 25 June, 1960. This issue is subject to the sanction of the Industrial Financial Corporation of India.

The Devon Tea and Produce Company, Limited has proposed to issue 22,500 equity shares of Rs 10 each, at par, to the existing shareholders in the ratio of one for two shares held. The last date for the receipt of applications with full remittance is 30 June, 1960.

Western India Plywoods Limited has extended the time for the submission of coupons from 31 March to 30 June, 1960 in respect of its recent proposal to issue 4,500 equity shares of Rs 100 each, at a premium of Rs 25 per share.

A new company, known as Gujarat Steel Tube Limited, will be formed shortly to undertake the manufacture of steel galvanized pipes. The promoters of the project have already obtained the necessary licence. The factory will be located in the vicinity of Ahmedabad. The capacity of the plant will be 24,000 tons per year. Negotiations are being conducted for securing foreign collaboration. The plant is expected to go into production by the middle of 1962.

The authorised capital of the above company will be Rs 3 crores in the form of equity shares of Rs 100 each. The issued capital will be Rs 1 crore. Out of this, shares worth Rs 50 lakhs will be taken up by the promoters, directors and their friends. The balance of Rs 50 lakhs will be offered for public subscription. The issue will be made in July next.

ERs

Investment Notes:

The Cochin Malabar Estates Limited has harvested 9.78 lakh kilograms of rubber till the end of February 1960 as against 8.95 lakh

kilograms in the corresponding period of the preceding year. The crop estimate for the 1959-60 season is placed at 9.82 lakh kilograms of rubber.

Further details with regard to T. Stanes & Company, Limited have been received. Besides the holding by this company in the United Nilgiri Tea and States Amalgamated, the subsidiary company, the United Coffee Supply Company, is also holding 15,616 shares in the United Nilgiri Tea and 25,865 shares in States Amalgamated which investments stand in their books at cost at Rs 39,148 and Rs 2.59 lakhs respectively. Stanes was incorporated as a Public Company in 1910, converted into a Private Company in 1938 and reconverted into a Public Company in March 1956.

The Indian paper industry has made big strides in recent years. As against the second Plan targets for capacity and production of 4,50,000 tons and 3,50,000 tons respectively, production in 1959 is estimated at 2,90,000 tons. The target for capacity has already been achieved and it is confidently expected that the target of production also will be fully reached by 1960-61. Official estimates put the demand for paper during the Third Five Year Plan at 7,00,000 tons and capacity at 9,00,000 tons. It is, however, generally believed that the demand will be much larger.

ERs

Investment Briefs:

Cheviot Jute has declared a final dividend of Rs 8, making a total of Rs 12.50 per share, taxable, for the year ended 30 November 1959 as against a tax-free dividend of Rs 5.00 paid for the previous year.

Orient Jute has proposed a final dividend of Rs 7.50, making a total of Rs 12.00 per share, taxable, for the year ended 30 November 1959 as against a tax-free dividend of Rs 2.50 paid previously.

Mim Tea has recommended a dividend of Rs 10 for 1959 against nil in 1958.

Murphukuti Tea has maintained the dividends at Rs 2.00 per share on the Ordinary shares and Rs 2.50 per share on the Preferred Ordinary shares, for 1959. The present divi-

dends are subject to deduction of tax.

The Thiruvapur Syndicate Limited has recommended a gross dividend of Rs 5 per share for the year ended 30 November, 1959. A proportionate dividend has been proposed in respect of the new issue. The net dividend works out to Rs 3.50 per share as against Rs 8 paid for the preceding year.

The Indore Malwa United Mills Limited has proposed a gross dividend of Rs 7 (net Rs 4.90) for 1959 against Rs 5. The dividend will be paid out of the General Reserve.

Alcock Ashdown Company Limited has declared a gross dividend of Rs 17 (net Rs 11.90) against a tax-free dividend of Rs 12.50 paid for 1958.

Tropical Plantations have proposed a taxable dividend of 8 per cent against a tax-free dividend of 6 per cent.

ERs

Balance-Sheet Briefs:

The Atul Products Limited has reported a gross profit of Rs 110.70 lakhs for 1959 as against Rs 57.32 lakhs in the previous year. A gross dividend of 12 per cent is recommended. This works out to a net dividend of 8.4 per cent against 10 per cent.

The Anil Starch Products Limited has registered a rise in gross profit from Rs 17.34 lakhs to Rs 33.58 lakhs. The directors have recommended a total distribution of Rs 28 (including a bonus of Rs 8), subject to tax. This works out to a net dividend of Rs 19.60 against Rs 20 (including a bonus of Rs 10) paid for the preceding year.

The working of the Peermade Tea Company Limited has resulted in a higher profit of Rs 5.83 lakhs for 1959 as against Rs 1.10 lakhs for 1958. The directors have recommended a final dividend of 15 per cent, making a total of 22½ per cent, subject to tax. This works out to a net dividend of 15.75 per cent against 16.25 per cent for 1958.

The net profit of the Jawahar Mills Limited is considerably higher at Rs 14.10 lakhs against Rs 7.44 lakhs. The directors have recommended a dividend of 15 per cent, subject to tax, on the increased capital. The distribution on the old capital was 15 per cent without deduction of tax.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Previous Proposed Dividend (Rs Per Share)	Transfer Books Closed
CALCUTTA:			
Bharat Collieries	... May 10	Nil	0.60
Kamarhatti Co.	... May 13	20.00	5.00
Kankarrath Co.	... May 13	Nil	Nil
South Karanpura Coal	May 13	0.90	0.75
Budge-Budge Jute	... May 16	15.00	5.00
BOMBAY:			
Shree Niwas Cotton	... May 3	15.00	10.00
Industrial Invest. Trust	May 3	6.00	6.00
Svadeshi Mills	... May 11	14.00	10.00
Tata Mills	... May 12	2.50	1.50
MADRAS:			
Aspinwall & Co.	... May 25	0.60	0.60
Ouchterlony Valley	... May 12	15%	10%

Indian Paper Makers Association

Second Plan Target for Capacity Achieved

Tariff Commission on Paper Prices

Mr Zutshi Urges Upward Revision

In his address to the Annual General Meeting of the Indian Paper Makers Association held on Thursday, 28th April, 1960, Mr. Zutshi, the Chairman, stated:—

"1959 has been an eventful year for the Paper Industry. When the results of the year are fully known, it is quite likely that production will have exceeded 2,90,000 tons once again proving the soundness of the policy in general followed by the Paper Companies.

The Second Plan targets for capacity and production were 4,50,000 tons and 3,50,000 tons respectively and taking into consideration schemes under production and schemes covered by import licences a capacity of 5,30,000 tons has been achieved so far. The production of 2,90,000 tons by the Mills during 1959 is an achievement of great merit and shows the efforts the Industry has been making to reach the targets of production laid down for the Second Five Year Plan. Having obtained a production of 2,90,000 tons in 1959, there is no reason why the Industry should not fully achieve the target of 3,50,000 tons in 1960-61. Thus the target for capacity for the Second Five Year Plan has already been achieved and it is certain that the Paper Industry will have fully reached by 1960-61 the target of production set for it by the Second Five Year Plan. All this has become possible because of the policy of ploughing back its resources for the modernisation and expansion of its plants generally followed by the Industry. The Industry has thus fully demonstrated its ability and willingness to work in the national interest.

The major event of the year was the acceptance by the Government of India of the Tariff Commission's recommendations on Paper Prices. There has also been some unfair comment against the Industry from interested quarters. I have no doubt that most of this criticism is based on ignorance of facts.

Over a period of 10 to 11 years, while the Paper Industry trebled its production, the paper prices were increased by only 16.7% for the civilian market and by about only 10% for Government supplies as against an increase in cost of production of over 35%. This is a record of which any industry can be proud. It is indeed a pity that instead of receiving some appreciation for working in the national interest both in the matter of increasing production and keeping the prices under check the Indus-

try should have been subjected to criticism and the prices of paper should have been slashed.

The Tariff Commission has allowed a return of only 12% on the Employed Capital to provide for the financial requirements of the Paper Companies towards dividends, interest on working capital, reserves, taxation, managing agents and Directors' remuneration, interest on debentures and loans and bonus to labour. The Industry has, through its joint memorandum submitted by this Association and the Indian Paper Mills Association, shown how a return of 25% on Capital employed was the minimum required to meet the aforesaid liabilities. It is a matter of regret that the Tariff Commission should have rejected this demand without advancing any justification and should have fixed the return on Employed Capital in an arbitrary manner. I would like respectfully to submit that the return of 12% allowed by the Tariff Commission on Employed Capital is far too inadequate to cover the aforesaid liabilities.

The Paper Industry in its Memorandum to the Tariff Commission had submitted evidence to prove that the present day cost of machinery was more than four times the cost in the pre-war years. The need for providing funds over and above the Normal Depreciation accumulations for rehabilitation of plant has been confirmed by the Supreme Court in their various judgments on Bonus. Last year the National Council of Applied Economic Research, a body set up by Government, examined the adequacy or otherwise of the depreciation allowed under the existing law and came to the conclusion that Industry did need additional funds to rehabilitate plant. I am, therefore, convinced that justice has not been done by the Tariff Commission in not admitting the reasonable claim of the Paper Industry for a suitable rehabilitation allowance.

Between now and the end of the Third Five Year Plan the Industry has more than to double its output. This will involve the investment of huge sums of money in the purchase and installation of additional plant, machinery and equipment and if the Industry has to fulfil the targets set for it for the Third Five Year Plan the prices must be increased.

I welcome the Government's decision to import 25,000 tons of Writing and Printing Papers to meet the gap between the actual

demand and the indigenous production. The logical conclusion of this policy would be to encourage Indian Mills to manufacture quality papers. I do sincerely hope that those Mills, which as a result of experiments conducted over long periods have succeeded in producing quality papers as distinct from their normal varieties, will be encouraged to continue production of such speciality papers.

I welcome the formation of the Development Council for the Paper, Pulp and Allied Industries with representatives of the Industry, the Government, the Forest Department and the Trade as its members. The Council has been assigned important functions and I have no doubt it will provide a close link between the industry and the Government.

India has set for itself an ambitious programme of industrialisation under the Third Five Year Plan. Early this year the Planning Commission invited representatives of the Paper Industry and discussed with them the fixation of targets of capacity and production of paper for the Third Five Year Plan. Literacy is spreading in India. Consumption of paper by the Government is on the increase and the population of the country is going up from year to year. There is, therefore, no manner of doubt that the demand for paper during the Third Five Year Plan will be substantial. The Hon'ble Minister for Industry in his inaugural address to the Development Council estimated the demand at 7,00,000 tons and capacity at 9,00,000 tons. In actual practice the demand is likely to be more. In the next six years the Industry will, therefore, be required to produce nearly three times its present production and will mainly depend on internal resources for doing so. It is, therefore, all the more necessary that the Government give their most favourable and urgent consideration to the request of the Industry for an upward revision of paper prices with immediate effect.

Bamboo has been the primary raw material for paper making in this country and I cannot help but mention that the attitude of some of the State Governments in refusing long term leases of their bamboo and grass forests at reasonable royalties to the Paper Industry is far from being helpful. I take this opportunity of requesting the Central Government to issue clear directives to the State

Governments to follow the policy as recommended by the Tariff Commission.

During the year the Industry continued to receive demands from the trade unions for increases in wages. The Paper Industry pays decent wages to its workers and it is time that the Trade Union Leaders started directing the energies of their followers to constructive channels for enlarging productivity, for increase in production is the best insurance for higher emoluments."

THE INDO-BURMA PETROLEUM COMPANY LIMITED

NOTICE IS HEREBY GIVEN that the FIFTY-SECOND ANNUAL GENERAL MEETING of the Members will be held at the Registered Office of the Company at Gillander House, Netaji Subhas Road, Calcutta, on Thursday, the 26th May, 1960, at 10 a.m. to transact the following business:—

- (1) To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December 1959.
- (2) To sanction the declaration of a dividend.
- (3) To elect a Director in place of H. H. Maharaja Sir P. C. B. Deo of Mayurbhanj, who retire by rotation and, being eligible, offers himself for reappointment.
- (4) To appoint Auditors for the year ending 31st December, 1960 and to fix their remuneration.

NOTICE is further given that the Ordinary Register of Members will be closed from the 9th May, 1960, to 26th May, 1960, both days inclusive.

By Order of the Board

STEEL BROTHERS AND COMPANY LIMITED
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
12th April, 1960.

N.B. A member entitled to attend and vote at the above mentioned Meeting may appoint a proxy who need not be a member to attend and, on a poll, to vote on his behalf."

STOCK EXCHANGES

Steady: Profit-Taking at Bulges

Watch-Dog Writes:

WITH uncertainty about the Nehru-Chou parleys over stock markets tried to make further headway with selected scrips moving up gradually on steady support during the week under review. Toward the close, however, prices displayed a slightly reactionary tendency due to profit-taking at higher levels. This was mainly due to the fact that operators were anxious with regard to the political developments.

Despite restricted trading, the Calcutta Stock Exchange provided a few firm features on special considerations.

The Bombay Stock Exchange finished the week on a quiet note, reflecting lack of fresh incentive and scattered selling on settlement considerations.

Activity on the Madras Stock Exchange was moderate with prices showing a disposition to be fractionally lower except in a few selected shares.

Calcutta

Calcutta, Friday Evening.

THE failure of the Nehru-Chou talks did not seem to have affected the local stock market during the week under report. As it has been anticipated that the talks would not be successful, operators did not attach much significance to the latest developments. As a matter of fact, there was a brisk revival of selective buying and prices made an immediate response in every section of the market. Even a number of new issues, already announced or in the offing failed to have any effect on the general level of prices. The only adverse factor was the political uncertainty which, at times, cast its shadow on the market and induced scattered liquidation at higher levels.

The Gilt-edged market continued to remain dull with business on a reduced scale. Small enquiry was noticed for Loans maturing from 1961 to 1964; but other loans received scant support. Long-dated issues were on offer at the quoted rates. 3 per cent 1986 Conversion Loan opened lower at Rs 73.20 and, after improving at one time to Rs 73.75, receded at the close to Rs 73.50.

In sympathy, Bank shares were also quiet with Punjab National being offered at Rs 19 against Rs 21 and United Commercial at Rs 65.50 against Rs 67.50.

Trading in the Jute section continued to be cautious in view of the disparity still existing between the prices of raw jute and those of manufactured goods. Howrah were on

offer at Rs 23 to Rs 23.31; National at Rs 30.25; Megna at Rs 12 to Rs 12.12 and Birlas at Rs 28.75 to Rs 29.00. New Central, after being marked upto Rs 27.12 from Rs 26.19, receded at the close to Rs 26.69 on lack of follow-up support. Among higher-priced shares, Kamarhatty were nearly maintained at Rs 171 following increased dividend for last year, while Kanknarrah were on offer at Rs 101 against Rs 112 following the dividend being passed again.

Despite profit-taking at higher levels, Coal shares maintained a steadier tendency on indications of an increase in the demand for the commodity in view of the great stride in industrial expansion. An outstanding feature were Karanpura Collieries which were in demand upto Rs 190 from Rs 163 on reports of good working. Central India, after touching a high of Rs 12.50 from Rs 12 on rumours of a right issue, finished at Rs 12.44 on profit-taking. East Indian changed hands at Rs 30.87 to Rs 31.12; New Beerbhoom at Rs 23.81 to Rs 24.06 and Western Bengal at Rs 8.06 to Rs 8.41. Burrakur fluctuated rather irregularly between Rs 19.60 and Rs 20 on alternate buying and selling to close finally at Rs 19.75.

In the Tea section, dealings were few and far between; but prices maintained a steadier tendency due to a general feeling that the industry had done better in the 1959-60 season. It was also thought that the new season would start well in view of the fact that the North Indian crop might be delayed by the current drought conditions in the producing areas. Shares of the Assam and Dooars gardens were in good demand on expectation of satisfactory dividends. Brooke Bond changed hands at Rs 17.25 to Rs 17.50; Grob at Rs 13.70 to Rs 14; Hasimara at Rs 23.50 to Rs 23.75; Jayshree at Rs 17.75 to Rs 18.12 and Tezpora at Rs 18.56 to Rs 18.81.

Sugar shares continued to present a firm front due to sustained support on the feeling that the steady rise in production might improve the earnings of various companies. Raza-Buland had buyers at Rs 13.12 to Rs 13.37; Balramore at Rs 3.36 to Rs 4.12; Carew at Rs 11.75 to Rs 12.00; Darbhanga at Rs 18.87 to Rs 19 and Ramnugger at Rs 24 to Rs 24.19. SKG were rather quiet at Rs 13.75 against Rs 13.87 on lack of fresh enquiry.

Textile scrips, too, enjoyed good support due to diversification of activities, especially in the field of rayon production. Jayshree were at one time wanted upto Rs 13.81 from Rs 13.56 and Kesoram upto Rs 27.87 from Rs 26.69. Elgins, hardened further to Rs 22 from Rs 21.50 with Cawnpore having support upto Rs 7.94 from Rs 7.69.

In the week's dealings, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to heavy buying till the middle of the week on expectation of an early rise in the retention price. Against the previous week-end closing of Rs 23.68, Indian Irons opened higher at Rs 23.74 and advanced further to Rs 24.03 before reacting at the close

to Rs 23.81 on profit-taking. In sympathy, TEXMACO were taken upto Rs 26.85 from Rs 26.15 and G. K. Williams upto Rs 44.25 from Rs 44, to finish at Rs 26.80 and Rs 43.50 respectively. The recent demand for Jessop seemed to have been satisfied and the scrip suffered a setback from Rs 24.87 from Rs 25.69 to close better at Rs 25.00. Britannia continued to enjoy good support, having buyers at Rs 14.31 to Rs 14.69 and so also Braithwaite at Rs 29.25 to Rs 29.81. Marshalls and Kumardhubi remained quiet at Rs 5.94 and Rs 6.37 against Rs 6.06 and Rs 7.00 respectively.

Of all the sections, the Miscellaneous was the most active and provided several firm features although profit-taking erased some of the extreme gains at the close, as will be clear from the following price trends of a few selected shares:

	Week's High	Week's Low	Week's Closing
Orient Paper	43.90	43.60	43.70
Shree Gopal	26.37	26.69	26.68
Sirpur	17.00	16.75	16.87
Titagur	40.62	40.44	40.50
Rohtas	34.87	33.75	34.31
Dunlop	43.80	42.25	43.37
H. Motors	19.87	18.12	19.75
Aluminium Corp.	18.50	18.00	18.00
I. Aluminium	28.58	27.81	28.25
I. Cable	31.50	31.19	31.25
I. Copper	4.64	4.44	4.57
I. Steamship	11.08	10.81	10.94
Asso. Battery	36.69	33.75	34.12
Union Carbide	50.50	48.87	49.00
B.I.C.	7.59	7.50	7.53
A. Chemical	26.67	26.00	26.00

Bombay

IRREGULAR movements prevailed in the Bombay Stock Exchange during the week under review. The market after early firmness reacted to recover, but, once again on Thursday met pressure on apprehensions that more stringent monetary measures might be devised by the Reserve Bank to discourage the bullish activity on the stock markets. It is difficult to say how far these rumours are true, but certain sections prefer to trade cautiously. Moreover end of accounts considerations, also weighed upon the market which met with scattered liquidations with a view to reduce the long commitments. Hectic activity which was in evidence in the new issues has somewhat slackened and there is urge on behalf of some of the investors to cash their profits while the going is good. The market tendency is reactionary. However, if no fresh measures are coming forth the market will rebound.

The Gilt-edged market was quiet with 3 per cent Conversion Loan at Rs 73.70. Bank shares have ruled weak with price touching new low levels. New India Assurance was sluggish; Electric supply shares were mostly dormant and a shade lower.

In the automotive section, Hindustan Motors met with hectic buying and rose to Rs 19.48 from Rs 18.36. Premier Automobiles after rising to Rs 155 reacted to Rs 152. Tata Loco turned easier at Rs 216.50 after early business at Rs 219.50. Scindia Steam after rallying to Rs 15.40 receded to Rs 15.08 while Great Eastern were done at Rs 17.36.

The engineering section was fairly firm with Voltas rising upto Rs 230 from Rs 222. Larsen and Toubro were firmly maintained at Rs 35.10. Premier Construction rose upto Rs 324, but terminated at Rs 320 on reports that the management of the Company is not anxious to issue bonus shares after the concession of promoters shares, and hence the contemplated scheme may not still fructify in the near future. Mukand Iron were steadier.

Tata Steel ordinary after reacting to Rs 155.25 rallied to Rs 150.25 to drop down to Rs 155.50.

Cotton mill shares were subdued after some steadiness. Bombay Dying suffered a sharp drop to Rs 67.80 following reports that the management did not contemplate issue of new capital to rally to Rs 68.60 but finished at Rs 68.20. Standard Mills shot up to Rs 1057 from Rs 940 to react to Rs 1045. Century Mills advanced to Rs 471 to recede to Rs 465. Kohinoor Mills after advancing to Rs 335 dropped to Rs 327.

Tata Chemicals shot up to Rs 18.28 from Rs 17.32 to decline to Rs 17.90. Bombay Burma receded to Rs 567 from Rs 573. National Rayon after moving up to Rs 488 dropped down to Rs 481. Sherrillpur dropped down to Rs 78 following the announcement of a gross dividend of Rs 5 on increased Capital but steadied upto Rs 81 on technical grounds.

The week's movements in prices of a few representative scrips are as follows:

	Week's High	Week's Low	Week's Closing
B. Dyeing	69.00	67.80	68.30
Century	470.50	462.60	468.50
Kohinoor	11.36	11.04	11.12
Svadeshi	335.00	325.00	329.00
Standard Mills	250.00	246.00	248.00
A.C.C.	107.00	94.00	104.00
Relapuz	143.50	141.50	141.75
Bombay Burma	338.00	335.00	337.50
N. Rayon	573.50	564.00	567.00
Pr. Construction	488.00	477.00	484.00
Scindia	324.00	316.50	320.00
T. Chemicals	15.40	14.96	15.08
Tata Loco	18.28	17.20	17.96
Tata Steel	219.50	215.25	218.50
Voltas	153.25	153.25	157.00
	230.00	221.00	223.00

Madras

Madras (Thursday): Coffee and rubber shares proved strong while teas were easier. Industrial counter as usual was popular while textile shares were a strong feature. A good volume of business was reported.

Government Securities: Government of Kerala 4½% 1970 Loan was better on the buying section with the quotation at 100.97. 4½% 1964 Madras Loan was quoted at Rs 100.35 and 4% 1968 Andhra Loan remained at Rs 100.10. Madras Government 1963 4% Loan was quoted at Rs 100.41 and 4% 1971 Madras Loan was available at Rs 100.00. Mysore Government's 4½% 1970 was quoted at Rs 102.00 while Kerala's 1971 4% was bought at Rs 99.65. Orissa Government's 1968 4% was quoted at Rs 100.25.

Banks: Indian Bank (Rs 100 paid share) ex-dividend remained at Rs 176 and the Rs 80 paid share was marked at Rs 148.80 ex-dividend.

COMPANY REPORTS

Kamarhatty Pays Higher Dividend

Balance-Sheet Reviews:

THE Kamarhatty Company Limited has produced excellent working results for the year ended 31 December 1959. Despite a slight decline in sales from Rs 3.90 crores to Rs 3.77 crores, the net profit, before providing for Depreciation and Taxation, is substantially higher at Rs 37.10 lakhs against Rs 33.93 lakhs for the previous year. Apart from providing a sum of Rs 5.50 lakhs for Taxation; Rs 1.36 lakhs for Debenture Redemption Reserve; Rs 4.50 lakhs for Machinery Renewal Reserve; and Rs 4.50 lakhs for General Reserve, the Depreciation amount is reduced to Rs 8.77 lakhs from Rs 10.21 lakhs and Development Reserve to Rs 3,683 from Rs 20,203. The directors have recommended a final dividend of 15 per cent, making a total 20 per cent for the year. This works out to a net dividend of 14 per cent against a tax-free dividend of 5 per cent paid for 1958.

Against a paid-up capital of Rs 59.20 lakhs, General Reserve is shown at Rs 16.50 lakhs; Development Rebate Reserve at Rs 23,886; Labour Superannuation and Welfare Reserve at Rs 1.75 lakhs; Machinery Renewal Reserve at Rs 9.00 lakhs and Debenture Redemption Reserve at Rs 1.36 lakhs. The gross block at Rs 1.98 crores is depreciated by Rs 1.33 crores to show a net block value of Rs 65.08 lakhs.

Mg. Agents:—Jardine Henderson Ltd.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	37,713,231	38,978,316	33,913,801	
Stocks	2,113,575	3,842,445	3,623,315	
Raw Materials	1,667,059	3,672,663	3,145,731	
Works in Progress	454,010	452,266	498,633	
Net profit	3,710,187	3,363,045	492,115	
Taxation	650,000	—	—	
Wealth Tax	—	43,000	—	
Depreciation	877,118	1,021,210	424,000	
Reserve Fund	450,000	—	—	
Development Rebate Reserve	3,683	20,203	—	
Other Funds	568,706	—	—	
Div. Amount Ord.	994,000	216,000	—	
Div. Amount Pref.	116,572	288,000	—	
Carry Forward	265,628	2,820	1,802,112	
Div. % Ord.	20(T)	5	NIL	
Div. % Pref.	6(T)	18*	NIL	
(Annual General Meeting on 13-5-60 at 11 a.m.)				
(T) Dividends subject to deduction of tax.				
*Preference dividend for three years ended 31-12-58 at 6 per cent per annum.				
Synopsis of balance sheet as on the last day of Decr.				
Liabilities.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up:				
6% C. Pref.	1,000,000	1,000,000	1,000,000	
Ordinary	4,320,000	4,320,000	4,320,000	
5½% Debentures	1,304,000	1,304,000	1,304,000	
Reserve Fund	1,650,000	1,200,000	1,200,000	
Other Funds	1,050,592	470,263	470,000	
Superannuation Fd	175,000	175,000	175,000	
Loans Secured	1,238,207	9,923,728	9,086,114	
Loans Unsecured	120,966	143,933	1,400,022	
Taxation Provision	502,617	68,478	72,924	
Debits	3,424,425	4,917,297	4,204,771	
Carry Forward	265,628	2,820	—	
Total	15,720,455	21,130,157	23,902,831	

Assets.			
G. Block	1959	1958	1957
Depreciation	19,787,286	19,771,840	19,691,638
	13,279,559	12,402,441	11,405,983
Block (net)	6,507,727	7,369,399	8,285,622
Partnership Capital	1,333,616	1,269,834	2,501,743
Stores	1,935,643	2,007,040	2,167,693
Stocks in Progress	454,010	452,266	498,633
Raw Materials	1,667,059	3,672,663	3,145,731
Stocks	2,113,575	3,842,445	3,623,315
Outstandings	653,041	1,476,430	829,763
Do. More than 3 months	266,068	233,024	209,461
Mis. Deposits and Advances	204,039	349,408	498,950
Investments	353,250	200,210	191,541
Cash	232,387	227,378	160,349
Debit Balance	—	—	1,802,112
Total	15,720,455	21,130,157	23,902,831

Kanknarrah Passes Again

THE Kanknarrah Company Limited has again passed the dividend for 1959. Sales are lower at Rs 3.27 crores against Rs 3.49 crores, while the net profit is higher at Rs 26.01 lakhs against Rs 18.91 lakhs in the previous year. In respect of allocations, the Depreciation amount is reduced to Rs 7.69 lakhs from Rs 3.75 lakhs, while Development Rebate Reserve is raised to Rs 23,038 from Rs 10,466. The balance profit of Rs 18.10 lakhs is adjusted against the previous debit balance of Rs 31.78 lakhs, leaving a net debit balance of Rs 13.69 lakhs to be carried forward to next year.

The paid-up capital is Rs 68,22,700 divided into 30,000 Ordinary shares; 24,000 "B" Ordinary shares; 10,000-6 per cent Cumulative Preference shares and 4,227-6 per cent Redeemable Cumulative Preference shares, all of Rs 100 each. Against this, reserves and surplus amount to Rs 9.09 lakhs. The gross block stands at Rs 1.76 crores; total depreciation at 1.13 crores and the net block at Rs 63.58 lakhs.

The directors have, in their report, state that, while the results of the current year's working to date are not unsatisfactory, the prospects for the remainder of the year are much less promising. In these circumstances and having regard to the necessity to finance the modernisation programme, they are unable to give any firm indication regarding the likelihood of resumption of dividends on the equity capital.

Mg. Agents:—Jardine Henderson Ltd.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	32,728,739	34,939,818	29,582,408	
Stocks	2,279,926	2,882,203	2,766,548	
Raw Materials	1,935,516	4,921,187	3,656,857	
Works in Progress	415,977	413,692	482,433	
Net profit	2,601,472	1,890,523	1,020,835	
Wealth Tax	—	24,000	—	
Depreciation	768,813	875,420	1,000,000	
Development Rebate Reserve	23,038	10,466	—	
Carry Forward	—1,368,526	—3,178,147	—4,158,784	
Div. % Ord.	NIL	NIL	NIL	
Div. % Pref.	NIL	NIL	NIL	
(Annual General Meeting on 13-5-60 at 11-15 a.m.)				
Synopsis of balance sheet as on the last day of Decr.				
Liabilities.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up:				
6% C. Pref.	1,000,000	1,000,000	1,000,000	
Ordinary	422,700	422,700	422,700	
Ordinary 'B'	3,000,000	3,000,000	3,000,000	
Ordinary 'B'	2,400,000	2,400,000	2,400,000	
5½% Debentures	1,269,000	1,269,000	1,269,000	
Reserve Fund	600,000	600,000	600,000	
Other Funds	133,544	110,466	100,000	
Superannuation Res.	175,000	175,000	175,000	
Loans Secured	5,448,946	7,736,040	9,039,982	
Loans Unsecured	152,197	3,328,263	3,887,238	
Taxation Provision	141,081	257,713	274,788	
Debits	2,123,212	2,257,066	2,493,016	
Total	16,866,540	22,616,248	24,662,294	

Budge-Budge Jute Earns Higher Profits

THE Budge-Budge Jute Mills Company Limited has reported a higher profit, after providing for Depreciation and Taxation, of Rs 10.33 lakhs for the year ended 31st October 1959 as against only Rs 2.74 lakhs in the previous year, although sales are slightly lower at Rs 1.70 crores against Rs 1.71 crores.

Apart from providing a sum of Rs 3.25 lakhs for General Reserve, Taxation provision is raised to Rs 2.65 lakhs from Rs 12,200 and Development Rebate Reserve to Rs 48,845 from Rs 924. The Depreciation amount is reduced to Rs 2.30 lakhs from Rs 2.47 lakhs. A final dividend of 10 per cent, making a total of 15 per cent is recommended. This is subject to deduction of tax against a tax-free dividend of 5 per cent paid for the previous year.

The directors state that, ratification of the special resolution passed at the meeting held on 25 November 1959, approving the alterations of the rights attaching to preference shares, has not yet been received from the requisite number of both ordinary and preference shareholders. The Board have accordingly transferred Rs 27,000 to Contingencies Reserve, to be applied to the payment of a further dividend of Rs 3.00 per share to the preference shareholders in the event of the resolution, referred to above, being ratified by May, 1960.

The paid-up capital is Rs 45 lakhs divided into 30,000 Ordinary shares and 9,000-7 per cent Cumulative Preference shares, both of Rs 100 each. Against this, General Reserve is shown at Rs 15.21 lakhs; Dividend Equalisation Reserve at Rs 4.89 lakhs; Superannuation Reserve at Rs 1.44 lakhs; Investment Realisation Reserve at Rs 1.06 lakhs and Development Rebate Reserve at Rs 49,769. The gross block at Rs 1.20 crores is depreciated by Rs 72.85 lakhs to show a net block value of Rs 46.96 lakhs.

Mg. Agents:—Andrew Yule & Co., Ltd.				
Year ended October.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	16,283,839	15,098,091	15,628,286	
Stocks	1,212,813	719,938	1,120,512	
Net profit	1,527,673	584,943	335,295*	
Taxation	265,000	44,200	30,000	
Depreciation	229,510	246,510	243,650	
Reservo Fund	336,000	..	..	
Development	..	..	..	
Reserve	48,645	924	..	
Other Funds	27,000	..	..	
Div. Amount Ord.	545,100	180,000	..	
Div. Amount Pref.	63,600	63,000	3,000	
Carry Forward	62,431	33,113	2,789	
Div. % Ord.	15	5	Nil	
Div. % Pref.	7	7	7	

*Annual General Meeting on 13-5-60 at 10-30 a.m.)
 After transferring Rs 80,000 from General Reserve
 and Rs 63,000 from Dividend Equalization Reserve.

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

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
7% C. Pref.	900,000	900,000	900,000
Ordinary	3,600,000	3,600,000	3,600,000
Reserve Fund	1,520,823	1,195,926	1,195,826
Other Funds	671,869	596,024	597,100
Superannuation Res.	144,000	144,000	144,000
Loans Secured	1,287,486	1,147,913	1,190,764
Loans Unsecured	2,467	291,485	392,702
Taxation Provision	306,742	41,875	35,233
Debits	1,332,211	958,230	1,215,871
Carry Forward	62,431	33,113	2,799
Total	9,828,032	8,908,466	9,273,795
Assets			
G. Block	11,981,167	11,796,462	12,232,479
Depreciation	7,284,779	7,059,451	7,178,657
Block (net)	4,696,388	4,737,011	5,053,822
Stores	644,745	645,923	729,020
Stocks in Progress	190,824	191,708	386,209
Raw Materials	1,713,329	2,078,606	1,818,892
Stocks	1,212,813	719,938	1,120,512
Outstandings	307,894	323,268	577,653
Mis. Deposits and Advances	944,313	115,527	127,865
Investments	103,744	93,313	93,313
Cash	13,982	2,169	3,569
Total	9,828,032	8,908,466	9,273,795

South Karanpura Coal Reduces Net Dividend

THANKS to a rise in sales from Rs 34.43 lakhs to Rs 38.25 lakhs, the South Karanpura Coal Company Limited has reported a net profit, after providing for Depreciation and Taxation, of Rs 2.22 lakhs for the year ended 31 August 1959 against Rs 2.01 lakhs in the previous year.

After providing a sum of Rs 50,000 for General Reserve, the Depreciation amount is raised to Rs 1.38 lakhs from Rs 1.20 lakhs. Statutory Development Rebate Reserve is reduced to Rs 8,800 from Rs 33,700. No provisions are, however, made for Wealth Tax, Development Rebate Reserve and Development Reserve against Rs 16,000, Rs 5,500 and Rs 25,000 respectively set apart in the previous year. The directors have recommended a final dividend of 5.3 per cent, making a total of 9 per cent, subject to tax. This works out to a net dividend of 6.3 per cent against 7½ per cent paid previously.

Raisings are lower at 186,916 tons against 193,010 tons, while despatches have risen to 199,856 tons from 182,200 tons. The work of re-opening No. 1 Pit to work the Argada Seam was started during this period and it is expected that raisings from this area will start from mid-1960.

Against a paid-up capital of Rs 17.50 lakhs, reserves and surplus are shown at Rs 8.67 lakhs. The gross block amounts to 41.83 lakhs; total depreciation to 19.54 lakhs and the net block to 22.29 lakhs.

Mg. Agents:—Bird & Co. (Private), Ltd.			
Year ended August.	1959 Rs.	1958 Rs.	1957 Rs.
Raisings (tons)	186,916	193,010	187,703
Despatches (tons)	199,856	182,200	176,382
Sales	3,825,171	3,442,954	3,288,116
Stocks	7,200	147,578	30,334
Net profit	525,232	509,915	386,030*
Taxation	165,000	170,000	136,500
Wealth Tax	16,000	—	—
Depreciation	138,260	120,168	100,635
Reserve Fund	50,000	—	—
Res. for Tax Contingencies	—	—	15,300
Development Rebate Reserve	8,800	39,200	3,200
Other Funds	—	25,000	—
Div. Amount Ord.	157,500	131,250	131,250
Carry Forward	19,783	14,096	8,739
Div. % Ord.	91	71	71

(Annual General Meeting on 13-5-60 at 11 a.m.)

*After transferring Rs 70,000 from General Reserve.

†Dividend subject to deduction of tax.

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

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
Capital Reserve	1,750,000	1,750,000	1,750,000
Reserve Fund	381,303	331,541	331,541
Other Funds	466,000	457,200	393,000
Loans Secured	—	91,293	—
Taxation Provision	339,093	312,183	138,234
Debits	796,254	755,294	814,776
Carry Forward	19,783	14,096	8,739
Total	3,752,438	3,997,347	3,749,340
Assets			
G. Block	4,174,067	4,352,233	3,901,896
Depreciation	1,953,839	1,816,639	1,700,034
Block (net)	2,220,228	2,535,594	2,201,862
Cap. Exp. in progress	7,579	30,523	265,017
Stores	160,386	202,472	161,556
Stocks	7,200	147,578	30,334
Outstandings	935,792	773,371	773,042
Do More than 3 months	208,558	190,701	115,217
Mis. Deposits and Advances	142,947	80,714	39,901
Investments	32,389	32,389	6,109
Deposits in Banks	—	—	100,000
Cash	28,519	3,006	55,762
Total	3,752,438	3,997,347	3,749,340

Virudhunagar Pays More

THE working of the Virudhunagar Textile Mills Limited has resulted in a net profit of Rs 6.47 lakhs for 1959 as against Rs 5.93 lakhs for the previous year. The directors have provided Rs 1.25 lakhs (Rs 1.37 lakhs) for Depreciation and Rs 3,114 (Rs 28,887) for Development Rebate. A taxable dividend of 10 per cent is recommended. This works out to a net dividend of 7 per cent against a tax-free dividend of 6 per cent paid for the preceding year.

Against a paid-up capital of Rs 17.60 lakhs (including Rs 2.93 lakhs being forfeited shares), reserves and surplus are shown at Rs 3.99 lakhs. The gross block of Rs 24.96 lakhs is depreciated by Rs 13.65 lakhs to show a net block value of Rs 11.31 lakhs.

The Central Government have approved the re-appointment of the present managing agents for a period not exceeding five years from 15 August 1960 with a minimum remuneration of Rs 20,000 in the event of absence or inadequacy of profits.

Chairman:—Sri Manickavasagam			
Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Sales	4,809,774	3,995,391	4,394,033
Stocks	217,243	410,788	306,908
Raw Materials	330,469	67,177	262,760
Works in progress	67,622	48,912	41,828
Net profit	647,055	593,324	540,309
Taxation	195,000	—	—
Wealth Tax	—	5,106	7,300
Depreciation	125,235	137,237	173,694
Initial Depreciation & Dev. Rebate of earlier years	—	312,859	—
Development Rebate Reserve	3,114	28,887	83,766
Div. Amount Ord.	122,061*	72,048	54,587
Div. Amount Pref.	15,859†	12,045	47,266
Div. Amount Deid.	773‡	464	—
Carry Forward	—274,043	—459,266	—483,035
Div. % Ord.	10	6	4‡
Div. % Pref.	5	5	5‡
Div. % Deid.	10	6	Nil

(Annual General Meeting on 6-5-60 at 10 a.m.)

*Subject to deduction of Tax and including Rs 281 being dividend on Equity shares for 1957 and 1958.

†Includes Rs 3,614 being tax thereon.

‡Subject to deduction of Tax.

‡Cum. Pref. dividend at 5 per cent per annum from 1953 to 1957 both inclusive and balance of pref. dividend from 1948 to 1952.

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

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
5% C. Pref.	240,900	240,900	240,900
Ordinary	1,217,600	1,215,800	1,213,050
Deferred	7,725	7,725	7,725
Forfeited shares	293,084	294,540	290,449
Depreciation & Dev. Reserve	398,626	395,512	53,766
Loans Secured	579,459	670,018	807,081
Taxation Provision	200,080	5,080	7,200
Debits	306,895	225,155	238,103
Total	3,246,570	3,054,730	2,864,884
Assets			
G. Block	2,495,648	2,495,206	2,368,802
Depreciation	1,364,648	1,254,272	1,126,983
Block (net)	1,131,000	1,240,934	1,241,819
Stores	295,235	349,473	320,570
Stocks in Progress	67,622	48,912	41,828
Raw Materials	330,469	67,177	262,760
Stocks	217,243	410,788	306,908
Outstandings	—	5,526	31,380
Mis. Deposits and Advances	73,480	60,339	164,871
Deposits in Banks	800,000	350,000	—
Cash	57,407	52,325	23,719
Debit Balance	274,043	459,266	483,035
Total	3,246,570	3,054,730	2,864,884

Lower Profits by Industrial Investment Trust

THE reduced income from dividends and interest is reflected in the working results of the Industrial Investment Trust Limited for the year ended 31 December 1959. The net profit works out to only Rs 5.72 lakhs as against Rs 6.40 lakhs in the preceding year. A sum of Rs 315 (Rs 350) is set apart for Depreciation; Rs 1.04 lakhs (Rs 9,128) for Taxation; Rs 1,122 (Rs 3,826) for Wealth Tax and Rs 678 (Rs 8,647) for Capital Reserve. A gross dividend of Rs 6 is recommended and this works out to a net dividend of Rs 4.20 per share against a tax-free dividend of Rs 6.00 paid for 1959.

Against a paid-up capital of Rs 99,99,250, Capital Reserve is shown at Rs 16.32 lakhs; Investment Reserve at Rs 3.50 lakhs and Dividend Equalisation Fund at Rs 40,000.

The approximate valuation of the company's investments at market rates, as at 31 December 1959, or in the case of unquoted investments at the book value, is higher than the total book value by 17.89 per cent.

Secretaries:—Premchand Roychand & Sons			
Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Interest & Dividends	694,482	733,400	718,114
Net profit	572,155	639,632	637,237
Taxation	103,700	9,128	2,60,000
Wealth Tax	1,122	3,826	—
Depreciation	315	350	380
Other Funds	678	8,647	—
Div. Amount Ord.	800,000	600,000	550,000
Carry Forward	58,613	192,304	114,683
Div. % Ord.	6(T)	6	5
(Annual General Meeting on 3-5-60 at 4 p.m.)			
(T) Dividend subject to deduction of tax.			
Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
5% C. Pref.	1,500,000	1,500,000	1,500,000
Ordinary	10,000,000	10,000,000	10,000,000
Capital Reserve	17,104	17,104	—
Reserve Fd No. 1	2,161,304	2,336,394	3,411,804
Reserve Fd No. 2	6,765,659	6,765,659	6,092,560
Other Funds	750,000	475,000	—
Staff Gratuity and Prov. Fund	—	382,713	396,366
Loans Secured	19,836	2,311,168	4,382,682
Loans Unsecured	5,597,100	2,733,800	1,843,700
Taxation Provision	1,640,320	583,237	733,474
Debits	7,810,717	5,669,119	4,705,335
Carry Forward	1,506	29,124	29,124
Total	36,263,546	32,803,228	32,794,535
Assets			
G. Block	31,661,974	30,249,607	27,630,400
Depreciation	17,464,096	15,954,406	14,486,214
Block (net)	14,197,878	14,295,201	13,144,186
Cap. Exp. in Progress	1,548,236	883,760	990,128
Stores	2,306,063	2,181,819	1,711,518
Stocks in Progress	761,218	788,687	785,320
Raw Materials	4,867,335	2,812,752	2,872,676
Stocks	5,612,904	7,078,688	7,328,168
Outstandings	2,179,643	1,481,172	1,446,354
Do More than 3 months	—	19,082	59,295
Mis. Deposits and Advances	2,855,802	1,821,402	3,023,333
Investments	697,535	697,535	677,535
Deposits in Banks	1,000,000	—	—
Cash	648,932	733,150	755,992
Total	36,263,546	32,803,228	32,794,535

Svadeshi Mills Reduce Net Dividend

THE Svadeshi Mills Company Limited has earned a net profit of Rs 41.61 lakhs as against Rs 27.69 lakhs in the previous year, sales being higher at Rs 3.49 crores against Rs 3.14 crores. A sum of Rs 15.32 lakhs (Rs 14.96 lakhs) is provided for Depreciation; Rs 2.75 lakhs (Rs 4.75 lakhs) for Development Reserve; Rs 10.50 lakhs (Rs 1.25 lakhs) for Taxation and nil (Rs 6.73 lakhs) for General Reserve No. 2. After transferring a sum of Rs 1.75 lakhs, the directors have recommended a dividend of Rs 14 per share, subject to tax. The net dividend works out to Rs 9.8 per share against Rs 10.00 paid for 1958.

Against a paid-up capital of Rs 1.15 crores, General Reserve No. 1 is shown at Rs 21.61 lakhs; General Reserve No. 2 at Rs 67.66 lakhs; Development Reserve at Rs 7.50 lakhs and Capital Reserve at Rs 17,104. The gross block amounts to Rs 3.16 crores; total depreciation to Rs 1.75 crores and the net block to Rs 1.42 crores.

Renovation of the buildings, plant and machinery of the mills is making satisfactory progress. The bulk of this expenditure is being met from the company's internal resources.

Mg. Agents:—Tata Industries (Private), Ltd.			
Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Sales	34,917,211	31,358,368	28,689,166
Stocks	5,592,142	7,078,688	7,328,168
Works in Progress	761,218	788,687	785,320
Net profit	4,336,350*	125,000	2,297,632
Taxation	1,060,000	125,000	250,000
Depreciation	1,531,823	1,495,528	1,368,778
Reserve Fund	—	673,109	678,854
Other Funds	275,000	475,000	—
Div. Amount Ord.	1,400,000	1,097,000†	900,000†
Div. Amount Pref.	107,145	76,000†	75,000†
Carry Forward	1,506	29,124	29,124
Div. % Ord.	14(T)	10	9
Div. % Pref.	5(T)	5	5

(Annual General Meeting on 11-5-60 at 4-30 p.m.)

*After transferring Rs 175,000 from General Reserve

†Dividends paid out of General Reserve No. 1.

(T) Dividends subject to deduction of tax.

Dividends paid out of

(T) Dividends subject to deduction of tax.

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

Liabilities.	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
5% C. Pref. ...	1,500,000	1,500,000	1,500,000
Ordinary ...	10,000,000	10,000,000	10,000,000
Capital Reserve ...	17,104	17,104	...
Reserve Fd No. 1 ...	2,161,304	2,336,394	3,411,804
Reserve Fd No. 2 ...	6,765,659	6,765,659	6,092,560
Other Funds ...	750,000	475,000	...
Staff Gratuity and Prov. Fund ...	...	382,713	396,366
Loans Secured ...	19,836	2,311,168	4,382,682
Loans Unsecured ...	5,597,100	2,733,800	1,843,700
Taxation Provision ...	1,640,320	583,237	733,474
Debits ...	7,810,717	5,669,119	4,705,335
Carry Forward ...	1,506	29,124	29,124
Total ...	36,263,546	32,803,228	32,794,636

Indian Finance

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 22-4-60 Rs NP	22-4-59 Rs NP
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Alahabad 5% 100	101.00	109.00	
Behar 5% 50	21.00	19.75	

Coal			
Asso. K'pura 4 1/2% 100	50.50	50.50	

Bharat 5 1/2% 100	49.50	48.50	
Borree 5% 100	49.50	48.50	

Burrakur 7% 100	100.00	100.00	
Burrakur 8% 100	100.00	100.00	

Equitable 5% 100	100.00	100.00	
Gourangal 5% 100	100.00	100.00	

K'pura 5 1/2% 100	7.94	7.25	
Khas Kajora 5% 10	11.62	10.00	

N. Churulia 5% 100	45.00	44.00	
N. Huntodih 5% 100	88.50	91.50	

Onal 5 1/2% 100	50.00	50.00	
Parasea 5 1/2% 100	50.00	50.00	

Unl. Colliery 5% 100	76.00	84.00	
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Cotton			
Baanati 5 1/2% 100	8.56	9.00	

B-Nagpur 7% 100	75.00	75.00	
Bowreah 8% 100	152.00	125.00	

Bowreah 7% 100	65.00	65.00	
Elgin 8% 100	108.00	115.00	

Elgin 5% 100	8.00	8.25	
Jagatjit 5% 100	38.75	43.75	

Jy. K. Cotton 6% 100	94.50	81.50	
Kesaram 7% 100	106.00	105.00	

Muir 6% 100	83.00	52.00	
N. Victoria 6% 5	3.25	3.28	

Orissa 5% 100	80.00		
Shree Madhusudan 4 1/2% 100	81.00		

S. Niwas 4% 100	54.00	58.00	
Shree Bhawanil 5% 100	105.00	100.00	

Swadeshi 6% 100	61.00	75.00	
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Jute			
Agarpara 7% 100	93.00	101.00	

Alexandra 7% 100	90.00	96.00	
Alliance 6% 100	62.00	60.00	

Anglo-India 7% 100	90.00	108.00	
Auckland 5 1/2% 100	70.00	74.75	

Auckland 4 1/2% 100	70.00	65.75	
Bally 7% 100	98.00	104.00	

Barnagore 5% 100	83.00	58.62	
Belvedere 7% 100	87.50	101.50	

Bengal 5 1/2% 100	63.50	77.00	
Birla 7 1/2% 100	91.50	87.00	

NAME	Paid-up per Share	Quotation as on 22-4-60 Rs NP	22-4-59 Rs NP
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National 7% 100	100.00	107.00	
Nellimaria 6% 100	86.00	92.00	

N. Central 7% 100	96.00	100.00	
Northbrook 5 1/2% 100	77.75	71.25	

Rameshwara 6% 100	12.44	11.25	
Reliance 7% 100	81.00	73.00	

S. Ambica 7 1/2% 100	86.00	96.00	
Soorah 7% 100	88.00	95.00	

Standard 6% 100	97.00	97.00	
Union 7% 100	87.50	98.00	

Waverley 5% 50	40.12	41.50	
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Asso. Mining 5% 50	36.00	27.25	
Ch. Mica 5 1/2% 100	50.00	52.75	

Metal Corpn. 5% 100	79.00	50.00	
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Dalmia Bharat 6% 10	8.44	8.69	
Yalpur Udyog 3% 100	37.00	37.00	

K'pur Lime 6% 100	80.00	80.00	
K'pur Lime 6% cp 100	100.50	100.50	

K'dhubi Fire 7% 100	101.00	101.00	
K'dhubi Fire 5 1/2% 100	54.50	54.50	

Orissa Cement 4% 100	35.00	35.00	
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Alkali 5% 100	100.00	97.50	
Bathgate 4 1/2% 100	28.00	17.00	

Beng. Chem. 7 1/2% 100	12.00	13.00	
Beng. Chem. 4 1/2% 100	72.00	77.50	

Frank Ross 4 1/2% 100	41.00	50.00	
Smith Stani 10% 50	69.62	57.00	

Calcutta 5% 50	10.12	10.00	
Dishergarh 6% 100	78.50	82.00	

Dishergarh 4 1/2% 100	75.00	79.50	
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Arthur Butler 7% 10	10.75	10.75	
Br. Bldg. 6% 100	60.00	76.00	

Br. Engg. 7% 100	100.00	100.00	
Burn & Co. 7% 100	123.00	124.50	

Burn & Co. 7% 100	113.00	117.00	
L. Iron 5% 100	99.00	105.00	

L. Machinery 7% 100	23.00	23.00	
Ind. St. Wagon 7% 100	126.00	122.00	

Jessop & Co. 5% 100	90.00	92.00	
J. K. Steel 7% 100	95.00	102.00	

K'dhubi 5% 100	60.00	62.50	
K'dhubi 5 1/2% 100	54.00	54.00	

B. Products 5% 100	8.00	3.69	
Texmaco 5 1/2% 100	91.50	92.00	

Texmaco 5 1/2% 100	61.00	60.25	
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NAME	Paid-up per Share	Quotation as on 22-4-60 Rs NP	22-4-59 Rs NP
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Macneil & Barry 5 1/2% 100	58.25	62.75	
Madhya Pradesh Ind. 6% 100	100.00		

Martin-Burn 5% 100	100.25	102.00	
McLeod & Co 5% 100	52.00	54.00	

1st Pref. 100			
2nd Pref. 100	68.00	70.50	

Metal Box 6% 100	84.00	76.00	
Nat. Rubber 6% 100	77.00	80.00	

Nat. Tannery 5% 100	3.00	4.00	
Nat. Tobacco 5% 100	75.50	74.00	

Nat. Tobacco 4 1/2% 100	67.00	65.00	
N. Bhrt. Vanija 4 1/2% 100	90.00		

Raila 6% 100	82.50	83.00	
Robtas Indus. 7% 100	120.00	116.00	

Rohtas 4 1/2% 100	62.00	61.50	
Seu Raleigh 5% 100	163.00	85.00	

Shaw Wallace 5% 100	70.00	75.00	
Spencer 8 1/2% A 100	6.87	7.50	

Spencer 8 1/2% B 100	8.64	9.47	
Standard Vacuum 6% 100	95.50		

Union Tobacco 6% 100	22.00		
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I. B. Petrol 7% 100	90.00	91.50	
N. I. Oil 6% 100	40.00	40.00	

Paper			
Ballarpur 5% 100	117.00		

Beng. Paper 7% 100	43.25	46.75	
Beng. Paper 7% 100	98.50	103.50	

Beng. Paper 6% 100	68.00	62.00	
Orient 5 1/2% 100	87.00	92.00	

Orient 5 1/2% 100	62.00	62.50	
S. Gopal 8% 100	103.00	110.00	

S. Gopal 7 1/2% 100	103.50	100.00	
Sirpur Paper 6% 100	85.25	87.25	

Star Paper 5% 100	78.50	73.00	
Star Paper 6 1/2% 100	94.00	93.00	

Star 7% 100	95.50		
Titagur 8% 100	128.00	144.00	

Titagur 4 1/2% 100	85.00	85.00	
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Bhagwati 5% 100	35.00	40.00	
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Humayan 6% 100	7.45	8.62	
Reg. Estate 5% 100	33.50	33.00	

Saw Mills			
Ben. Timber 8% 100	30.00	30.00	

Shipping			
B-A Steam 7% 60	60.00	54.00	

I.G.N. 6% 100	80.00	67.50	
I. Steam 5% 100	60.50	94.00	

NAME	Paid-up per Share	Quotation as on 22-4-60 Rs NP	22-4-59 Rs NP
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Gielle 5% 100	70.00	64.00	
Lingia 6% 100	70.00	64.00	

Okay 7% 100	79.00	93.50	
Pushtim 7% 100	93.00	95.00	

Singtom 5% 100	5.19	6.31	
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Banarhat 5 1/2% 100	103.00	110.00	
Birpara 9% (Pref.) 100	103.00	105.00	

C'bhutti 6 1/2% 100	104.50	103.50	
Hantapara 8% 100	109.00	100.00	

Hasimara 7% 100	106.00	111.00	
N. Doara 6 1/2% 100	102.50	100.00	

Doara			
Bokaro & Ramgur 10	18.00	14.00	

Borrea 10	20.50	20.00	
Burra 10	19.81	18.50	

Burrakur 10	12.38	8.25	
Central India 10	11.25	10.31	

Central Kurkend 10	4.06	4.34	
Churulia 10	9.50	10.50	

Dhemo Main 10	30.31	25.50	
East India 10	30.50	31.19	

Gangos Mfg. 10	18.03	15.00	
Gondalpara 10	8.12	7.00	

Gourepore 10	6.00	8.25	
Hastings 10	14.37	15.62	

Hooghly 10	0.43	2.00	
Hooghly 2 1/2	2.37	2.30	

Hooghly 10	27.75	22.00	
Kalpahari 100	163.00	133.00	

Karandip 10	36.00	74.50	
Katras Jheriah 10	12.00	9.50	

Khas Kajora 10	1.06	1.94	
Khas Shampore 10	8.50	2.75	

Kuadi 10	14.87	15.31	
Lakurka 10	12.25	12.25	

Mahabir 10	0.60	0.50	
Mundulpore 10	8.87	8.12	

Nazira 10	23.87	20.87	
New Beerthoon 10	2.25	2.00	

New Churulia 10	4.00	4.00	
New Huntodih 10	3.50	3.50	

New Jalampur 10	13.16	14.00	
New Manbhoom 10	1.00	1.25	

New Damuda 2 1/2	23.12	23.87	
North-West (P.P.) 7 1/2	18.12	21.00	

North-West (P.P.) 10	8.12	8.00	
Ondal 1			

NAME	Paid-up per Share.	Quotation as on	
		22-4-60	22-4-59
Rs NP	Rs NP	Rs NP	Rs NP
Straw Products	10	13.06	14.00
Strick	10	10.25	8.25
Union Co.	100	73.20	75.00
Union Carbide	10	48.00	32.56
Union Tobacco	10	0.87	1.87
Union Tobacco	10	2.00	2.00
Defd.	1	3.50	2.25
Walfords	1	3.12	1.87
W. Stockholder	1sh	1.69	1.37

OILS

L. B. Petrol	10	27.37	23.50
Northern India Oil	10	1.56	0.87
Tide Water Oil	10	16.81	16.81

PAPER MILLS

Ballarpur	25	59.12	...
Bengal Paper	25	98.25	99.00
India Paper	10	20.87	24.00
Mysore Paper	10	24.37	17.75
Orient Paper	10	43.50	36.00
Shree Gopal	10	25.25	17.75
Sirpur Paper	10	17.12	13.19
Star Paper	10	13.81	12.62
Titagarh P.O.	21	4.06	4.25
Titagarh Ord.	10	40.50	44.00
U. I. Couper	100	90.00	60.00
West Coast	10	159.00	130.00

PRESSING

Bhagwati	10	8.00	4.80
Camperdown	100	103.00	118.00
Hooghly Ganges	10	7.85	5.50
Shiva Jute	100	53.00	53.00

REAL PROPERTY

Bengal Bonded A	500	545.00	613.00
Bengal Bonded B	624	63.92	61.88
Bengal Bonded C	100	104.00	141.00
Bengal Bonded D	124	13.13	18.38
Clive Bldgs.	100	100.00	...
Hindustan Bldg.	10	5.00	4.50
Humayan Prop.	10	10.35	10.37
Humayan Deft.	1	2.50	1.84
Midnapore Estate	924	19.00	...
Regent Estate	10	1.00	1.00

SAW MILLS AND TIMBER

Assam Sawm	5	3.87	3.50
Bengal Timber	100	15.25	10.00

SHIPPING

B. A. Steam	100	88.00	103.00
Cal. Landing	10	13.00	15.00
Cal. Steam	10	12.37	11.62
Fraser & Co.	10	10.25	13.00
L. G. Navigation	210	70.00	70.50
India Steam	10	10.87	14.56
Port Shipping	10	10.62	13.69

SUGAR

Balrampur	5	3.47	7.00
Belsund	74	14.37	13.25
Bharat	10	16.31	13.00
Basti	100	120.50	120.50
Carew	10	11.81	9.12
Cawnpore	10	16.06	11.44
Champanan	10	20.75	16.87
Darbhanga	10	18.87	21.12
Deoria	10	10.06	9.56
Dyer Meakins	5	21.37	16.00
Ganesh Sugar	10	19.87	19.87
Ganesh Sugar	10	7.50	7.75
Ganesh Sugar	10	5.25	5.25
Jaswant	10	3.69	2.00
Mohini	10	60.00	60.00
Nawabganj	100	29.12	26.12
New India	10	6.87	5.00
New Swan	10	80.00	80.00
Punjab	100	12.00	12.12
Purbapore	10	24.00	20.50
Ramnagar Cane	10	1.45	2.85
Raza	10	13.16	14.62
Rayan	10	15.94	16.50
Sambastipur	10	13.25	12.06
Shree Anand	10	11.00	10.28
Sitapur	10	6.62	4.00
South Behar	10	1.00	1.37
S. Behar Deft.	24	0.25	0.25
S. K. Gyan	10	16.00	14.65
S. K. Gyan	10	13.87	11.25
S. K. Gyan	10	10.19	9.00
Shree Sitaram	5	7.12	...
Tulsi	10	...	...

NAME	Paid-up per Share.	Quotation as on	
		22-4-60	22-4-59
Rs NP	Rs NP	Rs NP	Rs NP
Upper India A	100	102.00	127.00
Upper India B	25	8.75	18.00
Upper Ganges	10	48.00	53.00
United Province	10	17.75	15.19

TEA

Assam Gardens	10	27.12	27.12
Ananda	10	19.00	20.00
Anandabag	10	24.37	21.80
Baghmari	10	24.00	22.50
Barduar Tea	5	6.50	5.00
Basmatia	10	28.50	27.25
Batell	5	23.37	18.25
Betjan	10	23.75	24.00
Bishnauth	10	20.87	19.81
Bokakhat	10	14.50	15.12
Bormabhan	10	19.00	17.84
Borpukhuri	10	17.12	18.37
Brooke Bond	10	17.58	18.12
Dejoo Valley	10	69.00	72.00
Dessal & Purbat	100	157.00	182.00
Dheakhat	10	22.69	21.24
Dhunerji	20	17.87	18.62
Diprugari	10	29.50	23.87
Dimakuri	10	29.12	30.31
Dufflaghur	10	41.00	35.00
East India	10	23.08	19.06
Gillapukri	10	27.75	30.25
Gohpur	10	19.87	24.00
Grob	5	13.81	15.62
Hajjan Purbat	10	14.00	14.00
Hograjuli	10	25.37	29.75
Hoolungoorie	100	109.00	190.00
Joonkolle	10	21.12	20.12
Jullihari	10	23.06	19.75
Krang Tea Seeds	10	6.25	5.12
Kingalee Golaghat	100	160.00	130.00
Krishnabehari	10	10.22	10.82
Ledo	10	19.25	19.00
Maud	10	15.00	14.75
Methoni	10	23.44	22.44
Moheema	10	13.31	13.31
Mothola	100	510.00	395.00
Murphulani	10	25.87	27.87
Murphulani P.O.	10	27.62	28.50
Naga Hills	10	22.50	27.37
Namburnadi	10	13.25	13.50
N. P. Cinnatollah	100	114.00	114.00
New Monkhooah	74	23.75	...
Rajgarh	10	42.50	47.25
Sapoli	10	24.00	22.25
Sesajuli	10	28.25	29.00
Sesajuli	10	28.06	29.56
Teloljan	10	35.87	37.37
Tengpani	10	18.69	16.94
Tepore	10	8.00	8.56
Tongani	10	38.50	40.62
Tycoon	10	...	...

Assam Gardens	10	27.12	27.12
Ananda	10	19.00	20.00
Anandabag	10	24.37	21.80
Baghmari	10	24.00	22.50
Barduar Tea	5	6.50	5.00
Basmatia	10	28.50	27.25
Batell	5	23.37	18.25
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Bishnauth	10	20.87	19.81
Bokakhat	10	14.50	15.12
Bormabhan	10	19.00	17.84
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Diprugari	10	29.50	23.87
Dimakuri	10	29.12	30.31
Dufflaghur	10	41.00	35.00
East India	10	23.08	19.06
Gillapukri	10	27.75	30.25
Gohpur	10	19.87	24.00
Grob	5	13.81	15.62
Hajjan Purbat	10	14.00	14.00
Hograjuli	10	25.37	29.75
Hoolungoorie	100	109.00	190.00
Joonkolle	10	21.12	20.12
Jullihari	10	23.06	19.75
Krang Tea Seeds	10	6.25	5.12
Kingalee Golaghat	100	160.00	130.00
Krishnabehari	10	10.22	10.82
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Rajgarh	10	42.50	47.25
Sapoli	10	24.00	22.25
Sesajuli	10	28.25	29.00
Sesajuli	10	28.06	29.56
Teloljan	10	35.87	37.37
Tengpani	10	18.69	16.94
Tepore	10	8.00	8.56
Tongani	10	38.50	40.62
Tycoon	10	...	...

Assam Gardens	10	27.12	27.12
Ananda	10	19.00	20.00
Anandabag	10	24.37	21.80
Baghmari	10	24.00	22.50
Barduar Tea	5	6.50	5.00
Basmatia	10	28.50	27.25
Batell	5	23.37	18.25
Betjan	10	23.75	24.00
Bishnauth	10	20.87	19.81
Bokakhat	10	14.50	15.12
Bormabhan	10	19.00	17.84
Borpukhuri	10	17.12	18.37
Brooke Bond	10	17.58	18.12
Dejoo Valley	10	69.00	72.00
Dessal & Purbat	100	157.00	182.00
Dheakhat	10	22.69	21.24
Dhunerji	20	17.87	18.62
Diprugari	10	29.50	23.87
Dimakuri	10	29.12	30.31
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Ledo	10	19.25	19.00
Maud	10	15.00	14.75
Methoni	10	23.44	22.44
Moheema	10	13.31	13.31
Mothola	100	510.00	395.00
Murphulani	10	25.87	27.87
Murphulani P.O.	10	27.62	28.50
Naga Hills	10	22.50	27.37
Namburnadi	10	13.25	13.50
N. P. Cinnatollah	100	114.00	114.00
New Monkhooah	74	23.75	...
Rajgarh	10	42.50	47.25
Sapoli	10	24.00	22.25
Sesajuli	10	28.25	29.00
Sesajuli	10	28.06	29.56
Teloljan	10	35.87	37.37
Tengpani	10	18.69	16.94
Tepore	10	8.00	8.56
Tongani	10	38.50	40.62
Tycoon	10	...	...

Darjeeling Gardens			
Bloomfield	...	10	2.25 3.00
Chamong	...	10	10.31 11.00
Darjeeling	...	100	149.00 143.50
Dilaram	...	100	102.00 95.00
Gjelle	...	10	11.81 9.19
Jayahree	...	10	17.81 12.94
Lingia	...	10	20.00 20.31
Longview	...	10	10.37 6.62
Margaret's Hope	...	10	14.06 15.00
Mim	...	100	225.00 276.00
Neari Farm	...	10	25.25 25.87
Okayti	...	100	567.50 500.00
Pashok	...	10	20.00 18.62
Poobang	...	10	6.94 8.00
Pussimting	...	10	10.50 10.12
Runglee Bungloo	...	100	360.00 385.00
Scepy	...	10	10.50† 10.94
Singell	...	100	29.37 22.00
Singtom	...	10	6.25 6.44
Soom	...	10	39.50 39.62
Sungma	...	10	14.19 17.69
Teesta Valley	...	10	17.00 20.62
Tukvar	...	10	8.00 9.25

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Bom. Silk 5% ... 100	47.50	47.50
B. I. Corp. 8% ... 100	121.00	107.00
Brunton Eng. 6% ... 10	7.00*	7.00*
Dahli Safe 6% ... 100	100.00*	89.00*
Dhanga Chem. ... 100	92.00	89.00
Digvijay Tiles 6% ... 100	85.00*	85.00
Digvijay Woolen ... 100	134.00	134.00
East I. Hotels 5% ... 100	100.00*	100.00*
Estrela 5% ... 50	36.50	34.50
Ferro Alloys 6% ... 100	100.00	100.00
Gwallor Rayon 6% ... 100	103.00	103.00
Hind. Const. ... 100	65.00	78.50
Hind. Const. ... 100	65.00*	65.00*
Hind. Cycles 5% ... 100	75.00*	75.00*
Hind. Cycles 5% ... 25	25.00*	25.00*
Hind. Cycles 6% ... 100	100.00	82.00
Hindus. Elec. 6% ... 100	82.00	82.00
Hindust. Motor 6% ... 50	162.00	74.50
Hingir Rampur 6% ... 50	32.00	22.00
Indian Dye 6% ... 100	114.50	126.50
I. Hume Pipe 5% ... 100	57.00	59.00
Indian Rayon ... 37 1/2	35.00	35.00
Japur Metals 6% ... 100	55.50	58.50
Khandelwal Ferro Alloys 7 1/2% ... 50	55.50	60.00
L. & Toubro 5% ... 100	98.80	87.00
Madhusudan 4% ... 12 1/2	8.00	7.50
Madhya Pradesh Ind. 6% ... 100	106.00	101.00
Mahindra 6% ... 100	102.50	101.00
Mahendra 6% ... 100	107.50	90.00*
Mackenzie 5 1/2% ... 100	86.00*	86.00*
Mackenzie 5 1/2% ... 100	100.00*	86.00*
Motor & O. Fin. 25	36.00*	36.00*
Nat. Elec. 4 1/2% ... 100	80.00*	80.00*
Nat. Rayon 5% ... 100	75.30	78.00
Nat. Rubber 6% ... 100	82.00	100.00*
N. Cen. Jute 7% ... 100	107.00*	100.00*
N.I. Fisheries 6% ... 100	101.00	101.00
Orlent Paper 1st ... 100	93.20	91.00
Orlent Paper 2nd ... 100	88.50	88.50
Parshuram Port 6% ... 25	25.00	25.00
Poly Chem. 8 1/2% ... 50	48.75	52.50
Palmco 6% ... 100	81.50	80.00
Prem. Const. 1st ... 100	88.50	88.50
Prem. Const. 2nd ... 100	88.00	88.25
Prem. Const. 3rd ... 10	5.80	6.00
Premier Tyre 6 1/2% ... 60	52.00	70.50*
Radio Lamp 6% ... 100	74.00	70.50*
Rohtas 7 to 9% ... 100	110.00	110.00
Rohtas 4 1/2% ... 100	60.50	94.20
Sathe Biscuits 7% ... 100	94.20	105.50
Sen Raleigh 5% ... 100	145.00	100.00*
Silpur Paper 6% ... 100	88.80*	100.00*
Standard Motor 6% 'A' ... 100	103.00*	103.00*
Standard Motor 6% 'B' ... 100	103.00*	103.00*
Stanvac 6% ... 100	94.60	101.00
Star Paper 5% ... 100	73.00*	70.00*
Star Paper 6 1/2% ... 100	100.00*	92.00
Structural Eng. 5% ... 100	105.50*	105.50
Structural Eng. 6 1/2% ... 100	106.00	50.10
Sundatta Foods 8% ... 50	60.10	71.50
Supreme Ind. ... 100	63.50	95.50
Tata Chem. 5% ... 100	99.00	61.00
Tata Oil 4 1/2% ... 100	56.00	61.00
Texmaco 1st 5 1/2% ... 100	85.00*	65.00*
Texmaco 2nd 5 1/2% ... 100	62.00	62.00
W. Coast Paper 100	119.00	104.00
W. I. Plywood 6% ... 100	90.00*	90.00*

Ordinary Shares (Non-Cleared)

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Adoni ... 10	8.20*	10.40
Bhawani ... 10	10.00*	10.00*
Bradbury ... 50	130.00	143.75
Burbanpur Tapi ... 100	98.50*	87.00
Coorla ... 100	130.00	133.75
Davangere ... 100	114.00	113.50
Dawn ... 50	109.50	102.00
Gadkwar ... 100	259.00	210.00
Gold Mohur ... 100	245.00	205.00
Hindustan F.P. ... 1000	4700.00	4800.00
Hindustan P.P. ... 250	992.50	992.50
Hukumchand ... 100	105.00	105.00*
Indian Manfg. ... 1000	2270.00	4350.00
Indian Manfg. ... 500	1050.00	1050.00

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Jam. Ranjit ... 1000	1500.00	1450.00
Jiyajecrao ... 10	14.00	9.76
Khandesh ... 1000	1450.00	1100.00
Khandesh ... 250	975.00	600.00
Kothari ... 10	10.00*	14.75
Lakshmi ... 250	505.00	395.00
Mafatala ... 100	795.00	458.00
Mahendra ... 100	315.00	133.00
Mahendra (New) ... 40	40.00*	40.00
Model ... 250	20.00	100.00
Modern Mills ... 50	56.00	40.00
Navsari Cotton ... 100	220.00	190.00
New City ... 100	124.00	89.50
N. Kaiser-I-Hind ... 100	51.00	49.00
Pulgaon ... 100	146.50	123.00
Phoenix ... 10	10.24	9.76
R. Motilal ... 100	62.00	77.00
Ruby ... 25	62.00	35.25
Sassoon Silk ... 10	9.52	9.76
Sassoon Spg. ... 10	56.60	47.00
Shubhalaxmi ... 100	125.00	125.00*
Shubhalaxmi ... 10	12.00*	12.00*
Swadeshi (Kan.) ... 10	10.40	10.40
Swadeshi (P.O.) ... 100	380.00	265.00
Victoria ... 100	108.00	87.00
Vishnu ... 1000	4400.00	4475.00
W. India ... 1000	4400.00	4475.00

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Baroda ... 50	85.00	105.50
Baroda 'B' ... 25	48.50	51.50
Central ... 25	47.50	57.00
Central (F.P.) ... 25	50.50	58.50
Devk. Nanjee ... 50	53.70	54.00
Hind. Mercantile ... 50	14.00	11.24
India ... 50	98.00	136.00
India 'A' ... 50	100.00	137.50
Jodhpur Com. ... 5	2.00	2.48
Maharashtra ... 40	55.70	49.50
Punjab National ... 25	20.78	20.78
State Bank ... 100	345.00	345.00
Union ... 5	6.40	7.28
United Comm. ... 50	66.50	66.00

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Halleyburia ... 10	16.52	16.80
Kaipetta ... 10	12.28	13.44
Midland ... 10	12.12	11.80
Nellampathy ... 2	2.88	3.28
Rajagiri ... 10	18.92	18.76
Twyford ... 10	13.24	15.64
Waterfalls ... 2	3.80	3.70

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Alemble ... 100	228.50	185.00
Alemble Chem. ... 100	215.00	172.00
Alum. Corp. ... 10	16.36	12.20
Amar Dye ... 100	279.00	149.00
Ambika Silk ... 100	155.00	155.00
Anil Hardboards ... 100	322.00	175.00
Asso. Rubber ... 100	105.00	101.00
Associated Stone ... 10	21.28	19.88
Baroda Rayon ... 50	136.00	136.00
Bom. Burma (P.P.) ... 60	191.25	175.00
Bombay Cycle ... 20	22.60	15.00
Bombay Pottery ... 100	143.00	132.00
Bombay Safe ... 200	405.00	365.00
Bombay Silk ... 50	5.00	5.00*
Bom. Swadeshi ... 5	6.24	6.24
Bom. Uganda ... 80	49.00	47.00
Brady Eng. ... 80	70.00	60.50
B. I. Corp. ... 5	7.68	5.20
Brunton Eng. ... 10	4.00	6.00
Ceat Tyres ... 100	180.50	116.00
C. I. Coal ... 10	8.60	8.36
C. I. Machinery ... 10	10.00*	10.00*
C. P. Railway ... 100	47.50	62.00
Chem. Pharma. ... 28	27.00	20.00
Colour Chem. ... 100	330.00	20.00*
Commerce (1935) ... 10	17.00	12.44
Dehri-Rohas Rly. ... 10	11.24	11.24
Dena Inv. ... 25	11.00	11.24
Delhi Safe ... 10	10.00*	10.00*
Delhi Safe ... 7	7.00*	7.00*
Dharamsi Chem. ... 50	154.00	92.50
Dharamsi Chem. ... 100	149.00	105.00
Digvijay Tiles ... 100	94.00*	73.00
Digvijay Woolen ... 10	14.36	10.00
East India Hotel ... 5	10.00	10.00
Empire Dyeing ... 15	40.00	47.00
Estrela ... 50	51.00	40.00
Ferro Alloys ... 100	100.00	98.50
G. Claridge ... 100	200.00	170.00
Graves Cotton ... 100	142.00	125.00
Gwallor Inv. ... 50	11.00	25.00
Gwallor Rayon ... 75	120.00	120.00
Har & Satapathy ... 500	365.00	400.00
Hind Cycles ... 100	113.00	111.50
Hindustan Elec. ... 100	130.00	104.00
Hindustan Lever ... 10	39.50	30.25
Hingir Rampur ... 50	23.00	19.00
Indian Dyestuff ... 100	483.75	450.00
Indian Rayon ... 25	58.00	58.00
Indian Tool ... 100	112.00	112.50
Indian Veg. ... 100	153.00	114.00
Ind. Cr. & Inv. ... 100	80.00	81.50
Ind. Prudential ... 100	26.00	26.00
Int. Corp. ... 100	135.00	111.00
Japur Metals ... 100	115.00	78.00
Japur Metal Defd. ... 10	27.00	8.20
Japti Eng. ... 50	65.00	71.00
Japti (Old) ... 100	190.00	161.00
Kamali Eng. ... 10	14.00	8.00
Kemp ... 200	287.00	218.00
Killick India ... 100	117.25	144.00
Kirloskar Bros. ... 25	53.00*	53.00*
Kirloskar Oil Eng. ... 10	16.28	20.40
Khandelwal Ferro Alloys ... 50	78.00	78.00
Laxmi Starch ... 100	154.00	154.00
Madhusudan A ... 100	75.00	65.00
Madhusudan B ... 20	14.00	13.00
Madhya Pradesh Ind. ... 10	18.24	18.24
Mahindra ... 10	23.00	25.00
Man Indus. Corp. ... 100	98.00	95.00
McKenzie ... 100	83.00	78.00
Motor & Gen. Fin. ... 10	40.00*	40.00*
Mys. Kirloskar ... 100	125.00	120.00
Nat. Elec. Indus. ... 50	78.00	78.00
National Rubber ... 100	13.00	16.52
N. Central Jute ... 10	27.00	15.52
N. I. Fisheries ... 100	80.00	100.00
N. I. Industries ... 100	425.00	240.00
New Stand Eng. ... 100	108.00	108.00
Orient Paper ... 10	37.10	35.00
Purshuram Pottery ... 25	65.00	65.00
Polychem ... 50	203.00	84.00
Premier Tyres ... 50	83.50	83.50
Radio Lamp ... 100	107.50	123.00
Raymond Woolen ... 100	89.00	89.00
Rohtas Indus. ... 10	34.60	22.52
Sardar Carbonic ... 100	320.00	320.00
Sathe Biscuits ... 100	100.00	100.00*

Ordinary Shares (Cleared)

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Ahmed Adv. ... 100	100.00	140.00
Apollo ... 2	1.20	1.20
Azam Jahl ... 100	74.00	52.50
B. R. Cotton ... 100	17.00	17.52
Bombay Dyeing ... 25	68.00	60.30
Central India ... 100	104.00	94.00
Century ... 100	465.00	501.50
Edward Tex. ... 200	290.00	216.50
Elphinstone ... 50	38.50	33.50
Finlay ... 100	349.00	272.00
Gokak ... 100	430.00	143.00
India United ... 10	11.20	8.12
India United (Defd.) ... 1	1.22	1.02
Indore ... 100	111.00	97.00
Khatav ... 100	345.00	182.50
Kohinoor ... 100	328.00	258.25
Minerva ... 100	62.00	62.00
Morajee ... 100	300.00	231.50
Mysoor ... 50	62.50	80.00
New Great ... 100	178.00	175.00
Osmanshahi ... 100	40.50	40.00
Podar ... 100	148.00	153.00
Shrinivas ... 100	290.00	160.00
Simplex ... 50	157.00	171.00
Standard ... 100	973.00	474.00
Swadeshi ... 100	247.25	212.00
Swan ... 100	500.00	390.00
Tata ... 25	45.00	35.00

ELECTRICS

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Ahmedabad ... 100	89.20	96.90
A. Valley ... 1000	1005.00	1142.50
Bom. Suburban ... 100	97.30	103.50
Tata Hydro ... 100	104.00	118.25
Tata Power ... 1000	1050.00	1187.50

CEMENT

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Andhra 'B' ... 100	10.44	10.04
A-O-O ... 100	142.75	148.75
Digvijay ... 100	151.00	148.50
Orissa ... 10	14.12	14.20

STEEL

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Indian Iron ... 10	23.68	23.92
Mukund ... 10	19.88	16.48
Tata ... 75	157.00	179.50

SHIPPING

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Great Eastern ... 10	17.56	21.20
Scindia ... 20	15.32	17.60

SUGAR

NAME	Paid-up per Share	Quotation as on
22-4-60	22-4-59	
Belapur ... 50	338.00	287.00
Bhopal ... 10	20.25	24.00
Chandee ... 12 1/2	29.00	28.00
Phaltan ... 50	107.00	153.00
Walchand ... 100	316.25	296.25

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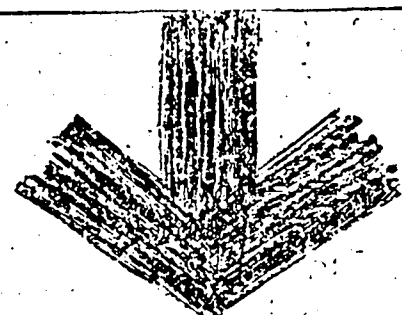
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Indian Finance

INVESTOR'S SUPPLEMENT



PRICE movements on the Calcutta Stock Exchange were erratic on alternate buying and selling during the month of April. Attention was mostly confined to the Textile, Coal, Engineering and Miscellaneous sections where selected scrips touched new peak levels on sustained support. The reactionary trend in prices, noticed toward the close of the month, was influenced by a feeling amongst certain operators that several shares quoting at the ruling levels were not justified, either by yield considerations or by growth prospects.

At the beginning of the month, sentiment remained cheerful and the trend of prices suggested that the technical position of the market had improved considerably and the bull operators were inclined to be more hopeful, especially with the smooth passing of settlements both on the Calcutta and Bombay Stock Exchanges.

There were also other factors which added sentiment. First, the news of the substantial increase in production of the Indian Iron & Steel Company Limited gave rise to a feeling that the company's earnings might increase steadily. Secondly, it was felt that the new import policy would enable the industries to have an uninterrupted flow of the essential raw materials throughout the year. Thirdly, there was a belief that, as stock prices had already been lifted up to substantially higher levels, there would be no need on the part of banks to resort to distressed selling on the 11 April — the data given by the Reserve Bank — to make adjustments of their customers' accounts. There was, however, a general disposition to be cautious in following the rise in prices. Apart from profit-taking induced by the uncompromising attitude of the Finance Minister as regards tax concessions and credit squeeze measures, a number of approaching holidays for the New Year and Easter caused some hesitancy to extend commitments.

Moreover, operators seemed to show an anxiety with regard to the outcome of the talks between Mr. Nehru and Mr. Chou En-lai. Above all, there were reports that the banks might soon have to sell the shareholdings of some of their customers, who had not adjusted their advances in line with the Reserve Bank's attitude. With the result, the upward trend in prices, noticed during the first week, was halted in the middle of the month. Nevertheless, the scramble for shares with growth potentialities contained with buyers remaining unsatisfied.

The market, however, made a promising start in the third week with prices showing a recovery from the low levels touched before the Easter holidays. This was mainly due to the revival of activity on the part of bull operators who thought that, although the tax concessions were not much, the helpful attitude shown by the Finance Minister toward the question of dividend pay-

Erratic Price Movements in April

ment had removed the qualms and doubts which have, of late, risen in the minds of the holders of the Preference shareholders.

Again, the earlier fears, that banks might sell the holding of some of their customers in order to adjust their advances, did not materialise. There were also expectations of an early increase in steel retention prices, while news from the industrial front was encouraging. The report of the World Bank-sponsored international economic mission en-

parleys over, prices of the speculative issues made an impressive rise, lack of fresh support coupled with stray liquidation forced prices to ease gradually.

This reactionary trend was influenced by a fear that, if further credit curbs were introduced by the Reserve Bank, prices might fall more sharply than they did in the middle of March. Doubts were also expressed in certain quarters whether the shareholders would benefit to any

PRICE TRENDS DURING APRIL, 1960.

	Opening Rs nP	Highest Rs nP	Lowest Rs nP	Closing Rs nP
GILTEDGED:				
3% 1986 Conversion ...	73.30	74.75	72.50	73.65
BANKS:				
Punjab National ...	21.25	21.25	19.00	19.00
UCO ...	71.25	71.50	66.50	66.50
TEXTILES:				
Kesoram ...	25.12	28.69	24.62	28.56
Elgin ...	20.31	22.06	20.19	21.87
COAL:				
Bengal ...	332.00	346.00	331.00	332.00
Burrakur ...	20.25	21.00	19.69	19.75
JUTE:				
Anglo-India ...	220.00	220.00	209.00	209.00
Howrah ...	23.12	23.50	22.31	23.00
National ...	30.75	30.87	30.25	30.25
TEA:				
Brooke Bond ...	17.62	17.81	17.25	17.50
Hasimara ...	23.75	23.75	23.37	23.75
Tezpur ...	18.19	19.25	18.12	18.50
SUGAR:				
Carew ...	11.69	12.06	11.56	12.00
Cawnpore ...	15.75	16.37	15.25	16.12
Champaran ...	20.75	21.12	20.56	21.12
ENGINEERING:				
Indian Iron ...	22.55	24.03	22.40	23.94
Jessop ...	26.00	26.62	24.75	24.75
TEXMACO ...	25.65	26.85	25.50	26.85
Guest, Keen, Williams	43.75	44.25	43.25	43.50
MISCELLANEOUS:				
Orient Paper ...	41.80	44.30	41.55	43.75
Titagarh ...	40.87	40.62	39.00	40.44
Shree Gopal ...	23.75	26.37	23.62	26.12
Hindustan Motor ...	18.19	20.19	17.56	20.06
Rohtas ...	32.62	35.75	32.62	34.37
Indian Cable ...	30.37	31.75	30.31	31.37
Indian Aluminium ...	25.94	28.50	25.81	28.31
India Conner ...	4.50	4.64	4.39	4.60
India Steamship ...	11.08	11.22	10.62	10.62
NICO ...	28.00	28.56	27.62	27.62
Indian Aluminium ...	25.94	25.50	25.51	25.31
TEXMACO ...	25.65	26.85	26.50	25.85

couraged the hope that India's economic development would be helped by adequate foreign financial assistance. Operators, therefore, took a bullish view of the situation and pushed up rates. With the sustained and sharp recovery in prices, there was also fresh investment buying, resulting in a scramble for shares with growth prospects.

During the last week of the month, the market disclosed no Special feature. Although the going of the market looked well and, with the uncertainty about the Nehru-Chou

substantial extent if there were to be an increase in the retention price of steel, although it would definitely help the industry to bear the higher costs. Also, it was known that the bulls had been retaining the upper hand in the market. It was, therefore, thought that there was the danger that, if for any reason, a slackening ensued, prices might crumble helplessly. It was mainly this view which induced some operators cautious in their dealings, resulting in a slight setback in prices at the end of the month.

In the month's dealings, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to alternate buying and selling. The initial firmness was influenced by the hope that the Government would sanction the retention price at such a level as would enable the company to cover the enhanced cost of production without affecting the profit margin so far enjoyed. It was also believed that the company should be in a comfortable position to declare the gross dividend at such a level as would enable the shareholders to receive the net dividend of 10 per cent. But, the subsequent setback in the scrip was due to a feeling, entertained by some operators, that the shareholders would not benefit materially by the increase in retention prices and the dividends might remain pegged at the present rates until the loans taken by the company were paid.

Jute shares remained generally depressed. The announcement of the decision by the IJMA to unseal further looms had no effect on sentiment and led to fears that the mills might be compelled to buy the raw material at still higher prices and consequently the profit margins would be greatly reduced. Even the firmer tendency of jute goods prices had no effect on sentiment.

The announcement of the increase in the prices of coal and soft coke was reflected in the substantial headway made by Coal share in the first week of the month. There was, however, a good deal of profit-taking at the higher levels on the feeling that the increase, announced by the Government, might not be sufficient to meet the rising costs of the industry. But, an encouraging feature was the fact that selected scrips maintained a steadier tendency on the hope of an increase in demand for the commodity in view of the great stride in industrial production.

In the Tea section, dealings were few and far between; prices maintained a steadier tendency due to a general feeling that the industry had closed better in the 1959-60 season. It was also thought that the new season would start well in view of the fact that the North Indian Crop might be delayed by current drought condition in the producing areas. Shares of the Assam and Dooars gardens were in good demand on expectation of satisfactory dividends for last year.

Sugar shares presented a firm front all the thought that the steady rise in production would result in increased earnings for the companies.

Textile scrips, too, enjoyed good support due to diversification of activities, especially in the field of rayon production.

Thanks to the encouraging corporate news, the scarcity of offerings and the proposal by certain companies to increase the capital for expansion programme, the Miscellaneous section found support on a wide front. Higher levels attracted some profit-taking.

Indian Finance JUTE

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents Commission and allowances Rs. 000	Year ended Rs. 000	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	DIVIDEND %		
		Hessan	Sacking								Latest	First previous	Second previous
Agarpara ...	B. N. Elias & Co. ... 7% C.P. ... 5 1/2% Deb. ...	554	325	6,458	17,268	2,367	124	3-59	(a) 3,653	755	5 7	2 1/2	2 1/2
Alexandra ...	McLeod & Co. Ltd. ... 7% C.P. ... 5 1/2% Deb. ...	296	150	10,498	17,310	4,185	42	12-58	(r) 627	(a31) 561	10 7	10 7	10 7
Alliance ...	McLeod & Co. Ltd. ... 6% C.P. ...	797	467	9,438	20,024	1,383	50	5-59	(a) 1,134	-63	nil	nil	nil
Anglo India ...	Duncan Bros. & Co. ... 7% C.P. ...	1,589	972	25,175	62,869	13,412	333	3-59	(a23) 4,364	2,752	1 1/2	10 7	7 7
Auckland ...	Bird & Co. Private Ltd. ... 5 1/2% C.P. ... 4 1/2% R.C.P. ... 4% Deb. ...	450	360	14,401	22,772	6,064	204	3-59	2,232	(a) 1,658	20 5	5 1/2	5 1/2
Bally ...	Birla Bros Private Ltd. ... 7% C.P. ...	659	300	12,191	19,672	4,243	180	3-59	1,706	1,257	10 7	6 7	2 7
Barnagore & ...	Jardine Henderson ... 5% C.P. ...	1,200	690	...	...	...	...	3-59	341	42	10 5	nil	nil
Bavodere ...	Andrew Yule & Co. Ltd. ... 7% C.P. ...	601	219	8,335	12,671	679	57	12-58	(i) 835	(a18) 323	7 1/2	2 1/2	7 1/2
Beagal Jute ...	Seorajmull Nagarmall ... 5 1/2% R.C.P. ... 5 1/2% Debentures ... 4 1/2% Debentures ...	350	250	14,694	26,139	2,404	50	6-58	(w) 816	(b) 24	5 1/2	nil	5 1/2
Bharat ...	Das Group Private ... Birla Brothers Private ... 7 1/2% C.P.T. ... 5 1/2% R.C.P. ...	982	391	29,251	48,138	6,045	608	3-59	328	-2,744	nil	nil	nil
Bird ...	...	...	...	...	...	...	...	...	7,436	4,152	10 10	10 10	10 10
Budge Budge ...	Andrew Yule & Co. Ltd. ... 7% C.P. ...	552	439	8,448	16,284	1,213	131	10-59	1,528	565	15 7	5 1/2	nil
Calcutta ...	Andrew Yule & Co. Ltd. ... 7% C.P. ...	371	245	6,830	10,741	592	54	11-58	841	(a76) 357	15 7	nil	nil
Chandany ...	James Finlay & Co. Ltd. ... 7% C.P. ...	761	639	18,823	30,510	4,797	50	3-59	1,813	1,045	7 7	nil	nil
Cherist ...	Andrew Yule & Co. Ltd. ... 7% C.P. ...	480	50	5,651	8,599	435	50	11-58	312	(m) 198	5 7	nil	2 7
Chitavalah ...	McLeod & Co. Ltd. ... 7% C.P. ... 5% Deb. ...	124	376	8,335	15,747	4,362	143	7-59	(v) 1,807	1,669	15 7	12 1/2	11 7
Clive ...	S. K. Iyer & Co. Ltd. ... 6% C.P. ... 7% C.P. ...	546	423	5,791	10,912	2,675	50	3-58	-38	-300	nil	nil	6 7
Dalhousie ...	Bird & Co. Private Ltd. ... 7% C.P. ... 5 1/2% Debentures ...	496	270	11,533	18,230	3,762	45	3-59	1,281	259	nil	nil	nil
Delta ...	Andrew Yule & Co. Ltd. ... 5% C.P. ...	458	321	7,954	12,428	836	50	11-58	(a) 731	(a) 184	5 7	nil	5 7
Empire ...	McLeod & Co. Ltd. ... 7% C.P. ... 5% Deb. ...	295	205	5,855	12,909	1,595	83	7-59	1,146	931	12 1/2	10 7	2 1/2
Fort Gloster ...	Kettwell Bullen & Co. ... 7% C.P. ... 5 1/2% 2nd C.P. ... 5 1/2% Debentures ...	1,098	786	22,664	38,663	8,948	330	3-59	3,328	2,313	20 7	20 7	10 7
Fort William ...	Bangor Brothers Ltd. ... 7% C.P. ...	633	381	11,527	20,355	4,117	118	3-59	1,448	1,382	15 7	15 7	15 7
Ganges ...	Directors ... 8% C.P. ...	1,801	708	2,805	29,866	1,681	...	3-59	894	731	nil	nil	nil
General Indus Society ...	Directors ... Deb. ...	409	198	16,349	23,436	3,507	...	12-58	1,263	(a) 960	20 20	20 20	16 1/2
Gourepore ...	Macneil & Barry ... 6% C.P. ...	962	452	23,738	55,047	1,832	245	3-59	2,667	1,874	25 6	20 6	2 1/2
Hastings ...	Bangor Bros. Ltd. ... 6% C.P. ...	661	417	14,798	24,151	6,118	208	3-59	2,487	1,937	6 6	5 6	5 6
Hooghly ...	Directors ... 10% Pref. (i) ...	466	254	9,805	16,123	2,401	...	3-59	1,127	650	6 6	5 6	5 6
Howrah ...	Jardine Henderson Ltd. ... 7% C.P. ... 7% 'A' C.P. ... 5 1/2% Debentures ...	1,234	706	21,659	37,675	9,002	171	3-59	(c) 3,397	(i) 5,761	10 10	10 10	10 10
Hukumchand ...	Randhwa Ramkissoon ... 7% C.P. ...	1,519	753	32,620	50,205	9,443	356	3-59	3,978	2,819	20 7	20 7	20 7
Indra ...	Directors ...	522	554	13,566	23,038	4,747	...	3-59	(a) 2,681	2,370	9,92	12 1/2	7 1/2
Kamarhaty ...	Jardine Henderson Ltd. ... B. Ord. ... 6% C.P. ... 5 1/2% Debentures ...	1,250	547	15,929	37,713	4,235	312	12-59	3,710	3,393	20 7	5 1/2	nil

7 May 1960

COMPANIES

NAME	Market Quotation as on the Last day of		Paid-up per share	Capital paid-up	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Deprecia- tion Rs. 000	LIQUID ASSETS				
	April 1960 Rs. np.	April 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balances Rs. 000	Others Rs. 000
Agarpara ...	11 87	13 03	10	6,000	4,922	930	25	2,478	11,727	4,527	405	5,819	2,534	592	35
7% Cum. preference ...	91 00	101 00	100	1,000											
5 1/2% Debentures ...	920 00	925 00	1000	1,200											
Alexandra ...	172 00	182 00	100	600	400	772	193	5,596	6,839	4,034	70	5,082	1,247	127	...
7% Cum. preference ...	50 00	55 00	100	900											
5 1/2% Debentures ...	455 00	455 00	500	600											
Alliance ...	118 00	122 00	100	3,000	...	279	-188	3,950	12,670	9,941	210	4,721	719	161	...
6% Cum. preference ...	68 00	90 01	100	1,500											
Anglo India ...	216 00	248 00	100	4,921	5,900	2,261	216	14,252	30,977	22,693	4,133	14,136	3,794	294	9
7% Cum. preference ...	96 00	108 00	100	4,000											
Auckland ...	141 00	177 00	100	4,006	1,138	2,596	43	5,568	15,140	7,019	334	6,901	1,969	17	5
5 1/2% Cum. preference ...	70 00	83 00	100	1,000											
4 1/2% R. Cum. preference ...	60 00	65 75	100	1,500											
4% Debentures ...	780 00	770 00	1000	1,500											
Bally ...	240 00	223 00	100	2,000	2,009	702	4	4,950	10,752	7,106	644	4,867	1,506	993	...
7% Cum. preference ...	98 00	104 00	100	2,000											
Barnagore & ...	189 00	147 00	25	275	215	412	68	449	1,578	990	17	765	228	21	...
5% Cum. preference ...	34 00	39 50	25	200											
Bavodere ...	152 00	170 00	100	2,800	1,249	1,649	16	2,563	9,777	5,482	73	3,894	687	28	...
7% Cum. preference ...	97 00	101 50	100	700											
Bengal ...	11 00	13 25	10	4,500	1,424	1,185	205	11,846	6,087	3,697	5	5,886	3,541	10,336	4
5 1/2% R. C. P. ...	63 50	77 00	100	1,000											
5 1/2% Debentures ...	900 00	9 00	1000	1,000											
4 1/2% Debentures ...	900 00	900 00	1000	1,000											
Bharat Jute ...	6 12	6 12	25	1,500	...	255	14	-3,624	4,185	1,323	303	...	...	...	...
Birla ...	28 87	21 56	10	9,126	4,750	21,445	29	19,781	64,330	18,413	7,690	9,827	3,391	611	17
7 1/2% C. P. T. ...	91 00	87 00	100	2,364											
5 1/2% R. C. P. ...	90 25	...	100	10,000											
Budge Budge ...	136 00	153 00	100	3,600	1,521	816	62	2,929	11,981	7,285	104	3,761	1,252	...	...
7% Cum. Preference ...	103 50	102 00	100	900											
Calcuttania ...	160 00	192 50	100	1,800	2,369	277	36	1,550	8,440	4,652	63	2,834	347	...	...
7% Cum. preference ...	87 40	77 50	100	1,000											
Chandany ...	118 00	137 00	100	5,916	...	7,658	92	3,700	11,145	2,071	205	5,868	1,817	53	28
Cherist ...	169 00	241 00	100	1,595	1,301	831	18	830	8,351	5,861	84	2,540	459	...	...
7% Cum. preference ...	101 00	102 00	100	1,000											
Chitavalah ...	14 37 1/2	16 19	10	3,015	3,300	543	234	4,922	10,983	5,987	795	5,245	1,794	549	203
7% Cum. preference ...	94 50 1/2	103 10	100	500											
5% Debenture ...	442 50	442 50	500	1,069											
Clive ...	13 00	12 62	10	2,400	...	900	-312	2,005	8,189	6,173	8	3,299	1,787	22	...
6% Cum. preference ...	75 00	70 00	100	800											
7% Cum. preference ...	84 00	71 50	100	800											
Dalhousie ...	134 00	134 00	100	3,149	836	3,778	-642	3,896	13,988	6,131	464	4,744	1,319	...	7
7% Cum. preference ...	91 00	94 00	100	1,500											
5 1/2% Debentures ...	900 00	900 00	1,000	1,873	...	...	...	...	...	...	...	...	...	...	...
Delta ...	154 00	182 00	100	2,800	1,488	2,370	7	1,931	10,358	5,084	49	3,417	334	21	...
5% Cum. preference ...	68 00	78 00	100	500											
Empire ...	15 87 1/2	20 12	10	1,500	2,550	1,170	94	2,294	10,740	7,009	937	2,869	1,731	206	...
7% Cum. preference ...	76 00 1/2	100 00	100	1,000											
5% Debentures ...	450 00	450 00	500	886											
Fort Gloster ...	393 00	290 00	100	4,200	6,127	1,305	194	13,985	26,127	15,943	209	10,591	4,418	402	3,669
7% Cum. preference ...	114 00	105 50	100	1,400											
5% Cum. preference ...	71 00	65 50	100	700											
5 1/2% Debenture ...	98 00	96 00	100	1,561	...	...	...	...	...	...	...	...	...	...	...
Fort William ...	23 62	24 00	10	2,100	1,900	...	23	...	7,572	12,775	6,881	...	...	...	...
7% Cum. preference ...	111 50	81 50	100	1,000											
Ganges ...	11 00	...	10	8,432	...	...	-877	13,268	22,372	14,432	198	10,594	2,464	226	...
8% Cum. preference ...	25 00	110 00	100	600											
General Indust Society...	125 00	26 33	10	1,080	2,550	400	151	5,231	6,922	4,380	78	40,88	1,145	539	1,021
Debentures ...	...	...	300	2											
Gowrepora ...	405 00	373 00	100	2,400	3,300	1,113	86	15,423	24,102	16,619	4,412	10,717	2,021	195	142
6% Cum. preference ...	81 00	95 00	100	2,650											
Hastings ...	29 00	105 00	100	4,000	2,950	3,833	298	6,374	13,825	7,598	3,390	7,106	3,073	158	...
5% Cum. preference ...	90 00	95 50	100	2,500											
Hooghly ...	13 12	12 37	10	1,690	560	1,583	50	1,485	7,260	5,326	80	2,964	1,522	34	...
10% Preference [1]	10 00	10 50	10	1,176											
Hawrah ...	23 00	24 69	10	6,562	3,500	108	58	9,674	23,531	13,648	450	11,169	2,558	241	1,227
7% Cum. preference ...	104 00	99 00	100	875											
7% 'A' C. P. ...	101 00	106 00	100	1,750											
5 1/2% Debentures ...	95 00	94 00	...	3,000											
Hukumchand ...	21 50	21 25	7 1/2	5,250	2,500	620	108	17,139	30,267	16,742	1,460	10,164	4,049	419	...
7% Cum. preference ...	98 00	185 00	100	4,000											
India ...	15 87	16 00	12 1/2	8,730	...	2,035	62	6,960	13,285	9,326	3,338	5,336	2,903	251	...
Kamarhaty ...	171 00	209 00	100	2,400	1,650	1,235	266	5,346	19,787	13,279	353	6,170	1,123	232	1,334
B. Ordinary ...	161 00	194 00	100	1,920											
6% Cum. preference ...	89 00	95 00	100	1,600											
5 1/2% Debentures ...	89 00	90 00	...	1,304											

NAME	Managing Agents, Agents/Secretaries	Loans		Purchases Rs. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' Commission Rs. 000	Year ended	Net Profit Rs. 000	Net Profit for the previous period Rs. 000	Dividend %		
		Hessian	Sacking								Latest	First previous	Second previous
Kankarnah...	Jardine Henderson Ltd. B. Ord. 6% C. P. 4% R. C. P. 5 1/2% Debentures	1,239	288	13,095	32,729	4,631	205	12-59	2,601	1,891	Nil	nil	nil
Kelvin ...	McLeod & Co. Ltd. 7% C. P. Anderson Wright Ltd. 6% C. P.	394	309	8,926	15,248	4,738	144	4-59	1,683	1,742	14	12 1/2	9
Khardah ...	F. W. Heiglers & Co. Pri. 7% C. P. 5% Debentures	914	616	19,264	30,340	10,210	169	3-59	(a)2,493	1,069	20	7	7
Kinnison ...	Bird & Co. Private 7% C. P. 5% Debentures	672	578	21,880	35,162	8,530	109	3-59	1,978	(a11)1,400	10	6	6
Lansdowne ...	Bird & Co. Private 7% C. P. 5% Debentures	579	352	14,246	20,758	4,808	45	3-59	749	(a12)569	nil	nil	nil
Lawrence ...	Bird & Co. Private 7% C. P. 5% Debentures	484	356	2,114	5,280	90	40	3-59	1,793	(a13)619	2	7	7
Mahabir ...	Agrawal Brothers & Co. Directors	28	123	3,315	5,399	1,219	30	9-58	118	(b)267	nil	nil	nil
Maheswari Devi Magna ...	Directors	612	396	1,716	3,561	435	...	9-58	-256	-51	nil	nil	nil
Naihati ...	Directors	493	322	24,363	37,823	12,265	...	3-59	2,942	3,368	10	17 1/2	5
Naskarpas ...	Howrah Trading Co. Private 5 1/2% Debentures	333	92	9,587	13,682	4,731	...	3-59	732	(i) 442	Nil	nil	nil
National ...	Andrew Yule & Co. 7% C. P.	573	279	6,733	10,668	443	40	10-58	272	233	2 1/2	2 1/2	nil
Nallimaria ...	McLeod & Co. Ltd. 6% C. P. 4 1/2% Deb.	100	216	7,921	12,945	7	50	10-57	(a20) 658	(b) 474	7 5/8	7 4/5	17 1/2
New Central ...	Sahu Jain Ltd. 7% C. P.	10,39	7,26	6,458	13,256	2,704	113	7-58	1,149	689	10	7	7
Northbrook ...	Bird & Co. Private Ltd. 5 1/2% C. P. 4% Deb.	214	353	51,788	71,606	5,752	253	3-59	(a)4,268	(i)4,674	15	15	15
Nuddes ...	Macneill & Barry	644	448	11,327	18,141	4,537	106	3-59	1,504	(a32)385	12 1/2	5 1/2	5 1/2
Orient ...	Andrew Yule & Co.	551	50	16,399	25,914	715	109	3-59	1,707	1,412	6	5	nil
Premchand Presidency ...	R. J. Roy Bro., Private Ltd. McLeod & Co. Ltd.	364 238	240 162	5,521	8,611	607	50	11-58	209	(a21)117	2 1/2	nil	3
Rameshwari ...	Birla Bros Private Ltd. 6% C. P.	...	305	5,290	9,651	2,219	80	3-59	795	260	Nil	Nil	Nil
Reliance ...	Jardine Henderson 7% C. P. 5% Deb.	924	352	1,433	...	...	50	3-59	758	-528	Nil	Nil	Nil
Shree Ambica ...	Bagaris More 7 1/2% C.P.	703	208	5,290	9,651	2,219	80	3-59	795	260	Nil	Nil	Nil
Soorah ...	Hind Inv. Corpn. 7% C. P.	201	200	15,080	24,947	3,589	89	3-59	1,110	1,024	6	5	5
Standard ...	Bird & Co. Private Ltd.	367	283	7,899	10,503	2,888	66	12-58	1,039	1,005	15	15	15
Union ...	Bird & Co. Private Ltd. 7% C. P. 4 1/2% Deb.	758	568	6,243	7,509	219	40	3-59	(a)603	(a33)1,531	2 1/2	5	nil
Waverley ...	McLeod & Co. Ltd. 5% C. P. P. 3 1/2% Debenture	306	159	11,650	18,849	4,010	192	3-59	2,412	(a16)3,258	20	15	7

(a) After transferring Rs 275,000 from General Reserve.

(b) After writing back Rs 107,889 being excess provision for taxation and including Rs 26,880 being refund of taxes.

(c) After transferring Rs 420,000 from General Reserve.

(d) After transferring Rs 200,000 from Stores and Spare Parts Reserve and Rs 100,000 from Debenture Redemption Reserve.

(e) After transferring Rs 112,500 from Dividend Equalisation Reserve and Rs 34,643 from Investment Realisation Surplus.

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

(g) After transferring Rs 3,00,000 from Reserve for Machinery Renewal and Replacement.

(h) After transferring Rs 573,256 from General Reserve.

(i) After writing back Rs 223,804 from Depreciation written off in respect of Machinery sold.

(j) After transferring Rs 31,000 from General Reserve.

(k) After writing back Rs 1,21,392 being provision against anticipated loss on raw jute stock and work in progress; Rs 29,161 being provision against anticipated loss on jute contracted for; Rs 14,000 being excess provision for taxation and Rs 1,98,000 from Dividend Equalisation Fund.

(l) After transferring Rs 1,571,250 from General Reserve No. 1.

(m) After transferring Rs 103,000 from General Reserve and Rs 70,000 from Dividend Equalisation Reserve.

(n) After transferring Rs 130,000 from General Reserve.

(o) After writing back Rs 59,017 from Taxation Reserve.

(p) After transferring Rs 5,33,375 from General Reserve.

(q) Includes Rs 971,500 being Refund of Contribution to Pension Fund and Interest and Rs 93,317 being refund of I.T. and B.P.T.

(r) After writing back Rs 56,000 being Development Rebate.

(s) After transferring Rs 7,00,000 from Reserve No. 1.

(t) Preference shares carry a dividend of 10 per cent of which only 5 per cent is cumulative.

(u) After writing back Rs 1,00,000 from provision against jute stocks and jute contracted for.

(v) After writing back Rs 163,400 from Development Rebate Reserve.

(w) After writing back Rs 63,282 being excess provision and adjustments and Rs 11,685 being sundry balances.

(x) After transferring Rs 150,000 from Contingency Reserve.

(y) After transferring Rs 115,000 from General Reserve.

(z) After transferring Rs 2,70,000 from General Reserve; Rs 25,000 from Dividend Equalisation Reserve and Rs 34,500 from Investment Realisation Surplus.

NAME	Market Quotation as on the Last day of		Paid-up per share	Capita. paid-up Rs. 000	Reserves & Surplus including latest allocations			Sundry Liabilities including Taxation and Dividends Rs. 000	Gross Block Rs. 000	Deprecia- tion Rs. 000	LIQUID ASSETS				
	April 1959 Rs. np.	April 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry forward Rs. 000				Invest- ments Rs. 000	Stocks and Stores Rs. 000	Out- standings Rs. 000	Cash Balance Rs. 000	Others Rs. 000
Kankarrah ...	101 00	101 00	100	3,000	600	309	-1,368	7,866	17,628	11,270	203	6,127	1,346	257	1,205
B. Ordinary ...	93 00	89 00	100	2,400	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum. preference ...	69 00	71 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P. ...	...	...	100	423	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	90 00	93 00	...	1,269	...	...	...	...	...	...	...	...	...	...	...
Kelvin ...	160 00	196 00	100	2,800	4,550	360	164	3,500	14,371	9,871	866	5,718	1,091	199	...
7% Cum. preference ...	89 50	105 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Khardah ...	195 00	174 00	100	5,400	1,800	413	10	15,093	22,006	13,249	365	11,741	2,468	283	...
6% C. P. ...	93 00	89 50	100	900	...	...	...	...	...	...	...	...	...	...	...
Kinnison ...	170 00	198 00	100	5,759	2,502	5,584	51	9,923	24,109	11,728	2,101	10,239	3,077	22	...
7% Cum. preference ...	86 50	105 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5% Debentures ...	900 00	900 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Lansdowne ...	137 00	138 00	100	2,448	1,085	2,601	-758	7,840	13,028	6,362	330	5,917	1,664	68	8
7% C. Preference ...	104 50	110 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Lawrence ...	133 00	113 00	100	2,800	104	2,265	60	988	8,989	3,914	411	1,472	543	215	...
7% Cum. preference ...	88 00	87 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% 'B' cum. preferen ...	70 00	80 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Mahabir ...	85 00	85 00	100	1,078	...	1	-39	1,571	2,084	1,546	30	1,841	131	71	...
Maheswari Darr ...	...	...	100	1,319	...	425	-692	834	1,780	1,471	512	734	330	2	...
Magna ...	12 00	15 75	10	8,165	...	2,813	282	15,021	23,462	14,589	26	11,664	5,059	659	...
Naihati ...	74 50	80 00	...	2,999	1,199	2,237	-1,161	5,112	16,407	9,433	177	5,840	1,591	9	45
7% cum. preference ...	101 00	63 00	100	750	...	...	...	...	...	...	...	...	...	...	...
4 1/2% R. C. P. ...	66 00	65 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debentures ...	900 00	900 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Naskarpas ...	12 50	11 50	10	2,000	1,299	15	5	1,177	3,684	2,427	5	1,749	1,114	3,871	...
5 1/2% Debentures ...	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
National ...	30 25	24 50	10	3,500	2,170	1,781	20	1,577	4,849	1,231	203	3,053	920	1,754	...
7% C. P. ...	100 00	101 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Nellimarla ...	12 50xd	15 12	10	2,625	1,775	1,144	91	4,762	3,774	2,334	703	3,439	4,561	481	772
6% Cum. preference ...	86 00xd	92 00	100	500	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures ...	26 7 1/2	14 9 1/2	10	12,824	10,780	9,068	1	65,511	41,268	12,864	1,817	18,050	7,873	682	44,658
New Central ...	96 00	130 00	100	3,300	...	...	...	...	...	...	...	...	...	...	...
7% Cum. preference ...	22 80	19 87	10	1,680	1,575	3,320	33	4,583	13,611	6,954	440	5,623	2,049	4	26
Northbrook ...	77 75	71 25	100	1,500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Cum. pref. ...	850 00	800 00	1000	2,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures ...	51 00	61 00	50	6,680	2,300	144	16	10,504	22,221	11,701	440	6,695	1,744	244	...
Nuddes ...	155 00	172 00	100	2,491	1,797	505	20	735	7,667	5,440	71	2,829	268	36	...
Orient ...	...	...	100	3,996	...	...	-4,142	1,915	6,201	4,620	76	44	20	48	...
Premchand Presidency ...	5 81xd	6 31	5	2,500	750	273	68	2,455	9,990	7,261	112	2,489	561	155	...
Rameshwari ...	9 44	6 65	10	2,000	...	20	3	2,436	3,175	997	72	2,721	78	106	...
6% Cum. preference ...	12 37	11 19	10	700	...	...	...	...	...	...	...	...	...	...	...
Reliance ...	7 25	7 87	10	4,950	...	20	-3,896	1,904	12,461	6,673	191	1,071	554	54	...
7% C. P. ...	81 00	73 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debenture ...	820 00	850 00	1000	2,500	...	...	...	...	...	...	...	...	...	...	...
Shree Ambica ...	21 25	10 87	10	3,000	975	209	70	9,520	12,450	9,165	1,378	4,450	5,333	361	...
7 1/2% Cum. preference ...	86 00	94 00	100	1,700	...	...	...	...	...	...	...	...	...	...	...
Soorah ...	20 75	21 81	10	1,400	1,080	64	69	3,548	7,131	5,603	1,360	3,238	405	31	...
7% Cum. pref. ...	88 00	95 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Standard ...	112 50	112 50	70	1,764	405	...	66	2,118	918	388	291	...	1,180	2,132	...
Union ...	189 00	220 00	100	3,599	2,255	3,335	76	3,433	10,668	4,670	672	4,849	2,903	74	2
7% C. P. ...	87 50	98 00	100	600	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debenture ...	950 00	900 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
Waverley ...	3 56	3 25	1	250	185	335	104	392	5,515	4,449	60	409	393	1,088	...
5% Cum. P. P. ...	40 12	41 50	50	750	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Debenture ...	400 00	400 00	500	1,000	...	...	...	...	...	...	...	...	...	...	...

MISCELLANEOUS

MISCELLANEOUS

NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents' allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
WESTERN AND CENTRAL INDIA												
Alembic Chemical	Bhailal Amin&Sons Private Ltd. 6 1/2% 1st Cum. Pref. 5% 2nd. R. C. P. 6% 3rd. Cum. Pref.	3,141	13,558	22,395	4,039	284	12-58	3,085	2,670	12 1/2	12 1/2	10 1/2
Amar Dye-Chem	Amritlal & Co. Private 6% R. C. P.	649	6,736	10,628	5,074		12-58	1,602	97	6 1/2	6 1/2	5 1/2
Anil Sarch Products	Kasturbhai Lalbhai & Co. 5% C. P.	1,058	9,243	19,518	1,572	84	12-58	(n)2,272	(c)2,314	20 1/2	20 1/2	10 1/2
Associated Cement Cos.	Cement Agencies Private Ltd.	45,155	126,873	257,706	12,969	3,714	7-59	(a)21,59,602	53,001	11 1/2	11 1/2	10 1/2
Associatd Stone Industries.	Rajaputana Mining Agen. Pri.Ltd. 6% C. P.			4,510	1,000	129	9-58	652	635	35 1/2	35 1/2	30 1/2
Atul Products	Lalbhai Sons & Co.	1,223	15,340	28,952	7,626	400	12-58	5,329	5,065	10 1/2	8 1/2	6 1/2
Automobile Products	Directors 5% R. C. P. 6% R. C. P.	2,111	12,392	16,914	6,481		7-58	145	342	nil	8 1/2	6 1/2
Bagalkot Cement	Tendulkar Indus, Private Ltd.	937	4,363	7,332	432	80	12-58	1,603	1,521	7 1/2	6 1/2	6 1/2
Bharat Line	Dinshaw Private	3,013		18,666		84	12-58	(v)3,887	6,455	12 1/2	12 1/2	6 1/2
Bombay Burma Trading	Wallace & Co. Old Shares New shares	1,414		42,800	5,255	322	5-58	7,506	15,140	18 1/2	32 1/2	30 1/2
Bombay Cycle	Aero. Auto. Private	1,115	12,429	14,485	1,423	45	3-59					
Bombay Gas	Directors	616	5,436	9,405			12-57	458	168	10 1/2	5 1/2	8 1/2
Bombay Potteries & Tiles	Directors 6 1/2% C. P. 4 1/2% C. P.	569	500	2,242	137		9-58	1,261	(a)14,006	4 1/2	12 1/2	8 1/2
Bombay Safe Deposit	F. F. Campbell & Co. Ltd.			134		6	9-58	765	628	6 1/2	6 1/2	6 1/2
Bombay Uganda Co.	Directors	134	5,021	4,529	2,139		12-58	63	76	13 1/2	13 1/2	15 1/2
W. H. Brady & Co.	Directors	2,332	15,763	20,898	6,219		12-58	207	211	23 1/2	15 1/2	15 1/2
Barmah Shell	Directors 5 1/2% Debenture	11,772	32,976	133,271			12-58	2,074	2,730	16 1/2	10 1/2	15 1/2
Caltex Oil	Directors 5 1/2% Debentures	5,598	5,167	39,727	1,276		12-58	73,481	73,476	15 1/2	15 1/2	
Ceat Tyres	Directors	21	1,357	1,480		2	12-58	25,910	12,925	nil	nil	
G. Claridge & Co.	W. H. Brady & Co. Ltd.	1,066	1,983	3,378	147	51	12-58	60		nil	nil	
Colour Chem	Directors	24	402				3-59	318	184	15 1/2	15 1/2	15 1/2
Crescent Iron & Steel	Navin Kumar Hansraj Pri.	336	444	960	368	12	3-59	-106	-10	nil	nil	
G. G. Dandekar Machine Works	Gandekar Engineers Partly Paid Ordinary 5% R. C. P.	321	615	1,327	11	20	6-58	182	159	7 1/2	6	
Delhi Safe Deposit	Directors Ordinary P. P. 6% C. P.			162	28		12-58	211	176	10 1/2	9 1/2	8 1/2
Dena Investment	Directors	8			184		3-59	86	69	10 1/2	9 1/2	8 1/2
Dharamaji M. Chemical	D. Morarji & Co.	1,492	5,603	9,079	146	155	12-58	134	121	3 1/2	3 1/2	3 1/2
Digvijay Cement	Shree Laxmi Agents Ltd. 5% R. C. P.	2,043	17,097	24,189	2,070	162	12-58	1,778	1,023	12 1/2	10 1/2	6 1/2
Eastern Shioping Corp.	Scindia Steam Navigation	2,431	17,467	25,537			3-58	(m)4,902	4,755	9 1/2	9 1/2	8 1/2
Estrela Batteries	Chunilal Manilal Ltd. 5% R. C. P.	14,19	23,27	57,54	18,84	33	3-56			5	5	
Great Eastern Shipping	A. H. Bhiwandiwala & Co. privt. 5 1/2% R. C. P.	720		31,282		359	6-59	4,138	6,561	nil	nil	nil
Greaves Cotton & Co.	Directors 5% C. P. 6% R. C. P.	3,419	36,776	45,098	9,038		3-59	4,79	2,70	6 1/2	4 1/2	6 1/2
Gwalior Rayon	Birja Gwalior Private 6% R. C. P. "A" 6% R. C. P. "B"	4,900	44,878	71,776	4,140	1,195	3-59	(d)9,817	(l)12,073	15 1/2	18 1/2	15 1/2
Hind Cycles	Directors 5% T. R. C. P. 5 1/2% T. R. C. P. 5 1/2% T. R. C. P. 6% T. R. C. P.						3-59	3,864	13,309	21 1/2	10 1/2	7 1/2
Hindustan Electric Co.	Dharamsinh & Co. 6% C. P.	2,524	16,934	18,926	8,276	91	4-59			5 1/2	5 1/2	5 1/2
Hindustan Lever	Directors	25,337		417,519	59,797		12-59	22,960	6,731	6 1/2	6 1/2	6 1/2
Indian Cement	Directors							nil	nil	nil	nil	nil
Indian Vegetable Products	F. F. Campbell & Co. Pri.	699	21,834	26,051	1,736	52	3-58			nil	nil	nil
Indusl. Cr & Invest. Corp.	Directors	430		5,795			9-58	841	449	6 1/2	5 1/2	5 1/2
Industrial Investment	Premchand Roychand & Sons	23		694			12-59	514	61	25 1/2	25 1/2	30 1/2
Investa Machine Tools	Investa. Indusl. Corporation 4 1/2% C. P.	837	1,062	1,476	1,061	23	12-58	5,076	670	10 1/2	10 1/2	10 1/2
Jaipur Metals	Poonamchand & Bros. Pri 6% C. P. Deferred 4% Debenture			12,019	2,349		12-58	5,185	5	5 1/2	5 1/2	5 1/2
Jyoti	Adnem Services	2,235	6,960	11,059	3,495	102	12-58	640	112	6 1/2	6 1/2	6 1/2
Kamani Metals	Kamani Bros. Private 5 1/2% C. P. 5 1/2% Debentures			15,813	2,864		6-59	296	112	nil	nil	nil
Kamp & Co.	Directors	701	5,005	6,904	1,014		3-58			nil	nil	nil
Kirloskar Bros.	Kirloskar Sons & Co.	2,802	11,197	22,222	5,205	262	7-59			449	6 1/2	5 1/2
Kirloskar Oil Engines	Kirloskar Sons & Co. Ordinary Partly Paid	2,244	13,434	19,384	5,315	162	3-59	259	245	7 1/2	7 1/2	7 1/2
Killick Industries	Managing Director			5,586	823		11-59	2,854	2,790	12 1/2	10 1/2	10 1/2
								1,834	1,789	10 1/2	10 1/2	9 1/2
								2,209	3,564	9 1/2	13 1/2	11 1/2

(a) Traffic Revenue. (b) Dividends and Interest, etc. (c) Profit on contracts. (d) Revenue Income. * Income by freight, etc.

INDUSTRIALS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1960	April 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Outstandings	Cash	Others
	Ra. np.	Ra. np.			Ra. 000	Ra. 000	Ra. 000				Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
WESTERN AND CENTRAL INDIA															
Alembic Chemicals	221 50	186 00	100	6,500	2,800	2,058	53	9,862	14,747	5,635	2,424	7,636	2,577	23	...
6 1/2% 1st C. P.	91 20	86 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5% 2nd R. C. P.	79 00	85 50	100	500	...	...	...	...	...	...	...	...	...	...	...
6% 3rd C. P.	75 00	72 00	100	500	...	...	...	...	...	...	...	...	...	...	...
Amar Dyechem	270 00	150 00	100	5,598	...	110	30	6,047	7,467	1,127	421	5,890	1,684	233	38
6% R.C.P.	103 00	98 30	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Anil Starch Products	...	...	100	2,988	101	2,117	1	7,646	10,760	4,089	6	3,924	2,627	124	...
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Associated Cement	140 75	149 75	100	190,586	21,250	89,691	92	144,736	403,085	146,678	7,672	116,331	19,869	14,589	15,660
Associated Stones Indust	21 28	19 88	10	850	1,450	40	33	1,188	1,306	713	91	1,336	1,597	1,143	...
6% C. P.	100 00 N	100 00 N	100	200	...	...	...	...	...	...	...	...	...	...	...
Atul Products	...	...	100	19,950	...	2,550	38	29,876	32,704	8,568	10,245	10,468	4,902	2,068	...
Automobile Products	...	...	10	1,200	...	113	-571	14,666	10,742	1,968	...	8,136	1,340	10	336
5% R. C. P.	...	...	100	28,000	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	100	388	...	...	...	...	...	...	...	...	...	...	...
Bagalkot Cement	8 80	8 32	10	8,414	...	42	1	12,476	19,040	2,457	8	2,270	1,412	87	574
Bharat Line	9 48	12 92	10	10,000	6,826	4,337	318	15,614	39,909	17,762	878	2,506	7,921	1,522	2,119
Bombay Burma Trading	...	...	2500	250	6,392	27,963	50	23,720	52,819	22,041	8,365	10,412	14,472	9,921	1,873
Old Shares	565 00	520 50	125	8,925	...	...	...	...	...	...	...	...	...	...	...
New Shares	190 00	177 50	50	4,200	...	...	...	...	...	...	...	...	...	...	...
Bombay Cycle	24 00	15 00	20	1,600	410	509	24	1,326	728	440	442	1,444	1,196	500	...
Bombay Gas	...	...	£1	4,000	665	2,375	1	3,349	8,320	3,930	2,945	1,358	1,435	238	...
Bombay Potteries & Tiles	144 00	132 00	100	1,418	49	389	5	918	2,744	1,329	10	566	215	1,599	...
6 1/2% C. P.	60 00	76 00	100	113	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	60 00	60 75	100	863	...	...	...	...	...	...	...	...	...	...	...
Bombay Safe Deposit	405 00	365 00	200	240	64	...	1	168	584	427	261	...	...	...	...
Bombay Uganda Co.	49 00	49 00	80	1,596	200	59	31	613	266	148	1	2,310	57	14	...
W. H Brady & Co.	325 00	315 00	150	4,500	2,150	3,942	84	6,479	1,133	539	3,499	6,572	4,845	1,630	...
Burma Shell	...	...	100	138,200	80,000	26,560	5,397	68,179	258,284	61,024	...	28,553	164,249	2,429	5,844
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cakes Oil	...	...	100	45,000	...	10,254	15,223	57,600	141,377	13,307	...	17,597	812	1,598	...
5 1/2% Debenture	...	...	...	20,000	...	...	...	...	...	...	...	...	...	...	...
Ceat Tyres	176 00	123 00	50	5,748	...	...	27	323	610	8	...	2	783	4,175	538
C. G. Claridge & Co.	190 00	170 00	100	900	600	721	3	904	2,332	1,584	1	1,446	740	54	...
Colour Chem	310 00	...	100	6,500	...	...	-131	4,579	154	15	...	402	231	3,194	6,981
Crescent Iron	...	...	20	574	35	102	7	870	1,480	504	...	651	50	10	10
C. G. Dandekar Mca. Works	...	...	100	399	105	118	1	543	1,088	599	278	169	311	270	...
Partly Paid Ordry	...	...	50	248	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Safe Deposit	10 00	10 00	10	194	82	29	5	388	446	102	424	2	119	46	...
Ordry P.P.	7 00	...	180	7	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	100 00	...	25	2,580	...	85	1	504	...	5	...	...	...	...	...
Dena Inv.	11 00	11 00	50	1,369	...	304	7	3,206	4,856	3,254	2,908	76	...	...	105
Dharamsi M. Chemical	155 00	92 00	100	1,020	...	...	...	...	...	...	21	2,449	1,341	...	...
Digvijay Cement	151 00	144 50	100	13,410	3,500	2,142	58	21,557	39,845	14,932	5,234	10,488	6,689	155	1,212
5% R. C. P.	85 50	88 00	100	7,994	...	...	...	...	...	...	...	...	...	...	...
Eastern Shipping Corpn.	...	...	100	55,000	1,450	6,015	30	20,659	68,251	14,026	6,017	57	10,345	8,045	4,505
Estrela Batteries	51 00	40 00	50	1,497	3,15	7	22	15,50	28,61	1,941	3	17,66	12,81	70	3,50
5% C. P.	38 00	34 50	50	997	...	...	...	...	...	...	...	...	...	...	...
Groat Eastern Shipping	17 24	23 16	10	9,000	7,500	12,975	334	57,968	87,620	17,430	274	116	4,187	15,510	...
5 1/2% R. C. P.	90 00	96 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Greaves Cotton & Co.	141 00	121 50	100	13,500	2,700	1,516	25	20,079	1,740	589	15,867	9,115	29,368	3,186	...
5% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Gwalior Rayon	38 75	18 16	10	25,000	...	6,335	1,263	14,522	62,030	36,854	45	17,293	8,533	11,149	...
6% R.C.P. 'A'	98 00xd	...	100	15,000	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P. 'B'	...	...	100	76	...	...	...	...	...	...	...	...	...	...	...
Hind Cycles	117 00	111 25	100	3,107	702	693	-482	11,675	11,736	7,251	4	8,250	3,904	524	...
5% T. R. C. P.	65 00	65 00	100	500	...	...	...	...	...	...	...	...	...	...	...
5 1/2% T. R. C. P.	75 00	75 00	100	700	...	...	...	...	...	...	...	...	...	...	...
5 1/2% T. R. C. P.	25 00	25 00	25	48	...	...	...	...	...	...	...	...	...	...	...
6% T. R. C. P.	100 00	...	100	224	...	...	...	...	...	...	...	...	...	...	...
Hindustan Electric Co.	132 50	104 00	100	4,000	300	114	57	12,342	6,224	2,193	236	8,743	5,518	290	...
6% C. P.	82 00	82 00	100	1,948	...	...	...	...	...	...	...	...	...	...	...
Hindustan Lever	38 50	31 00	10	55,700	4,132	8,817	20,969	62,200	57,710	20,419	3	68,875	16,116	30,333	...
Indian Cement	25 00	25 00	10	152	100	50	2	124	142	...	178	...	52	57	...
Indian Vegetable Products	153 00	114 00	100	2,117	276	465	5	1,796	2,714	2,030	79	2,300	1,530	67	...
Indus. Cr. & Invest. Corp	80 00	80 50	100	50,000	2,400	1,494	100	105,683	156	82	59,458	...	45,247	53,617	...
Industrial Investment	78 30	80 00	100	9,999	...	2,022	59	1,220	70	17	13,090	...	184	48	...
Investa Machine Tools	...	...	100	1,500	...	9	-612	2,787	2,552	460	...	2,197	383	12	...
4 1/2% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jaipur Metals	115 00	80 50	100	1,132	50	692	10	3,236	4,435	1,558	250	2,957	797	169	69
6% C. P.	55 50	58 00	100	800	...	...	...	...	...	...	...	...	...	...	...
Delaware	27 00	6 20	10	200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Jyoti	191 00	161 00	100	3,000	300	1,306	3	4,862	5,109	1,532	155	3,592	2,138	10	...
Kamani Metals	...	...	10	2,000	...	65	6	3,759	8,342	4,935	503	4,066	1,129	36	...
5% C. P.	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	100	1,350	...	...	...	...	...	...	...	...	...	...	...
Kemp & Co.	287 00	220 00	200	1,200	350	274	26	1,782	2,597	1,303	12	1,113	1,156	57	...
Kirloskar Prothera	53 00	...	25	3,000	6,969	1,021	12	8,059	10,587	5,917	1,858	8,111	3,970	554	...
Kirloskar Oil Eng.	16 32	...	10	2,500	775	666	4	11,475	6,011	2,394	50	7,062	3,273	290	1,705
Ordinary Partly Paid	...	...	5	578	...	...	...	...	...	...	...	...	...	...	...
Killick Industries	118 50	138 00	100	12,483	500	2,817	6	9,093	4,823	1,185	16,778	1,475	2,481	72	954

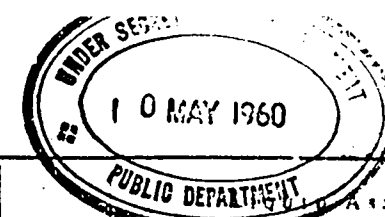
MISCELLANEOUS

MISCELLANEOUS													
NAME	Managing Agents' Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT			
								Latest Rs. 000	Previous Rs. 000	Latest	Previous		
WESTERN AND CENTRAL INDIA (Contd.)													
Machinery Manfrs. Corpn.	Mahindra & Mahindra 4% Cum. preference 44% C. P.	2,457	2,281	6,287	3,578	...	3-59	—499	1,000	nil	nil	nil	nil
Malwa Vanaspati & Chem.	Mohatta Bros. 6% Debentures	286	12,395	15,735	1,436	30	12-58	529	—450	nil	nil	nil	nil
Man. Industrial Corporation	Jagmohan Radha Krishna & Co 41% C. P.	198	2,932	4,385	1,984	60	3-59	661	746	nil	nil	nil	nil
T. Naneklal Manufacturing...	T. Maneklal & Co.	765	3,072	4,611	1,002	47	5-59	518	284	14	10	10	9
National Elect. Industries	Navin Kumar Hansraj pri. Ltd. 41% C. P.	1,391	5,670	7,823	1,496	64	3-59	652	606	9	9	9	4
National Machinery Manfrs.	Directors	7,014	17,881	23,992	6,775	...	12-57	4,041	3,384	4	4	4	4
National Newsprints & Paper	Directors	...	...	...	...	...	3-58	286	—7,679	nil	nil	nil	nil
National Rayon Corpn.	Chinai & Co. Private Ltd. Ordry. Partly Paid 5% Cum. preference 51% Debentures	7,704	33,247	63,936	4,971	1,601	12-58	19,064	13,674	14	14	14	14
Palampur Veg. Products	Investa Industrial Corpn. 51% C. P.	...	...	...	...	...	12-57	—104	123	5	5	5	5
Pioneer Magnesite Works	N. Pestonjee & Co. Ordry. Partly Paid	141	...	1,030	186	20	12-57	102	80	3	2	2	4
Polson Ltd.	Polson Agencies riv Co Ltd. 6% C. P. T.	960	6,781	10,782	1,751	101	12-58	1,138	1,281	10	10	12	12
Polychem	Directors 71% T. R. C. P	421	6,666	10,781	3,722	...	3-59	2,197	718	6	6	6	7
Praga Tools	Directors	2,468	2,516	7,522	3,406	...	6-58	789	35	nil	nil	nil	6
Premier Automobiles	Aero Auto Private	...	...	144,732	30,633	...	6-58	4,744	6,705	4	6	6	6
Radio Lamp Works	Jamnalal Sons Private 5% C. P. Deferred	1,590	10,079	11,269	4,935	71	3-58	688	...	9	5	5	5
Semitex Chem. Industries	M. B. Amin & Co. 5% C. P.	592	1,773	3,170	643	20	12-58	190	81	20,46	...	...	...
Sathe Biscuits	Sathe Food Industries pri. Ltd. Partly Paid 7% R. C. P.	239	2,427	4,080	615	30	3-59	226	408	6	6	6	6
Scindia Steam	Directors 41% Debentures	20,185	117,260	176,683	...	...	6-59	36,513	39,539	7	6	6	6
Shangrilla Food Products	Directors 5% C. P.	323	788	2,038	128	...	3-58	—287	—432	6	6	6	6
Shivrajpur Syndicate	Killick Industries Ltd.	4,491	...	13,409	2,319	292	11-58	3,017	3,297	...	...	...	...
Sirpur Paper	Birla Bros. Private 6% R. C. P.	4,614	11,805	27,921	671	4,33	6-58	5,854	3,151	80	80	80	80
Supreme Industries	Mody & Co. 61% Cum. Pref.	168	2,159	1,743	1,025	8	3-59	220	141	5	5	5	5
Tata Chemicals	Tata Industries Private 5% Cum. preference 5% Debentures	5,538	10,178	33,227	...	445	6-59	6,438	(a)24,557	6	6	6	6
Tata Oil Mills	Tata Industries Private 41% Cum. preference	9,777	39,651	65,108	1,276	455	3-59	4,865	3,137	7	7	7	5
United Salt Works & Indus. Vellus Ltd.	Directors Directors	16,408	121,792	171,221	853	...	9-59 8-59	(a23)494 10,012	107 7,941	13	10	10	4
Western India Match	Swedish Match Co.	18,064	116,604	156,872	3,046	898	12-58	9,546	8,605	44	44	44	44
Western India Veg	Hasham Premji	407	15,154	18,551	1,641	70	3-59	778	345	13	9	9	9
West Coast Paper	Directors 6% C. P.	...	...	...	...	...	...	...	...	11	11	11	7
Zandu Pharmaceutical Works	Jugatram & Co. 6% C. P.	1,305	4,514	6,869	1,741	54	3-58	586	428	8	8	8	7
NORTHERN INDIA													
Alkali & Chemical	Imp. Ch. Industries Private 5% Cum. preference	4,045	12,951	34,393	5,601	...	9-59	(a)10,689	6,132	7	7	7	6
All India Finance & Commerce	Kavell Sijal & Co. Ordinary 71% C. P.	30	...	1,69	...	20	5-56	96	88	9	8	8	8
Aluminium Corpn.	J. K. Industries Private Ltd. 6% Cum. preference 5% Cum. preference Deferred 5% Debentures 51% Debentures	3,650	3,157	12,578	3,555	295	3-59	3,590	2,720	7	8	8	8
Amrit Banaspati	Amrit Agency Ltd. 6% C. P. 5% R. C. P. Deferred	2,06	354,43	367,26	66,68	18	3-55	22,07	19,54	10	9	9	9
Anderson Wright	Directors 41% Cum. preference 4% Debentures	152	8,884	9,645	...	...	12-58	147	279	6	6	6	4
Angelo Brothers	Turner Morrison & Co, Pri.	718	14,935	17,190	...	134	8-59	1,228	1,126	3	4	4	4
Ashoka Cement	Directors 61% Debentures	865	3,004	10,756	1,820	...	3-59	1,204	52	4	15	18	18
Assam Bengal Cement	Eastern Corporation Private Deferred 4% Debentures	928	3,634	5,649	772	48	3-58	589	953	...	...	...	...
Assam Match Co.	Directors	1,663	13,133	17,744	692	...	12-58	1,179	1,225	...	...	...	...
Assam Saw Mills	Directors	640	...	3,108	870	...	9-58	(a)—62	204	12	12	12	12
Assam Sillimanite	U. P. Comm. Corpn.	322	276	2,002	294	36	3-58	411	311	...	...	...	...
Associated Hotels	Oberoi Hotels (India) Private Ltd. 7% Cum. preference Tax 4% Debentures 61% Debentures	1,463	1,627	6,397	227	93	3-58	956	1,067	...	...	...	...
Associated Mining	Directors 5% Cum. preference Deferred	25,612	100	114	9	...	12-57	123	324	7	11	11	11
Atlas Cycle Indus	Directors 6% R.C.P.	2,778	15,632	23,419	5,919	...	12-58	979	829	4	5	5	9

INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1950	April 1959			General	Other	Carry Forward				Investments	Stock & Stores	Out Standing	Cash	Others
WESTERN AND CENTRAL INDIA (Contd.)															
Machinery Manfrs. Corpn.	...	...	100	3,926	...	488	-2,438	9,459	13,648	4,130	21	5,082	750	398	63
4% Cum. preference	...	...	100	1,395	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	...	...	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Malwa Vanaspati Chemn.	...	...	10	3,134	...	...	-1,381	2,716	5,155	1,631	29	2,157	131	127	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Man. Industrial Corpn.	95 00	95 00	...	3,000	...	26	71	2,318	4,334	987	2	2,244	744	79	...
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
T. Maneklal Manufacturing	200 00	125 00	100	1,000	100	35	15	2,484	1,987	624	8	1,002	759	487	16
National Elec. Industries	76 00	75 00	50	778	125	799	25	3,920	2,358	1,028	307	2,742	1,783	37	...
41% C. P.	80 00 N	80 00 N	100	542	...	...	...	...	...	...	...	...	...	...	...
National Machy. Manfrs.	...	...	100	25,240	...	...	30	18,743	27,078	7,081	234	19,640	3,850	292	...
National Newsprint & Paper	...	...	10	12,748	...	74	-17,321	64,225	49,495	7,871	3	4,936	4,687	6,177	2,300
National Rayon Corpn.	483 00	290 25	100	16,062	4,600	11,022	97	20,382	109,432	43,200	110	19,693	2,946	1,981	...
Ordry Partly Paid	...	...	80	6,331	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	73 50	78 80	100	150,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	101 00	101 50	100	1,500	...	...	-2,617	3,051	2,727	...	10	165	3	...	28
Palampur Veg. Products...	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
51% C. P.	...	...	100	1,189	11	66	2	749	1,455	708	480	466	305	17	2
Pioneer Magnesite Works...	...	...	75	8	...	...	...	...	...	...	...	...	...	...	...
Ordry. Partly Paid	...	...	100	2,695	966	1,440	48	1,377	6,553	1,635	3	2,356	628	620	...
Polson Ltd.	76 20	80 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	205 00	85 50	50	4,000	...	733	18	3,289	5,913	840	5	4,034	1,712	1,214	...
Polychem	...	...	50	3,997	...	...	...	...	...	...	...	...	...	...	...
71% T.R.C.P.	48 52	52 50	50	...	...	...	...	...	...	...	...	...	...	...	...
Praga Tools	...	...	50	6,882	...	84	-3,064	6,262	7,069	3,914	2	5,487	1,502	4	15
Premier Automobiles	152 50	122 00	100	21,733	1,973	6,390	479	75 116	39,061	19,368	466	70,494	10,558	2,529	...
Radio Lamp Works	107 60	123 00	100	2,500	94	144	12	9,108	1,262	346	2,934	5,368	3,566	186	7
5% C.P.	74 00	70 50	100	738	...	...	...	...	...	...	...	...	...	...	...
Deffered	...	...	10	173	...	...	...	...	...	...	...	...	...	...	...
Sanitex chem Indus.	...	...	50	1,362	...	25	9	1,665	1,866	276	...	1,341	599	42	...
5% C. P.	...	...	50	511	...	...	...	...	...	...	...	...	...	...	...
Sathe Biscuits	100 00 N	100 00 N	180	473	...	219	29	1,559	3,110	926	1	637	402	66	...
Partly Paid	50 00 N	50 00 N	50	511	...	...	...	...	...	...	...	...	...	...	...
7% R. C. P.	94 20	94 20	100	500	...	...	...	...	...	...	...	...	...	...	...
Scindia Steam	14 92	18 32	20	112,799	8,000	100,600	360	191,384	320,226	83,584	83,593	3,310	53,532	53,352	15,192
41% Debentures	99 00	98 50	100	37,478	...	...	...	...	...	...	...	...	...	...	...
Shangrilla Food Products	...	...	100	1,700	...	...	-1,299	3,672	4,047	616	32	544	323	30	13
5% C. P.	...	...	100	300	...	...	...	...	...	...	...	...	...	...	...
Shivraj. Syndicate	85 00	103 50	10	700	2,000	5,922	58	5,544	9,216	3,375	302	4,282	2,335	1,357	107
Sirpur Paper	16 92	14 08	10	21,855	4,815	309	19	30,230	39,385	11,656	75	8,947	3,928	170	19,826
6% R.C.P.	88 80xd	110 00 N	100	4,048	...	...	...	...	...	...	...	...	...	...	...
Supreme Industries	175 00	142 00	100	622	...	272	2	1,327	1,457	379	130	1,062	395	20	...
61% C. P.	68 50	71 50	100	462	...	...	...	...	...	...	...	...	...	...	...
Tata Chemical	17 26	16 64	10	23,172	526	2,508	7	28,857	49,541	18,653	1,878	19,797	6,431	886	5,690
5% Cum. Preference	97 00	96 30	100	5,997	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	98 25	99 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
Tata Oil Mills	69 50	53 00	25	7,007	1,842	2,295	12	35,371	23,911	14,584	1,175	25,394	10,832	2,215	574
41% C. P.	57 00	60 09	100	2,989	...	...	...	...	...	...	...	...	...	...	...
United Salt Works Ind...	227 50	...	250	1,355	2,016	1,064	1	361	7,666	4,515	30	1218	67	239	...
Volta	...	...	100	23,500	2,201	358	299	84,856	8,234	1,874	272	42,890	60,945	2,537	136
Western India Match	254 00	213 00	100	27,500	9,500	6,227	163	21,700	44,223	17,637	71	18,680	11,948	7,381	1,371
Western India Veg.	100 00	100 00	100	1,700	...	287	21	2,104	2,943	1,542	6	2,313	252	140	...
West coast Paper	154 00	130 00	103	9,993	...	...	...	26,603	34,469	...	...	1,966	2,145	849	3,930
6% C.P.	111 00xd	101 00	100	5,999	...	...	...	...	...	...	...	...	...	...	...
Zandu Pharmaceutical W.	112 00	113 00	100	1,500	504	397	4	1,980	2,527	1,083	412	1,741	1,221	69	...
6% C.P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
NORTHERN INDIA															
Alkali & Chemical	26 50	22 44	10	30,997	1,800	7,330	140	25,6	57,440	9,228	22	12,415	6,041	330	1,995
5% Cum. Preference	100 50	102 00	100	3,100	...	...	...	...	...	...	...	...	...	...	...
All India Finance & Com.	...	...	100	300	53	18	...	13,21	36	8	73	10,66	7,76	68	...
Ordry	...	...	10	190	...	...	...	...	...	...	...	...	...	...	...
71% C. P.	...	...	110	128	...	...	...	...	...	...	...	...	...	...	...
Aluminium Corpn.	18 37	14 87	10	5,750	2,500	17,996	52	5,647	38,999	11,044	798	5,121	1,914	3,399	...
6% Cum. preference	100 50	98 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	75 00	73 50	100	250	...	...	...	...	...	...	...	...	...	...	...
Deffered	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	920 00	1000	3,500	...	...	...	...	...	...	...	...	...	...	...
51% Debenture	...	...	1000	5,325	19,25	3,83	-14,14	152,86	160,85	53,32	36,36	85,91	25,33	1,40	...
Amrit Banaspati	...	...	10	1,600	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	10	2,450	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	1	100	...	...	...	...	...	...	...	...	...	...	...
Deffered	...	...	1000	2,000	325	1,100	6	6,992	84	53	5,189	...	3,979	29	4,194
Anderson Wright	...	...	100	2,000	...	...	...	...	...	...	...	...	...	...	...
41% C. P.	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	10	3,000	2,530	1,414	225	2,578	3,606	2,556	1,025	2,169	3,473	2,020	...
Angelo Brothers	21 62	19 31	10	5,990	...	322	3	11,233	17,294	673	2	4,225	1,326	28	96
Ashoka Cement	9 87	...	21	4,750	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	...	...	10	4,314	1,054	259	746	7,203	14,859	7,454	534	3,352	2,874	2,380	...
Assam Bengal Cement	5 81	3 65	1	471	...	...	...	...	...	...	...	...	...	...	...
Deffered	1 05	0 75	500	2,498	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	10	3,000	1,050	708	198	1,681	3,932	2,088	6	2,484	2,100	78	125
Assam Match Co.	17 75	17 50	3	1,400	720	1,950	-710	1,471	3,402	1,515	...	2,012	869	50	12
Assam Sw Mills	3 78	3 60	10	3,000	...	...	...	1,489	2,863	1,113	...	821	220	201	...
Assam Sillimanite	11 75	10 69	10	2,000	1,000	2,685	155	3,030	10,572	4,222	4,279	794	1,545	768	...
Associated Hotels	6 00	7 55	100	2,167	...	...	...	...	...	...	...	...	...	...	...
7% C. P. T.	51 00	51 00	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	850 00	850 00	1000	520	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	920 00	920 00	1000	892	...	...	...	...	...	...	...	...	...	...	...
Associated Mining	7 85	8 30	50	500	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	36 00	27 25	5	410	...	...	...	...	...	...	...	...	...	...	...
Deffered	4 50	5 20	100	3,462	525	1,494	15	10,392	5,898	1,204	1	7,789	3,305	131	...
Atlas Cycle Industry	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1960	April 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Out Standing	Cash	Others
NORTHERN INDIA (Continued)															
Gallapur Paper	59 00	23 50	25	5,709	...	559	—867	11,598	24,996	20,104	1,500	5,379	3,724	2,173	1,140
5% R.C.P.P.	117 00	...	100	1,809	...	...	...	...	...	...	...	...	...	...	...
Balm-r Lawrie & Co.	232 00	173 00	100	8,001	6,664	1,077	503	19,342	7,447	3,877	11,377	7,068	12,049	1,725	...
Bararoo coke	15 50	13 44	10	1,200	800	50	—235	1,008	3,395	3,374	7	1,350	1,016	250	...
Bathgate & Co.	1 16	1 25	10	2,000	...	17	—48	820	2,313	169	2	1,047	567	27	...
6% C. P.	28 00	17 00	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Behar Rice Mills	1 95	1 50	10	1,692	...	...	—434	...	7 69	4 95	9 60	1	13	2	...
Bengal Assam Steamship	89 00	54 00	100	2,000	825	9,106	89	1,820	12,259	2,072	256	26	841	2,831	...
7% C. P.	60 00	103 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Bengal Chemicals	108 00	100 00	100	4,816	2,075	2,997	1,380	...	14,781	7,085	1,693	5,562	5,965	988	...
7½% C. P.	13 25	12 62	10	900	...	...	...	...	...	...	...	...	...	...	...
4½% C. P.	72 00	77 50	100	1,191	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Bengal Flour	42 00	31 75xd	10	1,200	1,700	260	219	1,022	3,487	2,867	35	846	1,954	946	...
Bengal Paper	97 50	99 00	25	4,500	3,800	325	93	7,039	22,092	16,354	129	6,863	3,883	489	1,319
7% C. P.	43 25	46 75	50	200	...	...	...	...	...	...	...	...	...	...	...
7% A. C. P.	96 50	103 50	100	400	...	...	...	...	...	...	...	...	...	...	...
6% 'B' R. C. P. T.	66 00	62 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	...	...	500	84	...	...	...	...	...	...	...	...	...	...	...
Bengal Potteries	5 62	4 44	2½	5,523	293	716	...	11,669	14,747	4,132	...	3,504	3,870	212	...
Ord. P. Paid	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...
Bengal Timber	15 25	10 00	100	600	...	...	—961	395	567	567	64	5	256	9	...
8% C. P.	30 00	30 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Bhagwati Pressing	6 00	4 80	10	400	165	...	3	228	972	262	75	...	172	140	...
5% C. P.	33 00	40 00	100	300	...	...	...	...	...	...	...	...	...	...	...
Bharat Carbon & Ribbon	...	...	10	250	200	102	3	3,312	1,267	445	83	2,079	1,791	16	...
B. Ord.	...	...	100	340	...	...	...	...	...	...	...	...	...	...	...
6½% C. P.	...	...	100	380	...	...	...	...	...	...	...	...	...	...	...
7½% 'B'. C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
Bharat Commerce	17 44	6 12	10	5,000	...	...	—4,119	1,774	4,171	86	...	769	739	62	...
5% c. p.	...	...	10	14,777	...	1,673	36	11,211	70	45	16,692	577	13,641	872	...
Bharat Nidhi	10 66	6 62	100	5,357	...	...	...	...	...	...	...	...	...	...	...
6% c. p. t.	53 50	8 06	10	1,000	378	175	—1,671	5,230	3,606	2,312	38	28,24	813	44	98
Bharat Starch & Chemical	8 06	44 75	100	2,100	50	...	—9	79	...	...	...	12,92	8,59	69	...
Bhartia Company	34 75	15 12	10	2,000	227	633	55	4,805	...	...	6,418	...	3,654	47	...
Birds Investment	15 15	5 00	100	2,400	...	...	...	...	...	...	...	...	...	...	...
5½% C. P.	53 50	32 50	10	...	300	3,568	36	5,085	8,122	3,830	6	2,014	3,248	133	293
Bisra Stone Lime	38 00	19 87	10	4,597	2,690	2,005	216	4,003	11,785	4,856	200	2,864	2,233	2,578	31
Britannia Biscuits	28 37	9 70	10	15	...	...	...	...	...	...	...	...	...	...	...
8% Cum. preference	9 30	96 00	...	1,400	...	...	...	...	...	...	...	...	...	...	...
5½% Debentures	99 0%	...	4sh	562	...	182	2	205	...	...	761	...	37	158	...
Dr. Burma Petroleum (E)	...	...	10	3,500	2,500	6,185	163	2,306	8,925	3,680	1,685	7,657	1,233	585	...
Dr. Caylon Corporation	...	...	10	1,750	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Part Pref.	...	5 31	5	32,500	4,000	10,213	—1,136	49,158	35,140	24,721	14,163	46,827	22,263	8,745	418
British India Corporation	120 00	110 00	100	8,100	...	...	...	...	...	...	...	...	...	...	...
8% Cum. preference	...	...	100	100	170	157	7	38	243	243	129	161	98	83	...
Brushware	...	7 50	5	200	10	...	6	96	4,81	1,09	2	66	63	7	...
Burma Lime	8 25	...	5	63	...	...	...	...	...	...	...	...	...	...	...
Partly Paid	...	...	1000	135	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Chemical	14 00xrts	13 80	10	963	901	1,750	111	4,255	3,042	1,339	1,968	2,235	1,874	766	...
6% C. P.	...	...	10	200	...	...	...	...	...	...	...	...	...	...	...
4½% C. P.	...	...	10	337	...	...	...	...	...	...	...	...	...	...	...
Calcutta Credit Corp'n.	8 22	11 60xd	100	500	1 250	72	192	7,864	2,232	438	65	3,691	4,923	90	...
6% C. P.	42 50	44 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5½% T. C. P.	29 03	34 50	100	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	7 00	10	6,500	100	...	37	2,658	...	1	11,616	...	2,725	853	100
Calcutta Gas Co.	5 00	52 25	10	3,000	...	...	...	...	...	...	...	...	...	...	...
5½% R. C. P. T.	63 00	810 00N	1000	3,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	810 00N	...	100	800	...	52	4	78	14	14	893	...	2	39	...
Calcutta Hydraulic	...	47 35N	100	5,500	2,250	412	12	4,061	1,801	616	...	5,280	5,755	15	...
Calcutta Investment Co.	43 70 Nxd	15 00	10	625	240	...	21	1,208	1,922	1,320	142	27	1,191	131	...
Cal. Landing & Shipping	13 00	4 25	10	742	14	105	3	467	1,406	199	46	...	128	15	...
Calcutta Sale Depot	8 00	...	1000	65	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Calcutta Steam Navi'g.	12 37	11 62xd	10	1 260	524	852	139	2,155	7,846	4,558	...	261	1,396	5	...
Cambsy Inv't.	100 00	101 00	100	2,000	...	2,130	85	6,477	1	1	4,242	63	2,368	18	...
Campersdown Pressing	103 36	110 00	100	430	85	2	12	110	689	495	280	...	14	151	...
Central Hydraulic	...	6 00	5	475	...	125	5	81	843	698	506	...	22	38	...
Cherra Chhatrak Roweway.	5 75	11 00	10	3,000	470	2	—19	442	1,248	1,050	11	211	924	27	...
Chrestien Mica Indusa	12 00	52 50	100	3,000	1,000	4,084	247	11,262	7,409	1,649	4,675	5,071	9,955	132	...
5½% Cum. preference	50 00	5 94	5	1,500	...	...	...	...	...	...	...	...	...	...	...
Deferred share	7 00	830 00	1000	1,500	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	830 00	...	150	1,500	261	961	118	536	4,887	795	414	...	52	430	...
Cire Building	150 00	...	15	15	...	...	...	...	...	...	...	...	...	...	...
Management Shares	...	410 00	500	1,598	...	...	...	...	...	...	...	...	...	...	...
4½% Debentures	410 00	11 50	10	13,880	1,000	330	334	5,361	...	...	19,357	...	698	20	...
Cire Row Inv't.	9 60	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Dalmia Cement	12 31	10 50	10	14,422	2,595	2,424	22	24,968	13,621	5,018	18,814	9,812	3,213	1,489	9,158
6% Cum preference	8 44	8 69	10	6,158	...	...	...	...	...	...	...	...	...	...	...
Deferred	2 00	2 00	1	500	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Properties	...	...	10	532	...	...	—116	54	528	55	1	...	32	3	2
6% preference	...	...	10	34	...	...	...	...	...	...	...	...	...	...	...
Darjeeling Roweway	7 73	8 06	500	248	33	15	1	87	413	198	15	25	113	6	10
5% Debentures	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Delhi Flour Mills	15 00	16 00	10	560	1,000	...	3	1,725	3,964	2,655	521	768	1,516	95	...
7% Cum. preference	...	...	500	500	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	500	330	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	...	...	100	6,425	4,900	1,431	10	11,162	14,865	5,790	...	5,578	5,655	2,075	5,749
Dhrangadhra Chem. Works	160 00	...	100	4,204	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	117 00	100	9,000	6,750	3,265	390	10,621	2,794	1,033	18,174	441	10,935	3,215	...
Duncan Brothers	120 00	56 00	100	4,500	...	...	...	...	...	...	...	...	...	...	...
4% Cum. preference	53 25	34 87	100	30,000	39,538	11,700	2,403	37,250	96,235	34,533	224	50,906	33,202	2,313	...
Dunlop Rubber Co.	43 50	118 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	115 00	86 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Pref. Tax	87 50	104 00	100	20,455	...	...	...	...	...	...	...	...	...	...	...
6½% Debentures	105 50	...	...	...	...	...	...	...	...	...	...	...	...	...	...



NAME	Managing Agents' Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
East India Hotel	Oberoi Hotels Private	125	228	639	...	...	3-59	80	16	nil	nil	nil
Eastern Investments	Bird & Co. Private Ltd	...	...	1,801	...	6	12-59	1,673	61,551	14	9	6
Eastern Manfg. Co.	McLeod & Co. Ltd.	19,22	19,19	78,33	3,73	1,10	12-54	10,44	2,25	7	3	3
Electric Construction	Directors	1,326	5,866	8,124	5,121	...	11-58	957	1,092	10	10	10
Frank Ross	Directors	222	3,156	3,650	965	...	2-59	65	64	nil	nil	nil
Fraser & Co.	Kilburn & Co	...	...	1,297	...	20	3-59	271	323	nil	4	4
French Motor	Mg. Director	1,819	33,816	39,096	5,634	...	3-58	1,268	1,530	12	12	12
Ganges Rope	Macneill & Barry Ltd.	1,541	4,636	7,557	1,517	87	3-59	867	8,34	17	15	12
General Inv. & Trust	Bird & Co. Private	...	...	42	...	3	2-59	30	10	3	2	7
Gillanders Arbuthnot	Directors	3,535	15,187	23,816	3,377	...	3-59	2,555	2,170	10	10	10
Gladstone Lyall & Co.	Directors	1,787	2,507	...	...	...	10-58	215	697	5	5	5
Godfrey Phillips	Directors	1,742	10,971	32,684	264	...	12-58	2,984	2,139	20	15	20
Great Eastern Hotel	B. P. R. Syndicate	...	...	7,357	362	40	3-59	725	754	5	5	5
Hindusthan Building	Directors	...	...	73	73	...	7-59	94	291	nil	4	4
Hindusthan G. E. Corpom.	K. C. Thapar & Brothers	568	1,414	2,322	1,867	...	7-58	-67	233	nil	nil	nil
Hindusthan Housing	Jainarayan Ramchander	8	...	...	...	26	3-53	33	49	1	1	1
Hindusthan Ice	R. N. Jhun Jhun Wala	40	1,21	2,69	...	18	9-54	65	37	nil	nil	nil
Hindustan Motors	Birla Brothers Private	...	...	86,98	9,290	...	3-59	11,686	8,354	5	nil	nil
Hindusthan Pilkington	Talukdar Law & Co Private	276	3,168	6,769	408	...	10-58	1,717	1,159	6	6	nil
Hindusthan Woollen	Directors	6	...	182	...	...	3-58	135	96	1	1	1
Hoare Miller	Directors	1,154	88,701	91,673	1,534	...	12-58	499	499	5	5	5
Hooghly Flour	Shaw Wallace & Co.	560	10,181	11,804	774	64	12-58	634	732	40	45	26
Hooghly & Ganges Hyd.	B. N. Elias & Co.	78	42	1,53	...	...	6-54	43	1,08	nil	2	5
Imperial Tobacco	Directors	...	...	344,605	100,702	...	3-59	33,334	35,680	6	7	...
India Genl. Navigation &...	Kilburn & Co. Private	...	...	3,523	...	...	12-57	56	10	nil	...	5
India Linoleums	Hindusthan Investment	2,76	12,01	23,83	9,07	...	3-56	6,19	2,01	nil	nil	6
India Paper Pulp	Andrew Yule & Co. Ltd.	...	...	15,103	1,102	202	3-59	(a)3,358	(u)1,578	10	10	14
India Steamship	Lionel Edwards Private	6,821	45,920	81,352	...	659	3-59	(a)15,623	23,434	10	10	10
India Aluminium	Directors	12,597	42,455	96,968	...	...	12-59	23,401	13,706	12	7	6
Indian Cable	Directors	10,458	5,190	72,670	23,176	...	3-59	(a)12,695	11,597	15	15	15
Indian Copper &...	Gillanders Arbuthnot & Co.	...	1,911	2,521	436	72	12-58	991	1,125	18	18	20
Indian Oxygen	Directors	9,661	14,018	55,418	10,720	...	9-59	8,940	9,320	15	10	10
Indian Plastics	Barila Gwalior Private	1,436	4,705	7,121	1,716	...	3-59	284	287	nil	nil	3
Indian Rubber Manfrs.	G. S. Moulton & Co Private...	...	...	...	...	34	3-56	3,68	1,80	5	5	5
Indian Wood Products	Gill. Arbuthnot & Co.	785	...	4,958	...	163	9-58	1,504	1,487	5	5	5
Indo Burma Petrol	Steel Bros. & Co. Limited	3,304	14,285	30,174	...	557	12-58	(y)6,663	(a)7,848	25	27	30
Investment & Finance	Bired & Co. Private	...	...	123	...	6	2-59	66	62	7	7	7
J. K. Comml. Corp. Ltd.	Directors	...	...	4,54	...	...	6-55	5,49	2,22	5	5	5
J. K. Investment Trust	Directors	...	...	6,93	...	...	6-55	5,86	4,47	nil	8	8
Jaipur Udyog	B. Ordinarv	2,691	23,506	30,904	4,104	1,22	3-58	5,697	4,081	12	12	12
James Wright	Sahu Ja'n Ltd.	127	4,345	6,848	457	...	12-57	(h)31	23	nil	nil	5
Jardine Henderson	Directors	2,206	153,580	162,618	3,915	...	3-59	2,752	(w)1,714	5	2	2
Jeevanlal (1929) Ltd.	Directors	2,285	15,817	22,870	7,533	...	12-58	542	901	5	5	5
Jenson & Nicholson	Directors	3,945	17,718	7,186	...	...	12-58	796	1,521	nil	nil	5
John Paterson	74% R. C. P.	28	458	747	12	...	3-58	(a)18195	102	7	7	7
Kalimpong Ropeway	Khalitan Corp. Private	49	32	94	...	...	3-54	14	-32	nil	2	7
Kalyanpur Lime & Cement	Directors	665	3,207	934	...	...	12-57	-91	13	nil	nil	nil
Kangra Valley Slate	7% P. T.	13	80	1,92	10	...	6-52	1,37	1,57	18	18	18
Karanpura Development	Bird & Co. Private Ltd.	...	1,299	73	...	43	12-58	360	271	18	18	18
Kettlewell Bullen & Co.	Founders	...	948	...	...	...	12-58	795	735	5	5	5
Kishore Trading Co.	Directors	...	1,87	...	...	...	12-54	1,73	1,37	2	3	3

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid up per Share	Paid-up Capital	REVENUE AND SUPPLIES INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	PUBLIC DEPARTMENT					Others
	April 1960 Rs. n.p.	April 1959 Rs. n.p.			General Rs. 000	Others Rs. 000	Carry Forward Rs. 000				Investments Rs. 000	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash Rs. 000		
NORTHERN INDIA (Continued)																
East India Hotel	...	...	10	4,659	...	...	-9	542	2,950	39	...	27	41	147	3,296	...
6% C.P.	133 00	140 00	100	5,126	5,717	...	352	2,558	...	...	16,057	...	196	...	...	...
Eastern Investments	69 94	72 50	100	2,500	...	...	...	...	...	...	...	...	...	...	...	...
5% Cum. preference	...	...	100	850	5,00	3,70	10	16.10	28,71	19,24	1	17,29	5,21	1.09	35	...
Eastern Manufacturing Co.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...	...
6% Cum. preference	15 12	12 50	10	2,538	650	36	30	5,966	2,190	1,030	20	5,272	2,762	25	2	...
Electric Construction	...	...	10	...	...	...	...	...	...	...	...	...	...	...	...	...
Frank Ross	2 87	2 75	6	495	1	55	2	659	210	132	...	965	370	24	...	...
41% Cum. preference	41 00	50 00	100	275	...	...	...	...	1,432	526	1	...	342	3	...	...
Fraser & Co.	13 25	14 00	10	605	200	461	-331	308	2,945	1,492	939	5,634	3,509	377	...	...
French Motor	40 75	24 38	20	3,000	400	1,544	226	7,742	...	...	...	...	...	...	...	...
Ganges Rope	218 00	187 50	100	1,400	200	939	23	3,223	3,747	2,170	3	2,270	1,920	15	...	...
General Inv. & Trust	...	...	75	225	18	38	16	57	...	...	544	...	4	5	...	...
5% Cum. preference	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...	...
6% Cum. Prefr. Tax	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...	...
Gillanders Arbuthnot	12 31	13 00	100	6,500	2,000	1,920	157	23,489	2,997	1,424	11,482	3,619	16,680	1,411	1,800	...
5% R. C. P. T.	52 30xd	57 25	100	2,500	...	...	...	...	...	...	...	...	...	...	...	...
Gladstone Lyall & Co.	...	...	10	4,000	525	134	24	5,869	881	481	3,839	1,523	4,720	113	1,375	...
6% C. P. T.	...	...	100	1,417	...	...	...	...	...	...	...	...	...	...	...	...
Godfrey Phillips	22 12	20 25	10	4,000	...	1,107	1,035	7,347	6,842	3,678	...	9,018	4,130	115	63	...
51% C. P. T.	61 50	58 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...	...
Great Eastern Hotel	250 08	250 00	250	3,000	1,000	740	17	1,287	8,667	4,092	2	479	816	172	...	...
Hindustan Building	5 00	4 60xd	10	1,500	52	...	8	677	8	3	1,376	...	915	20	920	...
4% C. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...	...
Hindustan C. E. Corpn.	...	...	10	1,900	...	70	-4,072	11,909	5,446	1,155	13	4,591	936	43	953	...
5% c. p. p.	...	...	100	845	...	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	75	1,500	...	...	2	6.38	23.87	1	2.50	...	4.67	38	...	...
Hindustan Housing	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	1 05	0 90	5	1,000	45	1.00	-3.57	1.73	22.57	10.00	...	31	1.33	26	13	...
Hindustan Ice	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	20 06	9 06	10	49,613	...	1,951	519	14,554	58,044	28,653	1,448	37,566	8,090	18,638	...	...
Hindustan Motors	175 00	16 00	50	28,304	...	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	24 89	...	10	8,600	700	5	102	2,343	9,649	2,659	9	1,892	541	1,719	...	...
Hindustan Pilkinton	...	...	10	3,497	...	51	8	433	...	...	581	...	3,129	29	...	...
Hindustan Woollen	7 62	7 31	10	3,520	2,000	...	73	8,972	1,550	843	2,237	1,551	8,285	19	1,766	...
Hoare Miller	21 91xd	36 37	10	600	590	103	22	1,162	1,642	1,322	846	1,123	1,188	...	...	...
Hooghly Flour	7 85xd	5 44	10	800	54	86	7	1,62	15.50	4.70	5.92	10	1.21	6	...	...
Hooghly & Ganges Hyd.	...	...	100	400	...	...	...	...	...	...	...	...	...	...	...	...
41% R. C. P.	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Imperial Tobacco	11 62	11 94	10	151,600	46,500	43,373	2,464	27,079	109,389	24,739	3,778	108,151	44,006	30,432	...	...
India Genl. Navigation	70 50	69 00	£ 10	656	170	959	-193	2,213	5,811	3,539	28	697	991	59	2	...
6% C. P.	80 00	69 50	£ 10	244	...	...	...	...	...	...	...	...	...	...	...	...
India Linoleum	20 81	23 75	10	6,300	1,055	5,492	55	9,436	23,207	10,324	112	5,120	3,732	211	278	...
India Paper Pulp	11 00	14 56	10	22,500	14,000	18,453	209	133,350	187,741	40,093	780	368	17,970	26,497	...	...
India Steamship	79 00	94 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	28 31	22 44	10	39,768	1,500	18,565	3,342	59,197	97,238	30,011	13	31,081	15,403	43,125	...	...
Indian Aluminium	67 00xd	71 00	100	4,000	...	...	...	...	...	...	...	...	...	...	...	...
5% R. C. P.	...	...	...	30,000	...	...	...	...	...	...	...	...	...	...	...	...
61% Debenture	...	...	...	478	...	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	31 37	32 62	10	23,578	8,095	10,385	4,000	22,942	27,617	12,013	76	32,593	26,319	5,475	...	...
Indian Cable	28 50	25 75	10	1,288	...	...	...	...	...	...	...	...	...	...	...	...
6% C. P. P.	101 00	...	...	10,000	...	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	4 60	4 27	2ah	1,371	...	...	71	1,503	2,925	1,742	643	1,354	1,476	258	...	...
Indian Copper & Z	36 40	28 62	10	20,000	7,050	2,942	973	33,731	52,628	21,475	446	14,843	12,386	2,582	3,286	...
Indian Oxygen	9 06	5 25	10	2,988	10	19	2	4,467	4,920	1,593	...	4,364	1,955	91	...	...
Indian Plastics	46 00xd	51 50	100	2,250	...	...	...	...	...	...	...	...	...	...	...	...
51% C. P.	17 00	17 62	10	828	5,00	53	63	4.1	16.75	9.50	4	6.15	7.94	5.85	...	...
Indian Rubber Manfrs.	78 00	75 00	100	828	...	...	...	...	...	...	...	...	...	...	...	...
5% C. R. P.	31 25	40 62	10	2,000	1,600	450	106	1,725	2,145	1,670	2	4,313	450	641	...	...
Indian Wood Products	27 12	26 37	10	10,000	3,244	11,774	329	14,472	9,960	5,131	24,185	2,761	7,587	5,454	...	...
Indo Burma Petrol	90 00	91 50	100	5,000	...	...	...	...	...	...	...	...	...	...	...	...
7% C. P. T.	...	...	100	500	149	117	33	127	...	...	1,314	...	7	5	...	...
Investment & Finance	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
J. K. Comml. Corp. Ltd.	...	...	10	2,080	822	3	7	48.15	29	17	41.67	...	35.46	4	...	...
J. K. Investment Trust	...	...	700	7,008	25.50	46	...	40.23	2	1	115.02	...	15.78	8.03	...	...
B. Ord.	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...	...
Jaipur Udyog	13 31	11 12	10	15,000	145	40	93	41,310	67,292	12,470	58	11,406	7,298	230	...	...
5% C. P. T.	37 00	37 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...	...
6% D-bentures	...	...	...	9,726	...	...	...	...	...	...	...	...	...	...	...	...
James Wright	1 65	2 06	50	130	38	53	...	877	360	73	581	458	530	7	...	...
6% C. P.	25 25	32 00	1	117	...	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 69	0 69	10	20,000	6,700	502	340	54,361	4,109	1,460	46,229	3,915	31,693	113	2,505	...
Jardine Henderson	73 75	91 00	100	5,000	...	...	...	...	...	...	...	...	...	...	...	...
51% C. P. T.	59 00	60 00	10	7,200	800	...	-170	6,687	3,887	2,631	6	7,899	4,756	598	...	...
Jeevanlal (1929) Ltd.	8 37	6 00	10	3,250	1,750	709	599	10,782	5,703	3,160	93	7,524	9,429	59	12	...
Jenson & Nicholson	...	...	100	2,569	...	...	...	...	...	...	...	...	...	...	...	...
71% R. C. P.	...	...	10	529	...	17	36	345	512	98	13	38	458	4	...	...
John Paterson	2 50	1 75	10	...	...	...	...	...	...	...	...	...	...	...	...	...
Kalimpong Ropeway	2 25	3 12	10	450	65	...	-1.28	1.38	5.97	2.63	9	1.34	33	13	...	...
Kalyanpur Lime & Cement	103 00	108 00	100	5,425	...	2,929	-514	9,806	15,469	1,775	52	2,885	2,338	149	502	...
7% P. T.	80 00	80 00	100	400	...	...	...	...	...	...	...	...	...	...	...	...
6% 2nd Pref.	80 00	100 50	100	5,425	...	...	...	...	...	...	...	...	...	...	...	...
Kangra Valley Slate	89 00	95 00	100	158	183	1.57	25	1.72	1.95	68	63	10	27	4.59	...	...
Karanpura Development	14 94	14 37	10	1,500	1,900	598	314	3,761	4,470	1,308	1,904	128	798	2,582	...	...
Founders	137 00	143 00	100	500	951	1,840	205	3,492	224	126	8,010	...	5,371	...	...	...
Kettellwell Bullen & Co.	58 25	62 75	100	2,000	...	...	...	...	...	...	...	...	...	10	...	...
51% C. P. T.	56 00	63 60	100	1,000	...	...	...	...	...	...	...	...	...	...	...	...
4% C. P.	75 00	75 00	100	2,000	175	24.15	53	4.03	1	...	46.77	...	1.45	1.24	...	...
Kishore Trading Co.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
								Ra. 000	Ra. 000	Ra. 000	Ra. 000	Ra. 000
NORTHERN INDIA (Continued)												
Kumardhubi Fireclay	Bird & Co. Private Ltd 51% R. C. P. T. 51% Debentures	5,438	...	15,336	826	178	12-58	2,355	2,039	12½	12½	10
Kusum Products	East India Development Co. 51% R. C. P. T. 41% Debentures	631	32,723	38,47	2,951	67	3-58	766	442	...	...	...
Macfarlane & Co.	James & Co. Ltd. 7% C. P. Deferred	243	1,288	2,055	669	...	3-57	180	1	nil	nil	...
Macneill & Barry	Directors 51% C. P. T. 5% Debentures	5,899	9,566	21,826	...	...	3-59	4,766	4,838	7	7	...
Martin Burn	Directors 5% C. P. 4% Convertible Notes	7,733	69,953	85,636	15,983	...	9-59	8,630	(k) 11,681	27½	21½	...
Marwar Trading Corp	Directors	...	...	35,970	4,453	...	12-57	(a) 19,213	53	nil	5½	...
McLeod & Co.	Directors 5% 1st C. P. T. 5% 2nd C. P. Deferred Convertible Notes	...	...	...	...	...	12-58	1,955	1,845	12½	12½	8
Metal Box Co.	Directors 6% R. C. P. T. Eastern Smelting & Refining Pri.	...	33,669	71,144	18,495	...	3-59	11,159	8,616	17½	17½	17½
Metal Corporation	5% C. P. T. Deferred 51% Debentures	...	7,435	8,000	3,204	36	3-58	326	924	nil	6	...
Midnapore Zamindary	Andrew Yule & Co. Noorulla Ghazanfarulla	67	...	169	...	...	4-58	124	491	nil	5	...
Moradabad Water Supply	Cotton Agent, Private	469	1,658	3,819	686	4	10-58	54	53	5	5	...
C. & E. Morton India Ltd.	Gupta & Sval Ltd. 10% 1st C. P. 7% 2nd C. P. 7% 3rd C. P.	78	...	1,346	...	...	6-55	142	298	nil	15	...
Motor & Genl. Finance	...	...	...	...	...	...	...	7,88	3,94	40	10	...
National Insulated Cables	Asso. Indust. Development Co. 51% Debentures	1,948	14,724	28,496	1,147	656	3-56	6,096	(o) 7,056	20	20	20
National Pipes & Tube	Asso Indust. Dev. Co. 51% R. C. P.	1,022	4,632	8,240	1,886	166	9-58	1,662	1,492	12½	20	20
National Rolling	Asso. Indust. Development 6% R. C. P.	...	...	12,031	1,343	...	6-58	1,808	1,371	10	6	5½
National Rubber	Directors 6% C. P.	2,851	13,222	16,486	4,426	...	12-58	886	719	6	6	...
National Tobacco	B. N. Elias & Co. Private 5% R. C. P. 41% R. C. P.	22,378	64,611	86,050	5,983	751	12-58	5,752	6,383	11	9	7
Nav Bharat Vanija	4% Debentures Directors 41% C. P.	6	3,256	3,282	3,509	...	5-58	...	...	4½	4½	4½
New India Investments	Ramdukt Ramkisendas	4	842	888	3,577	21	12-58	258	61	nil	nil	...
Octavus Steel & Co.	Directors 6% C. P. T.	1,368	...	4,610	...	...	12-57	2,476	2,255	8½	7½	10
Orient Paper	Birla Brothers Private Ltd. 51% C. P. 51% C. P. T. 51% Debentures	8,195	33,012	61,065	8,089	1,070	3-59	14,742	12,680	15	13½	15
Orissa Cement	Dalchini Agencies Private 41% C. P.	...	...	27,212	3,300	578	12-58	7,926	6,882	13	15	12½
Orissa Minerals	Bird & Co. Private Ltd.	4,195	...	11,716	952	287	6-59	2,869	3,817	36	4½	4½
Phillips India	Directors Andrew Yule & Co.	6,140	...	45,304	...	...	12-58	(a) 6,458	5,504	8½	20	20
Pan Shipping	Directors	1,907	1,129	2,943	...	20	12-58	210	(a) 394	nil	12	15
Publicity Society	Directors	262	253	1,001	...	...	3-59	324	330	37½	50	15
Punjab Minerals	Bird & Co. Private Ltd. Director 51% R. P.	4	33	48	...	...	9-58	182	199	6	6	...
R. B. Rodda	Directors 6% C. P. T.	117	1,041	2,047	681	...	3-59	...	...	5½	5½	5½
Rallia India	Directors 6% C. P. T.	5,680	133,324	153,933	15,394	...	8-59	2,855	1,873	nil	nil	...
Raliance Firebrick	Directors Sahu Jain Ltd. 7 to 9% C. P. 41% C. P.	1,872	1,846	5,338	354	...	2-57	1,080	743	40	20	10
Rohtas Industries	4% Debentures 6% Debentures Directors	13,573	114,194	151,074	37,159	1,550	3-59	24,725	(a) 15,24,329	15	20	10
Sabu Properties	Scientific Instrument Co.	...	...	...	...	...	...	...	...	9	9	...
Sen Raleigh	Directors 5% C. P.	3	...	170	...	...	12-57	123	...	4½	4½	4½
Shaw Wallace & Co.	Directors 6% C. P. T. Kedarnath Mohanlal	6,545	43,153	60,705	11,469	...	12-58	...	...	5	5	...
Shiva Jute Press	K. Ch. Thapar & Bros. pri. 6% C. P. P. 7% R. C. P. 51% Debentures	50	15,860	31,039	1,410	528	6-55	Ra. 3,07	40	6	6	6
Shree Gopal Paper	51% Debentures 6% Debentures Directors	3,663	...	...	...	...	12-57	5,494	4,933	12½	12½	12½
Smith Stanistreet	Directors 10% Pref. Cum. as to 7%	1,566	10,162	14,269	4,129	...	6-58	...	...	8	8	8
Sonakunda Baling	Bird & Co. (Pak) Ltd. 8% C. P. 5% C. P.	3,44	186,39	200,88	52,00	6	2-55	...	...	16	20	20
Sone Valley Port Cement	Directors	...	...	19,372	957	...	12-58	1,106	1,038	6	6	6
Star Co.	Directors	7	...	1,12	...	...	3-54	...	...	...	...	...
Star Paper Mills	Bajoria & Co. 5% C. P. 5% Debentures	3,35	19,83	33,24	11,10	52	9-55 H	3,59	...	...	...	...
Star Trading & Invt.	Bajoria & Co.	7	...	26	...	3	6-53	...	...	...	...	...
Straw Products	J. K. Agents Private Ltd.	1,826	3,498	6,333	2,015	93	12-58	(a) 10,1216	1,161	12½	12½	12½
Sutna Stone & Lime	Directors	687	985	2,265	3	...	12-58	438	334	17½	17½	13½

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	April 1960 Rs. np.	April 1959 Rs. np.			General Rs. 000	Others Rs. 00	Carry Forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Continued)															
Kumardhubi Fireclay	22 75	22 75	10	3,000	502	8,020	30	5,747	16,718	5,448	311	1,007	44,676	87	65
51% R.C.P.T.	54 50	54 50	100	400	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	96 00	101 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Kusum Products	2 25	5 75	10	800	...	41	88	3,570	4,211	2,690	13	3,471	1,165	127	...
51% R.C.P.T.	64 00	69 50	100	1,000	...	...	...	...	...	...	...	...	...	...	...
41% Debentures	3 87	3 12	1000	1,000	...	13	94	866	734	556	151	892	743	17	...
Macfarlane & Co.	0 94	0 75	100	309	...	...	...	...	...	...	...	...	...	...	...
7% C.P.	98 50	62 75	100	15,000	3,700	4,982	304	8,521	5,408	1,575	25,562	1,306	13,175	132	6,000
Macneill & Barry	58 25	84 00 H	1000	7,500	...	...	...	...	...	...	...	...	...	...	...
51% C.P.T.	850 00 H	30 12	10	14,583	7,500	3,519	235	51,256	4,389	1,626	19,661	16,661	41,678	667	2,518
5% Debentures	26 00	102 00 H	100	6,000	...	...	...	...	...	...	...	...	...	...	...
Martin Burn Limited	100 00	550 00	500	835	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	650 00	350 00	100	2,400	...	51	5	325	...	...	1,874	...	694	223	...
Marwar Trading Assn.	200 00	187 50	100	4,000	5,200	3,387	250	21,969	2,970	1,195	26,409	4,478	10,297	346	1,500
McLeod & Co.	219 00	54 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% 1st C.P.T.	52 00	70 50	100	4,000	...	...	...	...	...	...	...	...	...	...	...
5% 2nd C.P.	68 00	...	10	500	...	...	...	...	...	...	...	...	...	...	...
Deferred	410 00	465 00	10	4,500	...	...	...	...	...	...	...	...	...	...	...
Convertible Notes	38 50	36 00	10	11,500	8,500	6,100	1,934	18,760	30,915	11,273	369	19,865	8,265	1,704	...
Metal Box Co.	84 00 H	76 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.T.	13 12	14 44	10	4,000	...	935	-1,597	5,986	11,395	5,123	15	5,239	569	27	...
Metal Corporation	79 00	50 00	100	700	...	...	...	...	...	...	...	...	...	...	...
5% C.P.T.	2 00	2 00	1	300	...	...	...	...	...	...	...	...	...	...	...
Deferred	19 00	...	1000	1,800	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	5 62	6 12	10	9,400	...	4,247	-1,862	2,314	154	61	51	...	9,906	4,048	...
Midnapore Zamindary	...	...	10	446	...	5	1	123	286	1	36	...	55	29	9
Moradabad Water Supply	...	...	10	885	822	214	2	1,340	2,520	1,412	70	1,389	609	86	...
C & E. Morton (India) Ltd	...	...	10	400	11,000	4,00	10	70,63	63	24	11,42	26	82,39	1,60	...
Motor & General Finance	...	...	25	250	...	...	...	...	...	...	...	...	...	...	...
10% C.P.	...	...	20	100	...	...	...	...	...	...	...	...	...	...	...
7% 2nd C.P.	...	...	10	275	...	...	...	...	...	...	...	...	...	...	...
7% 3rd C.P.	27 81	33 81	10	5,997	7,000	4,526	61	15,753	9,633	4,483	8	11,283	16,916	880	...
National Insulated Cable	...	...	2,000	1,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	18 69	...	10	3,000	1,500	...	6	2,692	4,319	2,156	2	3,427	2,245	277	...
National Pipes & Tubes	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
51% R.C.P.	15 14	...	10	4,000	2,000	510	23	2,610	8,349	2,223	3	2,691	1,813	20	...
National Rolling	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
6% R.C.P.	13 19	16 31	10	4,990	400	...	322	97	8,517	7,258	3,103	10	8,167	2,611	...
National Rubber	77 00	88 00	100	945	...	...	...	...	...	...	...	...	...	...	...
6% C.P.	18 41	16 12	10	7,997	213	2,837	960	14,897	13,038	7,143	79	24,055	5,339	2,234	...
National Tobacco Co.	77 50	74 00	100	2,500	...	...	...	...	...	...	...	...	...	...	...
5% R.C.P.	67 00	65 09	100	1,998	...	...	...	...	...	...	...	...	...	...	...
41% R.C.P.	810 00	810 00	1000	1,200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	4 00	...	5	1,500	...	...	...	...	...	...	...	...	...	...	...
Nav Bharat Varanasi	90 00	...	50	1000	...	...	...	...	...	...	...	...	...	...	...
4% C.P.	60 00	38 00	75	2,332	725	102	21	543	...	5	4	3,577	...	122	24
New India Investment	...	...	100	5,000	3,300	2,321	299	5,357	766	262	8,359	...	8,186	228	...
Octavius Steel & Co.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
6% C.P.T.	43 75	37 20	10	14,682	1,700	27,439	169	41,139	96,523	23,615	2,357	17,356	15,184	769	...
Orient Paper	86 00	94 00	100	7,445	...	...	...	...	...	...	...	...	...	...	...
51% C.P.	62 00	65 00	100	6,000	...	...	...	...	...	...	...	...	...	...	...
51% C.P.T.	920 00	915 00	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	13 81	14 19	10	15,000	...	3,374	1,870	30,386	47,301	14,989	3,022	11,399	4,623	195	5,175
Orissa Cement	35 06	35 06	100	4,000	...	...	...	...	...	...	...	...	...	...	...
41% C.P.	39 00	36 50 H	10	2,000	1,055	4,346	88	7,737	6,443	3,199	3,860	2,557	5,120	530	142
Orissa Minerals	...	...	100	5,000	3,300	2,321	299	5,357	766	262	8,359	...	8,186	228	...
Philips India	25 25	22 37	10	22,000	346	4,297	36	22,777	11,755	3,812	227	18,266	21,358	925	755
Port Shipping	10 52	13 69	10	1,408	625	1,865	-368	1,258	5,023	1,103	101	122	738	9	...
Publicity Society	15 00	10 50	4	262	150	289	64	1,424	194	184	67	...	2,047	67	...
Punjab Minerals	5 00	4 08 H	10	650	100	92	5	312	137	61	43	701	660	89	9
R.B. Rudra	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
51% R.C.P.	114 00	70 00	100	22,500	...	41	235	12,746	6,675	3,089	7,689	16,587	13,045	2,135	...
Rallis India	82 52 H	93 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
6% C.P.T.	20 00	25 00	10	600	319	922	51	2,601	3,453	2,460	383	921	1,220	986	...
Roliance Firebrick	34 37	21 75	10	22,800	18,200	3,945	4	81,995	145,458	55,272	6,270	50,163	14,209	304	668
Rohtas Industries	120 00	116 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
7 to 9 C.P.	62 03	64 50	100	5,476	...	...	...	...	...	...	...	...	...	...	...
41% C.P.	990 00	910 00	1000	10,000	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	...	...	1000	2,200	...	...	...	...	...	...	...	...	...	...	...
4% Debentures	2 81	2 44	5	750	10	355	2	173	15	10	1 660	61	32	32	...
Sahu Properties	...	...	100	999	145	1 29	4	14 91	1 71	...	72	5 80	18 27	1 16	...
Scientific Instrument Co.	21 25	16 87	10	7,000	350	1,959	43	21,266	18,475	4,266	1,382	10,458	1,947	908	4,914
Sen-Raleigh	163 00	85 00	100	3,000	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	20 94	19 50	10	7,500	1,250	1,762	487	35,121	8,330	1,826	16,349	12,461	17,724	342	239
Shaw Wallace & Co.	...	70 00	100	7,500	...	...	...	...	...	...	...	...	...	...	...
6% C.P.T.	53 00	53 00	100	450	1,10	10	42	50	9 69	4 96	32	...	1 5 3	3	...
Shiva Jute Press	...	17 75	10	12,549	3,775	3,648	20	12,503	18,524	11,142	5,032	10,360	7,044	2,109	10,502
Shree Copal Paper	103 00	110 00	100	750	...	...	...	...	...	...	...	...	...	...	...
8% C.P.P.	103 50	100 00	100	5,214	...	...	...	...	...	...	...	...	...	...	...
7% R.C.P.	950 00	950 00	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	960 00	950 00	1000	3,000	...	500	806	3,755	2,005	1,448	1	4,366	1,312	414	...
6% Debentures	13 00	11 23	5	1,000	...	...	...	...	...	...	...	...	...	...	...
Smith Stanistreet	69 62	57 00	50	500	...	...	...	...	...	...	...	...	...	...	...
10% Pref. cum. ac to 7	...	...	100	600	5,02	16,73	-5,67	60,25	38,53	13,27	...	54,01	7,79	77	...
Sonakunda Baling	...	...	100	200	...	...	...	...	...	...	...	...	...	...	...
3% C.P.	...	...	100	350	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	6 00	5 95	5	7,500	1,415	435	28	6,440	22,478	15,997	521	5,439	2,515	657	214
Sone Valley Port Cement	79 00	81 00	100	1,040	7,25	2 38	-85	7 26	14	5	16,74	...	6 21	...	3 41
Star Co.	13 37	12 75	100	3,000	...	3 50	14	37 07	65 85	31 83	28	32 25	25 47	89	...
Star Paper Mill	78 50	73 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
5% C.P.	...	...	1000	1,000	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	...	...	25	500	40	...	-57	6 14	2	...	9 39	...	1 54	2	...
Star Trading & Inv.	8 00	8 00	10	1,500	2,700	6,766	5	3,781	11,570	2,422	954	2,633	1,414	230	...
Straw Products	13 06	14 00	10	484	65	371	31	539	1,518	605	17	154	240	-66	...
Sutra Stone & Lime	17 50	19 25	10	...	...	...	...	...	...	...	...	...	...	...	...

Indian Finance MISCELLANEOUS

NAME	Managing Agents Agents/Secretaries	Salaries and Wages Rs. 000	Other Major Expenses Rs. 000	Sales Rs. 000	Stocks Rs. 000	Managing Agents allowance and Commission Rs. 000	Year ended Rs. 000	Net Profit		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest	Pre- vious	Second previous
NORTHERN INDIA (Continued)												
Tide Water Oil	Andrew Yule & Co. Ltd.	791	5,105	6,235	3,064	25	10-58	239	281	15	12 1/2	12 1/2
Titaghar Paper Mills	F. W. Heigors & Co. Private	14,624	38,289	94,583	1,176	1,214	3-59	13,753	11,664	25	23 1/2	23 1/2
	8% C. P.									10	10	10
	4 1/2% C. P.									8	8	8
	5 1/2% Debentures									4 1/2	4 1/2	4 1/2
Tungabhadra Industries	Cotton Agents Private	733	24,421	32,221	3,637	66	9-58	676	520	nil	nil	nil
	Debitures									nil	nil	nil
Union Co.	Directors	6		1,58			3-54	12	-1.31	nil	nil	5
Union Carbide	Directors	9,927	31,796	60,507	20,363		12-58	10,553	8,927	14	14	15
United Flour	Shaw Wallace & Co. Ltd.	446	8,121	9,577	589	56	11-58	525	664	37 1/2	45	45
Walford Transport	Directors	1,161	12,959	14,292	2,279		12-58	505	844	14	14	14
	Freid Ordinary									12	12	12
SOUTHERN INDIA												
Aluminium Industries	Seshasayee Brothers Pri.	2,178	21,707	33,589	4,023	271	3-59	3,355	3,239	12 1/2	12 1/2	12 1/2
Amrutamjan	R. N. Brothers	94	1,473	2,543	23	38	3-58	350	532	35	60	50
	7 1/2% C. P.									7 1/2	7 1/2	7 1/2
Andhra Cement	Andhra Engineering Co. Pri.	1,202	4,591	9,093	188	65	12-58	(a17)1,670	(a13)1,698	7 1/2	10	10
	6% C. P.									6	6	6
Andhra Scientific Co.	Srinanth Industrials Pri. Ltd.	530	693	1,752	769	29	6-57	293	179	nil	nil	nil
	5% C. P.									nil	nil	nil
Ashok Leyland	Directors			49,865	13,044		12-58	3,943	1,858	6	6	6
Aspinwall & Co. (Trav.)	Directors	793	3,027	6,660	977		12-57	10	148	ni	8	
Aspinwall & Co.	Directors	1,860	5,771	10,234	1,170		12-59	(b)546	(a8)486	6 1/2	6	6
	6% c. p.									6 1/2	6	6
Asso. Industrial Engrs.	Gannon Dankerley	68		4,944	1,378	55	3-59	524	412	9	9	9
Bangalore Printing	Directors	194	161	496	223		12-58	84	79	10	10	10
	Second Ordinary											
Binny & Co.	Directors	1,536	3,881	9,812	439		12-58	2,384	2,840	10	10	10
Central Scientifics	Guru Agencies Private	88	630	1,054	178	11	3-59	112	100	10	10	10
	6% C. P. P									10	8	8
Coimbatore Chem. & Fert.	Venus & Co.			8,92		5	3-55	11	15	5	7 1/2	ni
Enfield India	Directors	584	6,017	6,801	2,442		12-58	492	106	nil	nil	nil
	6% C. P.									6	6	6
Fertilisers & Chemicals	Seshasayee Bros. Private	4,013	9,259	24,727	927	355	12-58	5,983	(a16)3,634	6	6	6
Forest Industries	Seshasayee Bros.	107	1,175	2,489	153		3-58	871	1,159	nil	nil	nil
General Papers Ltd.	Gany & Co.	52	2,385	2,980	879	41	3-59	365	303	12 1/2	12 1/2	8
Hyderabad Invt. Synd.	M. Amolachand Bros. Ltd.			1,58		17	9-55	54	67	2 1/2	2 1/2	ni
India Cements	Easen Pri. Ltd.	1,828	6,033	17,690	1,611	378	3-59	3,669	3,591	18	9	8 1/2
	7 1/2% C. P.									7 1/2	7 1/2	7 1/2
Investment Trust of India	Kothari Mehta & Co., Pri. Ltd.			70		6	9-59	54	60	5	5	5
Jeyapore Mining	R. S. Indus'l Corp.	64	1,14	5,76	7,17	9	6-55	1,08	1,00	10	6	5 1/2
Kirloskar Elec	Kirloskar Associates	2,012	15,105	19,768	2,905	221	6-58	2,328	2,120	7 1/2	7 1/2	6
Madras Indus'l Invt. Corp.	Directors			6,37			6-54	5,43	5,29	3	3	3
Madras Safe Deposit	Kothari & Sons	12		56		1	6-59	21	31	5	5	5
Madras Vanaspathi	Kubera Vanaspathi				4		4-58	-141	-153	nil	nil	nil
	Ordinary									nil	nil	nil
	5 1/2% C. P.									nil	nil	nil
Marikar (Motors)	H. O. L. Marikar & Sons Pri.	207	5,622	6,239	675	13	3-59	153	130	9	9	9
	6% C. P.									6	6	6
McDowell & Co.	Directors	173	3,588	3,871	825		12-57	337	235	24	6	6
	6% C. P.									6	6	6
Mettur Chem & Indus. Corp.	Seshasayee Bros. private Ltd.	1,228	6,865	12,137	623	200	3-59	2,099	2,068	8 1/2	8 1/2	7 1/2
	6% C. P.									6	6	6
	5% Debentures									6	6	6
Modern Housing	Directors						6-58	2	2	nil	nil	nil
	6% C. P.									nil	nil	nil
Mysore Chem & Fert	Directors	461	1,697	3,173	573		3-59	867	451	5	5	5
Mysore Chem. Manfrs.	Directors	127	1,481	2,955	417		3-59	625	303	20	20	20
	6% C. P.									6	6	6
Mysore Chrome	Directors	93	319	464	165		6-58	-25	-37	6	6	6
Mysore Coffee Curing	Directors			95	76		12-58	375	144	12 1/2	10	10
Mysore Elec. Industries	Directors	677	2,949	5,155	276		3-59	659	556	15	11	8
Mysore Glass & Enamel	Directors			1	4		3-59	7		nil	nil	nil
Mysore Indus. & Test Ltd.	Directors	304	523	1,536	185		3-58	325	244	12	11	8 1/2
Mysore Lams	Directors	272	387	1,777	296		3-59	312	297	16	15	12 1/2
	4% C. P.									4	4	4
Mysore Match	Directors			1,20	8		6-56	3	10	ni	ni	ni
Mysore Paper	Directors	2,068	7,673	12,535	402		3-59	1,648	1,901	12 1/2	10	10
Mysore Stone Ware Pipes	Mysore Indus'l Develop. Co.			1,188	96	38	3-59	368	356	10	10	10
Mysore Tobacco	Directors	455	1,067	1,989	246		3-59	313	190	12 1/2	12 1/2	15
Mysore Veg. Oil	Directors	38		2,200	332		6-57	34	119	nil	nil	nil
National Chemicals	Murthy & Co.						6-54	-89	-95	nil	nil	nil
	5% C. P.									nil	nil	nil
Ogala Glass Works	S. P. Ogala & Co.	1,387	2,761	6,302	296	24	12-58	323	512	4	4	4
Parry & Co.	Directors	7,919	56,231	72,784	14,726		9-58	1,868	2,413	15	15	15
	5% C. P.									5	5	5
Parry's Confectionary	4 1/2% Debentures	1,101	5,305	8,872	2,266	87	3-59	850	897	20	20	20
Punalur Paper	Parry & Co.	1,593	5,148	9,372	383	167	6-58	1,922	1,020	10	7 1/2	5
	A. & F. Harvey											
Radio & Electricals	Directors	47	1,421	1,950	2,189		12-58	259	306	7 1/2	9	9
Radio & Electricals Manfrs.	Directors	918	6,341	6,341	376		3-59	2,242	1,643	16	16	13
Rane (Madras)	Iyer & Co. Ltd.	183	6,524	7,583	1,937	41	3-59	395	238	18	6	10
	7% 'A' C. P.									7	7	7
	6% C. P.									6	6	6
Ruby Rubbers	Ruby Industries Private	88	1,375	1,743	833	18	6-8	226	192	9	9	9
	6 1/2% C. P.									6 1/2	6 1/2	6 1/2

7 May 1960 INDUSTRIALS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS									
	April 1960 Rs. np.	April 1959 Rs. np.			Rs.	Rs. 000	General Rs. 000				Others Rs. 000	Carry Forward Rs. 0	Rs. 000	Rs. 000	Rs. 000	Investments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
NORTHERN INDIA (Contd.)																				
Tide Water Oil	16 81	16 81	10	600	450	486	71	4,084	238	175	2	3,098	1,985	341	200					
Titaghar Paper Mills	40 44	43 87 1/2	10	11,205	4,805	35,431	101	45,753	72,692	40,289	1,607	26,985	27,204	795	19,926					
Prfd. Ordinary	4 06	4 13 1/2	2 1/2	437	...	...	...	...	...	...	...	...	...	...	...	...				
8% C. P.	123 00	140 00 1/2	100	1,150	...	...	...	...	...	...	...	...	...	...	...	...				
4 1/2% Cum. preference	85 03	82 75 1/2	100	1,500	...	...	...	...	...	...	...	...	...	...	...	...				
5 1/2% Debentures	...	...	...	8,000	...	...	...	...	...	...	...	...	...	...	...	...				
Tungabhadra Industries	...	...	10	3,059	...	30	-590	7,816	6,869	1,209	25	4,396	1,596	201	...	...				
5 1/2% Debentures	...	...	...	1,503	...	...	...	...	...	...	...	...	...	...	...	...				
Union Co. ...	73 20	75 00	100	1,250	7,50	4,62	-93	25,16	14	10	23,15	...	25,64	...	...	...				
Union Carbide	49 00	32 91	10	20,800	2,500	6,306	3,383	22,482	28,279	7,878	303	22,243	5,139	3,584	...	3,000				
United Flour Mills	47 00 1/2	29 87	10	500	220	355	19	957	807	528	18	628	947	144	...	...				
Walford Transport	3 50	2 00	1	841	1,000	1,002	141	1,785	1,238	875	127	2,536	1,560	348	...	...				
Prfd. Ordinary	3 12	1 56	1	210	...	...	...	...	...	...	...	...	...	...	...	...				
SOUTH INDIA																				
Aluminium Industries	26 80	19 45	10	7,999	2,000	6,306	49	14,782	11,899	4,370	...	7,573	9,142	770	2,165					
Amrutaman	...	...	100	250	125	156	20	883	794	82	189	147	432	252	...	...				
7 1/2% C. P.	130 00	131 00	100	309	...	...	...	...	...	...	...	...	...	...	...	...				
Andhra Cement	10 20	10 10	10	7,102	235	397	6	9,371	15,825	6,115	576	5,010	2,282	20	...	...				
6% Cum. preference	104 00	100 00	100	249	...	...	...	...	...	...	...	...	...	...	...	...				
Andhra Scientific Co.	10 00	6 25	10	800	...	...	...	1,588	926	534	...	838	842	28	...	...				
5% C. P.	10 88	7 50	10	200	...	...	...	...	...	...	...	...	...	...	...	...				
Ashok Laysland	7 45	7 85	5	18,710	650	1,023	28	12,953	17,081	4,209	1	13,239	2,020	237	...	...				
Aspinwall & Co. (Trav.)	5 00cd	5 80	10	1,000	...	365	-9	705	625	337	95	1,128	519	30	...	...				
Aspinwall & Co.	6 90cd	7 05	10	3,588	44	911	1	4,194	3,322	1,853	593	1,504	5,050	325	...	...				
6% C. P.	7 83	8 25	10	214	...	...	...	...	...	...	...	...	...	...	...	...				
Asso. Indusl. & Engg.	85 50	96 00	100	2,480	35	2	5	837	313	170	433	2,081	674	28	...	...				
Bangalore Printing	15 00	10 25	10	316	195	107	6	165	758	443	70	224	188	23	...	...				
Second Ordinary	...	...	10	31	...	...	...	...	...	...	...	...	...	...	...	...				
Binny & Co.	162 00cd	176 00cd	100	10,000	3,650	753	427	6,449	3,964	2,019	16,240	511	2,272	311	...	...				
Central Scientifics	6 84	6 35	5	150	165	70	7	158	128	66	10	180	255	92	...	...				
6% C. P. P.	5 35	5 20	5	150	...	...	...	...	...	...	...	...	...	...	...	...				
Coimbatore Chem & Fert	...	...	25	139	...	...	...	3,39	1,45	...	1	3,11	21	30	...	...				
Enfield Industries	16 37	10 10	10	1,455	...	200	4	4,508	3,940	359	...	2,756	410	137	42					
6% C. P.	100 00	100 00	100	759	...	...	...	...	...	...	...	...	...	...	...	...				
Fertilisers & Chemicals	11 40	8 75	10	34,598	...	1,126	438	23,065	49,337	25,836	2,575	9,181	7,826	2,401	13,748					
Forest Industries	2 98	2 98	2 1/2	1,992	...	...	-210	1,627	613	438	...	324	1,163	1,747	...	...				
General Papers Limited	13 25	11 90	10	750	300	166	6	490	121	43	46	878	616	89	4					
Hyderabad Invst. Synd.	...	...	50	2,142	1,00	...	1	2,65	...	...	11,52	...	9,65	3,91	...	...				
India Cements	6 37	5 95	5	14,582	...	3,041	70	21,221	22,308	8,480	865	7,417	7,811	490	11,488					
7 1/2% Cum. preference	95 50	93 50	100	2,985	...	...	...	...	...	...	...	...	...	...	...	...				
Invst. Trust of India	70 50	74 00	100	1,000	40	196	8	99	...	...	1,209	...	12	121	...	...				
Jeyapore Mining	...	...	100	400	2,40	31	46	10,94	6,35	1,63	36	8,83	4,10	4	...	...				
Kirloskar Elec	13 15	...	10	3,773	1,100	663	4	8,877	6,451	3,130	...	6,495	4,186	419	63					
Madras Indusl Invst. Corp.	...	...	1000	12,756	...	2,75	7	5,98	...	...	36,48	9	93,58	6,22	...	...				
Madras Safe Deposit	47 50	50 00	80	158	10	4	...	95	139	...	97	...	6	47	...	...				
Madras Vanaspathi (S.S.)	15 00	15 00	100	1,500	...	...	-1,234	2,817	3,943	...	...	58	9	1	61					
Ordinary	...	...	10	193	...	...	...	...	...	...	...	...	...	...	...	...				
5 1/2% C. P.	17 20	33 00	100	794	...	...	...	...	...	...	...	...	...	...	...	...				
Manikar (Motor)	51 00	36 00	50	436	400	...	...	1,300	247	...	89	686	930	395	...	...				
6% C. P.	50 00	42 50	50	209	...	...	...	945	1,262	862	...	...	...	...	...	...				
McDowell & Co.	31 00	...	100	324	324	...	...	...	...	...	...	...	...	...	...	...				
6% C. P.	96 50	...	100	330	...	1,644	19	3,910	12,192	6,682	1,430	3,435	2,434	1,31	...	...				
Mettur Chem. & Indl Corp.	12 70	13 10	10	4,050	2,42	...	...	...	...	...	...	...	...	...	...	...				
6% C. P.	98 00	96 50	100	1,400	...	...	...	...	...	...	...	...	...	...	...	...				
5% Debentures	83 00	83 00	10	1,792	...	...	-1,259	307	577	227	248	696	740	130	5					
Modern Housing	...	...	100	1,272	...	...	...	...	...	...	...	...	...	...	...	...				
6% C. P.	...	...	10	2,481	623	343	11	1,959	5,535	3,742	336	1,850	560	476	...	...				
Mysore Chem & Fert	9 85	10 18	10	600	400	234	41	1,063	1,013	577	35	921	1,110	38	...	...				
Mysore Chem. Manfr.	25 00	25 35	10	200	...	...	...	...	...	...	...	...	...	...	...	...				
6% C. P.	8 40	9 00	10	494	90	...	-206	405	634	169	1	265	42	9	...	...				
Mysore Chrome	...	...	10	785	52	177	1	2,824	708	451	62	575	1,911	36	...	...				
Mysore Coffee curing	16 30	11 40	10	905	130	259	5	2,023	1,215	517	...	1,074	1,547	3	...	...				
Mysore Electric Indus.	175 00	118 00	...	631	...	...	-144	30	523	219	...	87	41	61	24					
Mysore Glass & Enamel	7 50	7 50	5	935	60	257	4	800	653	437	436	576	819	188	...	...				
Mysore Indusl. & Test. Lab	21 00	19 00	10	656	535	404	3	469	1,219	685	...	928	778	77	...	...				
Mysore Lamp	6 30	6 50	10	250	...	...	...	...	...	...	...	...	...	...	...	...				
4% C. P.	10 00	...	10	499	...	...	-1,30	77	3,65	84	16	97	20	30	2					
Mysore Match Co.	24 25	19 12	10	2,500	900	2,029	44	5,742	15,202	9,637	57	3,457	1,537	595	...	...				
Mysore Paper	15 10	13 70	10	600	300	223	8	676	1,081	720	159	317	451	528	...	...				
Mysore Stoneware Pipes	13 10	14 00	10	1,000	180	176	...	737	1,930	1,127	188	626	401	77	...	...				
Mysore Tobacco	...	...	8	1,080	213	74	-51	355	129	...	312	655	465	110	...	...				
Mysore Veg. Oil	...	...	...	...	...	...	-4,68	6,44	7,97	54	10	1,91	67	2	40					
National Chemicals	...	...	10	670	...	...	...	...	...	...	...	...	...	...	...	...				
5% C. P.	...	...	10	203	...	275	5	3,945	5,100	2,081	8	1,943	620	122	...	...				
Chalo Glass Works	5 40cd	...	2	4,000	4,300	1,879	219	29,765	4,936	2,597	2,546	4,954	20,605	1,987	...	...				
Parry & Co.	8 80	8 35	10	3,000	...	...	...	...	...	...	...	...	...	...	...	...				
5% C. P.	...	...	1	268	...	282	87	3,182	1,121	504	12	2,507	1,477	55	...	...				
4 1/2% Debentures	4 40	3 84	25	1,505	750	2,679	156	3,951	9,640	4,375	1	2,200	1,449	126	...	...				
Parry's Confectory	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
Punalar Paper	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...				
Radio & Electricals	4 30	6 05	5	1,500	100	9	3	1,900	840	290	11	2,203	741	7	...	...				
Radio & Electricals Manfr.	19 00	16 70	10	2,457	150	78	43	5,915	3,381	1,822	...	2,421	4,390	273	30					
Bane (Madras)	6 15	5 70	5	919	340	13	8	2,440	782	438	225	1,939	1,454	115	...	...				
7 1/2% A.C. P.	4 65	4 55	5	175	...	...	...	...	...	...	...	...	...	...	...	...				
6% C. P.	4 70	4 40	5	190	...	...	...	...	...	...	...	...	...	...	...	...				
Ruby Rubbers	8 83	10 00	10	854	...	...	...	1,504	1,110	166	...	854	250	19	30					
6 1/2% C. P.	8 45	6 10	10	239	...	...	...	...	...	...	...	...	...	...	...	...				

NAME	Managing Agents/ Agents/Secretaries	Salaries and Wages	Other Major Expenses	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Pre- vious	Second Previous
		Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTHERN INDIA (Continued)												
Simpson & Co.	Directors	1,731	48,485	59,241	6,341	...	5-58	3,513	5,043	9	6	13
Spencer & Co.	Directors	4,616	19,190	30,407	7,655	...	6-58	2,412	2,876	15	15	15
	61% 'A' C.P.	...	...	...	...	...	...	...	...	...	...	...
	81% 'B' C.P.	...	...	...	...	...	...	...	...	...	...	...
Standard Motor Products	Standard Motor Co.	...	...	23,102	2,396	...	12-58	1,203	1,529	71	71	81
	61% C.P.	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T.	Directors	456	4,695	6,474	779	...	9-58	542	671	20	20	...
Stanes Motors	71% C.P.	...	...	...	...	...	...	...	...	...	...	...
	Directors	882	5,765	8,714	1,265	...	3-58	567	591	20	15	12
T. I. Cycles	Directors	...	...	30,470	5,807	...	6-58	7,299	7,785	10	10	6
Textool Co.	Balasundaram & Co.	...	...	13,227	4,115	...	4-59	1,085	749	15	12	20
Thomas & Co. A. V.	Directors	292	446	1,345	95	...	12-58	233	236	25	15	15
	"B" Ordinary	...	...	...	...	...	...	...	...	...	...	...
	6% Cum. Preference	...	...	...	...	...	...	...	...	...	...	...
A.V. Thomas & Co., (India) Ltd.	Directors	43	110	234	213	...	6-59	52	20	nil	6	6
	5% Cum. Preference	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	Esel Ltd.	1,111	2,134	4,802	452	56	12-58	996	963	6	6	6
Trav. Chem. & Manfg. Co.	Directors	106	1,734	2,115	425	...	3-59	315	213	10	7	6
	61% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Travancore Ogale Glass	Ogale Bros. Private Ltd.	359	425	1,066	10	10	12-58	177	108	14	6	6
United Coffee Supply	Directors	452	3,883	5,364	802	...	6-58	205	193	11	10	15
United Elec. Industries	Asso. Engg. Corp. Private Ltd.	150	2,030	3,068	197	6	12-57	49	29	5	5	10
	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...
Vanjinaid Matches	Directors	85	4,24	5,43	1,36	...	12-54	18	31	nil	nil	nil
	61% C.P.	...	...	...	...	...	...	...	...	...	...	...
Vasant Soap Works	Ramkrishna & Sons	20	197	240	9	6	12-57	11	20	nil	nil	nil
	51% C.P.	...	...	...	...	...	...	...	...	...	...	...
W. I. Plywood	Directors	585	2,429	5,922	705	...	3-59	1,524	1,569	10	10	10
	6% C.P.	...	...	...	...	...	...	...	...	...	...	...

(a) After transferring Rs 2,000,000 from Dividend Equalisation Fund.
(b) After transferring Rs 67,000 from Dividend Equalisation Reserve.

(c) After transferring Rs 605,245 from General Reserve.
(d) After transferring Rs 1,500,000 from General Reserve.

(e) After transferring Rs 1,10,000 from General Reserve Rs 40,000 from Dividend Equalisation Fund.

(f) After writing back Rs 50,00,000 being excess provision for taxation, Rs 2,53,369 being Holiday Pay and Gratuity, Rs 20,000 being Sales Tax, and Rs 10,850 being expenses and Rs 5,85,025 profit on realisation of Investments; Rs 8,45,930 surplus on revaluation of stores, and Rs 34,300 surplus on sale of machinery.

(g) After transferring Rs 1,300,000 from provision for Bad and Doubtful debts.

(h) After transferring Rs 62,000 from General Reserve.

(i) After writing back Rs 476,904 being over provision in previous years.

(j) After writing back Rs 150,000 from provision for taxation.

(k) After writing back Rs 1,315,749 from provision for taxation and Rs 1,000,000 from provision for contingencies.

(l) After writing back Rs 8,39,726 from provision for taxation.

(m) After transferring Rs 800,000 from General Reserve.

(n) After transferring Rs 596,000 from General Reserve and Rs 25,000 from Dividend Equalisation Reserve.

(o) After writing back Rs 931,978 from provision for taxation and Rs 26,897 from excess provision made in previous years.

(p) After transferring Rs 300,000 from General Reserve.

(q) Bonus shares in the ratio of one fully paid ordy.

share for every five ordy, shares will be issued in lieu of Dividend.

(r) Includes Rs 17,99,170 being indemnity received from the Government of India.

(s) After transferring Rs 700,000 from Repair and Replacement Reserve and Rs 64,000 from Taxation Reserve.

(t) Includes Rs 1,773,324 being profit on realisation of Investments; Rs 18,970 being surplus on sale of Machinery Rs 66,826 being provisions no longer required and Rs 125,779 being items relating to previous years.

(u) After transferring Rs 175,000 from Dividend Equalisation Reserve and Rs 64,000 from Taxation Reserve.

(v) After transferring Rs 600,000 from Dividend Equalisation Reserve and writing back Rs 263,403 being excess provision made in previous years.

(w) After writing back Rs 200,000 being provision for taxation.

COTTON

NAME	Managing Agents/ Agents/Secretaries	Spindles	Lsoms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit		Dividend per		
									Latest	Net Profit for the previous period	Latest	Pre- vious	Second Previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA													
Ahmed Advance	Tata Industries Private	49,144	1,016	11,474	18,894	5,611	50	6-59	(a3)1,436	(a10)529	7	5	5
	5% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	51% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Ahmed Mfg. & Calico	Karamchand Premchand Pri.	139,120	2,372	21,645	91,565	22,020	1,088	3-59	12,810	12,787	5	5	5
	41% 1st Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	41% 2nd Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	41% 3rd Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
Ajia Mills	Chinubhai Naranbhai	25,376	513	5,035	11,855	2,300	50	12-58	(a33)706	(a13)736	12	14	16
	41% 'B' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
	5% 'C' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
	41% 'D' R. C. preference	...	...	...	...	...	...	...	...	...	...	...	...
Apollo Mills	Rajputana Textiles Pvt. & Co.	56,468	898	7,565	15,358	3,291	25	12-58	-2,475	-1,739	28	35	35
Arvind Mills	Narottam Lalbhai	66,412	1,216	7,846	35,863	4,498	780	12-58	8,323	6,710	nil	35	35
	5% Cum. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
	41% Cum. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
	41% R. C. preference T.	...	...	...	...	...	...	...	...	...	...	...	...
Aseka Mills	Lalbhai Dalpatbhai	37,368	914	9,653	20,308	2,010	103	12-57	1,594	3,601	30	30	30
	5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
	41% R. C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Azam Jahi Mills	Government of Andhra	36,136	716	9,076	11,951	4,896	...	9-59	315	30	5	5	5
B. R. Cotton	Directors	50,596	1,021	8,986	14,647	2,996	...	3-59	-693	-624	4	4	4
	6% Cum. preference	...	...	...	...	...	...	...	...	...	...	...	...
	41% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Bined Mills	B. Ram. Balchand	60,640	1,338	141,15	203,58	28,53	6,69	12-55	24,54	6,30	10	6	6
Bombay Dyeing	Nowrojee Wadia & Sons Private	223,552	3,984	56,270	99,942	33,652	600	12-59	(b)11,014	(a25)10,267	10	10	10

7 May 1960
INDUSTRIALS (Contd)

E	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per Share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	April 1960 Rs. np.	April 1959 Rs. np.			General	Others	Carry Forward Rs. 000				Invest ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
SOUTHERN INDIA (Continued)															
Simpson & Co.	...	...	10	7,500	2,500	10	1,887	20,422	14,009	7,263	16,355	7,778	1,175	265	...
Spencer & Co.	21 75	20 12	10	4,000	5,609	4,295	913	5,198	12,883	7,351	2,545	8,025	5,350	4,490	82
61% 'A' C. P.	8 50	8 35	10	2,320	...	...	...	...	...	...	...	...	...	...	...
81% 'B' C. P.	10 87	11 44	10	3,680	...	...	...	...	...	...	...	...	...	...	...
Standard Motor Products	14 75	14 00	10	2,507	603	1,348	51	7,595	10,030	2,392	...	7,162	530	65	...
61% C. P.	102 00	97 50	100	3,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	1	300	...	...	...	...	...	...	...	...	...	...	...
Stanes & Co. T.	26 50	23 75	10	1,156	136	920	46	1,913	1,152	647	1,352	885	1,199	380	...
7% C. P.	83 10	88 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Stanes Motors	...	...	10	691	400	1,438	7	944	931	477	208	1,338	832	649	...
T. I. Cycles	...	...	100	7,000	2,450	5,997	64	10,374	14,170	3,274	467	9,349	3,340	279	1,547
Textool Co.	169 00	188 00	100	1,992	500	808	1	11,793	6,482	2,223	16	6,618	4,194	9	...
Thomas & Co. A V (Allep.)	21 00	17 00	10	200	300	368	6	750	686	356	152	118	1,012	182	...
B. Ordinary	...	...	100	35	...	...	...	...	...	...	...	...	...	...	...
6% Cum Preference	6 48	6 90	10	121	...	...	...	...	...	...	...	...	...	...	...
A. V. Thomas & Co India	4 00	4 00	10	300	...	...	6	77	47	30	100	253	152	60	...
5% Cum Pref.	5 45	6 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Travancore Cements	9 70	9 95	10	5,000	...	941	268	5,331	10,504	5,238	25	2,634	450	256	...
Trav. Chem. & Manfg. Co.	15 25	12 12	10	700	...	69	22	1,559	1,541	505	25	1,274	313	2	...
61% R. C. P.	10 00	9 20	10	300	...	...	...	...	...	...	...	...	...	...	...
Travancore Ogale Glass	8 00	6 30cd	10	998	...	...	10	465	1,556	595	...	273	96	144	...
United Coffee Supply	...	...	15	600	314	419	8	1,086	1,050	590	356	857	545	215	...
United Elec. Industries	9 50	9 50	10	936	20	...	-95	1,624	623	115	...	1,504	341	146	...
5% C. P.	10 00	10 00	10	15	...	...	...	...	...	...	...	...	...	...	...
Vanjinad Matches	...	...	6	270	...	...	-14	2,43	7,72	3,94	9	3,66	1,63	23	9
61% Cum. preference	...	...	10	450	...	...	...	413	454	168	...	92	25	4	...
Vasant Soap Works	...	...	100	225	...	49	-393	...	...	...	...	...	...	...	8
54% C. P.	...	...	100	121	...	...	...	...	...	...	...	...	...	...	...
W. I. Plywood	274 00	158 00	100	2,700	250	1,243	17	4,417	3,563	2,358	1	835	2,890	805	60
6% C. P.	100 00	93 00	100	618	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents' Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second Previous
				Ra. 000	Ra. 000	Ra. 000	Ra. 000		Ra. 000	Ra. 000			
WESTERN AND CENTRAL INDIA													
Central India	Tata Industries Private	115,188	2,062	14,915	22,461	9,860	...	6-59	-5,269	-4,261	nil	nil	nil
Century Spg. & Mfg.	Birla Brothers Ltd.	126,752	2,752	41,100	82,868	23,706	891	12-58	(a)14,648	(a)8,893	22	22	22
Coorla Spg. & Wvg.	Cowasee Jehangir & Co.	24,848	680	4,316	14,379	1,061	42	3-59	(n)1,060	(a)1,459	7	12	12
Dawn Mills	Ramnarain Sons Ltd.	40,962	...	90,98	134,77	10,42	1,65	12-55	14,70	6,01	30	12	12
Edward Textiles	P. Subna Sons	48,718	928	...	22,525	3,000	36	12-58	-54	(a7)-201	7	7	8
Elphinstone Spg.	Director	41,500	886	7,804	17,754	7,572	...	12-58	-453	150	nil	nil	10
Empire Dyeing & Mfg.	W. H. Bury & Co. Ltd.	...	...	1,074	3,734	87	37	12-58	(a26)495	317	20	20	20
Finlay	James Finlay & Co. Ltd.	49,528	784	7,393	23,004	4,677	135	12-58	(a36)2,581	(a15)1,901	16	20	20
Gaekwar Mills	Directors	...	...	...	10,669	5,178	...	12-58	1,623	(a42)1,507	10	10	12
Gulab Mills	F. F. Campbell & Co. pri...	74,286	...	17,360	25,466	6,920	151	12-57	(a16)1,631	1,884	8	13	15
Gold Mohur	James Finlay & Co.	45,268	1,108	8,565	19,163	6,479	133	12-57	1,452	2,109	15	15	15
Hind Mills	Hind Agents Private	71,596	1,387	165,12	324,27	115,33	2,80	6-56	22,77	15,63	5	4	4
Hindustan Spg.	3% C. P.	49,448	1,122	11,420	16,158	4,603	...	3-59	(a37)1,651	(a43)-170	35	35	35
India United	Director	244,300	6,278	44,666	77,097	48,523	34	12-57	-3,852	6,399	45	45	45
Indore Malwa	Agarwal & Company	51,180	1,420	...	24,665	7,524	...	12-58	284	-289	5	6	11
Jaipur Spg. & Wvg.	Shree Laxmi Traders	...	...	3,484	6,166	2,944	...	12-58	-221	-55	nil	nil	nil
Jam Ranjitsinghji	51% R. C. P.	...	...	5,502	8,399	2,951	...	6-58	-315	(a43)-107	nil	nil	nil
Khatana Mikanji	Director	92,852	1,489	16,105	49,000	7,503	482	6-59	5,914	2,758	16	10	6
Kohinoor Mills	Khatana Mikanji & Co. Private	120,504	1,846	31,592	52,453	5,628	110	12-59	(a2)1,512	(a27)1,914	4	4	4
Lakshmi Cotton	4% Cum. Preference	48,996	1,219	10,328	22,619	4,973	...	12-59	(b)1,543	(a32)2,504	10	18	6
5% Cum. preference T.	Director	...	...	...	...	...	...	...	...	...	5	5	5
Mafatlal Fine Spg.	N. C. Parashotamdas & Co.	51,996	896	8,358	24,491	2,025	532	12-59	5,745	4,287	29	18	15
41% 1st R. C. P.	...	...	...	...	...	...	...	...	...	...	6,43	4	4
41% 2nd R. C. P.	...	...	...	...	...	...	...	...	...	...	6,43	4	4
Mahendra Mills	J. R. Patel & Sons Pri	...	...	4,985	11,031	2,143	206	12-58	2,659	1,874	8	6	8
Ord. P. P.	...	...	...	...	...	...	...	...	...	...	8	6	8
61% R. C. P.	...	...	...	...	...	...	...	...	...	...	6	5	7
Marden Spg. & Mfg.	Marden Agents Co. Pri.	23,508	482	6,660	14,445	4,239	...	12-57	(a19)851	1,365	nil	5	7
Minerva Mills	N. Sirur & Company Private	39,896	704	7,69	14,280	3,234	40	12-58	-765	(w)4	nil	6	6
Model Mills	B. A. Dadabhai & Co.	52,408	952	89,83	141,66	36,34	54	6-55	-7,72	-7,72	nil	3	3
Modern Mills	N. Sirur & Company Private	49,200	644	9,575	17,517	6,005	44	10-58	(a4)866	801	6	10	16
Monogram Mills	5% Debentures	27,460	528	6,751	15,126	6,703	...	12-57	618	1,346	6	7	7
Morjee Goudas	Piramal Sons Private Ltd.	70,416	1,652	14,508	37,457	10,782	271	6-59	3,300	(G)3,466	21	15	14
Mysore Spinning	41% Cum. preference	50,488	500	9,630	19,764	3,835	48	2-59	387	(a8)724	10	10	18
41% Cum. preference T.	N. Sirur & Company Private	...	...	...	...	...	...	...	...	...	4	4	4
Navsari Cotton	Director	...	...	4,058	7,663	3,466	...	12-58	1,171	(a44)1,039	12	12	15
5% C. P.	...	...	...	...	...	...	...	...	...	...	5	5	5
New City of Bombay	W. H. Brady & Co. Ltd.	45,944	432	6,988	13,159	2,150	...	12-58	(m)15	(e)136	nil	5	10
New Commercial	Tricunlal Bhoglal	45,836	866	10,937	21,686	4,035	105	12-57	(a20)2,334	2,633	10	10	8
New Great Eastern	4% 2nd R. C. P.	49,012	1,018	8,326	19,842	3,900	...	12-58	(b)101	(f)74	nil	4	4
New Kaiser-I-Hind	W. H. Brady & Co. Ltd.	54,052	12,67	13,135	24,405	12,874	...	3-58	-2,181	702	5	5	5
51% Cum. preference T.	Director	...	...	...	...	...	...	...	...	...	5	5	5
5% C. P.	...	...	...	...	...	...	...	...	...	...	5	5	5
New Shorrock Spg	Mafatlal Chandulal & Co.	51,106	907	12,319	25,651	2,695	462	12-57	(a21)5,549	4,230	24	32	28
Omanahahi Mills	Sammlal Bisesarad Private	37,788	902	8,567	12,145	5,681	20	9-58	(a34)45	-G13	nil	3	3
Pedar Mills	Pedar Sons Private	32,600	930	8,247	10,651	3,807	24	12-58	(a38)1,271	265	10	12	12
4% Cum. preference	...	...	...	...	...	...	...	...	...	...	10	12	12
Pulgon Cotton	Hard-yl ons	...	...	6,294	10,800	2,830	...	6-59	-125	-184	nil	4	4
Raja Motilal	Mukundlal Basral & Sons	...	...	3,752	7,159	2,779	50	12-58	377	-429	nil	4	5
Raymond Woollen	K. K. (Bom.) private	15,080	...	9,540	20,147	9,403	148	12-58	3,001	1,031	nil	...	...
5% C. P.	...	...	...	...	...	...	...	...	...	...	5	5	5
Rohit Mills	Director	33,156	648	9,050	22,117	7,028	...	12-57	1,235	3,108	5	5	9
51% Cum. preference T.	...	...	...	...	...	...	...	...	...	...	5	5	5
4% R. C. P. (2nd)	...	...	...	...	...	...	...	...	...	...	5	5	5
4% R. C. P. (5th)	...	...	...	...	...	...	...	...	...	...	5	5	5
Ruby	Chunilal Jeewandas & Co.	...	...	2,951	7,117	1,173	35	3-59	228	121	10	6	4
Sassoon & Alliance	Director	9,520	277	2,453	4,559	2,498	...	12-58	-73	-285	10	6	...
Sassoon Spinning	M. G. Invt. Corporation Pri.	94,884	2,127	26,627	53,198	3,620	180	12-59	(a23)7,702	2,461	25	20	2
Sholapur Spinning	Director	95,332	2,234	2,086	2,967	1,333	...	3-59	-2,050	-5,456	nil	20	20
Half. Ord.	...	...	...	...	...	...	...	...	...	...	nil	nil	nil
3% R. Cum. preference	...	...	...	...	...	...	...	...	...	...	nil	nil	nil
6% Debentures	...	...	...	...	...	...	...	...	...	...	nil	nil	nil
Shorrock Spinning	Mafatlal Chandulal Ahmed	36,648	720	7,865	18,268	1,518	230	12-57	(a22)3,115	3,511	20	30	25
Shree Niwas Cotton	Marwar Textiles (Agency)	69,070	1,640	18,666	35,518	6,131	252	12-59	(a18)8,896	(a29)2,584	15	30	8
4% R. Cum. preference	...	...	...	...	...	...	...	...	...	...	15	30	8
41% Debentures	...	...	...	...	...	...	...	...	...	...	5,7	4	4
Shree Sajan Mills	G. Liladhar & Co.	17,880	440	25,75	60,56	13,77	22	3-55	1,81	...	42	...	...
Shree Subhaxmi	Shree Govind Cotton Co. Pri	...	...	4,362	9,922	8,040	25	12-58	-406	-771	nil	nil	nil
Shri Ambika	H. Kalidas & Company	94,128	1,790	20,036	52,575	6,463	1,070	12-59	10,855	10,264	30	25	25
5% Cum. preference	...	...	...	...	...	...	...	...	...	...	30	25	25
4% Cum. preference (2nd)	...	...	...	...	...	...	...	...	...	...	5	5	5
Simplex	F. F. Campbell & Co. Pri.	34,846	1,274	15,092	23,126	5,838	82	3-58	(a23)1,811	(a24)1,335	17	17	24
Sir Silk	Birla Brothers private	...	...	2,923	21,671	4,942	...	9-58	1,500	...	17	17	24
6% C. P.	...	...	...	...	...	...	...	...	...	...	17	17	24
Standard	Mafatlal Gogalbhai & Sons	97,588	2,409	26,028	57,926	6,059	...	12-57	(a24)8,838	11,125	22	22	20
4% 1st R. C. P.	...	...	...	...	...	...	...	...	...	...	22	22	20
4% 2nd R. C. P.	...	...	...	...	...	...	...	...	...	...	22	22	20
Syadshi Mills	Tata Industries pri. Ltd.	72,236	...	15,899	34,917	6,313	271	12-59	(a45)4,336	2,769	14	10	4
5% Cum. preference	...	...	...	...	...	...	...	...	...	...	14	10	4
Swan Mills	James Finlay & Co. Ltd.	39,328	551	6,864	21,480	4,080	219	12-58	3,352	1,874	25	25	25

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreci- ation	Liquid Assets				
	April 1960 Ra. np.	April 1959 Ra. no.			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA															
Central India	102 00	104 00	100	4,687	1,407	1,088	-9,530	50,817	45,359	15,069	2,790	17,599	1,305	588	296
5% cum. preference	392 50	342 50	500	5,000											
Century Spg. & Mfg.	463 50	511 50	100	12,276	17,527	15,134	953	35,211	81,108	31,275	1,127	36,573	5,616	1,453	
6% R. C. P.	104 00	107 75		12,000											
Coorla Spg. & Wvg.	133 00	133 75	100	2,600	1,173	2,013	61	3,529	12,143	7,338	84	4,123	346	19	
Dawn Mills	108 25	103 00	50	1,670	12,63	13,31	2,17	37,92	69,11	52,46	90	28,73	19,18	16,57	
Edward Textiles	290 00	217 00	200	3,400	3,496		-1,635	3,696	8,542	6,450	1,374	4,383	993	116	
Elphinstone Spg.	36 50	33 00	50	3,000	1,000	671	-552	9,902	14,344	8,121	53	9,108	1,101	36	
7% C. P.	66 00	65 50	100	2,500											
Empire Dyeing & Mfg.			15	900	400	462	8	904	2,135	1,578	219	223	544	1,130	
Finlay	347 00	283 00	100	5,000	6,139	1,024	37	8,819	18,117	9,584	1,019	9,424	2,026	17	
Gadkwar Mills	268 00	210 00	100	4,000	1,195	4,130	7	8,086	11,183	8,140	1,614	9,529	2,911	323	
Gokak Mills	130 00	159 00	100	4,000	3,313	727	4	7,679	13,600	7,714	209	8,149	2,563	40	3,750
6% Debentures	100 50	100 50		4,000											
Gold Mohur	243 00	205 50	100	5,000	2,374	2,524	10	5,861	9,492	6,137	81	10,708	1,624	2	
Hind Mills			10	5,000	4,27	5,46	25	127,39	144,07	82,06	10	124,26	20,36	65	
5% C. P.			100	2,000											
Hindustan Spg.	4700 00	4800 00	1000	1,200	4,993	7,508	-627	5,322	19,491	14,031	1,369	9,621	2,866	279	
44% R.C.P.T.	650 00		1250	1,200											
India United	11 20	8 32	10	200,00	7,019	867	-5,883	46,796	50,512	36,818	2,84	57,228	1,500	354	
Deferred	1 20	1 06	1	5,000											
Indore Malwa	115 00	97 00	100	5,000	1,622	110	-1,253	13,025	16,445	12,108	2,686	9,232	1,999	331	
Jeipur Spg. & Wvg.			100	2,500		139	-366	686	4,203	2,281		3,231	112	194	
51% R.C.P.			100	2,500											
1st Ranjitsinghji	1500 00	1450 00	1000	1,354	1,546	284	-577	4,203	5,941	3,388	32	4,141	220	38	26
34% Ranjitsinghji	346 25	235 00	100	5,985	3,647	2,462	24	20,093	35,300	25,417	1,948	16,364	6,272	743	
4% Cum. preference	75 00	74 00	100	2,992											
Kohinoor Mills	328 00	258 50	100	10,000	1,700	9,760	28	12,066	58,190	29,567	720	21,525	2,594	91	
Lakshmi Cotton	500 00	392 50	250	3,200	3,493	2,245	27	6,596	19,863	14,817	100	8,883	3,007	129	
5% cum. preference T.	166 00	161 00	250	1,600											
Malatal Fine Spg.	796 25	436 00	100	5,800	10,030	4,192	7	5,728	21,843	14,679	7,588	5,336	2,740	3,731	2,098
44% 1st R.C.P.	86 00	86 00	100	1,450											
44% 2nd R.C.P.	92 00	92 00	100	1,450											
Mahendra Mills	315 00	173 50	100	2,500		1,695	2	13,276	20,530	6,337		3,587	947	75	64
Ordinary P. P.	40 00	40 00	40	500											
61%	99 00	99 00	100	875											
Marsden Spg. & Mfg.	62 00	61 00	200	2,731	2,661	862	30	6,503	7,777	5,013	92	6,521	2,789	479	
Minerva Mills	20 00	98 75	250	2,960	1,149	183	-773	9,774	9,766	5,102	846	6,476	1,230	48	
Model Mills	56 00	40 00	50	9,334	392	21,99	-2,59	84,32	169,26	78,82	25	99,68	789	2,72	
Modern Mills			500	4,647	1,750	1,25	32	8,180	14,123	7,057	124	9,261	570	62	
5% Debentures			200	1,200											
Monogram Mills			200	2,600	3,000	463	12	7,575	7,427	4,899	75	8,402	2,482	162	
Monarjee Gooladas	292 00	235 00	100	5,175	4,000	518	238	14,263	28,453	20,523	14	16,531	1,405	40	
44% cum. preference	70 70	75 00	100	1,725											
Mysoore Spinning	62 50	80 00	50	2,484	3,195	868	34	7,497	11,767	7,186	2,792	6,600	764	85	
44% cum. preference	26 75	28 25	50	745											
Nawasari Cotton	220 00	190 50	100	3,150	700	4,451	22	4,765	6,309	4,146	1,298	7,187	2,608	332	
5% C. P.	91 00	91 00	100	500											
New City of Bombay	124 00	90 50	100	2,400	1,377	899		2,110	8,293	4,870	8	3,114	92	401	
New Commercial			100	6,300	1,363	1,489	21	12,330	14,438	10,262	1,243	9,262	7,196	151	
4% 2nd R. C. P.			100	525											
New Great	178 00	175 00	100	3,000	235	466		3,979	10,927	6,337	10	5,424	361	252	
54% C. P.	112 00	130 00	200	800											
New Kaiser-I-Hind	51 00	47 00	100	4,500		40	-1,077	16,536	12,454	9,733	1,164	13,658	3,401	281	
5% C. P.	74 50	74 50	100	1,500											
New Shorrock Spg.			125	5,700	5,434	3,720	93	9,728	15,549	10,788	3,613	7,423	6,526	1,358	493
Osmanshabai Mills	40 50	39 00	100	8,723	2,840	90		7,750	17,686	6,786	204	8,053	535	212	
Pedar Mills	149 00	154 00	100	4,000	3,231	1,148	20	4,614	7,633	2,716	3,218	4,576	530	70	
4% Cum. Preference	65 00	60 00	10	1,000											
Pulgon Cotton	10 24	9 76	10	1,500		24	-662	7,331	5,595	3,028	10	5,068	366	183	
Raja Motilal	62 00	77 00	100	2,821	900	1,205	11	6,215	10,762	4,264	53	3,926	620	55	
Raymond Woollen	99 00		100	7,500	980	440	221	14,958	15,492	7,255	2,049	13,126	2,357	290	5,58
5% C. P.			100	2,500											
Rehit Mills			100	4,875	1,504	1,652	10	16,267	13,375	7,360	141	12,009	6,726	333	
5% C. P. T.			100	1,000											
44% R. C. P. [2nd.]			100	200											
44% R. C. P. [5th.]			100	250											
Ruby	62 00	35 25	25	1,500	300	368	72	2,784	6,236	3,516	26	1,919	348	12	
Sassoon & Alliance	9 52	9 76	10	1,000			-183	3,714	2,920	1,712		2,659	6,51	2	
Sassoon Spinning	58 50	54 00	10	3,770	6,112	6,068		10,568	28,169	16,424	190	9,766	3,713	4,413	339
Shalapur Spinning			1000	1,590	126,86	3,191	-26,638	17,697	31,938	20,602	148	2,764	889	38	
Half. Ordinary			500	10											
3% R. C. P.			100	3,196											
6% Debentures				3,443											
Shorrock Spinning			100	2,925	5,411	1,550	18	4,988	10,070	7,348	579	3,917	3,678	3,904	
Saree Niwas Cotton	258 00	163 00	100	8,000	2,800	2,353	42	18,553	17,414	7,341	9,211	12,54	2,894	77	426
4% R. C. P.	61 00	61 00	100	480											
61% Debentures	99 75	100 00	100	3,000											
Shree Saijan Mills			100	2,615		27	-66	34 81	36 43	17 73	94	38,81	1,85	27	
Shree Shubalekshmi	125 00	125 00 N	100	2,100		282		7,729	4,197	1,219		5,461	1,599	73	
Shri Ambika			100	6,376	21,000	9,776	59	10,99	24,370	14,591	4,945	15,910	11,107	6,930	
5% cum. preference			100	700											
4% cum. preference [2nd]			50	4,200	2,810	270	8	15,540	19,586	7,984	110	7,860	3,251	6	
Simplex	156 00	180 00	10	9,427			-1,810	45,239	57,038	1,000	21	9,504	5,577	1,320	
5% C. P			100	20,000											
Standard	1035 00	507 50	100	8,780	5,865	19,161	156	011,29	29,616	18,799	557	13,444	5,939	13,570	
4% 1st R. C. P.	75 50	70 00 N	100	600											
4% 2nd R. C. pref.	76 00	70 00 N	100	600											
Svadeshi Mills	246 00	276 50	100	10,000	8,927	767	2	15,068	31,662	17,464	698	13,437	4,733	1,647	1,548
5% Cum. preference	88 75	92 00	100	1,500											
Swan Mills	493 75	400 00	100	3,600	6,409	764	26	5,348	15,987	10,292	72	7,618	2,755	8	

COTTON

NAME	Managing Agents Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Pre- vious	Seco- ndary
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
WESTERN AND CENTRAL INDIA (Contd.)													
Tata Mills ...	Tata Industries Pri. Ltd. ...	65,448	1,800	14,541	30,619	5,743	50	12-59	2,013	200	10 T	6	8
Victoria Mills	5% Debentures ...	50,056	958	8,559	21,097	3,394	50	12-58	1,326	(a39) 1,341	20	20	...
Vijaya Mills	4% R. Cum. preference ...	36,176	780	7,960	19,487	3,697	73	12-57	1,432	2,090	4	4	...
Vishnu Cotton	H. Acharya & Co. ...	47,240	1,331	10,189	21,181	4,386	50	12-59	(h) 1,164	(a) 1,060	4	4	...
	4% 2nd Cum. Preference T. ...										4	4	...
	4% 3rd R. Cum. Pref. T. ...										4	4	...
	The Bombay Co. (Pri) Ltd. ...										7 T	7	...
	7% Cum. preference T. ...										7 T	7	...
	5% Debentures												...
NORTHERN INDIA													
Basanti Cotton	Calcutta Agency ...	13,044	356	26,320	7,418	...	47	12-57	543	613	6	6	5
Bengal Fine Spinning	64% C. P. ...										6	6	5
Bengal Luxmi Cotton	54% Debentures ...										6	6	5
	B. C. Nawn & Bros Pri ...			4,908	6,560	563	24	12-58	174	425	nil	4	6
	5% C. P. ...										nil	5	5
	Directors ...	6,601		6,247	11,264	3,641		3-58	(a30) 369	570	nil	10	10
	Ordinary Partly Paid ...										nil	10	10
	Ordinary Partly Paid ...										nil	10	10
	5% R. C. P. ...										5	5	...
Bengal Nagpur	Directors ...	29,936	818		7,154	5,578		12-57	(q) -671	(u) 171	nil	nil	7
	7% C. P. ...										nil	nil	7
Birla Cotton	Birla Brothers Private ...	39,896	1,088	26,910	38,434	5,821	99	3-58	1,312	2,859	7	15	15
Bowrah Cotton	Kettlewell Bullen & Co. Ltd. ...	42,960	841	9,646	17,764	6,694	45	12-58	152	116	nil	nil	...
	8% 'A' C. P. ...										nil	nil	...
	7% 'B' Pref. ...										nil	nil	...
Cawnpore Textiles	Begg Sutherland & Co. Private ...	141,180	591	4,706	13,088	931		12-59	1,308	-850	nil	nil	...
Delhi Cloth	Bharat Ram Ch. Ram & Co. Pri. ...		2,352	139,422	390,800	39,104	1,626	6-59	23,378	21,636	8	8	8
	Ordinary ...										4	4	4
	4% 1st 2nd C. P. ...										4	4	4
	4% 3rd C. P. ...										5	5	5
	5% 4th C. P. ...										5	5	5
Dunbar Mills	51% Debentures ...										5	5	5
	Kettlewell Bullen & Co. ...	42,944	518	9,607	18,399	5,791	50	12-58	281	-337	nil	nil	6
Elgin Mills	Debentures ...										11	7	10
	Begg Sutherland ...	48,452	1,198	17,289	35,560	5,117	330	9-59	4,523	2,596	8 T	8	8
	8% C. P. ...										5	5	5
	5% C. P. ...										5	5	5
Jagatjit Cotton	K. C. Thapar & Bros. Pri. ...	26,560	530		24,927	2,045	405	1-58	4,450	4,120	11	5	nil
	5% C. P. p. ...										6	5	5
Jay Shree Textiles	Debentures ...										6	5	5
	Birla Brothers Private Ltd. ...			4,747	10,343	3,464		12-59	1,791	1,865	8	6	5
	51% Debentures ...										8	6	5
Kesaram Cotton	7% Debentures ...	74,672	1,992	25,765	48,630	13,079	50	3-58	920	4,557	21	7	10
	Birla Brothers Ltd. ...										7	7	7
Mahini Mills	7% C. P. ...										7	7	7
	Chakravarti Sons & Co. ...	23,484	435	9,012	18,792	6,043	213	12-57	2,261	3,052	12	12	12
	Ordinary ...										12	12	12
	5% R. C. P. ...										5	5	5
Mair Mills	Indian Tex. Syndicate ...	88,640	1,834	145,19	218,04	...	60	12-55	-5,06	-10,24	nil	nil	...
	6% C. P. ...										nil	nil	...
New Victoria	J. P. Srivastava & Sons Pri. ...	70,072	1,333	12,938	23,797	10,887		12-57	-635	-2	nil	nil	...
	Deferred ...										nil	nil	...
	6% C. P. ...										nil	nil	...
Orissa Textiles	B. Patnaik & Co. Private ...	47,728	864	13,642	24,120	7,907	36	3-58	-134	-2,156	nil	nil	...
	5% R. C. P. ...										nil	nil	...
Ram Textiles	J. P. Srivastava & Sons. ...	34,532	600	6,617	11,409	7,736		12-57	-440	401	nil	nil	...
	64% 'A' C. P. ...										nil	nil	...
	64% 'B' C. P. ...										nil	nil	...
Shree Madhusudan	Directors ...			4,435	30,969	10,060		6-59	120	-964	nil	nil	...
	41% C. P. ...										nil	nil	...
Sulaj Cotton	61% Debentures ...	27,340	992	11,567	31,029	6,154	530	3-59	5,158	5,728	60	60	60
Swadeshi Cotton	Birla Brothers Private ...	112,216	2,081	46,756	100,510	25,679		12-58	753	5,083	60	60	60
	Directors ...										6	6	6
	Pretd. Ord. ...										6	6	6
	6% C. P. ...										6	6	6
SOUTH INDIA													
Adoni Spinning	Kothari & Sons ...	24,000		2,746	4,380	282		12-58	374	269	nil	nil	...
	6% c. p. ...										nil	nil	...
Asher Textiles	Setna & Co. ...	20,900		5,017	7,401	1,961	15	6-59	335	293	6	6	12
Bangalore Woollen	Binnu & Co. (Madras) Ltd. ...	40,608	1,157	20,734	55,418	8,715	635	12-58	6,448	4,930	10	10	30
	6% C. P. ...										6	6	6
Buckingham & Carnatic	Binnu & Co. ...	120,288	2,762	31,490	100,140	10,910	751	12-58	(a28) 674	(r) 9,859	10	10	10
	71% C. P. ...										7	7	7
	5% Debentures ...										7	7	7
Cambodia	Peirce Leslie & Co. Ltd. ...	37,356	4	6,331	6,875	2,225	22	12-58	-1,464	(v) -50	nil	5	5
	7% C. P. ...										nil	5	5
Cannanore Spg.	K. Damodaran ...	20,000		4,845	7,277	398	37	3-59	684	559	15	15	7
Cauvery Spg.	Directors ...	17,600		4,596	8,262	1,243		3-59	590	498	9	12	20
	64% C. P. ...										9	9	9
	51% Debentures ...										5	6	6
Coimbatore Cotton	6% Debentures ...			8,955	11,313	3,237	54	12-59	1,129	788	6	6	9
Coimbatore Kamala	R. Bheema Naidu & Co. ...	17,264	24	2,703	4,355	900		12-58	-84	89	nil	nil	...
	Directors ...										nil	nil	...
	Partly Paid ...										nil	nil	...
	6% Debentures										nil	nil	...

Includes Stock on hand.

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserves & Surplus including latest allocation			Sundry Liabilities	Gross Block	Depre- ciation	Liquid Assets				
	April 1960	April 1959			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
WESTERN AND CENTRAL INDIA (Contd.)															
Tata Mills ...	45 00	36 50	25	6,548	2,848	2,175	18	16,638	25,877	10,423	363	11,534	2,489	852	1,446
5% Debentures	93 00	93 25	1000	3,951											
Victoria Mills	390 00	277 50	100	1,600	4,396	1,785	28	5,709	9,718	5,932	64	5,960	4,431	77	
4% R. Cum. preference			25	800											
Vijaya Mills			500	3,500	1,762	2,038	23	8,411	12,890	9,020	500	6,303	3,402	230	
4% 2nd C. P. T.			100	350											
41% 3rd R. C. P. T.			100	280											
Vishnu Cotton	107 00	90 00	100	3,200	1,242	1,839	-1,121	7,136	19,482	13,001	454	7,394	2,310	75	38
7% Cum. preference T.	422 50	432 50	500	1,566											
51% Debentures	96 00%	96 00%		3,000											
NORTHERN INDIA															
Basanti Cotton	6 94	7 00	10	1,500	115	296	115	2,361	3,828	2,404	1,155	2,563	219	115	
64% C. P.	8 56	9 00	10	500											
51% Debentures	425 00	425 00	500	700											
Bengal Fine Spinning			10	631	500	201	28	4,639	5,061	1,603	5	2,313	1,135	70	
5% C. P.			40	983											
Bengal Luxmi Cotton	39 00	32 00	30	711	1,350	13	22	5,498	8,351	5,915	20	4,213	709	41	
Ordry. partly paid			20	131											
Ordry. partly paid			40	170											
5% R. C. P.			40	523											
Bengal Nagpur	4 00	4 25	10	2,700			-812	6,840	8,045	6,024	37	6,634	681	55	
7% C. P.	75 00	75 00	100	300											
41% Debentures	85 00	89 00	10	400											
Birla Cotton	20 00	20 00	10	3,500	5,923	1,557	104	14,393	14,125	11,021	2,051	12,830	5,945	596	
Bowreah Cotton	168 00	90 00	100	2,400	150		-35	14,327	12,017	4,703	53	8,716	1,770	166	23
80% 'A' C. P.	152 00	126 00	100	600											
70% 'B' Pref.	65 00	65 00	100	600											
Cawnpore Textiles	7 37	5 00	5	3,000	600	2,893	-329	856	8,145	6,608	998	2,368	1,532	478	
Delhi Cloth...			25	338.36	12,853	28,243	285	91,594	135,090	78,057	2,639	88,798	24,276	11,135	
Ordinary			24	100											
44% 1st & 2nd C. P			25	2,000											
41% 3rd C. P.			25	3,735											
21% 4th C. P.			10	1,195											
51% Debentures			1000	10,000											
Damber Mills	170 00	170 00	100	1,900	2,537	83	12	9,707	14,294	7,089	58	7,417	1,880	89	89
Debentures				2,500											
Elgin Mills...	21 87	14 87	10	6,300	300	11,835	96	9,767	17,464	15,307	8,633	12,937	5,491	527	
8% C. P.	108 00	115 75	100	1,100											
5% C. P.	8 00	8 25	10	420											
Jagajit Cotton	15 37	8 88	10	3,855	250	1,613	87	15,343	17,815	10,919	1,724	11,651	3,734	890	7,99
5% C. P. P.	38 75	43 75	100	1,545											
Debentures				3,000											
Jayshree Textiles	13 94	8 81	10	4,918		802	34	2,545	8,800	4,300	19	4,726	1,508	137	
51% Debentures			1000	1,371											
7% Debentures			1000	68											
Kesoram Cotton	28 56	13 50	10	160,000	5,400	15,945	5	19,117	40,600	13,872	3,990	15,999	11,722	2,887	2,081
7% C. P.	106 00	100 00	100	2,000											
51% R. C. P.			25	600	5,60	3,045	73	9,899	11,191	9,664	1,558	6,996	5,753	3,768	
Mohini Mills			10	3,399											
Ordinary			10	1,997											
5% R. C. P.	65 00	50 00	100	3,000	25,00	25,00	-51,31	105,33	164,51	115,59	1,05	105,64	7,36	1,05	
Muir Mills...	83 00	52 00	100	3,000											
6% C. P.	1 47	1 59	24	2,742			-1,207	17,071	12,305	7,649	121	13,579	2,513	51	
New Victoria			1	307											
Deferred	3 25	3 21	5	2,605											
6% C. P.	8 90	5 50	10	4,740			-2,874	21,543	23,577	11,020	10	11,442	1,855	142	
Orissa Textiles	80 00		100	2,500											
9% R. C. P.			10	6,000		661	-954	8,979	11,019	5,139	1,778	9,790	2,487	146	
Raza Textiles			100	750											
61% 'A' C. P.			10	1,000											
61% 'B' C. P.			10	6,000		133	-2,189	22,530	19,459	508	10	13,810	3,611	108	84
Siree Madhusudan			100	3,000											
41% C. P.			1,000	7,000											
61% Debentures	91 00	68 00	10	1,500	28,200	8,134	3,106	9,109	11,552	8,802	18,952	14,344	4,656	9,347	
Saraj Cotton	9 50	11 00	10	1,750	6,000	17,523	3	68,197	63,382	19,698	19,516	32,668	14,589	2,206	64
Sardeshi Cotton	9 31	10 81	10	157.50											
Profid Ordry.	61 00	75 00	100	3,500											
6% C. P.															
SOUTH INDIA															
Adoni Spinning	8 12	8 85	10	2,996			23	3,016	7,091	622	40	889	312	138	182
6% c.p.	10 45	10 25	10	1,996											
Asher Textiles	212 80	217 00	100	1,199	82	59		3,383	4,699	2,374	35	2,177	177	8	
Bangalore Woollen	195 00ad	174 00ad	100	12,150	3,300	12,224	298	9,884	96,974	29,209	855	20,114	3,322	5,192	1,209
6% C.	117 00	110 00	100	600											
Buckingham & Carnatic	203 00cd	186 00ad	100	17,848	7,206	23,293	183	18,070	76,367	45,051	1,073	32,772	6,472	611	3,280
71% C. . .	135 00	131 00	100	2,130											
5% Debenture	1005 00	1000 00	1,000	6,794											
Cambodia	10 10	9 93	10	2,600	1,900	19	-1,860	3,608	5,125	2,615	31	2,580	613	32	
7% C. P.	108 00	110 00	100	100											
Cannanore Spg.	165 00	152 00	100	1,500	511	5	15	2,662	5,265	3,155	22	2,136	387	39	
Cauvery Spg.	14 00	11 50	10	937		536	10	1,821	6,128	2,980	32	1,536	275	40	
41% C. P.	97 00	85 75	100	652											
61% Debentures			100	475											
61% Debentures			100	600											
Comblator Cotton	144 80	143 00	100	3,599	900	1,490		5,211	11,151	4,162	325	3,418	441	28	
Comblator Kamale	102 00	102 00	100	341			-477	3,226	2,860	1,547	12	1,083	958	45	
Party Paid	50 00	50 00	50	72											
6% Debentures	500 00	500 00	500	250											

COTTON

NAME	Managing Agents/Secretaries	Spindles	Looms	Raw Materials	Sales	Stocks	Managing Agents Commission and allowances	Year ended	Net Profit	Net Profit for the previous period	DIVIDEND PER CENT		
											Latest	Previous	Second previous
				Rs. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
SOUTH INDIA—(Contd.)													
Coimbatore Moreugen	T. A. Ramalingam Chettiar	23,660	100	2,979	4,390	1,784	30	12-58	—137	(a6)284	nil	7 1/2	12
Coimbatore Pioneer	T. R. Narayanaswami Naidu	28,194	...	7,396	11,495	2,649	133	12-57	(a12)2 077	1,824	20	6	20
Coimbatore Spinning	R. G. S. Naidu & Co.	22,188	407	...	14,318	1,248	50	12-58	—167	—421	6 1/2	6 1/2	6 1/2
Devanagere Cotton	R. Hanumanthappa & Sons	25,216	300	...	79,81	29,61	2,46	3-56	13,90	8,59	9	9	12
Dhanalakshmi Mills	M. Nanjappa Chettiar & Sons	38,052	201	6,070	12,669	4,052	96	12-58	(a11)1,660	1,603	10	10	25
Ganambikai Mills	V. C. V. Gounder & Bros.	17,248	...	...	31,451	...	...	12-54	2,84	1,91	10	6	6
61% Cum. Pref.	Sudarsanam Private	...	...	3,467	5,055	288	9	6-59	279	281	6 1/2	6 1/2	6 1/2
Hemalatha Textiles	5% Cum. Pref.	...	...	...	...	...	...	...	...	...	5	5	5
Janardana Mills	G. Venkataswami Naidu & Co.	23,784	...	...	65,11	6,19	97	12-56	5,57	4,93	20	20	10
Jawahar Mills	Umayambika & Co.	33,472	...	5,216	8,117	2,092	35	12-58	606	935	15	15	25
Kapila Textile Mills	C. P. C. & Co.	15,184	250	20,13	27,74	2,59	42	6-54	62	89	nil	nil	nil
6% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...
7 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...
Deferred	C. N. V. Naidu & Co.	19,940	...	1,463	3,024	318	30	3-58	—23	547	12	7 1/2	7 1/2
Kashuri Mills	Kothari & Sons	41,040	300	7,702	15,872	2,759	...	12-58	(a11)343	1,137	10	10	10
Kothari Textiles	6% C. P.	...	...	...	...	...	...	...	...	...	10	6	6
6% B. Preference	G. Kuppaswamy Naidu & Co.	93,160	201	20,758	32,987	612	398	3-59	4,743	3,854	12	12	20
Lakshmi Mills	A. Class Ord.	...	...	...	...	...	...	...	...	...	12	12	20
Loyal Textile Mills	Thiagaraja Chetty & Sons Pri	24,242	2,24	5,599	8,299	1,057	2	6-58	59	857	12	5	7 1/2
5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	2 1/2	5	5
Deferred	A. & F. Harvey Ltd.	485,256	...	82,346	115,534	5,085	...	12-59	6,425	—3,108	12 1/2	12 1/2	15
Madura Mills	Directors	22,592	100	147	2,917	1,736	...	12-58	—412	(d)2,60	12 1/2	4	15
Malebar Spinning	Beardell & Co. Private	25,656	603	5,838	15,506	1,64	388	3-59	(a)7,625	3,327	75	20	20
Mettur Industries	Directors	...	...	...	...	...	...	3-58	11	—47	10	10	10
Mysore Silk Filature	Directors	...	...	...	22,59	9,44	...	3-57	3,30	42	10	10	10
Mysore Spun Silk	S. K. R. Naidu & Co.	10,016	...	2,424	3,769	558	...	3-58	—200	(b)234	10	6	6
Palanai Ranganathar	Partly Paid	...	...	...	...	...	...	...	...	...	...	...	...
Palani Andavar Mills	Baghyalakshmi & Co.	41,200	...	5,628	9,693	1,526	50	12-53	(a35)336	629	20	13	30
7% Ordinary	...	...	...	...	...	...	...	...	...	...	20	18	30
6% C. P.	Directors	27,980	...	3,927	6,629	182	...	12-58	—812	—133	10	7	7
Pankaja Mills	K. N. Swami Naidu & Co.	...	...	7,746	11,809	1,871	87	3-59	1,375	766	12	9	15
Premier Mills	...	...	...	...	...	...	...	...	...	...	...	...	...
Radha Krishna Mills	A. G. Gurusamy Naidu & Co.	55,664	300	7,397	11,692	2,129	54	12-58	875	1,091	6	12	20
'B' Ordinary	...	...	...	...	...	...	...	...	...	...	6	8	12
Rajapalayam Mills	Ramco Agencies Private	24,996	...	5,649	8,035	2,001	50	3-59	(a40)316	345	6	8	12
Rajawari Mills	Gudiyatham Textiles Pri	8,400	...	...	23,50	...	48	12-55	5,47	4,51	15	12	7
Ordinary	...	...	...	...	...	...	...	...	...	...	12	7	7
Sri Ramakrishna	S. N. Rangaswami Naidu Sons	...	...	4,095	7,239	1,033	73	3-59	1,176	767	16	10	16
Ordinary P.P.	...	...	...	...	...	...	...	...	...	...	16	10	16
Sri Ranga Vilas Ginning	P. S. G. Naidu & Sons	32,128	88	3,093	5,440	1,591	...	12-58	—539	190	10	4	14
Royalaseema Mills	Royalaseema Develop. Co.	14,800	...	4,555	7,054	152	52	12-59	6,72	682	10	10	10
Sivananda	S. R. P. P. Chetty & Sons	...	...	3,386	6,733	6,155	90	12-58	1,112	633	15	12	12
Sri K. Rajendra	Directors	38,744	292	5,466	13,421	2,713	...	3-59	969	(a1)1,182	8	9	14
Sri Sarada Mills	V. S. Sengottiah & Bros.	20,472	200	...	62,94	5,42	57	12-55	(a)7,48	3,32	10	6	7
7% C. P.	...	...	...	...	...	...	...	...	...	...	7	6	7
Tirumurti Mills	G. Ramaswamy	...	...	3,198	5,080	1,155	18	12-57	92	493	6	16	15
Tirupati Cotton	P. S. Narayana & Sons	...	...	3,617	4,915	1,152	15	3-59	350	1	10	10	10
61% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	Emcete & Sons private	...	...	9,134	32,829	1,823	666	12-58	8,948	5,724	12 1/2	10	10
5% Cum. preference	...	...	...	...	...	...	...	...	...	...	5	5	5
4% Debenture	Mooljee Ramjee & Sons	18,000	...	1,530	3,456	1,559	36	12-59	393	273	12 1/2	7 1/2	9
Trichinopoly Mills	R. K. S. Chetty & Bros.	44,424	...	7,207	14,129	2,641	50	12-58	(a41)892	1,127	12	12	20
Vasanta Mill	61% Cum. preference	...	...	...	...	...	...	...	...	...	6 1/2	6 1/2	6 1/2
6% Cum. preference	G. V. G. Naidu & Co.	44,660	268	7,219	13,524	2,123	123	12-58	2,224	1,613	16	20	25
Sri Venkatesa Mills	6% Cum. preference	...	...	...	...	...	...	...	...	...	6	6	6
Vijayalakshmi Mills	Balakrishna & Co.	26,536	...	28,48	43,25	132	71	12-56	3,50	3,17	10	10	10
Vijayawari Textile	N. V. Naidu & Sons	...	...	1,668	2,082	615	61	12-58	164	108	6	6	6
Virudhunagar Textile	Thiagaraja Chetty & Sons Pri	...	2,00	3,260	4,870	...	...	12-59	647	393	10 1/2	5	4 1/2
5% Cum. Pref.	...	...	...	...	...	...	...	...	...	...	5	5	5
Deferred	Do. P. P.	...	...	...	...	...	...	...	...	...	10 1/2	6	10

(a) After transferring Rs 6,26,601 from Depreciation, Renewal and Extension Fund and Rs 80,000 from Reserve Fund.
 (b) After transferring Rs 45,153 from General Reserve; Rs 35,000 from Machinery Replacement Reserve and Rs 6,008 from provision for taxes.
 (c) After transferring Rs 250,000 from Machinery Reserve and Rs 300,000 from Dividend Equalisation Reserve.
 (d) After transferring Rs 50,000 from General Reserve.
 (e) After transferring Rs 120,000 from Reserve Fund Rs 268,000 from Reserve for Taxation and Rs 23,883 from excess provision not required.
 (f) After transferring Rs 730,179 from Reserve for Taxation and Rs 299,043 from General Reserve.
 (g) After transferring Rs 2,656,522 from General Reserve.
 (h) After writing back Rs 380,718 being excess depreciation provided in 1958.
 (i) After transferring Rs 319,687 from General Reserve.
 (j) After transferring Rs 842,193 from General Reserve.
 (k) After transferring Rs 1,230,000 from Dividend Equalisation Reserve.

(l) After transferring Rs 297,425 from excess depreciation.
 (m) After transferring Rs 3,03,281 from General Reserve.
 (n) After transferring Rs 120,000 from Dividend Reserve.
 (o) After transferring Rs 2,975,000 from General Reserve and Rs 1,000,000 from Dividend Equalisation Reserve.
 (p) After transferring Rs 5,27,512 from General Reserve.
 (q) After transferring Rs 400,000 from General Reserve.
 (r) After transferring Rs 2,50,000 from Income-tax Reserve and Rs 3,70,712 from Raw Materials Fluctuation Reserve.
 (s) After transferring Rs 3,22,599 from General Reserve and Rs 75,000 from Depreciation Reserve.
 (t) After transferring Rs 9,50,000 from General Reserve.
 (u) After transferring Rs 200,000 from General Reserve.
 (v) After transferring Rs 100,000 from General Reserve.

(w) After transferring Rs 670,000 from General Reserve and Rs 76,805 from Excess Provision for taxation.
 (x) After transferring Rs 1,814,832 from General Reserve and Rs 592,584 from Dividend Equalisation Reserve.
 (y) After transferring Rs 255,000 from General Reserve.
 (z) After transferring Rs 625,000 from General Reserve.
 (a1) Includes Rs 608,325 being amount drawn from extra excess provision made for depreciation on plant and machinery for the year ended 31-3-53.
 (a2) After transferring Rs 9,00,000 from Reserve for taxation.
 (a3) After transferring Rs 351,429 from General Reserve.
 (a4) After transferring Rs 350,000 from General Reserve and Rs 165,000 from Machinery Rehabilitation Reserve.
 (a5) After transferring Rs 4 lakhs from Reserve for fall in price.
 (a6) After transferring Rs 100,048 from General Reserve.
 (a7) After transferring Rs 255,000 from General Reserve.
 (a20) After transferring Rs 772,517 from General Reserve and Rs 78,483 from Development Retire Reserve.

7 May 1960

MILLS—Contd.

NAME	Market Quotation as on the last day of		Paid-up per share	Paid-up Capital	Reserve & Surplus including latest allocations			Sundry Liabilities	Gross Block	Depreciation	Liquid Assets				
	April 1960	April 1959			General	Others	Carry Forward				Invest- ments	Stocks and Stores	Out- standings	Cash	Others
	Rs. np.	Rs. np.													
SOUTH INDIA (Contd.)															
Coimbatore Murugan	95 00	91 00	100	1,750	306	100	—137	3,259	4,504	2,602	140	2,014	1,255	36	...
6% C. P.	88 00	88 00	100	71	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Pioneer	370 00	275 00cd	100	2,000	...	1,828	1	6,464	8,021	4,409	2,410	2,917	1,320	134	...
61% C. P.	85 25	91 75	100	100	...	...	...	...	...	...	...	...	...	...	...
Coimbatore Spinning	65 50	43 00	50	2,077	...	5	—1,578	12,758	13,750	8,679	13	7,182	937	60	...
Devanagere Cotton	225 75	196 00	100	2,440	12,00	33	18	44 09	67 23	34 91	13 16	34 68	13 81	29	...
Dhanalakshmi Mills	...	...	100	4,859	1,700	975	1	4,184	9,847	5,514	478	4,573	1,273	1,063	...
Ganambikai Mills	...	...	100	927	2,76	...	...	11,70	16,99	8,06	...	11,49	3,04	48	...
61% Cum. Preference	...	...	100	21	...	...	...	...	...	...	...	...	...	...	...
Hemalatha Textiles	7 60	9 90	10	1,503	125	52	21	1,466	2,903	1,624	...	2,055	131	130	...
5% Cum. Preference	68 00	75 00	100	431	...	...	...	...	...	...	...	...	...	...	...
Janardana Mills	71 00	72 00	50	890	8,56	2,10	...	10,75	31,40	19,97	1,20	8,21	4,12	5,35	...
Jawahar Mills	10 20cd	11 50	5	890	1,040	1,091	—221	4,890	7,756	3,750	37	2,498	1,145	74	...
Ordinary	...	...	10	50	...	...	...	...	...	...	...	...	...	...	...
Kapila Textile Mills	...	...	10	2,699	...	...	...	27,88	43,67	1,24	...	15,65	2,05	16	3,57
6% C. P.	...	...	100	699	...	...	...	...	...	...	...	...	...	...	...
7 1/2% R. C. P.	...	...	10	105	...	...	...	...	...	...	...	...	...	...	...
Deferred	24 75	24 75	25	780	...	...	...	...	...	...	...	...	...	...	...
Kashuri Mills	12 55cd	10 20	10	6,710	800	1,025	32	6,659	14,172	4,050	18	611	104	9	...
Kothari Textiles	10 00cd	8 10cd	10	1,200	...	...	...	...	...	...	415	3,962	1,803	240	583
6% Cum. Preference	...	...	10	600	...	...	...	...	...	...	...	...	...	...	...
6% 'B' Cum. Preference	157 03	125 00	50	7,100	1,400	6,186	155	10,666	27,735	13,248	2,009	6,455	5,815	290	...
Lakshmi Mills	75 50	61 50	50	3,550	...	...	...	...	...	...	...	...	...	...	...
A. Clas Ordinary	32 03	32 25	50	3,152	...	255	—401	4,547	8,656	3,133	24	3,127	544	35	...
Loyal Textile Mills	64 00	65 56	100	1,499	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	...	...	5	200	...	...	...	...	...	...	...	...	...	...	...
Deferred	33 87	25 75	15	17,502	12,600	27,140	205	18,209	62,573	42,518	5,220	39,533	9,203	795	849
Madura Mills	...	...	200	1,200	350	17	—502	1,858	29,08	1,964	60	1,808	111	2	...
Malabar Spinning	438 00	403 00	100	6,000	825	2,127	12	5,763	6,814	4,952	2,811	4,808	2,383	2,863	...
Mettur Industries	...	...	10	972	...	...	—8,63	451	2,30	...	...	...	3,15	14	...
Mysoore Silk Filature	...	...	10	1,362	...	...	4	14,13	29,12	17,83	8	15,22	78	41	...
Mysoore Spun Silk	103 00	103 00	100	240	...	...	—198	1,630	1,549	523	10	611	126	6	...
Palamalai Ranganathar	...	...	50	109	...	...	...	...	...	...	...	...	...	...	...
Partly Paid	149 50cd	129 00	50	400	100	1,062	...	4,414	7,625	3,197	16	1,829	348	151	...
Palani Andavar Mills	209 00cd	182 00	75	600	...	...	...	...	...	...	...	...	...	...	...
'B' Ordinary	88 50cd	55 00	50	206	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	55 00	40 00	100	1,500	...	...	—2,120	3,824	3,730	1,970	4	772	631	79	...
Pankaja Mills	240 00	152 00	100	2,500	350	475	2	6,162	11,015	4,553	206	2,137	535	129	...
Premier Mills	...	...	100	1,651	1,400	...	4	2,610	10,779	6,227	1,412	3,516	617	157	...
Radha Krishna Mills	...	...	50	841	...	...	...	...	...	...	...	...	...	...	...
'B' Ordinary	28 50	32 25	25	...	...	...	...	...	...	...	...	...	...	...	...
'C' Ordinary	135 00	126 00	100	1,614	403	901	...	3,926	6,367	2,332	31	2,182	501	97	...
Rajapalayam Mills	...	...	50	893	1,01	1,89	3	12,55	22,90	7,74	2,00	4,63	1,96	1,68	...
Rajawari Mills	...	...	10	100	...	...	...	...	...	...	...	...	...	...	...
Ordinary	...	...	100	1,492	10	171	...	3,826	7,826	4,336	258	1,043	353	...	...
Sri Ramakrishna	200 00	175 00	100	45	...	...	...	...	...	...	...	...	...	...	...
Ord. P. P.	...	...	50	1,502	334	563	—527	2,763	5,466	2,881	...	1,819	449	...	...
Sri Ranga Vilas Ginning	49 50	59 00	50	2,233	750	384	1	1,711	5,678	2,835	333	1,038	730	366	...
Ravalaocore Mills	111 00	121 00	100	1,000	500	144	3	3,055	2,599	2,15	122	1,118	422	388	...
Sivananda	21 00	17 00cd	10	3,670	800	1,520	23	4,274	9,950	6,687	750	4,550	1,432	53	...
Sri K. Rajendra	76 00	65 00	50	635	...	...	1	25,15	27,24	9,11	11	13,60	3,44	19	...
Sri Sarada Mills	...	...	100	100	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Tirumurti	97 00	114 00	100	876	330	93	—133	2,819	4,665	2,339	1	1,304	342	13	...
Tirupati Cotton	9 40	9 30	10	1,274	...	...	2	3,474	4,330	350	60	1,278	99	32	45
61% Cum. Preference	10 00	10 00	10	743	...	...	...	...	...	...	...	...	...	...	...
Travancore Rayons	34 90cd	19 70cd	10	10,000	6,000	3,686	198	6,126	41,724	23,017	37	6,447	2,295	5,432	2,674
5% Cum. Preference	9 25cd	8 90	10	5,000	...	...	...	...	...	...	...	...	...	...	...
4% Debenture	...	...	5000	1,900	...	...	...	...	...	...	...	...	...	...	...
Trichinopoly Mills	12 56cd	11 80cd	10	1,399	250	614	1	630	2,041	1,500	...	...	...	...	...
Vasanta Mills	251 50cd	222 00cd	100	2,100	1,800	1,884	...	3,362	8,772	5,503	87	1,956	249	60	...
61% C. P.	101 75	105 00	100	300	...	...	...	...	...	...	752	4,217	1,019	324	...
6% C. P.	102 00	95 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Sri Venkatesa Mills	135 50	117 00	50	3,366	150	1,092	6	6,324	14,040	7,587	60	2,716	1,739	23	...
6% C. P.	47 00	50 00	50	1,000	2,00	1,00	5	20,71	39,37	17,65	...	...	...	...	...
Vijayalakshmi Mills	98 00cd	90 00cd	100	1,600	...	...	...	...	...	...	33	14,72	3,06	22	...
Vijayawar. Textiles	109 00cd	38 50	50	1,218	...	399	—274	1,088	2,495	1,364	...	...	...	...	...
Virudhunagar Textile	48 50cd	55 00	100	241	...	...	...	...	...	...	...	...	...	...	...
5% Cum. Preference	60 00cd	...	1	...	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Deferred (P. P.)	...	...	As. 4	8	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents/ Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	Net Profit		DIVIDEND PER CENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. A. P.	Mds.	Rs. A. P.	Rs. 000		Rs. 000	Rs. 000			
Amuckie	McLeod & Co. Ltd. 7% C. P. P.	9,989	2'48	9,106	2'23	40	12-58	441	253	15	10	50
Ananda (Assam)	Directors	9,075	2'64	8,112	2'09	...	12-58	395	87	36'71	26'81	106'04
Anandabag	Gill Arbutnot & Co. Ltd.	8,424	2'37	5,533	2'52	26	12-58	293	79	10	10	20
Arcuttipore	Directors	4,059	1'62	3,421	1'61	...	12-58	57	104	nil	nil	12
Atal	Gonka & Co. 4 1/2% C. P. 6% Debentures	5,140	1'72	6,039	1'48	...	12-58	83	106	2 1/2	4 1/2	5
Baghmati	McLeod & Co. Ramdutt Ramkisensund	9,018	2'29	10,153	2'20	25	12-58	210	288	15	15	25
Beitakhal	6% Debentures	5,790	1'72	4,412	1'69	7	12-58	88	60	2 1/2	2 1/2	15
Banarhat	Andrew Yule & Co. Ltd. 6 1/2% C. P.	38,911	2'00	37,127	1'84	81	12-58	(x)1,080	(p)847	20	20	40
Baradighi	Jardine Henderson Ltd.	18,781	1'91	19,547	2'23	44	12-57	556	1,019	6 1/2	6 1/2	8 1/2
Basmatia	Andrew Yule & Co. Ltd.	7,439	2'62	8,593	2'68	28	12-58	309	299	15	20	30
Beteli	National Tea Corp.	9,918	2'10	9,965	1'87	40	12-58	406	415	20	30	20
Belgachi	Belgachi	5,870	1'51	6,122	1'29	22	12-58	223	175	20	20	60
Betjan	Gill Arbutnot & Co. Ltd.	10,802	2'55	9,574	2'61	38	12-58	404	334	15	15	25
Bhatkwa	McLeod & Co. Ltd.	14,048	1'98	15,648	1'95	30	12-58	95	309	15	15	30
Bijaynagar	D. C. Chose & Co. (Private)	19,060	...	20,409	...	33	12-58	468	610	11	16	25
Birpara	Duncan Bros. & Co. Ltd. 8% C. P.	15,843	2'06	13,832	2'04	38	12-58	419	339	12 1/2	7 1/2	8
Bijnath	Williamson Magor	48,796	2'44	45,442	2'58	30	12-58	476	824	8	10	20
Bloemfield	Gonka & Co. Debentures	2,037	2'31	1,943	2'49	9	12-57	-60	-1	nil	nil	nil
Bokakhat	Octavius Steel & Co. Ltd.	4,493	3'02	4,556	2'59	15	12-58	170	40	5	5	5
Bormahjan	McLeod & Co. Ltd. 6% C. P.	7,816	2'49	4,319	2'16	29	12-58	431	-116	7 1/2	15	15
Borpukhuri	Williamson Magor	7,518	2'25	6,342	2'39	6	12-58	102	-7	6	6	6
Brooke Bond	Directors 6% C. P. T.	3,199	2'29	3,001	2'10	...	6-59	1,621	984	12 1/2	10	17 1/2
Carron	Duncan Bros. & Co. Ltd.	5,813	1'72	7,103	1'72	15	12-58	(x)31	81	5	5	10
Central Cachar	Jardine Henderson Ltd.	9,292	1'97	9,946	2'30	20	12-57	-144	322	nil	5	10
Chamong	Williamson Magor	1,819	3'51	1,959	3'30	2	12-58	-2	-6	nil	5	10
Chandypore	Jardine Henderson	8,904	...	9,718	...	3	12-57	50	62	10	10	4
Chonabhatti	Andrew Yule & Co. 6 1/2% C. P.	14,667	2'07	14,951	1'91	51	12-58	564	566	22 1/2	20	35
Chundecherra	Octavius Steel & Co. Ltd.	8,357	2'13	7,835	1'95	58	12-58	563	479	6 1/2	6 1/2	6 1/2
Cleveland	Duncan Bros. & Co. Ltd.	6,386	2'15	5,537	2'00	20	12-58	407	243	10	10	30
Dauracherra	Duncan Bros. & Co. Ltd.	5,309	2'32	3,924	2'15	19	12-58	454	208	10	7 1/2	15
Dejo Valley	McLeod & Co. Ltd.	5,179	2'49	4,045	2'42	25	12-58	140	30	20	30	30
Dessai & Purbuttia	Jardine Henderson Ltd.	13,313	2'65	14,033	2'69	20	12-57	-119	(a)300	10	10	10
Dhalakhat	James Warren & Co. Ltd.	8,724	2'61	8,471	2'72	63	12-58	786	832	20	25	25
Dhunsari	Directors 7% C. P.	9,752	2'14	9,210	2'14	...	12-58	380	391	20	20	12 1/2
Dibrugarh	McLeod & Co. Ltd.	8,315	2'80	6,832	2'73	64	12-58	612	413	30	25	30
Dilaram	Dooduwalla & Sons	1,795	3'18	1,853	2'76	12	12-58	72	22	7 1/2	5	5
Dinakusi	Williamson Magor and Co. 8% C. P.	8,536	2'63	8,564	2'82	33	12-58	374	533	25	30	30
Dudlaghur	Williamson Magor and Co.	13,229	2'52	12,251	2'76	68	12-58	695	765	45	30	40
East India	Williamson Magor & Co.	14,415	2'47	14,785	2'48	15	12-58	217	269	5	5	10
Eastern Cachar	Octavius Steel and Co. Ltd.	4,913	1'82	4,127	1'74	15	12-58	-185	-190	nil	nil	nil
Ellenbarrie	Duncan Bros and Co. Ltd.	5,632	1'75	5,633	1'74	10	12-58	31	(a)27	nil	nil	5
Ego	Andrew Yule and Co. Ltd.	3,348	1'89	2,944	1'67	5	12-58	19	-17	nil	nil	nil
Ethelbarrie	Directors	6,255	...	5,945	...	...	12-58	-4	105	nil	7 1/2	10
Gairkhat	Gill Arbutnot and Co. Ltd.	13,288	1'94	12,128	1'88	30	12-58	97	-22	nil	nil	10
Galle	Davenport and Co. Private Ltd. 6% C. P.	2,783	2'86	2,918	2'68	13	12-58	-41	-27	nil	nil	10
Gillapukhuri	Directors	9,374	...	8,202	...	...	12-58	363	358	25	25	30
Gokpur	Williamson Magor and Co. Ltd.	7,943	2'46	7,618	2'69	22	12-58	250	25	25	25	30
Gopalpur	Secretary	14,232	2'46	14,306	2'18	1,37	12-58	5,72	5,34	12	10	12
Grob	Octavius Steel and Co. Ltd. 'B' Ordinary	22,205	...	23,650	...	...	12-58	1,126	30	25	25	25
Gungaram	Duncan Bros and Co. Ltd.	15,164	1'72	16,331	1'68	30	12-58	(a)56	32 1/2	20	20	50
Hansqua	Duncan Bros and Co. Ltd.	6,503	1'74	6,348	1'71	15	12-58	70	(j)234	nil	7 1/2	10
Hanapara	Duncan Bros and Co. Ltd. 8% C. P.	31,701	1'84	32,853	1'77	35	12-53	227	(y)221	nil	10	10
Hasimara	Davenport and Co. Private 7% C. P.	67,524	2'69	...	...	69	12-58	949	755	8	8	8
Hattikihra	Octavius Steel and Co. Ltd.	22,163	1'70	16,239	1'67	36	12-58	484	-55	5	5	5
Hoograjuli	Directors	6,146	2'01	5,288	2'01	6	12-58	79	101	5	10	15
Hoolungoorie	Andrew Yule and Co. Ltd.	15,259	2'32	13,519	2'29	38	12-58	447	254	17 1/2	12 1/2	15
Huldibari	Davenport and Co. Ltd.	25,107	1'72	21,710	1'59	42	12-58	475	311	15	12 1/2	25
Jaybirpara	Andrew Yule and Co. Ltd.	6,362	1'85	6,425	1'87	10	12-58	24	-40	nil	nil	6
Jaybree	Birla Bros Private Ltd. 6% R.C.P.	...	...	...	...	275	12-58	3,288	2,829	10	10	10
Joonktollie	Kettwell Bullen & Co. Gill Arbutnot and Co. Ltd.	11,495	2'06	10,715	2'01	34	12-58	377	452	6	6	...
Jutlibari	...	12,815	2'42	11,377	2'50	34	12-58	359	306	22 1/2	22 1/2	11 1/2
Kalati	Octavius Steel and Co. Ltd.	3,306	2'15	2,917	1'95	15	12-58	123	10	nil	nil	nil
Kalinugger and Khoroe	Bullion Co. Ltd.	3,901	1'12 2	4,390	2'12 6	6	12-56	118	338	12 1/2	15	20
Kilcoot	Duncan Bros and Co. Ltd.	12,634	1'85	13,495	1'78	24	12-58	245	434	7 1/2	25	20
Kinsley Goleghat	Directors 6% preference	14,340	2'07	14,373	2'04	...	12-58	340	384	25	25	25
Kotamullai (m)	Duncan Bros. & Co. Ltd. 6% Pref.	17,288	1'84	16,584	1'72	25	12-58	133	(a8)-126	6	6	6
Krishanbehari	Directors	3,593	2'29	3,133	2'10	...	12-58	78	37	6	5	10

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Deprecia- tion	LIQUID ASSETS				
	April 1960 Rs. n.p.	April 1959 Rs. n.p.			General	Others	Carry Forward Rs. 000				Investments	Stocks and Stores Rs. 000	Outstand- ings Rs. 000	Cash	Others Rs. 000
Amuckie	27 12	27 12	10	446	671	482	...	911	2,030	748	15	944	180	41	122
7% C. P. P.	37 06	42 71	100	75	...	...	...	...	...	...	...	...	...	...	...
Ananda (Assam)	19 00	20 00	10	277	450	251	7	1,435	1,297	482	508	919	137	43	...
Anandabag	24 37	22 31	10	700	250	441	45	1,215	1,472	423	...	955	445	226	...
Arcuttipore	7 00	7 00	10	300	...	5	-198	478	536	195	1	217	24	3	...
Atal	6 00	6 62	10	450	...	80	1	835	1,693	447	41	438	243	37	21
4 1/2% C. P.	5 30	6 12	10	300	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debentures	...	...	1000	300	...	...	...	...	...	...	...	...	...	...	...
Baghmari	24 00	23 37	10	550	862	516	22	783	2,416	897	53	937	151	10	...
Beitakhal	7 90	8 06	10	400	270	14	43	247	927	318	64	328	77	45	...
6% Debentures	950 00	950 00	1000	150	...	...	...	...	...	...	...	...	...	...	...
Banarhat	340 00	288 00	100	2,700	2,826	6	81	3,288	5,746	2,487	81	3,569	1,329	1,063	...
8 1/2% C. P.	105 00	110 00	100	400	...	...	...	...	...	...	...	...	...	...	...
Baradighi	26 50	21 62	10	1,200	1,200	425	86	1,079	4,261	2,394	2	1,518	345	236	21
Basmatia	28 50	27 25	10	510	1,070	6	41	1,086	1,539	631	77	355	289	482	...
Beteli	23 37	18 25	5	495	240	151	60	1,015	1,559	997	...	716	532	196	...
Belgachi	26 03	29 12	10	250	250	196	41	603	430	246	925	152	58	16	...
Betjan	23 75	24 00	10	640	470	493	34	1,929	1,432	488	...	1,202	606	714	62
Bhatkwa	21 56	22 87	10	900	900	893	-22	942	2,560	1,206	54	1,181	735	206	...
Bijaynagar	204 00	171 50	100	900	625	916	39	1,223	3,231	1,006	483	1,517	250	282	...
Birpara	109 00	105 00	100	100	...	...	...	...	2,687	917	...	1,350	279	319	...
8% C. P.	21 00	19 75	10	3,300	700	818	550	5,770	8,208	3,299	326	4,802	1,010	92	...
Bishnauth	2 25	3 00	1000	300	...	...	...	568	803	102	8	121	24	30	...
Bloomfield	14 50	15 12	10	600	200	126	52	620	1,357	317	1	303	53	1	...
Bokakhat	19 00	17 94	10	750	454	352	51	617	1,335	391	53	652	201	64	...
Bormahjan	62 00	74 00	100	100	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	17 12	18 37	10	450	150	33	86	924	1,321	509	2	606	210	12	...
Borpukhuri	17 50	18 12	10	3,500	535	745	440	3,396	9,094	3,287	509	1,753	639	3,206	261
Brooke Bond	69 25	68 75	100	3,500	...	...	...	...	...	...	...	...	...	...	...
6% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Carron	200 00	127 00	100	600	370	360	6	352	1,438	454	15	562	99	27	...
Central Cachar	75 50	69 00	100	1,000	525	240	-195	1,891	2,785	1,017	3	1,103	423	149	14
Chamong	10 31	11 00	10	280	75	50	11	182	429	84	1	189	58	5	...
Chandypore	...	...	100	250	...	1	47	47	58	...	2	9	277	...	...
Choonabhatti	291 00	260 00	100	900	1,320	14	114	1,411	2,277	944	599	1,009	494	424	...
4 1/2% C. P.	104 50	106 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Chundeccherra	24 94	27 50	10	300	450	358	558	2,034	1,290	461	2	696	503	1,445	225
Cleveland	...	...	10	400	400	313	20	890	918	268	1	521	199	567	...
Dauracherra	9 31	9 25	10	600	610	394	58	555	991	248	103	364	231	777	...
Dejoe Valley	69 00	72 00	100	120	325	382	17	535	1,088	348	1	501	109	29	...
Desai & Purbottia	157 00	152 00	100	840	650	127	-118	2,187	4,104	1,856	...	1,013	1,365	18	42
Dolakhat	23 10	22 00	10	1,753	985	87	13	1,583	2,882	806	573	715	820	238	...
Dhansari	17 87	18 31	5	469	400	159	9	664	1,414	513	2	621	194	113	...
7% C. P.	3 00	3 06	10	520	577	328	63	...	...	...	...	...	...	...	...
Dhansari	29 62	23 62	100	450	577	328	63	1,124	1,429	343	59	786	234	364	13
Dilaram	102 00	95 00	100	200	107	72	3	91	375	166	1	103	42	118	...
Dinkrai	29 12	30 31	10	473	500	160	166	793	1,602	706	149	759	46	313	...
8% C. P.	8 90	9 70	10	70	...	...	...	...	...	...	...	...	...	...	...
Dufflaghur	40 94	35 00	10	701	908	150	462	1,792	2,541	1,418	207	1,105	202	1,348	...
East India	23 06	19 00	10	1,000	500	350	116	1,915	3,034	1,108	117	1,455	384	1	...
Eastern Cachar	1 94	4 87	100	700	...	...	-566	1,084	873	135	1	359	78	42	...
Ellenbarrie	149 00	155 00	100	300	100	277	6	460	986	439	...	472	96	28	...
Engo	196 00	400 00	100	120	264	...	-60	315	499	285	2	326	63	35	...
Etchelbarrie	10 00	12 00	10	490	33	28	-31	963	1,002	277	290	379	61	28	...
Gairkhat	165 00	140 00	100	750	270	355	-13	1,345	914	1,136	2	1,376	441	110	...
Galle	11 81	9 19	10	200	176	124	-121	238	844	319	48	155	71	17	...
6% C. P.	70 00	64 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Gillapukri	27 75	30 25	10	504	533	69	20	2,000	1,603	527	868	516	688	28	...
Gokpur	18 25	23 75	10	676	300	175	143	966	2,118	957	146	792	119	42	...
Gopalpur	22 62	20 00	25	1,050	500	498	132	7,66	17,66	749	3,12	8,26	3,94	3,96	...
Grob 'A'	13 56	15 87	5	361	...	...	...	...	5,903	1,755	8	2,779	1,010	80	...
Grob 'B'	151 00	138 00	100	1,344	760	1,280	8	691	2,745	1,035	458	1,513	289	113	...
Gungarem	19 50	18 44	10	500	510	547	17	331	1,451	446	124	669	89	8	...
Hansqua	141 00	110 00	100	3,600	1,025	2,159	19	2,637	6,882	2,120	508	3,560	365	294	...
Hantapara	109 00	100 00	100	50	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	23 75	23 75	10	3,200	2,125	3,619	248	4,095	11,068	5,491	869	5,395	1,307	446	...
Hassimara	106 00	111 00	100	300	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	14 00	12 31	10	1,260	550	250	75	949	3,045	1,329	...	1,527	172	26	...
Hattikhira	25 37	29 25	10	500	574	3	11	169	1,082	430	52	476	65	13	...
Hooprauli	199 00	188 00	100	870	1,280	65	91	1,234	2,935	1,404	9	1,221	465	313	...
Hoolungoorie	26 81	22 37	10	825	700	1,299	134	1,163	2,533	1,115	190	1,808	371	334	...
Hukdibari	13 50	13 56	10	700	512	...	-61	312	1,120	511	2	617	64	...	...
Jaybirpara	17 75	12 81	100	5,857	4,900	486	91	5,979	16,370	5,470	798	3,638	2,062	171	145
Jayshree	...	...	100	195	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	...	...	50	38	...	...	...	...	...	...	...	...	...	...	...
6% R. C. P.	21 12	20 12	10	600	741	448	112	1,151	1,739	860	273	755	206	976	...
Jamtollie	...	...	10	36	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	23 50	19 75	10	900	525	274	53	1,712	1,728	317	1	1,272	207	774	...
Julibari	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kaliti	5 37	5 45	10	246	...	...	66	1,806	359	48	2	221	325	20	...
Kallinugger & Khoreel	102 00	96 00	100	450	200	169	36	759	307	6	406	328	497	84	...
Killicott	20 06	19 62	10	900	750	911	34	941	2,367	696	307	1,271	193	95	...
Kingsley Golaghat	160 00	130 00	100	360	1,000	322	130	2,281	2,237	850	951	1,182	740	53	...
6% Preference	16 56	11 69	10	5	180	...	-232	3,657	2,467	351	3	1,231	164	266	50
Kotamullai (m)	15 06	16 50	25	218	...	...	1	...	...	...	...	...	...	...	...
6% Pref.	10 82	10 82	10	500	230	25	...	493	1,153	231	3	252	56	6	...
Krishnabehari	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

Indian Finance
TEA

NAME	Managing Agents Agents/Secretaries	Total Crop in mounds	Average price per pound	Total Crop in mounds previous year	Average price per pound previous year	Managing Agents allowance and Commission	Year ended	Net Profit		DIVIDEND PERCENT		
								Latest	Previous	Latest	Previous	Second Previous
		Mds.	Rs. a. p.	Mds.	Rs. a. p.	Rs. 000		Rs. 00	Rs. 000	Rs. 00	Rs. 00	Rs. 00
Kunchanpore	Duncan Bros and Co. Ltd.	4,497	1.71	3,602	1.68	10	12-58	(a)20	(b)8	nil	nil	nil
Kyung Tea Seeds	Shaw Wallace and Co. Ltd.	12,612	1.92	12,139	2.23	15	12-58	821	1,130	5	5	7
Lackatooah	Directors	5,962	1.80	5,641	2.03	15	12-58	89	(a)30	30	30	10
Ledo	Duncan Bros and Co. Ltd.	8,163	3.16	8,096	2.79	34	12-58	355	(a)24	17	20	30
Lingia	Williamson Magor & Co.	9,568	...	9,536	...	39	12-56	186	120	6	6	6
Longview	Daga and Co. Private Ltd.	4,276	1.63	4,229	1.58	20	12-58	13	23	24	5	20
Loobah	Octavius Steel and Co. Ltd.	15,266	2.37	15,042	2.63	54	12-58	550	668	25	25	35
Lukwah	Tantia Bros. Private	13,525	1.78	11,447	1.66	33	12-58	4,06	220	10	5	5
Malhati	D. C. Ghose & Co. Private	7,011	...	7,062	...	...	12-58	29	141	5	15	20
Manabarie	Directors	4,958	1.13	4,363	1.0	25	12-53	2,06	-494	nil	nil	nil
Manipur	Gill, Arbutnot and Co. Ltd.	4,535	3.36	4,281	3.0	20	12-58	186	94	10	7	10
Margareta Hope	McLeod and Co. Ltd.	3,223	...	3,223	...	2	12-58	39	-176	nil	nil	nil
Marionbarrie	Lohia Bros. Private Ltd.	4,878	2.36	5,335	2.18	20	12-58	200	120	6	6	12
Maud	Lohia Bros. Private Ltd.	10,352	2.93	10,584	2.74	70	12-58	703	510	22	16	20
Methoni	Octavius Steel and Co. Ltd.	1,978	3.93	2,062	3.45	5	12-58	46	-20	nil	nil	nil
Mim	Andrew Yule and Co. Ltd.	6,440	...	5,410	...	...	12-58	162	16	nil	nil	nil
Moheema	Directors	6,957	2.21	6,620	2.12	25	12-58	(a)191	81	40	40	60
Mothola	Kettlewell Bullen & Co.	5,171	2.75	5,444	2.45	33	12-58	331	275	20	17	20
Murphulani (Assam)	Andrew Yule & Co. Ltd.	9,005	1.75	7,506	1.66	...	12-58	244	-1.75	5	7	15
Naga Hills	Directors	10,858	1.85	10,565	1.82	24	12-58	(a)146	(v)167	5	7	15
Nagaurree	Williamson Magor	4,889	3.44	4,991	3.01	32	12-58	303	224	30	25	35
Nagri Farm	Duncan Bros. & Co. Ltd.	8,760	2.16	7,565	1.96	...	12-58	365	171	16	15	15
Namburnadi	Directors	10,683	2.65	9,752	2.76	...	12-58	361	536	25	25	30
New Assam Valley	Macneil Barry	7. 06	1.86	6,085	1.77	14	12-58	146	91	10	12	25
New Chumta	Davenport & Co. Private Ltd.	5,430	2.72	5,209	2.17	10	12-58	21	(b)24	nil	nil	ni
New Cinnatollah	Duncan Bros. & Co. Ltd.	22,413	1.98	19,432	1.84	77	12-58	815	(a)10	552	25	20
New Doonars	61% C. P.	14,523	2.16	12,168	2.05	86	12-58	819	482	nil	6	57
New Samanbagh	Shaw Wallace & Co. Ltd.	2,472	2.08	3,010	1.88	2	12-58	...	...	8	8	8
Nilpur Tea	Directors	10,543	1.69	8,829	1.71	...	12-58	380	158	20	15	15
N. W. Cachar	Duncan Bros. & Co. Ltd.	2,246	4.80	1,867	3.90	20	12-58	287	11	32	nil	nil
Okayti	7% C. P.	7,354	1.75	7,476	1.58	...	12-58	166	...	7	7	7
Oodlabari	Directors	6,159	1.70	5,815	1.66	20	12-58	41	148	7	10	15
Pathemara	Octavius Steel & Co. Ltd.	50,325	...	41,375	3.20	...	12-58	(d)3768	2,022	20	10	25
Patrakola	Duncan Bros. & Co. Ltd.	3,219	1.76	3,130	1.75	10	12-53	(e)115	10	nil	nil	7
Phakowa	Duncan Bros. & Co. Ltd.	1,518	3.27	1,419	2.86	10	12-58	(f)3	(i)14	nil	nil	nil
Poobong	Directors	2,346	2.53	1,656	2.58	...	12-58	31	-84	nil	nil	nil
Passimbing	7% C. P.	2,306	1.50	2,733	1.81	...	12-58	...	...	nil	nil	nil
Patiberece	Directors	9,459	2.06	6,235	1.99	25	12-58	43	96	nil	6	nil
Rajabhat	McLeod & Co. Ltd.	5,755	2.19	5,597	2.16	8	12-58	112	-284	nil	25	12
Rajgarh	Andrew Yule & Co. Ltd.	5,818	2.18	4,701	1.91	23	12-58	222	101	25	25	40
Rainagar	Shaw Wallace & Co. Ltd.	12,748	1.99	11,606	1.83	80	12-58	336	209	25	25	19
Ranicherra	McLeod & Co. Ltd.	8,657	1.93	6,795	1.83	20	12-58	56	-66	nil	25	20
Roopacherra	McLeod & Co. Ltd.	6,918	1.75	8,715	1.72	20	12-58	45	(a)137	24	7	5
Rungamattae	Duncan Bros. & Co. Ltd.	2,451	3.45	1,962	3.49	11	12-58	140	59	30	25	35
Runglees Runglue	Duncan Bros. & Co. Ltd.	26,144	...	25,416	...	77	12-57	867	1,365	20	30	50
Rydak	Jardine Henderson Ltd.	15,712	...	15,981	...	...	12-58	437	432	15	15	25
Sepoi	Directors	9,273	1.92	7,809	1.78	...	12-58	419	251	50	20	30
Sarugeon	Williamson Magor & Co.	2,344	3.09	2,405	2.91	10	12-58	218	237	22	72	15
Seajuli	Directors	2,164	3.59	2,285	3.33	10	12-58	132	131	15	10	nil
Seeyok	Gill, Arbutnot & Co. Ltd.	3,407	3.08	2,680	2.75	6	12-58	22	-35	nil	nil	nil
Selimong	Hoare Miller & Co. Ltd.	3,179	3.19	3,267	2.55	10	12-58	95	-116	nil	nil	nil
Singell	Goenta & Co. Ltd.	5.295	1.65	4,520	1.63	...	12-58	176	(c)134	7	5	5
Singtom	Directors	3,905	3.49	3,768	3.26	36	12-58	205	-98	nil	nil	nil
Sonai River	8% C. P.	4,580	4.29	4,418	3.49	57	12-58	331	279	50	35	40
Soom	McLeod & Co. Ltd.	5,242	1.89	5,206	1.82	17	12-58	564	246	15	7	15
Sungma	Gill, Arbutnot & Co. Ltd.	8,020	2.42	7,735	2.60	39	12-57	397	40	nil	nil	5
Taipoo	Davenport & Co. Private Ltd.	4,153	2.89	4,321	2.83	15	12-58	3	90	nil	10	25
Teen Ali	Duncan Bros. & Co. Ltd.	9,945	2.35	10,300	2.25	41	12-58	601	(f)381	12	6	15
Teesta Valley	McLeod & Co. Ltd.	8,507	2.80	7,494	2.76	36	12-58	423	449	25	30	55
Teliapara	Gill, Arbutnot & Co. Ltd.	35,023	1.92	30,308	1.81	71	12-58	378	220	15	15	10
Telojyn	Shaw Wallace & Co. Ltd.	...	...	...	...	...	12-58	753	178	12	nil	12
Tengpani	Daga & Co. Private Ltd.	...	...	...	...	12	12-55	...	...	8	8	8
Tespore	McLeod & Co. Ltd.	8,010	1.89	8,084	2.22	25	12-57	218	580	nil	nil	nil
Tilak	10% C. P.	...	...	...	...	...	...	...	...	30	25	30
Tirihannah	Daga & Co. Private Ltd.	9,866	...	9,186	...	26	12-56	67	17	10	10	10
Tongani	Directors	15,467	2.47	16,082	2.16	46	12-58	562	423	15	30	nil
Tukvar	McLeod & Co. Ltd.	...	...	...	...	...	...	...	...	...	...	...
Tyoon	...	...	...	...	...	...	...	...	...	...	...	...

(a) After writing back Rs 60,000 from provision for Taxation.

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

(d) After writing back Rs 375,257 from Depreciation Reserve.

(e) After transferring Rs 125,000 from Reserve.

(f) After transferring Rs 50,000 from Building and Machinery Reserve.

(g) After transferring Rs 60,000 from Revenue Reserve.

(h) After transferring Rs 35,000 from Revenue Reserve; Rs 72,597 from Depreciation Reserve and Rs 48,794 from Building and Machinery Reserve.

(i) After transferring Rs 25,000 from Revenue Reserve; Rs 121,000 from Building and Machinery Reserve and Rs 15,000 from Hall Reserve.

(j) After transferring Rs 77,795 from Building and Machinery Reserve.

(l) After transferring Rs 65,000 from Revenue Reserve; Rs 96,181 from Depreciation Reserve and Rs 23,383 from Building and Machinery Reserve.

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

(n) After transferring Rs 30,000 from Revenue Reserve; Rs 71,688 from Building and Machinery Reserve; Rs 27,445 from Replanting Reserve and Rs 10,000 from provision for taxation.

(p) After transferring Rs 68,450 from General Reserve and Rs 60,000 from Tax provision.

(q) After transferring Rs 40,000 from Building and Machinery Reserve.

(r) After transferring Rs 50,000 from Revenue Reserve and Rs 45,000 from Building and Machinery Reserve.

(s) After transferring Rs 79,539 from Depreciation Reserve and Rs 5,000 from Development Reserve.

(u) After transferring Rs 151,220 from Depreciation Reserve; Rs 60,000 from Replanting Reserve; Rs 25,000 from Development Reserve and Rs 20,000 from General Reserve.

(v) After transferring Rs 55,223 from Building and Machinery Reserve and Rs 18,000 from provision for taxation.

(w) After transferring Rs 145,000 from Revenue Reserve and Rs 5,000 from Development Reserve.

(x) After transferring Rs 30,000 from General Reserve and Rs 60,000 from provision for taxation including Rs 88,623 being dividends forfeited.

(y) After transferring Rs 298,782 from Building and Machinery Reserve and Rs 175,000 from Revenue Reserve.

(z) After transferring Rs 110,000 from Revenue Reserve.

7 May 1960

COMPANIES

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATELY ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1959	April 1959			General	Others	Carry Forward				Investments	Stocks & Stores	Outstanding	Cash	Others
	Rs. np.	Rs. A.													
Kunchanpore	8 50	8 50	10	360	55	55	4	292	614	268	...	302	62	20	...
Kyung Tea Seeds	5 25	5 12	10	200	35	...	1	45	183	2	34	7	56	3	...
Lackatooah	19 75	18 81	10	400	501	296	192	2,181	1,157	393	5	883	540	1,576	...
Ledo	19 25	19 00	10	650	140	726	10	527	1,389	389	188	620	243	1	...
Lingia	20 03	21 62	10	700	150	61	31	705	1,535	636	387	686	197	27	...
6% C. P.	64 00	6 62	100	506	600	568	32	1,032	2,623	623	209	871	165	18	...
Longview	10 37	3 62	10	1,032	58	...	-121	776	686	129	2	285	243	189	...
Loobah	3 25	3 62	10	564	600	391	441	2,228	1,664	493	1,931	1,140	304	39	...
Lukwah	...	...	...	475	...	...	...	...	...	...	...	...	...	...	...
5% Cum Pref.	...	...	...	900	1,505	605	105	638	2,813	916	422	962	146	329	...
Malhati	18 75	14 00	10	200	486	86	3	1,031	705	325	...	321	846	46	...
Manabarie	65 62	66 50	100	420	2,10	40	-6.20	8,82	7,31	1,80	...	326	32	22	2,12
Manipur	...	...	10	400	200	205	69	454	823	387	2	349	247	304	...
Margareta Hope	14 06	15 00	10	155	...	...	-373	1,425	1,181	206	2	142	86	1	...
Marionbarrie	...	...	10	800	100	2	5	1,645	1,488	433	195	455	104	181	...
Maud	15 00	14 75	10	1,000	700	550	62	1,233	2,265	699	95	1,014	306	564	...
Methoni	23 69	23 25	100	159	335	16	5	204	498	220	1	252	101	89	...
Mim	226 00	13 31	10	480	...	30	6	605	1,224	292	...	442	62	7	...
Moheema	13 31	9 21ad	10	320	...	...	...	...	...	...	...	...	...	...	...
6% C. P	510 00	395 00	100	150	720	641	50	553	11	10	...	3 0	136	1,459	...
Mothola	25 87	28 87	10	175	781	...	40	677	1,244	621	150	2	638	195	416
Murphulani (Assam)	27 62	27 50	10	200	...	...	...	...	...	...	...	...	...	...	...
Prefd. Ord.	22 50	27 37	10	400	291	74	-31	1,668	1,372	441	585	687	166	36	...
Naga Hills	190 00	139 00	100	960	965	864	20	565	2,635	909	406	912	230	100	...
Nagaiaures	25 25	25 87	10	300	250	175	124	510	688	201	114	322	121	315	...
Nagri Farm	13 25	13 50	10	535	175	130	3	629	1,217	543	...	493	238	68	...
Namburnadi	...	...	225	675	850	151	45	1,169	1,678	503	193	1,274	242	16	...
New Assam Valley	36 25	34 37	10	300	200	618	60	415	952	358	150	512	171	167	...
New Chumta	114 00	114 00	100	500	...	20	-59	758	906	312	...	500	48	76	...
New Ginnatollah	294 00	294 00	100	1,400	2,000	27	86	1,917	2,776	1,130	649	1,622	733	980	...
New Dooras	102 50	109 00	100	200	...	...	...	...	...	...	...	...	...	...	...
5 1/2% C.P.	24 94	23 50	10	400	900	5	244	1,594	1,259	576	1	739	277	1,544	...
New Samanbagh	91 50	101 50	100	100	...	...	...	...	...	...	...	...	...	...	...
8% C. P.	...	...	100	149	60	...	23	286	395	150	1	245	17	9	...
Nilpur Tea	149 00ad	94 00	100	700	500	172	140	845	1,254	320	159	567	673	26	...
North Western Cachar	601 00	500 00	100	100	60	152	13	237	471	249	...	111	39	240	...
Oxanyi	79 00	93 50	100	50	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Oxlabari	14 50	17 06	10	640	330	247	10	268	1,238	303	2	382	100	76	...
Pathamra	7 09	6 75	10	259	...	...	-223	1,205	654	94	1	619	60	...	...
Patrakola	185 60	134 00	100	3,600	4,525	1,460	184	9,170	6,424	2,585	100	3,947	2,934	8,121	...
Phakowa	150 00	144 00	100	250	185	192	7	149	571	210	...	266	50	68	37
Probang	6 94	8 00	10	300	...	...	-15	148	612	241	...	107	57	2	...
Pusaibmine	10 50	10 12	10	205	113	95	-87	173	540	97	48	140	57	15	...
7% C. P.	93 00ad	...	100	295	...	...	-13	173	...	...	...	...	...	...	...
Putinbarree	47 00	50 09	10	100	60	135	...	376	168	168	1	198	38	10	...
Rajabhat	18 50	19 50	10	600	577	530	-332	528	1,521	656	54	778	156	50	...
Rajgarh	39 87	47 25	10	200	844	2	39	620	1,138	492	2	558	204	294	...
Rajnaraj	9 56	9 56	10	320	150	43	141	638	810	433	1	339	187	338	...
Ranicherra	20 05	17 25	10	765	700	751	31	764	926	1,443	54	1,084	306	83	1
Roopacherra	16 31	12 37	10	260	231	117	-81	1,221	959	319	1	926	145	31	56
Rungamattie	80 00	82 00	50	525	455	577	2	429	1,511	435	99	551	231	30	...
Runglee Runglie	360 00	385 00	100	1,400	270	231	25	265	444	207	224	210	55	204	...
Rydak	34 50	30 00	10	1,400	1,804	881	50	2,619	5,520	3,112	4	2,225	396	1,773	...
Sepoi	23 25	22 25	10	200	233	49	22	2,666	3,172	1,212	500	585	640	55	...
Sorugeon	32 37	26 50	10	346	600	234	9	1,249	1,188	635	27	759	894	73	...
Seajuli	28 25	29 00	10	249	300	85	110	455	1,239	665	2	530	41	53	...
Seeyok	10 50ad	10 94	10	300	125	202	4	149	551	196	...	173	54	198	...
Selimong	...	...	100	300	105	10	28	353	600	239	1	295	121	17	...
Singell	29 37	22 00	100	625	...	...	-762	1,034	696	106	...	148	147	22	...
Singtom	6 25	6 44	10	900	...	19	1	341	1,323	294	207	146	90	102	2
5% C. P.	5 19	6 12	10	300	...	...	...	...	...	...	...	...	...	...	...
5% C. P.	9 12	6 50	10	400	...	...	...	...	...	...	...	...	...	...	...
Sonsi River	93 00	93 00	100	100	...	105	...	413	1,156	396	1	339	24	3	...
8% C. P.	39 50	38 62	10	300	300	113	183	665	763	382	...	...	...	...	...
Sonm	14 15	17 69	10	625	600	351	32	658	1,694	469	2	293	91	597	...
Sunama	...	...	10	500	205	58	-28	629	1,125	478	1	361	90	515	52
Taiioo	...	...	10	450	600	250	72	924	1,311	517	197	556	135	26	...
Teen Ali	17 00	20 62	10	320	400	454	-8	630	896	166	309	836	256	207	...
Teesta Valley	128 00	131 00	100	900	1,525	584	22	1,173	2,080	656	49	564	124	355	...
Teliapara	28 05	29 51	10	598	854	449	47	1,133	1,686	555	56	1,074	320	1,336	...
Telojan	35 87	37 37	10	800	275	287	50	1,546	1,311	453	...	805	405	457	227
Tengpani	18 50	17 00	10	1,983	1,350	17	41	1,676	4,808	2,065	82	974	417	709	...
Tezporo	11 19	9 95	10	205	...	...	...	...	...	...	...	1,915	684	79	...
A% Pref. Cum. asto 5	10 00	10 00	10	375	3,75	56	-30	17,50	16,15	1,94	...	...	...	...	...
Tilkah	40 00	32 75	10	220	400	575	34	858	1,361	552	1	8,77	1,70	85	...
Tirrihannah	14 00	13 03	10	100	...	...	...	...	...	...	2	720	216	440	...
10% C. P	8 00	8 56	10	600	390	...	6	1,170	1,528	307	...	734	114	16	81
Tongani	8 00	9 50	10	801	...	...	-48	1,396	1,679	459	2	688	175	32	...
Tukvar	...	...	10	520	1,050	1,260	61	2,162	4,158	1,488	53	1,516	287	251	...
Tyoon	38 50	40 62	10	...	...	...	...	...	...	...	...	...	...	...	...

SUGAR

NAME	Managing Agents/ Agents/Secretaries	Cane Crushed	Sugar Produced	Sales	Stock	Managing Agents allowance and Commission	Year-ended	Net Profit		Dividend per cent		
								Latest	Previous	Latest	Previous	Second Previous
		Mds. 000	Mds. 000	Rs. 000	Rs. 000	Rs. 000		Rs. 000	Rs. 000			
Andhra	Ranga Rao, & Co.	4,332	411	15,381	1,759	194	9-59	2,260	2,332	20	15	12 1/2
Balrampur	Directors	6,760	...	17,329	4,202	...	6-59	(j)448	(j)599	5	5	5
Basti	Narang Bros.	...	...	20,663	9,645	110	4-59	1,186	1,242	10	10	10
Belapur Co.	Ordry, B. Class	...	...	16,819	1,686	450	9-59	4,366	5,991	42	40	36
Belund	Bangur Bros. Ltd.	2,491	260	7,525	3,259	79	9-58	782	796	13 1/2	13 1/2	13 1/2
Bharat	Cotton Agents Private	1,875	...	7,140	2,253	44	6-59	674	(i)429	15	10	15
Bhopal	5% R. C. P. T.	1,908	1.94	6,540	1,192	119	9-59	1,289	1,451	20	20	20
Bhivaniwadi & Co.	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Crew	Gladstone Lyall & Co. Ltd.	...	...	28,883	11,898	296	6-59	2,160	2,750	...	...	...
Cawery	6% Debentures	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...
Champan	Pary & Co.	...	...	...	...	...	...	...	...	...	...	...
Deoria	Begg Sutherland & Co. Private	10,194	983	36,149	4,373	...	10-58	-696	-53	...	...	...
Darbhang	8% C. P.	...	...	...	...	...	...	...	...	...	...	...
Dyer Meakin	Begg Sutherland & Co. Pri. Ltd.	5,789	570	20,309	2,128	130	6-59	1,355	995	...	...	...
East India Distill	Parry & Co. Ltd.	...	...	36,364	9,226	298	5-59	3,304	3,536	25 1/2	18	14 1/2
Ganesh	7% preference	...	...	...	...	...	...	...	...	...	...	...
Ganga Sugar	K. C. Thapar & Bros.	2,985	...	9,261	3,449	...	8-58	224	89	5	7	5
Gobind	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Gwalior	Directors	28,85	2.99	70,36	18,31	...	8-54	9,94	16,78	15	15	7 1/2
Harihar	Dyer Meakin Breweries	...	...	26,112	3,474	...	3-59	5,608	4,440	16	15	12
Hindustan	East India Distill (2)	...	...	10,851	...	...	9-58	831	829	20	15	15
India	Parry's Holding Private Ltd.	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	7% R. C. P.	2,956	310	9,693	1,441	...	10-58	573	-410	10	10	7
Jaswant	Directors	...	...	21,080	14,541	...	3-59	2,017	2,839	12 1/2	12 1/2	17 1/2
Jeypore	7 1/2% C. P.	1,880	...	8,689	2,125	...	6-58	558	1,075	...	...	...
K. C. P.	Cotton Agent Private Ltd	3,124	...	14,456	3,821	161	6-58	1,647	1,461	10	10	6
Kesar	5 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
Kirlampudi	Sir J. P. Srivastava & Sons Pri.	...	...	...	...	...	...	...	...	...	...	...
Madara Sugar	7% R. C. P.	...	...	12,961	4,111	...	9-58	551	269	7 1/2	7 1/2	7 1/2
Maharashtra	Directors	10,324	...	38,553	15,569	371	6-58	5,087	4,831	15	15	15
Modi Sugar	Ordinary	1,378	...	13,333	2,255	58	9-58	(p) 1,699	(n) nil	10	10	11 1/2
Mohini	5% C. P.	3,202	...	13,409	6,074	9	4-59	824	1,381	15	15	10
Murree Brewery	Narang Bros & Co.	...	...	25,489	6,603	...	5-59	(a)2,129	2,360	22 1/2	15	15
Mysore	Directors	...	...	5,856	2,956	36	6-58	854	...	5 1/2	5 1/2	5 1/2
Nawabganj	5 1/2% R. C. P.	...	...	...	...	...	...	...	...	...	...	...
New India	R. S. Indus. Corp.	2,15	20	...	...	...	6-54	29,01	14,73	7 1/2	7 1/2	7 1/2
New Savan	6% C. P.	...	...	...	...	...	...	...	...	...	...	...
New Swadeshi	7% C. P.	4,233	404	19,772	23,458	...	7-59	1,123	855	100	100	100
Nizam Sugar	5% R. C. P.	...	...	12,937	6,242	24	6-58	624	748	...	...	...
Oudh	Deferred	...	...	...	...	...	...	...	...	...	...	...
Phalton Sugar	5 1/2% R.C.P.	...	...	...	...	...	...	...	...	...	...	...
Punjab Sugar	Kubera Sugar Manager. Private	...	...	...	...	...	...	...	...	...	...	...
Portabore	5 1/2% C. P.	...	...	...	...	...	...	...	...	...	...	...
Ramnugger Cane	5% Debentures	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	Pandia Retan & Co. Private	...	...	...	...	...	...	...	...	...	...	...
Ravalgaon Sugar	M. L. Dahanukar & Co. Pri.	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	7% C. P.	4,220	...	54,021	4,362	189	10-58	2,178	1,666	9	7	6
Ryam	K. C. Thapar & Bros.	1,590	...	5,926	1,138	19	11-58	-36	-332	...	...	...
Samastipur	Founders	...	...	...	...	...	...	...	...	...	...	...
Shadilal	5% C. P.	...	...	...	...	...	...	...	...	...	...	...
Shree Anand	Directors	...	...	...	...	...	...	...	...	...	...	...

MILLS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LAYERS ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1960 Rs. np.	April 1959 Rs. np.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstanding Rs. 000	Cash	Others
Andhra	23 10	22 50	10	3,000	1,809	905	23	5,276	9,139	2,875	220	3,174	1,015	331	...
Balrampur	4 16	7 00	5	1,400	120	1,652	45	5,449	4,574	3,332	46	5,343	1,696	324	16
Basti	120 50	120 50	100	1,200	356	2,712	1,000	9,932	6,611	4,219	2,680	11,153	498	182	117
Ordinary 'B' Class	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Belapur	337 00	290 00	50	7,050	11,339	1,357	76	6,291	16,116	10,888	2,375	10,461	577	8,470	...
Belsund	13 00	13 25	7 1/2	1,949	725	100	67	6,600	3,356	2,571	718	4,166	3,183	102	...
Bharat	16 37	13 00	10	1,500	650	756	5	2,529	2,344	1,491	1,366	2,719	945	45	...
5% R. C. P. T	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bhopal	26 25	23 88	10	1,750	1,250	267	5	3,896	4,506	2,737	55	3,259	1,351	1,907	25
5% C. P	84 50	85 50	100	1,250	...	...	...	...	...	...	...	...	...	...	...
Carew	12 00	9 12 1/2	10	3,200	1,260	1,747	14	15,627	15,264	10,544	54	16,561	2,947	502	14
61% R. C. P.	85 50	73 00 1/2	100	800	...	...	...	...	...	...	...	...	...	...	...
61% Debentures	980 00	920 00	1000	1,750	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	920 00	900 00	100	400	...	...	...	...	...	...	...	...	...	...	...
Cawery	140 00	108 00	100	3,983	...	...	...	6,038	1,177	...	...	860	1,466	638	7889
6% C. P.	101 12	101 12	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Cawnpore	16 12	11 44	10	3,000	2,050	4,252	-2,224	8,961	16,483	9,810	264	7,005	2,456	283	427
8% C. P.	102 00	100 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
Champaran	21 12	16 87	10	1,800	1,440	2,805	17	6,440	8,499	6,358	37	8,342	1,578	355	29
Deccan	14 18	11 66	5	3,984	2,100	2,721	67	12,648	13,656	7,119	395	11,469	2,729	904	185
7% Preference	6 25	6 00	10	700	...	...	...	...	...	...	...	...	...	...	...
Deoria	10 06	9 56	10	958	145	184	-35	5,615	2,855	1,868	1,019	4,158	484	25	144
5% Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Darbhanga	19 00	19 75	10	2,600	31,000	2,36	1,12	19,18	57,53	37,24	2,58	36,93	12,89	6,97	...
Dyer Meakin	21 12	15 75	5	1,992	4,500	8,124	8	5,922	5,059	2,051	423	5,532	4,965	1,400	758
E. I. D. (E)	52 00	37 85	£1	550	1,000	1,75	56	1,275	1,431	781	609	915	800	247	...
7% C. P.	23 58	17 00	£1	200	...	...	...	...	...	...	...	...	...	...	...
Ganesh Sugar	19 87	19 87	10	2,000	150	3,480	25	3,840	6,972	2,235	2,136	2,667	536	18	...
Ganga Sugar	7 50	8 75	10	5,492	702	621	86	21,293	14,506	4,545	1,822	15,330	2,049	246	36
71% C. P	...	...	...	1,250	...	...	...	...	...	...	...	...	...	...	...
Gobind	...	...	...	500	160	57	5	2,792	2,911	...	24	2,665	123	31	...
51% R. C. P.	...	...	...	1,000	...	...	...	...	...	...	...	...	...	...	...
Gwalior	...	...	100	1,594	...	761	9	6,091	4,568	...	170	4,956	2,250	473	...
7% R. C. P.	...	...	100	675	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Harihar	...	...	10	250	1,000	969	5	12,515	8,149	...	...	...	...	...	...
Ordinary	...	...	100	750	...	...	...	...	...	...	...	...	...	...	...
Hindustan	216 00	230 00	100	6,000	4,662	1,850	43	20,229	21,144	8,621	...	...	...	...	...
5% C. P.	90 00	90 00	100	500	...	...	...	...	...	...	...	...	...	...	...
India	12 95	13 10	10	6,397	337	573	25	9,892	7,860	...	...	...	...	...	...
71% C. P. T	88 25	88 25	100	1,100	...	...	...	...	...	...	...	...	...	...	...
Jagatjit Sugar	...	...	100	1,109	1,266	1,424	616	5,288	3,458	7,842	866	6,975	311	110	...
Jaswant	5 25	5 25	10	2,000	1,850	291	55	9,285	13,065	7,442	66	7,776	1,088	140	187
51% B. C. P.	85 00	69 50	100	1,030	...	...	...	...	...	...	...	...	...	...	...
Jeypore	16 55	15 00	10	2,318	744	975	...	12,490	13,651	1,614	30	4,524	1,060	48	32
6% C. P.	95 80	84 00	100	200	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	101 10	93 00	100	1,000	...	...	...	...	...	...	...	...	...	...	...
K. C. P.	21 00	...	100	1,052	57,50	23,00	27	195,11	179,03	35,20	25,90	95,18	24,95	2,70	...
5% R. C. P	95 00	100 00	10	329	...	...	...	...	...	...	...	...	...	...	...
Deferred	...	...	...	287	...	...	...	...	...	...	...	...	...	...	...
Kesar	105 00	46 00	40	1,800	1,100	342	10	8,387	8,526	5,442	...	...	...	...	...
51% R. C. P	...	...	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Kirlanpudi	84 00	52 00	100	1,197	...	1,649	-19,96	9,083	7,260	2,657	...	...	...	...	...
51% C. P.	132 00	106 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	101 50	101 50	100	3,490	...	...	...	...	...	...	...	...	...	...	...
Madura Sugars	...	...	10	2,000	...	306	86	662	2,793	1,794	...	...	...	...	...
Maharashtra	251 00	226 00	50	6,750	4,025	328	298	11,796	13,216	6,239	...	...	...	...	...
7% C. P.	240,00N	240,00	250	500	...	...	...	...	...	...	...	...	...	...	...
Modi Sugar	...	7 40	10	7,339	1,240	896	83	6,546	12,360	5,689	44	6,766	2,133	490	...
Mohini	4 75	2 00	10	1,000	...	233	-3,235	8,974	5,614	2,137	20	2,012	1,615	17	55
Murree Brewery	...	...	1	25	...	...	...	...	...	...	...	...	...	...	...
5% C. P	70 00	70 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Mysore	...	...	10	2,400	6,13	2,00	-7,88	5,52	7,56	9,618	4,84	6,87	4,28	4,56	2,05
Nawabganj	59 00	51 50	10	2,179	6,250	3,023	144	13,313	15,731	3,052	4,018	9,790	4,149	636	204
'B' Class	60 00	60 00	100	1,200	550	910	799	3,524	5,622	1,660	1,537	1,619	434	453	...
5% Debentures	...	...	1	500	...	...	...	...	...	...	...	...	...	...	...
New India	...	...	50	1,000	...	...	...	...	...	...	...	...	...	...	...
51% R. C. P. T.	33 00	27 37	10	789	2,150	709	6	5,441	5,291	3,083	...	...	...	...	...
71% C. R. P. P.	...	...	100	1,000	...	...	...	...	...	...	...	...	...	...	...
New Savan	150 00	92 00	100	49	...	...	...	...	...	...	...	...	...	...	...
New Swadeshi	6 69	5 06	10	1,100	2,75	178	3	861	4,909	2,920	57	...	50	21	...
Ord. P. P.	300 00	250 00	100	1,351	1,835	3,547	35	6,793	8,199	3,060	714	5,164	2,102	451	...
Nizam Sugar	...	...	25	10,997	5,252	3,305	102	47,825	29,270	17,639	343	39,872	16,404	2,162	681
5% C. P.	...	...	25	1,200	...	...	...	...	...	...	...	...	...	...	...
4% C. P	...	...	25	2,380	...	...	...	...	...	...	...	...	...	...	...
Oudh	167 00	140 00	100	7,745	914	2,223	16	14,191	26,114	14,164	338	12,436	4,664	575	...
Ord. P. P.	...	...	3	...	...	...	...	...	...	...	...	...	...	...	...
4% R. C. P.	...	...	25	367	...	...	...	...	...	...	...	...	...	...	...
Phalton Sugar	163 00	167 00	50	5,000	4,074	1,793	150	11,343	11,877	7,042	...	...	...	...	...
Punjab Sugar	80 00	80 00	100	1,200	270	957	11	4,161	3,642	2,166	207	8,503	4,720	4,003	23
Portabore	12 00	12 12	10	900	200	1,764	16	2,414	4,388	3,294	1,251	2,977	580	61	251
10% C. P.	12 00	13 00	10	600	...	...	...	...	...	...	35	2,711	1,703	39	312
Ramnugger Cane	24 00	20 50	10	1,660	1,825	2,008	20	...	...	3,626	...	...	...	...	...
6% C. P.	92 00	93 00	100	400	...	...	...	...	...	...	...	...	...	...	...
51% Debentures	...	...	500	595	...	...	...	...	...	...	...	...	...	...	...
Ratna Sugar	1 45	2 65	10	1,175	...	114	-285	3,148	3,242	2,321	...	...	...	...	...
9% C. P.	...	...	100	39	...	...	...	...	...	...	10	3,073	155	34	...
Ravaleon Sugar	120 00	124 00	50	2,000	11,00	25,27	68	41,30	95,61	56,01	...	...	...	...	...
51% Cum Pref.	64 50	64 00	100	2,000	...	...	...	...	...	...	...	...	...	...	...
Deferred	30 00	30 00 N	10	400	...	...	...	...	...	...	...	...	...	...	...
Debenture	495 00	625 00	500	2,000	...	...	...	...	...	...	...	...	...	...	...
Raza Buland	13 37	14 62	10	6,359	1,840	902	7	6,200	8,710	3,413	1,697	5,152	2,895	255	...
Ryam	15 34	16 50	10	800	150	500	1	3,937	2,927	2,393	210	4,252	653	539	...
6% C. P	8 40 1/2	9 00	10	1,000	...	...	...	...	...	...	...	...	...	...	...
Samastipur	13 00	12 00	10	1,199	345	1,347	21	3,489	4,813	2,613	...	...	...	...	...
Shadila	...	...	100	859	881	1,597	...	12,590	13,597	7,300	816	5,911	500	125	39
8% C. preference	...	...	100	641	...	...	...	...	...	...	...	...	1,458	43	2,044
Shree Anand	11 00	10 25	10	2,090	...	2,239	4	3,712	4,819	1,682	1,545	1,299	908	16	...
Debentures	...	...	...	500	...	...	...	...	...	...	...	...			

SUGAR

NAME	Managing Agents' Agents/Secretaries	Cane Crushed Mds. 000	Sugar Produced Mds. 000	Sales Rs. 000	Stock Rs. 000	Managing Agents' allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
								Latest Rs. 000	Previous Rs. 000	Latest %	Previous %	Second Previous %
Shree Chandee	A. H. Bhiwandewalla & Co.	...	...	15,505	3,172	73	9-58	1,770	2,450	18	18	40
Shree Hanuman	D. Rameshwarlall	2,394	...	11,434	2,719	52	9-57	957	546	6	74	91
5% C. P.	...	...	...	...	...	...	...	...	...	5	5	5
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	Sahu Jain Ltd.	8,552	...	29,982	10,491	203	7-59	2,298	1,474	15	10	10
6% 'A' Pref.	...	...	...	...	...	...	...	...	...	6	6	6
5% 'B' Pref.	...	...	...	...	...	...	...	...	...	5	5	5
5 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram	Directors	2,651	...	8,785	3,302	...	8-58	(q)262	257	5	5	10
Sitalpur	Directors	23,98	...	43,06	34,35	...	6-56	2,03	-72	nil	nil	nil
South Behar	Directors	...	...	10,425	1,367	...	10-58	177	-190	nil	nil	nil
9% pref. cum as to 7	...	...	...	...	...	...	...	...	...	nil	nil	nil
Deferred	...	...	...	...	...	...	...	...	...	nil	nil	nil
6% Debentures	...	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery & Distill	K. C. Thapar & Bros.	8,15	...	65,83	7,13	18	12-54	1,54	3,39	5	10	10
5% C. P.	...	...	...	...	...	...	...	...	...	5	5	5
Travancore	Parry & Co. Ltd.	133	11	13,052	4,927	103	4-59	943	1,339	7	10	10
5% C. P.	...	...	...	...	...	...	...	...	...	5	5	5
Ugar	Shirgaokar Bros	...	...	6,721	5,946	165	6-58	1,804	743	8	6	6
Prof. "A"	...	...	...	...	...	...	...	...	...	6	6	6
United Breweries	Directors	...	...	3,642	97	...	3-58	1,482	(k)886	60	20	20
United Provinces	...	2,953	321	9,998	2,055	...	9-58	736	10	74	6	6
Upper Doab Sugar	R. Lal Debi Prasad & Bros.	...	...	168,22	37,97	150	9-55	14,86	22,22	12	15	2
Upper Ganges	Cotton Agents Private	6,070	...	32,529	5,245	246	6-59	2,960	3,666	71	50	50
5% C. P.	...	...	...	...	...	...	...	...	...	5	5	5
5% C. P. T.	...	...	...	...	...	...	...	...	...	...	...	...
Upper India	Mitra Mandal Private	6,151	...	20,452	12,284	136	4-58	(r)2,205	1,542	15	15	15
'B' Class Ordry	...	...	...	...	...	...	...	...	...	15	15	15
Vizagapatam	Kantilal & Sheh	...	...	...	...	12	6-54	-2,06	-2,30	nil	nil	...
Walchandnagar Industries	Walchand & Co. private	227 1/2	...	50,561	7,031	487	9-58	5,570	6,573	21	21	21
7% C. P.	...	...	...	...	...	...	...	...	...	7	7	7
4 1/2% Debentures	...	...	...	...	...	...	...	...	...	...	...	...

[Tons.

(a) After transferring Rs 2,039,237 from General Reserve.
 (b) After writing back Rs 1,30,000 from taxation, Rs 60,000 from contingencies and Rs 38,539 from Gratuity. (c) After writing back Rs 85,000 from contingencies for stock realisation Rs 12,536 from provision for taxation. (d) After writing back Rs 2,80,018 being provision for liabilities no longer required. (e) After writing back Rs 100,000 from Reserve for book debts and advances. (f) After writing back Rs 98,511 being provisions no longer required.

ELECTRIC

NAME	Managing Agents, Agents/Secretaries	Latest		Previous		Managing Agents' allowance and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000			
Agra Electric Supply	Martin Burn Ltd. 4½% Debentures	36,283	4,229	31,513	3,876	115	3-58	(f)1,083	(a)1,123	10	10	10
Ahmedabad Electricity Co...	Killick Industries Ltd. 4½% Debentures	659,802	46,061	630,636	40,461	6,96	3-59	11,861	11,092	61	61	...
Aligarh	Jain & Co.	...	...	...	...	31	3-54	1,70	1,68	94	10	94
Amalgamated Elec'ty Co. ...	N. C. Javeri & Co. 5½% C. P.	40,481	8,154	43,589	7,211	319	3-59	1,939	1,664	9	8	8
Anand	Sonawala Co. Private 6% C. P.	...	506	...	474	15	3-59	92	89	5	5	5
Andhra Valley Power	Tata Hydro Elec. Agencies Pri. 7% C. P.	...	19,026	...	17,420	426	3-59	(l)6,878	(b)7,153	10	10	...
	4% Debentures	...	...	...	...	...	...	...	...	6	6	...
		...	...	...	...	...	...	...	...	8	8	5 1/2
		...	...	...	...	...	...	...	...	7	7	5 1/2
Bareilly Elec'ty Supply	Martin Burn Ltd. 4½% Debentures	12,787	2,142	13,482	2,420	61	3-58	413	(d)590	10	12½	10
Benares Electric	Martin Burn Ltd. 4½% Debentures	38,063	4,414	38,063	4,912	115	3-58	(i)1,048	1,234	10	12½	12½
Berhampur Electric Supply...	Directors 6% C. P.	2,029	625	1,778	570	...	3-59	113	134	3	6	6
Bhagalpur Elec. Supply	Octavius Steel & Co.	5,396	1,417	4,893	1,233	36	3-59	229	189	6	6	6
Bombay Suburban Elec.	Killick Industries Ltd.	99,869	10,143	83,581	8,690	261	3-59	(m)3,384	2,803	5	5	8½
Broach Elec. Supply	Rajputana Textiles Agencies 6% Debentures	2,068	588	1,917	550	27	3-59	191	146	7½	7	7
		...	...	...	...	...	...	...	...	6	5	nil
		...	...	...	...	...	...	...	...	...	...	...
Calcutta Elec. Supply	Directors 5% C. P.	1,899,400	5,292	13,027	4,996	...	12-54	19,00	16,17	...	...	...
	5% Debentures	...	...	...	...	...	...	...	...	6	6	6
Cochin State Power	Chandrie & Co.	45,12	5,71	44,20	5,49	45	3-54	1,83	1,99	5	5	5
Cuttack Elec. Supply	Octavius Steel & Co. Ltd.	5,400	1,299	4,694	1,205	...	3-59	274	276	10	10	5½
		...	...	...	...	...	...	...	...	6½	6½	8
Dharwar	Directors 5% C. P.	371	...	339	...	...	3-59	140	118	7	7	7
		...	...	...	...	...	...	...	...	5	5	5

7 May 1960
MILLS—Contd.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES AND SURPLUS INCLUDING LATEST ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1960 Rs. np.	April 1959 Rs. np.			General	Others	Carry Forward Rs. 000				Investments	Stocks & Stores Rs. 000	Outstandings Rs. 000	Cash	Others
Shree Chandoo	29 00	29 00	12 1/2	3,750	1,500	165	2	5,821	7,912	5,351	1,396	6,051	992	129	108
Shree Hanuman	16 00	14 65	10	2,500	50	1,050	12	5,080	6,446	3,441	66	4,765	1,524	331	...
5% C. P.	55 60	60 00	100	500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	500	...	...	...	...	...	...	...	...	...	...	...
Shree Krishna Gyanoday	13 75	11 25	10	3,999	2,100	663	41	12,263	13,684	8,062	860	12,655	2,639	40	511
6% 'A' Pref.	85 00	81 00	100	600	...	...	...	...	...	...	...	...	...	...	...
5% 'B' Pref.	72 00	65 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Shree Sitaram	10 19	9 00	10	1,589	854	470	18	6,421	3,804	2,175	3,101	4,097	383	56	88
Sitalpur	6 62	4 00	10	1,000	...	27	-4.25	51.11	28.21	13.52	23	36.39	5.28	53	...
South Behar	1 00	1 37	10	650	45	...	-1,777	9,090	5,171	1,147	1,497	2,502	2,603	29	...
9% Pref. Cum. as to 7	20 50	20 50	100	915	...	...	...	...	...	...	...	...	...	...	...
Deferred	0 25	0 25	2 1/2	440	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	...	1,500	...	...	...	...	...	...	...	...	...	...	...
Standard Refinery	...	...	10	964	4,33	39	12	44,27	8.36	3.34	91	17,17	36,89	3,73	4
5% C. P.	...	...	100	500	...	...	...	...	...	...	...	...	...	...	...
Travancore	11 82	12 00	10	3,000	350	1,717	107	4,444	6,737	3,050	...	5,742	1,376	282	29
5% C. P.	9 00	8 35	10	1,500	...	...	...	...	...	...	...	...	...	...	...
Ugar	140 00	...	100	2,588	843	947	42	11,821	9,734	4,573	706	8,979	1,171	257	...
Pref. 'A'	...	...	100	34	...	...	...	...	...	...	...	...	...	...	...
United Breweries	80 00	...	10	600	960	...	9	1,820	3,095	2,685	1,562	1,246	171	31	...
United Provinces	17 25	15 19	10	1,600	356	422	50	3,289	3,564	2,787	70	3,166	1,628	270	...
Upper Doab Sugar	...	...	100	2,000	12,50	...	1.26	68.91	66.46	40.07	5.36	48.93	21.59	41	...
Upper Ganges	48 60	55 00	10	800	2,200	2,167	44	10,911	18,328	9,743	852	7,243	2,032	110	...
5% C. P.	70 00	75 00	100	1,200	...	...	...	...	...	...	...	...	...	...	...
5% C. P. T.	70 00	75 00	100	1,500	...	...	...	...	...	...	...	...	...	...	...
Upper India	102 00	127 00	100	350	1,700	1,376	23	17,989	9,869	3,931	101	13,072	3,395	40	...
'B' Class Ordinary	8 75	15 00	25	2,162	...	...	...	...	...	...	...	...	...	...	...
Vizagapatam	...	...	10	747	42	...	-4.83	39.40	29.22	8.99	25	14.44	7.00	55	...
Walchandnagar Indrs.	310 00	322 50	100	10,100	2,800	9,239	174	18,789	29,528	11,768	921	22,573	1,859	2,016	...
7% C. P.	115 25	118 75	100	350	...	...	...	...	...	...	...	...	...	...	...
4 1/2% Debentures	91 00	94 00	...	2,500	...	...	...	...	...	...	...	...	...	...	...

NAME	Managing Agents Agents/Secretaries	LATEST		PREVIOUS		Managing Agents allowances and Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Units sold	Revenue	Units sold	Revenue			Latest	Previous	Latest	Previous	Second Previous
		000's	Rs. 000	000's	Rs. 000			Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Dishergarh Power	Andrew Yule & Co. 5% 'A' C. P. 4½% 'B' C. P.	...	6,625	...	5,603	118	3-59	1,222	1,056	7½ 5 4½	7 5 4½	6½ 5 4½
Ellore Elec. Supply	Chandrie & Co.	1,608	3,20	14,65	2,91	14	3-54	68	63	7½	7½	6½
Gaurepore Elec. Supply	Macneill & Barry 4% Debentures	...	6,679	...	6,151	91	3-59	1,106	1,245	10	10	7½
Gudivada Elec. Supply	Mechelec Engineering Co.	...	1,66	...	1,18	8	3-54	(c) 19	19	4	4	3
Jhansi Elec. Supply	Moonna Lal & Sons 6% Debentures	27,23	9,42	21,85	7,82	32	12-53	1,47	1,58	6½	8½	8½
Jorhat Elec. Supply	K. N. Himatsingka & Co. 6% C. P.	...	1,37	...	...	4	3-54	45	...	nil	nil	...
Jubbulpore Elec. Supply	Martin Burn Ltd. 6% Debentures	32,109	3,588	28,096	2,869	140	3-58	(a) 958	(b) 604	9'20	9'20	9'25
Kanadukathan	Directors	...	1,93	...	2,14	...	3-56	82	88	3	3	3
Karaiikal Elec. Supply	A. S. Ahilandam	959	1,87	883	1,75	13	3-59	49	41	8	8	7
Kumbakonam Elec. Supply	India Company Private 6% Cum. Pref.	7,657	1,264	7,343	1,186	24	3-59	460	426	9	10	12½
Mangalore Elec. Supply	Octavius Steel & Co. 5% Debentures	36,50	10,02	34,22	9,37	42	3-56	2,36	1,44	10	10	18
Mirzapur Elec. Supply	Directors	2,293	641	2,047	577	...	3-59	109	105	5	8	10
Mozafferpore Elec. Supply	Octavius Steel & Co.	3,927	1,301	3,513	1,162	41	3-59	224	275	10	10	10
Muttia Elec. Supply	Directors	36,26	6,41	31,87	5,39	...	3-56 H	1,62	1,23	7	6	6
Nachad	Sonswala Co. Private 6% C. P.	...	624	...	529	27	3-59	169	146	9	7½	10
Nasik Desali	Rajputana Textiles Agencies 7% Cum. Pref.	7,019	1,689	6,563	1,622	54	3-59	436	361	6	6	6
Negapatam Elec. Supply	6% Debentures India Co. Private Ltd. 6% C. P.	5,431	535	4,993	500	12	3-59	156	157	7½	8	...
Patna Elec. Supply	Octavius Steel & Co. 5% Debentures	35,279	4,861	32,980	4,455	122	3-59	(b) 1,285	1,456	7½	7½	10
Paona Electric	Rajputana Textiles Agencies pri. 7% Cum. Pref. 6% Debentures	73,202	5,677	76,754	6,334	144	3-59	(r) 1,397	(s) 1,127	8	7½	nil
Saharanpur	Directors Partly Paid	...	5,87	...	781	...	3-59	113	96	6	5	...
Salem Erode Elec'y	Octavius Steel & Co. 6½% R. C. P.	26,354	2,364	25,596	2,254	73	3-59	519	452	6	5	...
Sauger Elec'y Supply	Martin Burn Ltd.	1,678	547	1,906	621	36	3-58	98	...	10	10	10
Shahjahanpur Elec. Supply	Octavius Steel & Co.	3,341	850	2,845	773	37	3-59	185	101	5	6½	8½
Shilong Hydraulic	Development of Industries Partly Paid	...	6,00	...	5,31	40	6-55	2,20	2,04	5	5	nil
Sijua (Jheriah) Elec. Supply	Bird & Co. pri Ltd. 5% Debentures	...	6,392	...	5,927	96	3-59	543	566	6	6	6
South Arcot Elec'y	Directors 6% C. P. 5½% C. P.	21,265	1,788	17,425	1,427	...	1-254	366	272	7½	6½	7½
South Madras Electric	Sashasayee Bros Private Ltd. 5½% 1st C. P. 5½% 2nd Pref 4% Debentures 5% Debentures 5½% Debentures	81,763	6,929	83,689	6,660	80	3-59	m) 1,983	1,625	9	8½	12
Surat Elec'y Co.	Killick Industries Ltd. 6½% C. P.	...	7,551	...	7,106	143	3-59	1,483	1,271	7	7	7
Tata Hydro Electric	Tata Hydro, Elec. Agencies Pri. 7% C. P. T.	...	15,353	...	11,830	467	3-59	(a) 7,725	(i) 4,783	8	8	5-52
Tata Power Co.	Tata Hydro, Elec. Agencies Pri. 7½% C. P. T. 4% Debentures 4% Debentures	...	32,144	...	30,293	678	3-59	(p) 13,251	(k) 10,971	8	8	5-62
Tinnevely Tuticorin Elec...	Octavius Steel & Co. 6½% R. C. P.	19,847	1,790	18,220	1,708	58	3-59	(d) 416	389	10	10	18
United Provinces Elec.	Martin Burn Ltd. 4½% Debentures	80,042	9,715	75,694	9,098	155	3-58	(e) 2,224	2,142	6½	6½	6½
Upper Ganges Valley	Martin Burn Ltd.	11,902	1,943	11,960	2,076	57	3-58	284	287	10	10	10
Upper Juma Valley	Martin Burn Ltd.	16,695	2,706	13,602	2,244	...	3-58	400	310	10	12½	9½
Vellore Elec. Corpn.	Chandrie & Co. Private 6% C. P.	106,03	9,24	87,02	7,63	37	3-56	2,77	1,95	10	10	10
West Coast Elec.	Chandrie & Co. Private 5½% C. P.	116,22	10,72	120,77	11,89	58	3-53	2,60	2,51	10	10	7½

- (a) After transferring Rs 69,000 from Deferred Taxation Reserve.
- (b) After transferring Rs 179,857 from Tariffs and Dividend Control Reserve.
- (c) After transferring Rs 3,814 from General Reserve.
- (d) After transferring Rs 8,80,000 from Dividend Control Reserve.
- (e) After transferring Rs 90,000 from provision for

(f) After transferring Rs 69,000 from Deferred Taxation Reserve; Rs 56,718 from Tariff and Dividends Control Reserve and Rs 11,705 from provision and taxation.

(g) After writing back Rs 44,000 from Deferred Income Taxation Reserve and Rs 17,300 from provision for taxation.

(h) Includes Rs 445,188 being Revenue of previous years and Rs 95,000 transferred from General Reserve.

(i) After transferring Rs 75,000 from Deferred Taxation Reserve and Rs 17,632 from provision for taxation.

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE AND SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depreciation	LIQUID ASSETS				
	April 1960	April 1959			General	Other	Carry Forward				Investments	Stocks and Stores	Outstandings	Cash	Others
	Ra. np.	Ra. np.													
Disbargarh Power ...	67 00	74 50	100	4,320	2,000	163	377	2,173	8,009	3,586	3,575	1,044	711	71	8
5% 'A.C.P.	78 50	82 00	100	1,608											
41% 'B.C.P.	75 00	79 50	100	1,200											
Ellore Electric Supply ...	10 35	11 15	10	300		37	4	2,33	6,26	1,73	18	75	61	67	1
Gourepore Electric Supply	850 00	840 00	1000	5,000	1,400	1,324	31	4,543	17,713	5,981	423	1,009	1,583	51	
4% Debenture			100	2,500		3	3	1.03	2.01	62	6	23	38	18	1
Gadivada Electric Supply			100	118											
Jhansi Electric Supply ...	6 00ad	6 62	10	535		29	3	9,71	21,44	9,16	5	2,98	4,18	25	
6% Debentures	850 00 N	850 00 N	1000	380											
Jorhat Electric Supply ...			10	250		8	-17	1,48	5,88	2,44		32	82	17	1
6% Cum Preference			100	50											
6% Debenture			10	35											
Jubbulpore Electric Supply	13 69	13 00	10	2,250	1,175	1,352	29	4,085	9,831	3,584	169	890	1,312	145	127
Kanadukathan			500	500		1	10	2,14	8,92	4,35	57	81	62	11	56
Kanakkal Electric Supply	9 85	10 25	10	210		54	27	353	538	152		137	98	23	
Kambakonam Elec. Supply	10 15	12 12	10	1,500	75	455	2	2,009	4,604	1,486	85	390	246	253	
6% Cum. Pref.	9 60	9 50	10	250											
Mangalore Electric Supply			10	560	28	3,09	57	5,49	20,16	8,99	56	1,92	1,35	1,41	
5% Debentures			500	137											
Mirzapur Electric Supply	7 00	5 06	9	495	125	99	39	386	1,310	640	29	231	133	80	
Mozufferpore Elec. Supply	7 62	8 00	10	582	183	210	9	2,402	3,633	1,233	28	368	365	135	90
Muttra Electric Supply	10 00	8 34ad	10	700	60	1,06	15	5,92	14,28	6,97	1,33	1,62	1,63	2,77	
Nadiad			50	250		359		414	1,345	332	14	91	1,23	86	26
6% C. P.	39 00	45 00	50	350											
Nasik Deolali	105 00	72 00	100	1,168		1,000	1	1,424	4,237	1,460	222	394	286	348	28
7% Cum Pref.	91 50	100 00 N	100	100											
6% Debenture	95 00		100	1,000											
Nogapattam Electric Supply	9 60	10 37	10	498		170	1	368	1,436	520	53	107	158	103	
8% C. P.	9 50	9 50	10	100											
41% Debentures			100	200											
Patna Electric Supply ...	11 00	12 00	10	3,507	2,605	1,440	79	4,628	14,185	5,606	439	2,188	2,367	527	
5% Debentures	450 00	450 00	500	2,000											
Poona Electric	112 25	120 00	100	4,889	17	962	3	7,000	14,803	5,738	2,289	466	1,103	1,001	148
7% Cum Pref.	101 00	101 00	100	400											
6% Debentures				800											
Saharanpur			100	469		93	4	872	1,415	570	181	158	227	6	
Partly Paid			10	28											
Salem Erode Electricity	12 50	13 00	10	880	601	546	28	2,299	4,936	1,761	264	465	387	453	
61% R. C. P.	9 24	9 90	10	400											
Sauger Electric Supply			10	300	142	69	2	971	1,431	329	24	248	51	52	7
Shahjahanpur Elec. Supply	6 89	8 81	10	910	165	52	37	616	1,120	545	154	398	35	124	14
Shillong Hydraulic	4 96	5 50	2	773	166	156	60	911	21,61	9,00	21	53	2	88	3,40
Partly Paid															
Singra (Jherriah) Elec. supply	10 56	10 32	10	1,680	224	980	7	1,393	6,693	4,376	312	1,151	926	387	322
5% Debentures	910 00	910 00	1000	1,200											
South Arcot Electricity			100	1,674	1,10	88	15	36,27	53,94	13,65	3,19	5,57	2,91	1,01	6,15
6% Cum Preference			100	200											
54% Cum Preference			100	200											
54% 1st Cum Preference	10 15	12 15	10	5,600		1,140	5	8,652	19,603	6,106	1,196	2,182	1,830	19	
54% 2nd Cum Preference	9 97	9 60	10	2,200											
4% Debentures	9 40	9 25	10	800											
5% Debentures	90 00	90 00	100	200											
54% Debentures	93 50	93 50	100	100											
54% Debentures	95 00	95 00	100	200											
Surat Electric Co.	92 50	108 50	100	6,062	454	1,880	5	3,835	14,351	4,680	375	1,231	1,049	340	72
41% Cum Preference	108 00	111 00	100	508											
Tata Hydro Electric	101 50	119 00	100	23,999	5,221	3,775	25	30,148	68,399	17,569	4,342	3,010	5,895	197	7,824
7% C. P. T.	102 00	115 75	100	8,928											
Tata Power Company	1045 00	1187 50	1000	51,534	10,360	12,282	29	60,243	167,307	36,050	3,600	8,733	10,121	1,272	15,938
74% C. P. T.	1185 00	1122 50	1000	8,697											
4% Debentures	867 50	862 50		4,773											
5% Debentures	990 00	1001 00		25,000											
5% Debentures	12 37	12 50	10	970	439	266	30	1,683	4,332	1,618	254	436	325	116	
6% R. C. P.	9 57	9 50	10	450											
United Provinces Electric	132 00	137 00	100	5,600	2,190	4,898	83	12,375	32,303	12,897	974	3,665	2,972	813	316
41% Debentures	90 00	90 00	100	3,000											
Upper Ganges Valley	16 50	13 75	10	598	243	224	9	1,800	2,109	936	92	464	522	415	10
Upper Jamuna Valley	18 00	16 75	10	500	500	489	34	2,080	3,055	986	115	463	590	341	20
Vellore Elec. Corporation	11 50	13 75	10	400	48	1,57	1,45	16,94	24,17	6,57	63	2,46	2,16	2,76	9
6% Cum Preference	6 75	7 05	10	125											
West Coast Electric	12 50	14 00	10	1,000		1,67	52	15,16	26,59	6,42	45	3,25	2,68	1,41	1,90
51% Cum Preference	6 50	7 10	10	250											

(j) After transferring Rs 200,000 from General Reserve and including Rs 146,772 being Revenue of previous years and Rs 8,489 being excess debits in previous periods.

(k) Includes Rs 741,929 being Revenue of previous years and Rs 65,444 being excess debits in previous years.

(l) After transferring Rs 406,000 from General Reserve.

(m) After transferring Rs 173,690 from Tariff and Dividend Control Reserve.

(n) After transferring Rs 75,000 from General Reserve and Rs 19,009 from Tariff and Dividend Control Reserve.

(o) After transferring Rs 452,716 from General Reserve.

(p) After transferring Rs 1,462,659 from General Reserve.

(q) After transferring Rs 100,000 from General Reserve.

(r) After transferring Rs 131,536 from Tariffs and Dividend Control Reserve and Rs 60,081 from excess provision.

(s) After transferring Rs 129,091 from Tariffs and Dividend Control Reserve.

(t) After transferring Rs 72,022 from Reserve for Tariffs and Dividend Control.

Indian Finance
SOUTH INDIA

NAME	Managing Agents, Agents/Secretaries	CROP HARVESTED			Sales Rs. 000	Stocks Rs. 000	Managing Agents' Commission Rs. 000	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Pre- vious	2nd Pre- vious
		000 lbs.	000 Cwts.	000 Rs.					Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Alagarwar Amalgamated Coffee	Ramani & Co. Directors 6% Cum. Pref. 5 1/2% Debentures	393	...	...	1,008 1,492	93 495	7	6-59 3-59	116 290	139 251	7 1/2 7 1/2	10 6	10 4
Anandam	A. V. George & Co. 7 1/2% C. P. 6% Debentures	285	...	114	587	52	8	12-58	106 10	115	10 7	15 7	20 7
Anapalai	Associated Planters Private 6% Debentures	...	10	...	1,191	1,603	65	6-59	620	481	25	35	40
Arthala	R. N. Kapur & Co. Ltd. 6% C. P.	2,86	...	...	4,35	76	...	3-59	40	14	nil	nil	nil
Athimattam	M. Sebastian 6% Debentures	...	...	62	89	3	...	2-56	34	24	5	3 1/2	3 1/2
Bababudin	A.V. Thomas & Co. (Mysore) 6% C. P.	...	3	...	571	...	13	6-59	132	130	12 1/2	25	25
Badra	Young India Agencies Private 7 1/2% R. C. P.	...	...	...	460	508	16	5-59	164	155	17 1/2	6	6
Balanoor	Young India Agencies Private 7 1/2% C. P.	464	3	41	1,274	521	27	3-59	336	322	15	7 1/2	7 1/2
Balmadies	Planting Agencies Pri 6% C. P.	...	1	...	286	...	4	5-59	50	134	7 1/2	7 1/2	7 1/2
Be Be	Mg. Director 6 1/2% C. P. T. 6 1/2% R. C. P. T.	...	...	860	610	27	...	3-59	152	168	6	5	5
Blue Mountain	Kothari & Sons Agencies Pri...	1,277	11	...	5,460	203	85	6-59	907	2,026	6 1/2	6 1/2	6 1/2
Chandramalai	Directors 7 1/2% Cum. Pref.	332	1	3 1/2	724	193	...	6-59	111	(b) 235	12	15	15
Chembra Peak	Peirce Leslie & Co. Ltd.	1,686	...	...	3,290	962	45	3-59	649	(a) 428	15	7 1/2	20
Cochin Malabar	Peirce Leslie & Co Ltd 7% C. P.	...	...	...	4,743	1,269	120	2-59	1,626	1,076	15	10	15
Coffee Lands	Consol Coffee Estates 5% C. P.	...	1	...	6,048	410	2	6-59	1,601	1,469	25	7	40
Consolidated Coffee	Mg. Director 6% C. P.	...	...	...	11,908	115	...	6-59	4,710	3,605	25	20	40
Coonoor Tea	Matheson Bosanquet & Pvt.Co. 6% C. P.	334	...	...	1,063	91	19	9-58	259	247	20	6	6
Coorg Tea	Srinivas Agencies 6 1/2% R. C. P.	412	...	...	715	167	20	3-59	208	135	20	6	6
Cottanad Plantations	Associated Planters pri. 7 1/2% C. P. P.	158	...	52	603	206	18	3-59	112	137	15	6 1/2	6 1/2
Cowcoody	Peirce Leslie & Co.	...	...	...	472	174	9	6-59	126	475	12	12	12
Devashola	Mg. Director Young India Agencies Private 7 1/2% C. P.	384 313	...	...	897 740	161 263	...	12-58 3-59	341 110	(i) 201 147	25 15	17 1/2 17 1/2	25 17 1/2
Devon	...	...	1	...	...	...	9	...	...	...	7 1/2	7 1/2	7 1/2
Emerald Valley	Parkins Private Ltd.	128	...	...	262	64	8	12-58	75	38	6	6	10
Gokal Rubber	Young India Agencies	...	...	64	125	29	6	12-58	59	48	6	6	7 1/2
Haileyburia	Parkins Private Ltd. 5% C. P.	2,269	...	...	3,341	923	109	12-58	1,079	875	20	15	25
Highland	5 1/2% Debentures A. V. Thomas & Co. 6% C. P.	...	...	11 1/2	2,544	237	56	12-58	557	472	15	7 1/2	20
Kadur	Young India Agencies Private 6 1/2% C. P.	...	...	...	111	109	2	5-59	18	41	6	6	6
Kailas	A. V. George & Co. 6% Debentures	...	...	95 1/2	1,484	222	60	2-59	588	682	20	25	25
Kalasa	Peirce Leslie & Co. 7% Debentures	507	...	...	986	144	17	3-59	270	(d) 208	15	12 1/2	15
Kalpetta	A. V. Thomas & Co. E. I. Agencies Private 6% Cum Pref	318	...	272	1,111	145	18	4-59	202	192	12 1/2	10	20
Karikode Rubber	5% Debentures Peirce Leslie & Co. 6% C. P.	...	...	151	232	54	8	12-58	56	40	10	10	12
Kil Kotagiri	...	890	47	...	2,609	513	68	10-59	897	948	35	15	15
Kumergode	Peirce Leslie & Co. Ltd. 7 1/2% Debentures	...	5	...	771	...	16	10-59	220	252	20	20	25
Kurchimala	Ing. Oommen & Co. Pr. Ltd. 6 1/2% Cum Pref.	258	149	...	470	132	21	3-59	204	111	8	6 1/2	7 1/2
Lucky Valley Tea	Matheson Bosanquet & Co. Pri. Vinsons Private Ltd.	236	...	...	624	111	13	12-58	163	79	10	6 1/2	6 1/2
Malabar Agricultural Co.	6% C. P.	603	...	...	1,170	136	15	3-59	33	3	nil	10	10
Malabar Industrial	Mg. Director Johnson's Estates & Agencies Vasanthi & Co. Private	71	...	314	593	8	...	2-59	76	58	7 1/2	10	22 1/2
Manar	Ruby Industries Private 5% C. P.	152	...	...	1,157	92	40	3-59	519	534	16	17	22 1/2
Manimala	6% Debentures Associated Planters Private 6% Preference	...	...	270	301	204	13	6-59	128	116	20	20	15
Morera	...	...	...	...	...	...	...	...	...	...	6	6	6
Midland	A. V. Thomas & Co Ltd. 6% C. P.	1,525	...	900	4,555	395	78	3-59	1,050	1,024	10	10	20

(i)Cardamom.

(a) Arrears of Preference dividend from 1-8-1947 to 31-3-1956 at the rate of Rs. 5.35 per preference share amounting to Rs. 2,14,000, will be paid by the issue of one new preference share for every two preference shares already held, and the balance of Rs. 14,000 remaining after the issue of new shares will be paid in cash.

7 May 1960

PLANTINGS

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVES & SURPLUS INCLUDING LATEST ALLOCATION			Sundry Liabilities	Gross Block	Depreci- ation	LIQUID ASSETS				
	April 1960 Rs. np.	April 1959 Rs. np.			General Rs. 000	Others Rs. 000	Carry- forward Rs. 000				Invest- ments Rs. 000	Stocks & Stores Rs. 000	Out Standings Rs. 000	Cash Rs. 000	Others Rs. 000
Alagarwar	2 65	2 81	2	600	530	61	8	575	1,648	388	65	165	190	91	...
Amalgamated Office	14 50	14 50	10	575	...	112	57	668	1,775	241	...	915	91	46	...
6% C. P.	8 75	7 55	10	600	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	495 00	495 00	500	475	...	...	...	...	...	...	...	...	...	...	...
Anandam	15 00cd	17 15	10	250	...	574	20	214	1,283	99	6	74	36	8	...
7% C. P.	8 30cd	9 00cd	100	250	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	2	123	...	...	...	...	...	...	...	...	...	...	...
Anapalai	4 80cd	4 60cd	100	384	228	...	28	2,352	1,923	192	259	1,656	520	29	...
6% Debentures	96 50	96 00	5	300	...	...	...	...	...	...	...	...	...	...	...
Arthala	4 00	4 00	10	300	...	11	119	1,360	992	148	723	115	49	11	10
6% C. P.	9 20	9 20	10	200	...	...	...	...	...	...	...	...	...	...	...
Athimattam	1 25	1 10	2	325	...	50	3	55	370	17	...	5	49	27	...
Bababuddin	9 21	14 50	5	200	270	208	8	151	717	99	...	401	18	26	...
6% C. P.	8 14	8 35	10	300	...	...	...	...	...	...	...	...	...	...	...
Badra	3 97	4 25	2	425	250	102	36	477	827	74	12	514	15	147	...
7 1/2% C. P.	9 27	9 62	10	150	...	...	...	...	...	...	...	...	...	...	...
Balanoor	17 70	21 00	10	1,099	376	110	5	561	1,651	310	22	586	307	341	...
7 1/2% C. P.	10 25	11 25	10	250	...	...	...	...	...	...	...	...	...	...	...
Balmadies	2 47	3 25	2	300	150	85	2	66	424	43	34	6	105	151	...
6% C. P.	8 80	9 00	10	75	...	...	...	...	...	...	...	...	...	...	...
Be Be	5 65	3 62	5	866	...	336	1	225	1,336	...	266	52	30	20	150
61% C P. T.	2 76	3 03	5	143	...	...	...	...	...	...	...	...	...	...	...
64% R. C. P. T.	6 02	6 44	10	286	...	...	...	...	...	...	...	...	...	...	...
Blue Mountain	3 70	3 60	2	5,250	1,100	1,068	179	2,166	7,586	1,218	13	417	1,699	1,265	...
Chandramala	3 00	3 14	2	550	550	7	...	303	1,515	303	...	177	137	22	...
7 1/2% C. P.	2 00	2 15	2	137	...	...	...	...	...	...	...	...	...	...	...
Chembra Peak	4 45	4 20	2	933	1,450	30	76	644	2,470	740	1	241	967	101	...
Cochin Malabar	8 10cd	6 20	3	2,691	2,025	...	15	1,514	5,055	698	...	1,559	314	128	...
7% C. P.	52 50	46 70	50	113	...	...	...	...	...	...	...	...	...	...	...
Coffee Lands	25 12	23 87	10	2,250	2,800	259	128	2,490	5,062	1,130	117	1,014	3,420	485	...
5% C. P.	84 50	83 00	100	1,041	...	...	...	...	...	...	...	...	...	...	...
Consolidated Coffee	24 39	22 15	10	7,155	5,775	603	80	7,056	15,168	3,594	796	1,358	8,152	664	...
6% C. P.	25 50	26 37	25	1,875	...	...	...	...	...	...	...	...	...	...	...
Coonoor Tea	27 50cd	26 50cd	10	378	313	946	22	347	2,126	140	3	118	15	34	...
6% C. P.	91 75	95 95	100	150	...	...	...	...	...	...	...	...	...	...	...
Coorg Tea	5 70	5 20	2	480	57	413	4	304	1,089	195	11	275	108	221	...
61% R. P.	4 69	4 75	5	250	...	...	...	...	...	...	...	...	...	...	...
Cottanad Plantation	14 50	16 00	10	400	80	487	3	369	1,243	60	1	244	104	10	...
7 1/2% C. P. P.	10 80	10 75	10	100	...	...	...	...	...	...	...	...	...	...	...
Cow Coody	5 95	7 15	2	409	175	...	29	410	272	60	15	252	15	529	...
Davashola	32 60	27 50	10	600	455	40	6	323	1,211	308	131	168	25	195	...
Devon	17 74	18 00	10	449	250	105	38	314	1,037	211	10	315	112	95	...
7 1/2% C. P	97 50	106 00	100	200	...	...	...	...	...	...	...	...	...	...	...
Emerald Valley	7 00	8 25	5	350	125	8	3	97	369	60	...	87	12	175	...
Gokul Rubber	1 82cd	1 45	2	450	20	...	1	67	377	14	115	34	4	23	...
Haileyburia	15 75	19 00	10	1,875	850	1,013	19	2,032	4,515	832	4	1,451	294	836	...
3% C. P.	72 50	75 00	100	250	...	...	...	...	...	...	...	...	...	...	...
3 1/2% Debentures	...	...	1000	230	...	...	...	...	...	...	...	...	...	...	...
Highland	15 10	12 00	10	1,800	481	518	21	678	3,013	640	416	401	219	389	...
6% C. P.	8 45	9 05	10	300	...	...	...	...	...	...	...	...	...	...	...
Kadur	2 84	2 94	2	120	30	12	4	93	163	4	...	131	4	15	...
6 1/2% C P	6 84	7 17	10	50	...	...	...	...	...	...	...	...	...	...	...
Kailas	5 53	5 20	2	1,105	578	400	33	620	2,964	237	16	254	5	415	...
6% Debentures	500 00	500 00	500	600	...	...	...	...	...	...	...	...	...	...	...
Kalasa	4 30	3 05	2	600	600	114	68	245	1,405	282	...	282	28	412	...
7% Debentures	502 50	502 50	500	218	...	...	...	...	...	...	...	...	...	...	...
Kalpetta	13 12	13 50	10	600	533	261	7	771	2,049	337	22	277	140	223	...
Karikode Rubber	9 57	10 25	10	200	...	125	6	94	526	30	15	58	32	28	...
5% Cum. Pref.	7 50	7 33	10	150	...	...	...	...	...	...	...	...	...	...	...
5% Debentures	100 00	100 00	...	55	...	...	...	...	...	...	...	...	...	...	...
Kil Kotagiri	5 50	8 40cd	2	859	1,425	470	28	868	3 275	465	...	399	30	479	...
6% C. P	9 72	9 80	10	250	...	...	...	...	...	...	...	...	...	...	...
Kumergode	5 80	6 10	2	400	300	...	13	220	964	146	...	172	7	29	...
7 1/2% Debentures	502 50	502 50	500	94	...	...	...	...	...	...	...	...	...	...	...
Kurchimala	8 75	7 00	10	345	...	430	2	264	1070	94	1	146	31	16	...
6 1/2% Cum. Pref.	6 37	7 12	10	130	...	...	...	...	...	...	...	...	...	...	...
Lucky Valley Tea	12 87	13 00cd	10	500	36	...	30	460	904	47	...	134	24	8	3
Malabar Agricultural Co.	7 80	8 55	10	500	180	100	130	1,004	2,149	213	1	163	52	2	...
6% C. P.	16 56	16 56	20	500	...	...	...	...	...	...	...	...	...	...	...
Malabar Industrial	12 85	16 00	10	450	61	101	11	360	728	39	45	42	147	50	...
Malankara	20 90	19 35	10	1,350	165	312	1	543	2,094	371	...	135	8	514	...
Manar	2 45	2 76	2	350	...	17	1	29	343	17	6	15	3	47	...
Manimala	8 75	8 75	10	400	...	...	28	114	775	7	...	5	...	6	8
5% C. P.	9 00	9 00	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	...	1000	100	...	...	...	...	...	...	...	...	...	...	...
Mercara Rubber	10 15cd	8 90	5	325	250	...	12	214	762	11	...	237	15	48	...
5% Preference	8 25cd	8 12	10	250	...	...	...	...	...	...	...	...	...	...	...
Midlands	12 85	12 80	10	4,050	310	1,370	34	1,787	8,824	1,108	201	506	374	72	...
4% C. P	8 35	8 12	10	1,720	...	...	...	...	...	...	...	...	...	...	...

SOUTH INDIA

PLANTINGS—Contd.:

NAME	Managing Agents Agents/Secretaries	CROP HARVESTED			Sales	Stock	Managing Agents Allowance and Commission	Year ended	NET PROFIT		DIVIDEND PER CENT		
		Tea	Coffee	Rubber					Latest	Previous	Latest	Pre- vious	2nd Previous
		000 lbs.	000 Cwts.	000 lbs.					Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Latest	Pre- vious	2nd Previous
Malamalai	Directors	54	..	..	878	91	..	3-59	193	162	20	15	18
Mysore Amalgated	7½% C. P.	..	..	..	250	..	5	3-59	53	46	10	10	10
Mysore Coffee	Prakash Agencies Private	..	..	..	..	..	..	..	..	..	6	6	6
Mysore Plantations	6% C. P.	..	..	..	882	..	24	6-59	212	157	13	15	15
	Ravan & Co. (Private)	120	2	..	434	179	..	3-59	61	84	6	15	nil
	Mrs. Director	..	..	..	..	..	..	..	..	..	6	6	6
	6% C. P.	..	..	..	..	..	..	..	..	..	..	..	..
Neelamalai	A. V. Thomas & Co.	1,147	2	..	3,622	1,971	45	6-59	(c)571	809	7½	7½	7½
	5% C. P.	..	..	..	..	..	..	..	..	..	5	5	5
Nellisampathy	A. V. Thomas & Co. Ltd.	746	..	83	1,902	301	30	6-59	230	492	10	15	20
	6% C. P.	..	..	..	..	..	..	..	..	..	6	6	6
Nellithanam	Directors	..	..	67	176	21	..	3-59	30	58	7½	10	12½
	7% C. P.	..	..	..	..	..	..	..	..	..	7	7	7
Nemmeny	A. V. George & Co.	..	..	5,34	7,59	2,45	21	12-58	2,00	1,61	15	7½	15
	7% C. P.	..	..	..	..	..	..	..	..	..	7	7	7
New Glen Morgan	Ramu & Co. Private	4,15	..	..	5,86	78	23	12-55	94	2,21	nil	15	15
Nilambur	Associated Planters (Private)	..	..	235	393	64	9	12-58	96	80	20	15	15
	6% C. P.	..	..	..	..	..	..	..	..	..	6	6	6
Nilgiri Tea	Debentures	975	..	..	1,912	265	18	3-59	198	30	5	6	nil
	A. V. George & Co.	..	..	..	..	..	..	..	..	..	6½	6½	6½
	6½% C. P.	..	..	..	..	..	..	..	..	..	..	..	..
Nonsuch Tea	6% Debentures	1,020	..	..	3,300	805	55	6-59	1,097	1,557	20	35	20
Ossoe	Harrisons & Crosfield	..	..	..	401	230	28	3-59	139	351	15	13	15
	Peirce Leslie & Co.	..	..	..	..	..	..	..	..	..	..	..	..
	5% Debentures	1,108	..	..	5,731	..	40	10-59	(f)597	(b)1,336	15 T	10	30
Ouchterlony	Peirce Leslie & Co.	162	13½	..	98	159	..	6-59	125	68	40	30	28
Panchura	Directors	655	..	..	2,202	330	58	6-59	837	954	27½	23	17½
Parkside	Math. Bosanquet & Co.	2,093	..	..	3,505	43	..	12-58	(g)608	901	16½	25	37½
Peermade	Aspinwall & Co. (Trev.) Ltd.	..	..	..	..	..	..	..	..	..	6	6	6
	6% C. P.	..	..	..	..	..	..	..	..	..	..	..	..
Peninsular	Directors	16½	342	..	637	244	..	2-59	378	208	20	15	23
Periakaramalai	Peirce Leslie & Co. Ltd.	4,874	2	..	10,718	1,837	145	3-59	2,017	2,133	12½	10	35
Periyar & Pareekanni	E. J. Agencies Private Ltd.	..	..	3,23	5,11	1,46	15	12-56	1,64	..	12	..	..
	7½% R. C. P.	..	..	..	..	..	..	..	..	..	7½	..	..
	6½% Debentures	..	..	..	..	..	..	..	..	..	..	..	..
Ponmudi Rubber	57	..	..	..	102	15	..	7-59	39	..			
	Directors	..	..	..	..	..	..	..	..	..	38	nil	5
	6½% C. P.	..	..	..	..	..	..	..	..	..	..	..	6½
Pullangode	Aspinwall & Co. Ltd.	..	..	648	892	140	14	3-59	243	186	5	14	5
	6% C. P.	..	..	..	..	..	..	..	..	..	6	6	6
Puthutottam	Ruby Co. Private	2,65	14½	..	1,910	62	51	3-59	514	624	10	10	10
Rajagiri	A. V. Thomas & Co. Ltd.	..	..	1,435	2,699	196	93	6-59	859	927	20	20	20
	6% C. P.	..	..	..	..	..	..	..	..	..	6	6	6
Rajendra Coffee	Associated Planters Private	..	3	..	..	..	18	3-59	174	166	50	40	25
	6% Cum. Pref.	..	..	..	..	..	..	..	..	..	6	6	6
	5½% Redeen Cum. Pref.	..	..	..	..	..	..	..	..	..	5½	5½	5½
Sangameshwar	Paten Agencies	..	5	..	312	559	..	3-59	288	449	9	9	9
	7% Cum Preference	..	..	..	..	..	..	..	..	..	7	7	..
	7% Debentures	..	..	..	..	..	..	..	..	..	..	..	..
Savamelai	Peirce Leslie & Co.	..	..	..	..	..	23	11-59	293	193	15 T	12½	..
Shivaroy	A. V. Thomas & Co. (India) Ltd	..	490	..	4,50	7,47	10	6-58	3,00	2,09	7½	7½	15
Stanes Amalgamated	T. Stanes & Co. Ltd	653	..	..	1,437	150	16	6-59	222	328	6	8	14
	5½% Debentures	..	..	..	..	..	..	..	..	..	..	..	..
Swinton	Directors	..	..	..	104	..	..	3-59	9	6	7½	7½	..
	6½% Debentures	..	..	..	..	..	..	..	..	..	..	..	..
Talayar Tea	Srinivas Agencies	733	..	..	1,273	366	24	3-59	(n)201	(k)191	5	6	10
	6% C. P.	..	..	..	..	..	..	..	..	..	6	6	6
Teakoy	East India Agencies Private	..	..	431	660	68	12	3-59	173	186	6	6	6
	6% C. P.	..	..	..	..	..	..	..	..	..	6	6	6
	6½% Debentures	..	..	241	3,62	65	15	12-58	1,43	1,66	30	30	30
Thamarapally	A. V. George & Co.	..	..	..	..	..	..	..	..	..	6½	6½	6½
	6½% C. P.	..	..	710	1,160	3,42	28	9-58	3,86	1,95	10	5	12½
Thirumbadi	Peirce Leslie & Co.	..	..	..	..	..	..	..	..	..	..	..	..
	7½% Debentures	..	..	..	482	702	134	12-58	138	183	10	15	58
Travancore Rubber	Directors	1,180	..	1,058	..	..	16	12-58	780	(a)261	5	4	7½
Trav. Rubber & Tea	Aspinwall & Co. (Trev.)	..	..	..	..	..	..	..	..	..	6	6	6
	6% C. P.	..	..	..	..	..	..	..	..	..	..	..	..
Tropical Plantations	Directors	562	..	592	1,803	148	..	12-58	391	232	6	4	12
Twyford	Parkins Private Ltd.	1,213	..	..	1,655	517	26	12-58	296	362	15	15	20
Udayagiri	A. V. George & Co.	304	..	..	4,38	50	5	2-58	35	31	7½	6	7½
	7% C. P.	..	..	..	..	..	..	..	..	..	7	7	7
	6½% Debentures	..	..	..	..	..	..	..	..	..	..	..	..
	T. Stanes & Co.	1,427	..	..	4,045	2,88	101	3-59	1,334	1,087	19½	16	17½
United Nilgiri	Directors	..	..	4,67	6,41	114	..	12-58	(i)4,57	4,04	30	35	35
	Padinjarekka Bros.	74	..	2	181	7	4	3-59	40	29	6	6	6
Vaikundam	5½% Debentures	..	..	..	..	..	..	..	..	..	..	..	..
Vayttri	Ooppottail Kurien & Co. (Pri.)	44	..	416	547	190	19	2-59	201	246	10	10	12½
	7% C. P.	..	..	..	..	..	..	..	..	..	7	7	7
	6% Debenture	1,130	..	..	4,453	139	121	6-59	1,203	1,420	12½	12½	12½
Waterfall	Kothari Mehta & Co. Private	..	..	..	1,320	750	96	3-59	595	660	6	6	6
	6% R. C. P.	..	..	..	..	..	..	..	..	..	15	15	7½
Wartyhully	Peirce Leslie & Co.	..	..	..	..	..	..	..	..	..	..	..	..
	5% Debentures	..	..	..	152	8	6	6-59	1	16	nil	6	9
Woodcote	Goodall & Co	..	..	..	..	..	..	..	..	..	6½	6½	6½
	6½% C. P.	..	..	..	..	..	..	..	..	..	..	..	..
	6% Debenture	221	..	234	777	129	..	3-59	184	171	5	5	10
Woodlands	Directors	..	..	..	..	..	..	..	..	..	6½	6½	6½
	6½% C. P.	..	..	..	..	..	..	..	..	..	..	..	..
	6½% R. C. P.	..	..	..	..	..	..	..	..	..	..	..	..
	6% Debentures	..	..	..	..	..	..	..	..	..	..	..	..

NAME	MARKET QUOTATION AS ON THE LAST DAY OF		Paid-up per share	Paid-up Capital	RESERVE & SURPLUS INCLUDING LATENT ALLOCATIONS			Sundry Liabilities	Gross Block	Depre- ciation	LIQUID ASSETS				
	April 1960 Rs. np.	April 1959 Rs. np.			General	Other	Carry- forward				Invest- ments	Stocks & Stores	Out Standings	Cash	Other
Mamallay	42 00	41 75	25	300	...	617	3	220	1,177	263	77	116	67	265	...
7 1/2% C. P.	25 25	26 00	25	300	...	45	15	8	335	27	...	210	6	26	...
Mysore Amalgamated	6 25	5 50	5	225	...	...	...	141	...	...	...	...	...	...	...
6% C. P.	7 00	6 40	10	117	...	100	150	18	978	1,207	114	166	550	36	...
Mysore Coffee	5 25	3 95	2	600	...	95	55	2	375	1,139	159	194	92	10	...
Mysore Plantations	1 83	1 47	2	500	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	7 00	6 65	10	250	...	...	...	...	...	...	...	...	...	...	...
Nedamala	4 90	4 80	5	3,600	875	1,304	5	1,363	7,994	1,309	10	1,124	576	554	...
5% C. P.	6 90	7 18	10	1,800	503	204	...	672	2,624	536	7	408	178	347	...
Nellampathy	2 65	2 90	2	1,200	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	8 10	8 50	10	450	...	...	...	...	...	...	...	...	...	...	...
Nellianam	12 05	12 25	10	190	279	...	94	114	497	121	21	21	64	12	...
7% C. P.	...	...	10	10	408	6	35	552	1,586	249	...	282	10	8	...
Nesamery	18 65cd	16 00cd	10	335	...	...	...	...	...	...	...	...	...	...	...
7% C. P.	9 60cd	10 10cd	10	300	2,80	3,02	4	3,48	11,68	1,30	82	1,09	1,51	1,11	...
New Glen Morgan	...	...	2	650	120	208	2	280	955	68	...	73	56	93	...
Nilambur	18 75	15 85	10	200	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	6 90	7 50	10	200	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	97 00	98 00	...	100	...	...	...	...	...	...	...	...	...	...	...
Nilgiri Tea	7 75	8 70	10	1,406	70	625	18	420	3,899	566	3	377	141	91	...
6 1/2% C. P.	4 72	5 05	5	281	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	501 00	500 00	500	1,125	...	...	...	...	...	...	...	...	...	...	...
Nonsuch Tea	26 50	27 20cd	10	2,310	...	922	35	1,587	3,215	364	449	922	67	594	...
Ossoor	3 75	...	2	650	94	471	4	323	734	54	95	250	28	889	...
5% Debentures	100 00	...	...	400	...	...	...	...	...	...	...	...	...	...	...
Ochterlooy	5 57cd	5 45cd	2	1,946	1,040	1,243	3	771	4,892	1,666	...	1,115	64	598	...
Panchura	4 50	4 62	1	150	150	2	65	310	261	19	128	160	140	6	...
Parakido	26 48cd	22 25cd	10	1,354	450	1,197	50	1,096	3,158	472	...	406	119	936	...
Parakido	23 53cd	20 25cd	10	1,700	...	784	63	1,159	3,921	1,311	150	551	155	392	...
6% C. P.	92 00	96 00	100	150	...	...	...	...	...	...	...	...	...	...	...
Parakaramala	21 35	21 50	10	600	2,40	6	124	438	848	61	43	256	16	309	...
Parakaramala	3 87	4 33	2	5,795	2,600	101	146	2,020	10,678	3,157	65	2,611	258	199	...
Parivar & Parachana	...	...	10	500	...	40	4	2,99	10,09	33	15	1,55	9	2,86	...
7 1/2% R. C. P.	...	...	5	203	...	...	...	...	...	...	...	...	...	...	...
6 1/2% Debenture	...	...	100	...	...	...	...	...	...	...	...	...	...	...	...
Pannudi Rubbers	1 40	1 40	2	165	48	...	1	43	314	11	...	18	2	5	...
6 1/2% C. P.	8 70	9 35	10	70	...	...	...	...	...	...	...	...	...	...	...
Pullangode	1 96	1 82	2	1,650	200	29	72	384	2,156	552	201	221	13	446	...
6% C. P.	8 05	8 05	10	150	...	...	...	...	...	...	...	...	...	...	...
Puthuthottam	2 87	3 12	2	2,100	1,200	365	82	584	3,363	312	195	175	665	245	...
Rajagiri	22 00	17 65	10	1,350	300	600	45	1,469	4,774	448	...	283	113	1,230	72
6% C. P.	7 60	8 20	10	2,260	...	...	...	...	...	...	...	...	...	...	...
Rajendra Coffee	16 90	14 00	5	200	154	12	42	396	350	35	100	358	116	114	...
6% Cum. Pref.	7 75	8 05	10	100	...	...	...	...	...	...	...	...	...	...	...
5 1/2% Redoon Cum. Pref.	7 00	7 20	10	100	...	...	...	...	...	...	...	...	...	...	...
Sangameshwar	2 65	2 60	2	1,200	25	110	16	378	1,824	68	...	641	4	278	...
7% C. P.	9 95	9 90	10	350	...	...	...	...	...	...	...	...	...	...	...
7% Debentures	500 00	500 00	500	600	...	...	...	...	...	...	...	...	...	...	...
Savamalai	4 30cd	4 10	2	550	300	...	13	270	428	122	...	200	20	147	459
Sheravay	1 86	1 88	2	1,350	170	2,00	54	5,66	9,80	86	3,22	4,12	3,53	2,66	...
Stanes Amalgamated	15 25	15 50	10	900	1,90	1,105	4	389	2,735	763	208	222	248	46	...
5 1/2% Debentures	450 00	460 00	500	200	...	...	...	...	...	...	...	...	96	...	...
Swinton	2 85	2 20	2	125	12	...	1	63	187	5	...	9	60	9	21
6 1/2% Debentures	505 00	505 00	505	75	...	...	...	...	...	...	...	...	...	...	...
Talayar Tea	1 83	1 67	2	1,250	110	982	1	1,040	9,356	303	2	664	196	217	...
6% C. P.	7 50	8 15	10	750	...	...	...	...	...	...	...	...	...	...	...
Teesay	8 10	7 83	10	1,000	...	248	14	457	2,250	179	...	89	72	387	...
6% C. P.	7 92	7 15	10	600	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	100 00	100 00	100	300	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	30 50cd	29 00cd	10	250	75	200	32	1,73	3,98	42	45	69	...	135	...
Thennarapally	4 60cd	4 75cd	5	175	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	1 73cd	1 95	1	915	450	50	30	862	2,293	158	...	430	48	195	...
Thirambadi	498 75	495 25	500	500	...	...	...	...	...	...	...	...	...	...	...
7 1/2% Debenture	15 62cd	16 00cd	10	600	...	27	1	328	812	159	...	161	19	124	...
Travancore Rubber	8 25cd	8 10cd	10	4,100	750	671	24	1,097	8,553	1,644	200	590	265	274	...
T. R. T. & Co.	8 15	8 15	10	1,600	...	...	...	...	...	...	...	...	...	...	...
6% C. P.	8 00	24 25	25	2,000	...	96	9	571	3,128	827	...	216	12	152	...
Tropical Plantations	22 23cd	17 25	10	1,125	1,543	101	1	871	2,682	288	1	701	202	342	...
Twyford	13 50	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Udayagiri	15 00cd	11 15	10	220	148	282	1	223	973	95	1	67	5	2	...
7% C. P.	9 65cd	10 30	10	80	...	...	...	...	7,71	...	...	...	...	...	...
6 1/2% Debentures	...	...	...	300	...	...	...	...	...	...	...	...	...	...	...
United Nilgiris	22 15	20 12	10	2,193	300	1,169	102	1,093	4,415	1,568	520	438	171	882	...
Valkundam	28 50cd	26 00cd	10	880	165	119	...	519	976	32	250	133	49	297	10
Vayitri	1 57	1 57	2	400	75	30	29	54	559	57	2	12	52	19	...
5 1/2% Debentures	...	...	...	32	...	...	...	...	5,01	...	...	...	...	...	...
Vimalai	6 53	6 45	5	600	375	81	6	385	1,746	102	1	220	133	95	...
7% C. P.	9 00	8 60cd	10	250	...	...	...	...	...	...	...	...	...	...	...
6% Debenture	500 90	500 00	500	397	...	...	...	...	...	...	...	...	...	...	...
Wartyhully	3 60	...	2	1,200	500	640	156	811	1,472	89	254	772	71	1,377	...
5% Debentures	100 00	...	...	558	...	...	...	...	...	...	...	...	...	...	...
Warttalls	3 66	4 15	...	3,150	2,000	1,078	118	2,504	6,041	778	27	521	2,091	1,450	...
6% C. P.	9 60	9 00	10	500	...	...	...	...	...	...	...	...	...	...	...
Woodcote	1 67	1 70	1	100	...	53	3	30	326	84	5	8	10	2	...
6 1/2% C. P.	3 14	3 46	...	500	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	...	8 90	10	695	42	205	2	196	1,419	72	1	196	162	92	...
Woodlands	7 85	8 15cd	10	100	...	...	...	...	...	...	...	...	...	...	...
6 1/2% C. P.	7 80	8 32cd	10	132	...	...	...	...	...	...	...	...	...	...	...
6 1/2% R.C.P.	7 67	...	...	415	...	...	...	...	...	...	...	...	...	...	...
6% Debentures	502 50	502 50	500	...	...	...	...	...	...	...	...	...	...	...	...

†Cardamom (in lbs.).

(a) After transferring Rs 82,000 from Dividend Equalisation Fund.

(b) After transferring Rs 64,521 from General Reserve.

(c) After writing back Rs 138,000 being excess

provision for taxation.

(d) After writing back Rs 80,000 being excess provision in previous years.

(e) Includes Rs 60,322 being surplus provision and Refund of Income-tax written back.

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

TABLE 10

Reserve.

(1) After transferring Rs 75,000 from Dividend Equalisation Reserve

Equalisation Reserve.
(1) After transferring Rs 80,000 from Dividend

(j) After transferring Rs 80,000 from Dividend Equalisation Reserve.

(k) After transferring Rs 60,000 from General Reserve

and Rs 35,000 from Dividend Equalisation Fund

(1) After transferring Rs 55,570 from General Reserve

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

Reserve. (n) After transferring 20,000 from General

(H) After transferring Rs 188,172 from General Reserve.

7 May 1960

ENGINEERING COMPANIES

NAME	Managing Agents/ Directors	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up per Share	Reserve Including Latest Allocation			Gross Block	Depreciation	Liquid Assets																																																																																																																																																																																																																																																																																																																																																																																																																														
			Latest	Previous Period	Latest	Previous Period	April 1960	April 1959		Reactive	Other	Carry forward			Sundry Liabilities	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000

Company Name	Managing Agents/ Directors	Year Ended	Net Profit		Dividend %		Market Quotation as on Last Day of		Paid-up Capital Rs.	Reserve Including Latest Allocation		Depreciation Rs. 000	Gross Block Rs. 000	Investments Rs. 000	Liquid Assets	
			Latest	Previous Period	Latest	Previous Period	Latest	Previous Period		Latest	Previous Period					
			April 1960	April 1959	April 1960	April 1959	Stocks and Bonds	Cash and Other								
BOMBAY																
Richardson & Craggs	S.B. Indus. Dev. Co., 51% C. P.	6-55	33,82	31,91	15	15	8.19 54.00	7.44	10 40,000	10 60,000	10,000	13,59	50,38	13,39	52,73	85,00 178 24,64 31,31
Sara	B. Sutherland & Private Co. 41% C. P.	3-59	505	635	64	64	8.08	7.44	100	4,000	30	2,019	3,108	50	1,716	830 123 170
Steel Products	D. Khatri & Sons 5% C. P.	4-52	49	17	Nil	Nil	5.03 3.00	2.00 3.69	34 30	2,800 3,000	...	3.78	4.76	...	2.47	6.71 4
Text Machy.	Birla Bros. Private 51% C. P. T. 51% R.C.P.T. 6% Debenture	12-58	10,040	10,252	15	15	26.85 39.04 91.58 61.00 995.00	25.90	100 1,000 1,000 100 40,000	2,575	17,191	39,033	304	27,735	7,096	135 7,907 93
Acme Manufg.	Walchand & Co. Private 6% C. P.	6-56	3,51	1,81	nil	nil	...	...	10	240	18	7.80	22.34	9	14.72	6.42 10
Alcock Ashdown	Turner Morrison 41% C. P.	12-58	(o) 862	958	124	124	263.00	280.00	100	3,342	3,090	6,100	7,736	1,059	2,116	4,955 890 837
Brady Engineering	W.H. Brady & Co.	12-58	294	306	3	3	67.90	56.00	60	1,500	245	638	1,661	...	443	99 415 71
Cooper Engineering	Walchand & Co. Pvt. Ltd. Directors	6-56	8,11	6,06	7	6	165.00	169.00	100	2,520	1,000	36.45	52.91	1,22	43.14	16.88 2.26
Jest's Engg.	Directors	3-59	121	143	10	10	65.00	71.00	50	600	200	156	586	123	9	629 884 50
Kamani Engineering	Kamani Bros. Private 51% C. P.	9-58	1,392	559	5	5	155.00 55.50	9.00 60.00	100 100	4,496 1,500	275	2,332	5,691	188	4,866	10,221 1,291
Larsen & Toubro	L. & T. Management 5% Pref.	3-59	3,321	(o) 2,593	124	124	33.00 98.80	21.00	10 100	5,000 1,500	1,400	2,441	5,644	903	10,479	9,435 384 2,649
Mackenzie	Directors 51% Cum. Pref. 51% 2nd C. P.	7-58	(o) 624	578	54	54	83.00 86.00 N 90.00 N 92.00 N 102.50	78.00	100 100 100 100 100	1,100 1,100 1,100 1,100 1,100	43	2,213	2,731	266	6,089	1,873 98
Mahindra & Mahindra	Directors 6% R.C.P.	10-58	(o) 6,781	4,309	22	22	100.00 101.00	74.76 101.00	10 100	13,200 5,500	2,500	2,312	13,544	2,428	34,163	42,909 1,384 4,647
Mukund Iron	Devi R. C. P. 6% R.C.P.	3-59	3,424	2,240	10	10	20.04 61.00 111.00 125.00	16.68 61.00 70.00 N 132.50	10 100 10 100	3,970 1,000 1,000 1,000	2,280	4,424	8,126	1	2,765	2,216 79 1,173
Myers Kirokdar	Kirokdar Associates Ltd. Ord. shares	6-58	1,544	1,128	7	7	...	...	75 50	2,412 5	845	4,424	8,126	1	2,765	2,216 79 1,173
Premier Construction	Walchand & Co. Ltd. Promoters 61% C. P. T. 61% C.P.T. (2nd 41% C.P.T. (3rd	12-55	18,78	17,25	281	251	312.00	307.00	30	2,250	6,800	74	50,82	31	227,38	51,52 1.47 82
Tata Iron	Tata Industries Private New Ord. 6% C. P. T. 71% C.P.T. (2nd 21% C.P.T. (3rd 5% C. P. 5% Debenture	3-59	980,149	120,356	9-07	11	156.75 187.50 85.40 5.44	181.75	75 134 100 100 100	134,738 95,449 7,500 69,382 117,250 79,954 20,000 30,000	124,537	470,056	1,567,849	59,423	262,928	135,232 14,628
Tata Locomotive	6% C. P. T. 71% C.P.T. (2nd 21% C.P.T. (3rd 5% C. P. 5% Debenture	3-59	26,759	(o) 27,859	6	6	137.50 107.75 117.25 217.00	157.00	150 100 100 1100	7,500 69,382 117,250 79,954	4,383	77,984	203,208	272	120,208	41,006 1,893 25,036
Brunton & Co.	A. V. Thomas & Co. 6% C. P.	12-58	92	-26	6	6	4.30 4.80 6.75	4.80	10	750	...	1,043	1,000	470	1,012	381 50 112
India Steel Rolling	Directors 51% C. P.	12-58	380	435	7	7	16.00 9.20	16.00	10	2,378	3	1,491	3,226	4	2	2,637 76

(a) After writing back Rs 30,000 being provision for taxes made in previous years not required.
 (b) After transferring Rs 435,000 from General Reserve.
 (c) Includes dividend paid at 10 per cent in July 1958 from Reserve in respect of years 1954 and 1955.
 (d) After writing back Rs 137,854 from provision for taxation.
 (e) After writing back Rs 2,000,000 from provision for taxation.
 (f) After transferring Rs 22,707,943 from General Reserve No. 1.
 (g) After transferring Rs 168,336 from Investment Depreciation Reserve and Rs 24,946 from Bad and Doubtful Debt Reserve.
 (h) After transferring Rs 1,700,000 from Tax Coningencies Reserve and writing back Rs 10,000,000 from Reserve for works and Ore Mines New Extension.
 (i) After transferring Rs 87,788 from Taxation Equalisation Reserve.
 (j) After transferring Rs 301,500 from General Reserve.
 (k) After transferring Rs 301,500 from General Reserve.

GILDED SECURITIES

Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.4.60	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.4.60	Amount Outstanding	Interest per cent	Year of Issue	Repayable in	Interest due	Market Quotation as on 30.4.60
GOVERNMENT OF INDIA LOANS						MADHYA PRADESH						MUNICIPAL LOAN					
Rupee Loans												BOMBAY MUNICIPAL LOAN					
NON-TERMINABLE LOANS.																	
8.93 34 00	3	1896-97	3 Months' notice	30-6/31-12	73-60	1,01,44,700	3	1950	1960	31-1/31-7	98-40	25,00,000	5	1928	1958	1-1/1-7	
						2,01,28,800	3	1948	1964	1-3/1-9	95-00	26,21,000	5	1929	1959	1-2/1-8	
						1,02,18,100	3	1951	1962	17-3/17-9	98-75	17,97,000	3	1930	1960	1-6/1-12	
						1,02,18,100	4	1953	1963	15-1/15-7	100-40	110,00,000	4	1931	1961	1-3/1-9	
						1,50,00,000	4	1955	1967	1-3/1-9	100-25	215,00,000	4	1932	1962	1-3/1-9	
						1,50,00,000	4	1956	1968	3-3/3-9	100-15	244,14,500	4	1933	1963	1-3/1-9	
						2,00,00,000	4	1958	1970	15-1/15-7	101-75	200,00,000	3	1934	1964	1-3/1-9	
						UTTAR PRADESH						10,00,000	3	1935	1965	15-2/15-8	
						2,20,93,600	2	1946	1961-66	1-3/1-9	92-75	9,00,000	3	1936	1966	16-2/16-8	
						2,17,89,700	3	1945	1960	14-3/14-9	99-50	175,34,000	3	1937	1967	14-3/14-9	
						1,57,42,600	3	1936	1961-66	15-3/15-9	97-75	33,00,000	3	1938	1968	3-4/3-10	
						1,94,11,700	3	1951	1962	17-3/17-9	98-90	60,00,000	3	1939	1969	1-2/1-8	
						5,65,15,500	4	1953	1963	15-1/15-7	100-40	24,50,000	3	1940	1970	1-3/1-9	
						6,11,45,200	4	1952	1964	1-2/1-8	100-35	69,00,000	4	1941	1971	1-3/1-9	
						8,50,00,000	4	1955	1967	1-3/1-9	100-25	30,00,000	3	1942	1972	1-3/1-9	
						9,50,00,000	4	1956	1968	3-3/3-9	100-15	30,00,000	3	1943	1973	1-3/1-9	
						7,00,00,000	4	1958	1970	15-1/15-7	102-00	48,00,000	3	1944	1974	1-3/1-9	
						MADRAS						25,00,000	3	1945	1975	1-3/1-9	
						3,81,77,200	2	1946	1961	1-3/1-9	98-40	135,00,000	3	1946	1976	1-3/1-9	
						2,78,44,000	3	1945	1960	14-3/14-9	99-50	20,00,000	3	1947	1977	1-3/1-9	
						4,38,25,400	3	1950	1960	31-1/31-7	99-40	22,00,000	3	1948	1978	1-3/1-9	
						3,01,49,000	3	1951	1962	17-3/17-9	99-40	25,00,000	3	1949	1979	1-3/1-9	
						1,03,30,900	4	1953	1963	15-1/15-7	100-40	54,00,000	3	1950	1980	1-3/1-9	
						5,24,81,200	4	1952	1964	1-2/1-8	100-35	75,00,000	3	1951	1981	1-3/1-9	
						7,00,00,000	4	1955	1967	1-3/1-9	100-20	88,14,700	3	1952	1982	1-3/1-9	
						12,50,00,000	4	1956	1968	3-3/3-9	100-15	10,00,000	5	1920	1980	1-5/1-11	
						5,00,00,000	4	1958	1970	15-1/15-7	101-90	80,00,000	3	1950-51	1980	1-3/1-9	
						MYSORE GOVERNMENT						CALCUTTA MUNICIPAL LOAN					
						5,99,72,900	3	1936	1956-61	20-10/20-4	99-80	10,00,000	5	1932	1962	1-4/1-10	
						2,95,85,200	4	1933	1953-63	1-6/1-12	101-00	33,91,000	3	1933	1963	1-1/1-7	
						3,31,47,200	4	1933	1963	15-1/15-7	100-3	60,00,000	3	1934	1964	1-2/1-8	
						3,25,00,000	4	1955	1967	1-3/1-9	100-15	47,50,000	3	1935	1965	1-4/1-10	
						4,10,00,000	4	1956	1968	3-3/3-9	100-00	17,64,400	3	1936	1966	1-6/1-12	
						3,00,00,000	4	1957	1969	16-3/16-9	100-00	21,10,000	3	1937	1967	1-5/1-11	
						5,00,00,000	4	1958	1970	15-1/15-7	102-00	15,49,000	3	1938	1968	1-4/1-10	
						COCHIN						16,33,000	3	1939	1969	1-4/1-10	
						30,00,000	3	1937	1956-61	1-6/1-12	98-00	66,88,000	3	1940	1970	1-2/1-8	
						TRAVANCORE						87,36,000	3	1941	1971	1-4/1-10	
						300,00,000	4	1953	1963	15-1/15-7	99-95	72,50,000	4	1942	1972	1-3/1-9	
							4	1956	1968	3-3/3-9	99-9	2,22,74,000	4	1943	1973	1-3/1-9	
							4	1958	1970	15-1/15-7	100-97	1,67,32,000	4	1944	1974	1-3/1-9	
								1971			99-65	1,60,35,000	4	1945	1975	1-3/1-9	

Calcutta Stock Exchange

PRICE TRENDS DURING APRIL, 1960

	1st	2nd	4th	6th	7th	8th	11th	12th	18th	19th	20th	21st	22nd	23rd	25th	26th	27th	28th	29th	30th
3% 1966	73.50	73.85	73.80	73.80	74.00	73.85	73.80	74.05	73.50	73.88	73.90	73.50	73.70	73.70	73.20	73.60	73.60	73.60	73.63	
UCO				71.37		67.50	67.50	67.50				67.50	67.50							
Kesoram	25.12	25.12	25.12	25.31	24.94	24.75	24.62	24.69	26.06	26.87	26.75	26.87	26.44	26.69	26.87	26.87	26.84	27.00	27.87	28.56
Bengal Coal	332.00	335.00	342.00	344.00	341.00	342.00	334.00	331.00	332.00											
Burrakur	20.00	20.44	20.62	21.00	20.50	20.25	19.87	20.12	20.06	20.19	20.00	20.06	19.81	19.81	19.81	19.94	19.87	19.81	19.75	19.81
Howrah	23.00	23.19	23.12	23.00	23.00	22.82	22.62	22.37	23.00	23.12	23.00	23.25	23.12	23.00	23.00	23.25	23.25	23.12	23.12	23.12
National				30.75		30.87						30.75	30.25		30.25	30.25	30.25	30.25	30.25	30.25
New Central	20.50	20.44	20.12	20.37	20.37	20.25	20.06		20.69	27.00	26.94	27.12	26.31	26.25	26.56	26.90	26.87	26.90	26.75	26.75
Brooke Bond	17.69			17.56	17.75	17.59	17.81	17.69				17.87		17.56		17.50	17.50	17.50	17.50	17.50
Hasimara		23.44	23.62			24.00			23.56	23.75		23.75			17.50		17.50	17.50	17.50	17.50
Tarpore	18.31	18.25		18.44	18.94				18.50	18.50	18.62	18.50	18.69				23.50		23.50	23.75
Carew Sugar	11.87						12.00					11.94	12.06	11.61					18.56	18.60
Jessop	26.19	26.62	25.62	25.81	26.12	25.81	25.89	25.62	26.25	25.56	25.75	26.00	25.37	25.62	25.25	25.31	25.19	25.28	24.75	
Indian Iron	22.52	22.86	22.90	22.88	22.84	22.88	22.80	22.87	23.38	23.50	23.15	23.90	23.73	23.68	23.65	23.81	23.80	23.77	23.81	23.94
TEKMACO	24.00	24.00	23.87	23.94	24.00	23.75	23.75	23.87	24.62	24.87	24.50	25.50	25.25	25.12	25.75	26.12	26.12	25.70	25.87	26.12
India Copper	30.37	30.55	30.44	30.31	30.37	30.44	30.62	31.00	31.37	31.25	31.06	31.62	31.50	31.31	31.31	31.56	31.31	31.37	31.25	31.37
Orient Paper	41.50	42.00	41.70	41.75	41.80	42.20	42.90	43.00	43.90	43.80	43.40	44.00	43.50	43.55	43.00	43.80	43.90	43.70	43.70	43.75
Shree Gopal	24.00	24.00	23.87	23.94	24.00	23.75	23.75	23.87	24.62	24.87	24.50	25.50	25.25	25.12	25.75	26.12	26.12	25.70	25.87	26.12
India Cable	11.09	11.18		11.19	11.22	11.16	11.09	11.09	11.06	11.06	11.00	11.06	10.87	10.94	10.84	10.81	11.00	10.94	11.00	10.93
India Steamship	32.00	32.00	32.50	33.00	33.25	33.06	33.12	33.19	34.87	34.87	34.25	35.00	34.25	33.87	34.12	34.87	34.12	34.12	34.31	34.37
Rohas	39.25	39.50	39.00	39.25	40.25	39.75	39.75	40.12	40.37	40.62	41.00	42.50	42.00	42.12	42.50	42.50	42.50	42.27	42.37	42.50
H. Motor	18.31	18.25	18.12	18.00	17.94	17.75	17.69	17.69	18.31	18.25	18.00	18.50	18.19	18.25	18.37	19.06	19.12	19.50	19.75	20.06
I. Oxygen			35.37	36.75	37.12			37.00	36.62	36.00		35.87		36.00	35.75	36.00				

THE CHARTERED BANK

(Incorporated in England by Royal Charter 1853).
(Liability of Stockholders Limited).

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THE ALLAHABAD BANK LTD.

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MANCHESTER, LIVERPOOL, NEW YORK and HAMBURG.

Branches of the Bank are established at most centres of commercial importance throughout Southern and South-Eastern Asia and the Far East.

Branches of The Eastern Bank Limited, a wholly-owned subsidiary of The Chartered Bank, are established in Iraq, Bahrain, in the Persian Gulf at Qatar and Sharjah, Lebanon and Hadramaut and in India, Pakistan, Ceylon, Aden, Singapore and Malaya.

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& Service Bank
With the
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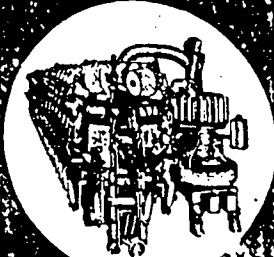
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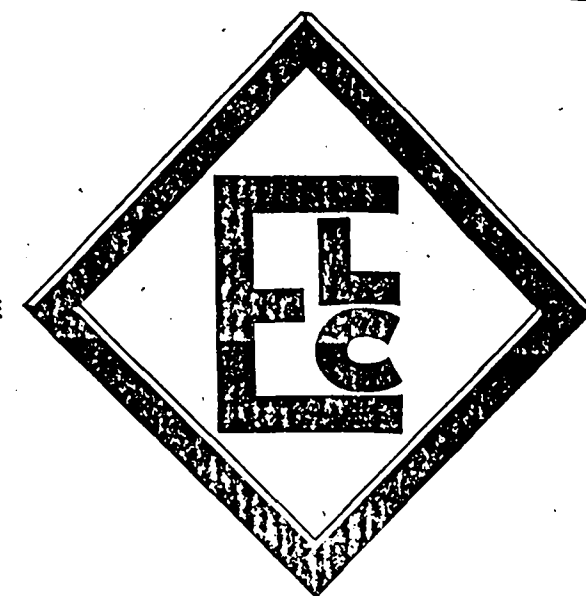


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WORLD OF FINANCE

Implications of 50% Additional Deposits

WITH the Reserve Bank's directive calling upon banks to maintain 50 per cent of accruing Deposits with the central banking institution as additional deposit, a farcical situation has developed in Indian banking—but it is also a situation that is full of menace and danger. This is not to suggest that the Reserve Bank action was misguided; on the contrary, it was the least that could be done, in order that the much more serious step of a raising of bank rate could be avoided. But the impact of the new directive on the banking situation is, we repeat, replete with all the attributes of a tragic-comedy. The dramatic personae are the Reserve Bank, the Scheduled Banks and the shareholder; incidental to the action in the drama are the international financial experts and bank depositors. Let us see how the new directive touches upon each one of these "characters" in the play.

First of all, the Reserve Bank. Exercised as the central banking institution is by the trend in prices, and by fear of what excessive liquidity with the banking system might do to the economy, the Reserve Bank is, we presume, being advised on every side—erroneously, in our view—that a raising of bank rate is inevitable and imperative. It is the international experts who, leaning on their experience in other, industrial economies, suggest the use of the bank rate weapon; unfortunately, they do not realise, as the Reserve Bank does, that the lessons learnt from "western" experience have but limited applicability to Indian conditions. But action must be taken by the Reserve Bank, and even though it is a controversial matter whether banking finance has any considerable influence on price trends, it has been decided that 50 per cent of new Deposits must be lodged with the Reserve Bank; and, on such additional deposits with Reserve Bank, "average" interest is to be paid.

This brings us to the fate in store for the banks. The fact is, that, the bulk of new Deposits are in the form of the higher-costing Time Liabilities. On Time Deposits, the interest paid by a banking institution is of the order of 3½ per cent; thus, Rs. 1 lakh "costs" a bank Rs. 3,500 per annum. Against this, Rs. 50,000 will have to be lodged with the Reserve Bank, and this amount will presumably earn an "average" interest of 2 per cent, or Rs. 1,000. After such statutory deposit, the resources of the bank will have been enlarged by Rs. 50,000, the cost of which will be Rs. 2,500. In effect, this means that, on Time Deposits, a bank pays 5 per cent! Similar calculations will prove that, in the case of Savings money, though the interest payable on such Deposits is 2½ per cent, the effective rate increases to 3 per cent. Even in the chaotic days of the Deposits war, in 1956 and 1957, few banks had to pay 5 per cent for the money they sought to attract!

Thus, the profits of banks are being further pruned by such effective higher cost of money. Enter, here, the poor shareholder, who, as a result of banking performance in 1959, has

already suffered a considerable depreciation in the worth of his holdings, with rare exceptions. In relation to the considerable expansion in Deposits, banks are under-capitalised; but, in the prevailing circumstances, can the investor be expected to support new rights issues by banks?

We come, lastly, to the depositor, who it is who has built up the banking system. He has been having a luxurious and prosperous four years, during which the banks have been wooing him with all the ardour they have been capable of mustering. The circumstances of the day suggest that, unfortunately for him, he has had his day. If the economy is to thrive, he cannot expect to continue to receive high rates of interest on Deposits.

For, this is exactly what must inevitably happen. In the face of world advice to raise bank rate, the effect of the Reserve Bank's action will be to depress the banking interest rates. True, on the other side, Advance rates charged by banks can be increased; but any concerted action by the banks in this behalf will immediately give rise to cries of "cartel!" So, the easier thing—the correct thing—is to reduce rates payable on Deposits.

And this is as it should be. For, while there has been a discernible pattern of interest rates in this country, the inter-relation between one set and another has been chaotic. It was patently absurd that, until September 1959, the maximum deposit rate was on a par with bank rate; it should surely have been distinctly lower. We suggest that the maximum rate of interest payable on Deposits needs peremptorily to be brought down by the banks to 2½ per cent. We may add that such action must be taken by the banks on the eve of the slack season, and not at the end of it. If the shock tactics of the Reserve Bank should succeed in galvanizing the banks into action on correct and proper lines, balance and poise will have been restored to the Indian banking situation. After that, we fancy, the Reserve Bank will be better able to guide the banking system in ensuring that bank finance is most advantageously made available for augmenting production—which, as we noted last week, is the only answer in the final analysis to the problem of rising prices.

Paradoxical as it may seem, if bank rate rise is to be avoided, deposit rates must be brought down.

Further indications of the end of the busy season are available in the returns of the Reserve Bank for 29 April, in which a contraction of Rs. 6.41 crores to Rs. 1883.59 crores in Active Note Circulation has been reported. However, Rupee Coin has moved out into circulation for the fractional amount of Rs. 4 lakhs. In the result, the Reserve Bank's cash in the till has improved by Rs. 6.19 crores to Rs. 30.96 crores. There is also, in the latest returns, evidence of inter-governmental transactions on a very considerable scale, with State Governments benefiting.

For meeting the liability to the State Governments, the Centre is seen to have had recourse to deficit financing in an amount of roughly Rs. 35 crores. This figure is suggested by the rise of Rs. 30 crores in Investments, and, on top of this, it has to be borne in mind that, in the relevant week, the State Bank bought securities for Rs. 4 crores. Balances of State Governments have shot up by Rs. 30.67 crores to Rs. 45.28 crores, and their ways and means borrowings from the Reserve Bank have been marked down by Rs. 2.25 crores to Rs. 48.22 crores. The Central Government's Deposits have, in result, moved down slightly from Rs. 51.82 crores to Rs. 50.58 crores.

The Reserve Balances of member banks are practically unchanged at Rs. 97.64 crores, but,

in that same week, for purchase of gilt-edged, the State Bank drew down its cash in hand and with Reserve Bank by roughly Rs. 3 crores. So, it appears possible that other Scheduled Banks may, in the week ended 29 April, have experienced some element of rise in Deposit resources thereby compelling an increase of Rs. 3 crores in their Reserve Balances. The Reserve Bank's Other Loans and Advances have, somewhat strangely, moved sharply up from Rs. 101.59 crores to Rs. 114.53 crores. This may mean that Scheduled Banks, in increasing their balances with the Reserve Bank, have found it necessary, while meeting the climactic expansion in the demand for Advances in the current busy season, to seek the assistance of the Reserve Bank. Lastly, Balances Held Abroad are again lower by Rs. 3.74 crores.

There is little that is noteworthy in the return of the State Bank for 29 April. Deposits have moved down from Rs. 633.86 crores to Rs. 628.64 crores. The gilt-edged portfolio has been augmented by Rs. 4.73 crores to Rs. 379.84 crores. The total of Advances has risen slightly by Rs. 1.25 crores to Rs. 217.69 crores. With Other Assets lower by Rs. 4.83 crores, the State Bank's cash in hand and with Reserve Bank stands reduced by Rs. 3.13 crores at Rs. 35.27 crores.

The return of Scheduled Banks for 22 April has disclosed a smart rise of Rs. 10.88 crores to Rs. 1974.58 crores in gross Deposits; and, at this rate, the Rs. 2000 crore mark should be pierced well before the end of May. This rise has occurred, it may be noted, almost wholly in respect of Scheduled Banks other than the State Bank. A slackening in busy season pressure is suggested by the fall of Rs. 2.80 crores to Rs. 1124.90 crores in the total of Advances. Scheduled Banks have taken the opportunity thus offered by accruing and freed resources to reduce borrowings from the Reserve Bank by Rs. 12.90 crores to Rs. 32.34 crores. Cash balances are seen to be lower by Rs. 2.01 crores at Rs. 183.07 crores, despite the fact that, in the relevant week, the State Bank increased its cash in hand, and with Reserve Bank by roughly Rs. 10 crores. The inference may be that, in respect of accrued Deposits during the week, the Scheduled Banks' additional statutory deposit with the Reserve Bank will be incorporated only in the week ended 29 April. Gilt-edged holdings have been marked up by Rs. 4.78 crores—wholly in respect of the State Bank, which increased its portfolio by about Rs. 6 crores.

Treasury Bills

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, 3 May 1960. Total amount offered was Rs. 2,82,00,000. Tenders at Rs. 99.325 were accepted in full and those at Rs. 99.310 were allotted approximately 69 per cent. Lower tenders rejected. Total amount accepted was Rs. 2,00,00,000, the average rate of accepted tenders being Rs. 2.745 per cent per annum.

Tenders for Rs. 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, 9 May 1960. Successful tenderers should make payment on Friday, 13 May 1960. Other conditions are as usual.

During the week ended 29 April 1960 Government of India Treasury Bills for Rs. 124,57,00,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from 4 to 7 May 1960 at Rs. 99.326 per cent. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from the 27th to 30th April 1960 amounted to Rs. 2,01,00,000.

Credit Restrictions in Britain

By Paul Einzig

THE increase in the Bank rate and the withdrawal of official support from the Gilt-edged market to discourage the liquidation of the banks' investment is now followed by the reintroduction of the war-time system of special deposits, under which the banks are compelled to surrender a percentage of their resources. The announcement of this latest measure, together with the reintroduction of restrictions on hire-purchase terms, was in accordance with expectations. It has been made necessary by the non-stop expansion of bank advances, culminating in a hundred million pound increase in April. In order to be able to expand credit, the banks have liquidated a very large proportion of their Gilt-edged investment. So in addition to financing an inflationary expansion of production and consumption, and an inflationary increase in wages, the banks have greatly aggravated the difficulties of the Gilt-edged market.

The increase of the Bank rate was not sufficient to check the increase of the advances, nor was the fall in the Gilt-edged market sufficient to discourage the banks from realising their holdings. It seems that we are confronted by an institutional change, aiming at a permanent increase in the proportion of advances to total bank assets, and a permanent reduction of the proportion of Gilt-edged investments. The banks, like most other investors, are growing obviously tired of keeping their assets in Government loans. Even though their capital losses through the downward trend in the Gilt-edged market could be kept down by a policy of holding mostly short-dated loans and holding them till maturity, during recent years banks felt impelled to realise their investments all too often at a loss. The expanding trend of advances made it necessary for them to sell instead of holding till maturity.

It seems probable that, so long as the demand for advances continues at a high rate, the banks will never switch back into the Gilt-edged market. They are doubtless glad to have freed themselves of the burden of heavy Gilt-edged holdings. It was during the pre-war depression that banks have largely assumed the role of investment trusts specialising in Government loans, owing to the relative scarcity of opportunity of employing their resources in advances to customers. Now they can revert to their old role of financing trade instead of financing the Government.

The question is, will the present measures prove to be less ineffective than the previous disinflationary measures? The commandeering

of one per cent of the bank deposits is not unduly drastic. The banks are in a position to make good the reduction of their liquid resources by selling more investments between now and June 15 when they have to pay in the special deposits. But it seems doubtful whether they will dare to continue to defy the official policy. The Government has now clearly shown that it is quite prepared to wield the big stick if necessary. Even though it is wielded at present with moderation, once the system is adopted there is no reason why the extent of its application should not be increased in accordance with requirements.

The banks are only too well aware that, should they seek to "neutralise" this latest move, the authorities are in a position to double or treble the percentage of special deposits, till a stage is reached at which the banks are no longer able to realise investments without taking heavy capital losses. So the chances are that they will heed the warning and will check the expansion of their advances.

But the official warning is not directed solely to the banks. It is also meant to warn the trade unions that the authorities are not prepared to finance indefinitely the unwarranted increase of wages, and that the employers might no longer be in a position to concede such increases in the certain expectation that amidst the atmosphere of expansion they would be able to pass them on to the consumer in the form of higher prices.

The immediate reaction to the announcement of the new measures was favourable to sterling. The foreign exchange market has interpreted them as an indication that the Government is determined to resist inflation even at the cost of gross interference with the freedom of banking and a return to what almost amounts to physical controls. It is indeed a matter of prestige for the Chancellor of the Exchequer to prevent a resumption of the rise in the cost of living index. After it has remained stable for nearly two years it has become the symbol of the Tory disinflationary policy. It is a great pity that those concerned have not to take advantage of this "breathing space" in post-war inflation to inaugurate an era of declining prices resulting from increased efficiency in industry and agriculture.

If only trade unions had exercised self-restraint their members could have benefited by lower prices instead of higher wages. Employers, too might have done their share towards the desired goal by cutting prices instead of increasing dividends. Above all, the Government itself might have contributed towards its declared policy of lowering prices by cutting down public spending, or at any rate preventing its further rise. None of this has been done, and it remains to be seen whether there will be another opportunity in our time.

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Indian Finance

Indian Finance

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The Two New States

FIRST of May saw the birth of the two new States of Maharashtra and Gujarat amidst much rejoicing and a sense of fulfilment among the people of the erstwhile State of Bombay. The moment of gratulation has not been entirely golden, since Vidarba is protesting in an incendiary fashion. Over the years, we have become somewhat enured to spectacles of violence in such contexts and there is some danger of a general coarsening of the national sensibility. It is little comfort that the riots this time are, in a sense, anti-lingual: Linguism, as a force that disrupts national unity, is, certainly a formidable factor in our national life and in a sense, the creation of the two new States is a surrender to the principle of linguism. But that would not make the pyromaniacs of Nagpur respectable citizens. For, their protest too stems from narrowness, though of a different sort and is, therefore, as much a corroder of unified national consciousness. It is to be hoped that responsible leaders of Vidarba like the much respected octogenarian Mr Aney will exert their influence to bring the people of Vidarba to a more reasonable frame of mind.

Vidarba's sullenness apart, the two States come into being amidst much general goodwill. The history of the consummation of the remarkably tenacious will of the people of the region has much that is best forgotten. The riots in Bombay and Ahmedabad were among the ugliest episodes in national life. From the beginning, it was clear that laudable as the idea of a bi-lingual Bombay was, it really had not chance of ultimate survival. In many ways, this is a great pity. But the principle of linguistic States was too firmly entrenched in the minds of people for its legitimacy to be questioned at the late stage it was. Even the States Reorganisation Commission conceded it, if not in principle, at least tacitly by the nature of its actual recommendations. With the exception of Bombay (where, however, they recommended the creation of a separate Vidarba, in partial concession to Marathi sentiment), its recommendations followed broadly the linguistic pattern. Since the SRC itself was somewhat wobbly over the issue, subsequent developments have made it impossible for anyone to argue the case for a bilingual Bombay with any degree of conviction. Mr Nehru's passionate desire, now reluctantly subordinated to local wishes, to have Bombay as a nursery of multi-lingual integration of national feeling was never popular with the people concerned. The whole series of compromises culminating in the dramatic acceptance of bi-lingual Bombay in Parliament (is preferable to the separation of the Bombay city both from Gujarat and Maharashtra) were obviously unsatisfactory efforts to accommodate irreconcilable attitudes. There was something synthetic in the enthusiasm with which all parties in Parliament greeted the idea and the speed with which the compromise formula was put through showed that considerations other than the merits of the idea weighed with the legislators. Neither the excellent record of the Bombay Government since nor the sustained zeal of Mr Nehru for the experiment

could really save the idea. The last general election proved how deeply committed to the idea of a linguistic State Maharashtra sentiment was. And once the Mahagujarat Samity gave up its claim to Bombay city, it was evident that the linguistic division of Bombay State could not be resisted for long. Finally political realism triumphed over political idealism and the two States have now come into being.

Now that the States have come into being nostalgic head-shakes would be inopportune. Indeed, in the actual process of separation of the two States, there is much to take heart from. It was evident from the beginning that Gujarat would start with a deficit; one of the arguments that weighed with the SRC in recommending a bi-lingual Bombay was this. Gujarat will also have to spend large sums of money for equipping itself with a Capital. There was also the ticklish question of how far the surrender of Bombay city—as the Gujaratis viewed it—should be 'compensated', especially when it could be argued, with some plausibility, that it was Gujarati enterprise that made Bombay what it was. Indeed, at one stage, it looked as though the whole idea of separation would come to brief over these minor disputes. But, with the good offices of the Centre, which provided the services of Mr M. V. Rangachari to devise the principles on which the financial implications of the separation should be governed, the problems were amicably settled. Not a little of the credit for the successful bringing to fruition of the wishes of the two people should go to Mr Chavan, in whom India has a young leader of great promise.

The new States have started with the goodwill of the whole nation all of which they will need in their initial tasks. This is particularly true of Maharashtra. Vidarba's hurt and resentment have to be assuaged with understanding and even generosity. There are many practical ways in which this can be done—sustained interest in its economy and the full utilisation of Nagpur for official purposes. After all, Vidarba is a test case for the linguistic enthusiasts who claim that a common mother tongue can unite what other considerations divide.

With the creation of the two new States, the country is entitled to hope that the territorial readjustments of the States inter-se have come to an end. There are, of course, minor readjustments on which feelings are apparently still strong. (In the case of Maharashtra itself, there is its border with Mysore on which there is some squabble.) These will no doubt be settled amicably in course of time. But the important thing to remember is that convenient political alibis, (at no time very respectable, but now less so,) are no longer available for shirking the essential tasks of nation-building.

The possibilities of Maharashtra may seem unlimited in view of current talk about aluminium in Kolhapur and the abundance of Koyna power in the future. But it will be agreed that rayon manufacture is likely to

develop more rapidly in Gujarat in the future and the old weaving industry of Surat is going to get a new lease of life. The growth of sugar mills in the Deccan and the emergence of Srirampur and Sangli as trade centres may suggest that irrigation has made the Deccan equal to Konkan and life and labour in Bombay is not so drab as pictured by Dr. Mann in the past. The truck-farming that has developed in Nasik is a sign that small holdings can yield more for capital and labour carefully applied than large estates. The opportunities for successful paper manufacture also may be greater in Maharashtra at present and the lack of timber in Gujarat may be compared with the deficiencies of Madras and Andhra Pradesh which are poorly placed as compared with Kerala which has now begun to make hard-board in addition to plywood. The total absence of plantation products in both States cannot be regarded as a handicap since Maharashtra has minerals that support an export trade and Gujarat is banking on oil to come up soon with Soviet aid, financial and technical.

There are perhaps more pockets of prosperity in Maharashtra but Gujarat has a commercial and industrial tradition that is known from Aden to Zanzibar. The enterprise of Cutch and the vigour of Broach belong to both modern and ancient history, and Maharashtra has no trading community to compare with the Bhatiyas. In spite of all the clamour against caste, the last item cannot be overlooked when discussing both material and moral resources. If Maharashtra sets store by the daring of Sivaji and the power he built up, it is the heritage of Somnath that keeps alive the spirit of Gujarat. Both are States less exposed to alien influences than Bengal or Assam, but, yet more conscious of the present than the past. That may have its own value in business life and it may be claimed that for the strenuous life of competitive business none is better equipped than the Gujarati who carries his native money sense wherever he goes, so that Gujaratis, even like Sindhis, make good under unpromising conditions.

Mr G. D. Birla on the Phoney War

IN a remarkably forthright expose of the phoney character of the war between the Government (or the public sector) and the private sector in India, Mr G. D. Birla is reported to have told an American business audience this week that "the climate for investment in India is excellent." As the climate for foreign private investment and the climate for domestic private investment are not two different things, what Mr Birla said in New York could not have been meant merely for foreign consumption. It must be said to his credit that some at least of the things he said there were in fact said by him within this country in recent months, albeit at times by remote implication. And so, in all truth, what he said in the United States should have been meant equally for domestic (Indian) consump-

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tion. As such, his speech is to be acclaimed as a keynote thesis for the benefit of some doubting sections of the Indian business community and of those private-sector publicists who are "more loyalist than the King."

The telling points in Mr Birla's thesis are easily told. The pivotal argument is that "new floatations are easily subscribed to and very often they are quoted at a premium" and that "in the case of many recent floatations, the equity share has been quoted at 20, sometimes 30 or even 50 per cent premium within a month." A related argument is that "the Indian money market is very cheap and the margin of profit very good," for, according to Mr Birla, "a new project could earn something like 25 per cent." Although out of this 25 per cent the investor has to provide for depreciation and income-tax, it is still "a very good margin of profit," in Mr Birla's opinion. That is not all, for, according to his handsome and ungrudging acknowledgement, "the Government have given great encouragement to new businessmen through an income-tax rate development rebate and high depreciation allowances. For all practical purposes, there is tax holiday for the first five years for a new venture and salaries of foreign technicians are exempted from income-tax for the first three years. Products manufactured in India have a protected market and Government and semi-Government institutions advance money through equities, preference stocks and loans." No wonder, therefore, that the Indian industrial economy is rapidly expanding and various projects—big, small and medium-sized—are being put up. This happy state of affairs, according to Mr Birla, is the result of Government's "entirely pragmatic" approach toward the respective roles of public and private sectors.

Coming as it does from one of the foremost leaders of Indian business opinion, this is no mean testimony. If anything, it is such as to provoke the Communists to take it as an expose of the "hollow" character of Indian Socialism although Mr Nehru, its prime architect, has never implied anything more than the harmonious development of a mixed economy within a broad "socialistic pattern". That the "socialistic pattern" is not the same thing as a "socialist society" is obvious to not a few discerning observers of the Indian economic scene, but it is not so very obvious to a small section of political and business opinion in the country. Mr Birla's testimony has thus come not a day too soon. If he gives this forthright lead to business opinion within the country on his return, he will have cleared the air and, deprived, to the good of the Congress, the socialistic propaganda of its demagogic (and frightening) overtones.

But it is by no means certain that he will do it, for, the kind of frankness that appeals to an American may not be equally well appreciated in some circles in this country. That, however, should be no bar to his giving the requisite lead to the business community even as he honestly told the All-India Businessmen's Convention in January last that the present Government represented "the best leadership available in the country." Whatever he may or may not do on his return, at least some of his frank utterances in the United States would need to be more widely known here and now. One of these is that there are no serious labour troubles in India; this is confirmed by his personal experience in his own concerns employing, in all, a hundred thousands and workers. Another is that he has no suitable reply to the question: "How do you explain quick expansion of companies and premiums on shares if the tax base is so bad as you have sometimes spoken?" Yet another is that there is close collaboration between the

Government and businessmen although it is not admitted by either side.

If, for purely indigenous reasons, Mr Birla continues to adopt an approach of "tight-rope walking" within India, it may not be too much to expect that his own newspapers—dailies and weeklies in both English and Hindi—would be advised to reflect his authentic voice, and not to speak in different voices, thereby confusing the public, wittingly or unwittingly. By virtue of his long association with Mahatma Gandhi and, through him, with the Congress, Mr G. D. Birla owes it to the country not only to give a sound lead to business opinion but also to put a stop, where it lies in his power, to the relentless campaign of personal denigration of some of the foremost leaders of the Government to which he has pledged all-out support. Where, according to Mr Birla's own understanding of the situation, economic problems are being pragmatically (and wisely) solved at the political level, political criticism would need to be raised to a more dignified level for that reason alone.

Commodities in First Quarter

COMMODITY prices showed a mixed trend during the first quarter of the year. With the exception of certain non-ferrous metals and oilseeds, and foodgrains, prices of all other commodities developed a distinctly firmer tendency. In particular, spices, shellac, bullion, raw jute, jute goods and groundnut staged an impressive rally, as the figures given below will testify:

	Dec. 31 1959 Rs	Mar. 31 1960 Rs	Percentage Increase or Decrease
Spices:			
Alleppey—Pepper	1,350	1,650	+ 22.2
Bombay—Pepper	195	210	+ 7.7
New York—Pepper	54cts.	58½cts	+ 8.3
Bombay—Ginger	56	64	+ 14.3
Bombay—Cinnamon	600	655	+ 9.2
Bombay—Cloves	975	800	+ 2.5
Calcutta Shellac:			
Pure TN variety	74	78	+ 5.4
Bombay—Bullion:			
Gold	125.84	130.44	+ 2.7
Silver	211.50	216.87	+ 2.5
Sovereign	81.12	86.37	+ 6.4
Bombay—Oilseeds:			
Groundnut	39.25	42.87	+ 9.2
Linseed	34.25	31.94	— 6.7
Castor	33.75	33.75	Nil
Kardl	24.00	23.75	— 0.9
Niger	31.00	32.75	+ 0.8
Bombay—Oils:			
Groundnut	20.87	22.19	+ 11.1
Linseed	16.44	16.06	— 2.4
Castor (commcl.)	18.44	18.12	— 1.8
Bombay—Metals:			
Copper	203.00	210.00	+ 1.9
Zinc	154.00	...	...
Lead	75.00	75.00	Nil
Tin	134.00	136.00	+ 1.5
Mercury	2,850	1,900	—33.3
London—Metals:			
Copper	£258	£251½	— 2.5
Zinc	£ 94½	£ 92½	— 2.3
Lead	£ 73½	£ 76½	+ 3.4
Tin	£789	£788	— 0.1
Hapur:			
Sugar	113.00	112.00	— 0.8
Gur	15.50	16.25	+ 4.9
Hapur—Foodgrains:			
Wheat Average	18.00	17.50	— 2.8
Wheat Farm	19.25	18.75	— 3.9
Barley	11.75	11.00	— 6.4
Gram	12.87	12.75	— 0.9
Malze	12.75	10.50	—17.6
Bajra	14.00	11.25	—19.6
Rice (Basmati)	32.00	34.00	+ 6.2

Arhar	13.00	14.50	+11.5
Urad	18.00	13.00	-27.8
Mooz	19.00	21.00	+10.5
Musoor	13.25	15.00	+13.2

Calcutta—Tea Export:			
Clean BP	2.24	2.06	-8.0
Plain BP	2.14	1.86	-13.0
Plain Fannings	2.20	1.90	-13.6
Medium BP	2.12	1.88	-11.3
Medium Fannings	2.24	2.00	-10.7
Best CTC Assam BP	2.70	2.60	-3.7
Best CTC Assam Fns.	2.70	2.65	-1.9

Calcutta—Dust Sale:			
Medium Dozars	2.22	1.90	-14.4
Medium Assam Grainy	2.16	1.90	-12.0
Medium Assam CTC	2.28	2.14	-6.1
Best CTC Assam	2.80	2.75	-1.8

Calcutta—Jute:			
Hessian 40" x 10 Ozs	42.35	42.45	+0.2
B. Twills	111.15	115.65	+4.0
Assam Bottoms	32.00	34.00	+6.2
Northern Bottoms	31.00	33.00	+6.4

Bombay—Cotton:			
ICC Jharilla March	763.25	750.00	-1.7

*Rates were not quoted with effect from the 19th February. The rate, quoted on the 18th February, was Rs 141.

The rise in the prices of spices, especially of Pepper, was more pronounced. The peak price realised, since the beginning of the season, was Rs 2.150 per candy as against Rs 1.350 quoted toward the end of last year. The unusual leap in prices was due to continuous buying by the USA even at steadily rising prices. As a matter of fact, buyers in the USA offered at one time as much as 84 cents a pound as against only 54 cents in December last year on fears of an overall shortage of the commodity during the current year. Chances of buying by Russian and other East European countries were also considered to be bright in view of the larger rupee account facilities between them and India. Above all, inland demand was improving in view of the unreasonably high price prevailing for chillies—the rival of pepper in the Indian market. Toward the end of the quarter, however, there was a slight setback in prices, reflecting the uncertain outlook for the commodity.

Shellac prices showed a steady upward trend from the beginning of the year on the feeling that Britain would enter the market for large-scale purchases in view of her declining stocks following the exceptional demand from the gramophone records industry. Another reason was, that more consumers were tending to buy direct from India instead of through the London market. Above all, the steps, taken by the Indian Lac Exporters' Association, and the fixing of a minimum export price brought forth a stability in export prices, thereby helping India to earn substantial foreign exchange.

Except for a slight reactionary tendency noticed in the third week of March on apprehensions that the Reserve Bank might announce credit squeeze measures against advances on precious metals, bullion prices displayed a steady upward trend from the beginning of the year. Despite the imposition of higher margins, the market was practically in the grip of a few professional operators who were not slow to exploit the somewhat restricted supply position.

With regard to Oils and Oilseeds, the tendency of prices especially for Groundnut remained upward during the major part of the period under review on reports of insufficient arrivals and the consequent heavy purchases made by the vanaspathi manufacturers at successively higher levels. Conditions akin to a boom were witnessed toward the end of January following the fixation of ceiling levels for

seed and oil by the Board of the Bombay Oilseeds Exchange.

From mid-February, sentiment was rather subdued in the absence of any fresh export business materialising, as Indian prices were considered to be out of parity with buyers' ideas in overseas markets. Moreover, reports about the move on behalf of the Bombay Municipality for the imposition of an octroi duty on vegetable oils and oilseeds produced an uneasy feeling among trade circles, as such an octroi duty would have an unfavourable effect on the crushing industry in Bombay. Thanks to the announcement of the export quota of 20,000 tons of HPS groundnut till the end of June, the market staged a sharp recovery toward the end of the quarter.

Comparatively speaking, trading in the castorseed and linseed sections was restricted. In the case of the former, operators lost some confidence in the outlook for exports of castor oil on fears of severe competition from Brazil. The Linseed section was practically devoid of interest, as shippers were worried about the continued silence of Australia in linseed oil, while business with the UK and Continent continued to be difficult.

Price movements in jute goods were mostly influenced by the speculative activity in the futures market. Despite the imposition of high rates of margins, speculators remained very active in pushing up rates gradually from the beginning of the year in view of the strong statistical position, which was strengthened further by a sharp fall in stocks at the end of last year. Overseas buyers, however, did not show any buying interest at the rising levels as they felt that their stocks would be sufficient enough to carry them, at least for the next three months on the basis of their consumption. With the result, the market developed a reactionary tendency from the third week of January. In fact, the trend of prices was rather irregular till the middle of March, being influenced by some adverse factors. First, the easier trend in raw jute prices in Pakistan with the end of ceiling on jute acreage and fears of intense competition from that country had an adverse effect on sentiment. Secondly, rumours of the diversion of some of the Burmese orders to Pakistan induced some setting pressure. Finally, it was feared that, in view of the poor demand from overseas buyers, the stocks with the mills might show an increase.

Thanks to reports of further business done with China, the market took a definite turn from mid-March. Although a controversy was going on among the operators with regard to the size of the stocks at the end of March, speculators were still busy in their dealings on the view that stocks might show a decline and that the market might even be confronted with the problem of low stocks if China continued to buy on the same scale as she did last year. There were also rumours of Egypt's proposal to place orders for the purchase of jute goods worth Rs 1 crore. "Shorts" were naturally compelled to cover their sales in near-delivery goods at advancing prices. The rise in prices was, however, more pronounced in sackings than in hessians. This was mainly due to the activity of the bulls who pushed up the rates of the former category on the consideration that stocks were too low as compared with a year ago. Concern was, however, expressed with regard to the increase in hessian stocks, especially when the USA, despite the end of the steel strike, was sitting out of the market. But, prices of hessians moved up slightly in sympathy with sackings.

The Raw Jute section, after ruling quiet till the middle of February, displayed a firmer tendency during the remaining part of the quarter under review. From the beginning of

the year, mills had not been showing much interest and made only small purchases to meet their immediate requirements on the belief that prices might develop a downward trend in view of the heavy arrivals and the accumulation of stocks at Cossipore. The better relation between India and Pakistan also gave rise to a feeling that there would be an adequate supply of the raw material during the current season. Although sellers were prepared to accommodate the mills in respect of prices and payment, hardly any business was possible.

Prices, however, took a sudden reversal of trend in mid-February of reports of poor imports into most agencies. Also, mills came out as buyers at the ruling rates and made substantial purchases. This tended to give bullish ideas to sellers who turned reserved. Their ideas were strengthened by the reports about the low stock position of some of the mills and the subsequent rumours of a possible shortage of supplies due to the inadequacy of rainfall. The steady rise in the prices of manufactured goods had also a sympathetic effect on the raw jute section.

Despite a steady rise in production, Sugar prices improved steadily from Rs 113 per bag at the beginning of the year following the Government decision not to decontrol the commodity. Normally, the steady rise in production as well as in stocks should have been reflected in the price trends of the market. Unfortunately, this was not so and prices continued to stand at a high level, quoting Rs 124 per bag in the middle of February. This was mainly due to the fact that, although production was running higher, supplies of cane to the factories was declining. Fears were, therefore, expressed that the sugar season would end earlier, as no steps had yet been taken to stop diversion of cane to the khandisari units. From the beginning of March, however, prices developed a steady decline due to better supply position, as was evident from the figures released by the Indian Sugar Mills Association. Total production, during the current season till the end of March, was higher at 20.54 lakh tons as against 16.77 lakh tons in corresponding period of the previous season, while stocks, at the end of March, were estimated at as much as 14.19 lakh tons against 11.68 lakh tons on the corresponding date of last year.

Prices of Foodgrains, after ruling firm till the end of February, displayed a reactionary tendency during the last month of the quarter following slack demand and the beginning of the new crop arrivals. The announcement of the Government decision to build up, within eighteen months, a Buffer Pool of nearly 5 million tons to meet deficit and control prices, was also a contributory factor.

Price movements in the Cotton market were irregular. Except for a short period in January when sentiment was affected by the pronounced weakness of the cotton piecegoods section, the tendency of prices remained upward till the middle of March. Despite the series of measures taken by the authorities to check the rising trend and ensure adequate supply of cotton to the industry at the ceiling level and the liberalisation of their policy, sentiment remained bullish in view of the dearth of good quality cotton and the strong statistical position. Fears were also expressed that the supply position would be tight at the fag-end of the season following the downward revised estimate for the 1959/60 season. As a matter of fact, ICC Jharilla March contract pierced the ceiling level of Rs 790 and touched Rs 815 toward the end of February. However, acute stringency in the money market along with talks of more imports of foreign cotton and the resultant drop in the prices of long-

staple indigenous varieties led to a somewhat apathetic attitude. Moreover, reports of financial difficulties of a few business firms in outside markets threw a damper on the market, resulting in a steady setback in prices toward the end of March.

In the Non-Ferrous Metal market, conditions remained generally dull with prices displaying an easier tendency. Hopes, that the import quotas of the scheduled industries might be raised for the six months (April to September), induced a quiet feeling. In this connection, it may be added that, early in January, the price of Zinc touched a high of Rs 160 following the delay in the receipt of Russian zinc under rupee payment and the supplies imported by the manufacturers having dwindled considerably. Subsequently, the price was marked down gradually to Rs 131 on the 18th February. Following this slump, business almost came to a standstill in this metal from that date.

There was a significant development in the Tea market. Despite the fact that the demand for the commodity was maintained throughout the period on talks of expansion of the industry in the Third Plan, prices showed a softer trend. The improvement in the stock position enabled the UK buyers to sit back and watch the price trends. Although visible supplies were not over-abundant so as to weigh on the market, there was a slow weakening of the market. One reason was the reluctance of the packers to hold large stocks in view of the large volume of financing required for the purpose.

But, a significant development, during the period under review, was the widening of the price gap between plain and quality teas. While the plainest sorts tended to be cheaper, some of the better teas showed more price stability. The drop in plain teas was due to the unwillingness of buyers to take extra quantities on to their books and to the possibility of a surplus of supply over demand during the 1959-60 season if consumption within the producing countries fell below that of the previous season. There was, however, a general belief that the North-East Indian crop of the current season would be sold earlier in spite of the softer trend in prices, especially of Common teas. This might probably be the reason that the general demand was well maintained.

Voluntary Arbitration

By M. SUR

BY the Code of Discipline in Industry both managements and trade unions have in principle agreed through their national bodies "to settle all future differences, disputes and grievances by mutual negotiation, conciliation and voluntary arbitration." Following this up, the tripartite Standing Labour Committee, meeting in March, recommended some modification of the approach to industrial relations in the Third Plan, with a view to encouraging greater recourse to voluntary arbitration to settle disputes.

We have had compulsory arbitration in the form of industrial adjudication machinery for some years now, but voluntary arbitration is a comparatively new idea in India, and there seems to be rather confused thinking about it. For instance the press report on the Standing Labour Committee meeting stated that at present an agreement reached through voluntary arbitration was not binding on workers who did not belong to the trade union which entered into the agreement with its employers, and therefore some legislative amendment should be introduced to give decisions reached through voluntary arbitration binding

force. But voluntary arbitration is not a form of agreement. It is a judgment. Arbitrator means a judge or one appointed by two parties to settle a dispute. Arbitration is the settlement of a dispute by an arbiter, and the modern legal term for an arbiter is arbitrator.

The idea of arbitration, or calling in a third party to settle an argument is almost as old as settled society. There is the classic instance in Greek mythology of the shepherd, Paris, who was called upon to arbitrate on the rival claims to beauty of the three goddesses, Juno, Pallas Athene and Venus. In the modern world we have applied the principle in international affairs through the Court of Arbitration at the Hague, set up long before the First World War. It was in the news recently as a result of its decision in the dispute between India and Portugal over the right of passage of troops through Indian territory. It is, in fact, a thoroughly civilised way of resolving a dispute, but it depends upon the two parties being sufficiently responsible to agree mutually to submit their case to a third party, and to agree to abide by the decision. It is not possible without a belief in the true impartiality of the third party, and therefore requires a high degree of confidence. Once you reach the position where disputes are by mutual agreement submitted to voluntary arbitration, it should not be necessary to talk of making the arbitrator's decision binding.

One cannot avoid the feeling that all parties, and particularly the trade unions, when talking of voluntary arbitration are mainly thinking of an alternative to the system of adjudication, which is discredited in the eyes of the workers. At the recent INTUC Conference, Mr G. Ramanujam, the President, complained that "the delay experienced in the settling of disputes is still the main cause of labour's legitimate discontent." He therefore gave his full support to the idea of voluntary arbitration, wanted it to be applied in the public sector as well as the private sector, and even suggested that the Government should 'blacklist' employers and unions who did not accept it. To 'force' people to do something 'voluntarily', to say the least, smacks of authoritarian regimes. It is reminiscent of the position of the Japanese Factory Inspector who before the war was explaining to the head of a voluntary welfare organisation in the UK that in Japan they ran a similar welfare movement through the Factory Inspectorate. Asked how a voluntary organisation could function through official channels, he explained naively that as Welfare Officer he tried to persuade factory owners to introduce improvements in working conditions or welfare measures, but if this approach did not prove successful, as Factory Inspector he could enforce the improvements by order!

The virtue of voluntary arbitration is that two disputing parties mutually agree to call in a third party to settle their differences. If they do not agree to accept his decision as binding, then there is no point at all in calling him in. Obviously what is wanted is not a change of machinery, but a change of heart. Voluntary arbitration is a civilised, rational approach of two parties anxious to secure impartial justice. It cannot be the approach when one party is out to grab as much as it can and the other to retain what it has got.

When a trade union submits a long charter of demands, it is anxious to see how much it can win for its members. It is likely to achieve more by judicious bargaining than by the fact-finding approach of an arbitrator. If it is not possible through negotiation and conciliation to settle even some of these demands, then it is not likely that sufficiently confidence has been engendered to lead the parties to agree to voluntary arbitration. There is no

course left in such a case but for Government to refer the case to compulsory arbitration. But if all the items in the charter have been settled by negotiation except one on which views are diametrically opposed, or if there is an individual case concerning the right or wrong of the action taken, then it may very well be possible for the parties mutually to agree to voluntary arbitration. It would seem, therefore, that voluntary arbitration has a more limited scope than compulsory arbitration. This is borne out by the experience of voluntary arbitration in the United States.

The American Arbitration Law of 1920 gave legal validity to arbitration as a method of settling trade disputes, and the American Arbitration Association grew up a little later in order to draw up panels of arbitrators. The system began to be applied to labour disputes in 1937, although there had been occasional cases referred to arbitration before that date. Arbitration was held to be a judicial process, and the Association deliberately excluded mediation and conciliation from the arbitrator's duties, holding that he could not at one moment be a mediator or conciliator and the next moment a judge. Arbitration was held to be the last resort, when all other processes had been tried and failed. Compromise was also excluded, for it was argued that compromises did not necessarily embody justice; they might settle an issue partially, whereas justice was intended to dispose of it finally.

In the vast majority of collective bargaining agreements in the United States voluntary arbitration is now laid down as the final step in the procedure for settlement of grievances. In fact a standard arbitration clause drawn up by the Association is usually incorporated in the contract, along with a pledge not to strike during arbitration proceedings. In some cases a permanent arbitrator is designated, but usually arbitrators are selected when required from the Association's panel. The parties may agree on a single arbitrator, or each may make his own choice and the two arbitrators so chosen will select a third to form a board of arbitration.

Arbitration in the States is in most cases concerned with the interpretation of some point in a contract, or the application of the contract provisions, but the original idea has been extended to cases involving individual employees which cannot be settled by reference to the agreement, but involve the general principles of equity. When a case of discharge or disciplinary action has gone through all the stages of the grievance procedure according to the contract and no settlement is reached, that, too, may be referred to an arbitrator, and in some cases a clear-cut issue such as a wage increase or pension plan may also be the subject of arbitration, but no arbitrator is asked to give a decision on a long series of demands. Arbitration is always a final process, not a substitution for negotiation. This was also the idea of the framers of the Code of Discipline in Industry.

The idea of voluntary arbitration was a Gandhian concept which found expression in the famous Ahmedabad textile agreement in 1920. The later Ahmedabad agreement of 1955 also stipulates that all future disputes which cannot be settled by negotiation should be referred to a mutually selected arbitrator. But elsewhere the idea has only been adopted in one or two company agreements. It appears in the Bata agreements, and was adopted by Tatas in relation to any disagreement on the fixation of the standard working force. The writer only knows of one case, that of the Aluminium Industries in Kerala, where a permanent arbitrator has been mutually designated by company and unions.

Indian Finance

There are two difficulties in the way of rapid extension of voluntary arbitration in India. First there is a lack of available men with sufficiently wide experience of the problems of labour relations, who can command the confidence of both parties in industry. Government is endeavouring with the help of employers' and workers' associations to draw up an agreed panel of names, and we shall have to wait to see what success they have. Secondly, as in everything else, the problem of rival unions confuses the issue. If one union agrees to go to arbitration, what is to happen if another rival union objects or refuses to accept the arbitrator's decision? The Standing Labour Committee has suggested giving these decisions the same status and force as tribunal awards. State laws in America mostly give arbitrator's decisions legal standing, but there is the difference that in America only one union at any time can be recognised as the representative bargaining agent, and therefore enforcement of arbitral awards is not very difficult. In India we have the sad experience that banning strikes in certain circumstances does not prevent illegal strikes occurring frequently. To make an arbitration award binding on all employees whether they belong to the union concerned or not, is no guarantee that rival unions will not go on strike against the award. We are driven back again to the question of the right approach. Where the law of the jungle prevails there civilised forms of settlement cannot be applied. Unless the parties to a dispute are responsible, have a sufficient backing and are able to keep their members in line, voluntary arbitration will not be effective. It needs moral force rather than legal sanction behind it, otherwise the arbitrator will merely become in the eyes of the workers another kind of industrial tribunal.

STATEMENT OF ACCOUNT			
UNITED BANK OF INDIA LTD.			
BRANCH: CALCUTTA			
DATE	DEBIT	CREDIT	BALANCE
1955-12-31			10,00,00,00
1956-01-01	1,00,00,00		9,00,00,00
1956-01-15		50,00,00	9,50,00,00
1956-02-01	2,00,00,00		7,50,00,00
1956-02-15		1,00,00,00	8,50,00,00
1956-03-01	3,00,00,00		5,50,00,00
1956-03-15		2,00,00,00	7,50,00,00
1956-04-01	4,00,00,00		3,50,00,00
1956-04-15		1,00,00,00	4,50,00,00
1956-05-01	5,00,00,00		0,00,00,00
1956-05-15		1,00,00,00	1,00,00,00
1956-06-01	6,00,00,00		(1,00,00,00)
1956-06-15		2,00,00,00	(0,00,00,00)
1956-07-01	7,00,00,00		(7,00,00,00)
1956-07-15		3,00,00,00	(4,00,00,00)
1956-08-01	8,00,00,00		(12,00,00,00)
1956-08-15		4,00,00,00	(8,00,00,00)
1956-09-01	9,00,00,00		(17,00,00,00)
1956-09-15		5,00,00,00	(12,00,00,00)
1956-10-01	10,00,00,00		(22,00,00,00)
1956-10-15		6,00,00,00	(16,00,00,00)
1956-11-01	11,00,00,00		(27,00,00,00)
1956-11-15		7,00,00,00	(20,00,00,00)
1956-12-01	12,00,00,00		(32,00,00,00)
1956-12-15		8,00,00,00	(24,00,00,00)
1957-01-01	13,00,00,00		(37,00,00,00)
1957-01-15		9,00,00,00	(28,00,00,00)
1957-02-01	14,00,00,00		(42,00,00,00)
1957-02-15		10,00,00,00	(32,00,00,00)
1957-03-01	15,00,00,00		(47,00,00,00)
1957-03-15		11,00,00,00	(36,00,00,00)
1957-04-01	16,00,00,00		(52,00,00,00)
1957-04-15		12,00,00,00	(40,00,00,00)
1957-05-01	17,00,00,00		(57,00,00,00)
1957-05-15		13,00,00,00	(44,00,00,00)
1957-06-01	18,00,00,00		(62,00,00,00)
1957-06-15		14,00,00,00	(48,00,00,00)
1957-07-01	19,00,00,00		(67,00,00,00)
1957-07-15		15,00,00,00	(52,00,00,00)
1957-08-01	20,00,00,00		(72,00,00,00)
1957-08-15		16,00,00,00	(56,00,00,00)
1957-09-01	21,00,00,00		(77,00,00,00)
1957-09-15		17,00,00,00	(60,00,00,00)
1957-10-01	22,00,00,00		(82,00,00,00)
1957-10-15		18,00,00,00	(64,00,00,00)
1957-11-01	23,00,00,00		(87,00,00,00)
1957-11-15		19,00,00,00	(68,00,00,00)
1957-12-01	24,00,00,00		(92,00,00,00)
1957-12-15		20,00,00,00	(72,00,00,00)
1958-01-01	25,00,00,00		(97,00,00,00)
1958-01-15		21,00,00,00	(76,00,00,00)
1958-02-01	26,00,00,00		(102,00,00,00)
1958-02-15		22,00,00,00	(80,00,00,00)
1958-03-01	27,00,00,00		(107,00,00,00)
1958-03-15		23,00,00,00	(84,00,00,00)
1958-04-01	28,00,00,00		(112,00,00,00)
1958-04-15		24,00,00,00	(88,00,00,00)
1958-05-01	29,00,00,00		(117,00,00,00)
1958-05-15		25,00,00,00	(92,00,00,00)
1958-06-01	30,00,00,00		(122,00,00,00)
1958-06-15		26,00,00,00	(96,00,00,00)
1958-07-01	31,00,00,00		(127,00,00,00)
1958-07-15		27,00,00,00	(100,00,00,00)
1958-08-01	32,00,00,00		(132,00,00,00)
1958-08-15		28,00,00,00	(104,00,00,00)
1958-09-01	33,00,00,00		(137,00,00,00)
1958-09-15		29,00,00,00	(108,00,00,00)
1958-10-01	34,00,00,00		(142,00,00,00)
1958-10-15		30,00,00,00	(112,00,00,00)
1958-11-01	35,00,00,00		(147,00,00,00)
1958-11-15		31,00,00,00	(116,00,00,00)
1958-12-01	36,00,00,00		(152,00,00,00)
1958-12-15		32,00,00,00	(120,00,00,00)
1959-01-01	37,00,00,00		(157,00,00,00)
1959-01-15		33,00,00,00	(124,00,00,00)
1959-02-01	38,00,00,00		(162,00,00,00)
1959-02-15		34,00,00,00	(128,00,00,00)
1959-03-01	39,00,00,00		(167,00,00,00)
1959-03-15		35,00,00,00	(132,00,00,00)
1959-04-01	40,00,00,00		(172,00,00,00)
1959-04-15		36,00,00,00	(136,00,00,00)
1959-05-01	41,00,00,00		(177,00,00,00)
1959-05-15		37,00,00,00	(140,00,00,00)
1959-06-01	42,00,00,00		(182,00,00,00)
1959-06-15		38,00,00,00	(144,00,00,00)
1959-07-01	43,00,00,00		(187,00,00,00)
1959-07-15		39,00,00,00	(148,00,00,00)
1959-08-01	44,00,00,00		(192,00,00,00)
1959-08-15		40,00,00,00	(152,00,00,00)
1959-09-01	45,00,00,00		(197,00,00,00)
1959-09-15		41,00,00,00	(156,00,00,00)
1959-10-01	46,00,00,00		(202,00,00,00)
1959-10-15		42,00,00,00	(160,00,00,00)
1959-11-01	47,00,00,00		(207,00,00,00)
1959-11-15		43,00,00,00	(164,00,00,00)
1959-12-01	48,00,00,00		(212,00,00,00)
1959-12-15		44,00,00,00	(168,00,00,00)
1960-01-01	49,00,00,00		(217,00,00,00)
1960-01-15		45,00,00,00	(172,00,00,00)
1960-02-01	50,00,00,00		(222,00,00,00)
1960-02-15		46,00,00,00	(176,00,00,00)
1960-03-01	51,00,00,00		(227,00,00,00)
1960-03-15		47,00,00,00	(180,00,00,00)
1960-04-01	52,00,00,00		(232,00,00,00)
1960-04-15		48,00,00,00	(184,00,00,00)
1960-05-01	53,00,00,00		(237,00,00,00)
1960-05-15		49,00,00,00	(188,00,00,00)
1960-06-01	54,00,00,00		(242,00,00,00)
1960-06-15		50,00,00,00	(192,00,00,00)
1960-07-01	55,00,00,00		(247,00,00,00)
1960-07-15		51,00,00,00	(196,00,00,00)
1960-08-01	56,00,00,00		(252,00,00,00)
1960-08-15		52,00,00,00	(200,00,00,00)
1960-09-01	57,00,00,00		(257,00,00,00)
1960-09-15		53,00,00,00	(204,00,00,00)
1960-10-01	58,00,00,00		(262,00,00,00)
1960-10-15		54,00,00,00	(208,00,00,00)
1960-11-01	59,00,00,00		(267,00,00,00)
1960-11-15		55,00,00,00	(212,00,00,00)
1960-12-01	60,00,00,00		(272,00,00,00)
1960-12-15		56,00,00,00	(216,00,00,00)
1961-01-01	61,00,00,00		(277,00,00,00)
1961-01-15		57,00,00,00	(220,00,00,00)
1961-02-01	62,00,00,00		(282,00,00,00)
1961-02-15		58,00,00,00	(224,00,00,00)
1961-03-01	63,00,00,00		(287,00,00,00)
1961-03-15		59,00,00,00	(228,00,00,00)
1961-04-01	64,00,00,00		(292,00,00,00)
1961-04-15		60,00,00,00	(232,00,00,00)
1961-05-01	65,00,00,00		(297,00,00,00)
1961-05-15		61,00,00,00	(236,00,00,00)
1961-06-01	66,00,00,00		(302,00,00,00)
1961-06-15		62,00,00,00	(240,00,00,00)
1961-07-01	67,00,00,00		(307,00,00,00)
1961-07-15		63,00,00,00	(244,00,00,00)
1961-08-01	68,00,00,00		(312,00,00,00)
1961-08-15		64,00,00,00	(248,00,00,00)
1961-09-01	69,00,00,00		(317,00,00,00)
1961-09-15		65,00,00,00	(252,00,00,00)
1961-10-01	70,00,00,00		(322,00,00,00)
1961-10-15		66,00,00,00	(256,00,00,00)
1961-11-01	71,00,00,00		(327,00,00,00)
1961-11-15		67,00,00,00	(260,00,00,00)
1961-12-01	72,00,00,00		(332,00,00,00)
1961-12-15		68,00,00,00	(264,00,00,00)
1962-01-01	73,00,00,00		(337,00,00,00)
1962-01-15		69,00,00,00	(268,00,00,00)
1962-02-01	74,00,00,00		(342,00,00,00)
1962-02-15		70,00,00,00	(272,00,00,00)
1962-03-01	75,00,00,00		(347,00,00,00)
1962-03-15		71,00,00,00	(276,00,00,00)
1962-04-01	76,00,00,00		(352,00,00,00)
1962-04-15		72,00,00,00	(280,00,00,00)
1962-05-01	77,00,00,00		(357,00,00,00)
1962-05-15		73,00,00,00	(284,00,00,00)
1962-06-01	78,00,00,00		(362,00,00,00)
1962-06-15		74,00,00,00	(288,00,00,00)
1962-07-01	79,00,00,00		(367,00,00,00)
1962-07-15		75,00,00,00	(292,00,00,00)
1962-08-01	80,00,00,00		(372,0

FOREIGN NOTES

US Economic Developments

Many of the cars may be smaller this year, but the market most assuredly is bigger. This about sums up current automotive trends in the United States. And the proceedings at the nine-day International Automobile show, which closed at the famed Coliseum Exhibition Hall here last week, certainly support this conclusion.

The show, a major automotive event for the past four years, the year registered its greatest participation of exhibition, its largest public attendance and its most columnous on-the-spot sales.

In all, more than 300 automobile models were on display, some 275 of them from 76 car makers in nine foreign countries—England, Germany, France, Italy, Sweden, the Netherlands, Japan, Czechoslovakia and the Soviet Union. And for the first time since the show was first staged back in 1957, all six of the U.S. manufacturers also were represented. Nearly 300,000 visitors were counted, and sales at the show soared to well over the record \$40 million-mark of last year.

All of this seems to render groundless any fears that the imported car market in the United States might decline severely with the advent of the new, smaller American cars—the so-called "compacts"—introduced in quantity this year. While the new American compacts obviously made a strong impression on the public at the automobile show, interest in the imported foreign makes evidently continued unabated.

These impressions are borne out by statistics. Last year, the American public spent more than \$16,000 million for cars and parts, of which a full \$1,000 million went for imported vehicles. Only 10 years ago, the foreign car was something of a rarity in the United States, with total sales of little more than 16,000 automobiles accounting for only a negligible part of the vast U.S. market. But last year, some 605,000 foreign-made cars found buyers in the United States, to account for a remarkable 10 per cent of the market.

This year, with the American market expected to absorb more than 6.5 million cars—some experts still insist the final figure will be closer to 7 million—there is reason to believe that both domestic and foreign makers will be able to expand their sales in the United States.

American compacts already are accounting for about 30 per cent of U.S. automobile production, far above the original estimates. And a study just completed for one of the major U.S. manufacturers estimates that within a few years compact

cars will be accounting for 42 per cent of new U.S. car sales and for 21 per cent of all cars on American roads.

There is no question but that these smaller cars—offering the kind of economy and urban driving convenience found in many imported cars but in few standard-sized American models—are providing stiff competition to the imports. Nevertheless, during the first two months of this year, U.S. imports of foreign automobiles increased significantly over the same period of last year—112,000 units valued at \$124 million as against 99,000 units valued at \$113 million. And the number and variety of foreign makes and models now being placed on the American market indicate that foreign manufacturers are responding aggressively and confidently to the new challenge of the American compact.

As a matter of fact, there is reason to believe that the smaller American cars will be offering as much competition—and perhaps more—to their larger U.S.-made brethren as they will to the foreign imports. So far this year, total sales of Detroit's famous product are running better than 10 per cent ahead of last year, and a good part of this gain obviously has been accounted for by the new compacts. Interestingly enough, however, the chief sufferers seem to have been not the imports, which have been more than holding their own, but the standard-sized medium-priced American lines, which took 35 per cent of the US market in 1955 and now are down to less than 29 per cent.

None of this should be interpreted as assuring a rising US market for every make or model of foreign automobile. The competition will be keen, not only with American cars but also with other foreign cars, and the attrition may be great.

But foreign cars have made their mark on the American scene, and those that offer sound value to American consumers and appeal to American tastes should continue to find a profitable reception in the open and expanding automotive market of the United States.

Indo-Ceylon Trade

It is only from the report of the India Mercantile Chamber of Ceylon that one can appraise the position held by India in the island's trade. It is known that India's takings of spices and arecanuts have fallen though her imports of copra and rubber have been maintained. If Pakistan is a steady customer for coconut oil like India, there is no doubt that the main outlets for Ceylon's major exports are still outside Asia. But imports from India of animals, eggs, fish and grains have always been substantial. India does not, or cannot export, sugar but she sells sugarcandy as well as chillies. The trade in coal has been kept up but the intake of vegetable oils has apparently fallen, maybe owing to the rise in prices in India. A beginning in the export of pharmaceuticals and cosmetics has been

noted and India now is shipping insecticides.

Contrary to general impressions India does not enjoy a major share of the Ceylon market in respect of tyres or plywood but India supplies the paper needed for the Ceylon cigarette factory. In regard to cotton yarn, India's share is large but the piecegoods trade is shared by many countries at present. In the case of cement, India is a long way behind other trade rivals but she is the main supplier of iron safes and brass utensils. A point to bear in mind is that Ceylon too was handicapped by an import surplus, as attested by a fall in her foreign balances but 1959 witnessed a measure of recovery due to higher exports of tea, rubber and coconut products. The rise in exports of coir fibre means that India has to contend against Ceylon in European markets. It is surprising that India does not yet buy from Ceylon such cocoa as is needed for the manufacture of beverages. It may be added that the UK is the main buyer of Ceylonese exports followed by the USA, and India not being able to supply rice, wheat flour or sugar cannot hope to acquire a larger share in Ceylon's imports in the future.

But she can hope to keep up trade in potatoes and onions and can hope to sell more rayon piecegoods. But Ceylon too is growing more tobacco and has reduced her imports. The island's machinery imports may hold little importance and the preference given in the issue of licences to Ceylonese corresponds to the practice in Burma. This may affect the course or composition of trade. And Ceylon has a co-operative wholesale to handle imported foodstuffs and import by country craft from India is made difficult. Far more serious is the protectionist policy relating to handloom goods cutting at the supply of lungis from Madras by local traders. Figures suggest that Ceylon is apparently making electric bulbs also and seeks to curb imports.

Skin Deep

Beauty culture has led to the rapid rise of the cosmetics industry, a potent force in US advertising. A scientific Congress considered last year the impact of cosmetics on industry and science. In India too the industry is fairly old but the major units are obviously the affiliates of giant foreign firms though one Indian firm, Patanwala has celebrated its golden jubilee and Indian soap makers have demonstrated their power to make good supplies reduced by import restrictions. While raw materials for perfumery, from musk and sandal to turmeric and chalk, are available in India the industry has been hit by difficulties in getting machinery and local consumer resistance has not been fully overcome by advertising. The only public concern whose progress can be assessed is

that of Lakme, a subsidiary of Tata Oil Mills, and its income has been certainly going up. It is noteworthy that care of the complexion accounts for the emergence of many skin foods including waxes. But the maintenance of standards and assay of products offered for sale are yet to come. The oil-bath has not been displaced by the shampoo and beauty parlours except as annexes to deluxe hotels have not become common in spite of a rising standard of living.

In the USA cosmetics are a widespread and thriving industry and Elizabeth Arden is not only a racehorse owner but a business leader who invites the President's wife for a house-party. In Indian cosmetics are still to make the grade because the chemical industry at present is concerned with producing heavy materials like soda ash, not with study of vegetable fats from which cosmetic manufacturers can draw supplies. There is, however, no surprise that Unilever (through Hindustan Lever) is interested in cosmetics and its share of the Indian market is preserved by the efficiency of marketing and research though it is clear that soap backed by brand names, must always take precedence over special preparations and drug-makers too will retain a hold on the market because of their hold on retail outlets like chemists' shops in big towns. If film studios prefer specialities imported from the USA, the average buyer is price-conscious and what is made in India, according to formula has a big lead over the imported items.

Up in the Air

The combination of Italian, German and other airlines serving the East is a sign that cooperation in the air is at last starting. The rise of Alitalia after the Italian aviation industry was destroyed totally by war was not due merely to State subsidies but to its pre-war success and experience. Air traffic grew after the war and the amalgamation of the major lines in 1957 under State control was a prelude to vigorous development. This year Alitalia has set its sights higher and put in DC. 8 into the operating fleet. The Alitalia service across the Atlantic has termini in New York and Buenos Aires and Alitalia has opened air services to South Africa as well as the Middle East. Both Bombay and Karachi are served by a line touching at Teheran. Ranked twelfth among the world airlines in 1958 Alitalia in 1960 means to link up Rome with Montreal also. Collaboration with Air France, Lufthansa and Sabena may be a result of the European common market, but the drawing card for Alitalia in 1960 will be the Olympic games when all roads naturally will lead to Rome. The president of the Italian airline which now employs over 4000 persons is an ex-Ambassador who is at present chairman of the Trieste Port Trust also.

Indian Finance

7 May 1960

STATES NOTES

UP Cotton Mills' Problems

Mr Purushotam Das Singhania has entered a plea for a special treatment to the UP cotton textile mills in the matter of implementing the recommendations of the Cotton Textile Wage Board. Delivering the Presidential address of the Merchants Chamber of UP, he has pointed out that the Wage Board have overstepped their terms of reference. The Committee on Fair Wages has stipulated that fair wages should be correlated to fair work load and although the Board were expected to follow this wholesome criterion, their recommendations were based on other considerations as well. Mr Singhania pertinently recalls that Mr Lal Bahadur Shastri himself has admitted that the award will adversely affect many mills. The contention that the industry should not raise any objection because the award has been endorsed by the representatives of the industry on the Board cannot also stand close scrutiny. The Indian Cotton Mills Federation which represents the industry as a whole has declared in unambiguous terms its opposition to the award. The ICMF has opined that the additional financial burden will prove disastrous to many of the marginal mills and will bring great hardship to others. The implementation of the recommendations in full will also seriously jeopardise the modernisation programme of the industry.

The textile industry in UP is severely handicapped because of its large margin of surplus workers. And Mr Singhania is of the opinion that the full and immediate implementation of the recommendations will bring about another serious financial crisis for the industry. The additional burden can be justified only when the wage increases are preceded by rationalisation. As far as the UP mills are concerned, rationalisation will also be a difficult problem because of the surplus labour already employed. The way-out suggested by Mr Singhania is that the mills should be permitted to work seven days a week and in cases where the mills are already running three shifts, working should be increased from the present 22½ hours to 23½ hours.

Good Chit for Chits

The Madras Bill to regulate chit funds is introduced with a brief note about protection for subscribers to chit funds. It is necessary that in view of regulations in force

in Kerala the chit funds in Madras also should be supervised. The rules in the draft bill call for registration the making of an agreement among subscribers to a chit or kuri and the taking of security from the Foreman or organiser who can take a commission. Audited accounts have to be submitted by registered funds and receipts for subscriptions have to be furnished regularly, so that even a defaulting subscriber will not lose any sum which is due. The subscriber who draws a prize has to pay all instalments in full. The procedure for refunds is also outlined and banking companies operating chit funds have to maintain regular records. All licensed chit funds have to pay fees for inspection and audit. The statutory safeguards may not hit the mutual aid societies that promote regular saving by the middle class in the South but may lead to a concentration of business in the better funds.

"Package Plan" for Aligarh

The "Package Plan" for food production sponsored by the Ford Foundation is to be introduced in the Aligarh district of UP. This is part of a programme for intensive cultivation of food crops planned to be implemented on an experimental basis in one district each in five States. The cost of the entire programme is estimated at Rs 8.42 crores. The central idea of the scheme would appear to be the ensuring of maximum food production largely independent of weather conditions in the areas concerned. It may be recalled that already Madras has taken the lead by introducing the plan in the Tanjore district. Speaking about the salient features of the Package plan to be introduced in Aligarh district, Mr Mohanlal Gautam, UP's Minister for Agriculture and Cooperation, pointed out the other day in Aligarh that the new food production drive in the district would combine all the requirements essential for rapid expansion of production. Adequate farm credit based on production potential would be made readily available to the cultivators through the agency of a large number of service cooperatives. Perhaps the most important feature of the programme is the provision for ensuring assured prices for the tiller of the soil and Mr Gautam indicated that price agreements would be for a period of two years. Apart from the assurance about an equitable return, every aspect of agriculture will receive concerted attention and all assistance needed by the enterprising farmer will be available to him at his door, as it were, for a five year period and the

The pilot project will be worked for a five year period and the State Government will set up a machinery to assess the success of the programme at frequent inter-

vals. The results from season to season will be studied with a view to removing the impediments in the way and there will be an assessment of the results over the five year period at the end.

There is every reason to hope that the pilot project will achieve its objective of a sizable increase in food production in the area in which it is implemented because no effort is going to be spared and as adequate finance will be available, the main impediment will have been removed. Even so, it is to be clearly borne in mind that the success of the programme in the final analysis depends upon the sustained and enthusiastic effort that is put forth by the farmers themselves. Mr Gautam did well, therefore, to appeal to the cultivators for their wholehearted support to the project. For, without the farmers taking an abiding interest in the new drive, the Minister's dream of turning the Aligarh district into one of the biggest granaries of wheat may remain unfulfilled despite the huge outlay envisaged in the package deal for the district.

Irresponsible Criticism

Although the main reason for the comparative slow progress of the development programmes under the first two Five Year Plans is well-known, it is strange to find some people in Kerala trying to make it appear that if anybody is to blame for the present state of affairs, it is the Central Government. What is stranger still is that among these are some ministers of the State Government. Speaking in New Delhi last week Mr A. Velappan, Kerala's Minister of Health and Electricity, had said that there was a feeling among the State's people that the Centre was not giving Kerala the attention it deserved especially in the fields of industry and agriculture. It is evident that Mr Velappan is also of an identical view but because presumably he does not wish to embarrass the Centre, he has chosen to put the statement in the mouth of the abstract public. Speaking almost simultaneously in Trivandrum, Governor Ramakrishna Rao has also dealt with Kerala's present predicament. He has made an appeal to the Centre that Kerala must be given special consideration while finalising its Third Five Year Plan. The Governor has pointed out that the two most important and urgent problems that are confronting the State are unemployment and agriculture production. He has also admitted that there is need for revising the draft of the Third Plan prepared earlier. But he has deprecated the tendency to blame the Central Government for the State's shortcomings. In his view the proper thing to do will be to prepare concrete plans and then press for their acceptance. Perhaps it may be difficult to stop all and sundry from blaming the Central Government for all the ills of the

States but one has a right to expect responsible Ministers not to join such irresponsible groups.

Master Plan for Saurashtra

THE industrial advancement of Kutch and Saurashtra is well in sight, for, the Government have prepared a master plan for accelerating the pace of industrialisation of those regions. The plan, it may be noted, presents an exhaustive picture of the possibilities on which the developmental schemes will be implemented. No plan calculated for stepping up the industrialisation of a particular region can attain the desired end unless it accords paramount importance to a proper decentralisation of industries. It is easily discernible from a close study of the draft that this particular idea runs through the whole texture of the master plan.

Toward this end, the Government contemplate the installation of numerous factories in different areas instead of following the antique practice of clustering them in a particular locality. The plan suggests the setting up of a cotton yarn mill in Junagadh district with 12,000 spindles at the cost of about Rs 50 lakhs. It also contains provision for locating five cotton surgical plants which, according to the estimate, will entail an expenditure of Rs 30 lakhs in total.

One of the most important recommendations incorporated in the master plan is the setting up of a factory at Jamnagar for manufacturing carpets out of wool. It may be conveniently recalled that the annual production of raw wool in Kutch and Saurashtra runs to more than 2.5 million pounds of which more than 90 per cent is exported.

The Government have also suggested the construction of six solvent extraction factories in Saurashtra. Other suggestions include the installation of cotton seed oil plants in Rajkot, Veraval, Bhavnagar and Gandhidham at an estimated cost of Rs 25 lakhs for each plant. Besides, the building up of a chain of cold storages and food canning centres in Saurashtra is also included in the plan. One can reasonably anticipate that with the materialisation of this idea the greater will be the scope for fetching good export market for the different varieties of fruits produced in those areas.

MP: Mineral-Oriented

The Madhya Pradesh Government have proposed an outlay of Rs 20 crores for the industrial development of the State in the course of the Third Plan. The industrial plan has been drawn up having regard to the economic backwardness of the State and the potentialities that exist for stepping up industrial growth, particularly on the side of mineral production. The minerals, of which there are indications of rich unexploited deposits in the State, are manganese, corundum, bauxite and copper. This would warrant the contemplated setting up of a Mining Corporation. Implementation of the Third Plan proposals for exploiting

the mineral resources of the State would be preceded by a mineral survey for which a provision of Rs 80 lakhs has been included in the industrial plan.

There is discernible disappointment among official circles in the State at the decision of the Government of India to double the capacity of the Bhilal Steel Plant consequent on which the MP Government have lost their case for locating in the State a fifth steel plant after Bokaro. The State is credited with having large iron ore bearing areas, though the extent of the deposits and the quality of the ore remain yet to be correctly assessed. High priority has necessarily to be given to such a survey before any scheme for setting up of steel plants is finalised.

Existence of bauxite ores indicate the possibilities for setting up an aluminium plant in the State. When the Rihand project in the Uttar Pradesh is drawing upon the supplies from the Amarkantak region in the MP, there is reason to believe in the feasibility of another aluminium plant for MP which would make use of the ore left after meeting the demand from UP's Rihand project. Such a scheme, which will be taken up by the Hindustan Aluminium Corporation, is already in the hatching stage and is expected to be finalised after the Centre's sanction has been received. The Third Plan industrialisation, which would be mineral oriented, should benefit the State by way of large additional employment.

Co-operative Transport

While the idea of co-operative farming is meeting with stout opposition from a large section of the Indian public, it is interesting that the Madhya Pradesh Government should decide to extend the co-operative idea even beyond joint farming to cover the transport sector. Reports coming from the State indicate that the State Government have decided to experiment with a scheme for organising transport cooperatives in the State.

Toward implementing the scheme, there is guarantee of Governmental assistance to the tune of Rs 1 lakh by way of share capital. Another sum of Rs 2.6 lakhs would be available as loan for purchase of vehicles, construction of workshops, garages, etc., which is repayable in 15 years. Moreover, monopoly preference according to the needs of these societies, has also been promised.

With such large-scale assistance from the Government, the success of the transport cooperatives should be a matter for automatic assumption. Pitted against such heavy subsidisation of co-operative transport, private enterprise in the field should naturally be at a disadvantage. There will be a fear that the success of the transport cooperatives could be used as an argument for forbidding private enterprise a place in the transport sector. What the ultimate aim of the Government in introducing the transport cooperatives is, is not clear. An unambiguous statement regarding the Government's transport policy would therefore be welcomed by private operators.

WORLD OF BUSINESS

Tobacco Surplus

India will have a larger tobacco surplus for export in view of the fall in UK imports of tobacco in 1959 as compared with 1958. An official report mentions the larger intake of Rhodesian tobacco and the UK manufacturer's agreement to buy 270 million lbs in three years because of its better quality and suitable colour. The trade view is that Indian tobacco is dearer than other varieties and more South Rhodesian tobacco is finding its way into Britain. Cork-tipped and filter cigarettes mean less consumption and Rhodesian growers are trying to follow the changes in UK demand. It has been suggested that the fall in UK takings of Indian tobacco from Rs 12.4 crores to Rs 10.8 crores will persist and exporters will have to be watching the market carefully. It is known that the UK is the largest market for both flue cured and sun cured tobacco shipped from India and the European demand is small. The share of Pakistan, Ceylon and Malaya in the trade is small and only Aden goes in for tobacco to be made with snuff. India's exports of tobacco manufacture are decidedly small, as compared with her export trade in unmanufactured tobacco and the European common market may try to buy more from the USA or Central African Federation where production rose as in Turkey. The chances of selling more to the UAR are small at present and India's trade exports to Ceylon may be the only stable item in exports of manufactured tobacco, for it is known that cigarettes made in Hong Kong from imported tobacco command a good market in Malaya already. The 1959 figures relating to tobacco exports show that Virginia flue cured amounted to over 66 million lbs valued over Rs 11.7 crores and the UK alone took over Rs 8.44 crores worth of Indian tobacco. The export of hookah tobacco mainly to Ceylon was negligible and the foreign demand for sun-cured tobacco was small though the UK took the largest part of 335,400 lbs shipped in 1959. The outlook for tobacco, as may be gauged from the last bulletin of the EPC is shaken by the rise in Australian output and the trend of consumption is affected by the argument over causes of lung cancer, though in Holland excepting tobacco consumption in 1959 was rising.

Mica Industry

Reports emanating from the district of Hazaribagh on the mica industry are indeed distress-

ing. It was only very recently that the industry survived the shock of a continued strike. The mica merchants heaved a sigh of relief when the news of the stoppage of the strike reached them, for the strike threatened the very existence of many of them, only to find themselves placed in the position of a convalescing patient who had an attack of typhoid. The loss to the industry because of the strike was over Rs 1 crore while the Government sustained a loss of few lakhs of rupees. A number of petty dealers in mica has already gone to dogs and the position of the remaining ones is neither too happy. The middle class shippers and exporters sustained heavy losses and they too are now facing severe financial crisis. The payment of mica bills are still lying pending. A large majority of the shippers has already lost their foreign business in toto due to the reluctance on the part of the foreign buyers to extend the time of delivery of mica cases to suit the shippers. Letters of credit belonging to several exports have also lapsed.

However, rays of hope have already begun to appear in the dark and gloomy horizon. The factories and godowns of mica which remained closed were reopened but that failed to retrieve the usual liveliness of the markets. The sales and purchases of mica which was practically stopped have now resumed. A considerate treatment from allied organisations and a favourable attitude from the Government can alone help the industry to tide over the present crisis.

Brass-ware Industry

The future of the brass-ware industry of Moradabad district appears to be bright, for the All-India Handicrafts Board of the Central Ministry of Commerce and Industry has already started deliberations for the expansion of this famous industry. For a speedy realisation of this aim, the Board has decided to include this scheme in the State's Third Five Year Plan. Mr D. N. Saraf, the Director of Handicrafts, New Delhi, has already conducted an on the spot study for gathering relevant information about the industry in general and the numerous problems facing the industry in particular. The Board's endeavour to enlist the co-ordinated efforts of the Indian Handicrafts Development Corporation and the Directorate of the State for the successful implementation of the scheme is indeed praiseworthy. With this end in view, Mr Saraf has made visits to Lucknow and Kanpur and held discussions on the details of the scheme with the Director of industries and the Secretary of the Department of industries of the State.

The decisions adopted in those meetings are indeed numerous, but the most important is the one relating to the setting up of a hous-

ing-cum-industrial estate in the outskirts of the district during the next Plan period. This centre will be run on a co-operative basis. The Board has also decided to seek the assistance of the Indian Handicrafts Corporation to render adequate aid to the industry in regard to credit, raw materials, quality control, designs and above all the technical know-how for the speedy development of the industry. It can be naturally expected that the scheme, apart from stepping up the industry, will provide more employment to the people and pave the way for the general uplift of the area.

Chandrapura Thermal Plant

The United States has agreed to grant a loan of Rs 34.8 crores to the Government of India, partly in Indian rupees and partly in dollars to finance the installation of the 250,000 kw thermal electric power plant near Chandrapura in the Damodar Valley. Divulging the information, Mr C. Tyler Wood, the Minister for Economic Affairs in the US Embassy in New Delhi, stated that the Chandrapura power plant will be the largest Indo-American economic project to be financed exclusively with the US funds.

The project will, according to the report, be the biggest source of electric energy in India. The work of the project is expected to be completed by the end of March 1963. It is expected that with the completion of the project the acute shortage of power in the area will be lessened to a great extent.

Mr Wood also added that the foreign exchange for the project will partly be met from a 30 million dollar loan from the Development Loan Fund while the remaining amount will be met by a loan of the sales proceeds of agricultural commodities supplied to India by the United States under PL 480. The DFL loan will carry an interest of 3.5 per cent and is repayable within 20 years. India need only repay the loan in rupee. Besides, the loan has got another advantage, for, more than fifty per cent of the loan can be utilised for calling global tenders.

Madras State Cooperative Bank

The report of the Madras State Co-operative Bank for the year ended June 1959 was issued late in February and the figures therein are of some interest because of the increase in the paid-up capital as well as the rise in borrowings. The demand for funds compelled the State Co-operative Bank to increase its loans, but realisations of earlier loans and interest due were satisfactory. The Bank's net profit of over Rs 7 lakhs was reduced by transfer of 1/3rd to Reserve Fund and the dividend at 9 per cent on preference shares and the dividend at 5 per cent on ordinary shares was fully covered by disposable profits. It may be

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added that in spite of the dividend being only 5 per cent, the bonus to establishment was fixed at 3 months' pay. The Bank's progress in the past year was made possible by the contribution of additional capital by the State Government. In order to increase the borrowing power of the bank, the authorised capital was increased to Rs 3 crores and Co-operative Central Banks are allowed to hold shares up to Rs 25 lakhs. Under this arrangement, the paid-up capital has risen from 91.5 lakhs to Rs 133.88 lakhs. During the year, deposits did not increase but borrowings from the Reserve Bank increased in order to meet the demand for loans from marketing societies and weavers societies.

A liberal lending policy has been adopted because of the new policy regarding agricultural credit and official assistance to weavers' co-operatives. The Government has been asked to give a guarantee in respect of losses incurred on advances and it has been also suggested that from the funds secured from the cess on mill cloth, the Government should provide what may be called a reserve for bad debts. The State Handloom Weavers' Co-operative Society borrowed Rs 57 lakhs and repaid Rs 41 lakhs and the rate of interest charged was only 4½ per cent. Since procurement operations will no longer figure in the State Co-operative Bank's programme, short-term financing will be replaced by medium-term financing and the Reserve Bank has given already Rs 1 crore for the purpose in addition to short-term credit to the extent of over Rs 6 crores. The Apex Bank has been able to build up a reserve fund of over Rs 30.35 lakhs, most of which is now invested in Government Securities and Land Mortgage Debentures. It may be added that the Bank maintains an income-tax reserve of over Rs 9.43 lakhs and retains the reserve funds of Central Banks and Societies as part of its own working capital. But its own indebtedness to Government, the Reserve Bank, and the State Co-operative Banks has made loans exceeding Rs 15 crores and the net profit for 1958-59 was reduced by the interest paid on deposits, both private and institutional. It is not easy to compare the results of the Coop. Bank with those achieved by commercial banks but it may be noted that interest on Government securities at 9.05 lakhs permits the payment of usual dividends because interest earned on loans and advances are below the interest paid on deposits and borrowings.

KLM Royal Dutch Airlines

KLM Royal Airlines needs no introduction to the international air travelling public. It will be no exaggeration to say that it had set the standard for courtesy, comfort and other conveniences that travellers have now come to expect

of air travel. In 1959 KLM completed its 40 years of its service and also achieved new targets in two important aspects. For the first time in its history, KLM's traffic revenue crossed the 500 million guilders mark. Other revenue amounted to 36.7 million guilders. Operating expenses were 467.2 million guilders, while the depreciation on flight equipment and other fixed assets amounted to 68.8 million guilders. The cost incurred in 1959 in connection with the preparation of the Electra and DC-8 aircraft were charged to the Profit and Loss account, the amount involved being 8.9 million guilders.

In the number of passengers carried, 1959 has been a record year, with the figure at 1,104,000 and this is the first time that the total has exceeded one million. Foreign traffic also recorded an increase to 68.7 million pounds from 57.4 million pounds in 1958. The aggregate distance flown by the KLM's fleet, which on 31 December 1959 comprised 92 aircraft, was over 48 million miles. That KLM now exercises landing rights in 74 countries in spite of air policy problems that a rise from year to year is a measure of its global character.

Electric Exports

The UK is producing more and more electrical machinery, equipment and appliances and export in 1959 of this branch of industry was valued at £215.8 million. Exports again reached a record as electric engineering had become a major export industry. India bought more than in 1958 with Australia second and exports to the USA rose sharply. Trade with Europe fell away despite rise in Germany's purchases but exports to Russia were up. Contracts were secured in the USA and Canada and electronic computers are being sold to the USA too. Nuclear power plants even being made in the UK for supply to Italy and Japan. The increase in production of domestic electric appliances is a sign of the home market coming along very well, in spite of hire purchase restrictions. Cables and wires are not so prominent as generating sets and refrigerator exports actually fell in 1959.

Integration in the electric manufacturing industry is continuing and big firms like Reyrolle and Parsons are coming under outside control, because it is now felt that one big unit will do well in the export field and competition with Italy or Germany must entail combination. The value added to materials by manufacture is high so that more imports spill more production and profits, and it is claimed that over 10 per cent of UK exports is provided by the electrical and allied manufactures, though under-developed countries have embarked already on local manufacture of motors and switchgear in addition to cables

and conductors. But the real rivals to the UK are Germany and Japan whose own exports kept rising last year.

Chemical Plant for Bombay

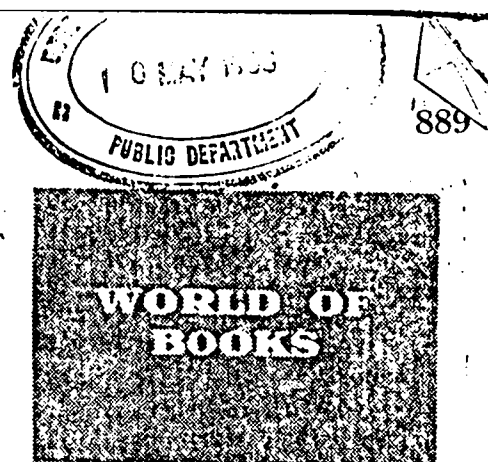
Nichimen Jitsugyo, a noted Japanese firm has applied to the Finance Ministry of the Government of India, for issuing the necessary sanction for the setting up of Indo-Nippon Chemical Company Ltd., in India, a joint enterprise using Japanese assets in India. The Nichimens will be the second project of its kind in India, the first being the Osho company which installed a wire company in the country last year. The plant, will be located in Bombay and will, when completed, produce about 120 tons of chemicals a month.

Watch Company

The decision of the Sun Dial Watch Manufacturing Company (P) Limited, Calcutta, to undertake the manufacture of alarm and non-alarm time pieces will be an important landmark in the industrialisation of the country. Considering the evergrowing demand for time pieces and the vast employment potential landmark in the industrialisation of the country. According to preliminary studies conducted, the approximate demand for time-pieces in India will be well over 80 lakhs a year. And the new venture of the Sun Dial Watch Company, who can be rightly termed as pioneers in the field, will, in the long run, yield rich dividends. The exact location of the factory is under negotiations with the Rehabilitation Industries Corporation Limited, Calcutta. Negotiations are already under way with a West German firm for producing West German type of time-pieces. The Company propose to switch on to the manufacture of watches at a later stage.

Cameras

The formation of another link in the chain of Indo-Japanese collaboration is in the offing, for, it is reported that the Government of India are considering the possibility of setting up a factory for the manufacture of quality cameras in the country. Negotiations between the Government of India and the Nippon Kogaku Company of Japan for the installation of the plant have already reached the final stage and the drafting of a detailed blue-print to that effect is expected shortly. It is reliably learnt that the new factory will be located in Calcutta and, with the aid of the Japanese firm, the National Instruments Factory will undertake the production of low-priced quality cameras. In spite of the low price, which will, as is reported, in no case exceed Rs 250, the cameras will possess all the technical perfections of their costly counterparts.



Flattering Portrait

BOOKS on high finance, both accurate and readable, are still rare. Hence the special importance of Mr Martin Mayer's Wall Street (John Lane 21 sh. net). This is in many ways an unusual book, for it was commissioned by Esquire and the US edition was out in 1955. For the updated English edition presented to the public in 1959 there is a lively preface pointing out the differences between the London and New York markets where the investment banker is often the underwriter, vetting new issues for being taken up by the public. The financial world is getting constantly larger; the mutual funds are a market force already. And colleges and non-profit making bodies absorb equities with gusto and Standard Oil (as incorporated in diverse States) is a favourite of college Presidents whose main job is to touch alumni and gather funds; the faculty looks after the minds and morals of students. Mr. Keith Funston noted that the big demand is from small investors at present and a lot of women hold shares and use proxies as the "Solid Gold Cadillac" told movie-goers.

A point to remember now is that the statutory control, apart from self-discipline due to tradition bites fairly deep into the US stock market. Insiders have to tell all and if they play tricks, a subpoena goes out quickly enough. In London self-government is yet the keynote and advertising is taboo whereas in the USA the big brokerage houses announce their value line surveys in order to get at new clients who want to secure safety plus income.

The acute and amusing portrait of advertising offered by Mr Mayer in MADISON Avenue proved the unerring judgment and exceptional skill of an author who carefully dug for his facts and reached firm, positive conclusions. The same technique marks out Wall Street which is no longer opposed to Main Street. It is no surprise that the Wall Street Journal is about the only national newspaper in the USA because the atmosphere of Wall Street affects all sorts and conditions of men and a heavy close or shrank volume in the leaders is usually more important news than a Presidential pronouncement. Wall Streeters today are perhaps of a different breed from B. M. Baruch whose own story dealt with the Street in another era of the magnificent Morgan and the goahead Guggenheims. For this age of anxiety, the guide is not the books about the changed capitalism but a stimulating study about a famous locality in which big banks jostle brokers and the City churches give informal approval to the goings on in the

name of Mammon. The predominance of New York as a financial centre is sustained by Wall Street and bill discounting in the USA means mainly short-term lending for stock market operations, as Prof. Sayers noted acutely in his account of banking.

The names on the big board are now supplemented by a long list of over-the-counter securities like bank shares. But Wall Street deals in the latter too. There is something like a sales tax levied by the State and New York revenues owe much to the rising activity. The legal profession is just an adjunct to Wall Street and Corporation lawyers have sprung up faster than bond salesmen as that fine film about the Young Philadelphians proved conclusively to many. The writing of market circulars and the writing up of records are established as a lucrative branch of journalism and the public relations side has developed rapidly. Wall Street is always a strenuous place, but the corner of Apollo Street meeting Dalal Street may offer a close and familiar parallel nearer home. There is also an India House, an exclusive club for top people in the shipping and financial worlds, but the Wall Streeter does not relax even when eating. This is the world that Mr. Mayer sees acutely, one far different from that of the late George Apley, carefully supervising a family fortune in well-bred Borton.

The masculine predominance in a country that has been called a matriarchy by Geoffrey Gorer who left the Lepchas to look over modern Americans and one of the reasons may be the capacity to keep secrets that spell money. Another may be the exercise of judgment in difficult situations while the adherence to the spoken word as equivalent to a written contract is the hall-mark of men in the big money but always taking a chance and backing independent judgment.

The education of men living and working in Wall Street is never at an end: the self-made men keep on with their self-education. There may be a recognisable point of resemblance with India and smart operators at present and there may be much for all investors in a saying quoted with approval. Certainly generally is illusion; repose is not the destiny of man. This is reflected also in the low salaries of the staff. Most Wall Streeters are self-employed, living on commissions and disguised commissions, represented by the annual bonus. Trade unionism is virtually out in the Street: that is because in New York bankmen can become and do become local banklords, to adopt current cant. Moreover, the opportunity to get and use tips is a major attraction for employees in the financial district which attracts all—free, white and over twentyone. A lot of hard study marks out the Wall Streeter today and on the publicity side Wall Street is inclined always to be quiet. Not for its magnates the lush or clamorous copy or the cheese-cake of popular prints. A regular statement of condition is loaded with figures and investment

rating does not depend on the peddling of influence.

It is obviously impossible to sum up a book originally written for Esquire or even to give elegant extracts. One must go to the book to get its facts and feel. But financial procedure from floatation to listing today is much the same here as in Wall Street. The passion for movement grips everybody and the search for higher income is as common as the current craze for appreciation. The commodities that Wall Street handles are titles to a share in the national income and the growth of the US economy has led to wider diffusion of property on an unprecedented scale. That is why bonds move far more slowly than common stocks (equities to use our new-found local jargon). To the Street finance is a game as it is to many in Lyons Range and the ups normally cancel out the downs and there is really no game of beggar my neighbour.

The main interest of the book lies in its closeness to bracing reality. The average broker in India cannot but benefit from taking a good peep at Wall Street through a book that is wise and witty and wholly informative and objective in all ways. It certainly makes it clear that in the single business of investment the customer is not always right; The broker always knows better. Mr. Mayer shares that view. The intense specialisation developed by the Street with the rising volume of business is perhaps without parallel in India, but there are brokers' to put through orders for others and seldom jobbing on their own account. They don't make news even at the best of times. One point that claims special notice here, now and always, is Mr. Mayer's positive and pleasing conclusion. The Stock Exchange may foster gambling, support speculation. "But it is incredibly self-denyingly, almost absolutely honest is a dictum that deserves to be remembered after the sorry business of the LIC's transactions in the Calcutta market. Mr. Mayer's clean bill of health for Wall Street is not the least of the merits of a book that breaks down prejudice and shows that Wall Street, like the London Stock Exchange has its ethics and those who lose money are either stupid or too greedy.

★ Why Foreigners Invest in India

India: Mixed Enterprise and Western Business—by Daniel L. Spencer, Associate Professor of Economics, Southern Illinois University, Published by Martinus Nijhoff, The Hague, pages 252, Price Guilders 15.75.

"India provides the greatest investment opportunity of our time", declared Mr Eisenhower in his historic speech in Delhi in last December. Since the American President's visit to India, foreign investors particularly from the USA have been showing an increasing interest in this country's economic progress. It is now being realised that because of political stability and the generally realistic policies

pursued by Government, India offers a favourable field for foreign investment. The Second Five Year Plan at one time seemed to encounter serious difficulties because of shortage of foreign exchange. But the generous assistance that we have received from various countries has helped us to overcome this handicap and it is now possible to implement the Plan successfully. Moreover, the prospects of securing further assistance from abroad in the coming years have emboldened us to plan on a vastly bigger scale for the next five years.

Of the several types of foreign assistance such as loans, grants and equity capital, the last one is obviously the most suitable for our country. How then are we to attract foreign investment? What are the motives which influence investors abroad to divert their savings into India? These are some of the questions which Prof. Daniel Spencer has discussed in an interesting study published recently entitled, "India—Mixed Enterprise and Western Business".

Prof. Spencer recognises three types of investment interests. In the first place, there is the small investor who looks for dividends and capital growth but has no interest in the control of the company. Secondly, there are the large financial investors such as banks, insurance companies and investment trusts. In the third category there is the large investor of the corporate type who makes direct investments with the establishment of a branch or a controlled company.

The investor of the first category, according to the author, is interested exclusively in return on his investment commensurate with his level of risk. He has little concern with the control of the company. The second category of investors is also very concerned with returns but because of its size may be involved somewhat in control. The third category, namely, the entrepreneurial investor is also interested in profits but other motives are very important. Prof. Spencer points out, basing his data on a survey made by the American Vice-Counsel in Bombay, that maximisation of home production via shipments to outlets overseas rather than maximisation of profit from the overseas subsidiary is a major motive of American firms investing abroad. Prestige consideration and the desire to be known even in remote areas are also important factors. Strategic considerations are mentioned as the real impetus in the Bombay Oil Refinery Project. Another important motive for investment in India on the part of American concerns is the increasing difficulty of exporting his product to India under the existing import control regulations. "If the concern cannot export to India, the next best thing is to manufacture in India."

The author describes in detail several types of enterprises in India. He refers to three types: (a) mixed enterprise which is de-

finied as inter-sector combinations of two or more components exclusively consisting of domestic elements; (b) Composite enterprise which is the inter-sector combination of two or more components at least one of which is foreign; and (c) Joint enterprise which refers to intra-sector combinations within the public sector or the private sector; and these combinations may involve foreign and domestic interests but must be in only one sector. Mixed enterprise involving only domestic private interest has made considerable progress. There is however a considerable diversity in proportions of representation. Often the share of the State has been smaller than the private—10 per cent Government capital against 90 per cent private is a frequent ratio of equity participation in the States. On the Central level the proportions generally are 90 per cent Government and 10 per cent private. The author considers composite enterprise as "perhaps the most novel form which has yet appeared on the Indian development scene." These undertakings refer to foreign and mixed enterprises, that is, combinations of public and private capital, one party of which originates abroad. Examples are the Telephone Factory at Bangalore, the Hindustan Machine Tool Factory and the Railway Coach Factory. Examples of joint enterprises are Atul Ltd and the Standard-Vacuum Bombay Project.

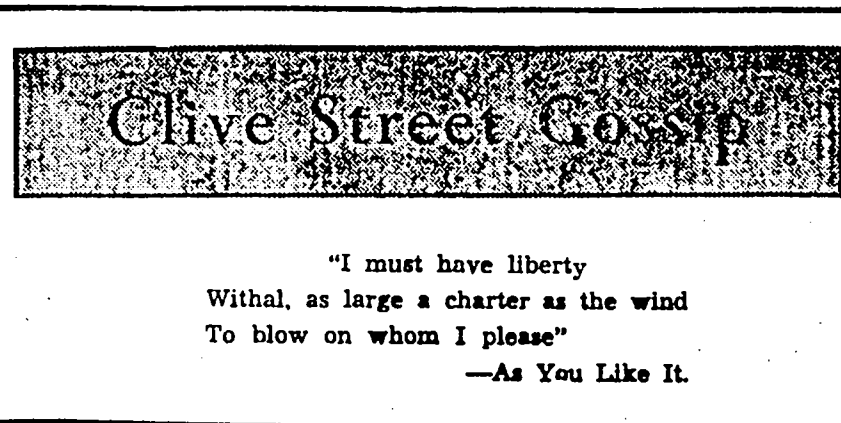
Professor Spencer discusses in detail the various advantages and disadvantages arising to the participants from the different types of enterprises. Of particular interest in this context is the following passage: "For foreign interests, it is particularly advantageous to get or maintain a toe-hold in the Indian market. Maintenance of a high volume of sales and profits in the home market may depend, in large measure, on joint such foreign outlets; for even if foreign profits are low or non-existent, the incremental foreign production may lower unit costs to a point where production for the home market is very profitable. This reasoning also leads to the relative unimportance of the rate of return on foreign investment for large entrepreneurial interest. A big concern may be more interested in a number of considerations other than the marginal efficiency of the particular capital investment.... Such reasoning, however, must be qualified by long and short run consideration. Astute private interests may forego short-term profit advantages but over a sufficiently long pull, their total operations must yield a reasonable profit."

The author's analysis of the various issues dealt with in this book is scholarly and he has given copious statistics regarding the trend of dividends, profits and other aspects of the India's economy. However, some of his conclusions do not appear to be well founded. For example,

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EVERY now and then, we read of people who profess themselves baffled by the idea of the Commonwealth. Leader writers glibly catalogue all the familiar facts about it: of there being no rules, and no obligations inter se; of its having monarchies, dictatorships and republics as its members; of their members having long-standing quarrels between them; and when the premiers of member countries meet in solemn conclave, there being no agenda, no decisions and no resolutions. And yet, they hint that all this adds up to something important which cannot easily be explained. I rather suspect that this 'mystique-mongering' is partly inspired. On the other hand, there are hostile critics, who, on the same facts, consider the whole thing an expensive farce. This too is wide off the mark, though in an age of increasing bureaucratization of human effort, some tangible forms of cooperation among the member nations would impress more people. The fact is, the idea of the Commonwealth is survival from an earlier age, though the virtues of the idea have their uses in this hurried age. To put it simply, the Commonwealth is more a club than, say, a board of directors and when premiers meet, it is more like the senior common room at Oxford than like a Board meeting. In many ways, it is a typical British product, though as constituted today, the Anglo-saxon element is in a minority. (But then, as Shaw once said, the British Sovereign is officially the defender of a faith that most of her subjects do not profess.) The highest compliment that Dr Johnson could pay to another man was that "he was clubbable". (He said it of Boswell.) Dickens thought the House of Commons the 'best club in London'. From the Athenaeum to the Drones, the clubs have chosen to be governed more by conventions and that vague British substitute for conscience—Gentlemanliness (with or without class overtones). And the attraction of the idea of the Club lies precisely in its satisfying at once the needs of exclusiveness and gregariousness. Once you are member, it is difficult to get rid of you, except for very grave reasons. This explains the puzzle over the continued membership of South Africa. Though the Union Government threatens from time to time to leave the commonwealth and though we also hear angry demands to 'expel' it, the fateful stop is never taken. In many ways, Apartheid is profoundly repugnant to the instinct that provides the commonality to the Commonwealth. And yet, there is considerable humming and hawing about the subject being discussed at all: of course, it was clear from the beginning that the question could hardly be evaded so soon after Langra and



Sharpeville. Those who imagined that such a discussion would break up the conference at once did not reckon with the resilience of the conventions of the commonwealth discussions; nor did they appreciate the specific virtues of the much maligned British vice of Hypocrisy. One would rather not have the subject of the family scapegrace brought up at the family council, but once it is, it is discussed without reservation.

★
Apartheid indeed was uppermost in the minds of the premiers who gathered in London this week, though subjects disarmament and the coming summit talks could hardly be shirked. There can be no doubt that as practised (and what is worse, as professed, for human nature willingly makes allowances for a divergence between profession and practice,) by the South African Whites, Apartheid is not only deeply repugnant to the decencies of human relationship, but runs counter to the basic community of ideas that gives the Commonwealth its strength. It should be said to the infinite credit of Mr Macmillan that he did not mince matters when he last visited the Union. He chose the occasion of his address to the Union Parliament to tell South Africa and the rest of the world that he considered Apartheid as the great Negation. On the eve of the Commonwealth conference, Dr Hertzog, the South African Minister of Posts and Telegraphs, came out with an outburst against this very speech. He accused Mr Macmillan of having abused South African Hospitality and called his speech a 'message of death'. There is hardly any reasoning possible with this kind of attitude. But Dr Louw who has 'acquiesced' in the discussion of the subject at the Premiers' conference could hardly have any doubts left that such imperviousness is making South Africa the laughing stock of the whole world. It is unlikely that anything dramatic may emerge on the subject at the end of it all, but Dr Louw can hardly draw any comfort from that.

★
I suppose it is unlikely that anything new is likely to be said on disarmament prospects, East-West relations and summitry. But Mr Nehru is sure to have given a new dimension to the thinking at the conference by indicating the implications of the most recent

emergence of this new factor, has its fresh sources of worry for the world, though it has its compensations. For instance, with Russia in a more reasonable frame of mind, the chances of a detente, if not a settlement in Europe are distinctly bright. In the world context, this is certainly welcome. But, the new aggressiveness of the Chinese, brings in its wake problems not only to India—to whom they have certainly greater proximity and immediacy—but to the Commonwealth and the whole world. The fruitlessness of the recent Nehru-Chou parleys during which Mr Nehru confessed to a feeling not unlike, being pitted against a stonewall, underscores the fact that this is a problem with long term implications for world peace.

★
Of special interest to India is the opportunity of a meeting between Mr Nehru and President Ayub Khan. The Canal water talks, which have got stuck over certain technical details, arising out of Pakistan's new demands are likely to figure in these discussions. It is widely believed that this meeting may help resolve these difficulties. The problem of Kashmir is also likely to come up for discussion; but, depressing as it is to say it, it is hardly likely that anything dramatic will emerge at the end of it all. There can be no doubt that in the last two years, and especially since Ayub Khan has taken over the administration in Pakistan, there has been a marked reduction in the hostility to India in this country. With no personal and political axes to grind unlike the politicians whom he made a clean sweep of, the Pakistani President has shown himself

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averse to manufactured enmity with India. Indeed, there are complaints that Indian response to friendly gestures from Pakistan has been needlessly frigid. This is arguable, and in any event, problems like Kashmir don't get settled by reciprocity in formal handshakes or platitudinous goodwill. One may concede the sincerity in Pakistani urgency in drawing India's attention to the potential common danger from the North and yet not see one's way to acquiesce in the idea of a common defence. And on Kashmir, it is not unlikely that Ayub Khan may be willing, as has sometimes been hinted, to consider solutions not based on plebiscite. If firmer indications in this regard become available to Mr. Nehru, he is sure to lend a sympathetic ear to other ideas. There was a time when Mr. Nehru was tentatively willing to consider the idea of partition based on present reality. How far this solution would be acceptable now is debatable.

ble. But in view of the more recent developments in the North, it would be worth while to consider whether solution along these, or other acceptable lines should not be attempted.

★

The agreement that has been signed as between America and India during the course of last week is nothing if not fantastic. A food ship every day, excluding Sundays, over a five-year period is what it tantamounts to. I must confess that Mr. Patil's reiterated assertions in this behalf, before he left for the USA appeared even to me to be something more than optimistic; but, then, I should have realised that India's Food Minister is a man with a remarkable zest for activity; and he has never lightly expressed an opinion. There is hardly any doubt that to him belongs the credit for the initiative and drive that have helped to

have the agreement signed, sealed and delivered so expeditiously. There is, of course, even greater credit reflected on America, and on Mr. Eisenhower in particular. It has been obvious that the solicitude of that great country for the success of India's desperate bid to fight time in its industrialisation programmes came suddenly to be augmented when the US President visited India last year. But I wonder whether there was anywhere the hope that the assistance that would be forthcoming would be so unstinting and unreluctant. Here is happy augury for the Third Plan; even before it has formally started, it has received brilliant impetus and inspiration. The many sided significance of this agreement should now be clear and unambiguous. First of all, the "reliance" on the monsoons has been minimised by the fact that buffer stocks are assured; secondly, it should be an easier job for the Government to police price trends

in the foodgrains sector; this, in turn, should go some way to help keep the general index of prices stable; thirdly, the US Government have been enabled to move their embarrassingly large stocks of surplus commodities; in the bargain, the heavy storage charges in this behalf being incurred by that Government will be reduced; fourthly, the counterpart funds in substantial measure are to be made available to the Indian Government, as to a moiety in the form of loans and as to half by way of grants, for development purposes; thus, the task of mobilisation of internal resources has also been rendered an easier one for India; and last of all, a specific percentage of the counterpart funds is to be set aside, in terms of the Cooley Amendment, for encouraging industry in India in which American investment in this country is emphatically fostered.

★

Not that there is no fly in the ointment. While the agreement covers the shipment of wheat and rice both in respect of filling the gap in internal production and in respect of the building up of buffer stocks, the real problem is going to be the distributional system within the country, which will ensure that "deficit" areas will not be allowed to experience the kind of hectic movements in prices that is so disruptive. I believe that a net-work of silos and warehouses all over the country. I commend the suggestion, for serious consideration by both the Indian and American Governments, that Cooley Amendment Funds, or part thereof, should be utilised for this purpose. In this context, I may mention that there are three directions in which these funds may be put to use. Two of them are well enough known—assistance to American industry in India and loans to enterprises where there is Indo-American cooperation. The third comprises any endeavour which will contribute to the export of US surplus commodities;—and, surely, a chain of storage units will precisely help to enlarge US export of wheat and rice.

★

I think it is safe to presume that this newly-concluded agreement may be said to presage an improved climate in foreign assistance. While, undoubtedly, we cannot tell now whether all the foreign assistance that will be needed for the Third Plan will in fact be forthcoming, it may be inferred from the American generosity that reasonable needs will be reasonably attempted by foreign friendly countries to be met, so that the great Indian experiment in planning and industrialisation may have a better chance of success.

★

A final word: it looks as if, during the Third Plan, thanks to the recently signed agreement, a ship a day will keep inflation away.

EAVESDROPPER

Indian Finance

7 May 1960

GATEWAY GOSSIP

Rural Credit

THE All India Rural Credit Survey 1951-52 which was published in 1954 may be said to constitute an important landmark in the rehabilitation of the rural population in India. The Committee of Direction of the Survey, it may be recalled, investigated over nearly 1,30,000 families resident in 500 villages and the various types of credit agencies in 75 selected districts spread all over the country. One of the main findings of the Survey is that the agriculturists were at the mercy of the money-lender and the trader who between them supplied nearly 70 per cent of the credit requirements of the rural population. The result was the continued weakness of the peasantry with its consequent impact on agricultural production. The Survey has found that both the Government and the Cooperative institutions between themselves accounted for as little as 6.4 per cent of the credit needs of the rural population. In its recommendations, the Rural Credit Survey Committee has pointed out that village rehabilitation in India can and will have to be achieved largely through the instrument of cooperation. It is therefore necessary to create conditions conducive to the vigorous growth of cooperative credit in the villages. One of the important recommendations of the Committee is its advocacy of State participation in fostering and sustaining the cooperative movement. The establishment of the State Bank and the National Cooperative Development and Warehousing Board with its State auxiliaries are the result of Government's acceptance of some of the important recommendations of the Committee.

Since the Committee submitted its report, many significant developments have taken place in the rural credit sector. The emphasis in the reorganisation is on the creation of conditions in which co-operation may properly function. The Committee prescribed an integrated system of rural credit based on the three fundamental principles of State partnership at different levels, full coordination between credit and other economic activities, especially marketing and processing and administration through adequately trained and efficient personnel, responsive to the needs of the rural population. With a view to carrying out successfully the policies and programmes of the integrated scheme, the Committee recommended an annual review of all the main features of the credit situation in the rural sector. In pursuance of this recommendation the Reserve Bank of India organised the first Rural

Credit Follow-up Survey during the year 1957-58 in eleven districts selected from ten States in the country. These eleven districts were (1) West Godavari (Andhra Pradesh), (2) Gaya (Bihar), (3) Broach (Bombay), (4) East Kharspur (Bihar), (5) Mandasaur (Madhya Pradesh), (6) Coimbatore (Madras), (7) Dharwar (Mysore), (8) Ferozepur (Punjab), (9) Bikaner (Rajasthan), (10) Etawah (Uttar Pradesh) and (11) Nadia (West Bengal). The period of reference for the enquiry was the year ended 30 April 1957.

One conclusion that can be readily drawn from the findings of the Follow-up Survey is that reorganisation measures have yet to make their full impact on rural credit. Borrowings are still being applied largely to family expenditure as the survey finds that 40 per cent or more is absorbed by this item. Cooperative credit is not available in adequate measure to those who need it most. The small and medium cultivators suffer from the age-old handicaps largely because of ignorance and to some considerable extent to the lack of interest on the part of those who are expected to help them reap the benefit of cooperation. It is significant to note that the development of cooperatives, though uneven among the selected districts, is impressive in districts where concerted efforts have been taken to introduce the pilot projects of Integrated Rural Credit Scheme. According to the Survey some of the factors responsible for the uneven growth of cooperatives are (1) differences in cooperative credit structure obtaining before the initiation of the Second Five-year Plan, (2) varying degrees of effort put into reorganisation of the cooperative credit structure, (3) differences in patterns of land ownership and nature and scope of land reforms legislation and progress in its implementation, (4) variations in type of agricultural economy, (5) differences in regard to administrative and procedural arrangements regarding audit, supervision and inspection, (6) role played by central cooperative banks, (7) variations in the loan policy adopted by central cooperative banks, (8) uneven development of marketing cooperatives and (9) inadequacy in regard to the performance of primary credit societies.

The cultivating community has been found by the Survey to be generally disinterested in financial investments like purchase of shares of cooperative societies or addition to deposits in cooperative societies. It is significant to note that the medium and small cultivator, especially those in low-monetized subsistence type economies, who need assistance most continue to stagger under heavy loads of loans and interest. For the survey points out that the private credit agencies continued to supply during 1956-57 a major portion of credit availed of by cultivators.

One should not, however, hastily conclude that the rural rehabilitation measures recommended by the Rural Credit Survey Committee and accepted by Government have failed to produce the expected results. That the measures if properly applied sizably aid the cultivator to improve his lot is proved by the better performance of co-operatives in districts where the integrated credit system has been systematically introduced. Some of the findings of the survey, however, indicate the need for further reforms and modifications. The evidence collected by the Survey seems to point to the superiority of multi-village societies with resources adequate enough to allow the employment of a paid secretary. Small village societies with inadequate resources have been found to be practically useless. A one-village unlimited liability type society, the Survey finds, generally is unable to organise itself into a business concern because of party factions and also due to its inability to employ a full-time secretary.

The importance of large scale societies which can employ full-time trained secretaries is also stressed by the exploitation of the defects of the movement for their own profit by the vested interests and the consequent weakness of the cooperative movement. The loan policies of Central banks play an active role, for the Survey has found that in many districts the central banks are not in a position or could not play their part well. The finding that cooperatives are better developed in areas where peasant proprietorship is more prevalent would appear to indicate that with the progress of land reform cooperation will also forge ahead.

Education in Madras

THE legislative business transacted by the current session of the Madras Legislature represents a mixed fare. While the Budget presented in March Second week, reflected great advance being made by the State under the impact of development schemes initiated and implemented by the Government, in the later stages, the two houses became enveloped in the flames of controversy over two important legislative measures brought in by the Government namely the Land ceilings Bill and the Bill envisaging the replacement of English by Tamil as the medium of instruction for degree courses in Arts. Though the controversy is far from having ended, a temporary respite from the heated atmosphere was provided by the discussion that followed the Government's demand for grants under the head of education. This was a subject that hardly yielded a point to the opposition to run down the Government or to belittle its record. Further, by circulating a note which details the steps the Government had taken for expanding education, the Government saw to it that a favourable reception was accorded to its policy.

The note bears impressive testimony to the steady advance being made by the Government in extending educational facilities for all. The expansion has been par-



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ticularly remarkable at the lower levels of education. The number of primary schools in the State has increased from 23,844 in 1957-58 to 25,047 in 1958-59 and further to 26,105 in 1959-60. Enrolment has simultaneously improved in being higher at 31.57 lakhs at the end of March 1959 against 28.82 lakhs in 1957-58. The note underlines the fact that today, there are hardly a few villages with a population of 300 and above without a school within a radius of one mile. As is revealed in the report such expansion was facilitated by the initiation of the school improvement scheme, the provision of mid-day meals, provision of Central assistance and implementation of the Central scheme for relief of educated unemployed.

Such progress notwithstanding, the number of children still out of schools is large and the provision of primary education to them is, in the light of the country's commitment to the introduction of universal compulsory and free primary

education by the end of the Third Plan, a problem of urgent importance. The note mentions in this connection that a beginning in the introduction of compulsory and free primary education in respect of the age group of 6-7 would be made in 1960-61 in one third of the area of the State. The implementation of the scheme would involve the use of compulsion for enrolment of children of the age group 6-7 with a further obligation to keep them in the schools till the age of 11.

The report takes note of the demands for men and money that the introduction of universal compulsory and free primary education will involve. As means for meeting the anticipated shortage of trained teachers, it mentions the need for opening more sections in existing training schools. The conversion of all the fee-levying elementary schools into non-fee levying institutions under penalty of withdrawal of Government grant, was an important step that

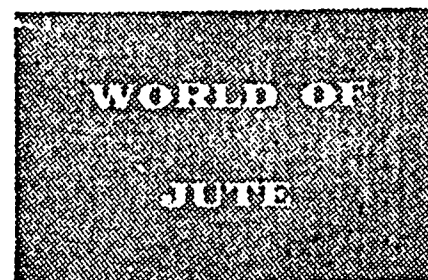
Government took toward implementation of the scheme. That out of 1,011 fee levying schools, all but 39 opted to become non-fee levying from 1959-60 speaks volumes for the sense of cooperation evinced by school managements in implementing a scheme that has immense social benefit and significance.

The report also makes it clear that the Government have not slurred over the importance of progress in secondary education thought it is admitted that the emphasis in this sphere was more on qualitative improvement than on quantitative expansion. The improvement schemes included diversification of course of study involving the introduction of science, core subjects, crafts etc as new subjects. Improvement of teaching facilities is also claimed to have received attention. In respect of quantitative expansion, the number of secondary schools increased from 1,109 in 1957-58 to 1,125 in 1958-59.

In respect of university education, the report mentions that at the end of 1959-60 there were 56 Arts Colleges with enrolment in the 1 year classes of the three year Degree course at 7,098. The introduction of the five-year integrated Engineering course in the Engineering Colleges of the State marked an important development for the improvement of technical education.

With such progress, there was little room for the opposition members for attacking the Government on the score of any lack of concern for educational advancement. The record is on any manner of reckoning outstanding and impressive. What little criticism was voiced in the Assembly related to minor details of implementation and policy. Further, with Mr C. Subramaniam, Minister for Education, showing a remarkable readiness to be receptive to new suggestions the Government seemed to carry the entire legislature with them in the matter of their educational policy.

The State Congress Government that have never before been known to put a wrong foot in matters of education in third long tenure of more than 10 years, have, however, fumbled in their handling of the question relating to the medium of instruction in the University. Rather prematurely and in unwarranted haste, the Government have announced their decision to switch over to Tamil medium for Degree courses in Arts. The transition will be preceded by experiments with pilot courses in selected colleges. While the original impression in the public mind of the Government's attitude to this issue was that the latter will not precipitate the change without adequate preparation, later pronouncements of the Education Minister have given genuine cause for concern that the Government are in no mood to listen to learned advice but will go their own way on the strength of the legislative support they could muster. Such an attitude of the Government have worried educationalists in the State who see in the policy of the Government the inevitable prelude to a fall in educational standards. No less a person than Dr A. Lakshmanaswami Mudaliar, the Vice-Chancellor of the Madras University and the Leader of the Opposition in the State Legislative Council has fallen apart from the Education Minister on this question. With the Education Minister maintaining that the decision to introduce Tamil medium has the consent of the University while this is being denied by Dr Mudaliar the latter considers himself to have been wronged. Whether the Government's decision has taken away from the autonomy of the two Universities in the South is a question that raises many ticklish points regarding the status of the University vis-a-vis the Government. However, Dr Mudaliar sees in the Government order the Democles' sword hanging over University's autonomy.



Prospects of Raw Jute Supply

THE present spiralling of prices in the jute markets is now seen as inevitable. One should not go by the statements made by Ministers even at the latest Lok Sabha session as they were based on information received some months back. The position seems to have radically changed now. The majority of marketmen have tacitly accepted the view that the current year's crop is inadequate. Authority who has shown itself to be very much concerned about the rise in prices from time to time since last December, in a fresh bid to curb speculation, has recently announced the sanction for further raw jute imports. The news has, however, failed to bring about the desired result mainly because it is doubted whether Pakistani jute will become available in sufficient quantities and at equitable prices.

Raw jute prices in Pakistan have already been pushed up on indications of a shortage of the fibre in that country. The fresh bout of price rise noticeable this week seems to have, however, stemmed primarily from apprehensions about the new jute crop both in India and Pakistan. The latest Indian jute crop report shows that sowing as well as preparation of land remain suspended in many areas due to paucity of rain. In Pakistan too the position seems to be no better. As a matter of fact the crop report from some areas is very bad indeed. As the standing crop is said to have been already damaged to a considerable extent it is feared that even if the weather improves hereafter there is bound to be a shortage of good quality jute.

So weather appears to have taken a leading role in the world of jute as it had done many a time in the past. As adverse weather conditions at this time of the year will have similar effects on the jute crop in both India and Pakistan, imports cannot be taken as a reliable factor in calculations regarding raw jute supply.

Meanwhile, prices have reached giddy heights as bulls are in a strong position what with the scarcity of raw jute and an anticipated decline in April-end stocks. The sizable buying in the early parts of last month would have left its impress on the statistical position and the April-end stocks, figures for which will be available in a few days may be confidently expected to show a further decline.

The unsealing of one per cent of the looms from 1 May will not alter the position materially as the addition to production will be about 1000 tons only. It is now doubted if the IJMA will be able to undertake any further unsealing, not even the unsealing of one or one and a half per cent of the looms planned from 1 June. We may be at the threshold of a fairly long period of scarcity of jute goods. Now that raw jute inadequacy is taken as a reality with prospects for the next crop in both Pakistan and India none too encouraging high goods prices seem inevitable. That all jute goods manufacturers will be obliged to put up their prices is poor consolation for an industry which is largely dependent on exports. Unlike other commodities jute goods are to wage a ceaseless war against substitute packaging materials and bulk handling.

Prices in the jute goods market have moved up considerably during the past week ended Wednesday. The main incentive was derived from the raw jute market where sentiment was buoyed up by paucity of ready supplies and indications of adverse weather conditions in most jute growing areas. It is generally expected that April end stocks of goods would disclose a further decline and any increase in production is discounted in view of the tight raw jute supply position. B Twills Ready closed on Wednesday at Rs 129.96 after having done still higher earlier in the week. The slightly easier tendency at close is due to profit-taking by bulls and reports of rainfall in some growing areas. Overseas enquiries however continued small throughout the week. Hessian 40" x 10 oz closed steady at Rs 47.40.

In the raw jute section, mill interest was seen both in the old and new crop but sellers continued to be reserved. Assam Bottoms old crop steadily moved to close at Rs 40.50.

	As on April 28	High-est	As on May 4
Hessian:	Rs.	Rs.	Rs.
45" x 11 Porters	50.25	51.50	51.50
40" x 10 ozs.			
Ready	45.75	47.50	47.50
June	46.05	47.60	47.60
July-Sept.	44.70	47.80	47.80
40" x 8 ozs.	37.00	38.15	38.15
40" x 7 ozs.	34.75	35.65	35.85

Sackings:

B. Twills			
Ready	126.50	129.75	129.00
June	125.50	129.65	129.05
July-Sept.	124.40	129.00	128.55
Hy. Ceos (Green)	127.25	131.00	130.00
Cornsacks	126.00	129.75	129.00
Cubans	145.00	149.50	149.00
A. Twills	151.00	155.00	154.50
L. Twills	142.00	145.00	145.00
D. W. Flours	154.00	156.00	155.00
Sugar Twills	144.00	147.00	147.00

Ready Jute:

Assam Bottoms	37.25	40.50	40.50
Northern Bottoms	36.25	39.50	39.50

Futures:

Hessian—May	45.66	48.04	47.42
Hessian—August	45.76	47.72	47.04
Sacking May	125.20	130.70	130.30
Sacking—August	123.60	128.70	128.75



1960-61 Season Appears Favourable

The coming season (1960-61) appears more favourable to producers than for some years past, particularly as the early crop in North India seems likely to be delayed by drought conditions in many areas. As the coming season will begin with virtually no carry-over, buyers may have to pay higher prices for the commodity.

Auctions for internal consumption are still on and a few more sales are to be held before the commencement of offerings of the next season's tea. During this period, there will be a running down of stocks. This has led to a feeling of optimism about the opening of the 1960-61 season, as it is thought that buyers will be eager to replenish the stocks when the new season's sales open in June. How far this optimism is justified, it is difficult to say.

Last year's experience showed that such expectations did not materialise. This does not necessarily mean that the present expectations may not materialise this year also. As stocks in London are now much lower than in 1959, they are likely to dwindle further in view of the long interval between the two marketing seasons this year.

Production and consumption, however, remain finely balanced and any large increase in the North Indian crop as the season progresses must tend to have a depressing effect on the market, although an increase of the order of 20 to 30 million pounds can readily be absorbed. For, with the rising population and purchasing power, the internal demand for tea should continue to increase by 10.15 million pounds per year over the next few years. An even greater rate of increase in the internal consumption is expected, provided all goes well with the expansion of the economy during the Third Five-Year Plan.

In the Internal Sale held, in Calcutta this week, offerings were 23,149 packages. There was a strong and active demand at generally dearer rates. Orthodox exportable descriptions were sold well and advanced by up to 8 nP per pound with selected lines sometimes more. Legg-cut Dooars Dusts were keenly competed for and generally inclined dearer by 6 nP to 10 nP with emphasis on the smaller and more powdery lines. Medium CTC descriptions met with ready support, selling at firm and occasionally dearer rates. The best CTC dusts generally followed a lower tendency. Following rates were quoted (per pound):—Medium Dooars Dust Rs 1.98 to Rs 2.10; Medium Assam Dust Rs 1.94 to Rs 2.08; Medium Assam CTC Dust Rs 2.14 to Rs 2.31 and Best CTC Assam Dust Rs 2.45 to Rs 2.80. Also, 369 packages of Leaf grades were offered for internal consumption. Demand was strong and prices were generally dearer.

In the Cochin market, 4,075,000 pounds of Leaf tea were offered for export. Demand for all teas was noticed only at considerably lower rates. Plain and Low Medium teas were 5 to 10 nP per pound easier.

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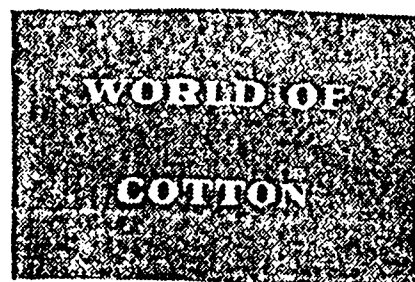
while Medium and Good Medium teas were about 25 nP lower. High-grown Broken teas had no demand, while similar Fannings grades were quoted much lower. Whole L3a teas, however, were fully firm.

In the Colombo market, offerings were 7,744.46 pounds. Quality generally showed little change. Best Dimbula Broken met with strong demand with prices advancing by 20 to 40 cents a pound. Prices were irregular otherwise with a dearer tendency noted except for stalky light liquoring descriptions. Medium BOPs were sold at 5 to 10 cents above last week's closing rates, while low-grown teas again met with good demand at generally steady rates.

Production of tea, in Ceylon, during February, dropped to 31.5 million pounds from 33.5 million pounds in the corresponding month of last year. Total production, for the first two months of the current year, amounts to 66.6 million pounds as against 67.3 million pounds in the corresponding period of last year.

In London auction, offerings were 66,613 packages. Prices in many instances recorded irregular gains of 1d to 3d per pound and the better qualities frequently fetched several pence per pound above valuations. The plainest and thin liquoring sorts, however, showed an easier tendency. The price-spread between the top and bottom grades has widened, now being 3sh 1d to 7sh 6d per pound as compared with 3sh 1d to 6sh 10d previously.

The only qualification, mentioned by London brokers, was that interest seemed to be largely concentrated on the better types. This was often accompanied by a tendency to neglect the plainer sorts, though this certainly was not the case at the recent auctions. The brokers state that the market will continue to be tested over the next few weeks by sizable offerings; but, at this stage, the outlook seems set fair.



Cotton Futures Sluggish

TRADING in the cotton futures market in Bombay during the past week was rather sluggish due to lack of fresh incentives. However, the announcement of an import quota of 2 lakh bales of cotton stapling 1.1/16" to be imported from any area including the USA brought about a modest set back at the close. The decision of the Government of India to grant import licenses was the direct result of the acute scarcity of indigenous supply and the clamour of mill owners for adequate supply of cotton. This announcement sobered sentiment in the cotton futures

market and ICC August Contract reacted bearishly. But towards the close the market recovered from low level.

Government have decided to permit import of a quantity of 2,00,000 bales of 1-1/16" stapling and above from any area. Out of the above quantity, 1,50,000 bales will be distributed to actual user mills and the Textile Commissioner will issue allotment letters to them on the basis of information already furnished by them. On the strength of these allotments letters, licences to import will be issued by the office of the Joint Chief Controller of Imports and Exports, Bombay, on application along with the money receipt from the Indian Cotton Mill Federation or the Southern India Millowners' Association for the payment of the specified premium which will be shown in the quota letters. Import licences issued under this scheme will be valid for shipment from a broad only from 1 July 1960 to 30 September 1960.

Mills having a basic consumption in the staple group of 1-3/16" and above will be allotted foreign cotton of 1/3/16" and above in staple while mills having basic consumption to the staple group of 1-1/16" and above will be allotted foreign cotton of 1-1/16" and above, but below 1-3/16" in staple.

Mills which have received a quota of cottons stapling 1-3/16" and above may apply for licence of an equal number of bales of 1-1/16" and above but below 1-3/16" cottons if so desired. In that event, they will be required to pay the premium which is payable on the category of 1-1/16" and above but below 1-3/16" cottons.

Mills applying for licence to import cottons of 1-3/16" and above in staple will pay a premium at Rs 160 per bale of 400 lbs. each while mills applying for licence to import 1-1/16" and above but below 1-3/16" cottons will pay it at Rs 120 per bale of 400 lbs. each.

SPOT COTTON:

Activities in the Sewri spot market continued to be restricted as many of the mills had exhausted their quotas. Following the recent announcement of more imports, the prices of foreign growths hardened further and mills were found to be active buyers. Among foreign varieties good business was transacted in USA and Pakistan cottons below 1". Sudan and East African came in for some enquiry while Egyptians were almost neglected.

COTTON PIECEGOODS:

Conditions in the cotton piecegoods market remained quietly steady last week. The offtake for cotton piecegoods was almost on the low side in spite of the inquiries for a number of varieties. The stringency in the money market continued to cast its shadow on the market and it resulted in the restricted offtake by local and up-country dealers. But forward business on the other hand was done on a fair scale especially in flannels and coatings. No material change in the price of fine goods was reported while the superfine goods changed hands at slightly lower rates.



Firmness in Copper Prices

THE price of Copper has been ruling very firm during the past many weeks in line with the international trend. In the Bombay market, the rate is quoted around Rs 210 per cwt. On the London Metal Exchange, the rate has risen to the highest level of £279 from £271 per ton quoted a week ago, due to short-covering induced by the threat of a strike at two mines in Chile, which belong to Anaconda—the big American producers. The Unions at these mines have voted to come out on strike on May 1 unless their demand for a 60 per cent wage increase to meet rise in the Chilean cost of living is granted. The company has offered a 35 per cent rise.

Monthly production from these two mines is only around 6,000 tons. But, what alarms dealers is, that the Unions have invited workers at Anaconda's other Chilean mines to join them. If their bid is successful, monthly production will fall by nearly 30,000 tons. The threat of strikes in Chile looks like crippling

the other major source of supply for European markets and prices have reacted in consequence. But, the statistical position of the metal shows that the metal is basically in surplus. If the strike should be averted, a return to a gradual decline in prices toward the £250 level is expected.

1959-60 Season:		Qty.	Price Range.
Plantation PB	...	9,700	235.10 to 242.50
Plantation B	...	9,940	206.40 to 215.85
Plantation Triage	...	9,990	193.60 to 200.70
Arabica Cherry PB	...	4,950	189.30 to 191.30
Arabica Cherry Flats	...	4,000	181
1958-59 Season:			
Robusta Cherry PB	...	5,150	165.75
Robusta Cherry Flats	...	54,440	163 to 166.75
Robusta Cherry Bl/Br	...	2,000	137.50 to 137.75
Total	...	100,170	

Rubber

A higher Rubber crop is expected this year. Current sales are, however, restricted by the expectation of a new price announcement following the Tariff Commission's report. Some manufacturers complain of "under-the-counter" sales at a premium and others of non-availability of rubber.

World price of rubber is in the region of Rs 130 per 100 pounds, the landed price of which will be nearer Rs 190 as against the Indian home price of Rs 156 inclusive of cess.

Camphor

The recent upward trend in Camphor has gathered fresh momentum with the price rising by more than Rs 2 per pound, to establish a new high level of Rs 21.50. The sharp rise is a sequel to better upcountry demand in the face of negligible supplies. The suspension of supplies by the State Trading Corporation is also stated to have accelerated the

the other major source of supply for European markets and prices have reacted in consequence. But, the statistical position of the metal shows that the metal is basically in surplus. If the strike should be averted, a return to a gradual decline in prices toward the £250 level is expected.

Among other metals, Lead is quoted around Rs 74 per cwt and Tin at Rs 135 per quarter. Meanwhile, the Government of India's scheme for linking up importers of copper and zinc with scheduled industries is expected to be announced. Although the "linking up" scheme has been welcomed by both the trade and industry, the delay in the official announcement has caused serious concern to small actual users. Many of them are unable to procure goods in the open market; because of the spurt in prices during the past two weeks. Zinc has shot up by Rs 15 to Rs 150 per cwt.

Coffee

The Coffee Board has released 795,000 kilograms of coffee for export out of the 1959-60 crop. The quota consists of 306,000 kilograms of Plantation A; 177,000 kilograms of Plantation B; 168,000 kilograms of Plantation Triage; 114,000 kilograms of Arabica Cherry Flats and 30,000 kilogram of Robusta Parchment Flats.

The following types and grades of coffee have been released for internal consumption in the Pool sale held at Vijayawada (quantity in kilos and prices per unit of 50 kilos or about 112 lbs):—

1959-60 Season:		Qty.	Price Range.
Plantation PB	...	9,700	235.10 to 242.50
Plantation B	...	9,940	206.40 to 215.85
Plantation Triage	...	9,990	193.60 to 200.70
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Robusta Cherry PB	...	5,150	165.75
Robusta Cherry Flats	...	54,440	163 to 166.75
Robusta Cherry Bl/Br	...	2,000	137.50 to 137.75
Total	...	100,170	

advance in prices. In Madras, the price is placed around Rs 22 per lb. Thanks to a total ban on imports, the domestic prices have risen to a level which is nearly six times as high as the landed cost of the material.

Sugar

Despite a comfortable supply position, Sugar prices in the Muzaffarnagar market, have advanced by about Re 1 per bag to quote Rs 119 in response to seasonal demand. Practically, all the factories have stopped crushing operations for the season; but mills in the Moradabad division are reported to be still getting adequate cane supplies. Since the stocks of sugar, allotted for the months of January, February and March, are lying unsold, the local sugar dealers have refused to take delivery of quotas for April and May.

The world sugar market, in New York, has remained slack. Prices have made a half-hearted recovery

over the past few days from 3 to 3.5 cents a pound; but conditions still remain very slack. If, as the International Sugar Council says, raw sugar will be in deficit this year, the world market has yet to be affected.

Khandsari

In the Hapur market, Khandsari prices have registered further gains during the week due to good local demand and revival of support from Saurashtra, the Punjab and Rajasthan and better loading facilities. Superior quality is quoted at Rs 40 to Rs 41.50 per maund.

Gur

Gur prices are ruling steady. In the Hapur market, the rate for Pansera quality, is quoted at Rs 15.75 to Rs 16 per maund. Arrivals are reported to have declined to a daily average of 200 maunds. Stocks are estimated around 32,000 maunds as against 92,000 maunds in the corresponding period of last year.

Pongratins

The Hapur Foodgrains market remains quiet. The falling trend in wheat prices, however, seems to have been halted as "rabi" grain arrivals have been poor.

World wheat production continues to be in excess of effective demand as is reflected in the large and increasing stocks. The International Wheat Council, in its report, states that wheat consumption is static or declining in the highly developed countries and increasing in the less-developed countries. The Council further adds that the combined effects of these trends are expected to result in some increase in total world wheat consumption in the long term.

Efforts are reportedly being made by a section of the business community in the Punjab to persuade the authorities to permit resumption of forward trading in Guar. There is, however, no reason to believe that the representations will succeed. The authorities are only too well aware that, in the past, forward trading in Guar had been used as a cover for forward trading in Gram, which was banned.

Cashew

The French Government have included Cashew kernels in the liberalised items of their imports. The Cashew and Pepper Export Promotion Council has advised cashew traders in India to take advantage of the new relaxation in the French import schedule and make every effort to increase exports of cashew kernels to France substantially.

Oils & Oilseeds

THE Madras groundnut and oil market weakened on Wednesday further following larger arrivals of summer crop not only into Madras proper but also to important clearing centres in South and North Arcot districts. Whereas local arrivals daily were in the neighbourhood of 110 to 120 tons, in the southern markets they reached between 300 to 400 tons. Offtake too was not quite

large with hesitancy on the part of buyers. Forward positions too weakened. The market closed as follows today in the local Seeds Oils Exchange:

Groundnut oil per candy of 160 lbs ex-Madras godown expeller Ready 3 per cent f.f.a. Rs 387/388; May Rs 388 (business done); June Rs 389 (business done).

(There was no export quotation since Burma is still uninterested and shipping could not be done yet).

Groundnut kernels per candy of 531 lbs: Peanut Summer crop Rs 190; Coromandel variety Rs 200; Castor-oil per candy of 500 lbs Tirupattur Rs 320; Coconut oil per tin Rs 39 to Rs 39.75; Gingelly oil per maund Rs 22.00; Gingelly seeds per bag of 2 maunds Rs 76/77 (Paucity of arrivals); Groundnut cake expeller per bag of 160 lbs ex-gunny Rs 26.50; and Groundnut oil quotation of UK was £122 per ton and groundnut cake expeller variety per ton £34.

Burma oil was normally quoted at Rs 1,750 per ton.

Both groundnut oil and kernels prices took a move downward from middle of last week due to sizeable arrivals of summer crop into the market. This trend is now rather unusual in Madras, while firm conditions prevail in Bombay in all positions. Buying support came only from Calcutta vanaspathi interests. Factories within the State too lent some support. Since offerings were well above offtake, there was an easier trend. This could not be avoided in the circumstances. No activity in the market was perceived in regard to export of groundnut oil. Oil recorded thus a decline of about Rs 16/18 per ton while groundnut lost about Rs 20/25 per ton over last week's closing levels.

Arrivals of groundnut kernels in the local market continued to be steady in mostly summer peanut crops. Coromandel crop too was received but in small quantities. From Andhra's Kalahasti side good quality crop was received, and this was absorbed at the rate of Rs 203 to Rs 204 per candy, but the decline came quickly half way through last week, when transactions were made around a pucca parity of Rs 199/200 per candy. On Monday, the price of Coromandel was Rs 199, but on Tuesday, it closed higher at Rs 200. The same rate continued on Wednesday also. Likewise peanut too declined to Rs 189 by middle of last week, but it went up by a rupee on Monday and closed at the same at Rs 190 on Wednesday.

Small-scale power driven crushing units met fully with the local bazar interests. These were able to underquote the expeller variety. The rates thus quoted by them were far below the compounded levy advantage. Thus one would see plainly that enforcement, despite the extension of compounded levy system to bigger crushing units also, is not working satisfactorily. Also this leads one to the conclusion that the power driven crushers are actually working 96 hours weekly having declared that they had worked only for half of the time. Actually, therefore, some of these units were offering oil at Rs 375 or Rs 374, Rs 16 lower per candy, than the expeller factories under the compounded levy system.

But for the Calcutta and local vanaspathi interests support, the expeller factories would have been left with huge unsaleable stocks in the face of such price cutting competition from the local crushing units.

Early last week spot goods were offered at Rs 400 to Rs 402 per candy but in the middle of last week, the price came down to Rs 399 per candy. Further decline became noticeable while the week wore out and Monday's closing rate for spot was Rs 393. Tuesday it closed at Rs 390/391. On Wednesday it opened at Rs 387 and continuing at the same rate business was reported at Rs 387 and Rs 388. South Arcot mills offered last week 200 to 250 candies at Rs 396 around Madras parity.

Activities continued from last week in forward positions to be very limited. A small improvement noted in the middle of last week tapered off, as no major operator was in a mood to take risks as future seems to be uncertain.

In May transactions, small quantities were put through at Rs 391 last week. Last Monday it came down to Rs 388. On Wednesday it was done at the same rate per candy. Possibly anticipated summer crop arrivals to be more by the middle of this month continuing upto June first fortnight, caused buyers to keep off. June position too was not in the limelight. While on Tuesday it was quoted at Rs 393 per candy on Wednesday it closed at Rs 389.

In the weeks to come, it is likely there will be sizeable recession for all positions in Groundnut Oil.

Upcountry Markets: Summer crop arrivals were fairly steady and good in the region of 300 to 400 tons daily in southern markets—at Tirukollur, Villipura, Vridhachalam, Tiruvannamalai, but Panruti and Cuddalore, according to reports, had only small receipts. Sellers offered kernels at Rs 200/204 on pucca basis. In groundnut oil crushing factories were unloading small quantities by way of profit-taking. Sellers of groundnut continue to be very firm. Since Madras price of kernels was lower, some deals were put through on behalf of some of the mills in the southern areas. Madras price being lower than the southern market rates, operators there have become cautious against quoting higher than Madras on Wednesday.

Other Seeds and Oils: There is shortage in arrivals of gingelly seed and due to this the Chanda/Worora price has gone up considerably. Local market is therefore depending upon small arrivals locally. Latest prices:

Gingelly Seed: Chanda/Warora Rs 81/82 per bag; Rajasthan Rs 75/76 per bag; Local varieties Rs 76/77 per bag.

Coconut Oil: Alleppey: Ready Rs 657.50; May Rs 639.00; June Rs 669—all sellers.

The following prices are ruling in foreign markets for some of the important oils and oilseeds:

Groundnuts June-July '74/75 100 ton; Castorseed May £64 per ton; Nigarseed nominal £56 per ton; Groundnut oil spot £122 per ton; Castoroll BSS Bulk May £128 per ton; Castoroll Commercial £124/10 per ton; Coconut oil Straits Bulk £117/117½ per ton; Coconut oil Cey-

lon £120/120½ per ton; Tobacco seed £1 nominal in drums £124 per ton; Groundnut oil cake (Expeller) £34 per ton; Groundnut oil cake (deolled) £31/15 per ton.

Burma Groundnut Oil: Rs 1,750 per ton nominal

The following prices were quoted for groundnut oil and seeds in the southern markets:—

	Kernels per G. Nut oil	
	531 lbs candy.	600 lbs candy.
Guntur-Bezawada	Rs. 216	Rs. 405
Vridhachalam	204	394
Nandyal	204	397.50
Villipuram	202	392
Cuddappab-		
Yerragantla	203	397.50
Pollachi nominal	210	400
Tanjore	205	395
Tiruvannamalai	260	390
Salem	210	400

Pepper: Garbled Pepper closed today at Cochin as follows: Ready Rs 307.50 per cwt; May Rs 317.50; July Rs 337.50.

Un garbled pepper was quoted at Rs 1,750 per candy of 700 lbs.

Hides and Skins

Prices were firm in tanned cow hides which were received in good numbers in the market. UK had increased its offtake in the fifths of all weights. Premium marks of 5/5½ lb average were sold at 83d, 73d and 63d respectively for run, fourths and fifths. Fifths alone in many cases were transacted at 64d. UK wants 10/12 lb average, but market is unable to supply this variety that is difficult to obtain. Local demand on inferior fifths are large and therefore prices remains firm. Locally prices for 10/12 lb average continues at 41d.

In local buffalo hides demand, increase had—registered a higher price for this by another 6 nP per lb. UK inquiries for tanned cow calf are only for premium marks. Market quality tanned goods have declined in prices.

Goatskins tanned variety sold this week amounted to 10,000 pieces, and tanned sheep skins bought numbered 47,000 pieces. In the bazar left overs were 4,000 goat skins and 35,000 sheepskins. Both the varieties of market quality had come down between 12 to 18 nP per lb. Present prices continue and United Kingdom feels them higher while Continental prices offered for these enable market maintain present price levels.

The following prices were quoted for raw skins, the previous week's prices being given in brackets:—

Bangalore raw goat skin Rs 590/630 (Rs 605/650); White Wool sheep Rs 630/660 (Rs 600/650); Black Wool sheep Rs 460/500 (Rs 450/490); Bezawada raw goat skins Rs 575/585 (Rs 590/595); He sheep Rs 600/610 (Rs 590/595); She sheep Rs 500/510 (Rs 490/495).

The prices of tanned skins per lb were: Cow Prime 5/5½ lb Rs 3 to Rs 3-4; 6/6 lb Rs 2-1 to Rs 3-8/8½ lb Rs 2-5 to Rs 2-6; 10/12 lb Rs 1-15 to Rs 2-0; Buffalo 12/13 lb Rs 1-7 to Rs 1-10; Cow Calf 1½/2 lb Rs 4-10 to Rs 5; Buff Calf 1½/2 lb Rs 3 to Rs 3-4; Goat Prime 8/9 lbs Rs 9-2 to Rs 9-6; 5½/6 lb Rs 10-4 to Rs 10-8; Sheep ordinary 6/7 lb Rs 8-8 to Rs 8-12; Sheep Prime 6/7 lb Rs 10-10 to Rs 12.

(Incorporated in England)

1958

JEREMY RAISMAN Deputy-Chairman.

PRICE WATERHOUSE & CO., Chartered Accountants.

Cr.

27,624

CAPITAL AND LIABILITIES

Carried over

The Bangalore Woollen, Cotton & Silk Mills Co. Ltd.

1958		PROPERTY AND ASSETS—Contd.	
Ra.		Ra. n.p.	Ra. n.p.
42,17,99,435	Brought forward ...		45,23,07,388.20

1,61,348	severally or jointly with any other persons ...	1,40,884.00	
	(vi) Debts due by companies or firms in which the Directors of the banking company are interested as Directors, Partners, or Managing Agents, or in the case of Private Companies, as members ...	4,20,913.00	
60,000	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the banking company or any of them either severally or jointly with any other persons ...	1,64,122.00	
1,71,117	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as members ...	4,55,579.00	
60,000	(ix) Due from banking companies	20,93,722.56	
27,88,103			
	Bills Receivable Being Bills For Collection—As per Contra—		
2,12,18,709	(i) Payable in India ...	2,04,42,946.17	
62,13,515	(ii) Payable outside India ...	63,21,249.79	2,87,64,195.96
2,74,32,224			
	Constituents' Liabilities For Acceptances, Endorsements and Other Obligations—Per Contra ...		3,53,56,068.12
4,02,30,840			
	Premises Less Depreciation—		
10,09,767	Original Cost ...	10,09,767.44	
1,56,828	Less Depreciation ...	1,79,232.00	8,30,535.44
8,52,939			
	Furniture And Fixtures Less Depreciation ...		Nil
Nil			
	Other Assets, Including Silver—		
	Inter-Branch Balances—Net—		
	Head Office and Branches outside India ...	Nil	
Nil			
1,63,820	Income Tax Advance Payments ...	99,853.23	
11,43,587	Interest, Exchange, Commission, Discount and Expenses ...	14,17,139.27	18,13,993.26
12,97,407			
	(No adjustments made as at 31st December 1959 for the two months, November and December for accrued interest and exchange receivable and payable and Commission receivable).		
	Non-Banking Assets Acquired in Satisfaction Of Claims ...	Nil	Nil
Nil			
	J. A. Brough & E. S. Tibbetts Chief Managers (Eastern Branches)		Rs. 81,97,72,200.92
Rs. 49,16,12,845			

INCOME.

1958	(Less provision for Bad and Doubtful Debts and other usual or necessary provisions made during the year)	Ra. NP.
1,84,08,816	By Interest and Discount	1,77,53,783.22
48,27,730	" Commission, Exchange and Brokerage	44,59,763.77
16,044	" Rents	16,044.00
2,84,375	" Net Profit on sale of Investments, Gold and Silver, Land, Premises and other assets	18,000.00
Nil	" Income from non-banking assets, and profit from sale of or dealing with such assets	Nil
Nil	" Other receipts	Nil
Nil	" Loss	Nil
2,36,33,766		2,22,57,589.99

NOTE.—This document does not purport to be a report of the proceedings of the General Meeting.

12, Mission Row,
Calcutta-1.
Dated, 6th May, 1960.

The Buckingham & Carnatic Company Limited

Cotton Shortage & Textile Wage Board Award: Two Severe Shocks

Mr. E. J. M. Leigh on Problems of Industry

Presiding at the Thirtieth Annual General Meeting of the Shareholders held at the Company's Office, 7 Armenian Street, Madras on Friday the 29th April 1960, Mr. E. J. M. Leigh said:—

GENTLEMEN,

It gives me great pleasure to welcome you to this Annual General Meeting of the Company, and with your permission I shall take as read the Report and Accounts for the year 1959 which have been in your hands for the requisite time.

It was not until well into the second half of 1959 that confidence in the future began to return to the Textile Industry and Trade. With lower exports in the earlier months more cloth was available for internal sale at a time when abnormally high food prices had restricted the spending power available for other necessities such as clothing.

There had also been a marked change in demand in favour of finer varieties requiring imported cotton, that could not be met on account of severely curtailed imports which forced Mills, at great inconvenience in many cases, to alter their production planning and spin coarser irrespective of buyers' preferences. The inordinate delay on behalf of Government in issuing import quotas even on the restricted scale, cost the Industry and the country many crores of rupees as by the time purchases could be made, foreign cotton prices had advanced sharply. However the most serious consequences of this delay were perhaps to be felt later on as by the end of the Indian cotton season, with higher consumption and a drop in the 1958/59 crop, the carry over had been reduced to 18.5 lakh bales, 2.37 lakh bales or 11% less than at the end of the previous season. I shall refer to the critical cotton supply position again later in my speech.

Returning to my opening remarks, it was from about August that confidence began to revive, encouraged by a marked broadening in export demand, reflecting a general expansion in world trade, and a tendency for prices to harden. India's ability to take advantage of this welcome development was assisted by the apparent, but no doubt temporary, reduction of activity on behalf of Red China, a severe set back to the Japanese Textile Industry through heavy typhoon damage and Government's Export Incentive Schemes, the value of which must not be underrated.

Stocks with Mills began to fall and it was not long before cloth dealers throughout India saw the writing on the wall and began to re-stock the empty distributive pipe line. For nearly 2 years they had adopted a hand to mouth purchase policy, their confidence having been shattered by the frequent and substantial changes in Excise duty rates since September 1956.

Is it too much to hope that as Excise duty rates have now remained virtually the same since July 1958, Government have at last realised that heavy handed attempts to correct fluctuations in market prices and production trends by artificial measures, however temporary, lead to chaotic conditions and loss of confidence both at home and abroad?

As shipments increased and clearances for home consumption got under way stocks with Mills fell precipitately and the reduction in closing stocks to the lowest figure for many years eased heavy financial burdens and released urgently required funds for the purchase of machinery, stores and raw materials. By the year end the trade was once more performing its proper function of holding stocks, which the Mills had been obliged to carry and finance for so long.

While this was all most encouraging and there was even talk of India's exports in 1960 reaching the target of 1000 million yards, dark clouds were building up on the horizon.

The Textile Industry, accustomed to shocks as it is, received its first warning of serious trouble ahead in November, when the current season's commercial crop of Indian cotton was estimated at the low figure of 45 lakh bales against the previous season's crop of 48.75 lakh bales and with consumption up by 4.13% to 46.16 lakh bales. But worse was to come and even the latest commercial crop figure of 37½ lakh bales is now considered to be a liberal estimate! Cotton prices reached and pierced the ceilings long ago and the Industry is faced with a very real crisis, though Government has issued repeated assurances that the short-fall will be made up by greatly increased imports, much of which will be of short staple American varieties. But it is vital that there should be no further delay in issuing quotas for the entire quantity so that bulk supplies can arrive in this country at the earliest possible moment. It is, I believe, only with the physical availability of adequate supplies that the hope

lies of controlling Indian cotton prices within the ceilings.

Even if all Mills, which can, use much more long staple foreign cotton and the rest of the short-fall is covered by imports of the lower grades, the high cost factor remains and the most acute shortage is in those types of Indian cottons on which the bulk of this country's cloth exports are based.

It is disastrous that this should have happened at a time when India had an opportunity of consolidating export gains and approaching the target. It now looks as if the most strenuous efforts will have to be made if even last year's figure of about 790 million yards is to be achieved in 1960.

Another severe shock was occasioned by the recent publication of the recommendations of the Textile Wage Board over which so many difficulties of interpretation have arisen. Despite the fact that the essence of the report is that it must be taken as a whole, Labour Unions throughout the country are demanding the immediate implementation of those parts favourable to the workers and threatening country wide strike action. The Industry is not in a position to accept unrealistic additional financial burdens and it will indeed be a tragedy if the Mill Industry as a whole, employers and employees, receive a severe set back as the result of the emergence of this unhappily worded document.

In what can only be described as a developing national emergency, the Cotton Textile Industry being of such vital importance to this country both for the clothing of its peoples and as a substantial earner for foreign exchange, it passes my comprehension that the Union Government is reluctant to obtain for the benefit of all an authenticated interpretation of the Wage Board's recommendations by calling together all its past members for this specific purpose.

It is within my personal knowledge that certain past members of the Wage Board do not agree with the interpretations of some of its findings as held by the Workers' representatives. In the circumstances can it be anything else but a figment of fantasy to describe the report as 'unanimous' when the actual sense and wording is in undoubted dispute.

If the appointment of the Wage Board is to achieve its objects, which presumably include a fair deal for all concerned, including the consumer, with peace and progress in the industry, it is essential

that negotiations between all employers and workers should proceed on the basis of the same agreed and clear cut formula.

Without this there can be no hope of reaching uniformity in separate and various agreements which may be negotiated, possibly after a long period of strife. This would merely sow the seeds of future trouble with serious repercussions on other Industries.

I now deal more particularly with domestic affairs. As you know, your Company is now a subsidiary of Binny & Co. (Madras) Ltd. and you are also aware that the Directors of your Company and of Binny & Co. (Madras) Ltd. have agreed mutually to the final termination of the Managing Agency with effect from 1st January, 1961.

The Directors of both companies are firmly of the opinion that in the changed circumstances of today this would be in the best interests of all concerned, though the decision was reached with great regret in view of our close association and the valuable services rendered by the Managing Agents for so many years.

In General Meeting in January this year you gave your approval to an application being made to Government for the renewal of the Managing Agency Agreement on the same terms for 4½ months to cover the period between the expiry of the present Agreement on 15th August, 1960 by operation of Law, and the end of the year. This application was submitted in good time and Government's decision is expected shortly.

I am sure you will all agree with me that it is of vital importance to your Company that there should be no departure from those most successful policies under which the Buckingham and Carnatic Mills have expanded and prospered in the past and in order to ensure continuity it is proposed that four of the present Directors of Binny & Co. (Madras) Limited, all of whom have had long experience in the management and business of your Company should then become Managing Directors of the Buckingham & Carnatic Co. Ltd.

A similar policy will be followed by your associate company, the Bangalore Woollen, Cotton & Silk Mills Co. Ltd., and arrangements will shortly be made by the Boards of the two Mill Companies with regard to the appointment of Managing Directors. It is proposed

7 May, 1960

that the cost of their emoluments will be shared in appropriate proportions as shall be mutually agreed.

You will have seen from the Directors' Report that sales during the year were a record at over Rs. 10½ crores and finished stocks fell to under Rs. 40 lakhs, representing only 2 weeks' production. A steady demand continues for your Company's range of products to which we hope to add some interesting new varieties during the current year. With adequate supplies of long staple foreign cotton, it will also be possible to meet, to a greater extent than last year, the demand for some of your Company's specialities such as 'Hanava'.

Despite every effort and extensive market research it was not possible to improve on an export figure of Rs. 1.81 crores but shipments during the first three months of the current year have been at the rate of Rs. 2.0 crores per annum which is encouraging. It is to be hoped that substantially increased costs of manufacture will not restrict further progress.

Your Company continues to supply the Defence Services' requirements of olive green drill and cellular shirting, though the prices obtainable showed a very poor return over the year.

The Company's showroom in Bombay has now been redecorated and air-conditioned to the great convenience of customers. These showrooms in various centres have proved of considerable advertising value and have provided a very useful and informative direct contact with the public.

It will be seen from Schedule 3 attached to the accounts which gives details of our fixed capital expenditure that additions thereto during the year amounted to approximately Rs. 53 lacs. Whilst the modernisation and renovation of the Company's buildings and plant is a continuous and never ending process, the main rehabilitation programme decided upon shortly after the war is nearing completion. The second new Weaving Shed is in production with a complement of 730 looms, the new Stores building and the extension of the Yarn Dyeing and Finishing buildings are well advanced and should be ready for occupation later in the year.

I am glad to inform you that after negotiations lasting nearly three years we received, towards the end of last year, licences for the import of new machinery valued at Rs. 40 lacs under United Kingdom and West Germany Credit Schemes. This sum is being utilized mainly for dyeing and finishing equipment, to replace obsolete plant and provide additional capacity to meet our ever increasing needs.

We have recently entered into contracts for the construction of

an additional 198 dwelling houses for our work people at a cost of approximately Rs. 9 lacs.

Labour/management relations have on the whole been satisfactory although during the year there was unfortunately a crop of lightning sectional strikes over the most trivial issues and frequently without the support of the recognised Union. We are hopeful that a better understanding has now been reached which should reduce the incidence of such indiscipline.

I have already referred to the crisis following the publication of the Textile Wage Board's recommendations. Discussions between the Government of Madras and representatives of labour and management are now taking place and whilst these are proceeding, it would be inappropriate for me to express my personal views on the detailed implications as they might affect your Company. I must, however, warn shareholders that higher wage rates must inevitably affect the profit earning capacity of any industry adversely unless accompanied by greater productivity, the acceptance of appropriate but fair workloads and essential rationalisation.

Your Company has been adversely affected to the extent of Rs. 1,13,600 by the changes made during the year in Corporate taxation and in order to maintain net dividends of 7½% and 10% on the Preference and Ordinary shares respectively you will see that we have had to deduct and pay to Government Rs. 8,33,375 from the gross dividends. This additional tax payment has been off-set to the extent of Rs. 7,19,775 by the savings resulting from the reduction in the rate of tax from 51.5% to 45%, and the abolition of both the Wealth Tax on Companies and of the Excess Dividend Tax.

As you know, we are a Section 23-A Company, but the penal provisions of that section will not apply as the total distribution on shareholders' account is more than 50% of the assessable income less the tax thereon.

Balance Sheet figures show only minor changes when compared with the previous year and items affecting the trading results have, I think, been adequately covered in the Directors' Report and require no further comment from me.

I am sure you will wish to join me in recording our appreciation of the valuable services rendered by my Co-Directors, the Mill Manager, his staff and all employees and, of course, the Managing Agents, whose combined efforts in a difficult year have achieved the results you see before you and which I consider can be regarded as satisfactory.

NOTE—This document does not purport to be a report of the proceedings of the General Meeting.

BURN AND COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the members of the Company will be held at the Company's Registered Office, 12 Mission Row, Calcutta on Thursday the 2nd day of June, 1960 at 11 a.m. to consider and if thought fit to pass with or without modification the following resolution which will be proposed as an ordinary resolution:

That Martin Burn Limited be and they are hereby re-appointed as the Managing Agents of the Company for a period of ten years as on and from the 15th day of August 1960, on the terms and conditions embodied in the draft of an Agreement to be entered into between the Company of the one part and Martin Burn Limited of the other part, a copy of which was laid on the table and signed by the Chairman of this Meeting for the purposes of identification and that the Directors of the Company be and they are hereby authorised to execute under the Company's Seal in manner provided for in Article 155 of the Company's Articles of Association the Agreement setting forth the terms and conditions of the re-appointment of the Managing Agents.

By Order of the Board,
MARTIN BURN LIMITED
A. G. GIDLEY
Secretary
Managing Agents.
12, Mission Row,
Calcutta.
Dated, 5th May 1960.

Note: (i) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(ii) An Explanatory Statement is annexed to the convening Notice issued to the members of the Company.

THE AMALGAMATED ELECTRICITY CO. LTD.

Transfer Books of the company will be closed from 14th to 21st May 1960, both days inclusive, in connection with Ad-interim dividend for the part of the year ending 31st March 1960, payable on or after 23rd May, 1960.

By Order of the Board,
For N. C. JAVERI & CO.
N. C. JAVERI
Partner
Mg. Agents.
Bombay, 30th April, 1960.

THE INDIAN IRON & STEEL COMPANY LIMITED

Notice is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will be closed from the 17th May to the 21st May, 1960 both days inclusive for purpose of payment of the Preference dividend for the half-year ended 31st March 1960, on or after the 1st June, 1960.

For The Indian Iron & Steel Co. Ltd
MARTIN BURN LIMITED,
F. G. Liversedge,
Managing Director,
Managing Agents.
12, Mission Row,
Calcutta-1.
Dated, 6th May, 1960.

THE INDIAN STANDARD WAGON COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the members of the Company will be held at the Company's Registered Office, 12 Mission Row, Calcutta on Thursday the 2nd day of June 1960 at 11-15 a.m. to consider and if thought fit to pass with or without modification the following resolution which will be proposed as an ordinary resolution:

That Martin Burn Limited be and they are hereby re-appointed as the Managing Agents of the Company for a period of ten years as on and from the 15th day of August 1960, on the terms and conditions embodied in the draft of an Agreement to be entered into between the Company of the one part and Martin Burn Limited of the other part, a copy of which was laid on the table and signed by the Chairman of this Meeting for the purposes of identification and that the Directors of the Company be and they are hereby authorised to execute under the Company's Seal in manner provided for in Article 155 of the Company's Articles of Association the Agreement setting forth the terms and conditions of the re-appointment of the Managing Agents.

By Order of the Board,
MARTIN BURN LIMITED
A. G. GIDLEY
Secretary
Managing Agents.
12, Mission Row,
Calcutta.
Dated, 5th May 1960.

Note: (i) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(ii) An Explanatory Statement is annexed to the convening Notice issued to the members of the Company.

Indian Aluminium Company, Limited

Chairman reviews developments in the Aluminium Industry

The following is the text of the speech delivered by the Chairman, Mr K. C. Mahindra, at the 22nd Annual General Meeting at Calcutta, on Wednesday, the 27th April, 1960.

I have pleasure in according you special welcome to our 22nd Annual Meeting, for 1959 has been a year of good profits and a prelude of better times to come.

The Directors' report submitted to you along with the audited accounts for the year 1959 gives a factual background to the year's operations. Production and Sales



reached new high levels. Initial operations at the Company's new smelter at Hirakud were satisfactory. The Company's Technical Consultants, Aluminium Laboratories Limited of Canada, rendered great assistance towards the start-up of the new smelter. It is a matter of satisfaction to all of us that the Plant is being operated entirely by Indian personnel, which is good testimony to the progress we have made in training a cadre of sound technical personnel within the Company.

It has been reported that the draft of the Third Five Year Plan establishes a target for production within the country of 82,000 tons of aluminium per annum and that the annual requirements of aluminium may be of the order of 100,000 tons. The Industry has come a long way in the last decade, at the beginning of which aluminium was primarily used for manufacture of domestic utensils. Today it is an established metal and is being used in many engineering industries, ranging from road transport to building. Our Company can justifiably claim that it has contributed substantially to the development of the aluminium industry in India. Aluminium still remains in our country an industry of high adventure. Your Company knows only too well how arduous and venturesome has been the climb and how complex the local technical problems connected with its installations and growth. In acknowledgement of this spirit I welcome the two new entrants in the field of production. As pioneers

in the establishment of aluminium as an industrial metal within the country, your Company is resolved to play its part in the further development of the industry and has therefore embarked upon the second phase of an integrated expansion of its production facilities, and construction has already commenced.

It is proposed to double the Hirakud Smelter to 20,000 tons, to increase Belur production capacity and install an additional extrusion press at Alupuram. These projects are expected to be completed by 1962-63. On completion your Company will be a substantial producer of aluminium with integrated facilities. It is a matter of pride and satisfaction to all of us that the tempo of expansion which commenced in 1953 is being maintained. We propose to go on expanding so that within the next decade we shall be a Company of substantial size. But we must remember that the price factor plays an important part in the development of demand for any product. More so in India, where great stress is laid on the initial cost as opposed to long-term economies. Aluminium costs 30 to 40% more in India than in other developed countries. Further, the price differential between aluminium and other competing materials is far more unfavourable in India than elsewhere. If aluminium is to establish itself, especially in the next few years, when the supply of steel is expected to increase, it is essential that prices are brought down. This can only be done by having larger plants capable of producing 50,000 tons and over per annum. It has been estimated, for example, that unit costs of production of a 50,000-ton smelter may be lower by 15% than those of a 20,000-ton plant. By having larger size plants, operating costs will be correspondingly reduced and this will ensure that aluminium holds its ground in competition with other metals. For this reason it is essential for us to keep on expanding until such time as we have reached the optimum economic output levels at each one of our plants, so that with increased operational economies, prices may be reduced and thus ensure that demand will receive a stimulus.

As we turn into the 'Sixties', a decade of progress and expansion lies behind us—a decade during which the Company showed a twenty percent growth a year in ingot production and established supremacy as a leader in a difficult and complex industry. This growth is unparalleled and far exceeds the 6% rate of growth which would characterise a dynamic economy. It is no doubt true that our fabri-

cation facilities have grown only 4½ times as against a 6½ times increase in production of the primary metal. But this is no fault of the Company's management; Government regulations and priority considerations have not permitted a similar development in the semi-fabrication field. And yet, to sustain a demand for the virgin metal over a long term, the fabricators must grow apace, if not beyond the supply of ingots at any period of time. To continuously develop new applications and new channels for the use of aluminium products there must develop in the country varied types and kinds of fabricated materials. Looking at the decade ahead, we are engaged in increasing our metal production as well as our rolling and extrusion facilities by another 70% over our present turnouts. This will be achieved by middle of the Third Plan period. We will not cry halt because inherently expansion is in the bloodstream of the Company. Further, the Management firmly believe that economic efficiency as judged by costs which would be comparable to costs, say, in Europe can only be achieved by increasing suitably the sizes of both smelter and rolling units. The impost of excise duty in the recent Budget does not however encourage optimism about the growth of the market and I would earnestly beseech Government to examine afresh the long-term implications of the excise policy in its bearing and impact on the volume of future demand for aluminium products in the country. The stimulants of demand, as Mr. Nathaniel V. Davis the President of Aluminium Limited, our Canadian associates, recently stated, are "new aluminium technologies, determined efforts in sales development and research and improved price relationship of aluminium with other metals". Production cannot maintain its rate of growth if consumption lags behind. Disregard of this criterion, it has been truly said, had its nemesis in the marked decline in the production of those very industries which at the beginning of the second Five Year Plan were firmly set on the path to rapid expansion—textiles, cement, transport are significant examples.

Another forward step has been taken by the management in organising an engineering project division within the Company. This is the beginning for a regular design section which would complement the assistance we receive from the design and research facilities of our Canadian associates, and which in course of time will develop enough technological facilities to work out designs and techniques most suitable for ope-

rating materials and conditions in India.

I referred earlier in my address to the impact of new excise taxation on demand. I do not feel curious any more that the immediate fiscal policy of the Government should appear to be in conflict with the long-term planned objectives of the economy, for it has happened so frequently of late in diverse fields. A strengthening of the industrial base was the avowed theme of the Second Plan; strengthening means not merely increased production of basic materials both new and old, but a growing encouragement of the uses of the materials so produced. Application of resources, however limited, toward industrial growth implies growing diversion of savings toward investment in industries. Savings must increase; increasingly these should be applied toward generating new industry and promoting development of old ones. This concept of planning, admirable and praiseworthy in objectives has, however, been vicariously undermined by fiscal needs and petty conflicts between the various organs of Government. What you promote with one hand, you cut down and emasculate with the other. Road transport—for instance—has been the pet whipping boy of practically all the States in the Union in search of more revenue and now Railways have joined in curbing the upstart competitor which in their imagination threatens the rail monopoly and fresh excise duties have been levied on all forms of motor driven vehicles. In our industry protective tariffs have helped as a shield for growth. The price situation remained comparatively free from control and was regulated more or less by interplay of supply and demand. Market growth really generated the need for additional production of the metal. New schemes have been encouraged on the basis of anticipated growth in market demand rather than on the strength of the economics of a specific venture. And now heavy excise has been imposed which will obviously lead to the diminishing of demand and thereby make this capital-intensive industry more unattractive. These contradictions in policy of the various Ministries of the Government and between immediate needs and final desires lead one to think if there is not something wrong somewhere in the administration of our planned efforts and whether time has not arrived to re-examine the void between policy and execution and repair the lack of coordination between the planning and the executive wings of the Government.

I do not disagree with the "theory of the big push"—for, there are better than even chances of getting somewhere if the country tried to do too much rather than too little. There should therefore be a welcome for the more ambitious target rather than be critical about "unrealistic" goals. But while inciting a revolution of rising expectations one should be extremely careful that it does not end in becoming a whirlpool of increasing frustrations. Government everywhere is part of industry and planning is an acceptable feature even in free enterprise economies. There can be no quarrel on this score. But Government is essentially the source of prevention measures which when well directed and co-ordinated lead to avoid waste of valuable resources but when we witness contrariness in the various impositions and regulations we encounter the first phase of practical difficulties. The Planning Commission encourages growth along certain lines but fiscal needs refuse to take note of the effect of tax and such like impositions on demand and therefore on ultimate targets for achievement. Planning should be perspective in the sense that all points of the compass remain within view; over a measurably realistic period of time; that advances in the sectors of production and distribution be simultaneous so that one reinforces the other; that there remain a growing stimulus for further and further improvements in each field of economy. Planning is a most complicated and complex exercise and I can find no better example and precedent than the manner in which the American industry was geared during war time to produce the necessary materials for the struggle. Briefly, policy decisions were first made "by balancing the requirements for selected high-priority objectives with the available amounts of strategic or scarce resources. Next, the details of the plan were worked out through applications of standard ratios based on past experience. Final adjustments were left to informal trial and error procedures of the actual month by month operations". The important difference from conditions current today in India was that demands were specific both in categories and quantum and accordingly where a gap in production point was noticed the surplus of capacity, manpower and finance was directed toward creating the supply in the shortest time possible. Applying the formula to the present state of our economic planning one finds no doubt a peremptory urge to move on rapidly, a compulsion to build a solid industrial base but there is a singular aversion to analyse the factual data involved and shape, alter and mould the programme as we go along. We seem to get lost in concepts of linear programming, in the so-called method of Balances, in input-output ratios. One cannot but view with alarm the applica-

tion of such theoretical doctrines when simple structural relationships between supply and demand are ignored and obiter dicta are issued nonchalantly and without mutual consultation from desks which adorn the planning or the executive enclave respectively. Aluminium production should step up to 100,000 tons by 1966; ergo, more units should be licensed to achieve this goal. It is ignored that demand for primary metal has increased from 23,000 tons to 35,000 tons over the last 5 years because of sales effort to increase applications, because of intense educational campaign to popularise the use of aluminium and because of relative stability in the price level. When the Finance Minister decided to impose an excise levy which would increase prices by as much as 10% at one stroke, he did not, I am sure, consult the planning wing. Would the planners now revise their objectives in the light of possible shrinkage of demand because of pressure of excise duties on prices? I fear not, and that is where the lacunae in our thinking of the future became wide and disparate. It is naturally not my purpose here to draw the lines for the next Plan, but I enter a plea for recognition of the facts of supply and demand and for a more rational approach to the problems of growth of individual industries. If I am critical, it is not for the purpose of imposing judgement; it is to request discipline and rationalisation in the conditions of judgement.

The financial picture as presented in the Directors' report is promising. Profit for the year, before providing for income tax and development rebate reserve, was higher at Rs. 1.94 crores. After providing for Corporate tax of Rs. 55 lacs and setting aside as development rebate reserve, which is a statutory appropriation under the Finance Act 1958, a sum of Rs. 61½ lacs, net surplus for the year is Rs. 79.83 lacs. Because of the statutory provisions regarding development rebate reserve the amount of money available for distribution to shareholders is not large.

This may appear disappointing in the year of our Hirakud development, for the immediate return to the shareholders is necessarily small but it is to be recognised that the allocation to the Development Rebate fund is a plough-back of profits into the business of the Company. Such appropriations of earnings retained in the Company are an essential element in a capital-intensive industry like aluminium and more so when the Company is engaged in a forward looking programme of expansion.

It has been possible for the Directors to recommend payment of a higher rate of dividend on equity shares—the highest so far in the history of the Company. I appreciate that the net receipts in

the hands of the shareholder is less because of the new base of tax policy and abolition of the system of grossing up of the dividend. But here neither you nor the Board have any say if Government chooses to tax the shareholders further and take away a substantial portion of their income. The Company has passed on to the shareholders most of the "savings" on corporate taxation effected under the new scheme.

To Mr. Vance Echols and his able associates in the Company I convey our congratulations and

thanks for the splendid results achieved during the year and I am sure the shareholders will join me in wishing them further success in the endeavours to come. Equally meritorious has been the effort of our work force at all the six operating points in the country. I am confident your trust is in good hands and the coming years hold an encouraging promise.

NOTE: THIS DOES NOT PURPORT TO BE A RECORD OF THE PROCEEDINGS OF THE ANNUAL GENERAL MEETING.

THE NEW SAMANBAGH TEA COMPANY LIMITED

NOTICE is hereby given that the Fifty-seventh Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Tuesday the 31st May, 1960 at 3-15 P.M. for the following purposes:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1959.
- (2) To declare a dividend on the Preference Shares.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their remuneration.
- (5) To consider and if deemed fit to pass the following Resolution as a special Resolution:—

"That it is hereby approved that Clause (2) of the contract entered into between the Company and the Managing Agents, Messrs. Shaw Wallace & Co. Ltd. in terms of special Resolution No. 7 passed by the Shareholders in the General Meeting of the Company held on 18th April 1958 and contained in letters dated 1st and 2nd May 1958, exchanged between the Company and Messrs. Shaw Wallace & Co. Ltd. respectively, whereby the Company was "inter alia" authorised to borrow money at interest from Messrs. Shaw Wallace & Co. Ltd., the Managing Agents, to the extent of Rs 5 lacs at any particular time, and which was varied in terms of special Resolution No. 5 passed by the Shareholders in the General Meeting of the Company held on 23rd July 1959 to increase the limit to Rupees 8 lacs be varied to read as follows such variation to come into force from 1st January 1960 and that such contract varied in conformity with this resolution shall be valid for a minimum period of 5 years

from 1st March 1958 unless previously terminated by either party giving to the other one months notice in writing."

Clause (2) "Money lent by Shaw Wallace & Co. Ltd. to the Company which shall not at any time exceed Rs 10 lacs in the aggregate may be repaid by the Company without Notice and shall be repaid within three days of demand".

The Transfer Register will be closed from the 23rd May, 1960 to 31st May, 1960, both days inclusive.

N.B.—A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

By Order of the Board,
SHAW WALLACE & COMPANY,
LIMITED
Managing Agent.

Calcutta,
Dated 2nd May, 1960.

EXPLANATORY STATEMENT.

Resolution No. 5.
The above Resolution has been necessitated due to the fact that the Company's funds could not be transferred from Pakistan to India and the Managing Agents are having to advance money to the Company to meet the expenses in India. The existing limit of advances by the Managing Agents is Rupees 8 lacs but the present advances by the Managing Agents aggregate to approximately Rs 7,24,000 and these advances by the Managing Agents will continue to increase till such time as the Company is able to receive sanction from State Bank of Pakistan to transfer its funds to India. In order therefore to regularise the recurring future advances by the Managing Agents to the Company the above Resolution is necessary.

The Bengal Coal Company, Limited

Review of Year's Activities by Mr N. Stenhouse

The following statement has been issued to the shareholders of the Bengal Coal Company, Limited by Mr. N. Stenhouse, Chairman of the Company.

I have pleasure in reporting to the members of The Bengal Coal Co., Ltd. on the operations of their Company during the year ended 31st October, 1959.

The Year's Trading: Although the income from sales of coal is Rs. 10 lacs higher at Rs. 6,36,00,000 compared with the previous year, there is a decrease of Rs. 11 lacs in the profit on the year's trading. However, after bringing into account credits amounting to nearly Rs. 12 lacs in respect of previous periods, the profit for the year is only slightly less than for the year ended 31st October, 1958.

After providing for taxation and increasing the amount transferred to Reserves by approximately Rs. 5,70,000, it has been possible for the Board to maintain the net amount of dividend by recommending a final dividend of Rs. 15 per share less tax on the Ordinary Shares, making Rs. 25 per share less tax for the year.

It will be noticed that there has been an increase of Rs. 5 lacs in "Salaries and Wages", the total expenditure under this heading now amounting to Rs. 3,11,00,000, or about 52% of the net income from sales of coal, as compared with some 38% in 1947. The increase of Rs. 16 lacs under "Colliery Expenses" reflects the introduction of further measures directed towards safety and improved methods of mining.

Production: Raisings during the year have shown a slight fall of some 25,000 tons to a level of 2,835,400 tons. This has been due mainly to the closure of two of the Company's collieries, where available coal has been worked out; and a further reason has been the decline in output from Chanch colliery, where we are installing a sandstowing ropeway plant which should result in an increased level of output within the next two years. Production at Chinakuri 1 and 2 pits colliery is now back to the level existing before the disaster which occurred in February, 1958, in spite of considerable difficulties in mining operations which have been experienced during the past months. Although there was a drop in the Company's raisings during the year under review, I am glad to report that for the first five months of the current year, output has been at a very satisfactory level.

The Industry as a whole have been most disappointed at the coal price increases announced during the past nine months which, it

is felt, are entirely inadequate, bearing in mind that there must be a realistic element in the price structure for rehabilitation and for ploughing back for new development, particularly for working the difficult and low lying seams which produce the quality coal of which the country is so greatly in need. We appreciate the introduction of a cess to assist deep, gassy and difficult mines. This could be particularly welcome to this Company whose policy over the past years has been to work the difficult seams yielding high grade coal. Indeed, 64% of this Company's output is obtained from gassy seams and, as I mentioned at last year's Annual General Meeting, the Company is operating the only three collieries in India whose shafts are sunk to a depth of over 1,400 ft. The Government scheme for the grant of a subsidy to deep, gassy and difficult mines, which has just been announced, is however, disappointing and appears to include conditions and restrictions which may well nullify its purpose. The details of the scheme are being carefully studied by the Industry and many aspects of it undoubtedly need clarification.

As those who are connected with the Coal Industry are fully aware, this Company is second to none with regard to the provision of any measure which can increase the safe working in mines. Nevertheless, however advanced may be the safety precautions in collieries, mining continues to be a hazardous operation throughout the world as is evidenced by the most tragic disasters which have recently occurred in South Africa, East Germany and Scotland.

We welcomed the increased level of stowing assistance, although during the year we still had to bear a difference of about Rs. 9 lacs between the total cost of stowing and the assistance which we received from the Coal Board. It is of interest to note that the quantity of sand stowed at your collieries during the year was no less than 760,000 tons, and this will increase shortly to a level of over one million tons per annum.

Labour and Welfare: Labour relations have not been marred during the year by any untoward incidents. Progress continues to be made in the construction of workers' houses at the Company's collieries, and the many hundreds of new quarters constructed under the scheme of the Coal Mines Housing Board are indeed impressive. We are also continuing with our schemes for an improved water supply at the collieries, and these projects are greatly appreciated by our employees. New quarters and additional water supply are but two of the measures being taken to

improve the living conditions of the workers over and above compliance with the statutory obligations for the provision of pithead baths, canteens and canteens. The Company runs nine schools for the children of employees, and also five Co-operative Societies, which were initially sponsored and financed by the Company but which have become self-supporting and are being increasingly utilised by our employees. We are proud of our large Sanctoria Hospital, as also of the medical amenities, including the smaller hospitals and dispensaries maintained at colliery level. We do not grudge in any way the high cost of providing such facilities for our employees since it is a great comfort to all those working in our mines to know that they and their families will receive the best possible attention in times of illness or accident.

Railways: The improvement in wagon allotments was maintained during the year, although in recent weeks the very disappointing offerings have resulted in considerable accumulation of stocks at many collieries. The fact that this has mainly affected the mines in the Dhanbad area and that the Company's collieries, most of which are situated in the Raniganj field, have not fared too badly, is small consolation to the Industry as a whole. I cannot stress too strongly the necessity for maintaining a satisfactory level of wagon offerings throughout the year so that excessive stocks accumulated during the Railways' peak traffic months in December/May do not result in a restriction on the level of raisings, as is the case at many collieries today. It is satisfactory to learn that, with the completion of a number of their capital works on main lines, the Railways will now be able to give rather more attention to the installation of, and extensions to, sidings at collieries. Many of those collieries, whose sidings were constructed some years ago, have now increased their output, and it is only by enlarging the sidings that the increased output can be adequately handled. This work merits the highest possible priority.

Exports: Two years ago my predecessor stressed the necessity for a virile and sustained policy for increasing the level of Indian coal exports. As recently as the middle of last year an increase in coal export targets was announced which would have involved entering new markets in addition to those countries to which India had been shipping coal for many years. Accordingly it was with considerable surprise that advice was received early this year that export of coal, other than to Pakistan, could no longer be permitted, even

to the traditional markets of Ceylon and Burma. This advice came at a time when the 1960 contracts for these two large buyers were being finalised and, in view of India's inability to meet their requirements, they had no alternative but to place orders with South Africa. The country has therefore lost two markets which have been providing foreign exchange for many years and it is undoubtedly going to be extremely difficult to recapture this business. No one can deny that there is a coal shortage in this country, but I cannot help feeling that the quantity of about half a million tons annually taken by Burma and Ceylon could have been available, particularly since the consequential loss in foreign exchange may continue not only during the present shortage of coal but also for some time thereafter.

Third Five-year Plan: Much has been written and said during recent weeks on the necessity for planning now to meet the greatly increased requirements of coal which must be available by 1965. The Industry is still awaiting Government's decision in this connection on the offers put forward by the private sector.

During the long history of this Company extending over 117 years, a steady succession of new collieries have been sunk and developed; and as collieries have neared exhaustion, plans have been made well ahead to develop new mines which have gradually come into production to replace exhausting units. In a wasting asset such as coal, this process must be continuous, and it is for this reason that we have had our reserve properties available for opening out as and when the country requires the coal. At the start of the Second Plan we put forward our proposals to sink pits, but these applications were not approved in view of Government's decision that the working of new areas must be in the public sector. When production at the present time is insufficient to meet the Nation's demands and when coal exports have had to be curtailed, it is sad to reflect that, had we been given permission to sink when we applied early in 1956, the new mines would by now have been in full production and contributing to the industrial expansion of the country.

It is the declared policy of Government that the public sector of the Coal Industry should expand; and we naturally accept this policy whilst realising that the rate of expansion must be dependent mainly on the technical and managerial know-how available. If the public sector, however, is unable to meet the full demand, then the

private sector should most certainly be permitted to contribute substantially towards the additional requirements. A decision on this whole vital matter must be made forthwith since the deep developments, whether they take place in the public or private sector, must be initiated immediately if they are to play any useful part by the end of the Third Plan.

Staff: At the end of March, this year, Mr. R. P. Rosser retired from the position of Chief Mining Engineer after serving the Company for 29 years, the last 9 of which were as Chief Mining Engineer. There can have been few persons in charge of the operations at the Company's collieries throughout the long period of the Company's existence who have had a more trying and exacting time than Mr. Rosser. During his period of office, the large new collieries have come into production and there has been progressive mechanisation and an increase in the overall output of the Company's pits. We extend to Mr. Rosser our grateful thanks and our best wishes for a happy retirement. To succeed him, Mr. F. G. Massmann, who has been acting as Deputy Chief Mining Engineer for the past 9 years and in whom the Board has the fullest confidence, has been appointed as Chief Mining Engineer.

The Company is indeed fortunate in having available, for the coalfields organisation, senior staff of high calibre. It is upon them as also upon all employees at all levels that the success of the Company so greatly depends. We are grateful to all the Company's employees for the work they have done and are doing and we can look forward to the future with confidence.

THE INDIAN IRON & STEEL COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the members of the Company will be held at the Company's Registered Office, 12 Mission Row, Calcutta, at 3 p.m. on Friday the 3rd day of June 1960, to consider and if thought fit to pass with or without modification the following resolutions, the first of which will be proposed as an Ordinary Resolution and the second as a Special Resolution.

Ordinary Resolution:

1. That Martin Burn Limited be and they are hereby re-appointed as the Managing Agents of the Company for a period of ten years with immediate effect from the expiration on the 15th day of August 1960 of the Agreement dated the 8th day of July 1948 and made between the Company of the one part and Martin Burn Limited of the other part in pursuance of Section 330 of the Companies Act, 1956 and upon the terms and conditions contained in an Agreement proposed to be entered into bet-

ween the Company of the one part and Martin Burn Limited of the other part a copy of which was laid on the table and signed by the Chairman for the purpose of identification and that the Directors of the Company be and they are hereby authorised to execute such Agreement under the Company's common seal.

Special Resolution:

2. That the Articles of Association of the Company be altered in manner following:—

(i) Article 50 shall be deleted and the following substituted therefor:—

"50. The Company may, after giving not less than seven days previous notice by advertisement in a newspaper circulating in Calcutta, close the Register of Members or the Register of Debenture-holders, as the case may be, for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at a time."

(ii) Article 113 shall be deleted and the following substituted therefor:—

"113. Unless otherwise determined by the Company in General Meeting each Director shall be paid out of the funds of the Company by way of remuneration for his services in attending Meetings of the Directors a fee of Rs. 100/- for each Meeting attended by him. Each Director shall also be entitled to receive a share of a commission (to be divided among the Directors in such manner as the Directors may determine and in default of such determination equally) of one per cent of the net profits of the Company computed in the manner referred to in sub-section (1) of Section 198 of the Companies Act 1956 in any financial year. The commission payable to the Directors shall be payable for a period of five years up to and including the financial year ending on the 31st March 1961, but this provision may be renewed or reviewed from time to time in accordance with the provisions of any statutory enactment from time to time in force and applicable thereto. For the financial year ending on the 31st March 1961, the net profits as aforesaid shall be deemed to accrue on a day to day basis and the commission attributable on such basis to the period from the 16th August 1960 to the 31st March 1961 shall be sub-

ject to a limitation at the rate of Rs. 2,50,000/- per annum which limitation unless otherwise determined by the Company in General Meeting shall continue to apply in respect of any period for which the provision for payment of commission as aforesaid may be renewed. The Directors may allow and pay to any Director who for the time being is resident out of the place at which any Meeting of the Directors may be held and who shall come to the place for the purpose of attending such Meeting such sum as the Directors may consider fair and reasonable for his expenses and loss of time in connection with his attending at the Meeting in addition to his remuneration as above specified."

(iii) Articles 128, 129, 130, 131, 132, 133, 134, 135, 136 and 138 shall be deleted and for Article 128 the following shall be substituted:—"128. Subject to the approval of the Central Government, Martin Burn Limited shall be the Managing Agents of the Company upon such terms and conditions as may from time to time be agreed upon between the Company and the Managing Agents and embodied in an Agreement in writing between the parties."

By Order of the Board,
MARTIN BURN LIMITED
A. G. GIDLEY
Secretary
Managing Agents.

12, Mission Row,
Calcutta.
Dated, 5th May 1960.

Note (i) A member entitled to attend and vote at this meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and a Proxy need not be a member of the Company.

(ii) An Explanatory Statement is annexed to the Convening Notice issued to members of the Company.

THE BENGAL FLOUR MILLS CO. LIMITED.

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting (being the one hundred and twenty-sixth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Friday, the 27th May, 1960, at noon, to consider the Accounts of the Company for the year ended 31st December, 1959, and to transact other ordinary business and the undernoted special business.

SPECIAL BUSINESS

NOTICE is also hereby given of the following Resolution, which will be proposed as an Ordinary Resolution, of which special notice dated 22nd April, 1960 as required by Section 281 of the Companies Act, 1956, has been received:—

"That pursuant to the provisions of Section 281 of the Companies Act, 1956, it is hereby declared that the age limit imposed by Section 280 of that Act shall not apply to Mr. S. C. Law, a Director of the Company, who has attained the age of 67 years, and who retires in rotation and being eligible offers himself for re-appointment, and that the said Mr. S. C. Law be and is hereby re-appointed a Director of the Company."

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 13th May, 1960 to 27th May 1960, both days inclusive.

By Order of the Board,
BALMER LAWRIE & CO. LTD.,
D. MANSON
Secretary,
Managing Agents.
21, Netaji Subhas Road,
Calcutta, 25th April, 1960.

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

RAJNAGAR TEA COMPANY, LIMITED.

NOTICE is hereby given that the Sixty-seventh Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Thursday, the 26th May, 1960, at 3 P.M. for the following purposes:—

(i) To receive and adopt the Directors' Reports and the Audited Accounts for the year ended 31st December, 1959.

(ii) To elect a Director.

(iii) To appoint Auditors and to fix their remuneration.

The Transfer Register will be closed from the 18th May, 1960 to 26th May, 1960, both days inclusive. N.B.—A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

By Order of the Board,
SHAW WALLACE & COMPANY
LTD.
Managing Agents.
Calcutta, 29th April, 1960.

7 May 1960

FOR THE INVESTOR

Fresh Curb: But Boom Continues

Investment Gossip:

BOOM conditions have prevailed on the stock market this week. Although interest has been centred on the new entrants, selected groups have participated in the upsurge with the more speculative in the lead. Most of the activity seems to be speculative in character as genuine investment is naturally chary of extending commitments in a rapidly rising market.

It is significant that firmness of equity prices has occurred against the background of continual apprehension about further credit squeeze measures. Wednesday's announcement of the tightening of control on bank deposits has had only a temporary unsettling effect, presumably due to the thinking that the latest RBI move will not seriously interfere with the flow of funds into the stockmarket.

It would appear that an impression is gaining ground that the credit squeeze measures that have been taken and are likely to be taken will be largely ineffective as far as the stock market is concerned. The working of the 11 March directive credit control measures which are in operation for nearly two months now have not proved to be too stifling. The latest directive to commercial banks to deposit with the Reserve Bank 50 per cent of deposits (the 11 March directive had already increased the ratio to 25 per cent) after 6 May is not worrying operators over much as it is not expected that funds seeking outlet in the stock market will diminish to any appreciable extent as a result of the increased ratio. The fact that the measures initiated from 11 March have not been able to curb the bullish fervour in the stock market seems to lend support to the thesis that bank credit alone is not sustaining the stock exchange.

Rumours about a rise in Bank Rate have been in the air now and then during the current week; also. After Wednesday's RBI announcement, the apprehensions in this regard have somewhat lessened. It is also thought that an increase in Bank Rate now will adversely affect Government's borrowing programme.

In the meantime, bulls seem to feel that they are in an impregnable position. It is also argued that growth prospects and hopes of capital appreciation are the main driving forces in the market today.

Even so the present boom does not seem to have been firmly based as some of the price advances have gone far beyond the most optimistic estimate of growth and other prospects. The hectic rise is sure to attract the attention of Authority and it is not unlikely that more stringent measure than have been taken hitherto are on the anvil.

£RS

Marginal Relief

Investment Special:

Credit restrictions have not only compelled stock exchanges to ask for relief as regards bills in transit through banks but to impose margins on outstanding business to prevent overtrading. The inconvenience caused by the rule that within three months from March 15 brokers too should submit to margins is not apparent but representations have been made in Madras about maintenance of usual financial facilities for the stock market. Clients have to be paid promptly when shares sold are delivered and money has to be obtained from purchasers after delivery. Since Rs one lakh has to be found every day, a minimum margin of Rs 3 to 4 lakhs has to be furnished. There is inevitably delay in getting money due through the clearing house and the clearing bankers are insisting on a margin of 50 per cent for giving delivery or taking delivery without reference to sums due to him. Regular normal business is hampered by the withdrawal of former facilities.

Since discounting facilities for documentary bills have been restored, it is felt that other facilities too should be retained, because money is realised in a few days. Under normal circumstances, documents are not kept for over a week by brokers and the banks can ask for margins, only if documents are not taken out for delivery to clients. The Board of the Reserve Bank has been addressed in this connection and it has been

pointed out that only if the banks keep up facilities can small brokers thrive. There is no desire to help clients to derive undue advantages but if margins are insisted on, rich brokers who can lay out their own funds, for paying margins to banks will be assisted to attract business and concentrate of investment business would follow. One hopes that the credit restrictions are not calculated to promote oligopoly. There is a risk that the clearing house by asking for margin for the interval between giving and taking delivery of shares will encourage direct dealings between brokers without recourse to the clearing. This will not only retard the growth of stock market activity but check forward dealings, widen fluctuations in prices, and will limit knowledge of the technical position now made possible by clearing house figures. There is enough legal protection for clients but brokers would like to have some protection for which they pay. The fact that City brokers still lean on outside brokers in district towns for business and must maintain normal connections without imposing conditions deserves emphasis, as also the fact that the number of brokers in Madras is still very small.

£RS

New Issue Notes

The Chairman of the East India Distilleries and Sugar Factories Limited has disclosed more details about the proposed erection of a compound fertilizer factory near Madras at a cost of about £3 million. It is proposed to find the whole of this sum from outside sources. The company has plans to raise approximately a quarter of the total requirements by a fresh issue of ordinary shares with a modest premium. The balance is to be covered by medium-term loans, partly in India and partly in the UK to cover the foreign exchange requirements.

£RS

Investment Notes:

Gwalior Rayons have firmed upto Rs 43 from Rs 38.50 quoted a week

ago. It would be recalled that the Government of India had granted an import licence to this company for the establishment of a Rayon Grade Pulp Plant of 100 tons per day capacity in the Kerala State. It is now learnt that the company, on the Government's approval, has now decided to place orders for a plant of 150 tons capacity and the machinery will start arriving after a year or so. Meanwhile, work has been started in right earnest at the site. It is expected that the plant will be ready for operation by the middle of 1962.

Albion Plywoods Limited, so far managed by a Board or Directors, has decided to appoint, subject to Government sanction, Sahu Jain Limited as managing agents for 10 years. The directors have also proposed to convert the existing 5,000—5½ per cent tax-free Redeemable Preference shares of Rs 100 each into Ordinary shares and further subdivide the converted ordinary shares into denominations of Rs 10 each. This conversion will increase the number of Ordinary shares from 50,000 to one lakh.

According to the figures released by the Indian Iron & Steel Company, Limited, production has shown an all-round decline in April as compared to March, mainly due to one blast furnace being off for relining. Production of Pig Iron has declined to 90,876 tons from 98,640 tons; Saleable Steel to 44,751 tons from 75,812 tons and despatches to 33,126 tons from 82,852.

The shares of the Automobile Products of India and the Hindustan Aluminium Corporation have been listed on the Bombay Stock Exchange with effect from 28 April, 1960.

It is learnt that Khandelwar Ferro-Alloys Limited has received industrial licence from the Government of India for undertaking the manufacture of steel tubes. The factory will have a capacity of about 5,000 tons per year and the project is estimated to cost over Rs 1 crore. The plant will be located in the existing factory site at Kanhan, near Nagpur. Meanwhile, the erection of the factory for the production of ferro-manganese is nearing completion. The first furnace with a capacity of 15,000 tons, is expected to go into production in July next.

The subscription list of East Anglia Plastics (India) Ltd closed on 5th May. It is learnt that the issue has been heavily oversubscribed.

£RS

Investment Briefs:

Dharamsi Morarji Chemical Company, Limited has paid a taxable dividend of Rs 10 per share for 1959. This works out to a net dividend of Rs 7 against Rs 6 paid for the preceding year.

The Mogul Line Limited has paid a dividend of Rs 7.50, less tax. This works out to a net dividend of Rs 5.25 per share against Rs 5.00 paid for 1958.

Thamarapally Rubber has recommended a taxable dividend of 30 per cent as against a tax-free dividend of 30 per cent for 1958.

Buckingham & Carnatic

Investment Special:

EXCELLENT results for 1959 have been published by the two textile mills under the managing agency of Binny & Co (Madras) Ltd. They bear testimony to the consistently superior performance of the two companies whose shares are held to be, by investors all over India, the bluest of blue-chips. We may examine here the particular figures for the latest year as well as the balance-sheet position of the two companies as on 31 December 1959.

The Buckingham & Carnatic Co Ltd reports sales as having crossed the Rs 10 crore mark in rising by Rs 69 lakhs to Rs 10.57 crores. Moreover, the amount fetched by interest and miscellaneous income has gone up from Rs 12.83 lakhs to Rs 15.98 lakhs. As a consequence, the net profit has shown a smart increase from Rs 86.74 lakhs (which included a transfer of Rs 9 lakhs from Reserve for Taxation) in 1958 to Rs 1.09 crores (which includes Rs 1 lakh being provision made in previous years and written back as no longer needed); these are figures before providing for tax and depreciation.

The provision for tax has been raised from Rs 20.50 lakhs to Rs 25.75 lakhs, while the allocation for depreciation has also gone up from Rs 35.22 lakhs to Rs 38.51 lakhs. There is a transfer of Rs 1.81 lakhs to General Reserve against nil in the previous accounts. The transfer to Development Rebate Reserve is, again, slightly higher at Rs 9.58 lakhs against Rs 8.67 lakhs, and Other Funds receive Rs 5 lakhs as compared with Rs 3 lakhs from 1958 profit. Finally, full "compensation" is given to shareholders in respect of the lost privilege of "grossing up" of dividends: the ordinary dividend is maintained at 10 per cent, provision being separately made for the element of tax which would, under the new corporate system of taxation, be required to be deducted at source. The provision for tax on dividends amounts to Rs 8.33 lakhs.

The capital of the company is composed as to Rs 1.78 crores in ordinary shares and Rs 21.30 lakhs in 7½ per cent preference shares. Moreover, debentures are outstanding for Rs 65.31 lakhs. Against this, the Reserve Fund is placed at Rs 76.50 lakhs, and Other Funds add up to the considerable figure of Rs 2.18 crores. On the other side of the ledger, the gross block has shown a rise from Rs 7.64 crores to Rs 8.06 crores, but, with the year's allocation for depreciation, the net value of fixed assets has risen but slightly from Rs 3.13 crores to Rs 3.27 crores. Finally, the carry forward is shown at Rs 2.31 lakhs against Rs 1.83 lakhs brought in.

Mg. Agents:—Binny & Co. (Madras), Ltd.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	105,737,857	98,857,622	92,745,355	
Interest and Miscellaneous Incomes	1,598,244	1,282,975	979,834	
Stocks	3,914,940	4,532,932	5,511,575	
Works in Progress	6,648,474	6,376,990	7,097,513	
Net profit	10,891,742	8,673,948	9,550,263	
Taxation	2,675,000	2,050,000	1,550,000	
Taxation in respect of dividends	833,375	—	—	
Depreciation	3,851,455	3,522,040	3,560,490	
Reserve Fund	181,000	—	—	
Res. for Devel. Taxation	—	—	1,210,000	
Development Rebate Reserve	757,800	867,000	312,779	
Other Funds	602,000	300,000	260,000	
Div. Amount Ord.	1,781,700	1,784,700	—	
Div. Amount Pref.	159,765	159,765	159,765	
Carry Forward	231,371	122,731	192,471	
Div. % Ord.	10	10	10	
Div. % Pref.	7½	7½	7½	

*Includes Rs 100,230 being provisions made in previous years written back as no longer required.
†After transferring Rs 900,000 from Reserve for taxation.

‡After transferring Rs 250,000 from Income-tax Reserve and Rs 370,112 from Raw Materials Fluctuation Reserve.

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
7½% C. Pref.	2,130,200	2,130,200	2,130,200
Ordinary	17,847,800	17,847,800	17,847,800
5% Debentures	6,531,000	6,794,000	7,000,000
Reserve Fund	7,650,700	7,206,000	7,000,000
Other Funds	24,823,971	23,293,160	22,929,100
Loans Secured	3,024,392	4,857,180	8,687,089
Taxation Provision	1,625,527	925,999	39,721
Debits	13,203,052	12,287,064	12,381,541
Carry Forward	231,371	182,834	162,471
Total	77,067,313	75,524,237	78,207,902

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	80,580,469	76,367,196	69,329,943
Depreciation	47,898,275	45,051,659	41,959,472
Block (net)	32,682,194	31,315,537	27,370,471
Cap. Exp. in Progress	1,731,074	3,280,154	5,791,659
Stores	9,816,646	10,482,813	10,517,800
Stocks in Progress	6,648,474	6,376,990	7,097,513
Raw Materials	12,342,413	11,379,202	14,232,356
Stocks	3,914,940	4,532,932	5,511,575
Outstandings	5,901,187	5,131,622	4,865,371
Do More than 3 months	62,482	101,943	73,161
Mis. Deposits and Advances	2,045,126	1,238,833	1,442,342
Investments	1,371,154	1,073,014	1,001,598
Cash	551,623	611,197	304,051
Total	77,067,313	75,524,237	78,207,902

Bangalore Woollen Cotton, & Silk

Sales of the Bangalore Woollen, Cotton & Silk Mills Co Ltd did not change materially in 1959, when they were fractionally marked down from Rs 5.54 crores to Rs 5.52 crores. Interest and miscellaneous incomes fetched Rs 1.21 lakhs against Rs 1.55 lakhs. The net profit, before tax and depreciation, has, however, fallen slightly from Rs 64.48 lakhs to Rs 62.61 lakhs. The tax liability of the company stands somewhat reduced at Rs 26.50 lakhs as compared with Rs 29.50 lakhs in 1958. But, then, in the latest year, provision has besides been made for deduction of tax at source on dividends; the distribution in the hands of the shareholder, after such physical deduction, being unchanged at the rate of 10 per cent on the equity capital. Depreciation also absorbs the slightly smaller amount of Rs 14.78 lakhs versus Rs 14.89 lakhs in 1958. The amount set aside for Development Rebate Reserve has been stepped up from Rs 1.50 lakhs to Rs 1.75 lakhs. The transfer to Reserve has been cut from Rs 6 lakhs to Rs 2 lakhs. Lastly, the amount carried forward is a shade lower at Rs 2.69 lakhs as compared with Rs 2.98 lakhs brought in from the previous year's accounts.

The ordinary capital of the company amounts to Rs 1.215 crores, whereas the preference capital, with an interest coupon of 6 per cent, is shown at Rs 6 lakhs. The Reserve Fund is placed at Rs 35 lakhs, and Other Funds total Rs 1.24 crores.

On the other side of the balance-sheet, the gross block has risen from Rs 3.70 crores to Rs 3.80 crores. The book value of the fixed



assets of the company, by dint of depreciation provided over the years, is low at Rs 73.43 lakhs as against Rs 7.65 lakhs in the previous accounts. The cash balances alone of the company—including deposits with banks—are of the order of Rs 73 lakhs.

Buckingham Carnatic's preminent position as exporter is indicated in the Directors' Report, wherein it is pointed out that, of the record sales of Rs 10.57 crores, "exports accounted for Rs 1.81 crores despite a serious setback in sales to Ceylon on account of severe import licence restrictions imposed early in the year." An implied tribute to governmental policy suggested by the statement that "substantial benefits have been secured under the various Export Incentive Schemes, particularly in respect of import licences for essential raw materials and plant, which will be of considerable value to your company in the ensuing years." Again, the Directors' Report adds that the new system of taxation "did not materially affect the liability to tax of your company and its shareholders on the year's profits."

Thus, sterling results by rupee companies.

Mg. Agents:—Binny & Co. (Madras), Ltd.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	53,199,618	55,418,535	54,244,135	
Interest and Miscellaneous Incomes	121,477	155,477	142,498	
Stocks	4,756,693	6,232,945	4,790,015	
Works in Progress	2,382,355	2,482,111	2,459,676	
Net profit	6,261,244	6,448,268	4,390,054	
Taxation	2,650,000	2,950,000	1,200,000	
Taxation on Dividends	536,143	—	—	
Depreciation	1,478,259	1,489,330	1,272,513	
Reserve Fund	200,000	600,000	—	
Res. for Devel. Taxation	—	—	300,000	
Development Rebate Reserve	175,000	150,000	350,012	
Div. Amount Ord.	1,215,000	1,215,000	1,215,000	
Div. Amount Pref.	36,000	36,000	36,000	
Carry Forward	269,251	298,409	290,471	
Div. % Ord.	10	10	10	
Div. % Pref.	6	6	6	
Synopsis of balance sheet as on the last day of Decr.				
Liabilities.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up:				
6% C. Pref.	600,000	600,000	600,000	
Ordinary	12,150,000	12,150,000	12,150,000	
Reserve Fund	3,500,000	3,200,000	2,700,000	
Other Funds	12,399,679	12,224,679	12,074,679	
Loans Secured	—	—	423,800	
Taxation Provision	3,950,829	2,794,296	2,231,168	
Debits	8,335,255	7,090,102	6,993,368	
Carry Forward	269,251	298,409	290,471	
Total	41,205,014	38,457,486	37,463,666	

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	37,967,112	36,974,483	36,064,239
Depreciation	30,818,958	29,209,368	27,678,997
Block (net)	7,348,154	7,765,120	8,405,242
Cap. Exp. in Progress	1,462,798	1,208,851	750,581
Stores	6,137,178	4,719,389	4,581,407
Stocks in Progress	2,382,355	2,482,111	2,459,676
Raw Materials	8,396,728	6,679,485	10,044,453
Stocks	4,756,693	6,232,945	4,790,015
Outstandings	1,652,766	2,588,026	2,988,741
Do More than 3 months	51,858	27,115	43,464
Mis. Deposits and Advances	848,167	106,935	501,540
Investments	855,358	855,358	2,829,106
Deposits in Banks	5,000,000	2,500,000	—
Cash	2,312,959	2,692,001	60,741
Total	41,205,014	38,457,486	37,463,666

COMPANY REPORTS

Excellent Results of TRAYONS

Balance-Sheet Reviews:

THE Travancore Rayons Limited has produced excellent working results for the year ended 31 December 1959, thanks to production which went on smoothly without being deterred in any way by lack of raw materials. Also, the production of both yarn and Cellulose Film continued to receive adequate consumer acceptance and ready sales. Sales have risen to Rs 3.39 crores from Rs 3.28 crores.

The net profit, after providing for Depreciation but before Taxation, is substantially higher at Rs 62.06 lakhs as against Rs 46.20 lakhs in the previous year. Apart from providing a sum of Rs 37.75 lakhs for Taxation, the Depreciation amount is raised to Rs 40.36 lakhs from Rs 37.39 lakhs and Gratuity Reserve to Rs 1.50 lakhs from Rs 1.00 lakh. A dividend of 20 per cent, taxable, is recommended on the Ordinary shares. This works out to a net dividend of 14 per cent against 12½ per cent paid previously.

The balance-sheet, as at 31 December 1959, shows a paid-up capital of Rs 1.50 crores and 4 per cent First Mortgage Debentures at Rs 16.50 lakhs. Against these, Development Rebate Reserve stands at Rs 10.85 lakhs and General Reserve at Rs 60 lakhs. The gross block at Rs 4.48 crores is depreciated by Rs 2.70 crores to show a net block value of Rs 1.78 crores.

According to the directors' report, the production of both the Plain and Moisture-proof Film is being maintained at the normal level. The production of Rayon registered a small advance of about 5 per cent over that of 1958.

Among the expansion schemes, the Sulphuric Acid Plant, with an installed capacity of 50 tons a day, has already been commissioned on 8 November 1959. The quality of production is satisfactory. The erection of the third Cellulose Film Plant, of 5 tons capacity a day, is under way and it is expected to be commissioned by July this year.

The company's application to the Government of India for licence to make rayon grade pulp from cotton linters has been sanctioned and details are being worked out to finalise this project. An application has also been made for production of an additional 1,800 tons of Viscose Filament Rayon a year and for a Cellulose Film machine of like capacity.

Mg. Agents:—Emcote & Sons (Trav.) Private Ltd.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	33,851,287	32,829,241	25,550,328	
Stocks	2,736,736	1,822,656	1,802,633	
Net profit	10,726,469	8,947,603	5,724,479	
Taxation	3,775,000			
Wealth Tax	129,463	108,465	105,142	
Depreciation	4,035,814	3,739,462	3,454,811	
Reserve Fund		3,000,000	1,000,000	
Development Rebate Reserve	505,000	580,000		
Div. Amount Ord.	2,000,000	1,250,000	1,000,000	
Div. Amount Pref.	250,000	250,000	250,000	
Carry Forward	229,084	197,892	178,216	
Div. % Ord.	20	12½	10	
Div. % Pref.	5	5	5	

Synopsis of balance sheet as on the last day of Decr.				
Liabilities.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up:				
5% C. Pref.	5,000,000	5,000,000	5,000,000	
Equity	10,000,000	10,000,000	10,000,000	
Forfeited Shares	8,205	8,205	8,205	
4% Debentures	1,650,000	1,650,000	1,650,000	
Share Premium	6,583	6,583	6,583	
Reserve Fund	6,000,000	6,000,000	3,000,000	
Other Funds	1,083,000	3,580,000	3,000,000	
Staff Gratuity Fund	250,000	100,000		
Loans Secured	544,369		1,946,000	
Loans Unsecured	100,000	1,500,000	4,053,301	
Taxation Provision	3,877,454	108,465	100,000	
Debts	6,104,096	4,517,410	1,000,000	
Carry Forward	229,084	197,892	178,216	
Total	35,278,991	32,918,555	32,292,515	

Assets.				
G. Block	1959	1958	1957	
Depreciation	Rs.	Rs.	Rs.	
Block (net)	17,776,377	18,707,312	19,367,901	
Cap. Exp. in Progress	837,101		2,674,175	
Stores	2,496,530	2,107,858	2,545,532	
Raw Materials	2,812,575	2,516,169	4,116,924	
Stocks	2,736,736	1,822,656	1,802,633	
Outstandings	1,293,669	1,069,962	1,223,114	
Do More than 3 months	575	3,845	4,421	
Mis. Deposits and Advances	2,538,479	1,221,135	456,546	
Investments	83,655	37,125		
Deposits in Banks	3,551,000	4,000,000		
Cash	1,052,294	1,432,483	101,264	
Total	35,278,991	32,918,555	32,292,515	

Indian Wood Products Reduce Net Dividend

The reduction made in the prices of cutch due to competition from new factories in India, lesser exports to Africa and Europe as a result of greater activity by Far Eastern producers and reduced demand from the fishing industry—all these factors are reflected in the working results of the Indian Wood Products Company Limited for the year ended 30 September 1959.

Sales have declined to Rs 43.76 lakhs from Rs 49.59 lakhs, while the net profit, after providing for Depreciation and Taxation, amounts to Rs 5.31 lakhs against Rs 5.35 lakhs in the previous year. The directors have provided Rs 1.14 lakhs (Rs 93,491) for Depreciation; Rs 5.13 lakhs (Rs 8.75 lakhs) for Taxation and Rs 20,890 (Rs 7,325) for Development Rebate Reserve. They have recommended a final dividend of 15 per cent, making a total of 25 per cent, taxable, for the year. This works out to a net dividend of 17.5 per cent against 25 per cent previously.

Against a paid-up capital of Rs 20 lakhs, reserves and surplus are shown at Rs 22.11 lakhs. The gross block amounts to Rs 22.62 lakhs; total depreciation to Rs 17.83 lakhs and the net block to Rs 4.78 lakhs.

Mg. Agents:—Gillanders, Arbuthnot & Co., Ltd.				
Year ended Sept.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	4,375,672	4,958,538	4,616,536	
Net profit	1,163,481	1,503,548	1,486,754	
Taxation	513,487	849,919	923,427	
Wealth Tax	4,737	25,017		
Depreciation	114,017	93,491	80,030	
Development Rebate Reserve	20,890	7,325		
Div. Amount Ord.	500,000	500,000	550,000	
Carry Forward	116,296	108,936	78,140	
Div. % Ord.	25(7)	25	27½	
(Annual General Meeting on 24-5-60 at 12-15 p.m.)				
Synopsis of balance sheet as on the last day of Sept.				
Liabilities.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up	2,000,000	2,000,000	2,000,000	
Share Premium	3,037	3,037	3,037	
Reserve Fund	1,600,000	1,600,000	1,600,000	
Other Funds	494,437	447,325	440,000	
Loans Unsecured	464	468,042	690,627	
Taxation Provision	134,668	1,258,839	1,359,501	
Debts	999,936	1,08,936	78,140	
Carry Forward	116,296			
Total	5,348,828	5,881,179	6,171,304	

BIC Again Passes Ordinary Dividend

The British India Corporation has passed the Ordinary dividend for the third year in succession. The last dividend paid was 2 per cent for the year ended 31 December 1956. The directors have, however, paid the dividends on the Preference shares for the three years ended 1959, subject to deduction of tax.

Trading results for the year have shown a satisfactory improvement. (The accounts reveal a net profit, after providing for Depreciation and Taxation, of Rs 54.35 lakhs as against a net loss of Rs 19.28 lakhs incurred in the previous year.

In respect of allocations, the Depreciation amount is reduced to Rs 6.89 lakhs from Rs 11.77 lakhs and Development Rebate Reserve to Rs 47,911 from Rs 5.92 lakhs. A sum of Rs 11.00 lakhs (nil) is set apart for Development Rebate Reserve and Rs 12.05 lakhs (nil) for Obsolescence provision against Stores and Spare Parts; Rs 1.35 lakhs (nil) for Capital Reserve and Rs 1.00 lakh (nil) for Rehabilitation Reserve.

The directors considered that it would be desirable to sell the Cawnpore Cotton Mills branch to the Elgin Mills Company Limited, which was found to be suitably equipped for and desirous of running the concern as an adjunct itself. They were also influenced by the consideration that the mill will remain within the group and the Corporation, as the holding company of the Elgin Mills, will share the benefits of expanded working of the latter company.

An offer was consequently made to the Elgin Mills to sell that unit to the said company for Rs 35 lakhs. The shareholders of the Elgin Mills have accepted that offer. A sum of Rs 5 lakhs, as the first instalment toward the price, has been received and possession has since been handed over to the Elgin Mills Company Limited. It is expected that the mill go into production shortly.

Secretary:—Mr. K. M. Wilcox.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	68,756,570	71,998,210	70,447,003	
Interest, Commn. & Mis. Incomes	1,174,638	1,409,053	2,647,000	
Stocks	33,919,562	33,667,242	37,754,602	
Net profit	6,018,820	1,956,348	1,850,801	
Taxation	1,100,000			
Depreciation	688,511	1,176,750	1,341,908	
Development Rebate Reserve	47,911	592,320		
Other Funds	235,478	979,846	1,773,374	
Div. Amount Ord.	Nil	Nil	Nil	
Div. Amount Pref.	1,944,000			
Carry Forward	74,442	1,928,478	1,135,910	
Div. % Ord.	Nil	Nil	Nil	
Div. % Pref.	24(a)	Nil	Nil	
(Annual General Meeting on 18-5-60 at 10 a.m.)				
*Includes Rs 135,478 being surplus on sale of Fixed Assets transferred to Capital Reserve.				
†Includes Rs 1,014,434 being profit on realisation of Investments; Rs 231,221 being surplus on sale of Fixed Assets and Rs 178,582 being provision no longer required.				
‡Includes Rs 1,773,324 being profit on realisation of Investments; Rs 16,970 being surplus on sale of Machinery; Rs 56,826 being provisions no longer required and Rs 125,779 being items relating to previous years.				
(a) Cumulative Preference dividend for three years 1957, 1958 and 1959.				

Synopsis of balance sheet as on the last day of Decr.				
Liabilities.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up:				
8% C. Pref.	8,100,000	8,100,000	8,100,000	
Ordinary	32,500,000	32,500,000	32,500,000	
Capital Reserve	188,575	12,212		
Reserve Fund	4,000,000	4,030,000	4,000,000	
Other Funds	11,670,080	11,528,575	9,903,703	
Staff Prov. Fund	330,615	308,188	304,744	
Loans Secured	13,401,297	46,697,827	35,870,278	
Taxation Provision	1,403,676	303,676	503,870	
Debts	11,272,940	8,352,070	12,784,081	
Carry Forward	74,442			
Total	82,941,634	111,802,548	103,971,766	

Assets.				
G. Block	1959	1958	1957	
Depreciation	Rs.	Rs.	Rs.	
Block (net)	9,723,606	10,212,159	10,419,353	
Cap. Exp. in progress	472,846	436,909	418,533	
Stores	7,835,941	7,802,696	7,952,679	
Stocks in Progress	9,331,964	9,269,471	9,528,495	
Raw Materials	10,886,949	9,874,774	8,645,551	
Stocks	14,071,711	15,006,448	20,469,252	
Outstandings	9,003,241	12,729,429	12,201,711	
Do More than 3 months	1,741,408	1,587,915	1,001,241	
Mis. Deposits and Advances	4,493,190	6,907,160	9,054,397	
Investments	12,656,691	12,656,691	14,162,975	
Cash	2,723,987	22,390,408	8,745,095	
Debit Balance		1,928,478	1,135,910	
Total	82,941,634	111,802,548	103,971,766	

Better Working Results by Cawnpore Sugar

The Cawnpore Sugar Works Limited has shown better working results for the year ended 31 October, 1959 in view of the improved quality of sugarcane available to the factories. The results, would have been much better but for the reduction in the quantity of cane crushed for the reduction in the quantity of cane crushed at the Marhowrah factory. The following are the quantities (in maunds) crushed by each factory:—Marhowrah 2,458,381; Gauri 2,610,426; Padrauna 3,228,729 and Kathkuiyan 2,291,761.

Sales of sugar, molasses, etc., have risen to Rs 3.96 crores from Rs 3.61 crores, while the net profit amounts to Rs 7.85 lakhs against a net loss of Rs 14.04 lakhs incurred in the previous year. The directors have provided a sum of Rs 6.30 lakhs (Rs 6.50 lakhs) for Depreciation; Rs 1.03 lakhs (Rs 25,000) for Development Rebate Reserve and Rs 1.44 lakhs (nil) for Capital Reserve. The balance profit is adjusted against the debit balance of Rs 22.24 lakhs brought forward from the previous year, leaving a net debit balance of Rs 16.86 lakhs to be carried forward.

The company has not paid any dividend for the last three years. The last dividend was 7½ per cent paid for the year ended 31 October, 1956. The gross block of Rs 174.60 lakhs is depreciated by Rs 104.13 lakhs to show a net block value of Rs 70.47 lakhs.

With the exception of Marhowrah factory, the cane crush during the 1959-60 season at the company's factories will, on the whole, be slightly more than last year. With extensive overhaul and rehabilitation work undertaken at Padrauna and Kathkuiyan factories during the year, it is expected that these factories will show profits on 1959-60 season's working. To meet the increased demand for industrial alcohol and to reduce the production cost, it has been decided to expand the capacity from 5 to 6.5 lakh L.P. gallons a year and the expansion work is expected to be completed shortly.

Mg. Agents:—Begg Sutherland & Co. Private Ltd.				
Year ended Octr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Cane Crushed (mds.)	10,589,297	10,193,599	11,370,028	
Sugar (mds.)	1,049,922	983,250	963,293	
Sales	39,635,207	36,149,130	28,944,716	
Interest and Mis.				
Incomes	214,741	321,658	282,260	
Stocks	2,524,220	3,373,284	4,833,122	
Net profit	1,271,409	—695,681	—52,781	
Taxation	580	17,537	75,000	
Depreciation	630,000	650,000	800,000	
Development Rebate Reserve	103,000	25,000		
Carry Forward	—1,686,179	—2,224,008	—835,790	
Div. % Ord.	Nil	Nil	Nil	
Div. % Pref.	Nil	Nil	Nil	
(Annual General Meeting on 31-5-60 at 10 a.m.)				

Synopsis of balance sheet as on the last day of Octr.				
Liabilities.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up:				
8% C. Pref.	1,000,000	1,000,000	1,000,000	
Ordinary	3,000,000	3,000,000	3,000,000	
Capital Reserve	3,775,832	3,304,003	3,104,003	
Reserve Fund	2,050,000	2,050,000	2,050,000	
Other Funds	727,582	948,044	1,121,296	
Loans Secured	3,138,902	3,917,529	6,704,559	
Loans unsecured	385,597	570,627	1,068,768	
Taxation Provision			433,619	
Debts	3,139,912	4,472,583	3,102,666	
Total	17,217,825	19,262,786	21,584,911	

Assets.				
G. Block	...	16,689,434	16,483,531	16,294,588
Depreciation	...	10,413,264	9,880,069	9,352,338
Block (net)	..	6,276,170	6,603,462	6,942,250
Cap. Exp. in progress		770,651	426,820	244,471
Stores	...	3,362,939	3,629,560	3,549,766
Raw Materials	...	84,888	127,173	130,841
Stocks	...	2,439,331	3,248,387	4,702,281
Outstandings	...	804,120	684,365	1,753,250
Do More than 3 months		85,124	126,114	166,423
Mis. Deposits and Advances		1,097,660	1,645,495	2,465,075
Investments	...	293,963	263,963	354,277
Cash	...	346,800	283,453	404,589
Debit Balance	..	1,672,179	2,234,008	635,799
Total	...	17,217,825	19,262,786	21,584,911

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

Liabilities	1959	1958	1957
Capital Paid-up	550,170	550,170	366,780
Reserve Fund	300,000	194,000	350,000
Other Funds	...	50,000	50,000
Loans Secured	...	...	88,017
Loans Unsecured	4,914	3,285	12,931
Taxation Provision	131,883	78,646	49,244
Debits	133,123	101,591	87,525
Carry Forward	12,609	686	798
Total	1,132,704	978,678	1,005,295
Assets			
G. Block	428,595	408,757	379,425
Depreciation	122,319	107,498	92,732
Block (net)	303,276	299,259	286,693
Development	459,158	453,064	437,533
Cap. Exp. in Progress	...	40	90
Stores	24,479	27,894	30,245
Nurseries	851	969	1,112
Stocks	174,725	48,761	208,975
Outstandings	255	80	...
Do. More than 3 months	...	...	...
Mis. Deposits and Advances	20,180	24,841	19,815
Investments	...	4,480	4,480
Deposits in Banks	100,000	60,000	...
Cash	46,620	57,900	18,352
Total	1,132,704	978,678	1,005,295

Peermade Tea Reports Higher Profits

Thanks to better prices realised for teas and the increase in the crop, the Peermade Tea Company has reported a substantial rise in the net profit, after providing for Depreciation and Taxation, of Rs 6.34 lakhs for 1959 as against Rs 1.48 lakhs in the previous year.

Apart from providing Rs 75,000 for Dividend Equalisation Reserve; Rs 80,958 for Capital Reserve and Rs 1.00 lakh for General Reserve, the Depreciation amount is raised to Rs 1.42 lakhs from Rs 1.33 lakhs; Taxation provision to Rs 5.45 lakhs from Rs 2.20 lakhs and Development Rebate Reserve to Rs 1,725 from Rs 306. The directors have recommended a final dividend of 15 per cent, making a total of 22½ per cent for the year. This works out to a net dividend of 15.25 per cent against 16.25 per cent paid for 1958.

The capital consists of Rs 18.50 lakhs, divided into 1.70 lakh Ordinary shares of Rs 10 each and 1,500—6 per cent tax-free Cumulative Preference shares of Rs 100 each. Against this, Capital Reserve is shown at Rs 6.25 lakhs; General Reserve at Rs 1.00 lakh; Dividend Equalisation Reserve at Rs 3.15 lakhs and Development Rebate Reserve at Rs 2,031. The gross block amounts to Rs 41.25 lakhs; total depreciation to Rs 14.47 lakhs and the net block to Rs 26.78 lakhs.

Crop harvested was 2,293,335 pounds, which is 293,335 pounds above estimate. In brief, the year under review established a fresh crop record exceeding the last record crop in 1957 by 38,395 pounds. Prospects for 1960 appear favourable provided the present market prices are maintained.

Secretaries:—Aspinwall & Co. (Travancore), Ltd.	1959	1958	1957
Year ended Decr.	Rs.	Rs.	Rs.
Outturn (lbs.)	2,293,335	2,092,988	2,254,940
Sales	4,348,283	3,505,294	3,794,922
Net profit	1,820,775	607,837	900,062
Taxation	544,600	228,000	401,000
Depreciation	141,656	133,473	118,771
Reserve Fund	100,000	...	...
Development Rebate	...	...	...
Reserve	1,725	306	...
Other Funds	155,958	...	...
Div. Amount Ord.	382,500	276,250	425,000
Div. Amount Pref.	12,555	9,000	9,000
Carry Forward	44,631	63,350	102,642
Div. % Ord.	22½(T)	16½	25
Div. % Pref.	8.57(T)	6	6

(Annual General Meeting on 18-5-60 at 10 a.m.)
 *After transferring Rs 75,000 from Dividend Equalisation Reserve and Rs 23,179 from Capital Reserve and after writing back Rs 37,009 from tax provision no longer required.
 *After transferring Rs 75,000 from Dividend Equalisation Reserve and Rs 12,404 from Capital Reserve and

after writing back Rs 78,060 being Sales Tax provision no longer required.

Synopsis of balance sheet as on the last day of Decr.	1959	1958	1957
Liabilities	Rs.	Rs.	Rs.
Capital Paid-up	150,000	150,000	150,000
6% C. Pref.	1,700,000	1,700,000	1,700,000
Ordinary	824,722	543,764	568,944
Capital Reserve	100,000	...	...
Reserve Fund	317,031	240,306	315,000
Other Funds	...	...	36,379
Loans Secured	482,632	158,592	534,863
Taxation Provision	1,187,774	1,000,985	1,007,540
Debits	44,631	63,350	102,542
Carry Forward	...	...	...
Total	4,606,790	3,856,997	4,523,268

Assets	1959	1958	1957
G. Block	4,097,834	3,920,759	3,618,723
Depreciation	1,446,521	1,311,227	1,178,754
Block (net)	2,651,313	2,609,532	2,439,969
Cap. Exp. in Progress	27,123	5,662	...
Stores	167,559	149,123	194,343
Stocks	773,954	401,741	740,398
Outstandings	164,997	88,295	150,090
Mis. Deposits and Advances	21,648	61,494	35,714
Investments	171,235	215,803	712,263
Deposits in Banks	375,000	...	...
Cash	253,981	325,347	250,491
Total	4,606,790	3,856,997	4,523,268

INDEX NUMBERS OF SECURITY PRICES (1949-50=100)

Week ended	18-4-59	9-4-60	16-4-60
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Government and semi-Government securities—All-India			
Total	103.7	101.3	101.4
Government of India	100.5	101.2	101.2
State Governments	102.4	102.7	102.7
Municipal, Port Trust, etc.	99.8	100.0	100.0

Debentures of Joint Stock Companies—All-India			
Total	101.8	101.4	101.3

Preference shares—All-India			
Total	91.2	91.0	91.0

Variable dividend industrial securities—All-India			
Total	149.0	165.6	165.9

Total	149.0	165.6	165.9
Agriculture and Allied Activities			
Total*	157.4	173.5	173.6
Tea Plantation	153.1	168.7	169.1
Coffee Plantation	195.8	205.6	205.7
Rubber Plantations	160.9	181.0	181.2
Mining and Quarrying: Total	157.0	157.0	156.5
Coal	121.1	120.3	118.8
Other Mining	181.6	182.2	182.3
Processing and Manufacturing: Total	150.2	175.0	175.6
Processing & Mfg. (Food stuffs, Textiles etc., Total*)	135.0	172.7	173.9
Sugar	170.4	161.8	163.6
Cotton, Textiles	114.7	144.1	143.7
Jute Textiles	98.1	96.1	95.5
Silk & Woollen	506.8	902.7	932.0
Processing & Mfg. (Metals, Chemicals etc.) Total*	174.2	185.6	185.3
Iron & Steel	163.8	153.1	153.1
Transport Equipment	236.8	354.5	350.6
Electrical Machinery	134.1	131.6	132.6
Machinery Other than Transport and Electrical	199.9	208.0	208.1
Basic Industrial Chemicals	141.6	191.3	190.4
Processing and Mfg. (Others): Total*	152.1	162.6	163.1
Cement	134.5	142.5	142.6
Paper	208.4	221.6	222.4
Other Industries: Total*	116.2	110.1	110.6
Electricity Generation and Supply	92.4	85.1	85.4
Trading	99.6	117.5	117.0
Shipping and other Transport	130.0	111.6	112.2
Construction	269.7	285.6	282.5
Financial Total	179.2	174.3	173.0
Banks	200.8	193.5	191.9
Insurance	130.0	136.1	136.1
Investment Trusts	102.9	94.3	93.3

Variable dividend industrial securities—Regional			
Bombay	149.7	167.3	167.8
Calcutta	147.0	155.8	176.0
Madras	161.5	183.5	183.4
Delhi	155.8	214.7	213.6

*Including "Miscellaneous."
 *Including "Edible and Vegetable oils."

Indian Finance

GOVERNMENT OF INDIA TREASURY BILLS

Week ended,	17-4-59	8-4-60	15-4-60
Amount offered	2.00	2.00	2.00
Amount tendered	2.00	2.00	2.04
Amount sold by tender	2.00	2.00	2.00
Of which against maturing Treasury Bills	...	...	...
Intermediate Treasury Bills sold	...	...	...
Total sales	2.00	2.00	2.00
Average rate of discount for auction sales	2.780	2.770	2.770
Sold in favour of Reserve Bank of India	232.56	11.93	225.77
Total amount outstanding	1,251.63	1,300.98	1,305.48

BULLION PRICES

Week Ended	24-4-59	15-4-60	22-4-60
GOLD—Spot	Ra. nP	Ra. nP.	Ra. nP.
Highest	124 62	132 19	135 50
Lowest	122 06	130 75	131 28
Average	123 21	131 35	133 05
1st Settlement—Highest	124 56	132 41	132 50
Lowest	121 56	131 50	129 19
Average	122 76	132 03	130 40
SOVEREIGN—Average	76 97	86 85	87 17
SILVER—Spot			
Highest	203 00	217 69	221 75
Lowest	199 44	215 56	217 75
Average	201 62	216 61	219 62
1st Settlement—Highest	203 00	217 06	220 50
Lowest	199 44	215 62	215 31
Average	201 41	216 36	217 82

PRICES AND YIELDS OF SELECTED CENTRAL GOVERNMENT SECURITIES

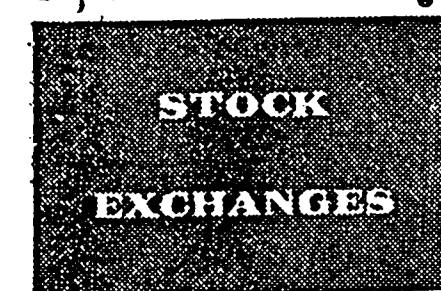
	24-4-59	15-4-60	22-4-60
3½% 1961	Price Ra. nP 100 10, Yield % 3.45	Price Ra. nP 100 05, Yield % 3.45	Price Ra. nP 100 05, Yield % 3.45
3½% 1962	99 15, 3.53	99 65, 3.41	99 65, 3.41
3½% N.P.B.I. 1967	99 10, 3.63	99 55, 3.57	99 55, 3.57
3½% Dev. 1970-75	91 15, 3.97	92 20, 3.91	92 10, 3.93
3½% 1974	98 81, 3.86	99 65, 3.78	99 70, 3.78
3% (Con.) 1986 or later*	74 04, 4.05	73 84, 4.06	73 81, 4.06

*Running yield

SHORT-TERM MONEY RATES (Per cent per annum)

	17-4-59	8-4-60	15-4-60
Call Money—From Banks—Bombay	...	3½	3½
Calcutta	...	3½	3½
Madras	...	3½	3½
From Public—Bombay	...	4	4
Calcutta	...	3½	3½
Madras	...	3½	3½
Fixed Deposits—3 Months—Bombay	...	4	3½
Calcutta	...	4	3½
Madras	...	4	3½
6 Months—Bombay	...	4	3½
Calcutta	...	4	3½
Madras	...	4	3½

7 May 1960



Flair-up in Equities

Watch-Dog Writes:

STOCK markets have had a cheerful week and there has been a sizable spurt in selected shares. Although sentiment is at times affected by rumours of the increase in the Bank Rate, most operators firmly believe that it is unlikely in view of the large borrowing programme. Above all, there is a paucity of sellers.

Buoyant conditions were noticed on the Calcutta Stock Exchange where prices recorded a sharp rise due to sustained speculative buying.

On the Bombay Stock Exchange, selected shares soared briskly on a flurry of buying in face of paucity of sellers.

The Madras Stock Exchange exhibited cheerful conditions and there was a sizable spurt in selected shares in the cleared and cash sections.

Calcutta Friday Evening.

THE local Stock Exchange had a cheerful week and prices started up on revival of speculative buying and heavy short-covering. In the buying spree, some of the recent new issues, which cannot be expected to yield any immediate return, but which have good growth prospects, were lifted-up to unjustifiably high levels.

Although the general feeling remained bullish, higher levels attracted profit-taking as rumours were recurrent that the Reserve Bank might take further measures to curb the speculative activity in stock markets. There were also rumours that the bank rate might be raised. But, operators seemed to have failed to take note of these as they firmly believed that there would be no revision of the bank rate which would make the Government borrowing costly. Bulls were also encouraged by excellent corporate news and the imminent increase in steel retention prices. On the whole, the behaviour of the market indicated that it was in the grip of speculators as genuine investment was lacking.

Sentiment in the Gilt-edged section remained subdued. Whatever enquiry noted was for selected short-dated issues, while medium and long-dated scrips continued to be on offer. State Loans were wholly neglected. 3 per cent 1986 Conversion Loan opened at Rs 73.50 and, after improving at one time to Rs 73.87, receded toward the close to Rs 73.30 on selling pressure.

Bank shares were practically unchanged, as interest was at a low ebb.

Despite the firmer tendency of jute goods prices, little interest was shown in jute shares in view of a steady and sharp rise in the prices of the raw material. Operators felt that the outlook for the industry was not encouraging although the statistical position was considered quite sound. Howrah were the only bright spot, having support upto Rs 23.37 from Rs 23 due to speculative activity. National were, however, on offer at Rs 30 to Rs 30.25; Birlas at Rs 28.69 to Rs 29.19; Ganges at Rs 11 to Rs 11.31 and New Central at Rs 26.44 to Rs 26.75.

Coal shares enjoyed selective support on the thought that the private sector might be encouraged to raise coal production to meet the shortage of the commodity in the country. Bengal were taken upto Rs 335 from Rs 332 on publication of excellent results, while Central India spurred to Rs 15.50 from Rs 12.50 on rumours of the possibility of the scrip being included in the forward list. Western Bengal were enquired upto Rs 8.56 from Rs 8.00; East Indian upto Rs 31.62 from Rs 30.50 and New Beerboom upto Rs 23.75 from Rs 23.50. Burrakur fluctuated irregularly between Rs 19.50 and Rs 19.87 to finish at the last-quoted level.

Tea shares came in for selective buying, being influenced by the hope that the companies of those gardens in the Assam and Dooars areas might increase their dividends for last year and the outlook for the new season would be bright in view of the small carry-over. There was, however, some anxiety with regard to the present dry weather and the possibility of damage to the crop. Bishnauth changed hands at Rs 20.81 to Rs 21.12; Grob at Rs 13.12 to Rs 13.81; Hasimara at Rs 23.69 to Rs 23.87; Jayshree at Rs 17.56 to Rs 17.75 and Methoni at Rs 23.37 to Rs 23.62.

Sugar shares lacked fresh support, resulting in prices displaying a slightly easier tendency. Raza-Buland were on offer at Rs 13.31 to Rs 13.44; Balrampur at Rs 3.81 to Rs 4.06; Cawnpore at Rs 15.25 to Rs 15.50; Dyer Meakin at Rs 21 to Rs 21.50 and SKG at Rs 13.44 to Rs 13.75. Ramnugger Cane were, however, in enquiry upto Rs 25.12 from Rs 24 on reports of good working.

Textile scrips presented a firm front due to renewed support following the diversion of activities, especially by setting up rayon plants. Jaysree were taken upto Rs 14.44 from Rs 14.06; Elgins upto Rs 21.25 from Rs 20.94 and Kessoram upto Rs 28.50 from Rs 28.25, to finish the week at the highest levels. Cawnpore touched at one time a high of Rs 7.94 from Rs 7.69, to close finally at Rs 7.81 on profit-taking.

In the week's dealings, Indian Irons provided the lead to the market in registering a sharp rise in the prices of other shares. After opening better at Rs 24.12, Indian Irons were marked down at one time to Rs 23.92 on reports of a sharp fall in production last month as compared to March. Settlement considerations were another contributory factor. The rumours of an early announcement with regard to retention prices and the statement made by the directors that the fall in production was

mainly due to a blast furnace being off for relining, induced speculative buying and short-covering, resulting in the scrip making a sharp recovery to Rs 24.82, to close finally at Rs 24.75. Among other Engineering scrips, TEXMACO were taken upto Rs 27 from Rs 26.60; G. K. Williams upto Rs 44 from Rs 43.75; Jessop upto Rs 24.87 from Rs 24.62 and Indian Galvanizing upto Rs 22 from Rs 21.75. Marshalls moved narrowly between Rs 6.69 and Rs 6.81 and Kumardhubi between Rs 5.87 and Rs 6.00.

The Miscellaneous section, provided several bright spots on various considerations. The firmness in Paper shares was pronounced on reports of a rising trend in production. Hindustan Motors touched a new peak level on rumours of a capital issue, while Dunlops were keenly sought after at enhanced levels due to growth prospects. Orient Paper changed hands at Rs 43.60 to Rs 44.75 (Rs 44.30); Shree Gopal at Rs 26 to Rs 28.62 (Rs 28.62); Indian Cable at Rs 31.12 to Rs 32.56 (Rs 32.56); Indian Aluminium at Rs 27.94 to Rs 28.44 (Rs 28.12); Hindustan Motor at Rs 19.62 to Rs 20.56 (Rs 20.56); Indian Copper at Rs 4.60 to Rs 4.89 (Rs 4.86); Dunlop at Rs 42.25 to Rs 43.37 (Rs 43.25); Rohtas at Rs 33.25 to Rs 34.37 (Rs 34.25); BIC at Rs 7.50 to Rs 8.53 (Rs 8.37); Aluminium Corporation at Rs 18.19 to Rs 18.94 (Rs 18.56); Sirpur at Rs 16.87 to Rs 18.44 (Rs 18.44); Angelo Brothers at Rs 21.62 to Rs 22.37 (Rs 22.12) and Alkali Chemicals at Rs 26.19 to Rs 26.45 (Rs 26.25). Figures shown within brackets were the week's closing rates.

Bombay

THE stock market closed on Thursday on a firm note after moving irregularly high in earlier dealings. The start was rather hesitant as speculators were subdued on persistent talks of further credit curbs measures to come but Tuesday found the market in a cheerful mood. There was a change in the undertone again on Wednesday on renewed rumours about the credit squeeze. The Reserve Bank announcement that the additional reserve requirements of commercial banks have been raised to 50 per cent from 25 per cent came after the close of the transactions on Wednesday. Although sentiment in the 'kerb' was adversely affected, values quickly rallied on Thursday on bear covering following ideas that the latest credit curbs move would not have much adverse effect on stock market.

In the Steel section, Tata Steel which started on a quiet note following lower production in April, made an impressive rise on Thursday to quote at Rs 158.25 as against the week's low of Rs 155.75. Indian Iron also closed higher at Rs 24.52.

Selected Textile shares gained ground in later dealings while others ruled subdued. Standard moved up briskly to close at Rs 1.138 after being higher at Rs 1.160. Century finished at Rs 478 and Kohinoor at Rs 337.50.

In the miscellaneous section Premier construction was in the limelight improving to Rs 324.50.

5.50, Kalpetta at Rs 13.12, Karakode at Rs 9.50, Kurchemal at Rs 8.75, and Lingapur remained steady at Rs 7.00. Mercara was quoted down at Rs 9.90. Midland did not change at Rs 12.75 and Mamallay at Rs 42.00. Mysore Coffee was quoted at Rs 5.25, Neelamalai was bought slightly higher, at Rs 4.95. Nelliathanai appreciated to Rs 2.70 and Nemmeny was bought at Rs 18.65 with 15 per cent taxable dividend. Non-such was fancied at Rs 26.25. Ossoor was unaltered at Rs 370. Outcherlony valley did not change at Rs 5.54. Periakaramalai was quoted lower at Rs 3.84. Pullangode at Rs 1.96. Rajendra declined to Rs 16.40. Sangameshwar was transacted at Rs 2.55. Tirumbadi was lower at Rs 1.70, and Twyford was lower by 15 nP at Rs 13.35. Woodland did not change at Rs 7.15 while in Waterfalls transactions were made at Rs 3.65.

Textiles: This counter remained firm and unchanged. Anglo-French was quoted at the same Rs 109.00, Bangalore Woollen at Rs 195.00 and Buckingham at Rs 199.00 and Coimbatore Pioneer with 25 per cent taxable dividend at Rs 370.00. Kothari also with taxable 10 per cent dividend was marked down at Rs 12.45. Lakshmi was obtained one rupee lower at Rs 155.00, while Madura did not change at Rs 33.65. Mettur came down to Rs 436.00, but Radhakrishna appreciated slightly to Rs 28.50. Travancore Rayons remained at Rs 35.00.

Miscellaneous: Aluminium Industries went up to Rs 27.25 at which business was done. Ashok Leyland too was briskly trade upon at the appreciated value of Rs 7.65. Dalmia Cement depreciated a little to Rs 12.20. Enfield was quoted at Rs 16.37, FACTS went up to Rs 11.30 and Hindustan Lever remained at Rs 37.82. India Cement was quoted at Rs 6.38. McDowell was available at Rs 31.00, and Mettur Chemicals at Rs 12.65. Mysore Lamp was quoted at Rs 21.00, Mysore Paper at Rs 10.00, Mysore Tobacco at Rs 13.10. Ogale Glass remained at Rs 5.40. Parrys Confectionery was priced at Rs 4.40, Rallis was steady at Rs 116.00, Ruby Rubbers at Rs 8.83, Sen-Raleigh was quoted at Rs 21.75, and Spencer was available at Rs 20.50. Standard Motors went up to Rs 15.25. Textool remained at Rs 168.00, and Travancore Ogale with 6 per cent taxable dividend was quoted at Rs 8.00. Tube Investments was bought at increased value of Rs 272.00 for all its paid up shares. Western Indian Plywoods was quoted steady at Rs 274.00.

Balance-Sheet Briefs:

The New Commercial Mills Company, Limited of Ahmedabad has made a gross profit of Rs 31.34 lakhs for 1959 as against Rs 30.03 lakhs for 1958. The directors have recommended a dividend of Rs 36 per

share (net Rs 25.20) against a tax-free dividend of Rs 27. The Commercial Ahmedabad Mills Company, Limited has shown a gross profit of Rs 18.76 lakhs against Rs 12.02 lakhs. A taxable dividend of Rs 50 per share is recommended. This works out to a net dividend of Rs 35 against Rs 38 (including a bonus of Rs 8).

The Adoni Spinning & Weaving Company, Limited has earned a profit of Rs 9,026 against Rs 13,541. The dividend is passed over.

The net profit of the Travancore Rubbers Limited is slightly higher at Rs 1.60 lakhs for 1959 against Rs 1.38 lakhs. A dividend of 10 per cent, subject to tax, is recommended against a tax-free dividend of 10 per cent paid for the preceding year.

FRENCH FUEL CONSUMPTION IN FEBRUARY

In February 1960 French consumption of standard and high-test gasoline totalled 478,500 cubic meters compared with 425,300 cubic meters during the same month of last year. Considering that there were 29 days in February this year, there was only a slight increase in the rate of consumption.

Considering the same time factor the consumption of fuel-oil, including stocks, even shows a slight decrease; 144,700 cubic meters were used in the 29 days in February 1960 compared with 144,300 cubic meters in February 1959.

However, a marked increase in the consumption of oil products was noticed. In February 1960, 427,200 tons of domestic fuel were delivered compared with 364,000 tons during the same month of last year. Deliveries of lighter fuels totalled 315,600 tons compared with 286,500 tons in February 1959; and deliveries of heavy fuels totalled 609,200 tons in February 1960 compared with 590,000 tons during February a year ago.

HASSI-MESSAOUDEPOSIT

Exploitation and prospecting of the oil deposit at Hassi-Messaoud is proceeding at a normal rate. About 57 wells have been completed, of which 54 have proved to be productive. At the present time 13 drills are active, including 10 drills being used for drilling deep wells.

During January-February, a monthly average of 490,700 cubic meters of oil has been shipped from this deposit. Although the use of the Hassi-Messaoud-Bougie pipeline was slowed down because of certain technical difficulties, the use of the small pipeline and railway between the deposit and Philippeville has maintained the flow of crude oil, which by this means totalled 61,806 cubic meters during the two months.

It is planned that the evacuation of crude oil by means of the large pipeline will be increased in the

months to come. Beginning on 1 May, the present output of 780 cubic meters per hour will be increased to 1,400 cubic meters per hour by means of the opening of additional pumping stations. All of the planned pumping stations have not yet been completed.

Drilling at eight producing wells has been completed at the Hassi-R'Mel-gas deposit, and another extension well is being drilled ten kilometers north-northeast of the first well drilled at the deposit.

The well being drilled at Djebel-Onk, in the phosphate containing region of Tebessa, has provided some interesting indications which will be carefully studied as soon as the drilling has been terminated.

While the large Hassi-Messaoud-Bougie pipeline is being paralleled by the small Hassi-Messaoud-Tougourt pipeline and the railway, construction of the Hassi-R'Mel-Arzew gas pipeline is being actively continued.

A NEW INCREASE IN FRENCH AUTOMOBILE EXPORTS IN FEBRUARY

During February 1960, 69,146 vehicles were exported compared with 61,709 units in January 1960 and 36,412 units in February 1959. Exports of pleasure cars accounted for 62,244 units (of which 54,731 were shipped abroad and 7,513 went to overseas territories) compared with 55,703 units in January (49,169 abroad and 6,534 to overseas territories) and 33,265 units in February 1959 (27,877 abroad and 5,388 to overseas territories).

Exports of commercial vehicles and 3,273 to overseas territories, totalled 6,902 units (3,629 abroad compared with 6,006 units in January 1960 (3,675 abroad and 2,331 to overseas territories) and 2,147 units in February 1959 (1,481 abroad and 1,666 to overseas territories).

Between 1 January and 29 February 1960, French manufacturers exported 130,855 vehicles compared with 67,229 vehicles during the corresponding period of 1959. Of these totals, 117,947 were pleasure cars compared with 61,155 pleasure cars a year ago.

MOVEMENT OF COMMODITY PRICES

Review for March 1960 (Phalgun-Chaitra—1881—1882)

Wholesale Prices as measured by the official index (with the year ended March 1953 as 100) moved down by 0.6 per cent to 118.8 during the month of March 1960, as compared with 119.5 for February 1960. The index was, however, higher by 5.7 per cent when compared with 112.4 for March 1959.

During the month under review, the index for 'Food Articles' declined by 1.5 per cent to 117.0 and 'Tobacco'

& 'Fuel, Power, Light and Lubricants' by 0.1 per cent each to 94.1 and 117.3 respectively while 'Industrial Raw Materials' moved up by 0.2 per cent to 131.9 and 'Manufactures' by 0.3 per cent to 131.9 and 'Manufactures' by 0.3 per cent to 116.6.

Food Articles:

A decline in the prices of wheat, jowar, bajra, barley and maize brought down the index for 'Cereals' by 1.1 per cent to 103.2, although there was a rise in the prices of rice and ragi. The index for cereals was, however, higher by 1.5 per cent when compared with that of a year ago.

The sub-group index for 'Pulses' recorded a fall of 5.5 per cent to 89.9 as a result of a decline in the prices of all the pulses. Higher prices of potatoes, oranges, bananas and cashewnuts raised the index for 'Fruits and Vegetables' by 1.4 per cent to 126.0; the price of onions, however, exhibited a fall. A decrease of 0.7 per cent to 110.7 in the index for 'Milk and Ghee' was caused by a decline in the prices of milk. Lower prices of mustard oil and coconut oil brought down the sub-group index for 'Edible oils' by 0.9 per cent to 138.6 despite an increase in the prices of groundnut oil and gingelly oil. An advance in the prices of fish, eggs and most pushed up the index for 'Fish, Eggs, and Meat' by 3.6 per cent to 114.5. The sub-group index for 'Sugar and Gur' witnessed a fall of 3.1 per cent to 140.7 owing to a decline in the prices of gur. The index for 'Other Food Articles' receded by 5.8 per cent to 158.8 due to a fall in the prices of tea, coffee, black pepper, chillies, cloves, turmeric, cummin and cardamoms, although the prices of betelnuts and salt showed advances.

'Tobacco': Lower prices of raw tobacco brought down the index for 'Tobacco' by 0.1 per cent to 94.1 during the month under review. 'Fuel, Power, Light and Lubricants': A fall of 0.1 per cent to 117.3 in the index for 'Fuel, Power, Light and Lubricants' was caused by lower prices of castor oil.

'Industrial Raw Materials': Higher prices of raw jute raised the index for 'Fibres' by 1.5 per cent to 124.9, although prices of raw cotton showed a fall. Lower prices of linseed, castorseed, cottonseed and coara brought down the index for 'Oilseeds' by 0.2 per cent to 140.5 despite an advance in the prices of groundnuts, gingellyseed and rapeseed. The sub-group index for 'Minerals' went up by 1.4 per cent to 96.5 due to an increase in the prices of mica. A fall in the prices of raw skins, lac and bamboos caused a decline of 1.2 per cent to 116.6 in the index for 'Other Industrial Raw Materials'; although the prices of raw hides and tanning materials showed advances.

'Intermediate Products':

Higher prices of cotton yarn, rayon yarn, coal yarn, aluminium, brass and copper pushed up the index for 'Intermediate Products' by 0.7 per cent to 121.3, notwithstanding a decline in the prices of linseed oil, zinc, tin and lead.

Indian Finance

7 May 1960

RESERVE BANK OF INDIA

ISSUE DEPARTMENT: (In 000's of Rupees).

	Week Ended	29-4-60	22-4-60	1-5-59
LIABILITIES:				
Notes in Banking Dept.	30,96,43	24,77,90	27,52,86	
Notes in Circulation...	1883,58,77	1889,99,69	1751,10,70	
	1914,55,20	1914,76,69	1778,63,56	
ASSETS:				
A Gold Coin & Bullion:				
(a) In India	117,76,03	117,76,03	117,76,03	
(b) Outside India...	...	...	...	
Sterling Securities	163,00,89	163,00,89	178,00,89	
Total A	280,76,92	280,76,92	295,76,92	
(B) Rupee Coin	127,30,96	127,30,96	132,05,85	
Rupee Securities	1506,47,32	1506,65,24	1350,80,79	
	1914,55,20	1914,76,69	1778,63,56	

BANKING DEPARTMENT:

LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	30,00,00	30,00,00	25,00,00
National Agricultural Credit (Stabilisation) Fund	4,00,00	4,00,00	3,00,00
Deposits—			
(a) Central Govt.	50,57,63	51,82,12	53,28,01
(b) Other Govt.	45,28,08	14,60,64	22,44,05
(c) Banks	97,64,17	97,70,98	83,70,47
(d) Others	98,89,34	99,71,86	118,05,68
Bills Payable	24,99,15	25,58,88	15,70,96
Other Liabilities	49,82,35	48,74,14	45,05,15
	486,20,72	457,18,62	451,24,32
ASSETS:			
Notes	30,96,43	24,77,90	27,52,86
Rupee Coin	2,63	1,89	6,08
Subsidiary Coin	4,97	4,71	3,84
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	27,23,52	41,31,35	5,10,27
Govt. held abroad	17,55,80	21,31,49	25,31,30
Balances held abroad*	48,22,25	50,46,87	39,39,24
Loans & adv. to Govt*	114,53,09	101,59,13	75,96,77
Other Loans & Adv.	232,38,42	202,80,61	264,97,71
Investments	15,19,70	14,85,51	12,96,25
Other Assets	...	...	...
	486,20,72	457,18,62	451,24,32

LIABILITIES:			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long-term Operations) Fund	30,00,00	30,00,00	25,00,00
National Agricultural Credit (Stabilisation) Fund	4,00,00	4,00,00	3,00,00
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(a) Central Govt.	50,57,63	51,82,12	53,28,01
(b) Other Govt.	45,28,08	14,60,64	22,44,05
(c) Banks	97,64,17	97,70,98	83,70,47
(d) Others	98,89,34	99,71,86	118,05,68
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Other Liabilities	49,82,35	48,74,14	45,05,15
	486,20,72	457,18,62	451,24,32
ASSETS:			
Notes	30,96,43	24,77,90	27,52,86
Rupee Coin	2,63	1,89	6,08
Subsidiary Coin	4,97	4,71	3,84
BILLS DISCOUNTED:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	27,23,52	41,31,35	5,10,27
Govt. held abroad	17,55,80	21,31,49	25,31,30
Balances held abroad*	48,22,25	50,46,87	39,39,24
Loans & adv. to Govt*	114,53,09	101,59,13	75,96,77
Other Loans & Adv.	232,38,42	202,80,61	264,97,71
Investments	15,19,70	14,85,51	12,96,25
Other Assets	...	...	...
	486,20,72	457,18,62	451,24,32

(1) The item 'Other Loans and Advances' included Rs 11,54,40,000 advanced to scheduled banks against usance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA

(In 000's of Rupees).

	Week Ended	24-4-59	15-4-60*	22-4-60*
Demand Liabilities in India				
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	22,08,48	16,94,18	16,22,12	
(ii) Other demand liabilities	754,43,74	783,55,12	782,32,97	
(i) Time Liabilities in India				
(a) Borrowings from banks other than the State bank & a notified Bank (A)...	24,59,93	20,87,30	21,80,72	
(b) Other time liabilities...	937,89,93	1142,33,41	1154,16,56	
Borrowings in India from the State Bank and/or a notified Bank				
(i) Demand Liabilities	8,57,11	14,52,17	12,52,28	
(ii) Time Liabilities	60,00	83,00	94,00	
Borrowings in India from the R. B. I.	27,20,29	45,24,37	32,34,45	
Cash in India	43,84,26	50,12,17	48,81,95	
Balances with the Reserve Bank of India	87,98,37	96,56,55	93,86,38	
Balances with other banks in current account in India	14,45,98	15,59,34	15,25,76	
Money at call and short notice in India	31,63,09	22,79,84	25,12,91	
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	616,12,17	732,18,97	736,96,51	
Advances in India	868,80,44	950,17,98	945,03,61	
Island Bills Purchased and Discounted in India	113,50,74	132,40,55	133,07,81	
Foreign Bills Purchased and Discounted in India	38,08,60	45,11,55	46,79,07	

*Figures are provisional since complete returns have not been received from Banks. A—Including borrowings from R.B.I. also.

STATE BANK OF INDIA

(In 000's of Rupees).

	Week Ended	29-4-60	22-4-60	1-5-59
LIABILITIES:				
Capital Paid-up	5,62,50	5,62,50	5,62,50	
Reserve Funds	7,20,00	7,20,00	7,00,00	
Deposits and other Accounts	628,64,20	633,85,78	524,27,20	
Borrowings from other Banks, Agents, etc.	1,34,50	1,43,50	...	
Bills Payable	11,80,30	12,21,08	10,42,48	
Bills for Collection as per contra	1,26,77	1,26,94	1,24,14	
Acceptances etc. for constituents as per contra	1,73,43	1,73,32	1,36,20	
Other Liabilities including Inter-office Adjustments	7,29,78	4,19,11	6,54,60	
Total	664,96,48	667,52,23	556,47,07	
ASSETS:				
Cash in hand and with R. B. I.	35,27,21	38,40,81	36,65,33	
Balances with other Banks	3,25,85	4,47,41	2,53,70	
Money at call and short notice	1,93,33	1,40,00	2,38,33	
Government and other Trustee Securities	379,83,92	375,01,51	289,96,94	
Other Authorised Investments	10,77,05	10,77,05	11,85,87	
Loans Advances cash credits & Over Drafts	202,47,61	199,78,36	188,59,13	
Bills Discounted and Purchased	15,21,71	16,66,16	12,84,17	
Bills for collection as per contra	1,26,77	1,26,94	1,24,14	
Constituents' Liabilities, etc., as per contra	1,78,43	1,73,32	1,36,20	
Dead Stock	2,43,43	2,43,52	2,27,94	
Other Assets	10,71,17	15,54,15	6,75,32	
Total	664,96,48	667,52,23	556,47,07	

CLEARING HOUSE RETURNS

Week ended 29th April 1960

Clearing House	No.	Amount
		Rs. nP.
Madras	104186	14,11,79,108 00
Delhi	50936	17,76,81,245 46
Kanpur	24332	4,62,92,956 00
Bombay	349193	79,22,33,000 00

BANK OF ENGLAND

(In Million £)

	Week ended.	20-4-60	13-4-60	22-4-59
Notes in Circulation	2,192.7	2,187.5	2,050.2	
Notes in Banking Department	57.7	62.9	50.1	
Govt. debt and securities	2,247.3	2,247.3	2,096.5	
Other securities	0.7	0.7	0.8	
Gold Coin and Bullion	0.4	0.4	0.4	

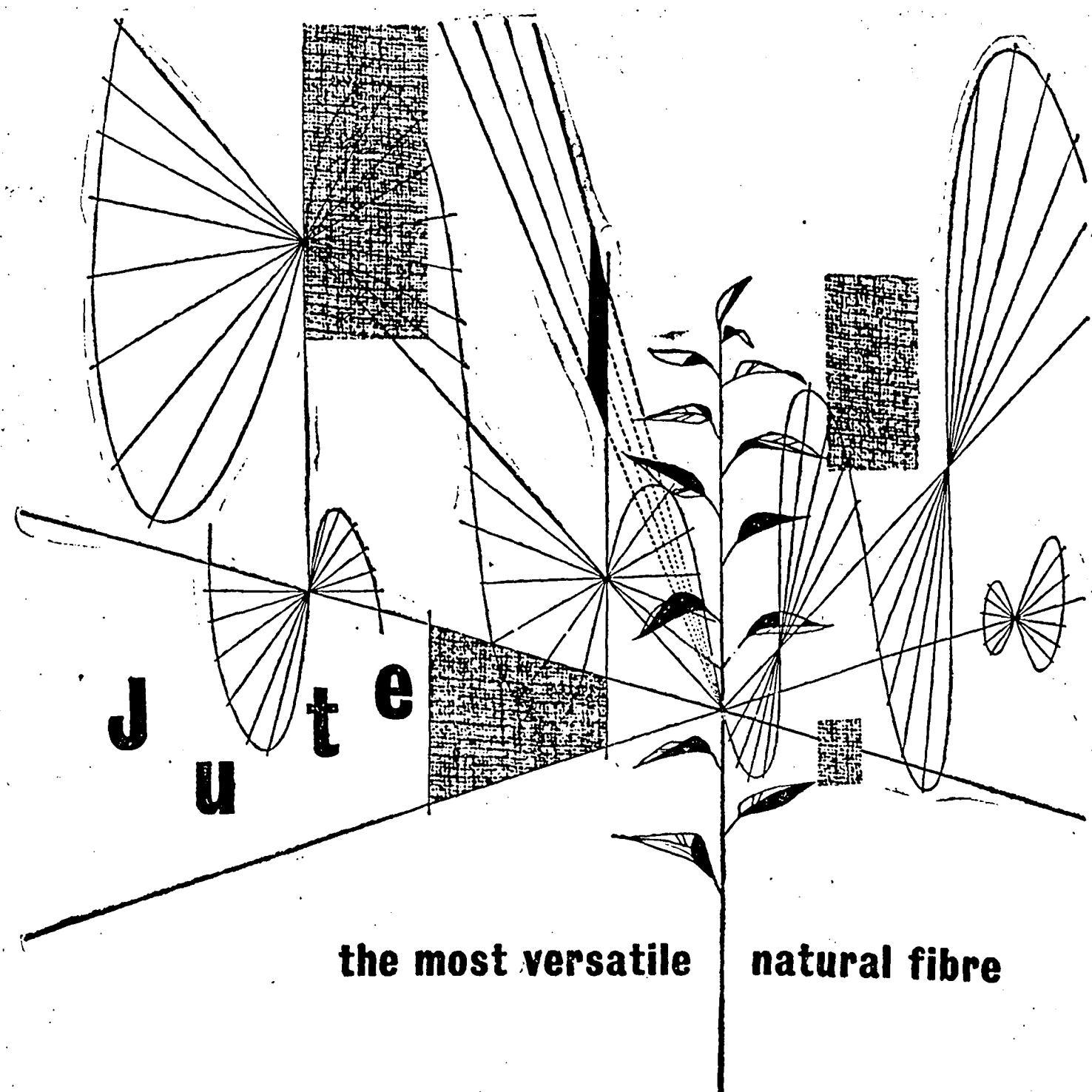
BANKING DEPARTMENT:

DEPOSITS:			
Public Accounts	13.0	9.2	12.6
Treasury Special Accounts	...	...	...
Bankers	243.4	250.7	237.7
Other	65.7	64.6	63.7
Total	322.1	324.5	314.0
SECURITIES:			
Government	234.9	229.4	231.3
Discount and Advances	27.8	30.9	29.0
Other	18.7	18.2	20.6
Total	281.4	278.5	280.9
Banking Department reserves	58.7	63.7	50.9
"Proportion" %	18.1	19.6	16.2

Government debt is £11,015,100, Capital £14,533,000
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Indian Finance



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1961 JIM 4288

Indian Finance

Indian Finance

Saturday

14 May 1960

Volume LXV No 19

Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

What are the
Implications of Order On Official Language?

Read Third Leading Article.

Indian Finance

Founded in

1928

by

C. S. Rangaswami

BEARINGS
OF EVERY
DESCRIPTION

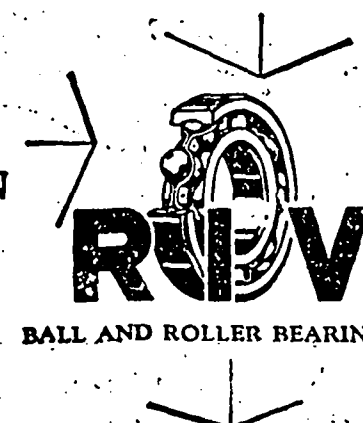
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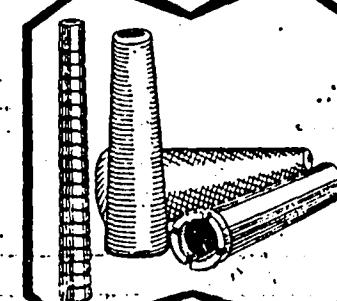
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(Established 7th September, 1906)

Capital Authorised, Issued & Subscribed	Rs. 5,50,00,000
Capital Paid-up	Rs. 3,00,00,000
Reserve Fund	Rs. 3,10,00,000

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BRANCHES OUTSIDE INDIA:

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DIRECTORS:

Sir Cowasjee Jehangir Barot, C.B.E., K.C.I.E., Chairman.

Mr. A. D. Shroff, Vice-Chairman.

Mr. Ambalal Sarabhai.	Mr. Madanmohan Mangaldas.
Mr. Ramjiwasi Ramnarain.	Mr. N. K. Petigara.
Mr. Bhagvandas C. Mehta.	Mr. Jugmohan Prasad Goenka.
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Mr. Girdharilal Mehta.	

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Working Funds as
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WORLD OF FINANCE

Inappropriateness of Bank Rate Weapon in Indian Conditions

THE last week's action of the Reserve Bank, in calling upon Scheduled Banks to maintain an additional 50 per cent deposit in respect of newly accruing resources, does not, it may be emphasised, preclude the possibility of an increase in the bank rate. Indeed, this measure was, if not the precursor, at least the warning, of such raising of the bank rate being in the offing. The extent or degree of the success of the new move in controlling the price trends will dictate whether or no the bank rate weapon is to be summoned. Unfortunately there are certain external circumstances operating at the present moment which militate against a steady trend in prices; and it is lest these circumstances should compel the Reserve Bank into hurried and unnecessary raising of the discount rate that we address these words.

What exactly will be the impact of a bank rate rise in India? Firstly, the prices of existing government securities will so depreciate that the yields available on them will conform to the new structure of interest rates inherent in the new bank rate. Secondly, by reason of such capital depreciation in the worth of existing gilt-edged issues, the response to the new loans of the Government, whether Central or State, will tend to become lukewarm. Thirdly, this means that the governmental recourse to created money will increase. Fourthly, automatically, the propensity for inflationary conditions to take hold of the economy will increase. Moreover, the cost of production will rise in consonance with the bank rate increase. Are these the repercussions that are or should be aimed at?

The two classical purposes of the utilisation of the instrument of raising the bank rate are: to attract short-term foreign funds and to discourage short-term inflationary capital expenditure. By these means, it is hoped to restore balance in the payments position (thereby enabling a better margin for imports as an anti-inflationary weapon) and balance in the economy (by reducing the quantum of short-term funds which does not immediately add to production). Neither of these purposes, it may be recognised here, could ever be the aim of monetary policy in India. For, an increase in bank rate will never succeed in enticing an additional dollar, pound sterling, yen or deutschmark to find sanctuary in India; and it is furthest from Indian objectives to take any steps which will hinder the growth of production in this country.

It may be argued that bank rate rise will affect only that marginal sector of the economy which most contributes to an aggravation of inflationary tendencies. In this sense and to that extent, it may be further argued that legitimate additional production will not be deterred by such fractional increase in cost as will be postulated by a raising of bank rate. Lastly, it may be suggested that money is cheap in India—especially in comparison with the cost of money in other countries which happen to be friends of ours.

it does the foregoing really constitute an answer to the problem of inflation? It is not marginally higher cost produced goods which dictates the cost and sale price of all. It is true that, all along the gamut of production, a rise in bank rate soon begins to be reflected, although nominally. And is it all relevant that money should be cheaper in India than elsewhere?

The protagonists of a higher bank rate also suggest that an increase in the borrowing rate of governments will maximise realisations; this is patently not true, and the experience of earlier years amply proves the fallacy of the argument that, the higher the interest coupon, the larger the sum of money that will be induced to support government borrowings.

All that is relevant and all that is important is whether the monetary policy being prosecuted fosters production or not in India. All available evidence shows that the heretofore policy of the Reserve Bank has admirably succeeded. As we pointed out last week, the causes of a rise in prices are to be found elsewhere; not in the cheap cost of money.

The impact of a higher bank rate could be disastrous: government borrowing will not succeed, banking soundness will deteriorate, cost of production will rise, the investment climate will be rendered the worse, inflationary conditions will gather momentum.

We have here tried to summarise the reasons why we believe the applicability of bank rate weapon to Indian conditions is wholly unjustified and unwarranted. Lest these horrendous repercussions should be lost sight of, we have felt it necessary to enumerate them in this article. We are convinced that cheap money is not bad merely because it is, comparatively speaking, inexpensive. We are in similar measure sure that selective monetary control, rather than the bank rate weapon, should be the main plank of monetary policy in this country.

Sharp Currency Expansion Due to Month-early Demand

It is not the continuation of the busy season, but the considerable demand occasioned by beginning of the month disbursements, which has influenced changes in the Reserve Bank returns for 6 May 1960. Also discernible in the latest returns is the impact of inter-governmental transactions.

Active Note Circulation has expanded sharply by Rs 20.90 crores to Rs 1904.49 crores, while Rupee Coin has gone out into circulation for Rs 1.68 crores. Currency has been expanded against Rupee Securities (by transfer from Investments in the Banking Department) for Rs 5 crores, and the Reserve Bank's cash has declined by Rs 17.62 crores to Rs 13.34 crores.

The State Governments appear to have made some repayment to the Centre, since their balances have been sharply marked down by Rs 26.38 crores to Rs 18.90 crores, on top of an increase of Rs 3.11 crores to Rs 51.33 crores in their ways and means borrowings from the Reserve Bank. The Central Government have benefited to the extent of a rise of Rs 9.72 crores to Rs 60.30 crores in their Deposits; and there is reason to believe that, moreover, reverse ad hocs have been instituted for Rs 5 crores or so. This is because Investments are shown to be lower by Rs 15 crores; of the decline, Rs 5 crores is accounted by transfer

to the Issue Department, another Rs 5 crores probably relates to sale of gilt-edged to the State Bank and the balance of Rs 5 crores almost certainly is in respect of cancellation of ad hocs in that amount.

The month-early pressure for funds has apparently been experienced by the Scheduled Banks as well. For, the Reserve Balances of member banks have moved down by Rs 9.42 crores to Rs 88.42 crores, the bulk of this being on account of the State Bank; and the Other Loans and Advances of the Reserve Bank have also mounted by Rs 2.99 crores to Rs 217.38 crores. It may be inferred that banks have not had an increase in Deposits in the latest week, since this would necessarily have been reflected (as to 50 per cent) in a rise in Reserve Balances with the central banking institution.

The return of the State Bank for 6 May shows that constituents have perhaps drawn down their balances rather than increase their borrowings in order to meet month-early disbursements. For, Deposits and Advances are both practically unchanged at Rs 628.82 crores and Rs 217.41 crores respectively. However, cash in hand and with Reserve Bank has been drawn on for Rs 7½ crores, partly to reduce borrowings (lower by Rs 1.07 crores) and partly to augment the gilt-edged portfolio (up by Rs 4½ crores).

As we had anticipated last week, the return of Scheduled Banks for 10 April shows the tail-end expansion in the demand for money. The total of Advances has risen by nearly Rs 5 crores from Rs 1124.90 crores to Rs 1129.30 crores, and roughly one-fourth of this rise was traceable to the State Bank. Deposits, however, have declined by Rs 5.37 crores, but, again, almost the whole of this is on account of the State Bank. Similarly, the fall of Rs 1.68 crores in cash balances and the rise of about Rs 5 crores in gilt-edged holdings are both in respect of changes in the State Bank's return for the relevant week. The one change for which the other Scheduled Banks can take all the credit, as it were, is the rise of Rs 11.50 crores to Rs 43.85 crores in borrowings from the Reserve Bank.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, the 10 May 1960. Total amount offered was Rs 2,00,00,000. Tenders at Rs 99.310 and above were accepted in full. Total amount accepted was Rs 2,00,00,000 the average rate of accepted tenders being Rs 2.745 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 16 May 1960. Successful tenderers should make payment on Friday, the 20 May 1960. Other conditions are as usual.

During the week ended the 6 May 1960 Government of India Treasury Bills for Rs 104,11,75,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 11 to 14 May 1960 at Rs 99.326 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 4 to 7 May 1960.

Britain is Gaining Gold

By Paul Einzig

FOR the second month running the Sterling Area gold reserve increased appreciably during April. Sterling has been steady to firm ever since the Budget statement, and more especially since the announcement of the arrangements concerning special deposits. Although the Stock Exchange has taken a dim view of these measures, they are appreciated in the foreign exchange market, and to some extent in the gilt-edged market. The reason for the firmness of sterling is the realisation that the Government is prepared to adopt disinflationary measures even before there are actual symptoms of inflation, and even before sterling and the gold reserve comes under the influence of inflation, whether actual or anticipated.

Until now the only situation in which any post-war Government adopted unpopular economic and financial measures was under an acute pressure on sterling that was threatening the gold reserve. Unless and until there was an outflow of gold on a large scale the Chancellors of the Exchequer in office since 1945 felt they could afford to ignore the rise in the cost of living. It was only if and when the gold reserve appeared to be imperilled that they resorted to disinflationary measures. On the present occasion, however, the Bank rate was raised, support from the gilt-edged market was withdrawn, special deposits were introduced, restrictions were imposed on hire-purchase terms, and additional taxation was imposed all during a period when the cost of living index has been absolutely steady and sterling has been steady to firm, with the gold reserve steadily increasing.

Evidently the Government adopted the view that "prevention is better than cure." Instead of awaiting the development of actual inflationary pressure, with its effect on the balance of payments and on confidence in sterling abroad, the authorities resorted to preventive measures in order to avoid a resumption of the inflationary spiral. They might have done so a few months earlier, so as to check the wave of wage demands that has developed since last autumn. From a purely economic point of view the ideal timing of the disinflationary measures would have been immediately after the Conservative victory at the general election.

It was only too obvious that the result of the election would give rise to a Stock Exchange boom and to an increase in the demand for consumer goods and capital goods. That

would have been the right moment for authorities to intervene in order to apply brake. But politically it was inconceivable that a Party which has just been reelected on the rising tide of prosperity should resort immediately to measures aiming at checking the tide of prosperity. That tide had to be allowed to proceed before it became politically feasible to interfere with it. Even as it is, the Government is subject to attacks on the part of the Opposition for having resorted to such measures so soon after the "We've never had it so good" election.

However this may be, the measures impressed the foreign exchange market favourably, not so much on account of their actual effect on the credit situation and on consumer demand as on account of the possibility of their reinforcement in case of need. As Mr. Amory pointed out the Government is quite ready to proceed further in the direction indicated by its recent measures.

Even so, it seems doubtful whether the disinflationary steps and the warning of further steps in case of need will be sufficient to damp down the growing demand. There are no indications that they have induced the trade unions to moderate their wage claims, or that they have induced employers to resist these claims more firmly. And this is really what matters. Possibly the amount of outstanding hire-purchase debt will rise more slowly, but it is certain to continue to rise, unless more drastic restrictions are adopted. Nor are industrial firms likely to modify their capital expenditure programme, based on the increased consumer demand of 1959.

The chances are that in themselves the present measures will not be able to check the inflationary pressure, even though they will moderate it. From the point of view of sterling the effect of the measures on confidence is all-important. Similarly moderate measures would utterly fail to impress the foreign exchange market if they were taken when inflation is in progress. But precisely because they were taken before inflation has actually developed they are likely to command more confidence.

This means that inflation, when it does appear actually, will be able to proceed further before it leads to an attack on sterling. Provided that the Government will resist inflation to an increasing degree it is not likely to lead to a flight from the pound this autumn. It will affect sterling in so far as it will affect the balance of payments as a result of rising costs of production and rising consumer demand for both home-produced and imported goods. But there is no reason to anticipate a repetition of the experience of 1957.

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Indian Finance

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The Free Trade Zone

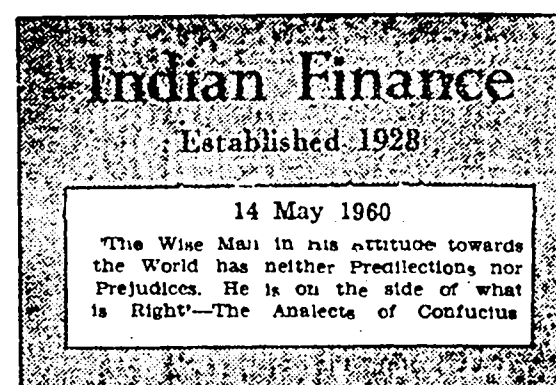
THE scheme to create a 'customs-free' zone in the environs of Kandla, circulated for eliciting public opinion, is basically sound. The purpose of the proposal would appear to be two-fold: first, to activate the somewhat somnolent port of Kandla from which so much was expected. The second and potentially of wider implications as an experiment, is to stimulate greater energy towards export earnings by doing away with the monetary and practical vexations of export and import duties. On the first, the scheme is a birth day present to the new state of Gujarat. The parliamentary announcement that preceded the detailed scheme now presented listed as one of its advantages the fact that it 'may prove helpful in giving the much needed impetus to economic and industrial activity at Kandla. From time to time, we read of unused and expensive facilities at Kandla, which was originally conceived as something of a substitute for Karachi. The new scheme is sure to make possible the realisation to some extent this ambition.

On the second aim, the details of the scheme appear to have been fairly well thought-out, though doubtless the actual execution will throw up many problems of practical sagacity and ingenuity. That the scheme is wholly geared to export promotion is evident from many of the details. Anyone who imagines that the scheme makes Kandla another Hongkong or Singapore will be wholly disappointed. In this sense, freedom of this free trade zone is somewhat limited. For instance, though there is nothing that you cannot export from here, there are, significantly, many things you cannot import into this area. Finished goods which are not for re-exports, and certain special articles like gold, watches, diamonds etc will be subjected to the same restrictions here as in the rest of the country. The etc presumably cover such notorious commodities like tape recorders transistor sets and a whole lot of luxury commodities that, along with watches and gold have made passengers from Hongkong objects of particular interest to customs authorities at Dum Dum and elsewhere. Secondly, the free zone area is to be provided with a Cordon sanitaire in consequence of which goods moving into the rest of the country from the free trade zone will have to submit to the usual restrictions. This doubtless will offer all the opportunities for the romantic thrills of smuggling, but considering the sort of things that are likely to be allowed to be imported into the free trade area, the game, romantically speaking, would hardly be worth the candle. One taste in romantic adventure must be peculiar, if one were wont to smuggle into the country, say, industrial raw materials or heavy machinery. This, however, is not to say, that the temptation to smuggle would not be there. Indeed, the major administrative problem in connection with this new idea is smuggling. Though its attractions are greatly reduced, smuggling will still have a great impetus in case of competition from producers for internal consumption this side of the barbed wire. The all too

familiar tricks in other contexts—like obtaining quota for export and selling it internally at a high profit will assume new shapes and will have to be tackled. In the absence of accurate costing and consumption accounting in manufacturing processes, mere accounting of the overall inflow and outflow—as is proposed under the scheme would hardly help stop smuggling. What is euphemistically known as manufacturing loss will cover a multitude of illegal transit beyond the fences. Of course, effective policing of the sources of exit—theoretically not difficult, since the free trade area is a bare quarter square mile—may yet pose familiar problems like petty corruption. But these are certainly matters of detail and inescapable in any endeavour which, rightly or wrongly, desire to interfere with man's 'free' nature. There can be no ready made solutions in advance for the situations likely to arise, but the customs authorities who have spent all their lives dealing with similar problems in other contexts will doubtless know the answers.

Another feature of this arrangement worth commenting upon is the fact that both industries and trade are to be allowed the use of the free zone. Consequently, not only raw materials and semi-manufacture are to be allowed free entry here, but also manufactured articles are to be allowed the same privilege. But there is an important reservation: these manufactured articles must be subsequently exported. This accords with the primary purpose of export promotion. But in practice, this will bring a host of problems. First, the temptation to trade rather than manufacture—will be all too easily yielded to. It may be urged that the scheme does not concern itself with the wider question of the pattern of the economy but only with the question of export promotion; that, at the moment, there is scope for export for commodities other than manufacture and indeed our export list is still largely of primary commodities; and that if there is money to be earned by re-export of manufactured articles by taking advantage of the time factor and favourable markets, we should not scorn it. All these are weighty arguments, but it is necessary to give a conscious orientation towards industrialisation, in every context. Moreover, manufactured articles, imported ostensibly for re-export would give further temptation to smuggling into the rest of the country. It may even become necessary, should the anticipated favourable turn of the export market fail to materialise, to allow the commodities to be sold in the country. Of course, the duty will then be realised, but valuable foreign exchange would have been spent for the imports for purposes not originally envisaged.

The administrative problems arising from the free trade zone are sure to be multitudinous and ticklish, but there need be no doubt that they will be solved. Transport to the free trade zone, for instance will increase enormously, if the hopes on which the scheme is



based are well founded. The area is not particularly well developed in this respect, but there is no doubt that Authority is conscious of the fact. (It is not without significance, that the scheme has been formulated by the Ministry of Transport and Communications.) Licensing problems will arise, especially when applications are made almost exclusively for a particular line or when the interests of existing units far away from the free trade zone area (who may either have to pay the duties or incur heavy transport charges to obtain the benefits of the free trade area) are adversely affected by such applications. This would suggest the necessity, after some experience is gained, of having more such free trade zone in other regions.

An important feature of the scheme is to make the imports self-financing without making too great an inroad into other foreign exchange earning. Another important aspect of this scheme is the inducement it offers to Indian businessmen abroad to start industries in this area. It is well known that Gujaratis of this area have a well established tradition of enterprise and have long standing business connections with Africa and other parts of the world. Here is an opportunity for them to strengthen their ties with the mother country by starting new establishments in the free trade area either by themselves or in partnership with persons in India. This is another inducement for repatriation of capital to India by overseas Indians. Since new industries in this area could qualify for the incentives provided in the Income-tax Act, the additional inducement of a duty free zone would be operative as a powerful factor in the industrialisation of this area.

The scheme also lists many other advantages likely to accrue from it and most of these advantages are real. But the creation of the pre-conditions of these advantages will take considerable time. For instance, it is said that the importer can make use of the free zone as a sort of half-way house and have his preliminary inspection done before finally making up his mind. It is also said to reduce the need for long-term import programme and reduce the time lag between need and availability. But all this involve elaborate storage facilities if the free trade zone is to be the cornucopia it is pictured to be. Moreover, if the domestic importer is to dip his hand in the stock held in the free trade zone for domestic needs, then there is bound to be some distortion of the original purpose of the scheme.

It is true that there is no reason why the original purposes of the scheme should not be enlarged as and when opportunities for them occur. Doubtless, a free port has other uses than export promotion. And in its broad purposes and in the generality of its actual mode of operation, the scheme is soundly conceived and is workable. Experience will tell the lines along which further modification will subserve its purposes better.

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The State of Public Sector Industries

THE Central Statistical Organisation has recently assembled the data regarding the working results of principal public sector undertakings—industrial as well as non-industrial. These particulars are fairly up-to-date—the latest year for which they are available is generally 1958-59—and they are sufficiently comprehensive too. In this the first article only the industrial undertakings are considered, with the relevant data being presented in three tables. These undertakings are grouped under two heads, namely, those which are completed and in full operation and those which are incomplete and not in full operation.

To take the completed undertakings first. The more relevant data regarding these have been utilised in Tables 1 and 2 hereunder to give a broad picture of their capital structure, employment potential, wages bill, output value, and net profit before taxation. It will be seen from the figures regarding capital that out of the total employed capital of about Rs 136 crores on account of the 19 listed industrial concerns, as much as Rs 97 crores has been paid up predominantly by the Government of India. Out of this Rs 97 crores, what has been paid up by parties other than the Government of India comes to Rs 5 crores only.

The labour force (administrative, supervisory, skilled and unskilled employees) employed by all the concerns other than the National Coal Development Corporation comes to nearly 56,000. If the capital employed in the NCDC is omitted from the total employed capital of Rs 136 crores on account of all the listed concerns, the capital employed per worker in the public sector industries in general comes to about Rs 20,450. In a broad sense, this average coefficient of capital employed per worker does not seem to be on the high side, considering the current trends in the sector of large-scale industries. The individual variations in the coefficients of the different units may not be difficult to explain except in the case of the National Newsprint and Paper Mills in which the capital employed per worker is as much as Rs 55,000. In the case of this unit, the present high coefficient is explained by the fact that its second stage of development has not been completed as of 1958-59 and that, therefore, it has not begun to employ more labour. That even units of the heavy industry, type like the Chittaranjan Locomotive Works, the Hindustan Shipyard and the Hindustan Machine Tools have involved less than Rs 30,000 by way of capital employed per worker may also be noted in this connection.

The per capita annual earnings of the labour force employed in these public sector units seem to be generally more favourable than in the large-scale industries in the private sector. If the National Coal Development Corporation is omitted from consideration for lack of data regarding its labour force, the total annual wages bill for the 18 units comes to Rs 9.87 crores on account of 56,000 employees. That means Rs 1,763 by way of per capita annual earnings. Of course, there are some pronounced variations as between individual units. It is noteworthy that the Sindri Fertilisers and Chemicals, with its annual wages of Rs 2,531 per employee, leads all the rest.

The position regarding the coefficient of output per worker does not, however, lend itself to any definite interpretation. While the aggregate value of output in the year (generally 1958-59) has come to Rs 47.4 crores on account of the 18 units (with the NCDC excluded), giving a coefficient of about Rs 8,465 by way of annual output per worker, the capital out-

TABLE I.

S.No.	Name of Concern	Capital Employed (Paid-up and borrowed capital) (Rs. lakhs)	Number of persons employed	Capital Employed per worker (Rs.)	Wages bill for the year (Rs. lakhs)	Annual wages per worker (Rs.)	Value of output in the year (Rs. lakhs)	Value of annual output per worker (Rs.)	Accounting year
1.	Indian Rare Earths	138.0	372	37,097	8.4	2,258	9.9	2,661	1958-59
2.	Travancore Minerals	50.5	1,557	3,243	37.3	2,396	85.1	5,466	1958-59
3.	Hindustan Antibiotics	277.3	980	28,296	19.6	2,000	303.8	31,000	1958-59
4.	Hindustan Cables	194.0	600	32,333	7.6	1,267	109.9	18,317	1958-59
5.	Hindustan Insecticides	122.3	479	25,616	8.2	1,712	101.1	21,106	1958-59
6.	Hindustan Machine Tools	724.3	2,659	27,240	54.8	2,061	230.6	8,672	1958-59
7.	Nahan Foundry	49.0	711	6,892	8.9	1,252	19.8	2,785	1958-59
8.	National Instruments	126.0	1,085	11,521	18.1	1,668	49.5	4,562	1958-59
9.	National Newsprint and Paper Mills	621.0	1,138	54,569	16.6	1,459	229.9	20,202	1958-59
10.	Sindri Fertilisers and Chemicals	2765.7	8,924	30,992	225.9	2,531	1072.3	12,016	1958-59
11.	Bharat Electronics	435.0	1,123	38,735	26.5	2,360	12.0	1,069	1957-58
12.	Hindustan Aircrafts	1041.2	12,402	8,395	209.9	1,693	640.7	5,166	1957-58
13.	National Coal Development Corporation	2168.7	N.A.	...	416.4	...	757.5	...	1958-59
14.	Orissa Mining Corporation	10.0	700	1,429	3.0	429	9.6	1,371	1958-59
15.	Hindustan Shipyard	1168.6	3,926	29,766	87.0	2,216	345.4	8,798	1958-59
16.	Indian Telephone Industries	487.8	5,751	8,482	54.0	939	350.4	6,093	1958-59
17.	Hindustan Housing Factory	41.4	837	4,946	4.4	526	40.4	4,827	year ending July '58
18.	Integral Coach Factory	1062.8	4,702	22,603	66.0	1,404	401.8	8,545	1957-58
19.	Chittaranjan Locomotive Works	2136.1	7,872	27,135	131.0	1,664	723.0	9,184	1957-58
	Total	13619.7	...	...	1403.6	...	5492.7	...	...

TABLE II.

S.No.	Name of Concern	Paid-up capital (Rs. lakhs)	Borrowed capital (Rs. lakhs)	Total capital employed (Rs. lakhs)	Net profit before taxation (Rs. lakhs)	Net profit as per cent of capital employed	Accounting year
1.	Indian Rare Earths	100.0	38.0	138.0	—1.2	...	1958-59
2.	Travancore Minerals	50.0	0.5	50.5	17.0	33.7	1958-59
3.	Hindustan Antibiotics	247.3	30.0	277.3	147.1	53.0	1958-59
4.	Hindustan Cables	125.0	69.0	194.0	9.4	4.8	1958-59
5.	Hindustan Insecticides	97.0	25.3	122.3	19.4	15.9	1958-59
6.	Hindustan Machine Tools	485.0	239.3	724.3	33.0	4.6	1958-59
7.	Nahan Foundry	40.0	9.0	49.0	1.0	2.0	1958-59
8.	National Instruments	91.0	35.0	126.0	2.9	2.3	1958-59
9.	National Newsprint and Paper Mills	493.3	127.7	621.0	38.5	6.2	1958-60
10.	Sindri Fertilisers & Chemicals	1,700.0	1,065.7	2,765.7	159.2	5.8	1958-59
11.	Bharat Electronics	406.3	28.7	435.0	Nil	...	1957-58
12.	Hindustan Aircrafts	830.2	211.0	1,041.2	45.7	4.4	1957-58
13.	National Coal Development Corporation	882.8	1,285.9	2,168.7	20.0	0.9	1958-59
14.	Orissa Mining Corporation	10.0	...	10.0	0.5	5.0	1958-59
15.	Hindustan Shipyard	518.2	650.4	1,168.6	—44.7	...	1958-60
16.	Indian Telephone Industries	400.0	87.8	487.8	26.2	5.6	1958-59
17.	Hindustan Housing Factory	1.0	40.4	41.4	0.6	1.4	year ending July 1958
18.	Integral Coach Factory	1062.8	...	1062.8	N.A.	...	1957-58
19.	Chittaranjan Locomotive Works	2136.1	...	2136.1	N.A.	...	1957-58
	Total	9676.0	3943.7	13619.7	...	...	...

TABLE III.

S.No.	Name of Concern	Paid-up capital (Rs. lakhs)	Borrowed capital (Rs. lakhs)	Total capital employed (Rs. lakhs)	Value of output in the year (Rs. lakhs)	Accounting year
1.	Heavy Electricals	524.0	11.6	535.6	Nil	1958-60
2.	Hindustan Chemicals and Fertilisers	797.8	115.4	913.2	Nil	1958-60
3.	Damodar Valley Corporation	11753.7	111.3	11865.0	Nil	1957-58
4.	Hindustan Steel	30000.0	7310.0	37310.0	Nil	1958-59
5.	Indian Refineries	100.0	...	100.0	Nil	1958-59
6.	Neyveli Lignite Corporation	1295.1	336.1	1631.2	Nil	1958-59
7.	National Mineral Development Corporation	5.0	...	5.0	Nil	1958-59
	Total	44475.6	7884.4	52360.0	Nil	...

put ratio as such may be broadly taken as 24:1 which seems to be reasonable in the case of these public sector industries which are mostly of the large-scale variety. But the pronounced variations as between individual units are explained by the fact that although they are all completed and in full operation, all of them are not uniformly working to their full capacities. Some individual cases like the Hindustan Antibiotics, the Hindustan Insecti-

cides and the Indian Telephone Industries, where the coefficient of capital employed per worker and the coefficient of annual output per worker are nearly equal, are particularly striking.

As for the net profit before taxation (or, net profit after depreciation and interest charges) as per cent of capital employed, the position is positively disconcerting in most cases other than the Travancore Minerals, the Hin-

dustan Antibiotics and the Hindustan Insecticides. While the low rates of net profit in some units may be explained by the fact that they have not been working to their full capacities, no such explanation is possible in the case of other units which have been working to capacity. It is by no means clear whether these public sector units will be profitable to the point of yielding sizeable surpluses to the exchequer and of building up reserves for expansion. Perhaps, it is too early to judge their profit-making capacity; most of them, it must be noted, have only recently gone into full operation.

As for the second category of incomplete industrial undertakings, no statistical interpretation is possible for obvious reasons. But Table No. 3 is given merely to give an idea of the capital employed in them as of 1958-59.

Order on Official Language

THE President's Order on the report of the Joint Parliamentary Committee which considered the recommendations of the Official Language Commission is essentially a directive to the Union Ministry of Home Affairs to prepare and implement a plan for the progressive use of Hindi as official language of the Union as provided in clause (2) of Article 343 of the Constitution. In doing so an attempt has been made, within limits, to allay the apprehensions entertained by people of non-Hindi areas. The Order has endorsed the Parliamentary Committee's suggestion that no restrictions are to be imposed, for the present, on the use of the English language for any of the official purposes of the Union. This applies to the period till 1965, when Hindi will replace English as the official language on the expiry of the fifteen years' grace allowed to the latter under clause (2) of Article 343.

Attention has been drawn to the fact that no specific mention has been made in the Order to the continuance of English as an alternate or subsidiary official language after 1965. That is probably because the question of continued use of English as an official language of the Union, and the period and the purposes for which it may be used, are matters to be determined by Parliamentary legislation. The President's order has, however, recapitulated the recommendation of the Parliamentary Committee on this point and also made a reference to the Prime Minister's speech of September 4, 1959 in the course of discussions in Lok Sabha on the Language report, indicating "broadly the approach of the Government to the official language question."

The Committee's recommendation was to the effect that, "after 1965, when Hindi becomes the principal official language of the Union, English should continue as the subsidiary official language". To this the Prime Minister, in his speech of September 4, added the assurance that English would continue as an associate language till such time as the non-Hindi people desired. These may be taken as giving a firm indication of the shape of legislation on the subject, so long as there is no radical change in the present set up at the Centre or in the balance of political forces. But at the same time partisans of English cannot afford to relax the pressure for its retention, until these assurances are embodied in statute.

The President's Order also deals, among other things, with the question of the language of the Courts and of legislation, the medium of instruction in training establishments such as the National Defence Academy, recruitment to All India Services and to the local offices of the Central Government Departments. The

opinion of the Committee that Hindi should eventually become the language of the Supreme Court has been accepted in principle, but this will call for appropriate action only when the time comes for the change-over. As regards language of the High Courts, the Order endorses the recommendation of the Committee, which on this point had differed from the Kher Commission, to the effect that provision may be made for the use optionally of Hindi and official languages of States for the purposes of judgments, decrees and orders of High Courts. As regards legislation, the Ministry of Law has been directed to constitute a Standing Commission of legal experts for planning and implementation of the entire work relating to preparation of a standard legal terminology for use as far as possible in all Indian languages, and translation of Statutes in Hindi.

The President's Order agrees with the Committee's recommendation regarding use of Hindi for the internal working of the local offices of Central Government Departments but has modified it in favour of the non-Hindi areas by directing that, for the present, knowledge of Hindi shall not be insisted upon as a necessary qualification for entering into these services outside the Hindi areas.

The language of instruction in the training establishments will be English but steps may be taken to introduce Hindi also. While English will also continue to be the language of examination for entrance to these establishments, measures will be taken to introduce Hindi as an alternate medium. The Ministry of Defence has also been directed to set up a committee to examine the question of introduction of regional languages as media without introducing any quota system. If the committee's report is favourable, candidates from non-Hindi areas will not be at a disadvantage in respect of entrance examinations for admission to these establishments. But the position is different in respect of recruitment to All India Services.

When action has been taken in terms of the Order, English and Hindi will be the two media of examinations for these services. The Parliamentary Committee's recommendation for appointment of a committee to examine the feasibility of introducing regional languages as alternate media has been turned down, on the ground that the introduction of various regional languages also as alternative media is likely to lead to serious difficulties. The result, after some time, will be that candidates from non-Hindi areas sitting for these examinations will be at a disadvantage as compared with those from Hindi areas. While non-Hindi candidates will have to answer either in English or in Hindi, neither of which will be their mother tongue, candidates from Hindi areas will have the advantage of answering the papers in their own mother tongue. The disparity in conditions will act to the detriment of non-Hindi areas.

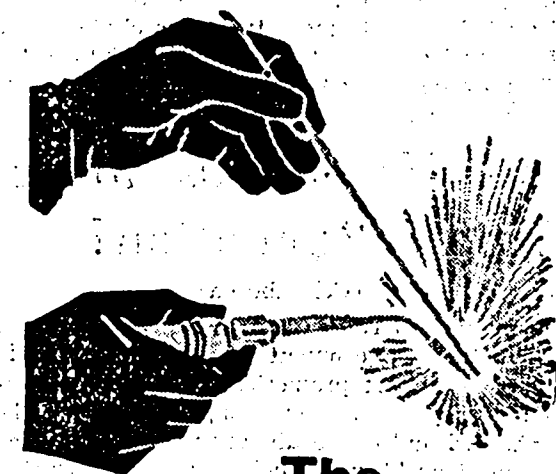
The trend, nowadays, as the Parliamentary Committee has pointed out, is toward replacement of English as medium of instruction and of official work in the States. Those who have been educated through the medium of the regional language will be effectively debarred from entry into All India Services. The State Governments which are apparently in a hurry to replace English as medium of instruction at the University stage will be imposing a double disability on their people by their hasty action.

India's Trade Rivals

IN an analysis of UK import trade, furnished in April 1960 attention is drawn to competitive sources. It is now clear that in the last three years, more East African tea has been sold in London though India provides about 60 per cent of tea supplied to the UK. The

table appearing in the supplement to the Journal of Industry and Trade makes it clear that India does not have a monopoly in any line and if she provides about 50 per cent of leather and leather manufacture, there are other suppliers, including Australia, which has rapidly developed ranching for meat but can now ship leather as a by-product. As may be expected, New Zealand, Austria and South Africa ship hides and skins and the Commonwealth area provided 22 per cent of British leather imports in 1959. In the case of oil-seeds and oils the position is quite satisfactory in respect of castor oil, but in regard to other oils, there are alternative sources like Nigeria and Ceylon. In the case of cotton textiles, the share of India is about the same as that of Commonwealth exporters like Pakistan and Hongkong and the imports from France and Belgium were maintained in 1959. It is only in jute fabrics that India retains a dominant position but in sacking it is evident that Pakistan has made headway last year, at the expense of India. Promotional work and efforts to meet Dundee's competition are compromised by the lift in prices of raw jute in India and the old advantages have shrunk suddenly and greatly.

In regard to the exports of tobacco, it is clear that the USA is the main supplier, providing about half the supply, and the steady increase in UK purchases of Rhodesian tobacco since 1957 is due to changes in consumer demand. The imports of Canadian tobacco are apt to fluctuate but the UK is taking only about 10 per cent of superior varieties from India and the export outlook is clouded at present, as many say. The shipments of feeding stuff for cattle have improved in recent years with India providing 18.3 per cent of British imports. This implies that larger export quotas of oilcake found a ready market but the Argentine, Canada and Burma are also important suppliers at present. The fall in shipments of cotton is apparent from the



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table. The USA and Sudan are the main sources of imports but the Lancashire cotton industry has declined in importance gradually.

Recent discussions on the mica trade confer extra interest on the supreme position held by India in the UK market. In the case of shellac also, India is the principal source providing about 80 per cent of the total imports. It is in regard to manganese that the position is disturbing. Both Ghana and Russia have emerged as strong rivals and it is necessary in view of the decline in exports last year to look for new markets for manganese ore. The authorities concerned with export promotion cannot look for a large-scale increase in shipments of wool or vegetables and spices as the UK market is open as usual to many exporting nations that can offer coffee or coir.

The rise of 2.3 per cent in UK's purchases from India in 1959 has been examined in relation to the growth of UK exports to India and it is seen that the import quotas for textiles may hit India to some extent. The high prices ruling for Indian raw materials including linseed oil, goatskins and coffee are an obstacle to the steady growth of exports to the UK and the entry of substitutes for jute manufactures or woollen carpets cannot be ignored. The analysis indicates that the USA is even now a more important customer, providing cotton and tobacco, as well as chemicals for industry. The Dominions provide food supplies and retain a firm hold on the UK market, whereas India is in no position to offer even copra or fruits for which the UK may be a regular buyer as in the case of pineapples and bananas from the West Indies.

The course of Indo-British trade, however, may be influenced by aid (not prices) and the consortiums for making machinery may play a greater part in setting the future pattern of trade so that India may hope to develop an export line in canned shrimps as well as cashewnuts to the UK because of an anticipated increase in Commonwealth trade and a decline in European trade. The chances of industrialisation leading to more trade are obvious, and if mineral oil imports fall away in future, the UK may be ready to sell ships and tankers to India, both new and used.

Are We Serious about Export Promotion?

(Contributed)

IT may seem rather odd to ask at this stage whether Government is really serious in regard to export promotion. Yet it is necessary to raise this question, considering the haphazard and uncoordinated manner in which this vital problem is being tackled. During the last ten years, dozens of delegations have gone abroad to study the prospects for increasing our exports. These delegations generally consisted of experienced businessmen and able officers and, on their return, they submitted detailed reports about the market conditions in the countries they visited. The reports also included various recommendations for stimulating exports. But it would appear that these reports are not carefully read by Government or the latter are unable or unwilling to implement the recommendations. This is the impression that one would gather after perusing the various reports submitted by trade delegations in the last few years.

Let us take a specific instance, namely, the export of tea. It is well known that tea is one of our biggest earners of foreign exchange and that we are facing increasing competition from various countries. One would have thought that at least in this case, Government would take vigorous and timely action to remove the hindrances that stand in the way of

increasing the exports. But this has not been done. The Indian Government Trade Delegation which recently visited West Europe under the leadership of Mr K. B. Lall, I.C.S., says in its report released a few days ago that it was "surprised to see that the position which India enjoys as a producer of high quality teas and as the major supplier to the world markets is not generally known in the countries visited". But really there should be nothing surprising in this discovery because almost every delegation has said exactly the same thing. Delegation after delegation has visited West Europe in the past after delegation has emphasized the need to intensify publicity for tea in foreign countries but it is clear from the Lall Delegation's report that adequate steps have not been taken in this direction.

The excessive fiscal burden on the tea industry is another handicap to export promotion. Spokesmen of tea trade and industry as well as the various trade delegations in the past have strongly stressed the need to reduce the burden of taxation. Yet, adequate action has not been taken. The Lall Delegation says as follows: "The high incidence of import duties and internal taxes on tea, combined with the high cost of packing and distribution make a cup of tea more expensive to the consumer than it need be. The incidence of cost of these two counts can be substantially reduced if both the trade and fiscal authorities have confidence in the future of this beverage and believe that a constructive solution of their worries lies in higher turn-over and not in crippling imports and margins."

It is, of course, refreshing to find the Lall Delegation emphasizing eloquently the need for fiscal relief but one wonders whether Government will take prompt action on this recommendation.

We shall take another instance, namely, Indian commercial representation in foreign countries. Obviously one of the first measures that should be taken by a Government keen on export promotion is to see that official trade representatives abroad are chosen properly, that they are provided with adequate staff and that they concentrate their efforts on trade promotion without wasting time on routine work. But what is the position in West Europe? This is what the report of the Lall Delegation says on this subject: "Indian commercial representation in West Europe, both at the official and the trade level, is inadequate for the task of strengthening commercial relations and of building up two-way trade for mutual benefit. The commercial sections of Indian embassies are inundated with routine work and the number and quality of staff are barely sufficient to keep pace with the rising number of enquiries—serious and frivolous—and at the same time to keep up the flow of general reports on broad trends of economic and commercial developments". Again, the report says: "Administrative procedures also require to be overhauled so that while time and effort are not wasted on useless enquiries, adequate support is made available to Indian parties seriously engaged in building up an expanding market for the products in which they are interested."

It cannot be argued that the Government of India was not aware earlier of the need to strengthen official commercial representation abroad. Almost every trade delegation in the past has laid great stress on this point. Why then was no action taken on this important matter?

Anyone who has been closely following official attempts at export promotion cannot but feel that there is a want of proper co-ordination and a sense of urgency on the part of those who are connected with this vital task. The reports submitted by Government's

trade representatives abroad are released through official journals several months after they are received in New Delhi. Consequently, much of the information which would have been very useful to trade and industry, if published promptly, becomes stale and out of date.

From what has been written above it will be clear that Government's efforts at export promotion have yet to be coordinated effectively. Mere exhortations to export more or the establishment of export promotion councils by themselves will not help to expand exports. For instance, certain sections of the tea trade have recently suggested the formation of an export promotion council for tea. Demand has also been made for export promotion councils for cement and paper. These demands are clearly unnecessary. So far as tea is concerned, every one knows what measures need to be adopted to strengthen its competitive position. The Tea Board is already there and what is essential is to make it more active and dynamic. As for cement and paper, the demand for export promotion councils is certainly premature. There should be no attempt at the indiscriminate multiplication of export promotion councils. On the other hand, Government should see to it that such councils as have already been set up function more efficiently. The various Government departments at the Centre and in the States should work in a spirit of closer co-operation and the entire problem should be tackled with seriousness and urgency. At the same time, every effort should be made to remove the genuine difficulties of trade and industry and enlist their enthusiastic co-operation. It is only then that it will be possible to obtain satisfactory results on the export front.

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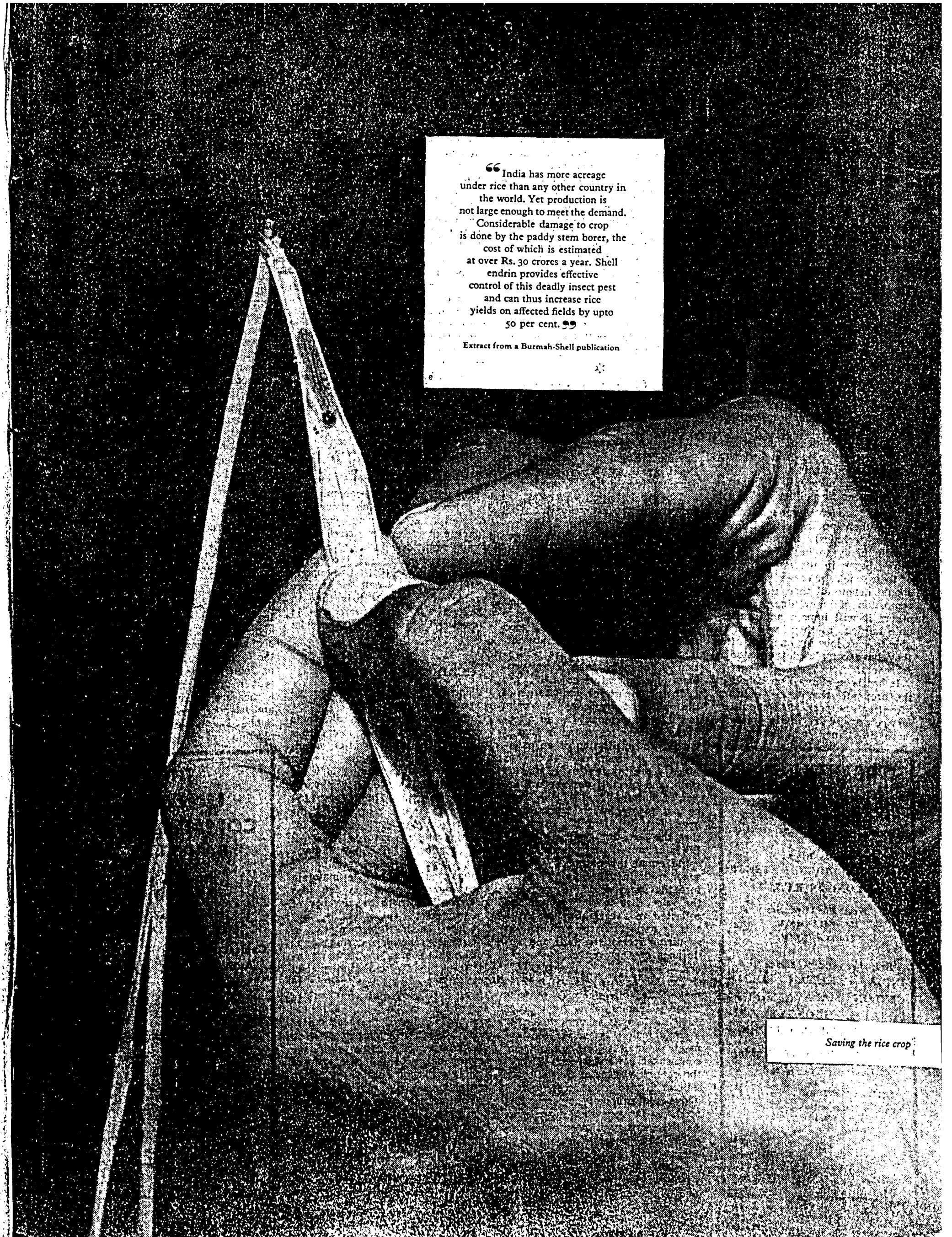
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Extract from a Burmah-Shell publication

Saving the rice crop

NATIONAL NOTES

National Disservice

The statement made by Dr Shrimali in Poona, regarding compulsory national service by students, has revived the apprehensions which were aroused when this ill-advised proposal was originally put forward by the National Service Committee appointed by the Union Ministry of Education. The Minister revealed that Government have evolved a scheme under which one year's national service will be made compulsory for students after the completion of their secondary school education. It is not clear whether educational or economic considerations weighed with the sponsors of this scheme which has more affinity with totalitarian than democratic politics.

Those students who intend to pursue their studies in the University or technical institutions are hardly likely to be helped by an year's break in the crucial period of their scholastic career when they should devote all their time to the acquisition of knowledge. For the others it will impose an insufferable burden as they will not be able to seek jobs for one year after they have completed their studies at school.

It has been claimed on behalf of the proposal that those entering life after one year of compulsory service would be more mature, more disciplined, and better pre-

pared for the responsibilities of their work, than those coming straight from schools. While this may be an indirect criticism of the existing system of secondary education, whose validity it is not here necessary to question, it cannot constitute a justification of the abridgement of the liberties of the future citizens of the country. As for discipline and team work, the habits should be instilled from the earliest years at school. It is difficult to believe that one year of camp life would achieve what ten years of school have failed to do. And to unloose a rabble of undisciplined youngsters on the country side in the name of national service, may give a leg-up to student politicians, but will be a positive disservice to the country.

Palm Gur Comes to Town

The All India Palm Gur Workers' Conference, inaugurated by President Rajendra Prasad in New Delhi on April 29, is convincing demonstration of the success achieved by palm gur enthusiasts in forwarding the claims of their pet project. The President, who recounted the benefits the country could derive by development of the palm gur industry, wondered why even now that we know the utility of palm trees, we are unable to utilise at least a sizable proportion of the crores of trees that we have in the country. There is good reason to suspect that the stumbling block to more effective utilisation of the palm trees is the problem of comparative costs.

The plain case for exploitation of the different varieties of palm found in our country as an alternative source of sugar is that it enables the utilisation of an existing capital resource which has taken years to grow to its present state, and possibly for the utilisation of marginal land which cannot be put to any other agricultural use. The President has estimated that the existing palm trees in Bihar, if tapped for sugar and gur, could equal the output of all the sugar mills in that State. But before the sugar could be produced, the juice has to be tapped and collected in a central place. And this is a particularly arduous job requiring specialised skill and endurance on the part of the workers.

The labour cost is too high to make the manufacture of palm sugar a remunerative proposition except where it is undertaken on a small scale to meet the requirements of small isolated areas where cane sugar is hard to get. That is the reason why palm gur or sugar sells at fifty to a hundred per cent above the price of corresponding products derived from sugar cane. As the industry is necessarily decentralised, increase in the total output is not likely to bring down the costs.

The industry was able to hold its own in former days when the scale

of wages and prices were held down by tradition. But with the extension of the money economy to all nooks and corners in the country, that is no longer possible and the industry is enabled to survive in isolated areas only with the help of Government subsidies. Before the advent of prohibition, manufacture of palm gur was a side line to the very profitable manufacture of liquor from which it derived a hidden subsidy. With the introduction of prohibition this source of support has disappeared.

The manufacture of palm gur was a thriving cottage industry in parts of Madras, where some decades back modern sugar mills were established to make refined sugar from palm juice and gur. But with the growing demand from the mills, the cost of the materials increased beyond economic levels, and the mills had to be closed down where they could not shift to sugar cane. This experience should serve as a warning against exaggerated hopes of drawing on palm trees to augment the country's supplies of sugar.

Manufacture of palm gur or sugar will not be an economic proposition unless methods could be devised for easy and economic tapping of the palm trees which would result in substantial increase in the productivity of the individual tapper. Until that happens, palm gur workers will find it more profitable to spend their time in the corridors of the secretariat in New Delhi than among the palm trees.

Technical Troubles

The major obstacle to the rapid expansion of technical education, to the level necessary to take India over the hump of development, is not so much shortage of funds though funds certainly are not plentiful, as shortage of efficient teachers. It has been estimated that during the Third Plan 4,654 teachers will be required for the Degree courses and another 4,802 for the Diploma courses. The All India Council of Technical Education, which at its last meeting has emphasised the need to maintain the tempo of expansion, has also drawn attention to the urgency of the problem.

Success in the implementation of the other proposals regarding establishment of new institutions, increasing the offtake of students and institutions of part time courses to turn out increasing numbers of technicians, depends on finding the required number of teachers of adequate calibre. Mere increase in the number of persons who have undergone an indifferent type of course will not help to improve the technical level of the country.

The proposals under consideration for the increase in the offtake of engineering colleges and polytechnics should not be allowed to lead to a dilution of standards. Along with shortage of teachers, many technical institutions are also woefully short of equipment. Until

it is found possible to overcome the shortages, these institutions will be hardly able to keep pace with the technological developments in industry, and will be obliged to report a high degree of wastage.

Minus Money

The Congress President only recently complained that there are no poor men in Parliament at present and politics is not now attracting men with merit, but without money. It is surprising that the Congress party which swears by equality complains openly of the domination of the rich—at least when asking for election tickets. The high cost of elections is one reason—the party organisation is weak and does not get at regular subscriptions from rank and file supporters. Reliance on donations from the rich drives the Congress into the arms of the rich candidate who can sedulously nurse a constituency. Further, membership of the Congress legislature party after election is an expense that poor M.P.s cannot afford. Adult suffrage is seen to have its limitations. Even the lawyers who get into parliament are rich men who forsake practice for prestige. It is discovered that only in a rich country like the USA can a journalist like Neuberger get into the Senate along with millionaires like Saltonstall or Kennedy. It is only in England that a miner's son can leave the pit for Westminster and a poor M. P. like James Maxton acquire the same prestige inside the Commons as Winston Churchill or John Buchan. The Universities seat in the Assemblies may help in a measure to redress the balance and let poor clerks in, but the Lok Sabha does not allow for postal election by graduates or teachers.

FOREIGN NOTES

Capital Investment of US Business

Capital investment plans of American businessmen just seem to keep on growing. According to the most recent report on this subject, the result of the thirteenth annual survey by the McGraw-Hill Company, American business spending for new plant and equipment will rise to \$37,900 million this year, a new record and a full 16 per cent above the 1959 level.

There is more to this report than the statistics, however, this is the third consecutive surge in a period of six months which has revealed more ambitious capital investment plans than were scheduled earlier.

Last fall, a preliminary McGraw-Hill survey indicated a 10 per cent increase in planned capital investment by business during 1960. Another survey, published in mid-March, this the official government version by the Commerce Department and the securities and exchange commission, forecast a 14 per cent gain.

Thus, this newest survey effectively refutes any suspicion that these earlier estimates were overstating 1960's probable capital spending total. On the contrary it shows that businessmen retain a good deal of confidence in the year's economic prospects, and are increasing their outlays, even though the economy's gains in the past few months have not been as pronounced as some experts had predicted when the year began. By the same token, capital expenditures of the magnitude contemplated would provide a very firm base for the maintenance of high levels of business throughout the year.

Another significant fact is that in this latest survey, McGraw-Hill—noted publisher of business journals and a pioneer in the field of capital investment analysis—has changed some of the bases not its findings. Its figures and industry classifications have now been made directly comparable with those of the official government survey, whereas in the past they differed in some respects. And this lends even greater meaning to the projected increase it has uncovered in investment plans.

It is interesting to note that the sharp rise in capital spending this year is designed largely to improve operating efficiency rather than to increase plant capacity. For business as a whole, the McGraw-Hill survey found 70 per cent of this year's programming going into ma-

chinery and equipment, and only 30 per cent into buildings.

Manufacturers as a group are planning to increase their 1960 expenditures for new plant and equipment by 26 per cent, which would bring their total to \$15,200 million. And of this indicated total, some 65 per cent—the highest percentage ever reported for this group—is scheduled for replacement and modernization, with the emphasis distinctly on equipment rather than plant expansion.

The desire to offset high labour costs, and to meet the keen competition from both domestic and imported products, helps explain much of this emphasis on modernization and efficiency.

This does not mean that there will be increases in productive capacity. As a matter of fact, manufacturers plan to expand their capacity by about five per cent this year, and are visualizing further expansion in the years ahead.

This is seen in the survey's findings that American business already has big capital spending programmes scheduled for the next few years. These obviously are preliminary and still incomplete, but their totals at this early date are significant: \$34,800 million for 1961; \$32,800 million for 1962; \$33,300 million for 1963.

And experience indicated that businessmen generally underestimate their capital outlays for periods longer than one year ahead.

In making their investment decisions, businessmen obviously are influenced by anticipated increase in sales volume. Manufacturing industries look for an eight per cent sales gain this year, ranging from four per cent for petroleum and coal products to 22 per cent for iron and steel. By 1963, manufacturers' sales are expected to be 17 per cent larger than this year—which would be a notable achievement, indeed, when one considers the very high levels from which they would be starting.

The upward trend in research spending by American business provides another guide for the future of the capital spending sector of the economy. This year, business is budgeting more than \$9,500 million for research and development, a rise of six per cent over last year. And even now, research outlays are projected at better than \$10,700 million for 1963—a figure which could well prove an underestimate. It should be noted that these figures do not include expenditures for research facilities, which would add another \$682 million to this year's total if it were included in research budgets.

One measure of the importance of research activities to industrial progress and to the American market is seen in the fact that manufacturers expect about 12 per cent of their 1963 sales to be of new products—products not made at all last year. Machinery makers, who turn out industry's tools, estimate that at least one quarter of their 1963 sales will be of new products.

Blockade into Boycott

The course of the argument between the Arab countries and the USA has only revealed their suspicion of US policy toward Israel. Mr David Ben Gurion got no guarantees after his trip but the Arabs smell a change in the US temper. The Cleopatra in New York has made history already because the US dockers got the Court's approval but were yet ready to drop the boycott. It is not open to a foreign country to insist that organised local labour should be made available to it, even for reasons of State. Far more important was the risk of US aid to Egypt being stopped suddenly. It is because Col. Nasser did not keep in mind the UN Secretary-General's hint about letting peaceful cargoes for Israel through the Suez Canal that the US Senate lately accepted an amendment to the scheme of foreign aid. If there is no free navigation for US vessels, foreign aid can be curtailed but Senator Fulbright did not endorse this view. And Egypt cannot afford that kind of argument about what she deserves or needs. But there was again a lot of brave words about keeping all US ships out of the Levant, even a ban from Morocco to the Persian Gulf. The Middle Eastern oil cannot be taken to the USA but the Arab States in the case of serious trouble will lose royalties. There is also a chance of Western Europe being hit much more than the USA by any action taken against US shipping or airlines serving the Middle East. The USA can, of course, use Alexandretta instead of Tripoli but the troubles in Turkey are a handicap. Whether the Arabs will be able to use the boycott as an excuse to jack up oil royalties need not be debated now but the surprising feature was that Saudi Arabia stood by Egypt and the latter forgot that US wheat is vital for saving Syria from famine. However, passion is not running high just now and the Suez Canal will not be made to lose either traffic or dues. If neutral vessels, in view of the current argument, get a share of the trade to the Middle East, Indian shipping will be naturally a beneficiary and can really do with a useful tonic just now.

The Egyptian blockade in peacetime is a paper blockade but the control of the Canal helps Nasser to put forward a claim to deny all supplies to Israel which cannot hope to make anything out of Port Elath if she is bound to rely on Haifa wholly. The Arabs can say unity has been retrieved by launching an economic campaign against both Israel and the Zionist backers in the USA but if the USA is touched, some will say that there is in Cairo no gratitude for US intervention in the Suez War on the Egyptian side. And the USA always can reconsider policy towards Nasser though the President speaks of a victorious boycott.

Reflections on the British monarchy and its lasting influence are no longer necessary but the royal wedding last week may well suggest that the morganatic marriage of

Princess Margaret with a Commoner is now a fait accompli that cancels out the Act of George III. The absence of foreign royalty did not cloud the popular rejoicing in London over a happy union but the promise of a peerage will deprive many of the satisfaction of following the Armstrong-Joneses. Probably the leader of the Opposition need not be consulted about the creation of a hereditary title for a former Court photographer. A self-imposed ban on political life will be a consequence of a grant from the Royal civil list for the Queen's sister. And if Mr. Armstrong-Jones like the sons-in-law of Queen Victoria takes an appointment abroad the Commonwealth will not be displeased though Dominion statesmen must approve any selection made in London for a post.

The rise of the Tudors to powers may indicate that the absence of a coronet is no handicap for one marrying into a royal house while the fall of most dynasties in Europe has limited the field of choice that was open to Queen Victoria a hundred years ago. Some will say that the influence of Prince Philip has been potent and even the starchy ruling house has come down to earth. Others will say that Altrincham's remarks on the stuffy Court bound by its code has made an impact and the entry of Armstrong-Jones into the Court Circle is a sign of the National Review having scored in what is called the century of the Common peer.

One may add that princely houses in India have already come down much farther and the entry of princes into business not only as directors of companies is a sign of the time. Former rulers are not only in politics but working up a City connection though the Directory of Directors in London (there is no counter part here) has not yet noted that blue-blooded financiers have emerged in India. And it is primarily money that has provided the base for the growth of some successful enterprises in the present as well as the past. The use of privy purses for purposes of development can only excite admiration and what was said about sugar factories making good easily in Rampur may be said also of concerns like Travancore Rayon which got going with State aid. Princely patronage of new enterprises in the past was limited to the taking up of debentures but most princes today will think of participating rights and the Darbars too may think of dividends first and last.

Britain's Textile Institute

Britain's Textile Institute, founded in 1910 to serve the needs of scientists and technologists working in the textile industry, is 50 years old. This period has seen the introduction of man-made fibres and new treatment of natural fibres to enhance their existing properties.

During the golden jubilee year, the institute is arranging two conferences that are likely to make yet further contributions to technological understanding.

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The Assam Government have finalised the draft outline of the Third Plan which will be submitted to the Planning Commission after approval by the State Planning Sub-Committee. This completes the series of State Plans that started coming after the ground was laid by the inauguration of official deliberation on the Third Plan by the Centre.

The Third Plan frame drawn up by the Assam Government envisages a total expenditure of Rs 145 crores on State Sector, and has, as its pre-eminent aim, the raising of the per capita income of the people by 25 per cent. At present, the per capita income of the people of Assam is Rs 272 against the all-India average of Rs 290. Considering that the Third Plan envisages a 25 per cent increase in the per capita income of the whole country, the State's Third Plan would make no difference to its relative position *vis-a-vis* the country in respect of per capita income.

The draft outline envisages to afford compulsory primary education to all children between six and eleven years. This was a commitment which the State Government could not evade in view of the desire expressed by the Central Government to complete the programme on a nation wide basis in the course of the Third Plan. For this reason, education with Rs 21 crores outlay, gets the second largest allotment.

Allotments for industrial development and agriculture are, in comparison, modest. Agriculture as such gets an allotment of Rs 8.67 crores but if allotments for community development, co-operation and panchayats are included, the total will exceed expenditure for education.

With no new schemes being envisaged, the State Government seem evidently content with an allocation of Rs 8.3 crores for industrial development. However, the Barapani hydel project and the Naharkatiya gas projects set for completion during the Third Plan should open up opportunities for industrial development during the Fourth Plan.

With the laying of the foundation-stone of the Jamma Lal Bajaj Sagar Project near Banswara, a district headquarter in the Udaipur Division, by Mr Morarji Desai; Union Finance Minister, the Rajasthan Government have embarked on one of the largest projects ranking in importance and size next only to the Rajasthan Canal, Bhakra and the Chambal projects. The project will comprise a dam on the Mahi River in the Southernmost part of the State with a capacity of storing 60,000 mcf of water and will, on completion, irrigate an area of 67,000 acres and generate 40,000 Kws of power. The

estimated cost of the project is Rs 8
crores.

The areas which will be irrigated by the Project, are populated preponderantly by Adivasis and are consequently backward. Because of uncertainty and shortage of rains, agriculture which is the main occupation of the people, is unenterprising and low yielding. Cultivation is mainly done in Kharif, and Rabi is confined only to those areas where wells can be successfully dug. For these people, the project has opened up vision of a new era of plenty and prosperity. Apart from the new potentialities in agriculture, the region is also rich in mineral resources which should lend itself to exploitation on the basis of the power that would be available on completion of the project. Such development could be expedited if it is oriented in the direction of small scale and cottage industries. This would provide additional employment to the hitherto economically backward people. The existence of vast forest resources indicates another field in which the energies of the people could be beneficially employed.

The Gujarat State Road Transport Corporation, inaugurated on 1st May, faces a tremendous task in improving and modernising road transport in the newly constituted State. Out of a total of 12,362 miles of roads, nearly 61.12 per cent of the roads are "kutcha" while 17.94 per cent are good asphalt roads. Only 2 per cent of the roads are cement concrete roads. What the Road Transport Corporation has immediately and urgently to tackle is the suspension in traffic that follows in the wake of the monsoon. Out of a total of 976 'schedule routes' about 400 have at present to remain suspended during the monsoon because of the bad condition of the roads and the lack of culverts. Such suspension of services in the monsoon, it is feared will involve the Corporation in heavy losses of revenue. Mr Vadilal Mehta, Chairman of the Corporation has calculated the annual loss arising from this reason at Rs 52 lakhs. The priority aim in the endeavour of the Corporation should therefore be to stop this drain by reducing the number of routes suspended during the monsoon.

An anomalous factor making for uneconomic operation of the road transport services is the unfavourable load factor. While in peak periods, vehicular utilisation is about 74.4 per cent, in slack season, this drops to 44 per cent.

The first meeting of the Board of the Corporation which was held last week, has revealed that the Corporation is fully alive to its heavy responsibilities. The Corporation, it has been made clear, leans mainly on increase in operational efficiency for wiping out prospective losses. Mr Mehta, has talked in terms of a five-year industrial truce between the Corporation and its employees to forestall possible losses that might be incurred on account of labour troubles. Such an agreement, if it materialises, should provide the

needed impetus for road transport development in the new State.

The scarcity of electric power in Kerala, inspite of its abundant power potential, has assumed gigantic proportion so as to cause worry to the authorities and industrialists. The installed capacity of the completed projects totals only 117,500 k.w. The authorities have formulated a scheme for generating an additional capacity of 129,000 k.w. during the Second Five Year Plan. But the implementation of the scheme has been much delayed due to multifarious causes. The delay in securing technical clearance from the Planning Commission and difficulties for obtaining foreign exchange forced the authorities to postpone the work on the Sholayar and Panniar projects. Again the difficulty in getting import licence and foreign exchange for part of the equipments required for the Neriamangalma project almost made the commissioning of the project rather impossible.

But for these obstacles the power supply position in the State would have been much better, for the timely implementation of the various projects would have reached the 246,500 k.w. mark. In anticipation of this, the State Electricity Board entered into agreements with industrial undertakings like the FACT, the Premier Tyre Factory, and the Travancore Rayons. This will make the position still worse and it is estimated that the power deficit in the State by the end of the Second Plan will be to the tune of 45,000 k.w.

The State cannot depend on power producing agents like lignite and coal, for they are conspicuous in Kerala by their absence. Naturally the only recourse the State can have is the generation of power from the water supply. It is indeed gratifying to point out that the authorities have formulated a Master Plan for tapping the water resources. The priority the planners has accorded to hydro-electric schemes makes good sense for most of them are multipurposes providing irrigation and flood control along with electricity. The projects recommended by the Study Group and the Working Group to be included in the Third Five Year Plan are the Pamba Second Stage, Idikki project, Ooralkuzhi, Silent valley, Lakshmi, Poringalkuttu Right Bank and two thermal power stations. The Study Group alleges that the extraordinary delay in getting sanction for the State's power projects is the extreme pressure put by the Madras Government on the Planning Commission and the Union Government for diverting a portion of Kerala water to that State. It felt that the bogey of Madras claim claim to Kerala waters should cease to threaten and delay the approval and execution of the projects which are very vital for the State.

Mysore State Chief Minister suggested to the 8th annual meeting of the All-India Printers Conference at Bangalore last week that a common script for all Indian languages would greatly facilitate mechanisation of printing.

Mr K.C. Reddy, Minister for Works, Supply and Housing, Government of India, was at pains to convince the Conference printing specialists that the Government of India was ever treating that industry in a different manner than they did the printing in the public sector. Both the sectors, Mr Reddy said, faced the same difficulty in regard to foreign exchange availability. Though the Central Government had planned sometime ago to establish two Printing Presses on up-to-date style, one in Kerala and another in Coimbatore, Mr Reddy confessed, these could not be instituted due to foreign exchange difficulties.

In this connection Mr Reddy, as indeed other Ministers in the States and the Centre, welcomed ideas of manufacturing printing machinery in India itself assuring such of the pioneers with "good government assistance." He also referred to what he himself described the 'critical' paper supply position in the country and pointed out that the Union Government would effect a 20 per cent cut in their requirements and distribute this saving to other purposes. The Government had been trying to establish paper factories—15 to 20 units to begin with in medium and small units, but Mr Reddy was quite not sure that the plan would be of immediate help as it would take at least two years more to materialise.

Mr H. K. Dass, President of the All India Federation of Master Printers, in his presidential address referred to what he called the "staggering shortage of raw materials," paper, board, chemical plates and metal sheets. This obliged the printers in the country to run crippled and out-of-date units with lower productivity but with rising labour costs.

Mr Dass complained that the Government had completely ignored the requirements of the printing industry, and alleged that this industry did not enjoy its due share proportionate to its industrial strength and importance. While pleading for representation of the Printing Industry in the Import Advisory Council, he charged that costly foreign exchange allocated did not have the full utility and a considerable portion of it was being wasted. Auxiliary equipment was not allowed to be imported with the result the original imported machinery could not be utilised to its maximum capacity. He felt that since both the Central and State Governments already had expanded their activities considerably, their future requirements should be treated under a separate category altogether leaving the license in the trade to be utilised in full to the benefit of small printers.

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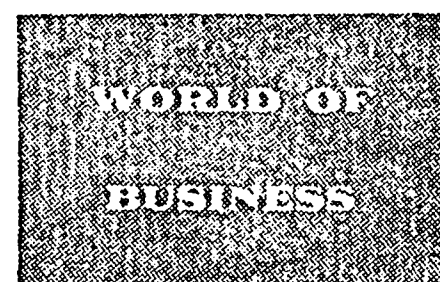
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Reasons for Paper Scarcity

Addressing a meeting of paper manufacturers, wholesale and retail dealers, printers and consumers at New Delhi, Mr Lal Bahadur Shastri, Union Minister for Commerce and Industry, warned the industry against continuance of mal-practices in the distribution of paper. Mr Shastri was evidently concerned with complaints voiced by consumers about shortage of paper. But Mr Shastri does not seem to be entirely correct in blaming the manufacturers, wholesalers and retailers for the scarcity the root cause for which lies in the rise in consumption that has followed the Government's attempts to step up education around. The fact is, the Second Plan for the paper industry did not envisage the elimination of paper imports into the country. The Plan targets for capacity and production were 4,50,000 tons and 3,50,000 tons respectively. The capacity already achieved including in this schemes under production and schemes covered by import licences exceed the target by a fair margin of 1 lakh tons. Production is near 3 lakh tons and has to be stepped up by 50,000 tons to fulfil Plan commitments. Consumption, however, has grown at a faster rate and has led to scarcity.

In such a situation, it will not be a wise move on the part of the Government to have the State Trading Corporation take up the distribution of paper as has been threatened by Mr Shastri. While mal-practices, if there are any, in the distribution of paper could be ended by the State Trading Corporation being asked to handle paper distribution, the scarcity will remain inspite of the STC as long as production is short of requirements. From the point of prices, the experience with the STC's handling of cement distribution should damp public enthusiasm in favour of a similar step in respect of paper.

Current scarcity should point to increase in production as the only solution. Third Plan envisages self-sufficiency in respect of almost all grades of paper and has fixed a target of nearly 7 lakh tons. This involves an uphill task for the industry which finds itself financially crippled to plan for expansion for lack of adequate returns allowed by the Government on invested capital. The 12 per cent recommended by the Tariff Commission has been accepted by the Government, but has failed to

satisfy the industrialists who are able to quote from the recommendations of the National Council of Applied Economic Research, a body set up by the Government, in favour of additional funds to rehabilitate plant. The assurance of reconsideration of prices after lapse of reasonable time held out by Mr Shastri is little comforting.

West German Aid

A second loan amounting to 30,000,000 dollars is reported to have been offered by West Germany to India to help finance her development schemes. This would take the total loan sanctioned by the West German Government to 70,000,000 dollars. While India's appeals for aid have always met with warm and friendly response from the West German Government, the India Government became justifiably concerned with the terms of the first loan which made it impossible for India to draw on the loan sanctioned by the West German Government. It was not anticipated that the condition that West German Exporters to India should have their names registered with 'Hermes', the West German credit insurance department, would slow down the process of utilisation of West German credit. Further the fact, that under the terms of the first loan, the West German Government had to raise market loans to raise funds for India operated similar effect. As market loans were subject to fluctuations, this method of assistance was not considered appropriate to the business of foreign exchange assistance.

Representations made by the Government of India about the restrictive effect of the terms of the first loan, seem now to have borne fruits and the restrictive conditions have been dropped in respect of the second loan granted by the West German Government. It will no longer be necessary for the West German exporters to India to register with Hermes and this removes the first obstacle against full utilisation of West German credit. India's complaint with respect to the second condition has also been satisfactorily met by the West German Government agreeing to use their own funds or the surplus funds available with the Banks to offer assistance to India.

More Fertiliser Factories

Two factories producing fertilisers in Kerala and Sindri can by no means be expected to meet the demand for fertilisers which has been growing fast with the availability of other facilities for progressive agriculture, and without more factories to produce fertilisers particularly in States chronically deficit in foodgrain production, there can be no solution to the problem of foodgrain shortage. In the State of West Bengal, foodgrain production is far short of requirements being accounted for

by among other things extreme insufficiency in the supply of fertilisers. There are nearly 11 million acres of land under paddy and at the rate of 30 lbs of nitrogen per acre, which is the minimum dose, the absolute minimum of requirement of fertilisers works out to 143,000 tons of nitrogen per annum equivalent to about 0.70 million tons of sulphate of ammonia. A fertiliser factory to meet local requirements was just a bare necessity. For this reason, the Planning Commission's approval of the scheme drawn up by the West Bengal Government for setting up a fertiliser plant at Durgapur should be a matter for gratification.

The project is estimated to cost Rs 24 crores in capital expenditure including housing and external supply of services to the plant. The total return on this basis, of capital investment and 333 days operation is likely to be Rs 3 crores per annum excluding taxation. The capital investment should, therefore, be recoverable in approximately 8 years. The project has also high employment potentials. While about 2000 people will have employment directly in the plant, another 10,000 people getting in direct employment. The reason behind the selection of Durgapur for the location of the plant lies in the availability of synthesis of ammonia in required quantities as well as availability of water in plentiful supplies.

Malayan Rubber Industry

The postwar prosperity of the Malayan rubber industry is due to the expanding demand for rubber and the virtual elimination of Indonesian competition. Consumption is still rising, and the plantation product is assured of a market in Russia too. Stability in rubber prices has forced many to revise their views on the place of synthetic. It is assumed that new synthetic plants cannot produce as cheaply as estates. This is calculated to strengthen faith in the future of Kerala estates. But for the South Indian producers the revision of prices by the Tariff Commission is more important since costs are up and controlled prices do not leave a margin for replanting and new cultivation.

After the official inquiry opened in March there has been an undercurrent of optimism, derived in part from the local stock position and the advent of new tyre companies which will need rubber. The continuance of imports at a higher price is also an argument for adjustment of the controlled price and the estates have been asked to step up yield. Malayan experts have been deputed to help in the development of rubber-growing and some companies have since 1958 been able to raise production. The persistence of small holdings is a handicap to which attention will be drawn. The co-operative method can be adopted to

the needs of estate cultivation and Malaya's example in regard to manuring and protection of trees may be cited again. The outlook for raw rubber is decidedly better than that for coffee, since rubber does not figure in exports and the domestic price is below that quoted in Singapore. The end of the emergency in Malaya may stimulate exports to the USA where the fears of a trade recession have disappeared. It is on this score that consumption is estimated to rise to over two million tons per annum and India too may be expected to develop a bigger demand since the cycle and automobile industries are dependent on a larger supply of rubber. The difference between tea and rubber is now obvious to local investors and recent company reports have certainly strengthened faith in rubber shares quoted in Madras, with Cochin Malabar well ahead on prospects of a larger crop for 1960-61. The 3 rupee shares have improved to 8.30 xd.

Polytechnics

The increased importance accorded to the advancement of technical education in India, especially after the attainment of political independence, is now gathering momentum toward the goal of economic independence. Even though we are rather far off the mark, our achievements in the field are by no means small. Yet the technical backwardness of the country can be easily gauged from the yawning gap between the demand and supply of technically qualified hands. Efforts at both the Governmental and private levels for bridging the gap are indeed numerous but they were able only to meet a fringe of the demand. As our Prime Minister has remarked India's need for technical personnel will, for a long time to come, be insatiable. Schemes for expansion in the field of technical education will have to be formulated by providing due weight to the size and diversity of demand. An integrated programme from the lowest to the highest levels, which would cater to our needs, seems to be the need of the hour.

The Government of India's decision to increase the number of polytechnical institutions in the country during the course of the Third Five Year Plan is really commendable. Outlining the Government's programme for the next Plan, Mr K. N. Sundaram, Assistant Educational Adviser to the Union Government, in the course of his address to the members of the Madurai-Ramnadu Chamber of Commerce, revealed that about 113 polytechnic institutes will be opened during the next Plan. According to an estimate of the Government of India, by the end of the Third Plan the schemes of technical education will produce about 40,000 engineering graduates and 82,000 diploma holders.

MORALS, more weighty than American clumsiness which, alas, is only too painfully evident—are to be drawn from the shooting down of the Lockheed U-2 that was on a spying mission over the Soviet territory. If, that is, morals are at all worth drawing. That they are not may well be the only one to be drawn. For an unpolitical person, it is a matter of gloomy wonderment how topsyturvy the world can get. On the face of it, it seems crazy that the very future of mankind should be so thoughtlessly jeopardised, ironically enough by an act of espionage to make it more secure. After all the boasting about the striking power of the Strategic Air Force, the Russians may well be forgiven for imagining that the intruding aircraft was carrying a nuclear bomb. That they did not and still shot it down—with a rocket too—only shows their own trigger-happiness, though excuses can be made with greater plausibility for them than for the Americans. If anyone were to tell me that the fact that the Russians did not start a war is evidence of the baseness of the fears for the future, I would consider him mad beyond ministration. This morning's paper informs me that Khrushchev has said that 'if there were any more spy flights over the Soviet territory, the Soviet Union will destroy the bases from which they come and that this means war'. This may well be bluff but you can call it only by taking a risk that you have no right to take. And when the provocative act is as disreputable as the present one, the last shred of respectability will be torn and the appalling moral nakedness underneath will be exposed to all the world to see.

And what right have the politicians to bring the world so near to annihilation by the very excess of their morbid fears? And what about the pretence of democratic rule being by consent, when a whole area of activity is hidden from public vision and is exposed only when something goes wrong? I know the usual answers that rest their case on the need for democracy to come to terms with the requirements of Power. But the moral basis for such mental reservations have always been shaky, and present day reality has only increased its wobble. Fifty years ago, when the world was comparatively stable and when the choice before mankind was not so catastrophically confined too, and when it was still possible to think of an unending series of wars without particular loss of sleep, such equivocations were accepted without too close an inquiry. But politicians who get our votes on platitudes about space, carry no

Clive Street Gossip

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

mandate from us to take us, knowingly or unwittingly to our extinction.

Even within the framework of accepted notions of power politics, the incident has much that gives cause for gloom. It is not only that the double-talk and double-dealing of politicians that stand exposed, but what is infinitely more tragic, it is the double-think that has been shown up. The essence of the double-think is that you are unconscious of the dichotomy in your mental processes. In earlier and more sophisticated ages like Renaissance Italy or our own Mauriyan period, you had people who understood the rules of the power game,—which were merely that there are no rules—and consciously employed them. The power game was recognised for what it was and there was no overlaying and when 'moral' and 'humanist' considerations entered at all, they did so to subserve power. This certainly was 'honest' after a fashion and in any event, unambiguous, and where ambiguous, it was the consequence of conscious equivocation. Not that Kautilya or Machiavelli were 'irreligious' in any conventional sense, though of course, they were deeply 'immoral'. Indeed, our own age, as Polany argued in a recent article suffers from excessive and even obsessive moral pre-occupation. And it is precisely from this that all our difficulties flow, including the embarrassment of double-think, which in many ways is more venial than double-talk, but more embarrassing when exposed. (That is why Mr Khrushchev has been able to go on as he has been doing simulating horror and moral indignation and the Americans are shame-faced and apologetic.) What has been happening for a long time now and especially since the end of the first world war is that politics has been overlaid with moral considerations of a fundamental sort. And yet the basic reality of politics has always been Power. The incongruity of these two has come up again and again in the last three or four generations in various forms. Ever since the Wilsonian era in international politics commenced, we had the spectacles of professors and Dons becoming politicians and doing fairly well until the ugly hand of naked power strangled their politics.

Latterly this incongruity has not been exposed in such grisly fashion, but it has been in ludicrous fashions. This absurdity is particularly heightened by the transformation of politics into a public relations job. Throughout the better part of the last eight years, President Eisenhower has been projected into public consciousness as a benign father figure. And so, indeed he is, in essence. (The secret of public relations is not lie, but subtle exaggeration.) But when he justifies as he did last Wednesday the spying mission on the ground that the Soviet Union is excessively secretive, and it was necessary for America's own security that the information must be obtained, the figure was badly out of focus and we saw a caricature. The argument itself is very specious, but the interesting thing is that it should be advanced at all. The same arguments have been advanced by other Americans with greater uncton and self-righteousness. On the rules of the power game, the argument is tenable, but then, Machiavelli would have scorned the self-righteousness. The same self-righteousness takes many forms even among intellectuals. When Mr Kennan mildly suggested that the differences between the American and the Russian society were not absolute but relative, it shocked his interlocutor. The simple test would be

to ask how Americans would have reacted to a hypothetical situation envisaged by James Reston: "Supposing Russians had bases in Mexico from which all kinds of planes flew daily along Texas border, what would the Americans do? "Our instruments are so close at the point that they can actually pick up interplane communications of the Red Air Force flying over Soviet territory and track down missile tests inside Soviet Union." Reston wrote this before the US admission that the plane that was shot down was actually on a spying mission. Now would Americans have made the kind of excuses for the Russians that they are making for themselves? Eisenhower's reference to Russian objection to open skies proposals was particularly inept since none has normally a right to forcibly enter my house if I, for whatever nefarious reason, don't ask him.

The truth is, there is confusion even over the formerly well defined conventions about espionage. A spy was a patriot after his fashion, but it was part of the bargain that he is an outcaste. He is essential, but expendable. Indeed, the first duty of a spy is not to get caught and if caught to die rather than betray his employer. Mr Powers seems to have been not a particularly good spy though a good photographer and flier. (In justice to him, it must be conceded that the versatility expected of a modern spy is of an impossibly high order. A spy has these days to be a nuclear physicist to be any real use, as Soviet Union, which foams at the mouth about the recent incident knows only too well.) Apart from the fact he got caught—which among spies, is the ulti-

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mate indignity here again, the poor man had the odds heavily against him, since he had to reckon with rockets—he did not play the game. His baggage contained some odd items like a ring about which Khrushchev was very facetious,—but it also contained a poison needle and an equipment to blow the whole thing up. The fact that he did not use these and what is more important, the fact we do not find it in our hearts to blame him,

shows as nothing else can be the peculiar incongruity of our politics. Personally speaking I would rather have Powers alive, but then I would wish the need for espionage to disappear.

But the real clumsiness of the Americans arose in the early denial and half hearted attempt at trying to make it appear to be something else. It may be true that it would have been difficult to carry the

bluff through, but it seems to me in any earlier age—and I hope I am not wronging Russia in saying it—if Russia had been caught in the act, the attempt would have been made. It was characteristic that the US should have come out with the truth and what is more important with a justification for it. But more difficult is to justify the timing of this particular expedition. Eisenhower is admittedly not responsible for it, but it was

exceedingly stupid decision whose-soever it was and it illustrates the danger of leaving the initiative in such hands. And in the nature of things initiative has got to be left in such hands and that is another cause for gloom for the future. And if as Harold Stassen suspects the act was deliberate to wreck the prospects of the summit, then not even God can help us.

★

It is easy enough to rate the US for the incident as indeed it richly deserves to be. But let us restore a certain sense of proportion. I have a feeling that Mr Khrushchev is over playing his hand going about the way he does. Considering Russian record in espionage, it is plainly ridiculous for him to strike the postures he is doing. Considering that how a good deal of information on which Soviet parity in strength was raised was stolen and sold to them by spies a hundred times cleverer than Powers, Mr Khrushchev would find the throwing up his hands in horror for too long a time a little cramping. It is true that they have not yet been caught in acts like the one in which the Americans were, but there is no doubt that they are at it all the same. (In fact every one apparently is at it. The British Foreign Office refuses to comment on reports of Britain's own little excursions, but the silence is eloquent.) Russian planes have been known to stray into Pakistan and Alaska, but so far the most charitable interpretations have been put on it. But if such planes are shot down by a man a little quick on the trigger, we may find the occupants carrying, besides rings for Martian beauties, photographs of missile sites.

★

The incident has morals for Pakistan too, which, one hopes it will be quick to draw. Mr Khrushchev has not been slow to draw it for its benefit and though the US has given its assurances of standing by its friends, it is a little embarrassing to find that one's friend has been using one's flat without so much as one's leave for disreputable purposes.

★

The weather for the summit is perhaps not too favourable, but there is still reasonable ground for hope that the "mountaineers" will at least try to make the climb. The weather that is upsetting me is the brand that we have been having over the last two weeks (it surely appears to have been much longer than that) in this city of ours. The unrelenting heat and the relentless sun have sadly sapped energy and, except in the evening, one dreads going out. What, I wonder, happened to the thunder-showers that were so cheerfully forecast for the last day or two? Gone with the wind, I suppose.

EAVESDROPPER.

Indian Finance

14 May 1960

GATEWAY GOSSIP

Role of Advertising

ALTHOUGH some of the papers read at the first Advertising convention held in Calcutta recently would seem to indicate that there is urgent need for telling our people the why of advertising, it must be admitted that there is greater awareness now than ever before that advertising is part and parcel of industry and commerce. There is no denying the big strides that advertising has made in India in recent years along with the significant development in many fields, particularly industry. But when compared to some of the economically advanced countries, it is still in its infancy in India. Astronomical sums are expended every year, for instance, by US business on advertising. The present rate of annual outlay in that country runs to about \$10,000 million a year and the expenditure in this regard in some other countries is also quite impressive. Such huge amounts will not be spent by those who have always an eye on profit had there been no commensurate return.

Advertising, however, is not merely a means to make profits. It performs a very valuable function in a country's economy. But for it the pace of economic progress of the advanced nations might perhaps have been slower. By creating an interest in new things, advertising makes people strive for the good things of life. Striving leads to more effort which in its turn results in increased production. This cycle may either be weak or totally absent if there had been no advertising to generate the urge.

Once the power of advertising is realised, the big search for the proper media to pass on its message to the people begins. One has only to make a brief look at country like the US to know the large variety of media used. Newspapers, radio and television play the major role while there are many other media available for the advertiser to transmit his message to the potential buyer. In India the advertiser has no such wide choice. One of the important means of communication, the radio, is not available to him while his counterpart in most countries is able to reach a large section of the public through this medium. Government are resisting attempts at commercialising radio presumably on the impression that radio's usefulness to the public will be curtailed.

But it cannot be said that although impressive has been its progress in recent years, advertising has made full use of even the media that are available to it.

Furthermore, advertising is yet to show the energy and resourcefulness with which it is associated in countries like the US. Its comparative sluggishness in India stems from the many handicaps it suffers here.

Some of the problems facing advertising in India have been referred to by Mr Chinubhai Kilachand, Chairman of the Indian Society of Advertising in his speech at the Eighth Anniversary Celebrations of the Society in Bombay early this week. Our mixed economy has made Government an industry and business besides their other activities. As is to be expected of any businessman, Government have also well recognised the role of advertising in national life. Government's confidence in advertising is borne out by the fact that they are the biggest single advertiser in the country today. Even with this rapid expansion coupled with the sizable increase in the quantum of Government spending advertising in India is yet to carry extensively the expert's touch. The practice of routing Government advertisements through an organisation of their own is perhaps partly responsible for the retarded growth. Mr Kilachand has rightly pointed out that for Government Advertising to be effective, it is necessary that it is based on proper understanding and appreciation of it as a means of communication. He further opines that even granting that the organisation handling Government advertising is efficient, the result of such unilateral approach is very likely to prove to be ineffective because of the danger of transmitting the advertiser's message in a stereotyped form. The scope for attracting the attention of a wide variety of people definitely will be better if a number of competent organisations are enabled to participate.

A high standard in advertising also depends on the calibre of its trained personnel. The fact that advertising in India is fast expanding does not seem to have been noticed by our Universities. There is practically no facility in our country for higher training in advertising. The Universities who alone can be of help in this regard are, for some unknown reason, yet to give this field its due recognition. It is time our universities emulated the example of some of the foreign universities. The London School of Economics, the New York University and the City College of New York award degrees and diplomas in advertising. In many of the European universities advertising forms part of course in Business Administration. It cannot be argued that there is no need for such courses in our universities because an adequate number of students may not be coming forward. For, advertising is sure to have a bright future in India and already there are clear indications that industrialists, businessmen and traders, not to speak of a large number of people not included in the

above categories, are evincing increased interest in advertising. When some of the still prevalent flaws are eliminated advertising will truly come into its own in India.

OLYMPUS

Centre's Non-Plan Expenditure

THE Estimates Committee of the Second Lok Sabha has recently drawn up a report on the growth of civil non-Plan expenditure. The principal 'finding' of the Committee is that out of a net revenue of Rs 3,372 crores accruing to the Government of India during the Second Plan period, the balance actually available for the Plan is Rs 440 crores as worked out below:

(In crores of Rs)

Revenue receipts accruing to the Centre	3,372
Non-Plan expenditure	2,932
Balance from revenue actually available for the Plan	440

On the assumption that Rs 252 crores were available for the Plan from the anticipated proceeds of revenue at the 1955-56 rates of taxation, the balance, namely, Rs 188 crores (Rs 440 crores minus Rs 252 crores) should be taken as accruing to the Plan from the additional measures of taxation during the five-year period. As the net additional receipts accruing to the Centre from such additional measures of taxation and from better collections from existing sources of revenue comes to Rs 792 crores, it would appear that the balance of Rs 604 crores (Rs 792 crores minus Rs 188 crores) of additional revenue raised has been absorbed by increases over the Plan estimates in the non-Plan expenditure.

The Finance Ministry's note to the Estimates Committee had, however, put forward a different argument as under:

"This inference—the inference that the proceeds of additional taxation levied by the Central Government since 1956-57 have been practically absorbed by the increases in non-Plan expenditure and not utilised for the Plan—is derived from the 'pairing' of the yield from additional taxation with the increases in non-Plan expenditure. A different conclusion would follow if one were to compare the yield from additional taxation with the expenditure on the Centre's Plan financed from revenue and revenue grants for the State Plans. Additional taxes levied by the Centre since 1956-57 are estimated to yield Rs 556 crores during 1956-60. Of this, the States' share is placed at about Rs 70 crores. Thus Rs 486 crores was

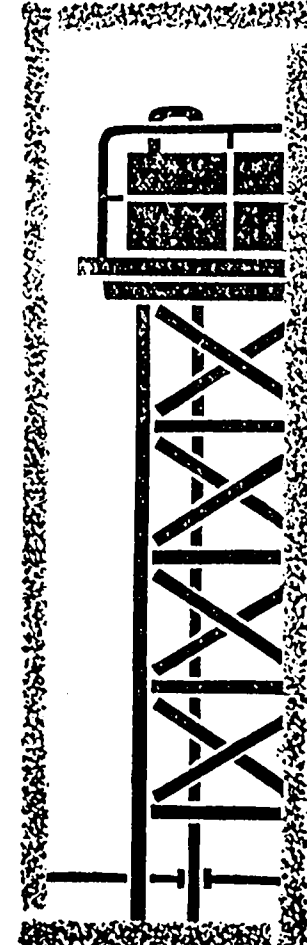
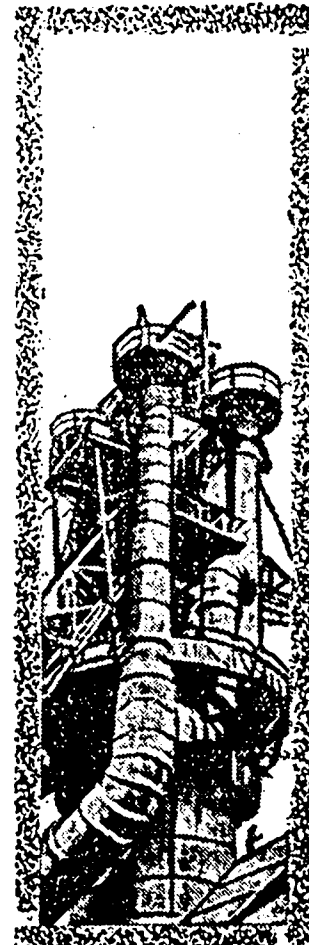
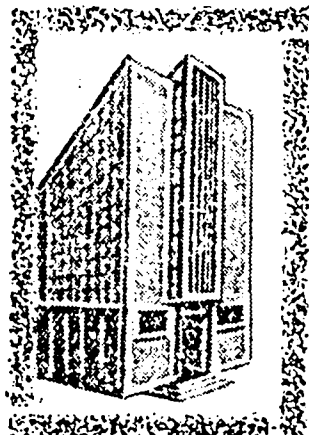
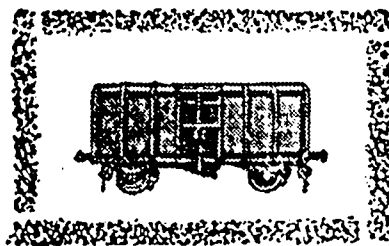
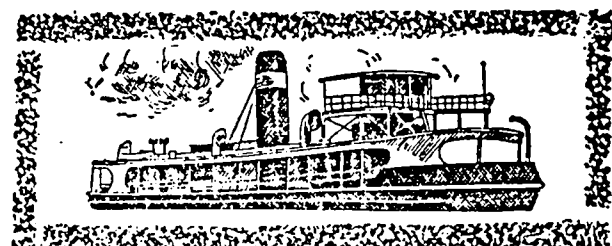
available for disbursement by the Central Government during the first four years of the Second Plan. Over the same period the expenditure on the Centre's revenue plan and revenue grants for the State Plans as estimated by the Planning Commission aggregated to Rs 422 crores. Thus one could argue with equal force that nearly the whole of the proceeds from additional taxation available for disbursement by the Centre was utilised for financing the plans of the Centre and the States.

"It will, thus, appear that the conclusion depends upon the choice about the 'pairing' of a part of revenues and a part of expenditures and no conclusive point can be made by such analysis. This is not to deny the increases in expenditures both under the Plan and outside".

The Estimates Committee, however, has rejected the above argument advanced by the Finance Ministry. The Committee has relied, in this connection, on a statement furnished by the Planning Commission. According to this statement, the total revenue expenditure (Plan and non-Plan) during the first four years of the Plan was Rs 2,744 crores against which the total revenue receipts during the period was only Rs 2,620 crores; there was thus a deficit of Rs 124 crores on revenue account. The balance available from the revenue after deducting non-Plan expenditure was only Rs 298 crores. In the circumstances, according to the Estimates Committee, though Plan expenditure to the extent of Rs 422 crores is shown to have been met from revenue, the actual amount of Plan expenditure that could be met from revenue would be only Rs 298 crores (Rs 422 crores minus Rs 124 crores). On the other hand, the Committee consider that in whatever manner the revenue may be paired with the expenditure it is obvious that while Rs 420 crores was expected to be available from the current sources of revenue and additional revenue was raised to the extent of Rs 1,644 crores during the full Plan period, the amount available to the Plan would be only Rs 439 crores.

All this seems to be a case of juggling with the figures, and the whole thing is rather confusing. It would, however, appear that there is some valid point in the Finance Ministry's argument, particularly on the score of revenue grants made by the Centre to the States, to 'others' and to local authorities. An aggregate of such revenue grants during the Second Plan period comes to Rs 865 crores; this figure is derived from the Economic Classifications of the Central Budgets. Of course, the larger part of these grants should have been in the category of "statutory grants" which are not related to the Plan. But it may be broadly estimated that such revenue grants as have been made for the Plan schemes plus the Centre's

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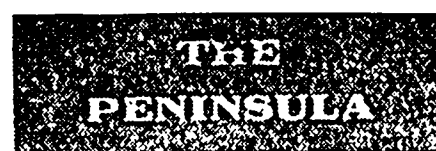
revenue plan expenditures should have accounted for about Rs 600 crores during the five-year period. If to this is added an aggregate of Rs 154 crores by way of savings on revenue account available for the capital budget during the period, something like Rs 750 crores should have been available for the Plan. In which case, the additional non-Plan expenditure would appear to be substantially less than what the Estimates Committee has estimated it to be. If this inference is correct, it would mean that the additional non-Plan expenditure may not have been significantly higher than what would be justified by a normal rate of growth of such expenditure. It would be rather an exaggeration to say that there has been an abnormal growth in non-Plan expenditure in the absence of agreement on what should have been a normal growth in such expenditure.

The Estimates Committee has, no doubt, recognised that the bulk of the increase in non-Plan expenditure over the amount envisaged by the Planning Commission is accounted for by Defence, statutory grants to States, debt services, increases of an accounting nature, such as transfers of certain items of revenue to capital account and write-back to revenue of capital losses and capital expenditure incurred in the past, and that expenditure on these items may not be susceptible of very close control. But the Committee believes that close control on expenditure should be possible on (i) non-Plan developmental expenditure, (ii) tax-collection charges, (iii) civil administration, (iv) administrative expenditure under developmental heads, and (v) administrative expenditure under Civil Works and Miscellaneous.

As regards (i) above, that is, non-Plan developmental expenditure, the estimated actuals for the entire five-year period is Rs 443 crores as against the expenditure of Rs 350 crores assumed in the Plan. The Committee asks why there should have been an excess of Rs 93 crores in such expenditure. Here the Committee does not seem to have considered that although the increase in such expenditure is outside the Plan, it is still developmental expenditure and, as such, not undesirable; that the price factor may have partly accounted for the increase in money expenditure; and that there may have been some sudden need for developmental expenditure not originally visualised in the Plan. So long as such expenditure is for developmental purposes, there should be elbow room for meeting sudden and unexpected needs such as port development if congestion develops or if there is a sudden increase in overseas demand for iron or other ores. A strait-jacket approach to non-Plan developmental expenditure would, therefore, be hardly realistic, but this aspect has been ignored by the Estimates Committee.

As regards (ii), that is, tax collection charges, the Committee's view is that there should be scope for some reduction in them. It has been worked out that the cost of collection as a percentage of the collection varies from 2.03 per cent to 2.34 per cent in respect of income and allied taxes, from 1.91 per cent to 2.17 per cent in respect of customs and excise duties and from 2.38 per cent to 2.78 per cent in respect of total revenue. The Committee has further noted that the percentage cost of collection tends to rise though one would have expected naturally that it would go on decreasing with the increase of tax revenues. As against this, the Government's view is that with the emergence of an integrated scheme of taxation, widening the scope of the various tax measures, and also with the growing need for plugging loopholes and preventing evasion, the tax collection charges have inevitably to go up and that a part of the increase is also attributable to the normal increments, increase in emoluments of low-paid employees and the effect of Pay Commission's proposals common to other Departments.

As regards the other heads pertaining to administrative expenditure, the Estimates Committee has stated that the increases are of considerable magnitude. Here, again, it has not indicated what should have been the normal rate of growth of such expenditure. Especially when, in the context of planning, administrative expenditure has a developmental import, it would not be fair to assert that the increase in such expenditure has been wholly abnormal. So long as there is no separate record of the expenditure on administration included in the cost of developmental activities, no hasty judgement is possible. If the Committee's suggestion that the total administrative expenditure be classified under broad heads such as administrative services, tax collection, developmental and social services separately under Plan and non-Plan heads and included in the Explanatory Memorandum on the Central Budget can be implemented, it will be very good indeed.



Problems of Cotton Industry

THE cotton textile industry, has in the last few years, presented a picture of abject confusion in its affairs. No two years have been alike in the prospects they indicated for the industry. Harassed by overproduction at one time and insufficiency of raw cotton at another, the progress of the industry was uneven and halting. Industrialists had to incur unprecedented

loss caused by accumulation of stocks. Mills had closed being unable to face up to the prospect of unrewarding production. Consumers have felt the pinch of rise in price that became inevitable with increased production costs. 1959 did not bring in any mitigation of the uncertainty under which the industry has been struggling. Prospects ahead do not appear any the better. For it is one chorus of unmitigated concern that is voiced by the employer class in the industry. Mr E. J. M. Leigh, presiding at the Thirtieth Annual General Meeting of the Shareholders of the Buckingham & Carnatic Company Limited, has reviewed the fortunes of the industry during 1959 in the course of which he has also shed considerable light on the problems that plague the industry and which have to be solved to put the industry on sound and healthy lines.

1959 was according to Mr Leigh a year of mixed fortunes for the cotton textile industry, a dull first half being followed by hopeful trends in the second. Exports were at a low ebb in the early months of 1959 being explained by unfavourable market conditions and particularly the competition offered by Red China and Japan. While this released more quantities for internal consumption, increased internal offtake failed to materialise in view of the rise in cost of living brought about by high food prices. The industry according to Mr Leigh also experienced dislocations in operations caused by restrictions placed by the Government on import of cotton required for the production of finer varieties toward which there has been a decided shift in consumer preference. Broadening export demand combined with setback received by the Japanese textile industry and recession in Chinese exports, gave Indian textile industry the opportunity to push up its foreign sales, in the second half of 1959. Exports for the whole year totalled nearly 790 million yards. Mr Leigh has expressed the view that were it not for the inordinate delay of the Government in issuing import quotas even on the restricted basis, the country could have gained more foreign exchange through larger exports.

Looking to the immediate future, there is hardly anything that is encouraging. Hopes of exceeding the 1959 exports and reaching the 1000 million yard mark have been rudely shaken by the sharp fall in the estimated cotton crop for 1960. After two successive phases of revision, latest estimates have finally placed the cotton crop at nearly 37 lakh bales. According to Mr Leigh, shortage is concentrated on those types of Indian cottons on which the bulk of the country's cloth exports are based. The adverse effects on exports will be keenly felt since conditions in foreign markets offer opportunities for consolidating gains already made. It will be even more disastrous, if consequent on the rise that

has taken place in the price of cotton, export markets were to shrink further. For, one inevitable sequel to fall in cotton crop has been a sharp rise in the prices of cotton, which at one time even threatened to get out of hand. While speculative elements have been more or less weeded out, the impact of the actual fall in production continues to be reflected in current cotton prices and could be countered only by increase in physical availability of supplies. The Government's assurance in this behalf should be acted upon by arranging for bulk imports.

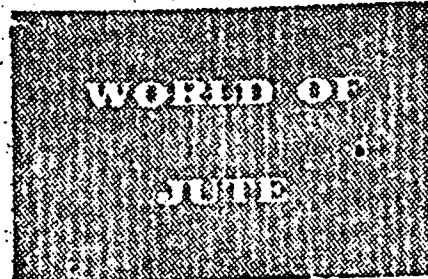
Over and above the rise in price of cotton, the industry is, by virtue of the recommendations of the Textile Wage Board, faced with a rise in the wages to be paid to workers in the industry. The Board has recommended a flat increase at the rate of Rs 8 per month for all workers of Bombay city, Ahmedabad, Nadiad, Surat, Phagwara, Hisar, Delhi, Modinagar, Calcutta, Madras State and Bangalore. For all other areas an increase at the rate of Rs 6 per month has been recommended. A further increase of Rs 2 on a uniform basis, has also been recommended from 1 January 1962. The recommendations of the Wage Board, it has been calculated, will impose a fresh financial burden on the industry to the tune of Rs 9 crores per annum from 1960 which will further rise to Rs 11.25 crores two years hence when the extra increase recommended by the Board will take effect. While no decision has yet been taken on the Board's recommendations, there have been signs of troubles in store for the industry from the side of labour, who would not brook anything that would delay implementation of the those proposals which relate to increase in wages payable to workers. The employers have genuine misgivings about the implications of accepting the recommendations of the Board. Mr Leigh himself is of the view that the findings of the Board are capable of different interpretations and therefore he wants an authenticated interpretation of the Wage Board's recommendations to be obtained by the Central Government.

In the light of these developments, namely the anticipated shortfall in cotton crop and the troubles brewing over the implementation of the Wage Board's recommendations, the prospects for the cotton industry during 1960 appear rather bleak. As Mr Leigh has observed, the most strenuous efforts will have to be made if even last year's figures of about 790 million yards in exports is to be achieved in 1960.

So far as the Buckingham & Carnatic Company Limited is concerned, it has remained away from the general trend in the textile industry. Mr Leigh has reported record sales at over Rs 10½ crores which reflects steady demand for the wide range of the company's products.

Indian Finance

14 May 1960



No Further Increase in Output

HECTIC conditions characterised trading in the jute markets during the past few days. The main reason for the sharp rise in prices continues to be the apprehensions about a shortage of jute not only in the current season but also in the next season. Even though it is as yet too early to assert that the next jute crop will be small, the fact dry weather conditions continue to prevail has encouraged the speculators who base their calculations on a shortage of raw jute. If there is no early improvement in weather in the growing areas, shortage will be too mild a term to describe the resultant jute situation: there will be a veritable jute famine.

A crisis in raw jute supply in September is deemed a possibility by the IJMA which has now decided to defer the further unsealing of looms from 1 June. In a Press Note issued on 11 May, the IJMA has mentioned the factors that have weighed with it in its deferment decision:

Owing to the lack of rain since that time (9 April when the IJMA announced its decision to permit its members to unseal an additional 1% of their looms with effect from 1 May and indicated that a further 1% or 1½% would be unsealed from 1 June) it is now evident that next season's jute crop will be late and although, given rain in the near future, it is hoped that the eventual size of the crop will not be materially affected, the Association nevertheless thinks it essential in present circumstances to defer the further unsealing of looms from the 1st June.

The Association is also considering the desirability of curtailing the production of jute manufactures from June or July onwards to such an extent as will ensure that the available supplies of raw material will last until new crop jute is received in quantity by the mills. In the interests of overseas buyers, of the country's foreign exchange earnings and of the jute mill industry itself, it is hoped that such a course of action will, not be necessary, but it will be generally agreed that from all angles a policy of controlled and gradual adjustment of production is

preferable to a crisis in September involving the total closure of mills.

Provided that the new crop proves a satisfactory one, the Association will aim to restore any cuts in production that may have been made and to continue its policy of progressive unsealing of looms from October 1960.

So, everything now depends on the weather conditions in the next few days. Even if the rains come a bit late than usual the crop can still be plentiful; but if the rains are inordinately delayed it will be indeed a serious matter for the world of jute. Even if Weather takes a prominent hand in the proceedings, it is up to those in the world of jute to ensure that raw material shortage, even if it is acute, in one season does not completely upset the overseas market. Somewhat higher prices are inevitable but the foreign consumer should be able to feel confident that the situation is not exploited by speculators to extract unduly high prices. In this light, the latest IJMA action is to be welcomed. The indication that mills may be asked to curtail production is a clear warning to the speculators in raw jute.

It is also gratifying to note that the East India Jute and Hessian Exchange has taken the view that a position of emergency prevails in the jute trade and industry. Heavy margins have been imposed on the May delivery. With effect from 12 May an additional slab of special margins have been imposed on trading on the basis of marginal price levels. The margins are Rs 51 for hessian and Rs 134 in case prices of hessian 40 x 10 cz May and B Twills May are Rs 51 or more and Rs 134 or more respectively. For August delivery the special margins will be Rs 23 for hessian and Rs 50 for B Twills in case prices are Rs 50 or more and Rs 132 or more. In the case of raw jute for September the special margin will be Rs 25 per maund in case closing price is Rs 41 or more. Further, maximum prices for August Delivery in goods and September Delivery raw jute have been fixed as follows: Hessian Rs 51, B Twills Rs 134 and raw jute Rs 43.50. These rates will be in force from 12 May to 31 July 1960.

PRICE TRENDS				
	As on 5th May	As on 8th May	As on 11th May	As on 14th May
Hessian: 45" x 11 Porters	Rs 35.25	Rs 40.50	Rs 45.00	Rs 49.00
40" x 10 ozs:				
Ready	49.95	55.50	54.00	54.00
June	49.10	55.25	54.00	54.00
July/Sep	49.20	55.25	51.00	51.00
Sackings:				
B. Twills:				
Ready	131.55	146.50	144.50	144.50
June	131.55	146.50	144.50	144.50
July/Sep	131.55	147.00	144.50	144.50
Ready Raw Jute:				
Assam Bottoms	42.50	58.00	52.50	52.50

JUTE GOODS STOCKS AS AT END OF APRIL 1960.

	(000 Tons)		
	April 1960	March 1960	April 1959
Hessian	29.3	27.9	19.6
Sacking	32.5	29.4	68.2
Others	14.8	14.6	17.6
Total	76.6	71.9	105.4

PRODUCTION OF JUTE GOODS:

APRIL 1960.			
(000 Tons & Metric Tons)			
	April '60	Mar. '60	April '59
Hessian	37.0	37.0	38.1
Sacking	44.4	45.0	37.9
Others	9.6	9.1	8.4
Grand Total	91.0	91.1	84.4
Hours worked	208.0	208.0	200.0



Prospects

LATEST export figures revealing larger shipments of tea and an all-round improvement in domestic consumption have encouraged the Tea trade to view the future outlook for the commodity with moderate optimism. In this context, it is thought that the 1960-61 season for North-Indian teas should make a satisfactory start, especially in view of the fact that the new crop may be delayed by a few weeks due to drought conditions prevailing in several growing areas

and the possibility of the crop being damaged.

The smart rise in exports to outside markets, during the period from July 1 last year and the middle of April this year, was mainly due to the substantial buying by the Sudan and Irish Republic. The purchases by these countries were sufficiently larger to offset the effect of the smaller off-take by Britain, Russia and Persian Gulf countries.

In respect of domestic consumption, it is generally felt that, if prices are not allowed to rise too much, it will grow much higher. In the context of the growing competition for Indian tea in world markets, it is recognised by concerned interests that the great potential of domestic market with a rising population should be fully explored. Once this is successfully done, Indian tea need not worry about its fate in markets abroad.

According to trade sources, stocks of tea in Calcutta, at the end of April 1960, amounted to 277,550 packages as compared to 294,994 packages at the close of April last year. Out of this, 164,928 packages were held in public warehouses and 112,632 packages in private warehouses. The corresponding figures for the end of April 1959 were 200,913 packages and 94,081 packages respectively. Besides, there were 208 packages of tea afloat as compared to 2,000 packages on the same date last year.

In the Internal Sale held in Calcutta this week, offerings were 23,095 packages of Dusts. Demand was good, but less active than in the previous sale. Orthodox dusts met with fair enquiry, but genera-

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Subscribed Capital	- Rs. 88,60,000
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Reserve & Other Funds (including share premium)	- Rs. 83,01,884
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lly sold at 2 nP per pound below last rates, except for the plainest kinds which often inclined dearer. Legg-cut Dooars descriptions were well supported although easier by 2 nP to 4 nP per pound.

Medium CTC teas came to a lower market, the brighter kinds registering a decline of about 6 nP. The poorer teas were 8 nP easier and sometimes withdrawn without a bid. The best CTC descriptions were irregular and lower. Following rates were quoted: Medium Dooars Dust Rs 1.98 to Rs 2.08; Medium Assam Dust Rs 1.34 to Rs 2.06; Medium Assam CTC Dust Rs 2.10 to Rs 2.28 and Best CTC Assam Dust Rs 2.40 to Rs 2.75. Also, 337 packages of Leaf grades were offered for internal consumption. There was a good demand.

In the Cochin market, offerings were 1.4 million pounds. Quality from all districts showed a further seasonal decline. There was a good demand for all teas with the exception of high-grown teas. High-grown Broken were virtually neglected and the majority were withdrawn without bid. Similar Fannings met with a limited demand at easier rates. Good Mediums and Mediums declined by 10 to 15 nP, while low-medium teas received better support and were easier by 5 nP to 10 nP. Plain kinds were sold irregularly 5 nP lower. There was better enquiry for black leaf descriptions, which were the strongest feature of the sale. Whole Leaf grades were firm. Following rates were quoted:

ed;—Low Medium Rs 1.80 to Rs 1.85; Medium at Rs 1.85 to Rs 1.95; Good Medium Rs 1.95 to Rs 2.10 and Quality Rs 2.20 to Rs 3.00.

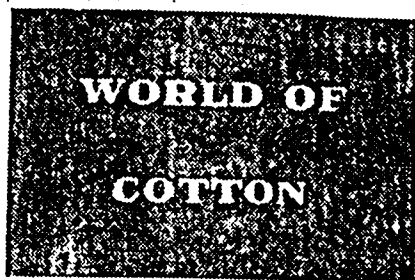
Tea shipments from Cochin, during the first quarter of the current year, have registered an increase of over 4 million pounds as compared to the figure for the same period of last year. Against 16,500,191 pounds shipping during January-March 1959, the quantity exported in January-March 1960 totalled 20,530,367 pounds.

In the Colombo market, the quality of the offerings was irregular with some invoices from western districts declining. There was a strong demand for high-grown Dimbula Broken Orange Pekoes and, after opening firm, the market hardened appreciably with prices irregularly dearer. Coloury mediums were fully firm. Low-grown continued to sell well at fully firm rates. A feature of the sale was the improved demand for better medium and high-grown BOP Fannings, which rose by 10 to 20 cents per pound.

In London auction, offerings consisted of 30,304 packages. The market continued to rule steady and prices followed previous rates. Useful liquoring teas were sold above valuation, while buying of the thinner liquoring and plainest descriptions was restrained. Traders feel that, from now on, the tendency for plain tea prices to go down when quality teas go up will not be as marked as in the past,

since plain teas are now less plentiful.

Tea stocks in London, as on 29 April 1960, were 158.53 million pounds as compared to 159.70 million pounds in the previous week. The total amount to be landed on the same date was 9.06 million pounds. Total afloat was 16.15 million pounds including from Calcutta 3.95 million pounds; from Chittagong 136,000 pounds; from Cochin 1.40 million pounds; from Ceylon 6.96 million pounds and from other Ports 3.70 million pounds.



Cotton Futures Firm

THE cotton futures market in Bombay which started on a sluggish tone depicted a firm tendency toward the close of the past week. The market moved within narrow limits for the major part of the week as interest was at a low ebb due to the absence of fresh bull support. But the persistent rumours that the Government of India might enhance the "ceiling"

prices for Indian Cotton for the 1960-61 season commencing from next September caused a smart rise in prices. Report of allocation of the balance of Indian cotton quotas to mills also lent fresh support to the market. The trade has been urging the Government for the past few months to increase the "ceiling" since the present "ceiling" levels fixed years ago are thoroughly unrelated to the prevailing conditions. The Textile industry and trade also appealed to the Government for lifting control over cotton, but it appears that the later instead of relaxing control, may tighten it up next month. A similar proposal for augmenting the floors by about 50 per cent per candy is also reported to be receiving sympathetic attention of the authorities. The rates for the Jharilla August after early dealings upto Rs 779.00 dropped to Rs 774.00 and finished around Rs 774.75.

SPOT MARKET:

The spot market at Sewri has evinced somewhat moderate interest in Laxmi, Kalagin, Jayadar, Digvijay CO2, L147 and Vijay following the release of some quota to the needy mills by the Textile Commissioner. Among the imported styles Jinga, Busoga, Sudan, Bukhedi, US cotton below 1" and Pakistan styles found favour with the spinners.

Total quantity of cotton permitted for import during the current year totals 1,220,000 bales. The

Indian Finance

14 May 1960

total quantity licenced and actual arrivals from 1 September last year till 16 April are as follows:—

Variety.	Quantity licenced.	Actual Arrivals.*
Egyptian	116,139	146,089
Sudan	72,697	58,384
East African	115,607	64,404
Peru, Pakistan		
& others	100,458	45,688
US cotton	295,063	50,795

*Includes quantity licenced in the previous season.

COTTON CONSUMPTION:

From the available figures a declining trend in the consumption of Indian cotton is clearly discernible. For example the consumption in March sharply dropped to 13,857 bales as against the 369,175 bales in February. It is alleged that the Textile Commissioner's directive to the Indian mills to restrain consumption of indigenous growth and other effective measures are responsible for this deep decline. Assuming that the present trend continues, the consumption of indigenous cotton during the second half of the current season will come about 21 lakhs while the actual consumption in the first half of the season totalled 23.45 lakh bales.

FOREIGN COTTON:

The restraining measures adopted by the Textile Commissioner in the consumption of Indian Cotton naturally reflected in the increased demand for imported varieties. The total consumption of foreign styles in March shot upto 54,107 bales from 45,583 bales consumed in February. It is also estimated that the current rate of imported varieties consumption may be pushed up further following the heavy arrivals which might start soon and due to the liberalisation in issuing import licences.

NEW YORK:

The movements in the New York futures market were more or less quietly steady, prices recording small gains during the early part of the week. The total exports during the week ended 28 April shot upto 317,158 bales. According to the report of the Commodity Credit Corporation, entries into the 1959 loan for the last week of April were 2,622 bales stepping up the season's total to 334,933 bales. The purchases made by the CCC under Choice 'A' programme for the week were to the tune of 2,559 bales. The informations divulged by the Bureau of Agricultural Economics of the United States reveal that mid April parity was 39.02 cents which indicates a 26 cent rise from the mid March parity.

LIVERPOOL:

Trading in the Liverpool futures market maintained a quiet tone throughout the week under review with prices fluctuating within a 10 point range. The May premium over July fell to 25 points. The Sudan Contract moved upto 100 points in conformity with the advance in the actual position.



Firmer Tendency in Tin Prices

TIN prices have been developing a firmer tendency during the past few weeks. On the London Metal Exchange, the rate has moved up to £791 from £783 a ton quoted at the beginning of last week. This is mainly due to the decision made by the International Tin Council to end the Buffer stock manager's authority to operate in the £780 to £830 a ton price range from 1 July, 1960. The Buffer stock manager shall only be allowed to sell the commodity from his stock when the price is above £830 a ton. In the past two years, he has been able to sell at over £780; and this is one of the reasons why the market has remained between £780 and £790. But the Buffer Stock manager has sold such tin at these levels that his remaining supplies are probably small. The ITC, therefore, appears to be resigned to the fact that the market will have to rise, especially when the scope for increasing supplies from normal trade sources is small.

Many operators on the London Metal Exchange are now afraid that serious shortage of tin may develop over the next few years. This fear is based on the fact that the world's remaining tin deposits are being used up and they are not being replaced. In this respect, Bolivia has already been forced to inform the Council that it is unable to fill its export quota. Elsewhere in the world, too, many dredges are working and will soon be exhausted. This is not a short-term problem; but something which can be progressively worse over the year-end.

Sugar

Sugar markets are ruling quiet despite brisk demand for summer and marriage seasons, as supply position is reported to be satisfactory following a further release of 1.85 lakh tons by the Government of India. But, despite the fact that there are no releases for free sale in Uttar Pradesh, the Punjab and Bihar, the commodity is available in the open market at Rs 115 per bag against the controlled rate of Rs 108.50.

Crushing operations, which are continuing in a few factories in the Moradabad division, are likely to close down by the middle of the month. In this connection, it may be added that the sharp increase in production by over 3 lakh tons during the current season so far

has been greatly helpful in easing the supply position and it has not been possible for the retail trade to rig up prices as it did about this time last year. It would appear, however, that the trend of consumption has been significantly upward and that the total may even be about 22 lakh tons during the 1959-60 season, while the output is expected to be well over 23 lakh tons. In the light of the latest developments, it may not be possible to increase the carry-over into the next season.

Gur

Gur prices have fallen slightly due to poor demand. In the Hapur market, daily arrivals averaged 150 maunds and that, too, out of stocks retained by the producers. In the Muzaffarnagar market, Chakku has eased by 25 nP to 16.75 a maund.

Khandsari

In the Hapur market, Khandsari prices are ruling steady due to brisk demand from the consuming areas, mainly the South, Saurashtra, Kutch and Gujarat.

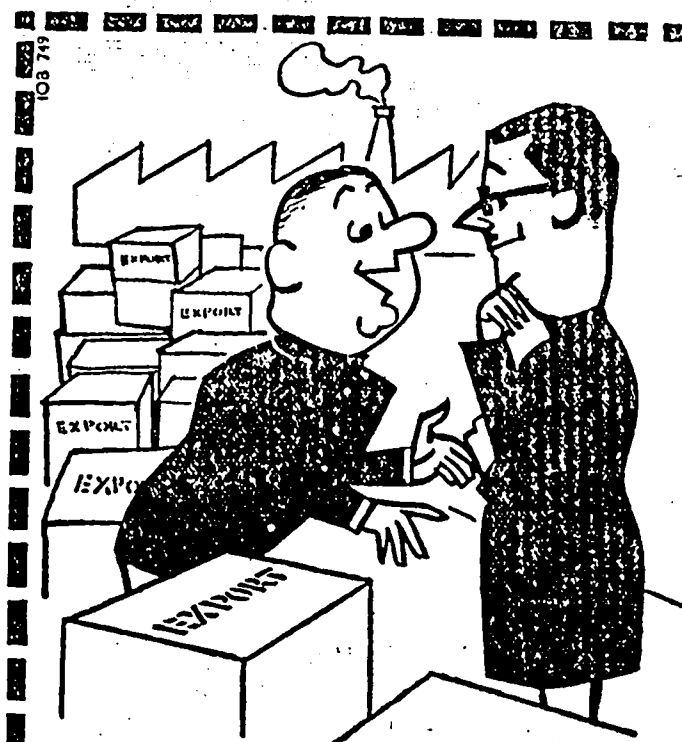
Loading facilities are also reported to be satisfactory.

In the Muzaffarnagar market, however, prices have declined by about Rs 2 a maund due to slack demand. Daily arrivals averaged 300 to 400 maunds. Superior quality is quoted at Rs 38 to Rs 41 a maund, according to quality.

Foodgrains

The Hapur Foodgrains market remains depressed. Although arrivals of "rabi" grains are still small, demand is slack. The Rice market is quiet, thanks to easy supply position and heavy stocks both with the trade and the Government. Gram has eased by about 50 nP a maund on quieter advices from the Punjab where new grain is coming to the markets. Maize and Bajra are now out of the market and the stocks are lying flat.

The Punjab, which is popularly known as the granary of Northern India, has registered a slight fall in the production of Wheat crop during the 1959-60 season. The main reason for the fall in output is stated to be the late receipt of



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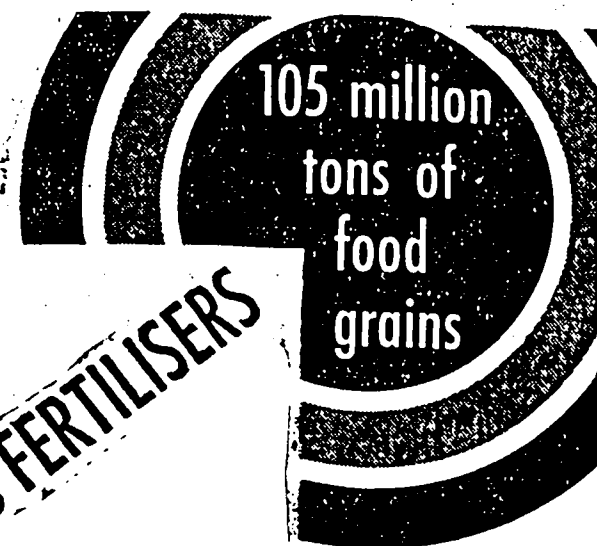
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Central Office, Madras

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winter rains, which adversely affected the yield per acre.

The total area under wheat in the State is estimated at 5,250,000 acres as against 5,237,000 acres in the preceding year. On the other hand, the total outturn is estimated at 20.97 lakh tons as against 21.22 lakh tons in the previous year.

So far as the Gram crop is concerned, the total area sown is estimated at 6,231,000 acres as against 6,324,000 acres. The decrease in area is attributed to unfavourable climatic conditions at the sowing time. The total production is estimated at 18.63 lakh tons as against 20.09 lakh tons in the preceding year.

Shellac

Conditions in the Calcutta Shellac market have continued to remain firm, thanks to good demand from overseas buyers and the reports of an increase in shipments last month. According to the figures released by the Indian Lac Exporters' Association, ship-

ments in April are higher at 39,839 packages as against 35,663 packages in March. These comprise 26,418 packages of shellac (18,327); 10,800 packages of seed-lac (14,871) 867 packages of but-tonlac (630) and 1,754 packages of other varieties (1,835). Figures shown within brackets were the shipments made in March.

Coffee

At the last Coffee export sale of the 1959-60 crop, held at Mangalore, the Coffee Board exposed 867 tonnes out of which 741 tonnes were sold and 126 tonnes withdrawn. The following were the range of prices: Plantation A Rs 232.10 to Rs 248.10; Plantation B Rs 221.50 to Rs 232.15; Plantation Triage Rs 180 to Rs 190.35; Arabica Cherry Flats Rs 186.70 to Rs 195 and Plantation Parchment Flats Rs 132.30 to Rs 132.40.

The following types and grades of coffee have been released for internal consumption in the Pool

sales held at Madras to the whole-salers (quantity in kilos and prices

Type.	Quantity.	Price (Rs).
Plantation A ...	9,562	225.45 to 232.20
Plantation B ...	5,969	198.90 to 203.60
Plantation T ...	52,780	187.10 to 206.05
Plantation PB ...	8,131	225.50 to 240.00
Plantation No. 2A ...	420	200.85
Plantation No. B ...	660	198.50
Plantation No. PB ...	2,766	216.75
Plantation Total ...	80,286	
Ar. Cherry Flats ...	22,510	185.65 to 183.20
Ar. " PB ...	8,363	172.10 to 189.10
Ar. " Bulk ...	20,308	146.00 to 180.95
Ar. Monsooned BC ...	380	140.10
Ar. Strippings Flats ...	1,735	169.65
Ar. Chy. B1/Br ...	2,230	120.10 to 121.60
Ar. Chy. Total ...	55,526	
Rob. Chy. Flats ...	13,035	158.25 to 165.20
Rob. " PB ...	10,083	162.25 to 165.25
Rob. " Bulk ...	22,331	154.00 to 163.10
Tr. R.B.P. Bulk ...	7,500	135.10 to 136.05
Rob. Chy. B1/Br ...	2,382	130.25 to 132.25
Robusta Cheery Total ...	55,331	
Grand Total ...	191,143	

Gold & Silver

The decision of the Maharashtra Government to approve of the heavy margins on purchases, suggested by the bullion authorities, exercised a bearish effect on bullion prices. The Government's approval brought into force a margin of Rs 3,000 per bar on outstanding purchases in the Jeth contract in silver. Similarly, purchases in the Jeth contract in gold will bear a margin of Rs 60 per tola. The Government have also accepted the suggestion that the delivery of spot metals against the maturing Vaisakh contracts be postponed further by ten days.

The setback in prices has also been aided by the falling demand for the ready metal. Reports of large receipts in Delhi and Calcutta brought forth heavy selling pressure from those centres in the Bombay market. Gold receipts, both fine and unrefined, in Bombay aggregated as much as 17,000 tolas as against an offtake of only 3,000 tolas. Silver also amounted to as heavy as 46 bars as compared to an offtake of only 5 bars.

Thus, the yellow metal has dropped as much as Rs 5.69 from the top level of Rs 138.69 recorded only on last Thursday, May 5. Likewise, silver dropped by Rs 3 to Rs 227 from Rs 230 per bar. The sharp fall in these metals has been mainly attributed to the end of the busy season as also the marriage season. The monsoon will also set in the next couple of weeks and will lead to the cessation of demand for precious metals during the next three months.

Art Silk Yarn

The Art Silk Yarn market has continued to be buoyant and specially the imported goods have recorded a steep rise during the past week. Bemberg Cupressa for June delivery, which recorded a low of

Rs 1878 in the previous week, shot up to Rs 2,068 per 700 kilos before terminating at Rs 2,050. This spectacular rise in price is attributed to the shortage of goods in several imported deniers, while certain bull operators have, no doubt, made a successful attempt so far to dominate the market. In view of the rising trend of the market, consuming centres have also been frantically buying their requirements, while expectations that arrivals will be small have emboldened the bull traders to accumulate lines in June delivery. The sharp rise in imported goods has given fillip to prices of Indian rayon yarns also.

Oils & Oilseeds

On the Bombay Oilseeds Exchange, prices showed a mixed trend. While castorseed and linseed suffered a moderate setback, the overall tendency in groundnut remained firm. Trading in cottonseed was listless.

In the Castorseed section, fears, that the burden of spot supplies might prove heavy, tended to deter the buyers from being aggressive. The heavy discount of about Rs 10 per candy indicated for ready castorseed, grown in Bihar and Uttar Pradesh, induced the operators to believe that those qualities might constitute the bulk of the offerings. Although a section of the operators claimed occasional deals in castor oil with the UK and the USA, the overall export outlook was not sufficiently encouraging and hence support was generally cautious. Castorseed was quoted at Rs 32.75 and Castor Oil, commercial quality, at Rs 17.69.

Apprehensions of heavy delivery characterised trading in the Linseed section. Operators felt that the bulk of the supplies lying in Bombay might be tended against the maturing contract in view of the prevailing heavy discount for

ready linseed. Although some shippers claimed demand for linseed oil from the UK at about £108 per ton for May delivery, the support was halting. Linseed ready was quoted at Rs 31.62 and Linseed Oil at Rs 15.94.

Trading in the Groundnut section was featured by a moderate improvement in the supply position. With only a few weeks left for the start of the monsoon, stockholders and growers were inclined to adopt a more selling policy. With the result, the inflow tended to increase, particularly in some of the producing areas. The weakness in overseas prices of groundnut extraction also contributed to the easier tendency in prices. Groundnut Bold quality was quoted at Rs 44 and Groundnut Oil at Rs 23.19.

The weak sentiment in the Madras seeds and oils markets on Wednesday is in a way ascribable to the Indo-US wheat agreement signed last week in Washington by India's Food Minister Mr S. K. Patil and President Dwight Eisenhower. There is a fear that commodities prices may stage a decline. Whether there is anything genuine in this fear, has to be proved yet, but there is the weakening influence by this food-grains deal which today put the buyers to considerable hesitation against transactions. Also a general recession in price levels of commodities other than oils and seeds is anticipated preventing bold bids for the oils and seeds transactions.

The following prices were obtained on Wednesday in the closing market of the groundnut and groundnut oil, castor oil, gingelly oil, gingelly seeds and groundnut cake.

Groundnut oil, per candy of 500 lbs ex-Madras godown expeller Ready 3 per cent F.F.A. Rs 391 to Rs 391/8. May Rs 392; June Rs 393/8; July Rs 394/395. Groundnut kernels per candy of 531 lbs; Coromandel Rs 200; Peanut Rs 192.

Arrivals of groundnut were lower on Wednesday to the region of merely 50 tons. Throughout last week and upto Tuesday this week, the local daily arrival averaged about 100 tons of summer crop with small winter crop unloading. In the Southern points the arrivals of groundnut continued to be maintained between 350 to 500 tons daily. Price of groundnut in Southern centres remained firm in the neighbourhood of Rs 200/202 per candy.

Castor Oil: Per candy of 500 lbs Tirupattur Rs 310. Coconut oil per tin Rs 39/8. Gingelly oil per maund Rs 23. Gingelly seed (1st sort ex-tremely in short supply) nominally priced at Rs 85/86 per bag and 2nd sort was today quoted at Rs 76/77. Groundnut cake was sold at Rs 26/12 per bag of 160 lbs with gunny. It was hard to obtain groundnut oil at £121/10 for UK and also cake for £32/10 per ton. Burma rate was unquoted.

The slightly easier conditions during the end of last week in groundnut firming up rapidly from Monday onward. Madras City had steady arrivals of summer crop.

But, the oil position weakened the to reluctance of Calcutta vaanspathi interests to continue buying at the rate quoted last week. Brisk bull covering in Bombay of groundnut kernels was responsible for the stiffening of the kernels quotations. Exporters did not support this price rise and the groundnut registered a loss between Rs 20 to Rs 22 per ton but oil gained Rs 35/36 per ton.

In groundnut, the price per candy was Rs 185 per summer peanut and Rs 195 for superior last Friday. The same quotations continued till the end of the week. But Monday's rates for these gained ten rupees per candy. Coromandel closed yesterday at Rs 200 and peanut at Rs 192 and the same rates continued at today's closing too.

In groundnut oil, the bazar demand was fulfilled by the local power-driven chekku or rotary crushers. They have been quoting at far less rate than expeller varieties. Their rate is Rs 15 lower than the expeller quotations. Therefore, local bazar interests sought only these quantities which came in full to meet with these domestic demands. Calcutta factories took up nearly 1,200 candies both from Madras and Southern millers at the usual price. The oil price fluctuated a little like this: Last Friday Ready per candy was quoted at Rs 393; May at Rs 394/8; June Rs 393/8 and July Rs 397. Saturday's rates for the oil were: Ready Rs 395/8; May Rs 395/8; June Rs 397/8 and July Rs 400. During the beginning of the week on Monday the oil prices were: Ready Rs 394; May Rs 395/8; June Rs 397; July Rs 398. On Tuesday the prices of the commodity came lower down like this: Ready Rs 391/8; May Rs 393; June Rs 394; July Rs 395. The closing price of oil for different positions today showed a small fluctuation towards lower level. Last week spot oil was bought by both Bombay and Calcutta interests at Rs 392 per candy.

The June valda had good business in groundnut oil. The price of Rs 393/8 quoted middle of last week improved Rs 397/8 by the end of the week. The week began also with June at Rs 397 per candy, but the quotation declined to Rs 394 yesterday, a decline of Rs 3 per candy. Today the quotation came down still further to Rs 393/8.

The July valda opened almost towards the end of last week and activities did not count much. Movement of the groundnut crop should have a say after June in this position. Transactions therefore were based on this uncertain trend. Even otherwise the July position began being quoted at Rs 397 per candy on the opening day and went upto Rs 400 by the close of last week. This week the position began at Rs 398 lower than last week's closing. It came down Monday still lower down to Rs 395 at which it continued today.

Hides and Skins

This week tanned cow hides were steady in arrivals and they were well absorbed. United Kingdom had reduced its offtake and the negotiations made were of fifths in all

weights. Since 10/12 lb weights was in good demand, the market remained firm and U.K. had to pay at least a penny more for lb.

Locally inferior fifths was in good demand with the resultant unaltered price which United Kingdom dealers were not prepared to pay. In tanned buffalo hides there were meagre arrivals. Price of this variety was firm. In both cow and buffalo calf skins demand was poor and foreign export business could not be transacted owing to locally high prevailing prices which overseas buyers were not willing to offer.

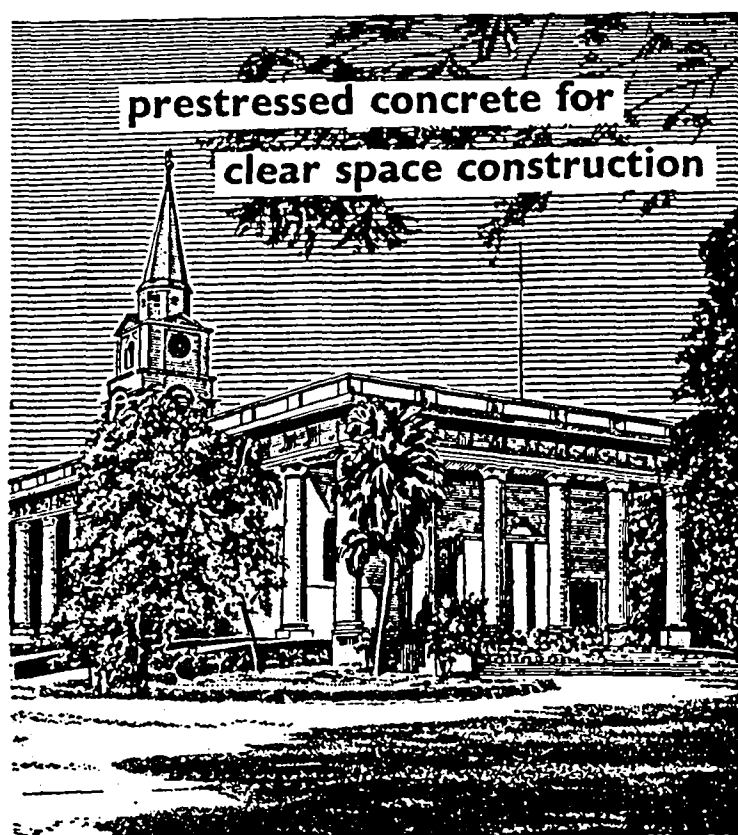
Even in tanned skins only 2,000 goat skins were cleared leaving about 6,000 pieces in the market and in sheepskins the selling was limited to only 16,000 pieces leaving over 40,000. Goatskins had limited overseas enquiry. The price quoted was 3d lower. It was a sellers' market as buyers were not forthcoming. Prime tanned sheepskins continued to be in good demand and the price offered was higher from 6d to 1d per lb. Medium quality sheep skins were not in demand.

The following are the prices of tanned skins per lb:

Tanned cow Prime 5/5 1/2 lb: Rs 3 to Rs 3.25; 6/6 1/2 lb Rs 2.75 to Rs 3.00; 8/8 1/2 lb Rs 2.31 to Rs 2.37; 10/12 lb Rs 1.94 to Rs 2; Buffalo: 12/13 lb Rs 1.44 to Rs 1.62; Buff Calf 1 1/2 lb Rs 3 to Rs 3.25; Cow Calf 1 1/2 lb Rs 4.62 to Rs 5; Goat Prime 5 1/6 lb Rs 10.25 to Rs 10.50; 8/9 lb Rs 9/12 to Rs 9.37; Sheep Ordi: 6/7 lb Rs 8.50 to Rs 8.75; Sheep Prime 6/7 lb. Rs 10.62 to Rs 10.75.

The following were the prices of raw skins per 100 with lastweek's prices given in brackets: Bangalore Raw Goat skins Rs 530/600 (Rs 590/630) White Wool Sheep Rs 600/650 (Rs 630/660); Black Wool Sheep Rs 460/500 (Rs 460/500); Bezvada Raw Goatskins Rs 550/585 (Rs 575/585); He Sheep Rs 620/635 (Rs 600/610); She Sheep Rs 470/485 (Rs 500/510).

During the month of April exported skins from Madras Port was 6,181 bales to U.K., the Continent, U.S.A., Japan, Yugoslavia, Aden, Australia and New Zealand.



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The East India Distilleries and Sugar Factories Limited

Problems Facing Sugar Industry—Expansion Programme

Chairman, Mr C. R. Srinivasan on Taxation Problems

Presiding over the Sixty-second Annual General Meeting of the Shareholders of the Company held on Friday, the 29th April, 1960, Mr C. R. Srinivasan, Chairman, said:—

Gentlemen,

The Accounts of our Company for the year ended 30th September 1959, together with the Directors' Report thereon were posted to you on 4th April and with your permission I shall take them as read. You would have noticed with pleasure that the Company continues to prosper and against a capital of £750,000 our Reserves now stand at over £1,500,000. The Accounts have been presented in the same form as hitherto and when read with the notes published along with them, they provide all the information needed to assess the working of the Company during the year under report. I am of course at your disposal if there is anything more you would like to know.

There was a suggestion made at the last Annual Meeting that we might send out along with these accounts those of the Company's main subsidiary, Parry & Co., Ltd. Its results are included in the consolidated accounts now before you at pages 8—11 and since we are a sterling concern registered under the English Act, the accounts as presented have been framed in conformity with the requirements of that Act. Still I gave due consideration to the suggestion made and came to the conclusion that far from enlightening it may tend to confuse shareholders. But I shall be happy to furnish copies of Parry & Company's Accounts on application. I appreciate the natural and understandable desire to assess the value of the purchase of the Ordinary Capital of Parry & Co., in 1956 on the basis of actual results. A study of the Parry & Co., Ltd., accounts however would not disclose the fact that because of the tax benefits arising, we transferred certain industrial and trading interests of Parry & Co., Ltd., to the parent Company. To shareholders who have any misgivings on the advantages of purchase, I am free to give the assurance that our entire investment in Parry & Co., Ltd., has been fully recovered by the return we have already received.

The financial results of the year's working are set out in detail in the Directors' Report and I do not propose to cover the same ground again. There is one point, however, to which I would invite your attention, that is the creation of a Dividend Equalisation Reserve of

£150,000 from this year's profit. This should serve as abundant assurance to shareholders concerned over the maintenance of dividends in the future. In this context, it is but right that I should refer to the subject of Preference Dividends. Section 18 (3E) of the Indian Income Tax Act which was introduced in the Finance Act, 1959 required companies to pay all dividends with tax deducted. Provision was made for the grossing up of the tax where the Articles of Association of the Company provided for the net dividend at the rate stipulated. The Parry & Co., Ltd., Articles contain this provision. The Articles of this Company do not. It was to cover this lacuna that Extraordinary General Meetings jointly and severally of different classes of shareholders were convened late in February. But these meetings were adjourned sine die following the withdrawal of Section 18 (3E) of the Income Tax Act in the Indian Finance Bill introduced on the 29th February 1960. We are awaiting the enactment of the Finance Bill into law before taking up the proposal again to alter the Company's Articles of Association suitably. I am sorry that meantime payment of the final dividend on the Preference Share Capital for the year ended 30th September has had to be held up. I crave the indulgence of these shareholders to bear with us a little longer.

In my speech last year I drew attention to the new scheme of taxing companies introduced by the 1959 Finance Act and I pointed out that although the rate of tax on profits had been reduced to 45% and the Wealth Tax on companies and Excess Dividend Tax removed, the onus for the payment of the tax at the prescribed rates on shareholders' dividends had been thrown on the companies. I said then that what the combined effect of these two imposts would be, was not easy to assess but the results might well be that the total levy on companies would be increased. It gives me no pleasure to record that what I feared a year ago has come to pass. The representations made to the Finance Ministry by the various Chambers of Commerce bear this out. There was general expectation that these representations would yield some results. These expectations have not materialised to any extent. This year's Finance Bill confirms the tax rate on companies' profit for the assessment year 1960-61 at 45%. I am afraid Government have taken a short-sighted view and the conditions for further and fresh capital formation have been

seriously prejudiced. This is unfortunate when the paramount need of the hour is to reinforce the internal resources of the country for the service of an expanding economy.

In the last para of the Directors' Report you would have noticed the statement that the Company is now committed to the erection of a Compound Fertiliser Factory near Madras costing approximately £3 million. It was expected that I would be in a position to disclose to you in detail the arrangements contemplated for financing this major project. I regret these arrangements are still incomplete and I am not in a position yet to give you the full picture. We are on the last lap of our negotiations with Government and various interests concerned and it is not in the interests of the Company to prejudice results by premature disclosures or discussions.

At the same time I can quite understand you would like to know in broad outline how we propose to finance the project. To the extent possible I shall be glad to take you into confidence. We require £3 million to integrate the project and it is proposed to find the whole of it from outside sources. Our plans are to raise approximately a quarter of the total requirements by a fresh issue of Ordinary Shares with a modest premium and the balance we propose to cover by medium term loans partly in India and partly in U.K. so as to cover our exchange requirements.

You are aware that the present capital of the Company consists of 549,950 Ordinary Shares of £1 each and 200,000 Preference Shares of £1 each. Under the terms of our Articles both classes of shareholders are entitled to participate in the rights issue we make. I believe you are equally aware that the shares of the Company are held in two registers one in India and the other in England and shareholders in both countries are entitled to participate in the new issue. On a rough estimate a third of the Ordinary Shares and a fourth of the Preference Shares are held on the London Register. On the attractive terms we propose to offer, I have no doubt, shareholders in this country will snap up all that is offered to them. I hope those on the London register will follow suit and in so doing cover in part our needs in respect of foreign exchange. In all probability we shall be making the new issue of shares within the next 3 months. Only one other point of interest I shall draw attention to in this context

and that is, that on current earnings we shall be able to service the new capital also.

I have so far dealt with the financial aspects of the Fertiliser Factory. It is a major step in industrial expansion that we have undertaken. Naturally you would like to know the reasons which have weighed with us in deciding to go forward. One of the interests transferred from Parry & Co., to this Company is the Fertiliser Department. Primarily there was a tax advantage in so doing but the transfer also cleared the way for a large scale development which your Board felt must be undertaken in this field both in the interests of the Company and the country.

You are aware I have expressed in earlier meetings the need to gear our development to the dynamic requirements of the country. The prosperity of this country is largely conditioned by the way it solves the food problem. The deficit in this respect cannot be covered by bringing new land under the plough but only by intensive cultivation and a progressive increase in the yield per acre. Fertiliser is the answer to the problem and we say it from direct knowledge and experience of its potentials. Our fertiliser business has increased steadily and substantially since 1956 and credit is due to Parry & Company for the way the foundations were laid and developments envisaged.

The expansion would have been even more marked had adequate quantities of nitrogenous fertiliser been available from the Government Pool. A word on how this pool operates will not be out of place. Out of the total nitrogen available from indigenous manufacture and from imports, Government of India make allocations to State Governments in line with their demands. Each State Government then decides on distribution policy and makes allocations to the mixing firms on the basis of this policy. Generally speaking the State Governments with which we work have shown appreciation of the value of balanced fertiliser application and I believe there is a growing awareness of the services which the mixing firms render to the agricultural community as a whole. By these services I refer not only to the supply of balanced mixtures but also to the ceaseless propaganda done through large and experienced selling staff which more than anything else has tended to make the South the most fertiliser-minded zone in the country, with a consequent improve-

ment in our agricultural production vis-a-vis the rest of the country.

It has been obvious to your Directors for some time that if we could persuade Government to allow us the manufacture of a fertiliser containing nitrogen and we are allowed to distribute our own production in addition to what we get from the Government Pool, our fertiliser business would not merely develop on sound lines but also at a much faster rate. Until recently the possibility of the private sector being permitted to enter into the field of nitrogen production was not seriously considered. Fortunately there was a change in the outlook and immediately we took advantage of it.

And finally we succeeded in securing an industrial licence in January this year to establish a factory at Ennore near to Madras to produce 51,000 tons per annum of Ammonium Phosphate. As stated in my circular of the 8th March to shareholders, a contract has been placed for the construction of a new factory at a cost of approximately £3 million. The contractors are Messrs. Simon Carves, Stockport, England, and the contract provides for a turn-key job complete within 24 months of our securing the import licence. This I expect will shortly be forthcoming as our financial proposals including exchange cover are now before Government for approval.

A point of some importance in this context may be referred to here. One of the results of the increasing tempo of fertiliser business in South India is the inevitable increase in the imports of sulphur and rock phosphate. Both of these commodities are imported in bulk, that is to say they lie in the holds of the ship without packing material. Madras Port Trust authorities have made admirable arrangements for handling bulk export cargoes but partly no doubt due to lack of knowledge of the industrial developments and in part I must say due to lack of foresight, there have been no adequate preparations made for the handling of the greatly increased quantities of bulk import cargoes that will be coming through in succeeding years. I understand the various Chambers of Commerce are taking steps to bring to the notice of the Port authorities this pressing need and I confidently hope their representations will not fall on deaf ears.

Before I pass on to the next subject that I propose to cover, namely sugar, may I say a word about our subsidiary, Andhra Fertilisers Private Ltd. You will be glad to hear that the factory is nearing completion and in all probability, we shall go into production from July next. This should provide us a further vantage point in our fertiliser development programme.

In my speeches of the last three years I have sought to rationalize the developments of the sugar industry as they emerged from time to time. These attempts, in retrospect, have proved themselves of

limited value because of the imponderables in dealing with what is essentially an agricultural industry. Uneven production over a period of years is largely responsible for many of the problems posed. In 1954-55 the total production of sugar in the country was 15.89 lakhs of tons; in 1955-56 it moved up to 18.56 lakhs of tons; in 1956-57 production touched 20.29 lakhs tons. In 1957-58 production came down to 19.78 lakhs tons, in 1958-59 to 19.18 lakhs tons. In 1959-60 production has already exceeded the previous year's production up to 31st March by about 3 lakhs of tons and bids fair to close up at round about 23 lakhs, an all time record. Consumption has steadily moved up and is now estimated at round about 21 lakhs of tons. Last year when demand threatened to outstrip supply, control measures were imposed in Northern India while in the South voluntary control was deemed sufficient for the purpose. With the prospects of 1959-60 production not merely covering normal demand but also providing sufficient buffer stocks for the future, I believe the lifting of control lies in the offing.

The problems that face the sugar industry at the moment however arise from the impending application of the price-linking formula for one thing and the incidence of the Tariff Commission's Report on sugar for another. The price-linking formula was announced in 1958 as applicable for the year 1958-59 but the terms of its application are still to be announced. Meanwhile the Tariff Commission was called upon to inquire into the cost structure of sugar. Presumably its findings will qualify the terms of the price-linking formula when applied. The Tariff Commission's Report has just been published together with an announcement that Government of India accept its main recommendations. It would perhaps be premature to express any final opinion on the implications of their recommendations and I assume that an opportunity will

be provided for the industry to make its representations on the report to Government before any positive action, especially in relation to the price-linking formula, is taken by the Government.

There are one or two points arising from the Report which immediately strike the eye and which we have no doubt will be duly canvassed and considered by the industry affected and timely representation made to Government. The Commission has not conceded the claim for any rehabilitation allowance in the fair price they have fixed. Secondly only a 12% return on employed capital has been allowed by way of addition to the cost of production to cover the commitments of the manufacturing units in respect of bonus, interest, dividend, commission, tax, etc. The genesis of their cost structure and the rationale behind their recommendations call for close examination. But one thing is clear. Neither of these recommendations are in line with accepted standards professed and practised by industrially advanced countries in the West. In the new economy that we are building up in this country conflicting interests should be conciliated and co-ordinated if the foundations are to endure. In protecting the interests of the cane grower, it would be unfortunate, if any impression is produced that Government is yielding to pressure. We have set a target of 30 lakhs of tons of sugar production for the Third Planning period and if this is to eventuate, obviously the goodwill and co-operation of manufacturing interests are necessary and they should be given suitable and sufficient safeguards for the service they are expected to render in the build-up of the new economy. So far as the South Indian sugar manufacturing interests are concerned, they have pursued an enlightened policy and have for years, of their own accord, observed the SISMA formula which extends adequate recognition for quality cane at fair price; a

bonus is offered in addition to the price fixed by Government. The price-linking formula now proposed is in essence only a variation of the SISMA formula and the advantage of the latter is that it has proved its value over a period of years. Hasty and ill-considered action may well provoke a train of reactions by no means helpful for the purpose in view. A note of caution is all that I desire to urge at this juncture.

There is only one other point that I shall touch on before I conclude. The expansion which I forecast last year in respect of our Pottery is now being undertaken at our Ranipet Factory where we have decided to instal a third kiln and to effect a number of improvements to the plant already in service including the conversion of the two present kilns to oil-fired burning. The greater part of the cost will be incurred in India and we have received an import licence for part of the items which have to come from overseas and we expect to receive a licence for the remainder in the near future. I am glad to say the whole cost for this expansion of the pottery section will be met from our existing resources.

For the rest a brief review of our operations finds place in the Directors' Report and I shall leave it at that. And now before I close let me express my warm appreciation of the ready and willing co-operation I have uniformly received from my colleagues, staff and labour throughout the year.

I now formally move the adoption of the Directors' Report.

The Director's Report and the Accounts for the year ended 30th September 1959 were unanimously adopted. Mr. R. Venkataswamy Naidu was re-elected to the Board, and the Auditors, Messrs. Lovelock & Lewes, were re-appointed.

N.B. This does not purport to be a Report of the Proceedings of the General Meeting.

THE ANDHRA BANK LIMITED

H. O. MASULIPATAM

BALANCE SHEET (ABRIDGED) AS AT 31-12-1959.

(To the nearest rupees)

LIABILITIES.		ASSETS.	
Authorised Capital	1,00,00,000	Cash	1,47,74,453
Issued Capital	50,00,000	Balances with Banks	26,59,750
Subscribed Capital	48,99,000	Investments	5,12,49,435
		Advances	8,08,82,159
		Bills Purchased and Discounted	1,02,55,695
Paid-up Capital	41,49,590	Bills Receivable (contra)	89,85,349
Statutory Reserve and other Reserves	19,73,220	Constituents Liabilities for Acceptances, etc. (contra)	40,12,702
Deposits and other Accounts	12,90,03,789	Premises	5,82,630
Borrowings from Banks	2,30,01,850	Furniture, Fixtures, etc.	5,25,013
Bills Payable	16,11,229	Other Assets	36,10,670
Bills for Collection (contra)	89,85,349		
Other Liabilities	46,02,432		
Acceptances and other Obligations (contra)	40,12,702		
Profit and Loss Account	1,97,700		
TOTAL	17,75,37,861	TOTAL	17,75,37,861

BANKING OF EVERY DESCRIPTION INCLUDING FOREIGN EXCHANGE IS UNDERTAKEN



Uptrend Unabated

Investment Gossip:

CONDITIONS in the stock market continue to be buoyant and Indian Iron is now again leading the uptrend. Besides the purely speculative interest, the market leader also seems to be favoured for prospects of expansion which is now rumoured to include diversification of activities.

Elsewhere in the markets, there have been other impressive price rises and the interim clearing imposed in three shares in Calcutta has not halted the upward march.

The boom is sustained mainly by speculative interests and if the investor is chary of extending commitments, it is because the rise in prices has long ceased to bear any relation to present or even the distant future yields.

It is evident that the big food deal with the US is being interpreted bullishly. The absence of any further curb measures seems to have strengthened the belief that authority's armoury has already been depleted of weapons that can possibly be used to curb speculation on the stock market only.

The present upsurge is generally considered unwarranted but prices are daily scaling new highs. Authority showed itself very much perturbed a few weeks ago when the price levels were comparatively low.

Similar situations in some of the commodity markets are being met with stern measures. In the jute futures market for instance heavy margins and price ceilings have been imposed.

It is undeniable that the outlook for equities is good. Now that the end of the steel shortage in the country is near at hand, engineering companies will be able to go into full production. Increased activity of engineering companies in its turn will stimulate industry in general. A national plan for export is now under consideration and engineering industries which have already made some headway in the export field may be expected to make a good showing.

What applies to Engineering, applies to most industries as well. Even so, the investor cannot afford to ignore the basic criteria while making his investments. It is also incumbent on authority to ensure that the stock market continues to retain its essential characteristics at all times. The present hectic rise in prices does not seem to be

conducive to sustained interest being evinced in equities by the investor. Violent fluctuations will drive investors away from the stock market thereby making it difficult for entrepreneurs to attract funds to industry.

NEW ISSUE NOTES

The Aluminium Industries Limited, Madras, will be issuing 2 lakh right shares at Rs 12.50 per share in the ratio of one share for every four shares held to those shareholders whose names are registered as on 1 June 1960. The amount is to be paid in full on application. Transfer Books will be closed from 21 to 26 June, 1960.

The Pearl Cycle Industries Private Limited, which has been converted into a public limited company, will shortly enter the market for Rs 15 lakhs and offer to the public 15,000 equity shares of Rs 100 each. These shares are stated to have been underwritten by ICICI and the Investment Corporation of India. The new factory is expected to go into production in the near future.

Subject to the Government sanction, Blue Mountain Estates Limited has proposed to increase the authorised capital from Rs 1 crore to Rs 2 crores by the creation of 50 lakh shares of Rs 2 each. The proceeds will be utilised to meet the costs of the expansion programme of the company.

It is learnt that the equity issue by J. K. Rayon has been over-subscribed by four times. In the circumstances, the allotment of shares will be made in consultation with the Bombay and the Calcutta Stock Exchange authorities.

Subject to the sanction of the Controller of Capital Issues, the Bank of Maharashtra Limited has decided to issue one equity right share, at par, for every four shares held.

INVESTMENT NOTES:

The 5½ per cent Bearer Debentures of the National Insulated Cable Company Limited, shortly due for redemption, are likely to be extended for another five years at an enhanced rate of 6 per cent interest. Outstanding Debentures for Rs 10 lakhs are due to be redeemed in July.

The shares of the Indian Copper Corporation have firmed up further

Rs 5.19 from Rs 4.90 quoted in the previous week. The main inspiration for the sustained demand is derived from the encouraging working report issued by the company for the first quarter of the year. There are also rumours of the company's proposal to capitalise further the Reserves. Above all, the electrolytic plant is expected to begin production soon.

It is learnt that the Central Government have sanctioned several more small steel blast furnaces to be set up in Madras, Maharashtra, Gujarat, West Bengal and Madhya Pradesh. Two will be in Madras, three in Maharashtra and Gujarat and one each in West Bengal and Madhya Pradesh. Two blast furnaces, each with an annual capacity of 15,000 tons, sanctioned earlier, have already gone into operation in Madras and Orissa.

INVESTMENT BRIEFS:

Bisra Stone Lime Company Limited has announced an interim dividend of Rs 1.25 per share, subject to tax, for the year ended 31 March 1960, payable on or after 5 June. Transfer Books will be closed from 22 May to 5 June, 1960.

Colombatore Pioneer Mills Limited has recommended a taxable dividend of 25 per cent for 1959 as against a tax-free dividend of 20 per cent paid previously.

Radhakrishna Mills Limited has announced a taxable dividend of 9 per cent against a tax-free dividend of 6 per cent for 1958.

BALANCE-SHEET BRIEFS:

The Ahmedabad Manufacturing & Calico Printing Company Limited (Calico Mills), Ahmedabad, has reported a substantial rise of Rs 45.33 lakhs in the gross profit to Rs 2.04 crores for the year ended 31 March, 1960. The directors have recommended a final dividend of Rs 17, making a total of Rs 31.00, subject to tax. Out of this, one rupee is to be paid out of the profits exempt from income-tax. Thus, the net dividend is maintained at Rs 22.00 per share.

The Alock Ashdown & Company Limited has shown a higher net profit of Rs 6.57 lakhs against Rs 4.61 lakhs for 1958. The directors have recommended a taxable divi-

dend of 17 per cent on the Ordinary shares.

The Shivrajpur Syndicate Limited has incurred a loss of Rs 1.43 lakhs for the year ended 30 November 1959. A taxable dividend Rs 5.00 is recommended out of Reserves.

The net profit of the Hindustan Machine Tools Limited amounts to Rs 41.96 lakhs for 1958-59 as against Rs 30.71 lakhs for the preceding year. The company is now completely Indianized.

The rapid progress, being made by Ashok Leyland Limited, is reflected in the sharp rise in the net profit to Rs 56.45 lakhs for 1959 as against Rs 40.66 lakhs for the previous year. A dividend of 8 per cent is recommended against 6 per cent.

The National Pipes & Tubes Company Limited has earned a profit of Rs 6.76 lakhs for the year ended 30 September 1959 against Rs 6.45 lakhs. A taxable dividend of Rs 1.50 is recommended. This works out to a net dividend of Rs 1.05 against Rs 1.25 per share.

The net profit of the Thummalapally Rubber Company Limited is lower at Rs 1.30 lakhs against Rs 1.43 lakhs for 1958. A dividend of 30 per cent, taxable, is recommended against a similar distribution on the former occasion.

The Lucky Valley (Nilgiri Hills) Tea Estates Limited has earned a profit of Rs 90,510 for 1959 as against Rs 74,360 for 1958. A taxable dividend of 10 per cent is recommended against a tax-free dividend of 10 per cent for the preceding year.

JENSON & NICHOLSON (INDIA) LIMITED.

NOTICE is hereby given that the Annual General Meeting of Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Friday, 10th June, 1960 at 11 a.m. for the following purposes:—

1. To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the year ended 31st December, 1959 and the Balance Sheet as at that date.
2. To declare Dividends.
3. To elect Directors.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from the 1st to 10th June, 1960, both days inclusive.

By Order of the Board,
H. S. CHALLIS,
Secretary.

NOTE:—A member entitled to attend and vote at the above Meeting may appoint a proxy to attend and vote instead of him. A proxy need not also be a Member of the Company.

COMPANY REPORTS

Bengal Coal Maintains Net Dividend

Balance-Sheet Reviews:

Thanks to a substantial rise in profits, the Bengal Coal Company, Limited has been able to recommend a gross dividend of 25 per cent (final 15 per cent with interim 10 per cent) for the year 31 October, 1959. This works out to a net dividend of 17½ per cent, same as in the previous year.

Sales are higher at Rs 6.36 crores against Rs 6.27 crores, while the net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 40.14 lakhs as against only Rs 23.91 lakhs in the previous year. Apart from providing Rs 10,075 for Capital Reserve, the Depreciation amount is raised to Rs 19.50 lakhs from Rs 17.25 lakhs; Development Rebate Reserve to Rs 6.42 lakhs from Rs 3.79 lakhs and General Reserve to Rs 8 lakhs from Rs 5 lakhs. Taxation provision is, however, reduced to Rs 19.50 lakhs from Rs 17.25 lakhs. Raisings are shown at 2.84 million tons against 2.80 million tons and despatches at 3.01 million tons against 3.07 million tons.

The paid-up capital is shown at Rs 1.20 crores; Share Premium Account at Rs 10 lakhs; Capital Reserve at Rs 10,075; General Reserve at Rs 1.20 crores and Other Reserves at Rs 54.69 lakhs. The gross block at Rs 6.99 crores is depreciated by Rs 1.69 crores, to show a net block value of Rs 2.30 crores.

Mg. Agents—Andrew Yule & Co., Ltd.			
Year ended Octr.	1959	1958	1957
	Rs.	Rs.	Rs.
Raisings (tons)	2,835,396	2,862,170	2,801,164
Despatches (tons)	3,014,202	3,070,831	3,101,282
Gross	63,614,244	62,655,030	59,727,032
Stocks	1,405,235	1,583,342	1,778,870
Net profit	9,400,645	9,416,194	9,705,053
Taxation	3,436,800	4,900,000	4,265,000
Wealth Tax	—	200,000	325,000
Depreciation	1,950,000	1,725,000	2,400,000
Reserve Fund	800,000	500,000	700,000
Development Rebate Reserve	642,139	378,824	—
Other Funds	10,075	—	—
Div. Amount Ord.	2,000,000	1,750,000	1,750,000
Div. Amount Pref.	90,000	61,650	61,650
Carry Forward	1,020,411	1,048,780	1,148,060
Div. % Ord.	25T	17½	17½
Div. % Pref.	4T	4T	4T
Annual General Meeting on 25-5-60 at 11-30 a.m.			
After writing back Rs 9,663 being Development Reserve on block sold and including Rs 128,996 being unclaimed dividends forfeited.			
After writing back Rs 200,000 from Taxation Reserve.			
After writing back Rs 107,439 from Taxation Reserve; Rs 49,223 from Capital Reserve and Rs 168,339 from Investment Realisation surplus.			
Synopsis of balance sheet as on the last day of Octr.			
	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:	2,000,000	2,000,000	2,000,000
4½% P. Pref.	10,000,000	10,000,000	10,000,000
Ordinary	1,000,000	1,000,000	1,000,000
Share Premium	10,075	—	—
Capital Reserve	12,000,000	11,200,000	10,700,000
Reserve Fund	5,460,006	4,816,634	4,513,187
Other Funds	5,747,365	2,480,512	—
Loans Secured	370,469	396,690	—
Loans Unsecured	3,644,481	5,599,214	5,185,282
Taxation Provision	19,345,424	13,520,356	10,409,953
Debits	1,020,411	1,048,780	1,148,060
Carry Forward	—	—	—
Total	60,616,201	57,061,186	53,936,422

Assets			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	69,853,698	66,804,379	63,812,765
Depreciation	46,854,446	45,571,483	44,160,343
Block (net)	22,999,252	21,232,896	19,652,422
Stores	15,845,143	13,143,264	11,555,853
Stocks	1,405,235	1,583,342	1,778,870
Outstandings	15,361,245	16,748,711	14,292,944
Mis. Deposits and Advances	2,721,985	1,972,006	1,883,984
Investments	1,339,845	1,309,645	1,309,845
Cash	940,705	1,071,322	3,462,904
Total	60,616,201	57,061,186	53,936,422

Bengal Flour Raises Distribution

Although sales are maintained at Rs 2.16 crores, the Bengal Flour Mills Company Limited has reported a higher net profit of Rs 8.71 lakhs for 1959 as against Rs 5.48 lakhs for the previous year. The directors have set apart a sum of Rs 1.47 lakhs (Rs 1.43 lakhs) for Depreciation; Rs 7.62 lakhs (Rs 7.73 lakhs) for Taxation; Rs 3.21 lakhs (Rs 2.27 lakhs) for General Reserve and Rs 10,137 (Rs 4,081) for Development Rebate Reserve. They have recommended a final dividend of 32½ per cent, making a total of 45 per cent for the year, subject to tax. This works out to a net dividend of 31½ per cent against 25 per cent paid for the preceding year.

As against a paid-up capital of Rs 12 lakhs, General Reserve is shown at as much as Rs 20 lakhs; Tax Contingency at Rs 2.56 lakhs and Development Rebate Reserve at Rs 14,218. The gross block amounts to Rs 35.44 lakhs; total depreciation to Rs 30.14 lakhs and the net block to Rs 5.30 lakhs.

Mg. Agents—Bairner Lawrie & Co., Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	21,649,337	21,622,740	21,350,642
Stocks	515,223	601,692	608,612
Net profit	7,780,896	1,464,160	2,177,878
Taxation	782,140	772,979	1,088,058
Depreciation	147,469	142,846	178,882
Reserve Fund	320,665	226,501	500,000
Development Rebate Reserve	10,137	4,081	—
Div. Amount Ord.	540,000	300,000	300,000
Carry Forward	210,995	219,540	201,787
Div. % Ord.	45	25	25
(Annual General Meeting on 27-5-60 at noon.)			

Synopsis of balance sheet as on the last day of Decr.			
	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:	1,200,000	1,200,000	1,200,000
Reserve Fund	2,000,000	1,700,000	1,600,000
Other Funds	270,218	260,081	256,000
Loans Secured	—	—	548,171
Loans Unsecured	—	5,162	—
Taxation Provision	201,878	253,768	897,639
Debits	946,421	762,745	879,156
Carry Forward	219,995	219,540	201,787
Total	4,838,512	4,401,316	5,482,753

Assets			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	3,544,373	3,487,689	3,455,743
Depreciation	3,044,273	2,867,589	2,724,743
Block (net)	500,100	620,100	731,000
Stores	219,862	194,444	205,536
Stocks in transit	3,979	—	—
Stocks	515,223	601,692	608,612
Outstandings	1,211,376	1,349,106	1,286,961
Do More than 3 months	35,513	55,326	272,429
Mis. Deposits and Advances	685,097	549,413	642,630
Investments	35,149	34,815	—
Deposits in Banks	1,009,000	500,000	1,600,000
Cash	604,303	446,421	100,930
Total	4,838,512	4,401,316	5,482,753

Excellent Results of IBP

The Indo-Burma Petroleum Company Limited has produced excellent working results for last year, sales having risen to Rs 1.61 crores from Rs 1.50 crores. The net profit, after providing for Depreciation and Taxation, is substantially higher at Rs 39.45 lakhs against Rs 31.14 lakhs in the previous year. Apart from providing Rs 5 lakhs for Dividend Equalisation Reserve, Taxation provision is raised to Rs 31.40 lakhs from Rs 31.27 lakhs. The Depreciation amount is, however, reduced to Rs 4.07 lakhs from Rs 4.23 lakhs; Development Rebate Reserve to Rs 75,399 from Rs 1.52 lakhs and General Reserve to Rs 4.00 lakhs from Rs 5.00 lakhs. The directors have recommended a final dividend of Rs 1.50, making a total of Rs 2.50 per share, subject to tax, as against a net dividend of Rs 2.00 for the preceding year.

The balance-sheet, as at 31 December 1959, shows a paid-up capital of Rs 1.50 crores divided into 10 lakh Ordinary shares of Rs 10 each and 50,000 Preference shares of Rs 100 each. Against this, Share Premium Account is shown at Rs 31.38 lakhs and Reserves at Rs 1.33 crores. The gross block works out to Rs 1.01 crores; total depreciation to Rs 52.21 lakhs and the net block to Rs 48.56 lakhs.

Mg. Agents—Steel Brothers & Co., Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	16,117,388	15,027,024	18,794,037
Interest, Commn. & Mis. Incomes	17,588,251	14,940,194	13,089,511
Net profit	7,491,640	6,663,347	5,848,278
Taxation	3,140,330	3,126,862	3,043,064
Depreciation	406,763	422,771	408,747
Reserve Fund	400,000	500,000	—
Development Rebate Reserve	75,399	151,565	103,581
Other Funds	500,000	—	—
Div. Amount Ord.	2,500,000	2,000,000	2,000,000
Div. Amount Pref.	350,000	239,750	248,938
Carry Forward	447,887	328,739	106,640
Div. % Ord.	25T	20	20
Div. % Pref.	TT	7	7
(Annual General Meeting on 26-5-60 at 10 am.)			
After writing back Rs 825,557 being provision for Taxation Liabilities.			
After transferring Rs 1,592,379 being provision for Taxation Liabilities no longer required and Rs 108,581 being Development Rebate Reserve for 1957 no longer required.			
Includes Rs 308,219 being adjustment account of previous year and Rs 88,564 being provision for legal expenses written back.			

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

	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:	5,000,000	5,000,000	5,000,000
7½% P. Pref.	10,000,000	10,000,000	10,000,000
Ordinary	10,000,000	10,000,000	10,000,000
Share Premium	3,138,200	3,138,200	3,138,200
Capital Reserve	7,829,269	7,829,269	7,829,269
Reserve Fund	3,644,145	3,244,145	2,744,145
Other Funds	1,382,070	806,671	763,387
Loans Unsecured	2,163,310	2,200,404	2,069,983
Taxation Provision	3,465,517	3,549,080	4,071,384
Debits	14,935,837	8,722,948	9,463,431
Carry Forward	447,887	328,739	106,640
Total	52,036,235	44,819,466	45,176,439

Assets			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	10,077,425	9,960,109	9,416,794
Depreciation	5,221,479	5,130,823	4,977,641
G. Block (net)	4,855,946	4,829,286	4,439,150
Stores	1,222,588	1,359,890	1,574,935
Stocks	1,455,280	1,404,603	1,347,481
Outstandings	5,051,761	2,356,764	2,776,215
Due to Depositors more than 3 months	256,561	593,596	286,650
Misc. Deposits and Advances	4,620,538	4,639,392	4,900,514
Investments	19,986,928	24,185,311	24,185,311
Deposits in Banks	11,625,000	4,600,000	5,200,000
Cash	2,981,623	853,614	466,183
Total	53,036,235	44,819,456	45,176,439

Indian Finance

LIST OF QUOTED SHARES

Reference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Alahabad 5%	100	101.00	109.00
Behar 5%	50	21.00	19.75
Asso. K. Pura 4 1/2%	100	50.50	50.50
Bharat 5 1/2%	100	49.50	48.00
Borree 5 1/2%	100	83.50	83.50
Burrakur 7%	100	26.50	102.50
Burrakur 6%	100	10.50	5.90
Equitable 6%	100	79.00	100.00
Ghushik & Musilla 100	100.00	100.00	100.00
Gourangdi 5%	100	40.00	40.00
K. Pura 5 1/2%	100	58.00	55.50
Khas Kajora 5%	100	7.94	1.25
J. Beerboom 7%	100	11.62	10.00
N. Churulia 5%	100	2.56	2.50
N. Hundodi 5%	100	45.00	44.00
Ordeal 5 1/2%	100	86.50	91.50
Parasa 5 1/2%	100	50.00	50.00
Unl. Colliery 5%	100	78.00	83.00

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Basanti 5 1/2%	100	6.56	9.00
B. Nagpur 7%	100	75.00	75.00
Bowreah 5%	100	152.00	126.00
Bowreah 7%	100	65.00	65.00
Elgin 5%	100	100.00	115.75
Elgin 5 1/2%	100	7.50	8.25
Jagatjit 5%	100	38.75	43.75
Jyajeero 5 1/2%	100	84.50	81.50
J. K. Cotton 6%	100	93.00	90.00
Kasoram 7%	100	106.00	105.00
Muir 6%	100	83.00	52.00
N. Victoria 6%	5	3.25	3.50
Orissa 5%	100	80.00	...
Shree Madhusudan 4 1/2%	100	81.00	...
S. Nivwa 4%	100	54.00	53.00
Three Bhawani 5%	100	105.00	100.00
Swadeshi 5%	100	61.00	75.00

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Agarpara 7%	100	93.00	101.00
Alexandra 7%	100	90.00	97.00
Alliance 5%	100	68.00	91.00
Anglo-India 7%	100	98.00	106.00
Auckland 5 1/2%	100	70.00	83.50
Auckland 4 1/2%	100	60.00	66.50
Bally 7%	100	98.00	104.00
Barnagore 5%	25	38.00	39.50
Belvedere 7%	100	97.00	101.50
Bengal 5 1/2%	100	63.50	77.00
Biria 7 1/2%	100	91.00	87.00
Biria 5 1/2%	100	90.25	...
Budge-Budge 7%	100	103.50	102.00
Calcutta 5 1/2%	100	77.00	78.00
Caledonian 7%	100	89.00	77.50
Chelviot 7%	100	101.00	102.00
Chitavalah 7%	100	98.50	99.50
Clive 6%	100	75.00	70.50
Clive 7%	100	84.00	78.00
Dalhousie 7%	100	91.00	94.00
Delta 5%	100	68.00	78.00

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Empire 7%	100	78.00	105.00
F. Gloster 7%	100	114.00	115.00
F. Gloster 5%	100	71.00	68.50
F. William 7%	100	111.50	115.00
Ganges Mfg. 5%	100	125.00	120.00
Gouropore 6%	100	81.00	93.00
Hastings 6%	100	90.00	96.50
Hooghly I 1%	10	10.00	10.75
Howrah A. Pref. 1%	100	101.00	107.00
Howrah 7%	100	104.00	99.00
Howrah 7 1/2%	100	98.00	105.00
Khaty 6%	100	89.00	100.00
Kharrah 6%	100	89.00	90.00
Kodarnath 6%	110	68.00	68.00
Kodarnath 7%	100	85.00	85.00
Kelvin 7%	100	89.50	106.00
Kharadh 6%	100	93.00	89.50
Kinnison 7%	100	86.50	105.00
Landedown 7%	100	104.80	111.00
Lawrence 7%	100	88.00	87.00
Lawrence 5 1/2%	100	70.00	80.00
Nahati 7%	100	101.00	96.00
Nahati 4 1/2%	100	66.00	65.00

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
National 7%	100	100.00	107.00
Nellimaria 6%	100	85.00	98.00
N. Central 7%	100	96.00	100.00
Northbrook 5 1/2%	100	77.75	72.25
Rameshwara 5%	10	12.37	11.19
Reliance 7%	100	81.00	73.00
S. Ambica 7 1/2%	100	96.00	95.00
Soorah 7%	100	88.00	98.00
Standard 6%	100	97.00	97.00
Union 7%	100	87.50	98.00
Waverley 5%	50	40.12	41.50

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Asso. Mining 5%	50	38.00	27.25
Ch. Mica 5 1/2%	100	52.00	52.50
Metal Corp. 5%	100	79.00	101.00
Dalmia Bharat 6%	10	8.58	10.00
Jaipur Udyog 3%	100	37.00	37.00
K. Pura Lime 5%	100	80.00	80.00
K. Pura Lime 5% cp	100	100.50	100.50
K. Chubhi Fire 7%	100	101.00	101.00
K. Chubhi Fire 5 1/2%	100	84.50	84.50
Orissa Cement 4%	100	38.06	38.06

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Alkali 5%	100	100.00	102.00
Bathgate 4 1/2%	10	28.00	17.00
Beng. Chem. 7 1/2%	10	13.25	12.62
Beng. Chem. 4 1/2%	100	72.00	77.50
Frank Ross 4 1/2%	100	41.00	50.00
Smith Stani 10 1/2%	50	62.62	67.00

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Calcutta 5%	51	10.00	9.78
Dishergarh 5%	100	78.50	82.00
Dishergarh 4 1/2%	100	78.00	79.50

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Arthur Butler 7%	10	10.75	10.75
Br. Bldg. 6%	100	80.00	76.00
Br. Engg. 7%	100	100.00	100.00
Burn & Co. 7%	100	123.00	124.50
Burn & Co. 7%	100	113.00	117.00
I. Iron 5 1/2%	100	99.00	104.00
I. Machinery 7%	100	23.00	23.00
Ind. St. Wagon 7%	100	128.00	134.50
Jesop & Co. 5%	100	90.50	92.00
J. K. Steel 7%	100	95.00	102.00
K. Chubhi 5%	100	90.00	94.50
K. Cruddas 5 1/2%	100	84.00	84.00
S. Products 5%	10	8.00	2.10
Textmaco 5 1/2%	100	91.50	93.00
Textmaco 5 1/2%	100	61.00	63.50
Textmaco 5 1/2%	100	100.00	...

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Albion Plywood 5 1/2%	100	100.00	...
Alum. Corp. 5%	100	75.00	73.50
Alum. Corp. 5%	100	100.50	98.00
Amal. Dev. 5%	100	42.00	43.00
Asso. Hotel 7%	100	50.25	51.00
Bharat Nidhi 6%	100	53.50	59.50
Birds Invest. 5 1/2%	100	53.54	56.00
Br. Biscuits 5% cp	10	9.30	9.70
B. I. Corp. 8%	100	120.00	110.00
Cal. Cr. Corp 6%	100	42.50	44.00
Cal. Cr. Corp 5 1/2%	100	29.00	34.50
Cal. Gas 5 1/2% rpt	100	63.00	62.25
Cal. Silk 6% cp	100	49.12	40.00
Cal. Drama 5% rpt	1	8.22	8.78
Duncan Bros. 4%	100	55.25	56.00
Dunlop 6%	100	115.00	118.00
Dunlop 6%	100	81.50	86.00
Eastern Inv. 5%	100	69.94	72.50
Gillanders 5%	100	62.50	57.25
Godfrey Phil. 5 1/2%	100	61.50	58.00
Greaves Cot. 5%	100	40.00	45.00
Greaves Cot. 6%	100	37.00	43.00
Hindustan Motors 6%	100	178.00	...
Hindustan Nat. Glass 4% cp	100	93.00	101.00
Kodarnath 6%	100	67.00	66.00
Ind. Alum. 5%	10	28.50	25.75
Indian Cables 5%	10	48.00	51.50
Ind. Plastics 5 1/2%	100	73.00	75.00
I. Rubber 5%	50	25.25	32.00
James Wright 6%	100	59.00	60.00
J. Henderson 5 1/2%	100	58.25	62.75
K. Bullen 5 1/2%	100	58.00	63.00
K. Bullen 4%	100	58.00	63.00
Kusum 5 1/2%	100	64.00	69.50

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Amiuckie 7%	10	37.06	42.71
Bornham Jan 6%	100	62.00	74.00
Brooks Bond 6%	100	69.25	68.75
Dhruvati 7%	10	3.00	2.95
Dimakushi 8%	10	8.90	9.70
Kingsley Gola 6%	100	80.00	86.00
Moheima 6%	10	9.80	9.21
Tezpore 2%	10	11.19	9.95

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
MacNeill & Barry 5 1/2%	100	55.50	62.75
Madhya Pradesh Ind. 6%	100	100.00	...
Martin-Burn 6%	100	100.00	102.00
McLeod & Co 5%	100	100.00	102.00
1st Pref.	100	52.00	54.00
McLeod & Co. 5%	100	68.00	70.50
2nd Pref.	100	84.00	76.00
Metal Box 6%	100	77.00	88.00
Nat. Rubber 6%	10	3.00	4.00
Nat. Tobacco 5%	100	77.50	74.00
Nat. Tobacco 4 1/2%	100	67.00	65.00
N. Bhrt. Vanija 100	90.00	...	...
Rallis 5 1/2%	100	82.50	93.00
Robtas Indus. 7%	100	118.00	116.00
Robtas 4 1/2%	100	62.00	63.00
Sen Raleigh 8%	100	103.00	85.00
Shaw Wallace 5 1/2%	100	70.00	74.00
Spencer 5 1/2% A	10	6.87	7.50
Spencer 5 1/2% B	10	8.64	9.47
Standard Vacuum 6%	100	95.50	...
Union Tobacco 6%	100	22.00	22.00

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Alkali 5%	100	100.00	102.00
Bathgate 4 1/2%	10	28.00	17.00
Beng. Chem. 7 1/2%	10	13.25	12.62
Beng. Chem. 4 1/2%	100	72.00	77.50
Frank Ross 4 1/2%	100	41.00	50.00
Smith Stani 10 1/2%	50	62.62	67.00
Calcutta 5%	51	10.00	9.78
Dishergarh 5%	100	78.50	82.00
Dishergarh 4 1/2%	100	78.00	79.50

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Alkali 5%	100	100.00	102.00
Bathgate 4 1/2%	10	28.00	17.00
Beng. Chem. 7 1/2%	10	13.25	12.62
Beng. Chem. 4 1/2%	100	72.00	77.50
Frank Ross 4 1/2%	100	41.00	50.00
Smith Stani 10 1/2%	50	62.62	67.00

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Ballarpur 5%	100	117.00	...
Beng. Paper 7%	50	43.25	46.75
Beng. Paper 6%	100	96.50	103.50
Beng. Paper 5%	100	66.00	82.00
Orient 5 1/2%	100	86.00	94.00
Orient 5 1/2%	100	62.50	66.00
S. Gopal 5 1/2%	100	103.00	110.00
S. Gopal 7 1/2%	100	102.50	102.00
Star Paper 6%	100	85.25	87.25
Star Paper 5%	100	78.50	88.00
Star Paper 4 1/2%	100	94.00	86.50
Star 7%	100	96.50	...
Titagarh 8%	100	119.00	144.00
Titagarh 4 1/2%	100	81.79	88.00

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Ballarpur 5%	100	117.00	...
Beng. Paper 7%	50	43.25	46.75
Beng. Paper 6%	100	96.50	103.50
Beng. Paper 5%	100	66.00	82.00
Orient 5 1/2%	100	86.00	94.00
Orient 5 1/2%	100	62.50	66.00
S. Gopal 5 1/2%	100	103.00	110.00
S. Gopal 7 1/2%	100	102.50	102.00
Star Paper 6%	100	85.25	87.25
Star Paper 5%	100	78.50	88.00
Star Paper 4 1/2%	100	94.00	86.50
Star 7%	100	96.50	...
Titagarh 8%	100	119.00	144.00
Titagarh 4 1/2%	100	81.79	88.00

Orient 5½%	100	62.50	66.00
S. Gopal 3%	100	103.00	110.00

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NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Dhanga Chem. 100	92.00	92.00	
Digvijay Tiles 6% 100	85.00*	85.00	
Digvijay Woolen 100	134.00	40.00*	
East I. Hotels 5% 100	100.00*	100.00*	
Estrela 5% 50	38.00	34.50	
Ferro Alloys. 6% 100	100.00	100.00	
Gwalior Rayon 6% 100	103.00		
Hind. Const. 100	69.00	76.50	
Hind. Const. 100	65.00*	65.00*	
Hind. Cycles 5% 100	75.00*	75.00*	
Hind. Cycles 5% 25	25.00*	25.00*	
Hind. Cycles 6% 100	100.00		
Hindus. Elec. 6% 100	82.00	82.00	
Hindus. Elec. 6% 50	182.00	75.50	
Hingir. Rampur 60	32.00	32.00	
India Dye 6% 100	104.00	129.50	
I. Hume Pipe 5% 100	57.75	59.00	
Indian Rayon 374	24.50		
Jampur Metals 6% 100	58.00	58.00	
Kamini Eng. 6% 100	55.50	60.00	
Khandewal Ferro Alloys. 7 1/2% 50	50.50		
L. & Toubro 5% 100	58.50	95.80	
Madhusudan 4% 121	6.00	7.50	
Madhya Pradesh Ind. 6% 100	105.00		
Mahindra 6% 100	102.50	101.00	
Mahendra 6 1/2% 100	107.50	100.00*	
Mackenzie 5 1/2% 1st 100	88.00*		
Mackenzie 5 1/2% 2nd 100	100.00*		
Motor & G. Fin. 25	36.00*	36.00	
Nat. Elec. 4% 100	60.00*	80.00*	
Nat. Rayon 5% 100	74.20	80.30	
Nat. Rubber 6% 100	82.00	100.00*	
N. Cen. Jute 7% 100	107.00*	100.00*	
N. I. Fisheries 5% 100	101.00	101.00	
Orient Paper 1st 100	93.20	91.00	
Orient Paper 2nd 100	55.50	58.50	
Parashram Port 6% 25	25.00		
Parashram Port 4% 25	16.00		
Poly Chem. 8 1/2% 50	48.75	52.50	
Palson 6% 100	76.20	80.00	
Prem. Const. 1st 100	90.00	87.50	
Prem. Const. 2nd 100	83.40	86.25	
Prem. Const. 3rd 100	5.64	5.96	
Premier Tyre 6 1/2% 60	49.00		
Radio Lamp 5% 100	74.00	76.50	
Robtas 7 to 9% 100	110.00	110.00	
Robtas 4 1/2% 100	60.50	61.00	
Sathe Biscuits 7% 100	94.20	94.20	
Sen Raleigh 5% 100	145.00	109.50	
Sirpur Paper 6% 100	88.80*	110.00	
Standard Motor 6 1/2% A 100	103.00*		
Standard Motor 6 1/2% B 100	103.00*		
Starvac 6% 100	94.50	101.50	
Star Paper 5% 100	78.00*	70.00*	
Star Paper 6 1/2% 100	100.00*	92.00	
Structural Eng. 6% 100	105.50*	105.50	
Structural Eng. 6 1/2% 100	106.00		
Sundatta Foods 8% 50	50.10	50.10	
Supreme Ind. 100	69.50	71.50	
Tata Chem. 5% 100	97.00	98.30	
Tata Oil 4 1/2% 100	57.00	62.00	
Texmaco 1st 5 1/2% 100	88.00*	85.00*	
Texmaco 2nd 5 1/2% 100	62.00	63.00	
Texmaco 6 1/2% 100	101.00		
W. Coast Paper 100	111.00*	110.50	
W. I. Plywood 6% 100	90.00*	90.00*	

Ordinary Shares (Non-Cleared)

BOMBAY

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Adoni 10	8.20*	10.40	
Bhawani 10	10.00*	10.00*	
Bradbury 50	130.00	143.00	
Burhanpur Tapi 100	98.50*	87.00	
Coorla 100	133.00	133.75	
Davangere 100	114.00	113.50	
Dawn 50	107.00	103.00	
Geekwar 100	259.50	210.00	
Gold Mohur 100	220.00	203.75	
Hindustan P.P. 1000	4700.00	4800.00	
Hindustan P.P. 250	992.50	992.50	
Hukunchand 100	108.00	108.00*	
Indian Manfg. 1000	2270.00	4350.00	
Indian Manfg. 500	1050.00		
Jam. Banjit 1000	1500.00	1450.00	
Jyotiba Rao 10	16.52	9.76	

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Khandesh 1000	1450.00	1100.00	
Khandesh 250	375.00	500.00	
Kothari 10	10.00*	14.75	
Lakshmi 250	500.00	392.50	
Mafatala 100	810.00	436.00	
Mahendra 100	315.00	173.50	
Mahendra (New) 40	40.00*	40.00	
Model 250	20.00	97.50	
Modern Mills 50	56.00	40.00	
Navsari Cotton 100	220.00	190.50	
New City 100	124.00	94.50	
N. Kaiser-Hind 100	50.50	49.00	
Phoenix 100	146.00	141.25	
Pulgaon 10	10.24	9.76	
R. Motilal 25	62.00	77.00	
Ruby 10	62.00	35.25	
Sassoon Silk 10	9.52	8.00	
Sassoon Spg. 10	58.20	55.00	
Shubhalakmi 100	125.00	125.00*	
Swadashi (Kad.) 10	12.00*	12.00*	
Swadashi (P.O.) 10	10.40	10.40	
Victoria 100	390.00	287.50	
Vishnu 100	107.00	94.00	
W. India 1000	4400.00	4475.00	

BANKS

Baroda 50	83.00	104.50
Baroda B. 25	48.50	52.50
Central 25	46.50	56.20
Central (P.P.) 25	49.50	57.50
Devk. Nanjee 50	53.50	53.50
Hind. Mercantile 50	14.00	11.24
India 50	99.00	134.50
India A 50	100.00	137.50
Jodhpur Com. 5	2.00	1.84
Maharashtra 40	55.70	50.50
Punjab National 25	20.00	
State Bank 100	340.00	
Union 5	6.40	7.16
United Comm. 50	65.50	65.80

INSURANCE

All-India Genl. 5	1.24	2.80
British India 10	14.12	14.44
Derakran Nanjee 50	32.25	34.00
Empire of India 100	268.75	201.25
Indian Globe 25	8.00	8.00
Ind. Mercantile 40	44.75	44.00
Jupiter 15	6.00	5.20
Neptune 10	1.45	1.00
New Atlantic 5	2.76	2.76
New Great 20	23.24	21.00
New India 15	59.20	51.00
New India A 15	59.70	53.00
Sentinel 50	62.00	50.00*
Universal Fire 10	12.00	13.00
Vulcan 10	20.16	20.60

ELECTRICS

Amalgamated 10	10.68	10.80
Anand 50	55.00	64.00
Bassell 10	8.50*	8.50*
Broach 10	7.00	7.12
Dharwar 50	51.00	51.00
Nadiad 50	54.00	61.50
Nagpur 25	19.52	25.00
Nasik Deolali 100	106.00	72.00*
Poona 100	112.25	120.00
Surat 100	90.00	107.00

CEMENT

Ashoka 10	9.68	9.12
Bagalkot 10	8.68	8.32
Dalmia 10	12.20	10.60
India Cement 5	8.00	8.72
Indian 10	25.00	28.00
Jaipur Udyog 10	13.32	11.04

STEEL

Mukund Dtd. 10	111.00*	70.00*
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SHIPPING

Bharat Line 10	9.44	12.80
Great Eastern New 5	10.20	16.36
Malabar Steamship 10	11.68	11.84

SUGAR

Cauvery 100	107.50	107.50
Hindusthan 100	275.00	230.00
Kesar 40	110.50	46.50
Kr. Gyanoday 10	15.00	11.00
Maharashtra 80	248.50	230.00
New Swadashi 100	300.00	250.00
Oudh 100	167.00	140.00
Ravalgaon 50	101.00	130.50
Ravalgaon Dtd. 50	30.00	30.00
South Behar 10	1.00*	1.00
South Behar Dtd. 24	0.25*	0.26
Ugar 100	140.00	
Vishnu 100	235.00	235.00

PLANTATIONS

Blue Mountain 2	3.84	3.70
Highland 10	12.80	12.80*
Halleyburia 10	16.82	16.80

NAME	Paid-up per Share	Quotation as on 6-5-60 Rs NP	6-5-59 Rs NP
Kalpatta 10	12.28	13.44	
Midland 10	12.12	11.80	
Nellomopathy 2	2.88	3.28	
Rajagiri 10	18.92	18.76	
Twyford 10	13.24	15.64	
Waterfalls 2	3.80	3.70	

MISCELLANEOUS

Alembic 100	224.00	196.00
Alembic Chem. New 100	212.00	179.00
Alumina Corp. 10	16.36	15.32
Amar Dye 100	269.00	174.25
Ambika Silk 100	155.00	
Anil Hardboards 100	330.00	176.25
Asso. Rubber 100	105.00	101.00
Associated Stone 10	21.28	19.88
Banoda Rayon 50	125.00	
Bom. Burma (P.P.) 50	196.00	185.00
Bombay Cycle 20	24.00	15.00
Bombay Pottery 100	144.00	125.25
Bombay Safe 200	405.00	365.00
Bombay Silk 50	5.00	5.00*
Bom. Swadashi Stores 5	6.24	
Bom. Uganda 50	49.00	49.00
Brady Eng. 80	67.00	58.00
B. I. Corp. 5	5.20	
Brunton Eng. 10	4.00	4.00
Ceat Tyres 100	176.50	136.25
C. I. Coal 10	8.60	6.36
C. I. Machinery 10	10.00*	10.00*
C. P. Railway 100	48.00	63.00
Chem. Pharma. 25	27.00	20.00
Colour Chem. 100	315.50	
Commerce (1935) 10	17.00	20.00*
Dehri-Rohas Rly. 10	22.68	12.44
Dena Inv. 25	11.00	11.00
Dehri Safe 10	10.00*	10.00*
Dehri Safe 7	7.00*	
Dharamsi Chem. 50	175.00	92.50
Dharamsi Chem. 100	157.00	120.00
Digvijay Tiles 100	94.00*	73.00
Digvijay Woolen 10	14.36	5.00*
East India Hotel 5	10.00	10.00
Empire Dyeing 15	40.00	47.00
Estrela 50	51.25	41.25
Ferro Alloys 100	100.00	96.50
G. Claridge 100	190.00	170.00
Greaves Cotton 100	141.00	126.00
Gujarat Inv. 50	11.00	25.00
Gujarat Safe 75	120.00	120.00
Gwalior Rayon 10	42.50	18.96
Har & Satapathy 500	365.00	400.00
Hind Cycles 100	122.00	111.00
Hindustan Elec. 100	132.50	107.00
Hindustan Housing 25	125.00	25.00*
Hindustan Lever 10	38.25	31.25
Hingir Rampur 50	23.00	19.00
Indian Dyeust 100	510.00	710.00
Indign Rayon 25	55.00	
Indian Tool 100	112.00	112.50
Indian Veg. 100	153.00	155.00
Ind. Cr. & Inv. Corp. 100	39.00	80.50
Ind & Prudential Inv. Corp. 10	28.00	
Jaipur Metals Dtd. 10	115.00	87.00
Joat Eng. 50	27.00	6.20
Jyoti (Old) 100	190.00	161.75
Kamani Eng. 10	14.52	10.00
Kemp 200	287.00	220.00
Killick Indus. 100	113.00	136.90
Kirloskar Bros. 25	53.00*	
Kirloskar Oil Eng. 10	16.00	19.48
Alloys 50	79.00	
Laxmi Starch 100	155.00	
Madhusudan A 100	75.00	65.00
Madhusudan B 20	14.00	13.00
Madhya Pradesh Ind. 10	18.52	
Mahindra 10	23.00	23.84
Man Indus. Corp. 100	55.00	96.00
McKenzie 100	63.00	78.00
Motor & Gen. Fin. 10	40.00*	40.00*
Mys. Kirloskar 100	125.00	132.50
Nat. Elec. Indus. 50	76.00	75.00
National Rubber 100	13.00	16.52
N. Central Jute 10	26.75	15.00
N. I. Fisheries 100	84.00	100.00
N. I. Industries 100	427.50	240.00
New Stand Eng. 100	108.00	
Orient Paper 10	37.10	35.80
Punshuram Pottery 25	65.00	
Polychem 50	248.00	89.30
Premier Tyres 50	73.00	
Radio Lamp 100	107.00	123.00
Raymond Woolen 100	88.50	
Robtas Indus. 10	34.70	22.12
Sardar Carbonic 100	320.00	320.00
Sathe Biscuits 100	100.00	100.00*

NAME	Paid-up per Share.	Quotation as on.	
		6-5-60 Rs NP	6-5-59 Rs NP
Sathe Biscuits ...	50	50.00	50.00*
Sen Raleigh ...	10	20.24	17.48
Stand. Batteries	100	136.00	115.00*
Standard Motor	10	16.24*	...
Star Paper ...	10	12.40*	12.40*
Star Paper 'A'	10	12.40*	12.40*
Straw Products ...	10	12.32	16.20
Structural Eng.	100	243.75	281.25
Sundatta Foods	50	83.00	51.00
Supreme Indus.	100	173.75	141.25
T. Hancock Mfg. (Old)	...	100	212.50
Tractors & Co.	50	41.00	41.00
Tractors (Mtds)	10	33.75	23.60
United Motors	20	15.00	16.00
W. Coast Paper	100	151.50	132.00
W. Bengal Coal	10	6.60	5.40
W. I. Plywoods	100	236.00	151.00
W. India Veg.	100	100.00	100.00*
W. H. Brady	150	325.00	320.00
Zandu Pharma	100	112.00	113.00

Ordinary Shares (Cleared)

TEXTILE			
Ahmed Adv. ...	100	163.00	139.00
Apollo	...	1.20	1.20
Azam Jahl	...	74.00	53.00
B. R. Cotton	100	28.50	18.52
Bombay Dyeing	25	65.00	63.00
Central India	100	174.00	105.50
Century	100	408.00	534.00
Edward Tex.	200	230.00	217.00
Elphinstone	50	39.00	33.00
Finlay	100	73.00	275.00
Gokak	100	138.00	151.00
India United ...	10	11.12	8.48
India United (Derd.)	1	1.24	1.08
Indore	100	111.50	98.00
Khatua	100	351.00	227.50
Kohinoor	100	337.00	271.00
Minerva	100	62.00	61.00
Morarjee	100	299.00	245.00
Mysoore	50	62.50	81.50
New Great	100	178.00	175.00
Osmanshahi	100	36.50	41.00
Podar	100	152.00	153.00
Shrinivas	100	262.00	171.00
Simplex	50	164.00	184.50
Standard	100	1135.00	521.00
Swadeshi	100	253.50	231.50
Swan	100	470.00	418.00
Tata	25	45.50	39.00

ELECTRICS			
Ahmedabad	100	85.50	93.50
A. Valley	1000	967.50	1151.25
Dom. Suburban	100	93.50	104.00
Tata Hydro	100	103.00	118.00
Tata Power	1000	1045.00	1185.00

CEMENT			
Andhra B'	10	10.44	10.04
A-C-O	100	142.00	156.50
Digvijay	100	149.50	150.00
Orissa	10	14.00	14.60

STEEL			
Indian Iron	10	24.68	24.84
Mukund	10	24.75	17.08
Tata	75	159.50	189.00

SHIPPING

Great Eastern	10	17.92	23.72
Scindia	20	16.00	18.44

SUGAR

Belapur	80	337.50	317.00
Bhopal	10	26.25	24.20
Chandee	121	28.75	30.00
Phaltan	50	168.50	189.50
Walchand	100	306.25	307.00

MISCELLANEOUS

Alcock	100	267.00	293.00
Romby Burma	125	583.00	549.00
B. B. Petrol	361	1.96	1.94
Cooper Eng.	100	165.00	148.00
Hindustan Motor	10	20.69	9.20
I. Copper	261	4.44	4.38
Ind. Invt. Trust	100	78.00	80.00
Lar. and Toubro	10	36.25	24.36
National Rayon	100	462.50	507.50
Poison	100	154.00	153.50
Prem. Auto	100	154.00	116.00
Prem. Const.	30	325.00	318.00
Shrirajpur	10	18.64	14.18
Sibpur Paper	10	17.72	16.88
Tata Chem.	10	221.00	187.50
Tata Loco.	100	74.00	83.50
Tata Oil	23	27.10	25.80
Texmaco	10	226.00	171.00
Volta	100	258.00	219.00
WIDCO	100	258.00	219.00

grain pact. Dunlop changed hands at Rs 42.62 to Rs 44; Indian Cable at Rs 33.12 to Rs 34.50; Indian Aluminium at Rs 28 to Rs 28.50; Hindustan Motor at Rs 20.37 to Rs 21; Orient Paper at Rs 44.00 to Rs 44.80; Rohtas at Rs 34.81 to Rs 35.02; Shree Gopal at Rs 28.50 to Rs 29.50; Aluminium Corporation at Rs 18.25 to Rs 18.56; BIC at Rs 8.31 to Rs 8.87; Sirpur at Rs 18.19 to Rs 19.06; Associated Battery at Rs 35.37 to Rs 36.37; Union Carbide at Rs 48.87 to Rs 50.50 and Angelo Brothers at Rs 22.06 to Rs 22.75. Rallis moved between Rs 114 and Rs 117, to close finally at Rs 116.50 with NICO quiet at Rs 27.62 against Rs 27.87.

Madras
SHARES of Ashok Leyland, Aluminium Industries and Travancore Rayons continued to be prominent today in the Madras Stock Exchange transactions. The market was generally firm. Sugars and Breweries were steady. Textiles proved good and Plantings were unchanged with Blue Mountain and Consolidated Coffee proving very active.

Government Securities: Madras Government's 4% 1964 loan was marked up at Rs 100.36. Kerala Government's 4% 1971 Loan was quoted higher at Rs 99.75. Mysore Government's 1971 bearing 4% remained at Rs 100.10 4% Madras Government 1971 Loan was quoted at Rs 100.00. 1970 Madras Government's 4½% Loan was marked at Rs 101.90, the same denomination of Mysore Loan was obtainable at Rs 102.00. The rest of the Government loans continued to be quoted at the market rates.

Banks: Rs 100 paid Andhra ex-dividend was available at Rs 99.85 and Rs 85 paid share of the same bank was available at Rs 82.32 also ex-dividend. The Canara Bank shares were all marked up probably due to paucity of these scrips. The Rs 50 paid up was quoted at Rs 80.00, the Rs 50 paid up Canara Banking was quoted higher also at Rs 71.00. The Rs 100 paid Canara I & B Syndicate 'A' was raised up to Rs 188.00 from Rs 180.00, the Rs 10 paid 'B' share of the same bank was also quoted higher at Rs 18.00 and the one rupee paid share of 'C' denomination was listed higher at Rs 1.88 Pandyam Bank continued to be quoted at Rs 39.25 and the Punjab National ex-dividend at Rs 20.00.

Electrics: This counter remained unaltered. Kumbakonam was available at the same rate of Rs 10.15, Negapatnam at Rs 9.60 and South Madras at Rs 10.10 and Salem-Erode at Rs 12.50. West-Coast was also quoted at this rate.

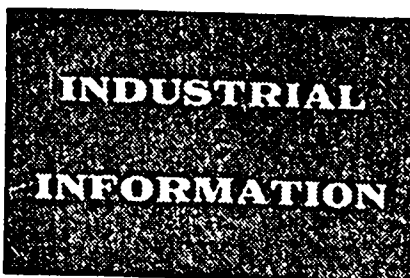
Sugars & Breweries: Transactions took place in Cauvery at Rs 141.00 and E.L.D. at a higher rate of Rs 56.00 in this section. India Sugars with 12½% taxable dividend could be had at Rs 13.12, K.C.P. at Rs 21.00, Mysore at Rs 56.90 ex-dividend, Kirlampudi at Rs 79.00 and United Breweries at Rs 84.00.

Plantings: Blue Mountain was the most fancied scrip throughout this week and today's price went up to Rs 4.55, ten nP higher than last closing. Athimattam was conti-

nuing at Rs 1.25, Badra at Rs 3.97, Balanoor at Rs 17.70, Be Be at Rs 3.65 and Chembra at Rs 4.55. Coch'n Malabar ex-dividend, was marked at Rs 8.25. Coffee Lands was steady at Rs 25.00 while Consolidated was strong at Rs 25.90. Coonoor was quoted at Rs 27.75 with 10% free of tax dividend. Coorg and Cottanad were respectively marked at Rs 5.70 and Rs 14.50. Devashola was unaltered at Rs 32.00, Devon at Rs 18.00, Halleyburia went up by 25 nP to Rs 15.75. Kailas was quoted higher at Rs 5.52. Kil Kotagiri was marked down at Rs 5.47. Lingapur continued steady at Rs 7.00 as well as Kumerkode at Rs 5.85 and Kurchimala at Rs 8.75. Mercara with 20% taxable dividend was available at Rs 9.90, and Midland was unaltered at Rs 12.75. Neelamalai was taken up slightly higher at Rs 4.93. Nilgiri was unchanged at Rs 7.75. Osoor was the same at Rs 3.70. Ouchterlony Valley with 15% dividend free of tax, was available at Rs 5.50. Likewise Peermade with the same amount of dividend was marked at Rs 23.25. Periakaramal went up to Rs 3.83. Highland was taken up at the quoted price of Rs 15.10. Pullangodes improved slightly to Rs 1.97. Sheveroy was unchanged at Rs 1.93. Stanes Amalgamated continued lower at Rs 14.90. Thamarapalli was quoted at Rs 30.50 with taxable 30% dividend. Travancore Rubber was quoted at Rs 15.82 and Travancore Rubber & Tea was available at Rs 8.25. Waterfall was transacted at Rs 3.50.

Textiles: In Adoni Spinning transactions were made at Rs 8.20 as also in Buckinham at improved rate of Rs 204.00. This has gone up by Rs 3.50 during the last twenty four hours. Bangalore Woollen also appreciated by Rs 4 to Rs 201.00. Cambodia was at Rs 10.00. Coimbatore Pioneer with 25% taxable dividend was quoted at Rs 370. Dhanalakshmi was at Rs 224.00. Kothari was bought at Rs 12.60. Lakshmi was the same at Rs 154. Madura was lower at Rs 33.40. Mettur was unaltered at Rs 436.00. Radhakrishna was traded at Rs 28.35. Rajapalayam remained at Rs 135.00. Travancore Rayons was bought at Rs 36.50 while Vasanta Mills with 16% taxable dividend was available at Rs 240.30. Other shares were at the same market rates.

Miscellaneous: Aluminium Industries were taken up at Rs 28.12. Ashok Leyland went up to Rs 9.15. Dalmia Cement appreciated to Rs 12.30. Enfield also was quoted higher at Rs 16.50. F.A.C.T.s was lower at Rs 11.20. Hindustan Lever remained at Rs 37.82. India Cement was marked at Rs 6.35. Mysore Paper improved to Rs 24.40 while Mysore Stone continued at Rs 13.10. National Rubber Mfrs. at Rs 13.00, with 8½% taxable dividend and Ogale Glass with 8% taxable dividend at Rs 5.40 remained unchanged. Orissa Cement was available at Rs 14.00. Parrys Confectionery was quoted at Rs 4.35 Rallis remained at Rs 115.00. Spencer was steady at Rs 20.50. Standard Motors during the week had gained at Rs 15.25. Textool registered gain at Rs 169.25. Tube Investments were quoted at Rs 272.00 and Western India Plywoods were available at Rs 274.00.



ANNUAL REPORT OF NPC

The activities of the National Productivity Council has helped to generate a wide-spread consciousness and an urge in the industries to know about and seek the utilisation of productivity techniques, says the annual report of the Council for 1959-60, which has just been published.

The report adds that the country-wide campaign launched by the NPC has evoked a great response from the industries as evident from the recognition given by them to the productivity programmes and the rising demand for the services of the Council.

The Council's programme during the year included organisation of training courses, sponsoring of productivity study teams and training abroad, promotion of technical knowledge through inter-plant visit and in-country productivity teams, besides dissemination of information on the productivity techniques. The Council organised Seminars and conferences and provided advisory services to the industries. Research on problems relating to productivity and collection of case data were also taken up.

An important objective of the Council, the Report says, is to foster the establishment of Local Productivity Councils (LPCs) in all important centres of the country. These Councils which comprise employers, workers, Government, professional organisations and institutions, function as the spearheads of the productivity movement. During 1959-60, 29 Local Productivity Councils were established, making a total of 36 LPCs functioning now.

The Information activities of NPC, which aimed at the dissemination of the concept of productivity and creation of an urge in industries to introduce productivity techniques, were stepped up.

The Council laid special emphasis on the training of personnel in industries for equipping them in the techniques which would help to raise the level of productivity. 85 Training Courses were organised at various places in the country and 1,533 persons participated in these Courses. Over 62 Seminars, conferences and symposia were also held at different places of the country. Likewise, the talks given by the NPC Training Officers in Business Management Courses of the Small Industries Service Institutes as well as other technical institutions, also proved popular. In addition, seven In-Country Teams and 11 Inter-plant visits, which aimed at promoting technical exchange within the country,

were sponsored during the year under review.

The Council sponsored training activities and productivity study teams abroad with the aid received from foreign sources. Seven productivity teams on plastics Industry, Cotton Textiles, Small-Scale Industries, Management Organisation and Training, Road Transport, Factory Buildings Layout and Construction, and Coal-Mining, were sent abroad during the year under TCM aid. During the same period, 37 persons were sent abroad under this aid programme for training in subjects of Industrial Engineering, Industrial Management and Industrial Relations. An additional batch of 20 persons were sent to France for training in Scientific Management under the French Government Fellowship aid. This programme is expected to expand further with the finalisation of the negotiations which are being conducted for sending similar productivity teams and trainees to USSR and the East European countries.

The NPC also rendered advisory services to industries for demonstration as well as for diagnostic and implementation purposes. As many as 104 industrial units received advice during the year. A campaign has also been launched to collect case data from the industries, indicating the utilisation of specific productivity techniques and the benefits derived from them.

ECONOMIC AND SOCIAL LIFE OF VILLAGES

Thirty-five villages in each of the States in India will be selected, during the 1961 Census to study the economic and social life of the community.

The villages to be selected will be "typical villages" as far as possible. Where there are concentrations of Scheduled Tribes, Tribal Villages will be included, each representing a particular tribe. Similarly, villages which are important from the point of view of cottage industries and handicrafts will also be embraced by this study.

The purpose of the enquiry is mainly to collect basic information about the layout of the villages and amenities available to the population, such as educational, medical, communications, postal, etc. The study follows the old Indian Census tradition of conducting sociological enquiries apart from the presentation of the census data in the Census Report.

The draft questionnaire, prepared for this purpose, shows that the information sought will be under various heads: duration of a person's residence; religion; marriages; inheritance; property; indebtedness; education; diet; furniture; ornaments; consumer goods; industry; etc.

Similarly, questions will be asked on local legends, description of houses, distance from the nearest railway station, bus route, post office and telegraph office, religious practices, festivals, recreation centres, co-operatives, schools, etc.

14 May, 1960

RESERVE BANK OF INDIA ISSUE DEPARTMENT: (In 000's of Rupees)			
	Week Ended		
	6-5-60	29-4-60	8-5-59
LIABILITIES:			
Notes in Banking Dept.	13,34.44	30,96.43	11,50.88
Notes in Circulation...	1904,49.13	1883,58.77	1774,72.30
	1917,83.57	1914,55.20	1786,23.18
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76.03	117,76.03	117,76.03
(b) Outside India	...	...	...
Sterling Securities	163,00.89	163,00.89	178,00.89
Total A	280,76.92	280,76.92	295,76.92
(B) Rupee Coin	125,63.18	127,30.96	129,68.77
Rupee Securities	1511,43.47	1506,47.33	1360,77.49
	1917,83.57	1914,55.20	1786,23.18
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long-term Operations) Fund	30,00.00	30,00.00	25,00.00
National Agricultural Credit (Stabilisation) Fund	4,00.00	4,00.00	3,00.00
Deposits:			
(a) Central Govt.	60,30.18	50,57.43	51,75.48
(b) Other Govt.	18,90.48	45,28.08	16,43.97
(c) Banks	98,62.11	97,64.17	68,66.79
(d) Others	98,84.66	98,89.34	117,95.16
Bills Payable	23,80.66	24,99.15	16,20.57
Other Liabilities	51,45.91	49,82.35	45,61.93
	460,74.00	486,20.72	429,64.20
ASSETS:			
Notes	13,34.44	30,96.43	11,50.88
Rupee Coin	1.71	2.63	2.38
Subsidiary Coin	4.94	4.97	2.83
Bills Discounted:			
Internal	...	...	...
External	...	...	...
Govt. Treasury Bills	30,09.73	27,23.52	5,35.99
Loans held abroad	15,67.11	17,54.80	25,72.69
Loans & adv. to Govt.	51,33.11	48,22.25	41,38.60
Other Loans & Adv.	117,51.98	114,53.09	97,68.11
Investments	217,37.52	232,38.42	244,81.29
Other Assets	15,33.46	15,19.70	13,11.43
	460,74.00	486,20.72	429,64.20

(1) The item 'Other Loans and Advances' included Rs. 12,73,70,000 advanced to scheduled banks against usance bills under Section 17(4) (c) of the Reserve Bank of India Act.

SCHEDULED BANKS IN INDIA (In 000's of Rupees)			
	Week Ended		
	1-5-59	22-4-60*	29-4-60*
Demand Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	20,91.01	16,22.12	17,32.73
(ii) other demand liabilities	719,38.23	782,32.97	771,41.53
Time Liabilities in India			
(i) Borrowings from banks other than the State Bank & a notified Bank (A)...	24,88.50	21,86.72	21,93.52
(ii) Other time liabilities	969,70.45	1154,16.56	1158,53.03
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	8,12.68	12,52.28	10,54.46
(ii) Time Liabilities	85.00	94.00	1,21.00
Borrowings in India from the R. B. I.			
Cash in India	29,10.99	32,34.45	43,84.63
Balance with the Reserve Bank of India	42,98.54	48,81.03	48,68.96
Balance with other banks in current account in India	81,09.81	93,86.38	91,39.59
Money at call and short notice in India	14,00.03	15,25.76	15,96.18
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	31,25.49	25,12.91	25,33.85
Advances in India	623,73.39	736,96.51	741,60.29
Island Bills Purchased and Discounted in India	872,06.46	945,03.61	954,88.75
Foreign Bills Purchased and Discounted in India	112,25.41	133,07.81	128,49.55
	31,35.62	46,79.07	46,42.17

*Figures are provisional since complete returns have not been received from Banks.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA (In 000's of Rupees)			
	Week Ended		
	6-5-60	29-4-60	8-5-59
LIABILITIES:			
Capital Paid-up	5,62.50	5,62.50	5,62.50
Reserve Funds	7,20.00	7,20.00	7,00.00
Deposits and other Accounts	628,81.88	628,64.20	519,63.03
Borrowings from other Banks, Agents, etc.	27.00	1,34.50	7,50.00
Bills Payable	12,30.74	11,80.30	10,12.29
Bills for Collection as per contra	1,30.74	1,26.77	1,24.49
Acceptances etc. for constituents as per contra	1,61.55	1,73.43	1,57.03
Other Liabilities including Inter-office Adjustments	4,81.73	7,29.78	4,48.05
Total	661,95.93	664,96.48	556,97.39
ASSETS:			
Cash in hand and with R. B. I.	27,71.65	35,27.21	21,03.15
Balance with other Banks	3,89.75	3,25.85	2,96.13
Money at call and short notice	1,26.67	1,93.33	2,26.66
Government and other Trustee Securities	381,31.64	379,83.92	299,85.81
Other Authorised Investments	10,67.04	10,77.05	11,75.85
Loans Advances cash credits & Over Drafts	202,89.09	202,47.61	191,37.96
Bills Discounted and Purchased	14,52.09	15,21.71	12,82.23
Bills for collection as per contra	1,30.54	1,26.77	1,24.49
Constituents' Liabilities etc. as per contra	1,61.55	1,78.43	1,37.03
Dead Stock	2,44.98	2,43.43	2,28.07
Other Assets	11,30.93	10,71.17	10,00.01
Total	661,95.93	664,96.48	556,97.39

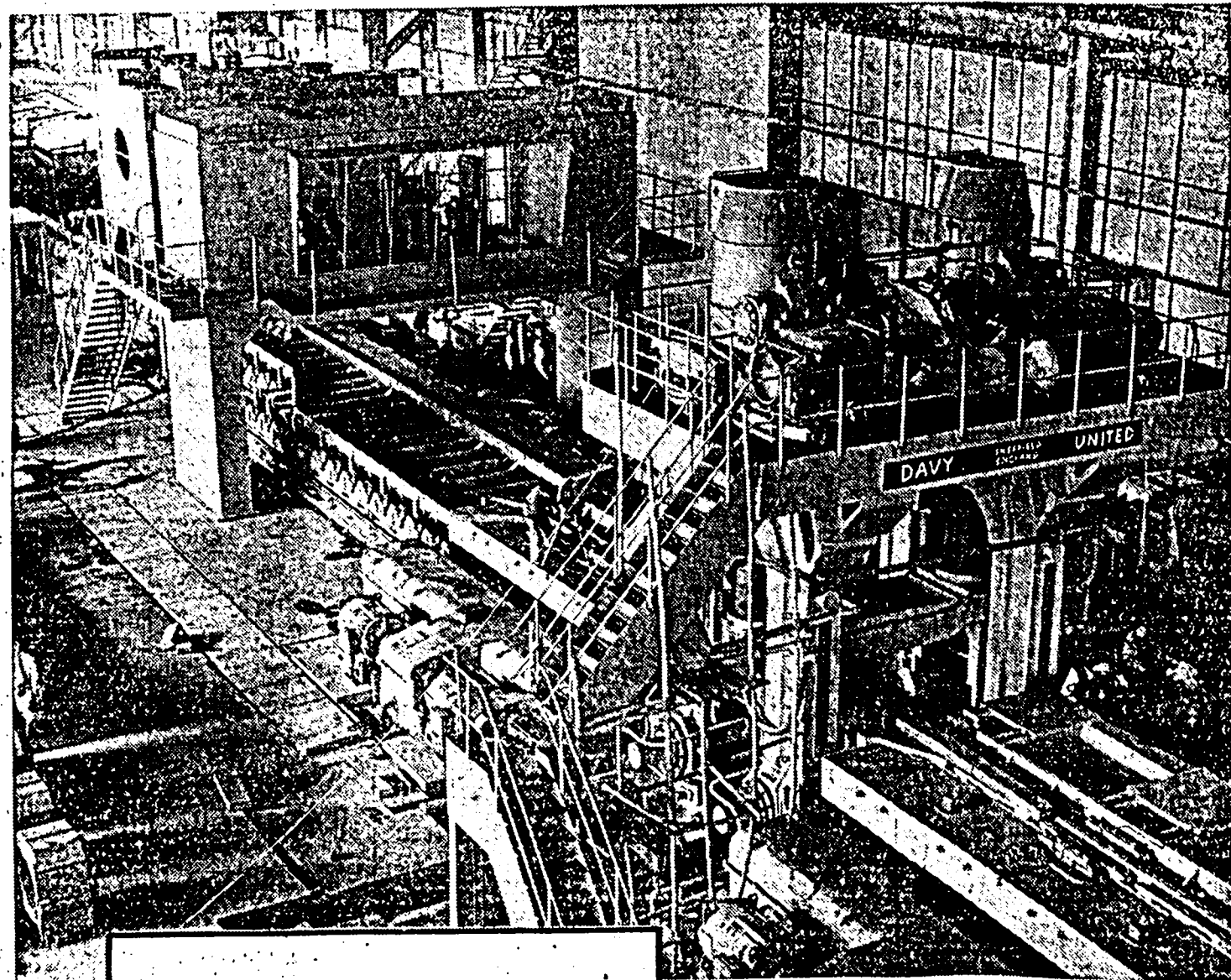
CLEARING HOUSE RETURNS

Week ended 6th May 1960			
Clearing House	No.	Amount	
		Rs.	nP.
Madras	98772	14,04,82,140	00
Delhi	50936	17,76,81,245	46
Kanpur	23016	5,23,85,971	00
Bombay	349193	79,22,33,000	00

BANK OF ENGLAND (In Million £)			
	Week ended		
	4-5-60	27-4-60	6-6-59
LIABILITIES:			
Notes in Circulation	2,183.5	2,187.7	2,064.6
Notes in Banking Department	66.9	62.6	35.7
Govt debt and securities	2,247.3	2,247.2	2,096.7
Other securities	0.7	0.8	0.8
Gold Coin and Bullion	0.4	0.4	0.4
ASSETS:			
Public Accounts	10.3	11.4	10.8
Treasury Special Account	245.0	255.3	233.5
Bankers	64.2	66.4	63.6
Other	319.5	333.2	307.9
Total	220.4	235.1	244.3
Government	30.8	33.7	24.3
Discount and Advances	18.5	18.7	20.4
Other	269.7	282.7	289.1
Total	67.7	65.5	36.7
Banking Department reserves	21.1	19.0	11.9

Government debt is £11,015,000, Capital £14,563,000
Fiduciary issue increased by £50 million to £2,250 million on April 13 1960

STATE BANK OF PAKISTAN			
ISSUE DEPARTMENT:			
(In 000's of Rupees).			
	Week Ended		
	15-4-60	8-4-60	17-4-59
LIABILITIES:			
Notes in Banking Dept. ...	15,29.03	11,74.98	8,23.00
Notes in circulation ...	367,66.85	370,93.93	344,93.61
	382,95.88	382,68.91	353,16.61
ASSETS:			
(A) Gold Coin & Bullion	24,66.79	24,66.79	23,07.35
Approved Foreign Exchange	70,99.94	71,41.86	51,43.69
India Notes receivable from Reserve Bank ...	43,01.61	43,01.61	43,01.61
(B) Rupee Coin ...	3,02.67	2,75.70	3,64.09
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	235,34.81	234,92.89	226,09.81
Gold coin & Bullion ...	19.02	19.02	19.02
Sterling Securities ...	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin ...	29.51	29.51	29.51
Total ...	382,95.88	382,68.91	353,16.61
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up ...	3,00.00	3,00.00	3,00.00
Reserve Fund ...	4,15.00	4,15.00	3,00.00
Deposits:—			
(a) Central Govt. ...	9,04.89	5,80.17	8,67.61
(b) Provincial Govts. ...	3,06.77	4,03.32	3,90.16
(c) Banks ...	16,03.00	16,49.19	14,92.74
(d) Others ...	95,62.43	96,08.78	5,47.81
Bills payable ...	23.76	19.95	37.59
Other Liabilities ...	13,76.39	13,47.91	13,28.53
	145,12.26	143,24.32	130,72.04
ASSETS:			
Notes ...	15,29.03	11,74.98	8,23.00
Rupee Coin ...	21	18	56
Subsidiary Coin ...	19	16	38
Bills purchased & discount.			
(a) Internal ...	...	...	...
(b) External ...	...	...	...
(c) Govt. Treasury Bills	44,93.41	44,06.75	24,62.56
Balances held outside Pk. Loans & Adv. to Govts. Provincial Governments	10,46.00	10,73.00	9,45.00
Debtor Balances ...	17,49.98	19,41.66	6,15.61
Other Loans & Advances	46,62.11	47,04.04	3,45.05
Investments ...	10,31.33	12,23.55	9,80.33
Other Assets ...	...	...	...
Total ...	145,12.26	143,24.32	130,72.04



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Indian Finance

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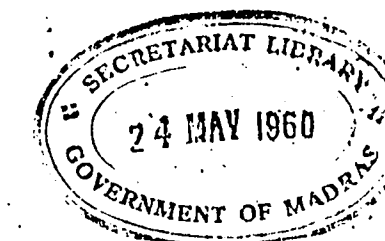
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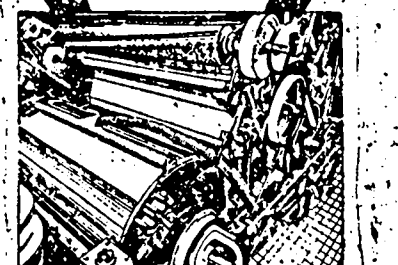
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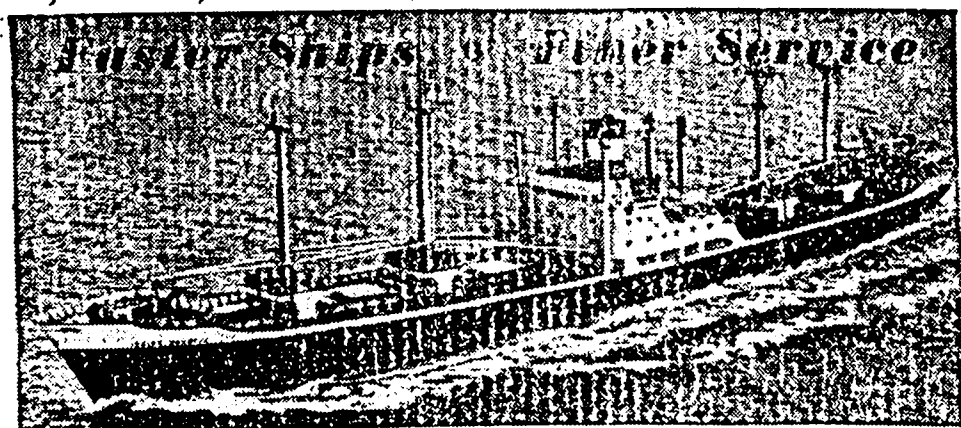
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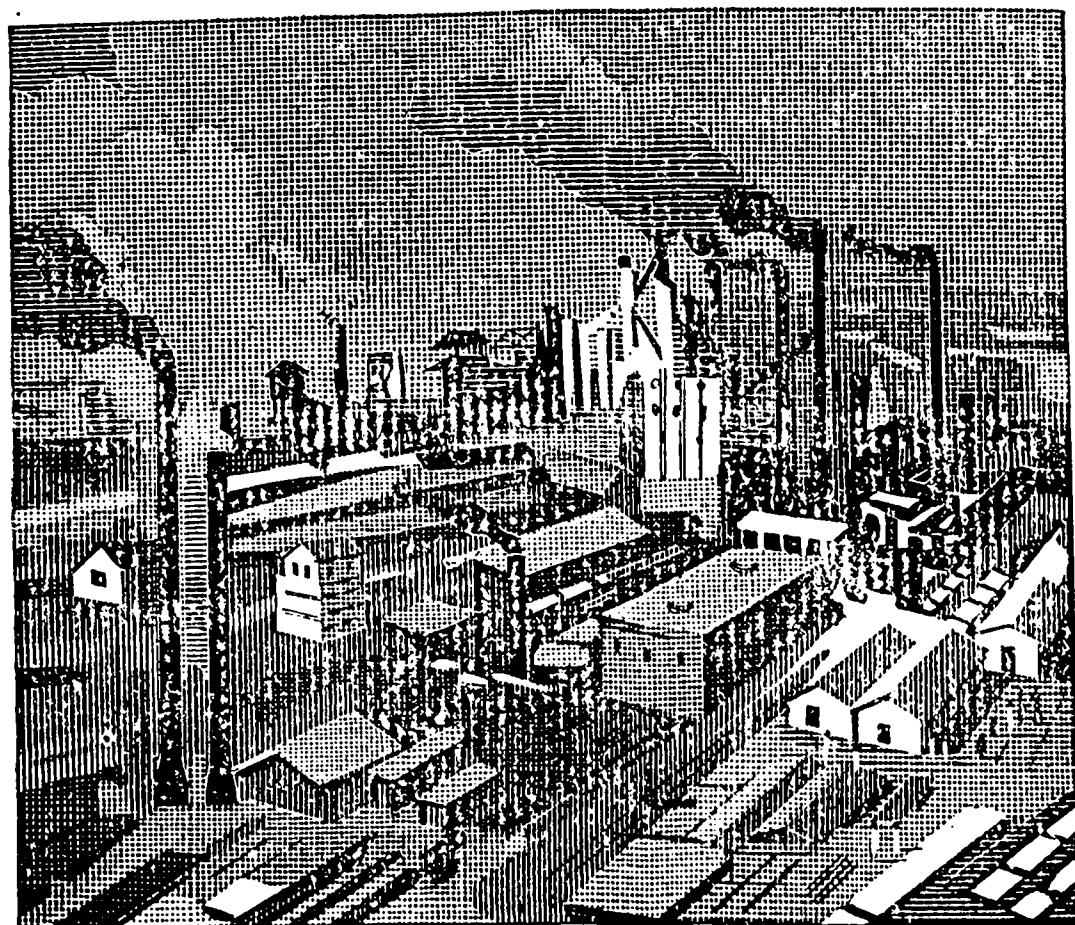
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WORLD OF FINANCE

Analysis of 1959-60 Busy Season

THE 1959-60 busy season has finally ended, its departure having been sounded as early as the third week of April when the banking returns prominently displayed slack season attributes. While an analysis of the season just ended is attempted below, it may be pointed out here that the season has revealed no rigours that were not foreseen in these columns. With demand for industrial credit showing little signs of declining during the 1959 slack season, the 1959-60 busy season was not expected to be less rigorous in the demand for funds that it would throw up than earlier seasons. In the event, the demand for funds exceeded the expansion in Bank credit during the 1958-59 busy season and the meeting of the enhanced demand was attended with greater strain on the resources of the banking system.

In a sense, the 1959-60 busy season is not strictly comparable with the 1958-59 season or the 1957-58 season. The 1957-58 busy season was hardly busy in the sense of the banking system being subjected to strains in affording busy season, accommodation to industrial and agricultural credit seekers. For one thing, demand for busy season funds failed to rise to expected heights consequent on the slow-down in the rate of industrial production. Secondly, Governmental disbursements were seeping into the banking system and the resultant rise in bank Deposits exceeded the pace of growth in Advances. In the circumstances, far from being bothered about resources for meeting busy season demand for money, the banks found themselves in the embarrassing situation of idle resources piling up in a busy season. This experience was exceptional and during the 1958-59 busy season, all the busy season signs were again in active evidence.

The 1959-60 busy season has in almost all respects turned out to be even more busy than was the 1958-59 season. However, one significant difference needs to be noted. Because of the impact of the Diwali disbursements reflected in the banking returns for the week ended 30 October 1959, the true character of the 1959-60 season has suffered a slight distortion. However, even without making allowance for this fact, the 1959-60 busy season has proved to be unprecedentedly busy. This is borne out by changes in respect of almost all the relevant items in the banking returns, with the exception of note circulation. Active note circulation during the 1959-60 busy season has risen by about Rs 197 crores against a rise of Rs 217 crores in the previous season. It is necessary, in this connection, to bear in mind the distortionist rise in active note circulation that occurred on the eve of the 1959-60 busy season. However, the fact that Active note circulation rose by a magnitude of nearly Rs 200 crores suggests that during this period, the contractionist effect of the balance of payments deficit has been mitigated by virtue of the deficit being smaller.

It is interesting to note that the deposits of the Scheduled Banks with the Reserve Bank are shown to have gone up by Rs. 24 crores while, during the 1958-59 busy season Banks'

Busy Season Statistics

	25-10-57	25-4-58	Change	31-10-58	24-4-59	Change	30-10-59	29-4-60	Change
Reserve Bank:									
Active Notes	1486.20	1619.12	+132.92	1534.44	1751.46	+217.02	1686.20	1883.59	+197.39
Banks' Deposits	106.91	94.14	-12.77	110.68	117.94	+7.25	73.44	97.64	+24.20
Other Loans and Advances	67.87	54.59	-13.18	53.35	73.44	+20.09	92.47	114.53	+22.06
Advances against Usance Bills	27.63	17.72	-9.91	0.92	9.57	+8.65	1.70	11.54	+9.84
State Bank of India:									
Deposits	367.00	422.12	+55.12	476.29	528.62	+52.33	569.66	628.64	+58.98
Borrowings	143.93	180.46	+36.53	257.13	282.01	+24.88	385.84	379.84	-6.00
Giltedged Investments	165.64	206.40	+40.76	162.06	203.22	+41.16	161.30	217.69	+56.39
Total of Advances	(45.1)	(48.9)	—	(34.0)	(38.4)	—	28.3	34.6	—
Advances/Deposits ratio (%age)	1028.94	1121.37	+92.43	1163.26	1210.98	+47.72	1283.16	1340.57	+57.41
Other Scheduled Banks:									
Deposits	29.77	19.85	-9.92	2.26	27.20	+24.94	13.85	43.85	+30.00
Borrowings from Reserve Bank	250.02	264.55	+14.53	361.30	333.61	-27.69	408.26	361.76	-46.50
Giltedged investments	702.29	749.87	+47.58	676.79	817.35	+140.56	778.74	912.11	+133.37
Total of Advances	(38.3)	(66.9)	—	(58.2)	(67.5)	—	60.7	68.0	—
Advances/Deposits ratio (%age)									

deposits rose only by Rs 7 crores. Such a sharp rise in the midst of a busy season represents a contra-seasonal phenomenon and seems to belie the busy season character that is revealed by changes in the other items in the banking returns. The reason for this abnormal rise in Banks' deposits is to be found in the directive issued by the Reserve Bank in the second week of March calling upon the Scheduled banks to keep 25 per cent of their deposits accruing after 11 March 1960 with the central banking institution. It may be recalled that the proportion of such additional reserves to be kept with the Reserve Bank has, in terms of a subsequent directive, been raised to 50 per cent.

The most noteworthy aspect of the busy season changes is that which relates to the expansion that has taken place in the Advances of Scheduled Banks. While, during the 1958-59 season, such expansion occurred for an amount of Rs 180 crores (shared in the proportion of Rs 40 crores and Rs 140 crores by the State Bank and other Scheduled Banks respectively) during the 1959-60 season, the growth of Advances was of the order of Rs 190 crores. This excludes the rise in Advances that occurred on the eve of the 1959-60 busy season in connection with the Diwali disbursements. While the Advances of the State Bank rose by Rs 56 crores, the increase in the Advances of other Scheduled Banks worked out to Rs 133 crores. The rise in the Advances of the State Bank was more than covered by the expansion in its deposits which amounted to nearly Rs 59 crores. So far as the other Scheduled Banks were concerned, the rise in Deposits, though exceeding the rise in the 1958-59 busy season by nearly Rs 10 crores, was as nothing compared with the expansion that had taken place in Advances. The expansion in Advances that could not be fully covered by the rise in Deposits worked out to Rs 76 crores and was met by the banks by increased borrowing from the Reserve Bank to the extent of Rs 30 crores and disinvestment in giltedged to the tune of Rs 46 crores. For the first time in recent years, the other scheduled banks have thus disinvested in giltedged on a considerable scale, and this fact provides a measure of the stringency experienced by the banking system in meeting the busy season pressure for funds.

It is intriguing that the State Bank should have disinvested in giltedged for an amount of Rs 6 crores since there are hardly any signs of strain by way of the rise in Deposits falling short of the expansion in Advances. It is worthy of mention in this connection that, during the 1958-59 busy season and in circumstances similar to those which obtained during the 1959-60 season, the State Bank added to its giltedged portfolio by nearly Rs 25 crores. Thus, the 1959-60 busy season could be seen to have revealed a pattern of changes

that is similar to that disclosed by the 1958-59 season with only one point of difference, namely, that, during the 1959-60 season, the banks' deposits with the Reserve Bank have shown an abnormal expansion. However, the difference in the magnitude of the changes in respect of the various items is significant and is evidence of the greater strains experienced by the banking system in meeting the 1959-60 busy season demand.

Sudden Rise in Bank Advances

THE Reserve Bank returns for 13 May 1960 are largely featureless, with neither evidence of unseasonal demand for funds nor testimony as regards the commencement of the 1960 slack season. Active note circulation has declined by Rs 3.06 crores to Rs 1901.43 crores. On the other hand, there has been outflow of rupee coin for Rs 0.98 crores. In the result, the Reserve Bank's cash in the till has risen by Rs 2.16 crores to Rs 15.40 crores.

In the Banking Department, there is a suggestion of intergovernmental transactions. Balances of State Governments have risen by Rs 7.01 crores to Rs 25.92 crores, though there has also been a rise of Rs 1.68 crores to Rs 53.01 crores in their ways and means borrowings from the Reserve Bank. With this is linked the decline of Rs 8.41 crores to Rs 51.89 crores in the Deposits of the Centre. Meantime, from the State Bank's return, it is inferable that the Reserve Bank has purchased Rs 5 crores of securities from that institution. Since the Reserve Bank's rupee investments in both departments are practically unchanged, it may be concluded that there has been some element of reverse ad hoc. (Indeed, figures relating to Treasury Bills outstanding in recent weeks indicate that there has from time to time been considerable cancellation of ad hoc treasury bills; the implication of this will be examined next week).

Banks' Deposits have continued to rise, to be placed Rs 10.66 crores higher at Rs 99.08 crores; the share of the State Bank is around Rs 9 crores. At the same time, there has apparently been greater reliance on the Reserve Bank for borrowings, since the Other Loans and Advances of the Reserve Bank are higher by Rs 1.80 crores at Rs 119.32 crores.

Lastly, Balances Held Abroad are again lower by Rs 1.05 crores at Rs 13.77 crores—and a transfer from the Issue Department may be said to be imminent.

According to the return of the State Bank for 13 May, Deposits have been marked up by Rs 2.81 crores at Rs 631.63 crores. There has been disinvestment in giltedged for Rs 5 crores. Advances are lower by Rs 0.55 crores at Rs 216.83 crores and, in consequence, cash in

hand and with Reserve Bank has moved by Rs 8.98 crores to Rs 36.70 crores.

The return of the Scheduled Banks for 6 May shows the considerable impress made by the demand occasioned by monthly early disbursements. The total of Advances is higher by nearly Rs 10 crores at Rs 1139.62 crores. Thus, the rise of Rs 4.61 crores to Rs 1973.82 crores in gross Deposits was insufficient for enabling the Scheduled Banks to meet this demand. Hence, borrowings from the State Bank have been increased by Rs 3 crores, and the indebtedness to the Reserve Bank is higher by nearly Rs 4 crores. Moreover, cash balances stand reduced from Rs 181.39 crores to Rs 179.60 crores. The gilt-edged portfolio, reflecting State Bank purchase of securities, is higher by Rs 4.72 crores at Rs 746.32 crores.

Misguided Disinflationary Policy

By Paul Einzig

THE recent batch of disinflationary measures adopted by Mr Amory has been subject to a certain amount of criticism on the ground that they do not allow sufficiently for the character of the inflation they try to cope with. If it were a demand inflation pure and simple the discouragement of consumer demand by means of hire-purchase restrictions would be a correct measure. But the present inflation is primarily due to the increased volume of wage payments. Wage increases unaccompanied by a corresponding increase in productivity tend to result in both demand inflation and cost inflation, and in fact both are running concurrently. The hire-purchase restrictions are directed solely against the increase in consumer demand resulting naturally from the higher wages, without affecting the trend towards higher wages and higher costs.

Assuming that the restrictions will succeed in reducing the demand for manufactures bought on hire-purchase, what will be the position? The purchasing power created by wage increases will remain in existence. And there is no reason to suppose that the recipients of higher wages, having been discouraged from spending the surplus on goods bought on instalments, will dutifully save the unspent surplus. The chances are that, since under the new terms they cannot afford to buy consumer durable goods, because of the high amount of the minimum deposit and of the monthly instalments, they will spend their money on other consumer goods instead.

This means that there will be a decline in the demand for washing machines and television sets, but an increase in the demand for butter and vegetables. The prices of washing machines and television sets are inelastic and are most unlikely to fall as a result of the decline

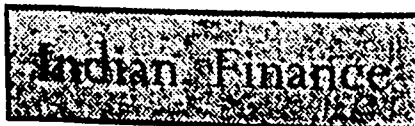
in the demand. On the other hand the prices of butter and vegetables are highly sensitive and will respond to the increase in the demand. The net result will be an increase in the cost of living, fully expressed in the all-important cost of living index.

That the possibility—indeed I feel justified in regarding it a probability—of such an effect of the hire-purchase restrictions has been overlooked by Mr Amory and his economic advisors is due in part to the inadequacy of the state of applied economics in Britain. In Sweden a sample survey was carried out some years ago to ascertain what was the alternative to spending on consumer durable goods under hire-purchase. The majority of the answers collected indicated that a restriction on hire-purchase terms would mean an increased demand for goods whose prices would react more easily to the additional demand and whose prices would have a stronger effect on the cost of living index. This finding induced me to revise my attitude in favour of hire-purchase restrictions in conditions such as prevail in Britain today. But no similar sample survey has been carried out in Britain, and few Governments are able and willing to learn from other countries.

The official British attitude is of course understandable. The Government wants to avoid, as far as possible, to discourage an expansion of the capital goods industry which had a lean time until quite recently and which is only just getting into its stride. On the other hand, the expansion of capital goods production might endanger stability unless the overload is reduced in some other direction. And since it is easier to achieve this in the sphere of hire-purchase than in any other sphere the Government has taken the line of least resistance, by concentrating its disinflationary drive largely on that sphere.

Admittedly it would be incomparably more difficult to achieve the desired end by checking the increasing trend of wages. By such means it would be possible not only to maintain the prevailing stability of the cost of living but even to reduce it, in spite of the expansion of the consumer demand through lower prices and the expansion of capital goods production. But while hire-purchase restrictions could be adopted by a stroke of the pen, resistance to wage demands would mean industrial troubles which the Government wants to avoid. The monetary disinflation through special deposits does not appear to be sufficient to induce employers to resist wage demands, or to induce the trade unions to moderate their claims. Sharper measures would be called for in order to attain that end. Should inflation develop in spite of the recent measures the Government may have to strengthen its resistance. But it would be so much easier to prevent inflation than to check it once it has got into its stride.

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Still-born

THE summit conference is dead—dead even before it was properly born. As we get busy with the obituaries—some of them, one suspects, prepared even before it was properly dead—the four distinguished midwives are packing up their cases. Considering how clumsily they have botched their job, one can hardly be censorious of the allegedly morbid public interest in Royal lying-ins. The conventional gynocologists at least produce live-babies. For eighteen months, the world has been incessantly told to look forward to this great event. Though normally bored by such advance publicity, a nagging public conscience has made people shake their normal political apathy and take a more than languid interest in the matter. All the resources of mass media of communication have been pressed into service and the 'summit' was 'sold' with great perseverance. Chief among those who broke the consumer resistance to it was, ironically enough, Mr Khrushchev. And now that they have worked themselves up to it, they find that they have been 'had' once again.

There can be little doubt that the man who wrecked the conference was Mr Khrushchev. He may have had his provocation and his reasons, but he could certainly have salvaged the conference if he had cared to. It would appear from his calculated boorishness ever since he came to Paris, that he had already made up his mind that he did not want the summit, at least, not now. The equivocation in the reasons he assigned for asking for an adjournment of the summit and the conditions he wanted fulfilled for attending the present conference shows that he wanted, for some reason, to scuttle the present 'summit' somehow. If it was his desire to have at the conference table a representative of the US who could answer for future American conduct in advance, there was hardly any sense in having had the summit this May at all. Mr Khrushchev, along with the rest of the world knew that Mr Eisenhower's term ended this year and he was ineligible for reelection. Secondly, and more crucially, how does this anxiety about a firm settlement square with the willingness to participate in the present conference, if America abased itself publicly over the spy-slight? The future resident of the White House might repudiate both the settlement and the penance and that might give merely another opportunity for Mr Khrushchev to be rude in homely Russian.

Over the spy-incident, Mr Khrushchev had certainly a strong case, but it is not as high as he has chosen to put it. His own residence has no stone-proof walls for him cheerfully to throw missiles about, though, of course, his glass house is slightly more opaque than the American. If Mr Khrushchev was even half as forthcoming on the Russian spies caught in the act in Switzerland, he has not said a word about it, we would know where he gets the steam for his moral indignation. Again, he has a good point in the assertion that the West is quick enough to suspect aggressive postures—as for instance, over Berlin—and on that pretext, refuse to talk with the Russians. The Americans have been guilty of more than mere threat of actual technical aggression. There can be, according to him, no possibility of dis-

cussion unless the act of aggression is repudiated and promise of future good conduct given. Though intelligible, this is the sort of language that the late John Forster Dulles used to employ and from which it has taken the better part of two years to wean the Americans.

The summit was scaled on the assumption that once on the top, the leaders will talk 'turkey' or in other words, on the basis of political realism. Self righteousness, however comforting on the plains, was understood to be an embarrassing burden on this expedition to the political Everest. The way Mr Khrushchev is acting, he is wanting to sulk at Namche Bazar.

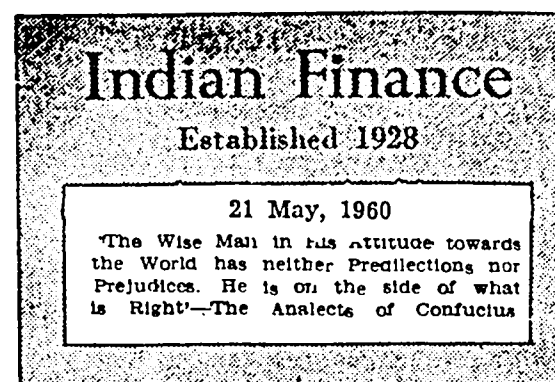
Speculation about why he decided to scuttle the conference is natural and perhaps not immediately rewarding. Plainly, either Mr Khrushchev is genuinely upset about the spy-incident, or he is obliged to pretend that he is. In the light of known facts about Khrushchev and the power politics in the communist world, the latter seems to be more likely. Over the last few years the pattern of his behaviour has revealed a curious zig-zag—an alteration between shaking of the hand and shaking of the fist. This has been attributed to the exigencies of his own power manoeuvres inside the Soviet Union and the communist world. The personal ascendancy of Khrushchev in the Soviet Union is not yet challenged enough for him to disregard the hard core of orthodox communist opinion that does not want a settlement with the west. If he appears to condone the spy-incident, he may get into real trouble. That, rather than the need for talking to another US President, is the likely reason for his desire for postponement. Time, and diplomatic function may heal the present exacerbation and perhaps Adenauer may not be there next year. These calculations may well have weighed with Mr Khrushchev. For the sake of the future, we hope they have.

Apart from the failure of the conference, Mr Khrushchev's behaviour has been depressingly childish. Even if he were putting on an act, his incivilities to Mr Eisenhower and the coarseness of his language at the Press Conference—we do not know whether it reads better in Russian—reveal an amour propre far too easily ruffled. This has nothing to do either with his shrewdness as a politician or his honesty as a statesman. Even if he were neither of both, decencies of public life require that a man keep a reasonably civil tongue in his head and that his vocabulary (especially at a press conference) is printable.

Non-industrial Public Undertakings

[Industrial undertakings in the public sector have been dealt with in a leading article in last week's issue—Ed.]

THE principal non-industrial public undertakings for which the Government of India are responsible are mostly newer concerns of a commercial, financial, general development or miscellaneous character. The more relevant



particulars—namely, capital structure, number of persons employed, annual wages bill and net profit—regarding these enterprises, numbering 20 in all, are brought together in a table in this article. It will be seen from this table that the aggregate paid-up capital of these concerns (excluding the Employees' State Insurance Corporation which involves no capital investment) is nearly Rs 78.0 crores, generally as of 1958-59. Of this, the Government of India alone have paid up as much as Rs 77.4 crores. If the Reserve Bank of India which stands in a special category as a central banking institution is also excluded, the aggregate capital employed (paid-up capital plus borrowed capital) in the remaining 18 concerns comes to nearly Rs 126 crores.

The aggregate number of persons employed in 14 of these concerns (other than the Export Risks Insurance Corporation, National Small Industries Corporation, Refinance Corporation, Reserve Bank of India, National Projects Construction Corporation and Western Shipping Corporation, for which the relevant data are not available) is nearly 80,550. And the aggregate wages bill for the year, generally as of 1958-59, of 15 of these concerns (other than the Export Risks Insurance Corporation, National Small Industries Corporation, Refinance Corporation, Reserve Bank of India and Rehabilitation Finance Administration, for which the relevant data are not available) comes to about Rs 24 crores.

As for net profit as per cent of capital employed, most concerns (other than the State Trading Corporation, Reserve Bank of India and State Bank of India) have not fared well. It may be broadly stated that while the employment potential of and the income generated through wages and salaries by these concerns are greater than those of industrial public enterprises for comparable volumes of capital investment, their profit-making capacity seems to be generally limited. While some of these concerns are not intended to make any profit, some others may be reasonably expected to be profitable. Where the concerns connected with shipping and air transport have not been quite profitable, it is doubtful if substantial surpluses will accrue therefrom to the exchequer during the Third Plan period. So much by way of general remarks on the state of the non-industrial public undertakings.

More specifically, the profitability or otherwise of the different categories of these non-industrial public undertakings would have to be examined in the light of their respective activities. For example, in the commercial category to which the State Trading Corporation belongs, the profit-making objective is clearly there. With the expansion in the S.T.C.'s export and import activities, its net profit before taxation has gone up from Rs 1.05 crores in 1957-58 to Rs 2.82 crores in 1958-59. Since the S.T.C. has been established to organise exports from, and imports into, India of such goods and commodities as the Corporation might from time to time determine and also to engage in general trade in such goods and commodities in India or

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elsewhere in the world, a steady expansion in its trading activities may be postulated with a degree of certainty. In which case, its profit-making potential may be rated greater than what it is now.

But not all the undertakings in the financial category are designed or expected to be so very profitable. Notably such enterprises as the Industrial Finance Corporation, the Refinance Corporation and the National Industrial Development Corporation operate with a pronounced promotional bias in their financing activities. The I.F.C., for example, charges only 7 per cent per annum on its loans to public limited companies and co-operative concerns although it has to pay as much as 4½ per cent per annum on the loans it draws from the Central Government; if it gets loans at a lower rate of interest from the Government, it will probably charge a lower rate of interest on what it lends. The I.F.C.'s profit-making capacity thus seems to be rather limited in spite of the substantial scale of its operations.

The Refinance Corporation is not likely to fare any better, for, the very low rate of interest of 1 per cent charged by the Government of India on their Rs 5 crores loan to the Corporation in the first year (1958) of its operations is something special and exceptional. As the rate of interest on the Government's loans to the Corporation is to be fixed every year by the President of India, as the particular P.L. 480 loan itself which has earmarked Rs 26 crores for being lent to the Corporation carries 2½ per cent interest and as the Corporation itself can charge 5 per cent to its member banks, it may be expected that the rate of interest charged by the Government will be progressively stepped up in future years. In which case, the profit-making capacity of the Refinance Corporation will be even more limited than that of the I.F.C.

As for the National Industrial Development Corporation, its financing activities have been confined to the sorely needed rehabilitation

and modernisation of cotton textile and jute industries but will be soon extended to some other industries as well. As overdue rehabilitation and necessary modernisation have to be done as cheaply as possible, the N.I.D.C.'s financing operations have necessarily to be promotion or development-oriented. There is, therefore, no question of this Corporation ever functioning as a profit-making concern.

If even these financial institutions are not expected to be very profitable—the profit-making capacity of even the State Bank of India is more likely to decrease than to increase in the wake of its less profitable financing operations covering agricultural co-operatives, warehousing, small-scale industries, etc.—there is no question of such undertakings as the Export Risks Insurance Corporation, the Indian Handicrafts Development Corporation, the National Small Industries Corporation and the institutions connected with national research development, employee's state insurance and rehabilitation of displaced persons ever functioning as enterprises capable of yielding surpluses to the exchequer. As a matter of fact, it has been laid down that the Export Risks Insurance Corporation should work on 'no profit' basis in the interests of export promotion; the activities of the Handicrafts Development Corporation have been directed towards organising the handicrafts industry at home and developing foreign markets rather than taking up any direct trading activities; it has been stated on behalf of the Small-Industries Corporation that its aims and objects are purely promotional and that it has, therefore, very little scope to function as a profit-making unit; such surpluses as the Employees' State Insurance Corporation may have in a year will ultimately go to the benefit of the employees and not to the State; and the institutions providing rehabilitation finance and the Research Development Corporation are clearly not intended to be profit-making concerns. Even the National Projects Construction Corporation which has been sponsored to undertake construction works like private contractors is in

no position to operate as profitably as the latter are notoriously able to do.

Although the Life Insurance Corporation stands in a separate category and its profit-making potential is undoubtedly great, such profits as it may make will benefit the policy-holders more than they will benefit the State. As for the enterprises connected with overseas shipping, international air transport and hotel accommodation, they have to operate in highly competitive fields and are, therefore, not likely to be very profitable for a good many years to come.

All in all, the profit-making potential of most non-industrial public undertakings (other than the S.T.C. and the Reserve Bank) seems to be comparatively less than that of the purely industrial enterprises in the public sector. The Planning Commission's expectations that State enterprises should be so operated as to produce surpluses for general development seems, therefore, to be a rather tall order. Apart from the fact that it ignores political and consumer considerations that will always influence the pricing policies of State enterprises, it also overlooks the twin point that a good many public undertakings in a way subsidise development and that their capacity, if any, for building up reserves for expansion will itself subserve development.

There is always the unstated assumption that public enterprises should operate not so much for profit as for the benefit of the public. This assumption gets crystallised in the expectation that at least two parties—labour and consumer—must have a fairer deal. It will be politically difficult for even a State monopoly to put up its prices at will; the Indian railways which have always found it no easy going to raise, even moderately, freight rates and passenger fares are an instance in point. So long as the political pressures and the promotional bias of most State enterprises are very much there, it is hardly to be expected that they will be in a position to operate very profitably. In which case, their rather low profit-making capacity will be no conclusive proof of their inefficiency.

Companies in Eastern Region

THE trends in corporate activity to which attention was drawn in the Third Statutory Annual Report on Company Law Administration are confirmed by the latest review for the Eastern Region covering the half year ending March 1960. By the third year of the working of the Act, the deterrent effects of the new legislation had worn off and their place taken by a sturdy revival of confidence in the prospects of the corporate sector, which was duly reflected in the statistics of new floatations. The figures underlined the rapid increase in promotional activities in the private sector which belied the fears that the new Companies Act would prove to be a restrictive influence. Among the different States, West Bengal had the largest number of new company registrations, which did not support alarmist reports heard from time to time that capital was being scared away from this problem State. The same features are accentuated in the half-yearly review.

The Eastern Region, under the jurisdiction of the Regional Director with his headquarters in Calcutta, comprising the States of West Bengal, Bihar, Assam and Orissa, has been described as the industrial heart of the country. This region produces all the tea grown in Northern India, and almost all the jute and jute manufactures in the whole country.

Four integrated steel plants are located in this region which produces the bulk of iron ore, coal and the entire output of copper. In spite of the deterioration of the Hooghly, Calcutta retains its position as the major outlet for India's exports. Developments in the corporate sector in this region give a reliable indication of the country's economic health.

During the half year under review, 234 new companies were registered in this region. Of these 16 were Public Limited Companies with an authorised capital of Rs 9,64,00,000; 205 were Private Limited Companies with an authorised capital of Rs 14,59,90,000; and 13 were companies limited by guarantee.

West Bengal accounted for the largest number of new registrations with 204 companies having total authorised capital of Rs 20,71,60,000. In the corresponding period of the previous year, 187 companies with an authorised capital of Rs 7,11,33,000 were registered. Of the new companies registered during the half year ending March 1960, 14 were public limited companies with an authorised capital of Rs 8,64,00,000; 178 Private Companies with an authorised capital of Rs 12,07,60,000, and 12 companies limited by guarantee. The largest floatation of the year was a public company with an authorised capital of Rs 5 crores.

Processing and manufacture accounted for the largest number of new floatations. The following table gives the industry-wise break up of the new registrations.

OCTOBER 1959 TO MARCH 1960 (REGISTRATION).

Classification.	Public.	Private.	Total Companies.	Guarantee Company.
Agriculture and Allied activities	2	2	4	...
Mining and Quarrying	...	2	2	...
Processing and Manufacture of food stuffs, textiles, leather products thereof	1	14	15	...
Processing and manufacture of metals and chemicals and products thereof	5	52	57	...
Processing and manufacture not elsewhere classified	2	21	23	...
Construction and utilities	...	3	3	...
Commerce (Trade and Finance)	2	61	63	...
Transport, Communication and Storage	2	9	11	...
Community and Business Service	...	5	5	12
Personal and other services	...	9	9	...
Grand Total	14	178	192	12

In Bihar six companies with total authorised capital of Rs 36,30,000 were registered. Of these one was a public company and the other five private companies. In the corresponding period of the previous year, ten private companies were incorporated.

In Assam, one public company with an authorised capital of Rs 1,00,00,000 and four private companies with total authorised capital of Rs 1,24,30,000 were incorporated during the period as compared with six private companies in the corresponding period of the previous year.

In Orissa, 18 private companies with an authorised capital of Rs 1,11,70,000 and one company limited by guarantee were incorporated during the period.

The last annual report had stressed that it is Government's policy to remove all companies from the live registers as are no longer engaged in any trade or manufacture. This

process of weeding out, which is to be completed by end of the current year, continued during the period under review, and the names of 537 companies having paid-up capital of Rs 91.12 lakhs were finally struck off under Section 560 of the Companies Act. Thirtyeight Public and Private companies with total authorised capital of Rs 3,14,52,000 went into liquidation in the region during this period and 52 public and private companies with an authorised capital of Rs 3,75,11,000 were finally dissolved.

The statewide break-up is given in the following table:

Companies Going into Liquidation:			
State.	No.	Authorised Capital	
West Bengal	33	Rs. 1,86,32,000	
Bihar	3	" 27,70,000	
Assam	...	" "	
Orissa	2	" 1,00,50,000	
Total	38	Rs. 3,14,52,000	
Companies Finally Dissolved:			
West Bengal	49	Rs. 3,64,11,000	
Bihar	3	" 11,00,000	
Assam	...	" "	
Orissa	...	" "	
Total	52	Rs. 3,75,11,000	

In addition to the above one company limited by guarantee went into liquidation and two companies limited by guarantee were finally dissolved in West Bengal.

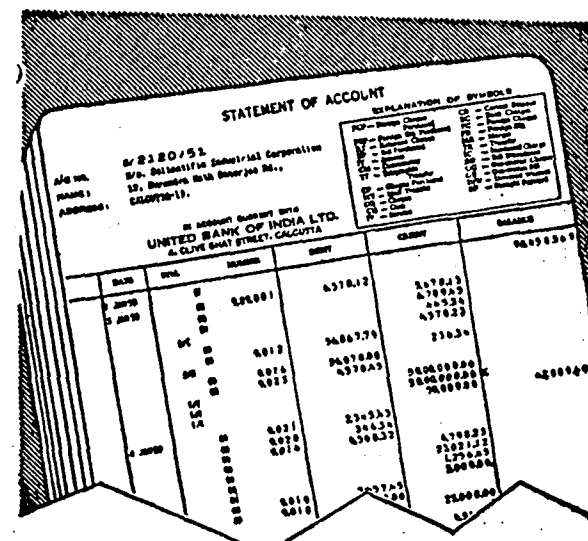
The intensification of the drive against irregularities in complying with the provisions of the Act has resulted in a sharp increase in the number of prosecutions against defaulting companies and their officers during the period under review. The number of complaints received from the public indicates growing awareness of the facilities provided by the Act to safeguard the rights of the shareholders.

World Trade in 1959

COMPARISONS between the foreign trade of primary producers and that of advanced countries are hardly relevant, when the former are compelled to reduce imports and have to pay interest on a new external debt. Manufacturing countries in spite of their increased imports are in a position to do better for themselves and a full analysis of world trade in 1959 shows not only that the United States and Canada lost ground but that the UK retained its markets although in the sterling area both Japan and Germany continued to expand their sales. The increased volume of trade helped the five major exporting countries namely, the USA, Britain, Germany, France and Japan, and a gratifying feature was the increase in the export of machinery and transport equipment as well as the export of chemicals and metals. The enlargement of German export trade is well known and has led already to questions about the need to increase imports or to export capital. However, the most important change of the year was the increased demand for raw materials. Australia certainly gained therefrom and the restoration of normal trade with Japan was reflected in the larger takings of Japanese textiles. The relaxation of restrictions operating against dollar imports had the welcome result of increasing purchases of American goods.

Political disturbances hampered trade with the Middle East but foreign trade with Soviet Russia increased but not to the same extent as that of the United States. This may be the reason for the adverse balance of payments about which the USA was worried last year. But it may also be due to the prolonged steel strike.

The analysis presented by the OEEC suggests that European common market countries showed recovery particularly in their exports to USA and the common market countries fared better in exports than the UK. North American countries generally did not increase their share of Europe's trade but the UK like Germany obtained a bigger share of the group now called the Outer Seven. As may be expected, the very considerable changes in Lancashire had their own effect on textile exports but in 1959 Germany sold more textiles than the USA, Canada and Japan which lost ground in most markets. A remarkable increase in the UK exports of plastic materials and goods is derived from the steady growth in the chemical industry. But German performance was equally striking. A point to note is that the reduction in export of fertilisers by both Germany and Britain. This might be the direct result of the growth of domestic manufacture in many countries abroad. The larger exports of iron and steel from the integrated industry of Western Europe is in contrast to the reduction noted lately under exports from USA and the UK. The trade in motor cars also underwent many changes and British exports especially in commercial vehicles picked up last year, but in volume Germany was ahead of Great Britain. A further fall in the export of bicycles is in part due to structural changes in the industry, the displacement of the pedal bicycle by the moped. The United States has no share in the bicycle trade as an exporter, but, like Germany, she has a large trade in new ships, although her performance is easily surpassed by that of Japan. In regard to aircraft, the UK is still the foremost supplier for other countries and it looks as if the aircraft industry being integrated further is likely to find compensation in the export trade when Defence orders go down as expected.



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21 May 1960

NATIONAL NOTES

Coal Target

The Coal Council of India is reported to have approved a tentative target of 95 million tons of coal, which approximates to the projections of demand which had been worked out earlier for the last year of the Third Plan. This will be 35 million tons more than the Second Plan target and 42 million tons more than the level of production that on present indications is likely to be reached by the end of the second plan period. Production last year was over 47 million tons. The shortfall in reaching the Second Plan target raises the question whether the necessary measures to double coal output in the course of next six years have been worked out in detail.

The Council is reported to have made gradewise allocations of the additional output. Equally important is the problem of allocation of the responsibility as between the undertakings in the public sector and the private sector for the increased production that is envisaged. In 1959 the mines in the private sector contributed 40.4 million tons of the total output. Barring natural calamities, private sector mines may be expected to reach their target by 1961. Actually in last December, production was running at the level of

43.7 million tons per year very near the target.

The large developments under way in the public sector may be expected to bear fruit during the Third Plan period, enabling the State-owned collieries to make up for the shortfall in the Second Plan. But a realistic approach will not, for that reason, fail to utilise to the fullest extent potential that exists in the private sector. This may call for relaxation of the restrictions under which private undertakings have to operate in this field. The spokesmen of the industry have already served notice that, under present conditions with production confined to contiguous areas, it will not be possible for the private sector to raise output by more than 7.20 million tons by 1955/56. At the same time it has been pointed out that, if companies are allowed to work new areas for which they hold leases and prices are fixed at a level that leaves an adequate margin of profit, the private sector mines could produce nearly half the additional quantity required to reach the target.

The industry has a grouse that the Coal Prices Revision Committee's report is being treated by the Government as the last word on the subject and its representatives have been denied the opportunity of explaining the incorrect assessments on which the report was based. An evaluation of the element of fuel cost in the cost of manufactured products in different industries will facilitate a practical approach to the problem of coal prices. What the President of the World Bank had to say in his address to the UNESCO conference last August on the importance of charging adequate rates for electric power is also relevant to the problem of expanding coal output.

Tourism

The Third Plan Programme for the Development of Tourism looks both outward and inward. That is to say, the total provision of rupees five crores for the programme has been allocated in almost equal shares for development of tourist centres which attract foreign visitors and for providing facilities at centres which are of interest to home tourists. Doubts arise whether it will be possible to classify tourist centres into two such exclusive categories. To take one instance, Banaras continues to be a big draw for both variety of tourist. But it is obvious that the two require different facilities, or the same facilities at different levels.

The home tourists can have the satisfaction that claims neglected for so long will now get a hearing. The provision of Rs 10 lakhs to assist private institutions running Dharmasalas, etc for improving essential amenities should make a large difference, if the amount is put to effective use by

the managements of these institutions. As regards facilities in general, the Tourist Development Council has drawn up an impressive programme for development of transport and communication including provision of air strips near important tourist centres. The schemes for increasing their attractions are even more impressive. These include winter sports at Gulmarg, water sports in Maithon, not to speak of boating in Kaziranga, and flood lighting everywhere.

Health Plan

The eradication of malaria has been given top priority in the Union Health Ministry's Third Five Year Plan, with an allotment of Rs 45 crores out of the total allocation of Rs 300 crores. Though the life history of the malaria parasite was first unravelled in an Indian laboratory, India is still one of the few countries where malaria continues to be a menace to public health. As late as 1952, morbidity from malaria was estimated at 100 million cases and nearly a million people used to die of the disease. Malaria control operations costing about Rs 25 crores a year had cut down the morbidity to ten million cases a year. The programme of control covers nearly 230 million out of the total population. But the danger of fresh outbreaks will persist so long as the disease lurks in some isolated pockets and the risk is aggravated by the fact that the mosquito in course of time is capable of developing immunity to DDT.

The emphasis therefore has shifted from control to eradication which is to be effected by an intensive five year campaign in two phases. Though the initial cost will be comparatively heavy, cost of maintenance will be low enough to be carried by the routine health programmes and extensive spraying operations can be suspended after a few years. The Technical Co-operation Mission of the United States, which has already made available Rs 38.2 crores towards the control programme, will be cooperating in the campaign for eradication of malaria and contributing nearly half the cost. The experts of the Health Ministry are satisfied that the allocation under this head is adequate for the purpose. But they are not equally happy with the pruning to which the rest of their plan has been subjected by the Planning Commission.

Though the total allocation for Health Programmes in the Third Plan is larger than in the First and Second Plans, it is proportionately smaller; it works out to 4.3% of the total outlay as compared with 5.9% and 5.7% in the First and the Second Plans. The programmes for water supply have come in pretty drastic treatment. The original estimate of Rs 200 crores under this head put forward by

the Ministry has been cut down to Rs 88 crores. The frustrated experts are asking what is the use of elaborate health schemes, when the progress achieved in other fronts is likely to be wiped out by waterborne diseases which will continue to levy a grim toll, until it is possible to assure supply of safe drinking water in the urban and rural areas. The World Health Organisation has identified the Lower Gangetic Valley, especially the Calcutta industrial area, as the focal centre for the spread of cholera in India and South East Asia. The Rs 100 crore project for a Metropolitan Water Board to serve the Calcutta industrial area is still under investigation. But it is not necessary to take a tragic view of the situation.

The Environmental Sanitation Committee had assessed the cost of water supply schemes covering the whole country at Rs 1200 crores. Even if the entire amount asked for by the Ministry had been given by the Planning Commission, only a fringe of the problem would be touched during the Third Plan period. What the situation requires is a new approach to the problem of water supply and formulation of schemes for rural areas which will minimise the cost. Much can be done in the Community Projects and Extension Blocks to stimulate local effort without drawing on the Health Ministry's budget.

The breakdown of traditional sanctions against pollution of water sources has aggravated the problem in rural areas. If it is possible to educate the people to observe the elementary rules of sanitation, even existing resources like ponds can serve their purpose till such time as country has money enough to provide every village with a protected water supply.

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FOREIGN NOTES

"Leisure & Recreation"

If one were to hazard a guess on what is the fastest-growing "industry" in the United States today "leisure and recreation" would hardly be the answer. Yet, that is exactly the finding of one of the nation's leading investment companies, which has made a comprehensive study of the subject.

The firm of Francis I. Du Pont and Company estimates that "leisure" spending by American will reach the record total of \$43,000 million this year, up some \$2,000 million from last year. Moreover, the Company foresees a continuing rise to more than \$50,000 million a year during the 1960's.

ASTOUNDING as these figures appear at first, they are more readily understandable when one stops to think that they are the outgrowth of what has long been one of the major socio-economic trends in the United States.

The American labour force is constantly growing. More than 66 million persons now are gainfully employed, all of whom—virtually without exception—enjoy paid vacations each year. In addition, in nearly all industries the basic 40-hour five-day work week prevails. On top of this, Americans enjoy high pay-scales and living standards—which all adds up to ample leisure time and enough money to spend in putting it to good use.

There arises the question of just what Americans are doing with their leisure time—on what recreational pursuits are they spending their money? As the Du Pont study points out, there is a clear trend toward active leisure in sports as well as in other pastimes.

The fastest growing sports today are hunting, fishing, archery and skiing. Golfing and bowling also are on the increase. And water sports—skindiving, swimming, boating, etc.—show signs of assuming major proportions. As an example, the number of "pleasure" boats in use, from small rowboats to large motorboats, has jumped from 2.4 million in 1947 to 7.8 million today.

With the growth of active sports has come a relative decline in "spectator" sports—such as baseball and boxing. With television available at home, attendance at motion pictures houses also is off. Even so, the study shows that "spectator" activities still hold a high place, over-all, in American leisure-time habits.

Also interesting to note is that the increasing stress on participation sports has not dimmed interest in cultural pursuits. The Du Pont study reveals a noticeable

increase in book reading, for instance, as well as in spending for records, phonographs and similar equipment—particularly in high-fidelity and the newer stereophonic sound recordings.

More time also is being devoted to the theater, the opera and concerts; outlays for these purposes last year were nearly double what they were a dozen years ago. And photography, long a hobby with many Americans, still ranks as a major leisure pursuit.

The growth of the "recreation" industry, the study finds, is furthered also by a shift in the public attitude with regard to financing leisure activities. With employment and incomes high, people seem to have little reluctance to finance their recreation through credit.

Here is how the nation's principal leisure time outlays rank: gardening and other home "do-it-yourself" projects, \$12,000 million; travel, \$10,000 million; television, radio, phonographs and records, \$3,800 million; reading material, \$3,300 million; fishing, \$2,600 million; boating, \$2,500 million; spectator amusement, \$2,200 million; swimming and other aquatic equipment and activities, \$1,300 million; dining "out" for pleasure, \$1,100 million; hunting, \$1,000 million; bowling, \$1,000 million; gold, \$800 million; photography, \$700 million.

The study points to some possible—though still largely undefined—changes ahead in American recreational activities. For one thing new leisure pursuits could come to the fore as time goes by: private flying is offered as one example. For another thing, recreational standards and interests are bound to be influenced by continuing social and economic progress—particularly the kind of progress that seems to be bringing more and more of the American work force into professional, executive and technical positions.

Ghana Pound

The advertisement regarding the Ghana £ as equal to the pound sterling was needed to clear up doubts. The fact that Ghana is a member of the IMF and a contributory to the World Bank after achieving independence requires mention, as also the fact that the Ghana £ is equal to \$2.80 cents. The High Commission's announcement fixes Ghana's position in the sterling area but of more consequence for the future is Ghana's mineral wealth including gold and her position as the leading exporter of cocoa, the chief market being the USA. The loans taken for development can be serviced by manganese and other exports, and aluminium production may be a strong proof of the economy. The election which suits Dr Nkrumah's purposes will not mark any break in the trade and financial connections of the republic though British mining enterprises will operate in future under different conditions. That Ghana's national

income compares very well with that of either India or Ceylon may not require special notice because the economic future is bound up with cocoa, the price of which is stabilised by a marketing board that serves the growers even more than the British firms that take most of the crops from the peasants.

The wide vogue of the pound as a currency unit may explain the preference of Ghana for a familiar unit. The connections of Barclay's Bank with West Africa also go to explain the preference for the pound. The Irish, Turkish, Israeli and Egyptian pounds are independent but so are the South African, New Zealand and Australian currency, expressed as pounds whose value is linked with that of sterling. It is only in the Caribbean federation that the pound is less familiar than the dollar, whereas in Africa it is the British currency that is the monetary unit most familiar to the people. One may add that the pound like the peso or dollar is the monetary unit in many lands, and the change in the value of sterling affects pounds in other lands to some extent because of the long-standing connection of foreign countries with the sterling area.

Candidate Out Front

The US election prospect is clearer though the choice of candidates for the Presidency belongs to the party conventions in August. In West Virginia, the primary has been won by Senator John Kennedy proving that a Bostonian and a Catholic could score against Senator Humphrey even in Wisconsin where the Catholic vote proved decisive. The West Virginia result may suggest that without any Republicans coming out to support Senator Kennedy, the local registered Democrats had no difficulty in picking the winner. If Mr Truman has affirmed his interest in Mr Symington as a potential President, the Democrat party has now chosen to ignore the listed handicaps of Mr Kennedy as an Irish-American Catholic, a millionaire from Massachusetts, and a Harvard graduate too. Though Senator Kennedy may not add his own name to the Profiles in courage he has drawn, it is now certain that the party leaders are not worried by Senator Kennedy's failure to satisfy Protestant bishops or to indicate his views on US aid for birth control propaganda. The theory that the Papacy may try to influence a Catholic president has not taken root and it is perhaps the change in the Vatican that has made the US Voters grasp the fact that the Vatican is not a secular state interested in domestic issues.

That Governor Smith of New York lost to Hoover in 1928 was due to religious prejudice in the South the Dry's zeal, the Puritan streak in New England and the 100 per center's mistrust of hyphenated Americans. But there is a new generation and two more States

also and the election managers certainly have an eye on the prominent Catholic element in California and New York when it comes to pushing Mr Kennedy forward as a relatively young but experienced candidate able to beat favourite sons set up by other States merely to test the strength of rivals. That the Republican party clings to Mr Nixon, already approved by Mr Eisenhower has in a way simplified the problem for the Democrats who hope that the situation abroad will favour them and the economic recovery will help them to regain control of the Executive branch of Government. The choice of a candidate for Vice-President may be easier for the Republicans who will perhaps support Mr Mitchell mainly as a Catholic but the position of Veep is largely ornamental and the party conventions will naturally concentrate on finding the smartest, biggest vote getter before the final contest takes place in November. The outcome of the Summit talks will have no effect on the outcome as a third term for Eisenhower is ruled out and the record of the Administration is not invulnerable. That is Mr Kennedy's advantage of which he has made use in the South and the Middle West. He favours more aid to India. So Delhi can relax.

Troubles for Apartheid

The Commonwealth Premiers, apart from deciding on the admission of Malaya and Nigeria, did not reach any conclusions. The status of South Africa as a republic in the future is left open because of the objection of many Commonwealth countries to apartheid. The referendum that Dr Verwoerd holds cannot settle the issue, even of making South-West Africa a fifth Province, or getting the support of Australia. Whether South Africa will go on her own way and ignore current sentiment in Canada as well as Ghana may well be open to argument. But it is clear that Mr Louw's explanations in private have not had much effect and the UN resolution on inter-racial tension cannot be disregarded by Mr Louw.

Talk of a boycott of South African goods has been in the air for months but the facts and figures are against any hasty course. The really important exports are diamonds, gold and uranium and the sterling area cannot do without the dollars that South Africa puts into the Commonwealth kitty. The value of Simonstown as a naval base may be doubted, but the British investor must be aware that his capital still rests on the continuity of the British connection and the Union does not depend much on shipments of wool, hides or fruit at present. As an importer of food, mainly for the large native population, South Africa is handicapped but having gold to pay for maize, she may negotiate long-term agreements with the USA or Australia.

Indian Finance

21 May 1960

STATES NOTES

Unemployment in UP

A study undertaken by the Labour and Employment division of the UP Government, in collaboration with allied departments, for tackling the unemployment problem at the district levels, has underlined the complexity inherent in it. In view of the aggravating pressure of underemployment and also because of the limited scope of approach at the district level, the study report does not envisage early elimination of the unemployment problem.

For an effective solution, the report suggests break-up of the problem in terms of specific action at a number of points. Particular attention has to be paid to rural areas where unemployment is widespread. Failure to derive fullest benefits from new sources of irrigation is, according to the study report, one of the deficiencies making rural employment problem more difficult. Intensification and diversification of agriculture is fundamental for increasing employment opportunities in the rural areas. The report, however, stresses that in implementing developmental programmes, the authorities concerned should give equal importance to ensuring that the development programmes are utilised so as to support increased production through existing agencies. For, "it is the combined effect of production achieved through these agencies and the development achieved through the new programmes which determines the impact both on employment and on the condition of the local, State and national economy".

As the main planks of the rural employment programme the report suggests development of co-operative marketing and processing and better arrangements for supply and credit. The development of small-scale industries is emphasised, and provision of greater credit is recommended. The report reveals the existence of great difficulties in the way of a small entrepreneur obtaining the assistance being provided by the Government.

Rural Electrification

Rural electrification is projected for a big increase during the Third Plan. According to tentative proposals, 15,000 villages and small towns will be electrified during the Third Plan period. The number of villages and small towns that will have been electrified by 1960-61 is 17,400. Implementation of the Third Plan schemes, will therefore, bring the benefits of electrification to a total of 32,400 villages

and small towns. The progress already achieved in extending electricity to more than 17,000 villages and small towns is remarkable considering that in 1955-56, only 7,400 such places in rural areas were electrified. The headway made in this field reflects the effect of the programmes formulated by the Government for accelerating electrification. Firstly loan assistance was made available on a liberal scale by the Centre. Secondly, the Centre also put through a scheme at a cost of Rs 15.8 crores paid to the States, for increasing employment opportunities through expansion of power facilities.

The major source of supply of electricity to rural areas is the grid main. Centres fed by diesel station are in comparison small. In future extension of electricity, the setting up of small hydro-stations of the capacity of 25 to 50 kw in the hilly areas has been planned. These stations would serve as pilot stations for building up load in the area.

Dependence on imports for some of the materials required for rural electrification is considered to be a factor that tends to slow down progress. While, such materials as insulators, conductors, distribution transformers etc are being manufactured in the country, others like switchgear and lightning arresters are being imported. There is also much scope for bringing down the cost of electrification. Economic designs and proper standards for rural line construction have to be evolved.

Food Production in Punjab

Reports emanating from Patiala pinpoint the feverish preparations that are being made by the Punjab Government with a view to increasing the agricultural production of the State. The State's Agricultural department, has already formulated a comprehensive agricultural extension programme laying special emphasis on, extensive irrigation facilities, reclamation of land, soil conservation, and the adoption of up-to-date methods of agriculture. The department has already instructed the officers in the district levels to devote more and more attention to the successful implementation of these plans, and to drive home to the people the advantages that will be derived from them. Provision is also embodied in the scheme for facilitating the grant of subsidy to the agriculturists for the purchase of adequate manure. Toward this end the departmental authorities have chalked out a revised scheme with a view to ensuring the farmers the timely subsidies so that they can proceed with their agricultural operations, and it has been forwarded to the Government for their approval.

The task of distributing fertilisers, which had hitherto been vested in the Agricultural depart-

ment has been transferred to the co-operation Department and the fertiliser loans will henceforth be granted only to the members of the co-operative societies. According to a report recently published by the Government more than 50 per cent of the loans granted during the previous financial year for the reclamation of waste lands through manual labour has lapsed. The report also pointed out some of the loopholes in the operation of minor irrigation schemes in the State.

The new scheme also envisages the installation of about 52 seed farms in the State and an amount of Rs 50,000 has been earmarked for distribution in the districts of Hissar, Kangra, Ferozepore and Karnal.

Andhra Ministry

The crisis in the Andhra Cabinet seems more serious than what appears on the surface. It looks as if the latest charge against the rebellious Industries Minister, Mr A. C. Subba Reddy, that he defied his Chief Minister's mandate by contesting in the election to the Pradesh Congress Election Committee, was only the last straw. Mr Reddy, divested of his portfolio, is charged with failure to attend the Cabinet meeting even while he was in Hyderabad, openly expressing views against the State Ministry's land reforms and showing discourtesy to his cabinet colleagues.

For the election to the Pradesh Congress Election Committee, according to the Chief Minister Mr D. Sanjeeviah a panel of names approved by the Andhra cabinet, was asked to be elected unanimously. The Industries Minister, on the contrary, disobeyed the Chief Minister's mandate. This has been construed as an act of gross indiscipline. An explanation was asked for, followed by a demand for tendering an apology. But Mr Subba Reddy refused to relent.

It is not clear whether there was really unanimity in the choice of the panel of names to the election committee as claimed by Mr Sanjeeviah. Conflicting versions have been given by the two Ministers. If there had not been any unanimity as claimed by Mr Subba Reddy, then there seems to be validity in his contention that he had to stand for election irrespective of the consequences.

It is agreed on all hands that the Chief Minister should command the confidence of his cabinet colleagues and also discipline. There appears a wise view that if only Mr Sanjeeviah had acquainted the Congress High Command early with the problem, this climax might have been avoided.

In Andhra Pradesh, conflicts among Congressmen and among Cabinet members have become more a rule than an exception. But this time the differences have come to the surface because the Minister against whom charges have been hurled has chosen to stand firm.

Stability is yet to come to the Andhra Ministry and if proof is needed about the general feelings that party bickerings take most of the time of the Ministers and their followers, this episode is an eloquent testimony.

Money and Games

The economics of sport are hardly known but the decline and fall of amateurism cannot be overlooked. Dr B. C. Roy when opening the CIT stadium in South Calcutta spoke of sport for sport's sake, whether to plead for a reversal of current trends or to emphasise the Sports Council's preference for amateur sport. The educational aids provided may suggest that the pro is, not particularly wanted by the Stadium and the seats are meant to encourage more than paid attendance. That football as in the UK has been commercialised and transfer fees are up is now accepted and yet the hope is that local talent would be spotted and promptly assisted to flourish.

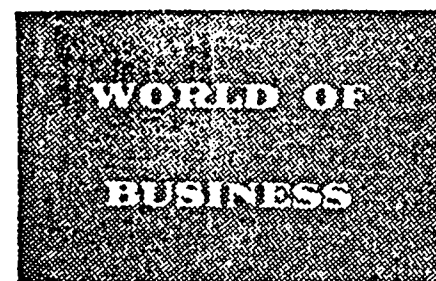
As the new Stadium has got donations from the leading clubs it is apparent that there is goodwill from those who believe only in gamemoney. The emphasis laid on athletics also is perhaps derived from the Russian example of making popular heroes of successful performers. It may be claimed that in the absence of princely patronage big business has done something to keep sportsmen from emigrating for well-paid professionalism, and the official notice taken of major sporting achievements is another hopeful feature in some eyes.

Small Industries in Andhra

The Andhra State Government have received about two hundred and fifty proposals to establish small scale industries around Hyderabad and Secunderabad. These schemes would be examined by a specially set up Government Committee, and the sponsors would be permitted to go ahead cutting short red tape.

The object of quickening up these schemes is to relieve unemployment around the twin-cities. But as a long range programme, the Government proposes to establish an industrial estate in the old city of Hyderabad south of the Moosi river. Priority would be given by the State to schemes having maximum employment potential and which would have a long lease of continuance in the State.

West Godavari district is to be chosen for the experimentation of the Package Plan under the Ford Foundation. West Godavari is the most fertile of Andhra districts where the maximum facilities would be afforded to the tillers and encouraged to produce the maximum foodgrains, particularly, paddy in the area.



Sugar Industry

For the second time since the launching of the First Plan, the sugar industry has demonstrated its remarkable resilience. As under the First Plan when production staged a dramatic recovery after setbacks in the early years, sugar production has, following two adverse seasons during 1957-58 and 1958-59, picked up in the 1959-60 season and is currently running at a peak level of nearly 23 lakh tons. The increase in production achieved during the current season should provide a good start for the progress of the industry under the Third Plan in which a target of nearly 30 lakh tons has been envisaged for it. While in the light of the developments that characterised sugar production in the First and Second Plans an additional production of 5 lakh tons does not seem impracticable, it has been becoming increasingly clear that the mill interests have real misgivings on the score of lack of an incentive element in the return on employed capital recommended by the Tariff Commission in their recent report and which has since been accepted by the Government. The Tariff Commission's refusal to concede the claim of the industry for special rehabilitation allowance has also left the industry high and dry. Speaking on behalf of the mill interests, at the annual general meeting of the shareholders of the East India Distilleries and Sugar Factories Limited, Mr C. R. Srinivasan, Chairman of the company observed that neither of these recommendations is in line with accepted standards professed and practised by industrially advanced countries in the West.

The impending implementation of the price-linking formula in respect of sugarcane has also agitated mill interests. The formula represents an attempt to correlate sugarcane price to the quality of cane supplied by growers and as such this should be a step that should be welcomed by the mills, since by placing a premium on quality, it would tend to improve quality. The usefulness of such quality-based price for sugarcane has been demonstrated by the successful application of the SISMA formula over a period of years in the Southern continent. But a voluntary formula and one prescribed by the Government represent different things. The sugar mills have real apprehensions that the Government will yield to pressure from the side of cane growers in fixing the terms of the formula. Unless the conflicting interests of growers and sugar mills are recon-

ciled in fixing the terms of the formula, its implementation will only pose an additional problem for the industry. Voicing the concern of mill interests, Mr Srinivasan has warned against any hasty and ill-considered action.

Sparking Plugs

Inaugurating the public enquiry into the continuation of the protection granted to the Automobile Sparking Plug Industry on 6 May Mr K. R. P. Aiyangar, the Chairman of the Tariff Commission briefly reviewed the history of protection accorded to the industry by the Government. The first enquiry into the claims of the industry was conducted by the Commission in 1954 and on their recommendations the rate of import duty of 25 per cent ad valorem on sparking plugs was enhanced to 92½ per cent ad valorem. Again in 1956 the Commission recommended the continuation of protection till the end of 1960 in order to encourage the indigenous industry in proceeding with its manufacturing schemes.

As the protection provided to the industry is scheduled to expire on 31 December this year, the Tariff Commission was again engaged to undertake the present enquiry. The scope of the enquiry extends over sparking plugs of 14 mm. and 18 mm. including resistor types. In assessing the demands for these plugs in the country to the Commission resorted to two methods in their previous enquiries. The first method consisted of calculating the indigenous manufacture of automobiles and the number of them plying on the roads and estimating their requirements of sparking plugs based on a time and mileage factor. When the second method was adopted they first computed the approximate consumption during the past few years and then projected from those figures the demand for subsequent years.

The last enquiry was helpful in assessing the standard of local products and the public expressed their satisfaction on home-made products. Nevertheless, the Commission received a few complaints alleging the inferior standard of Indian goods, but later it was proved that the allegations were baseless and the improper selection of plugs in regard to heat range and not their inferiority that was responsible for these complaints.

Whether the protection shall be continued or not depends on a number of factors. The cost of production in India is comparatively higher than in foreign countries. This will naturally tell upon the price. Only by maximising production by the two units engaged in the manufacture of the plugs, namely, the Motor Industries Co. Ltd., Bangalore and the Auto Accessories (India) Private Limited, Bombay, and lowering costs can the industry play the role of a feeder to the automobile industry.

Mogul Line

The notice of annual meeting (the 82nd in fact) issued to the shareholders of the Mogul Line is of special interest because two new Directors are obviously nominees of the Union Government. The Chairman of a State-owned shipping line (a retired official) and a serving Government official from the Transport Ministry are to be on the Board. This may mean that the Mogul Line, assigned a share in coastal trade under the Irwin award, is now a pukka Indian Company and State-controlled too. The latest Budget memorandum does not indicate the nature or extent of the Government's interest, because the acquisition is recent and paid out in sterling but it will not be surprising if the Government has acquired a majority of the shares held in the UK (owing to the Mogul Line's identification with the Haj pilgrim traffic) after the reorganisation of the P. & O. group in March. This need not be a consequence of Mr Mundhra's connection with Turner Morrison's affairs in the past but based on an arrangement to maintain essential contacts with the Persian Gulf and the Arabian peninsula via Karachi.

The objections to Indians buying foreign held shares do not apply to a State contract, enabling Government to buy about 80 per cent. While the Mogul line is invariably associated in the public mind with the famous case arising from a conspiracy in restraint of trade, the new association with the Ministry of Transport may make it a semi-public concern—a company whose ships are available easily for the near trades. The yearbooks give no indication of the financial structure of the shipping company operating over a long period in the East through the A.S.N. Co. and there is no history like George Blake's account of the BISN to let the public know about the origins and expansion of the Mogul Line. Perhaps a query in Parliament will help to enlighten those intrigued by the notice, for it is clear that IFC loans are not the reason for Government's present association with the Company. On the other hand sudden virtual nationalisation, with a subsequent decision to leave management to old experienced hands, may have taken place by substantial investment and the terms of transfer may be made known to the annual meeting which is now to be viewed as a striking event—far more significant than the merger of Bombay Steam with Scindia Steam.

Metric System in UK?

A brief report that the UK too is considering a decimal coinage may inspire local faith in the naya-paisa. The South African decision to adopt a decimal coinage may be without weight, as compared with the general view that a decimal coinage of pounds divided into florins and groats may be more acceptable to the general public than the usual LSD. The Mint may have no views and a Royal Commission may be able to give practical advice on a change-over that will help both shoppers and slot-machines. The Noodle

mentality of blind hostility to change, will not present an obstacle since computers have replaced clerks and the Chancellor of the Exchequer may find it easier to introduce decimal currency if Australia and New Zealand move in the same direction. The fact that currency today is less vital than credit for the national economy may also help to promote change and it is perhaps necessary to emphasise the North American reliance on decimal coinage and Japan's familiar Sen and Yen as reasons for a change that may make it easier to work out prices in the head. Since no silver will be called for, and the existing token coins can be called in for melting and reissue, the UK may fall in line, more so, as the West Indies and some other areas are more familiar with the US decimal currency than the British. It would perhaps be easier to collect income-tax in future as a percentage—like the 30 per cent now deducted from dividends paid out in India—and the making of comparisons may be easier while a new cachet may be given to two-shilling shares quoted on the stock exchange. The most familiar of these is Indian Copper which has suddenly and definitely regained its position as a market leader. The £10 certificate for 100 shares in Indian Copper Corporation is a quite familiar unit for market men today and those calling thousands over the telephone will find it easier to fix prices. That too is one of the uses of the decimal system—adopted by the Railways but postponed by the Customs and Excise to October.

Another Paper Mill

The advent of another paper mill will excite attention here and now. The Indian trade Journal records that in December 1959 a licence was issued to McLeod & Co. for starting in Bilaspur (MP) a new paper mill to produce 30,000 tons of printing and writing paper per annum and to produce 30,000 tons of pulp. This may mark the diversification of McLeod interests away from tea and jute. It may also suggest that an outlet for paper-making machinery exists. Telco has been already licensed to manufacture plant as also Bertam Scott in Titaghur. Installed capacity in the paper industry last year is put at 321,000 tons per annum and output was up to about 3,00,000 tons. The newsprint output was far below capacity though demand for newsprint is rising fast like that for paper.

Oil India

The first of the two turbo-alternator sets, designed for India's first gas-turbine power station at Zaloni, the new Oil India township at Nahorkatiya, left the United Kingdom on 15th March and arrived in Calcutta last week.

One of the world's most modern forms of power generation, these gas turbines, will be driven by natural gas to be produced from the Nahorkatiya oilfield.

Clive Street Gossip

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

The ideological formulation of the Indian political situation is interesting. The question at Calcutta, was, it seems 'whether India has fulfilled the bourgeois democratic revolution: if not, at what stage it was. The phraseology is obsolete but the problem is immediate. The Communist Party is trying to decide whether or not the time has come to break decisively with the Congress and set up as the progressive party. The Congress is now, conceded in communist circles, to have spearheaded the bourgeois revolution against 'Imperialism.' If this job has been completed, so the theory runs, the time has come for 'Socialist' (that is to say, the Communist Party) to take over.

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In this context, the incipient quarrel between the 'moderates' (and these include Nambudiripad and Dange) and the extremists (the internationalists like Joshi and what is known as the Bengal group, though not all communists from Bengal necessarily belong to this group) has apparently reared its head and there could be no unanimity. The 'official resolution' prepared after a lot of discussion was not endorsed but opinion on it was freely aired. It has been referred to a committee (whose composition reflects the larger division) for further study and final formulation for discussion in January next. 'Passing the buck' to a committee is an old parliamentary dodge, and this fact alone was conclusive proof that fears about the Communist party resiling from the Amritsar thesis would be unfounded.

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The broad lines of approach of the party was indicated by Mr Nambudiripad (whose displacement of Ajoy Ghosh is no indication of the shift rightwards but of the inconclusive nature of the power pulls within the party). He said at a press-conference in Trivandrum: "The council was agreed on two points: (1) a reactionary offensive is being launched by forces both inside and outside the Congress against the progressive aspects of the Congress Government's policy such as land reform, emphasis on industrialisation, the role to be played by the public sector etc. and it is necessary for the left and democratic movement to combat this; (2) this struggle against the reactionary

offensive should not lead to a slackening of the struggle against the Congress Government." This formulation of the two points of agreement skilfully hides a hundred mental reservations among the partymen. On the question of how 'reactionary' (an useful portmanteau dirty word, this) the Congress or even Mr Nehru has become, the National Council was deeply divided. Some saw Mr Nehru as overwhelmed by the right-wing of his party and having abjectly surrendered on such 'crucial' questions as state trading, cooperative farming. On the question of 'left' combating this, there was even more violent disagreement. The party is deeply divided on the question of 'left unity'. Some seem to feel that the recent bye-election in Calcutta in which they went it alone and won shows that they could snap their fingers at the splinter groups in the left. Others would wish to be more circumspect. This particular worry in its obverse form is, by the way, racking PSP leadership also, the regional alignment of the opposite views on the question in both the parties is interesting. In Bengal, where the communists feel that they could do without the PSP's help, the PSP itself is having qualms about having been wobbly over left unity. The communists from Kerala, however, see the lesson of their last year's tribulations as the need for a greater coordination of efforts

with the left. But, the PSP in Kerala is in no fraternal mood. Elsewhere too, the non-communist left may solve the communist dilemma for them. Bitter experience has taught them, virgil-like, to fear the Dannaus though their hands proffer gifts. Those among the communists who think that the stage is set for them to take over, should be living in a world of their own. In such calculations, there is, I think an unavowed factor taken into account; and that is the Congress without, or after, Nehru. As some communists see it, their real enemy is the Swatantra party. (Rajaji, on the other hand, does not, except in propagandist contexts, return the compliment. He considers the Congress, Swatantra party's real opponent, his thesis being that Congress policies are, in essence, Communist.) There is little doubt that the communists are uneasy about the rise of the Swatantra party and would relieve the Congress of some of its propagandist duties. Indeed, the various factual investigations that the party is to undertake, gathering of detailed information on the development of the economy since independence, of patterns of capital formation and possible monopolist tendencies (both indigenous and foreign) can, if at all, only provide ammunition for the Congress. But, to think that in the foreseeable future, the communist can not only do without the other leftist support, but could even supersede the Congress is a mere pipedream.

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But there is an important qualification for this assertion: and that is that the communists' political programme for the future does not include an atavistic return to vio-

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ience. That such a development is a distinct possibility is clear from the muted exchanges over the so called Amritsar thesis. Mr Nampoodiripad said at the Press Conference I quoted earlier from, that 'it has not been challenged by anybody so far.' (This was, significantly, in answer to a question whether the thesis would be reviewed at the coming party congress). Obviously, Mr Nampoodiripad does not want to commit himself to what may happen between now and when the party congress meets. It is an open secret that ever since the trouble started in Kerala, there has been a section of the party that has gone sour over

the Amritsar line. After all, they seem to argue, that the parliamentary game is really not up our alley. Orthodox communism has always scoffed at it and experience in Kerala has only proved it right. The Sino-Indian question has now solidified into a near permanent problem and when particular manifestations of the problem takes place, what the communists will do is anybody's guess. So far, the moderates among the party leadership have succeeded in keeping the wilder section under control, out the very inconclusiveness of the discussions—though not on particular question of border disputes—is an indication of what in com-

munist parlance is known as 'inner contractions'.

Two considerations that are likely to weigh with the communist leadership. Firstly, the general elections are not far off. If only as a line, the Amritsar thesis has its value as provider of a certain political respectability and it would be silly to repudiate it just when it is likely to be most useful. Secondly, there can be no doubt that they have isolated themselves from popular opinion on the Sino-Indian disputes. This fact may not matter in a bye-election with a particular local background. If the communists were to draw a wider moral

flattering to their self esteem from this and conclude that they could disregard public opinion on this question and still survive as a political force, they would be deluding themselves.

The progress that has been chalked out by the Jay Engineering Works Ltd in its Silver Jubilee Year is, by any manner of reckoning, highly creditable. Thus, the pleasant function that was held this week to herald one such achievement, must not be deemed to be some specious or boastful self-publicity, but, on the other hand, a fitting recognition of and tribute to the good work that has so far been put in to make the company what it is today. Established in 1935, prewar production was confined to the manufacture of Sewing Machines, and, in the second half of its first decade, the plant had to be made available for war production. In effect, therefore, Jay Engineering, as it is known today, may be said to have started operations only in, say, 1945. Today, with the verve and inspiration provided by Sir Shri Ram, the company's Chairman, Jay Engineering's single unit factory can claim to be the largest in the world. The emphasis, I may add, is equally on Sewing Machines and on Electric fans—the two articles of mass consumption in a country which itself is in the throes of expanding industrially and thus bringing about a rise in the general standard of living. Incidentally, last week's ceremony was ostensibly to mark the record production of 50,000 fans in a month. The capacity of outturn for Sewing machines is 25,000. (The objective of 50,000 fans a month was laid down for 1960—and has been achieved in the fourth month of the year). The self sufficiency of Jay Engineering products can be gleaned from the fact that the imported materials—in the form of special alloy steels—accounted for merely 5 per cent of the total cost. I understand that another Sewing machine factory is in the blue print stage for implementation; during the Third Plan; and serious consideration is being paid to the possibility of manufacture of sealed units for refrigerators and air-conditioners. At present foreign collaboration for this purpose is being sought. Another aspect of the company's working which imbues the company with the attribute of pioneering activities is the fact that its products first started the real diversification of Indian exports. In 1948-49, 469 Sewing machines and 331 Electric fans were exported. This year, the target is 48,000 Sewing machines and 40,000 Electric Fans—a hundredfold increase, that is to say, in a period of 11 years. I use Usha fans myself, so, it is no surprise to me that Jay Engineering, by reason of the excellent quality of its products, is able, in the face of severe competition abroad, to carve out a large export market for its products.

GATEWAY GOSSETT

Problems of Maharashtra

NOW that the bifurcation of Bombay has become a reality, the people of the State of Maharashtra are free to devote their attention to the raceme of problems confronting them. The architects of the new State appear to be in right earnest to ensure the healthy growth of the infant. It was only a few days back that Mr Y. B. Chavan, the State Chief Minister, in his address at the banquet held by Mr B. D. Garware, the Chairman of the Economic Development Council, alerted the business community to whack up the industrial activities to super-sonic speed for the industrialisation of the State. And they are currently engaged in discussions over the social integration of the State. The seminar organised jointly by the Indian Committee of Cultural Freedom, the Asian Office of the Congress for Cultural Freedom and the Sadhana Weekly of Poona, has provided an opportunity for bringing the views of mature brains to one platform.

Mr Justice P. B. Gajendragadkar, in his presidential address, highlighted the importance of achieving the social and economic integration of the Bombay city with other parts of the State. He added that Maharashtra should absorb and assimilate the broadening, widening, tolerant, and catholic atmosphere of its capital and the latter, in its turn, must absorb the Maharashtrian aspirations in regard to its socio-economic progress. The realisation of this aim, as it is quite evident, is by no means a task of small magnitude. The citizens will have on their part to be quite alive to their responsibilities in helping the authorities in the implementation of various schemes. They must also endeavour to generate an atmosphere of confidence in the minds of the linguistic minorities that their cultures and languages will be enabled to develop in their own lines.

Apart from attaining the social integration, the achievement of economic self sufficiency also calls forth concerted effort. On the economic plane, certain areas in the new State of Maharashtra square a total area of 1,18,459 square miles which forms 10.07 per cent of the area of the Indian Union, are notoriously backward and underdeveloped. This is in striking contrast with the highly industrialised state of Bombay city. The problem posed by this unhappy position will naturally require the special attention of Government. The promotion of industrial ventures, apart from lifting the underdeveloped areas from their

backwardness, will provide more employment to the people. This idea must constitute one of the significant planks in the policy of the Government. The fact that the cooperative movement in the State has forged ahead should augur well for the quick rehabilitation of the rural areas. The number of cooperative societies increased from about 18,000 in 1954-55 to 25,000 in 1958-59 and membership from 21 lakhs to 33 lakhs. Maharashtra has roughly two-thirds of the number of societies in bilingual Bombay. The percentage of the population covered by the cooperative movement is 45.1 and this is greater than that in bilingual Bombay.

In his inaugural address Mr Chavan has pointed out that Government are contemplating the setting up of a number of industrial estates in different parts of the State with a view to providing the State with adequate number of technical personnel to create in the people a liking for industrialisation. The important industries of the State are cotton textiles, general and electrical engineering, chemicals, sugar, vegetable oils including hydrogenated oils, paper and paper boards, soap and the like. Fortunately, Maharashtra has an abundant supply of forest wealth. Besides, the State is also not lacking in minerals like manganese and salt. Salt is produced in the coastal areas while manganese is mined in Vidharba districts and to some measure in Ratnagiri districts. Iron ore is also available in the districts of Ratnagiri and Chanda. These raw materials can be profitably converted into useful products.

The development of agriculture in the State should be carried out side by side with the development of industries. About 63.97 per cent of population depends on Agriculture for their livelihood. About one sixth of the area under oil seeds and one fourth of the area under cotton in the whole of India are in this State.

As pointed out by Mr C. D. Deshmukh, the Chairman of the University Grants Commission, the new State could confidently look to its future because it possessed three advantages which it has derived from the erstwhile Bombay state. Maharashtra has retained a "lion's share" of the administrative cadre, which had elicited praise from every quarter. One language could prove to be of immense assistance to solve the problems with greater ease of communication if the people co-operated actively with the authorities in implementing the various schemes for the development of the State. He also stressed that the people must be fully conversant with the developments in the national and international scene. He also brought home to the people the paramount importance of exerting themselves to the maximum for the welfare of the nation, for the national excellence was a clear index of individual performance.

OLYMPUS

Rayon's Great Future

THE Indian Institute of Public Opinion (New Delhi), the only organisation of its kind in the field to take periodically national political polls, also carries out at times some useful economic surveys on a countrywide sampling basis. One such survey recently completed by the Institute is concerned with the urban pattern of consumption of rayon fabrics. In this eminently relevant survey—relevant because rayon seems to be both a substitute for and a supplement to cotton cloth—a random sample of 1,312 urban households has been drawn from all the Indian States except Assam. To a question by this correspondent whether the size of the sample is sufficient for giving valid results, the Research Director of the Institute has replied that still smaller samples are drawn for surveys of the kind in the United States and that, in any case, a sample of about 1,300 households is more than sufficient to cover the urban population which is just a fifth of the total Indian population. The results of the survey may, therefore, be taken to have no more than the usual margin of error inevitable in surveys of the kind.

These results show that rayon cloth already commands a broad-based urban market and that it has a potentially bigger mass market.

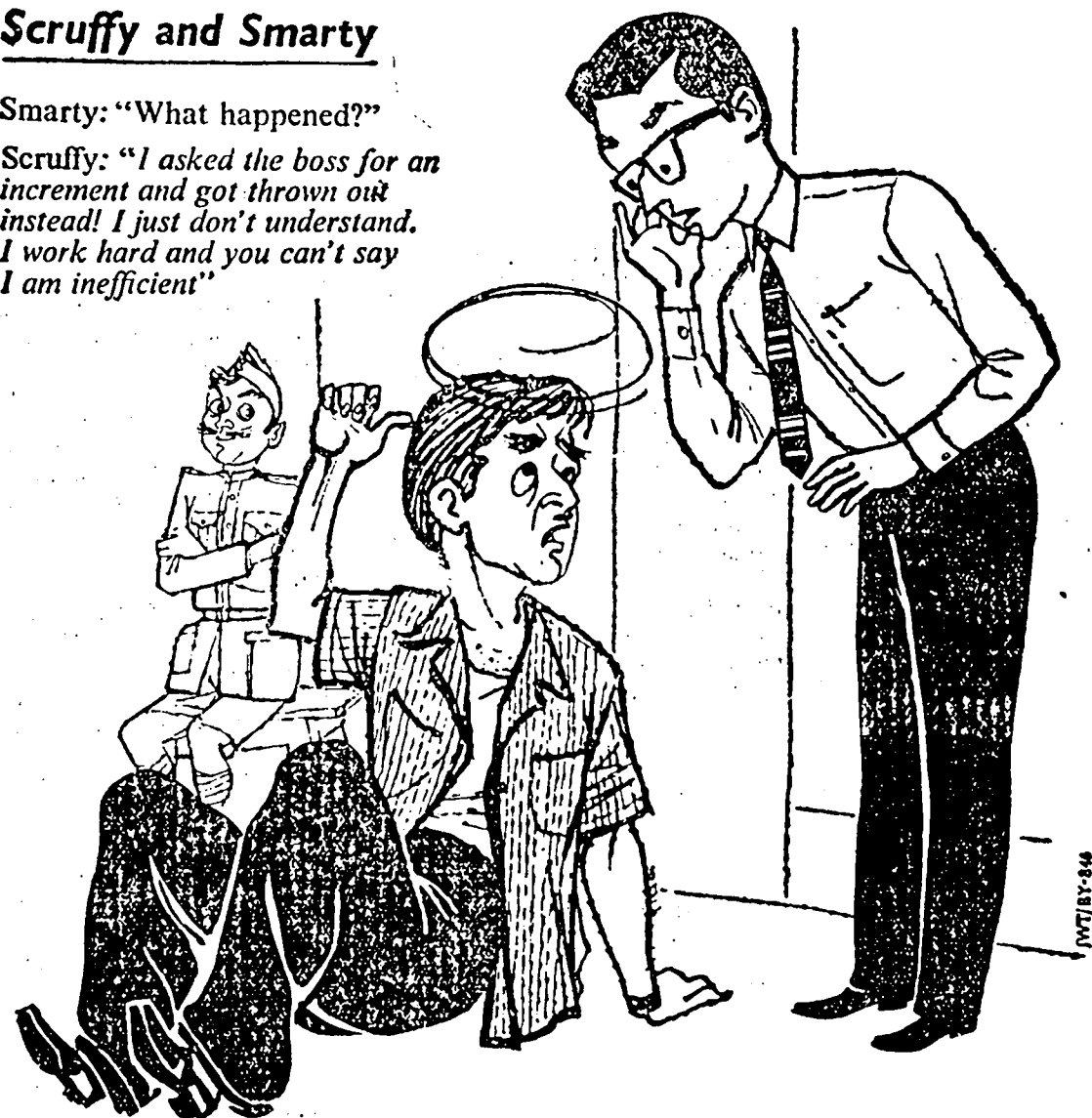
The principal finding is that just under a fourth of India's urban population now uses rayon cloth and that there is a growing desire to increase its purchases. A rather surprising result of the survey is that over half the total volume of rayon purchases is accounted for by urban groups with less than Rs 300 by way of monthly income. Yet another result is that a rayon-using family in each of the four low-income groups, namely, Rs 1-50, Rs 51-100, Rs 101-200 and Rs 201-300, spends, on the average, Rs 30, Rs 73, Rs 76 and Rs 101 per annum on rayon cloth. Since these four groups together account for three-fourths of all urban households, there is here, both relatively and absolutely, a big mass market for rayon cloth. Almost identical results, in the opinion of this correspondent, may well be obtained in a possible rural survey in respect of the low-income groups because handloom-woven rayon cloth is generally known to be no less popular in the rural areas than in the urban.

It is in the twin context of a potentially bigger rural mass market for rayon cloth and of the eminently suitable character of rayon yarn in handloom weaving (which is, by and large, village industry) that the future of the rayon industry would need to be assessed as well as planned. Fortunately for the handloom industry, the weaving sector of the rayon industry has developed much earlier than its yarn producing sector. So much so, there are, as of 1958, as many as 45,000 handlooms working exclusively on rayon weaving and 51,000 handlooms working on rayon and mixed fabrics. Although as many as 45,000 power-

Scruffy and Smarty

Smarty: "What happened?"

Scruffy: "I asked the boss for an increment and got thrown out instead! I just don't understand. I work hard and you can't say I am inefficient!"



Smarty: "Now, now. Don't lose heart. Perhaps, you should blame your clothes...."

Scruffy: "What do you mean clothes? I spend a lot on them."

Smarty: "Perhaps, your choice of cloth is not good. I'd suggest you buy BINNY'S suitings. BINNY'S Quality Control their production. Defects, invisible to the naked eye, that might have crept into the cloth are carefully eliminated at every stage of production. That is why BINNY'S suitings are smart looking and long lasting."

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looms are also working on rayon fabrics, it is significant that only under 1,000 looms in the textile mills have been devoted to rayon weaving. This is a significant trend because, from the beginning, the sector of rayon yarn manufacture and the sector of rayon cloth weaving have been working on a complementary basis.

Since there is already a big gap between the requirements of the weaving sector and the producing capacity of the yarn sector, the official estimate being 70 million lbs of indigenous rayon yarn production per year at the end of the Second Plan as against the estimated requirement of 100 million lbs per year for the weaving sector, the future progress of the industry would appear to lie in the direction of establishment of more rayon grade pulp and yarn producing units to cover the far wider gap which can be easily foreseen beyond the Second Plan period. It is, therefore, entirely possible to plan the development of the rayon

industry in such a way that rayon cloth weaving will be confined to the handloom and small-scale (powerloom) sectors and rayon pulp and yarn manufacture to the large-scale sector. After all, there is so much to do in the yarn manufacturing sector because indigenous production of viscose and acetate yarns, as of 1959, has reached a level of about 36 million lbs only, valued at nearly Rs 9 crores. In the light of the trends disclosed by the I.L.P.O.'s survey of rayon consumption and the trend of demand for rayon yarn by the weaving sector, it would appear that at least a five fold expansion of rayon yarn production may have to be planned for the Third Plan period.

A Diet Survey

A diet survey of textile workers in Ahmedabad was completed last year under the auspices of the Indian Council of Medical Research. The results of this survey are given below:—

Per month per capita income group.	Rice.	Wheat.	Other cereals.	Pulses.	Leafy vegetables.	Other vegetables.	Fruits.	Ghee and oil.	Milk and milk products.	Meat, fish and eggs.	Sugar and gur.	Coconut and condiments.
(Rs.)												
6-15	5.0	5.5	3.3	2.5	0.2	3.3	0.2	1.1	3.6	1.1	1.8	0.5
16-25	4.4	6.9	5.0	2.8	0.4	3.7	0.2	1.5	5.1	0.8	2.3	0.6
26-35	4.2	8.6	4.2	2.7	0.4	4.3	0.3	1.9	6.5	0.8	2.6	0.7
36-45	4.1	9.5	3.8	2.9	0.6	4.4	0.5	2.2	6.4	0.3	2.8	0.6
Above 45	4.4	13.7	2.1	3.2	0.9	4.9	0.5	2.5	6.3	1.3	2.3	0.9
Average for all groups	4.4	8.0	4.3	2.8	0.4	4.0	0.3	1.8	5.6	0.8	2.4	0.6

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Debenture Stock Transfer Books will be closed from 24th June, 1960 to 30th June, 1960 both dates inclusive.

By Order of the Board,

D. H. P. HENDERSON

A G E N T.

Victoria House,
Calcutta, 16th May, 1960.

According to another survey concerning the energy cost of activities by Ahmedabad textile workers, the values observed there are stated to be consistently higher by about 15 per cent, on an average, than in Coimbatore for comparable jobs such as spinning, weaving, roving and carpentry work. Conditions with regard to age, service in the mills and environmental temperature were similar in both places. The conclusion of the survey is that the content of the mechanical work going into the job might have been higher in Ahmedabad than in Coimbatore but that it would be hazardous to conclude that the textile workers of Coimbatore are more efficient than their counterparts in Ahmedabad.



Rajaji on Land Ceilings

The founder and leader of the Swatantra Party, Mr C. Rajagopalachari has initiated the legal battle against the land ceiling bills all over the Indian States by a memorandum to the President. This avowedly refers to the recent Madras Land Reforms (fixation of Ceiling on Land) Bill, 1960. He has in this memorandum which has been signed also by well known citizens of Madras, asked the President "whether the fixation of ceiling on one type of property only like agricultural land does not offend Article 14 of the Constitution of India for the reason that other types of resources with 'glaring inequalities' are free from such limitation." The Memorandum says that the condition precedent for exercise of the power given by Article 31(2) of the Constitution is the presence of a public purpose, such presence in legislation of this nature being a justiciable question open to canvassing in courts of law."

Couched in the most legalistic terms, the memorandum refers to what it calls a "large volume of competent legal opinion which takes the view that a 'public purpose' mentioned in Article 31(2) covers and contemplates only a concrete and definite purpose and excludes a general objective or the implementation of any ideology, political or economic."

After citing appropriate case judgments, the memorandum draws the attention of the President to the fact that a mere policy of socialism would not be acceptable to courts as 'a public purpose.' It is also pointed out that the said public purpose for which the lands would be acquired must be one definite purpose and not implementation or execution of a "general dogma promoting, in the view of the Government, general welfare."

That the application of ceiling only to particular type of agricultural land constituted discrimination against one type of property and that property should include all items of properties and all items of incomes and that, therefore, the application of ceiling on agricultural land was a matter not free from difficulty and raised constitutional question of extreme public importance are other points strongly stressed in the memorandum.

Even if the Ceiling Bill in Madras and other States in India get the assent of the President, the memorandum forewarns legal action against them by parties. But on the advice that such court tests would be premature before the Bills became enactments they have been restrained from such court action. In this connection, the memorandum says the President's right to refer matters of public importance to the "Supreme

Court is quite untrammelled and there are legal precedents where bills have been so referred for opinion."

In urging the Bill's reference to the Supreme Court, the Memorandum says that the course of litigation would take different forms in different states with varying orders in various stages of litigation and in order to avoid this confusion in respect of a matter "affecting the entire country in a most vital and important matter, the Honourable President be pleased to refer the Madras Land Reforms (Fixation of Ceiling on Land) Bill 1960 as a test issue, to the Supreme Court of India, for its advice under Article 143 of the Constitution of India on the questions formulated hereunder: While it is true there are many details and differences in the Bills promulgated in various States, the structure is common and most of the controversies, certain to rage round the Bills, will be settled largely by having these two questions referred:

(1) Is the purpose of Madras Land Reforms (Fixation of Ceiling on Land) Bill 1960 a public purpose within the meaning of Article 31 (2) of the Constitution of India?

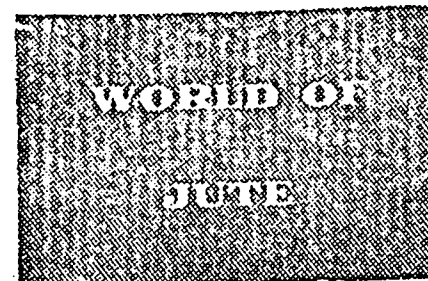
(2) Is the Madras Land Reforms (Fixation of Ceiling on Land) Bill 1960 not discriminatory against property in the shape of agricultural land only and therefore violative of Article 14 of the Constitution of India?"

The memorandum does not omit to refer to the exemption granted in the said bill to sugarcane cultivation without limit. This discrimination is called unfair, and the memorandum goes on: "Obviously direct sugarcane cultivation by factory owners cannot be a matter of greater public concern and importance than cultivation of rice or maize which are staple foods. Granting this even, there is no reason why the factory owners cannot buy sugarcane from other people's farms as, in the greater part of India, they do."

As regards compensation contemplated in the Bill, though the payment of this is placed beyond judicial review, nonetheless the question, the memorandum argues, whether the relevant provisions satisfy at all Article 31 of the Constitution (by giving what is called fair compensation to property compulsorily acquired) is not and cannot be, beyond judicial investigation.

The principles formulated for purpose of this Bill "are a travesty of law, providing as they do, something which in name alone is compensation," the memorandum says. Furthermore it refers to the Bill as one with provisions merely to conform to Constitution's requirements, but really "flouting the spirit and true purpose of the provisions of the Constitution." The President of India would see, the memorandum adds, that the provisions for compensation are "illusory, unfair and unreasonable and do not represent compensation in the true sense of the term."

This may only be the first step by the Swatantra Party to fight the Madras Bill, patterned on the socialistic principles of the Ruling Party all over India.



Jute Famine

PROSPECTS of raw jute supply during the next season are still uncertain in the continued prevalence of drought conditions in most jute growing areas. There have been reports of rains in some areas in the past few days but the amount of rain is said to be too meagre to make much difference to the overall position. Some seem to believe that chances for a good crop are now rather remote as valuable time for preparation work has been irretrievably lost. It would, however, appear almost certain that good quality jute will be in short supply. The late rains may leave little time for careful preparation which is essential for quality production.

But it would also be wrong to conclude even at the present juncture that jute supply in the next season will fall far short of demand. For, Pakistan which is also facing almost a similar situation, is still optimistic about a satisfactory turnover next season. With a view to off-setting the prolonged drought, the East Pakistan Administration has completely withdrawn all restrictions on the cultivation of jute. According to the Authorities although the drought may adversely affect the crop in the low-lying areas, there would be no shortage of jute on account of the vastly improved sowing programme under implementation. It is further pointed out that the effect of the drought is grossly exaggerated by interested parties.

In India too we have the improved jute production programme under which supply of seeds and fertilizers to the farmer is being accelerated. What can be achieved by Pakistan can be achieved by India also.

The heavy margins imposed have resulted in business coming to a standstill in the futures market. The spot market, consequently, is weak and prices have declined over the past few days. Around mid week there have been reports of business in hessian with Argentina and the UK and consequently hessian prices have somewhat recovered.

The increase in jute goods stocks to 76,600 tons from 71,900 tons has completely been ignored by the market in view of the calculation that production in coming months will not be high due to paucity of the raw material. Stocks of all varieties have increased: hessian to 29,300 tons from 27,900 tons, sacking to 32,500 tons from 29,400 tons and others to 14,800 tons from 14,600 tons. Even so, the statisti-

cal position is good as stocks are still much below one month's production except in the case of other varieties. Output during April is almost unchanged at 91,000 tons as against 91,100 tons in the previous month. This is due to the fact that mills have worked 208 hours in both months. Production of hessian is unchanged at 37,000 tons but that of sacking is 600 tons less at 44,400 tons. Other varieties are higher by 500 tons at 9,600 tons. May production will show a small rise as one per cent of the looms has been reopened effective 1st May.

The news that US hessian consumption during April is lower by 9 million yards at 72 million yards as compared with the previous month has also not adversely affected sentiment, presumably because of the expectation that in the context of the scarcity of raw material, there would not be any undue accumulation of unsold stocks. But the April US burlap consumption pattern clearly indicates that consumers in US are in no mood to pay the present high prices. Consumption has largely been met from stocks which have declined to 262 million yards from the previous month's level of 276 million yards. The total stocks are made up of 134 million yards of spot and 128 million yards of afloat. The corresponding figures of the previous month are 139 million yards and 137 million yards.

	As on 12 May	Low 18 May	As on 18 May
Hessian:	Rs.	Rs.	Rs.
45" x 11 ozs.	58.00	53.25	54.65
40" x 10 ozs.	53.00	48.75	50.50
Ready June	53.25	48.75	50.50
July-Sept.	53.61	48.50	50.10
40" x 8 ozs.	43.50	39.75	40.75
40" x 7 1/2 ozs.	40.50	37.00	38.00

Sackings:

B. Twills	144.00	131.50	134.50
Ready June	144.00	131.50	134.50
July-Sept.	144.00	131.00	134.00
H. Ceers (Green)	144.00	134.10	137.00
Cornsacks	145.00	131.50	135.00
Cubans	163.00	154.00	157.00
A. Twills	168.00	153.00	154.00
L. Twills	160.00	146.50	149.50
D. W. Flours	160.50	154.00	152.50
Sugar Twills	166.00	154.00	156.00

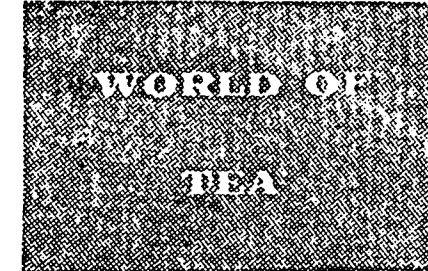
Ready Raw Jute:

Assam Bottoms	52.00	44.00	44.00
Northern Bottoms	41.00	45.00	45.50

Futures:

Hessian—May	53.50	48.50	49.50
Sacking—May	140.00	132.00	133.50
Hessian August	51.00	47.75	48.50
Sacking—August	134.00	129.25	131.00
Raw Jute—Sept.	43.50	38.50	39.10

The jute goods market ruled easier largely because of the absence of activity in the futures market. The cumulative effect of the lack of mill interest in the raw jute market and the absence of foreign enquiries, sentiment was to render easier. Indications from US were that due to the recent spurt in prices, consumers there were turning toward substitute packaging materials. 40" x 10 oz Hessian Ready was at one time quoted as low as Rs 48.75 but recovered to close on Wednesday at Rs 50.50. Likewise, B Twills Ready closed at Rs 134.50 after being lower at Rs 131.50.



Fall in Output

FEARS were entertained for some time past that there would be a delay in the arrivals of the new tea crop and a possibility of the crop being damaged by the continued dry and hot weather. These are now confirmed by the production figures released this week.

Production in North India has declined by 3.5 million pounds to 16.4 million pounds in April as compared with the corresponding month of last year. It is feared that the output, during the current month, may also be affected. As a result of the drought in many districts, there is evidence that quality has been affected. For, the first and second flush teas, which are usually harvested before the rainy season, constitute generally the best teas of North India producers.

The decline in last month's output need not cause much concern about the overall size of this year's crop. It is generally felt that the loss in earlier months may be recouped later in the season unless whether conditions turn to be adverse. Looking ahead, the prospect is, that the price of quality teas may improve in the face of greater demand, although the outlook for plainer teas cannot be assessed too optimistically.

In general, the shift in demand from plainer to good quality teas is in line with the trends at the auctions held recently in London. Demand on the London market has been fairly good and prices, generally speaking, have recorded no significant change. But, for any useful liquoring invoices, buyers are paying above valuations. Arrivals of the new season's teas from Northern India are expected to be delayed and it is felt that this is probably responsible, in a large measure, for the good interest shown by buyers for any teas above average quality.

Meanwhile, the first export sale of the new season's Darjeeling teas was held this week. Offerings were 14,864 packages. The market opened on a quiet note and the demand was limited. The more flavoury invoices were sold readily, although generally below valuations. Medium quality types received less enquiry and withdrawals were heavy. More interest was shown in Broken and Fannings grades than in Whole Leaf grades. The cheapest varieties, however, generally found buyers at prices slightly below valuations. The demand weakened further as the sale progressed and withdrawals became more frequent.

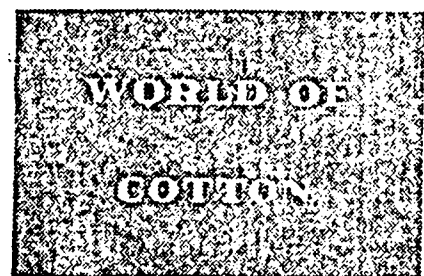
In the Internal Sale, offerings were 22,389 packages of Dusts and 248 packages of Leaf grades. There was only a fair demand, which was less general than in recent weeks. Orthodox grainy descriptions were taken up at 10 nP below last rates following limited enquiry. Leg-cut Dooars dusts were irregular, but generally lower by 6 nP to 8 nP. The brighter medium CTC kinds met with active support at slightly easier rates. The lesser and more fibrous types were a weak feature of the sale and difficult of sale. Following rates were quoted: Medium Dooars Dust Rs 1.92 to Rs 1.98; Medium Assam Dust Rs 1.88 to Rs 1.98; Medium Assam CTC Dust Rs 2.02 to Rs 2.24 and Best CTC Assam Dust unquoted.

In the Colombo market, offerings were 6,336,859 pounds. The quality of teas showed a further decline. Best Dimbuls continued in strong demand at firm to dearer rates. Other Dimbuls were irregular according to quality, while very plain high-grown and mediums were 3 to 8 cents per pound easier. Low-grown were sold at fully firm to dearer rates, but very common descriptions were 3 to 8 cents lower.

Tea production in Ceylon increased to 45.4 million pounds in March from 32.8 million pounds in the corresponding month of last year. Exports have also risen sharply to 34.22 million pounds in February from 28.45 million pounds in February last year. The improvements in exports was due to the increased offtake by all the consuming countries, particularly the UK which increased her offtake from 20.98 million pounds in the first two months of 1959 to 24.4 million pounds in the period under review.

Tea stocks in London, as on 6 May, have declined to 154.68 million pounds from 158.53 million pounds in the previous week. The total amount to be landed on the same date was 10.44 million pounds. Total afloat was 13.82 million pounds including from Calcutta 3.56 million pounds; from Chittagong nil; from Cochin 727,880 pounds; from Ceylon 6.47 million pounds and from other Ports 3.06 million pounds. The average price realised at the auction, during the week ended 6 May, was 49.44d per pound against 49.20d in the previous week and 54.77d a year ago.

Shipments of tea from the Cochin Port, in the first quarter of the current year, were higher at 20.33 million pounds as compared with 16.5 million pounds in the corresponding period of 1959. Out of the total exports in January/March 1960, offtake by the UK increased to 10.27 million pounds from 7.24 million pounds in the corresponding period of the previous year, as did that by Canada to 1.91 million pounds from 1.71 million pounds. Exports to Australia and Egypt also increased to 1.16 million pounds from 1.04 million pounds from 876,820 and 100,130 pounds respectively.



Futures Subdued

THE cotton futures market in Bombay continued to bulk quiet during the past week mainly due to the conspicuous absence of any fresh developments. The spurt which characterised the market early this week, caused by the expectation that the Government of India would permit an increase in the "ceiling" rates for the succeeding season, proved to be short-lived on rumours that a further import quota of 200,000 bales might be issued. The lack of any encouraging reports from the textile market also tempted tired bulls

to liquidate a part of their holdings. The Jarilla August contract moved irregularly between Rs 772 and Rs 780 on account of alternate bouts of buying and selling by leading operators.

SPOT MARKET:

In the spot market at Sewri moderate activity prevailed. However, mills evinced good interest in Laxmi, Vijay, Digvijay, Co2, Kala Gin, Jayadhar, and Wagad varieties. As the spinners have already covered their requirements against additional quotas allotted to them, they were absent in the market. Consequently the fresh arrivals of new crop cotton from producing centres had no effect on the deterioration in price levels. Wagad dropped to Rs 880 from Rs 890, Kala gin to Rs 830 from Rs 840 and Kalyan lost about Rs 20. Digvijay also eased by Rs 15 to Rs 1010 (lower variety) while the best variety fell to Rs 1125.

Among the imported growths, Busoga, Sudan, Mwansa and Ame-

rican 15/16 found good favour with buyers. Prices of Sudan registered a further rise thanks to the sustained interest evinced by mills. Enquiries for Egyptian cotton new crop for shipment September-October were also not lacking, due to the fresh rumour that new arrivals will be cheap. The increased interest shown by mills for American cotton had its repercussions on other imported growths. The price of African cotton recorded a further decline. Nevertheless some stray interest was shown for the Syrian growths.

Some of the mills were willing to surrender their import quota allocations because of the burdensome premium assessed on them. The premium for cotton stapling, 1.3/16" and above is fixed at Rs 160 per bale and for cotton stapling between 1.1/16" and 1.3/16" totals Rs 120. The mills complained that the recent enhancement of cotton prices in the imported varieties coupled with the prohibitive

premium levied will not make import remunerative.

The quantity licenced for import from 1 September 1959 to 30 April 1960 amounted to 7.71 lakh bales while the actual arrivals were only 4.01 lakh bales. On the export front the conditions were quiet.

According to a recent provisional estimate the production of cotton textile mills during the month of April totalled 136 million bales of yarn and 407 million yards of cotton cloth.

Speculation over the formulation of new cotton policy and framing of hedge contract for the next season commencing from September have already been afoot in the Cotton and Textile circles of Bombay. The high prices in cotton, the yawning gap in between supply and demand and the resultant huge premium have compelled the trade and industry to plead for the de-control of cotton in the ensuing season. The East India Cotton Association has recently requested the Union Commerce Minister to remove the control imposed on cotton so as to equate with the prevailing conditions. Fearing that this request may not find favourable consideration from the authorities, the EICA has forwarded a set of suggestions. They include a with a salutary revision of the tune of Rs 40 and Rs 60, the removal of some varieties which are not grown sufficiently from the schedule attached to the Textile Commissioner's notification, and replacing them by new ones along with a salutary revision of the schedule with appropriate classification of cotton according to their merits and their present position. The Associations also suggested that once the cotton price policy has been fixed for the year, there should not be any change during the currency of the Season.

SUPPLEMENTARY IMPORT LICENCES FOR LONG JUTE AND JUTE CUTTINGS TO USER MILLS

The Government of India have observed with concern the recent abnormal rise in jute and gunny prices.

The industry has represented that this is due to the apprehension of delay in the arrivals of our new crop, which may in turn result in some mills running short of raw material at the beginning of the coming season.

Government had previously stated that production in industry will not be allowed to suffer for want of raw material. In view of delayed sowings and consequent delay in jute arrivals in the market, Government have authorised the Jute Commissioner to issue supplementary import licences for long jute and jute cuttings, in addition to quantities recently released, to user mills, on the basis of their actual requirements, assessed in consultation with the industry.



Prospects for Rubber

OF late, the Rubber market in London has been extremely active. The rate for the commodity is presently quoted at 3sh 6d a pound as against 3sh quoted two weeks ago. The present level is the highest point touched since September, 1955. The steady rise in prices is attributed to higher advances from Singapore where dealers are reported to have been buying vigorously, possibly on behalf of Russia and China.

Whatever the cause of the upswing, London dealers have certainly been taken by surprise. Many have been working on the assumption that prices may fall, partly because of higher production and partly due to the apparent absence of Russian interest. The position now is, that nearby supplies in all the main consuming centres are extremely scarce and dealers have been falling over each other to get the material they need.

Present indications are, that the 1960 output of natural rubber in India will show an improvement over last year's. The rubber-producing regions of Kerala and Madras have had fairly satisfactory rains during the past two months. Drought, which adversely affected production last year, is not likely to do the mischief in the months ahead. The only apprehension of the growers now is, whether the monsoon rains, which are due to begin shortly, will assume severe proportions and necessitate stoppage of tapping of the trees.

Again, consumption has been on the increase and this is expected to continue for a few years to come in view of the spectacular expansion of the manufacturing industry. Apart from the expansion schemes undertaken by the three existing major units, licences have been issued for four tyre factories, one each for Kerala, Bombay, the Punjab and West Bengal and they are expected to go into production within the next two years. The expansion schemes of the smaller factories, concentrating on the production of sundry items, are also there.

Coffee

According to the figures released by the Coffee Board, receipts of the 1959-60 crop into the Pool, up to the end of April, amounted to 45,755 tonnes consisting of 24,860 tonnes of Plantation; 6,080 tonnes of Arabica Cherry and 14,815

tonnes of Robusta. The corresponding receipts of the 1958-59 crop, up to the end of April last year, were 43,433 tonnes, comprising 17,726 tonnes of Plantation; 7,127 tonnes of Arabica Cherry and 18,680 tonnes of Robusta.

The total internal releases, for the period January to April 1960, have amounted to 9,203 tonnes as against 9,996 tonnes in the corresponding period of last year. The amount of coffee sold for export out of the 1959-60 crop was 6,412 tonnes as against 8,672 tonnes sold for the corresponding period of last year.

The following were the average prices (per 50 kilos) secured for the principal types or grades of coffee in the export sale held on 4 May 1960: Plantation A Rs 237.18; Plantation B Rs 226.15; Plantation Triage Rs 186.13 and Arabica Cherry Flats Rs 187.87. The following were the average prices realised for the principal types or grades in the Pool sales held in April 1960: Plantation A Rs 215.04; Arabica Cherry Flats Rs 179.54 and Robusta Cherry Flats Rs 155.15.

Foodgrains

Thanks to the agreement with the USA for the import of grains and further credit curbs, prices in the Foodgrains market have been displaying an easier tendency. Indigenous Wheat has revealed a marked weakness in the Bombay market with the prices of the popular varieties declining by Rs 20 per candy. The slump is attributed mainly to the recent strong rumours that the Madhya Pradesh Government will shortly remove its ban on exports of wheat from that State. These rumours are a sequel to the food deal with the USA.

At present, the movement of wheat is free within the limits of the former Bombay State with Bombay City being cordoned off for exports. It is felt that the prices may stabilise at slightly lower levels if exports from Madhya Pradesh are allowed freely; but a recovery in the event of a status quo being maintained is not ruled out.

The Rice section continues to rule quiet in view of the easy supply position and comfortable stocks with the Government. Gram has also declined on easier advances from the Punjab where the new crop is reaching the market in larger quantities. Pulses have continued to be easy for want of outside support.

Sugar

Sugar prices have remained almost stationary around Rs 114 per bag. According to the latest reports, production in the country till the end of the first week of May, was 23.5 lakh tons as compared to 19.19 lakh tons in the last season. A few mills like Seohara,

Dhampur and Amroha, in the Moradabad division, and others in Eastern Uttar Pradesh are still reported to be busy with crushing.

It is reported that about 3,500 bags of sugar are still lying unsold with the Sugar Dealers Syndicate, Muzaffarnagar. The stocks consisted of the quotas allotted by the State Government for months of February and March.

Gur

The Hapur Gur market is ruling steady with prices showing a slight improvement over last levels, thanks to better demand and dwindling stock position. Daily arrivals averaged 200 to 250 maunds.

Khandsari

Due to booking restrictions, demand for Deshi Khandsari remains slack. Punjab buyers are interested in the inferior quality while the medium and superior qualities are in moderate demand from Gujarat and Saurashtra. In the Muzaffarnagar market, daily arrivals averaged at 400 maunds, while stocks are estimated around one lakh maunds. Inferior quality is quoted at Rs 32 to 34 and the superior at Rs 38 to Rs 39 per maund.

Silk

There was no change in the price of filature silk in the Bangalore Silk market during April. However, charka silk prices tended to show a distinct decline, particularly in the case of Superfine and 1st and 2nd Qualities Cottage Basin remained unchanged at between Rs 36.00 and Rs 39.00. While there was no change in the price of reeling cocoons, seed cocoons showed a marked rise during the month.

In the Varanasi market, moderate rise in price was noticed for filature and cottage basin silk. Charka silk prices, on the other hand, registered a decline of Rs 2.00 to Rs 3.00.

In West Bengal, there was a decline of Rs 0.50 to Re 1.00 per lb in the price of Charka silk. Reeling cocoons showed some advance in price. Handspun yarn declined from Rs 16.50 to Rs 16.00 per lb.

In Bihar, excepting for Daba reeling cocoons (Tasar) and tasar raw silk weft, the price range remained unchanged from the previous month's rates. Daba reeling cocoons declined by 2 points to quote Rs 60.00 to Rs 62.00. Tasar raw silk weft improved by 2 points to quote Rs 26.00. Mulberry raw silk, warp, and silk waste showed nominal rise while the rates for weft (raw silk) as also for reeling cocoons declined.

Gold & Silver

The assumption of powers by the Government of Maharashtra to impose margins on any contracts has had little effect on the trading

sentiment as judged by the behaviour of the Bombay bullion market. It is stated that, despite measures so far taken, the bull grip on the market has persisted. The bull operators are said to have made arrangements to deposit margins which are estimated at about Rs 1 crore.

Although the Vaisakh contract has been extended by ten days, the buyers are expected to insist upon delivery of spot metals in view of the present heavy premia. The trading, in the next few days, will, therefore, be crucial from the angle of the bear operators. Whether the Government takes other measures or not remains to be seen. Meanwhile, silver arrivals amounted to 35 bars as against an off-take of only 10 bars. Unrefined metal receipts were 28 bars. Gold receipts amounted to 5,000 tolas including 3,000 tolas of unrefined metal. Offtake totalled only 2,000 tolas. The following table will show the price trends:

	Gold		
	May 5th	May 12th	May 16th
	Rs	Rs	Rs
Spot	138.69	129.81	133.50
Vaisakh	135.00	130.06	129.50
Jeth	131.37	127.31	129.50
Ashad	130.56	126.69	128.37
Silver			
Spot	231.25	219.50	219.00
Vaisakh	222.50	219.19	220.34
Jeth	218.50	215.44	216.78
Ashad	217.87	215.06	216.47

Oils & Oilseeds

Prices on the Bombay Oilseeds Exchanges showed a mixed trend. While Castorseed and Linseed ruled firm, Groundnut and Cottonseed remained quietly steady.

Following the reported enquiries from the Communist countries for castor oil and higher advances from London, prices in the Castorseed section moved up. Moreover, confidence in the market revived following the fixation of freight rates at \$25 per ton including \$5 as clearing charges. This decision almost coincided with a broader buying interest in castor oil in overseas markets. Some exporters claimed business in commercial oil at 15.25 cents per pound. The UK was also stated to be in the market around £119 per ton. Castorseed ready was quoted at Rs 33.37 and Castor Oil, commercial quality, at Rs 18.12.

Although trading in the Linseed section was initially affected by fears of heavy tenders based on the belief that the prices would go down with increasing arrivals, lower levels attracted good support on an optimistic reckoning of the export outlook for linseed oil. The tendency in linseed oil in the UK was also stated to be steadier with the shippers reporting demand around £109 per ton. Linseed ready was quoted at Rs 32.75 and Linseed Oil at Rs 16.44.

The behaviour of the Groundnut section revealed a measure of

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caution at higher levels. Operators feared that the pre-monsoon unloading of spot supplies might affect the prices adversely. Although the crushers and vanaspathi interest lent good support, purchases were confined to their immediate requirements. The lull in exports of groundnut extraction also discouraged aggressive buying. Groundnut Bold quality was quoted at Rs 43.75 and Groundnut Oil at Rs 23.12.

The Madras groundnut kernels and groundnut oil market was steady and firm on Wednesday. In the southern markets, the price of groundnut kernels proved strong with a tendency to look up. Also forward positions continued to be firm though July transactions in oil was not bright due to uncertainty of rains for good kernel harvest reachable at the market points that time. Other oils too firmed up in the local market. While local arrivals of groundnut kernels averaged daily 120 tons, the outer markets in the South received at the rate of about 400/420 tons daily. All these have been quickly absorbed locally and by Andhra, Bombay and Calcutta, with the result oil prices also continued steady in these centres.

The following are Wednesday's closing prices of oils and seeds in the Madras Oils and Seeds Exchange.

Groundnut oil per candy of 500 lbs ex-Madras godown expeller Ready 3 per cent F.F.A. 394. May 394; June 397; July 395.50.

Groundnut kernels per candy of 531 lbs; Coromandel Rs 200; Peanut Rs 191/192. Castor oil per candy of 500 lbs Tirupattur Rs 310. Coconut

oil per tin Rs 29/8 to Rs 39/12. Gingelly oil per maund Rs 23. Gingelly seeds Superior variety (no stock) Medium Rs 76/77 per maund. Groundnut cake Rs 26/12 per bag of 160 lbs ex-gunny.

All along the week since last Wednesday, the groundnut market firmed up. But oil was a bit easier. Good arrivals marked both in the local market and other places. Operators from Andhra, Bombay and Calcutta also went in for these stocks along with local demand for crushing. This support was responsible for the groundnut maintaining the price level steady. But there was only a limited demand for oil and the vanaspathi dealers bought their needs from local small scale units whose price was below that of the official rate at the exchange. Their offer was even at the rate of Rs 382 or Rs 383 per candy. Rangoon did not show great interest this week though small quantities were bought during the week-end. Groundnuts marked a net gain of about Rs 12 to Rs 13 per ton and oil lost by about Rs 20/22 per ton in price.

For May 3rd week delivery groundnut oil was offered at Rs 394 per candy and some took delivery eight annas less per candy. There were better activity in June position. But in July valda interest sagged.

Beginning this week the prices of groundnut oil and kernels continued the same: May 16 (Monday) Oil Ready Rs 393; May Rs 393; June Rs 393; July Rs 394; Kernels Coromandel Rs 200 and peanut Rs 190/191. Closing prices of Tuesday May 17 were Oil Ready Rs 394; May Rs 394; June Rs 394.50 and July Rs

394; Kernels Coromandel Rs 200 and peanut Rs 191 per candy.

Thus it would be seen except for the July position in oil other prices continued to be firm. Even if there were some fluctuations during the negotiations they were only very little in the margin of eight annas or so. May trading proved of the nature of short covering and May quotation fluctuated with the ready line.

Upcountry Markets: In southern region summer crop of groundnut kernels is moving in a steady stream. Villipuram, Panruti, Tirukoilur, Cuddalore, Vriddachalam, Tiruvannamalai and Tanjore/Pattukkottai areas have reported good receipts. The price of groundnut in these areas range between Rs 202 to Rs 205 per candy. The increase is also due to feverish buying by crushers in all these centres.

There is no change reportable in gingelly seeds and oil prices, castor oil, coconut oil locally.

Last week Burma bought 150 tons of groundnut oil at Rs 1,800 per ton in tins. The following are the latest ruling prices of oils and seeds in some of the foreign markets:

	Per ton
Groundnuts July/August	£ 75/-
Castorseed May/June	£ 65/10
Nigerseed nominal	£ 56/-
Groundnut oil spot	£ 122/-
Groundnut oil June/July	£ 122/-
Castor oil BSS, Bulk, May/June	£ 126/-
Castor oil Commercial	£ 121/-
Coconut oil Srait bulk June	£ 117/10
Coconut oil Ceylon	£ 119/120
Tobaccoseed oil in drama nominal June/July	£ 126/-
Groundnut oil cake (expeller)	£ 32/5 to £ 32/10
Groundnut deoiled	£ 30/5 to £ 30/10

The following prices were quoted in southern markets for groundnut kernels and groundnut oil:—

	Per 531 lbs*	Per 500 lbs†
Cuddappah/Yerragantla	204	395
Guntur/Bezwada	213	392/8
Vriddachalam	200	397/8
Nandyal	204	395
Villipuram	200	388
Pollach nominal	205	395
Tanjore	205	390
Tiruvannamalai	200	386
Salem	205	395

*Groundnut kernels. †Groundnut oil.

Hides and Skins

Tanned cow hides prices were unaltered with moderate arrivals. Export demand continued to be weak. Turnover was limited in foreign dealings. Inferior fifts continued to be in good demand locally. Therefore slightly increased prices were quoted to export markets. In tanned buffalo hides there continued to be good demand both internally and from America and United Kingdom. Latter countries were unwilling to follow Madras prices. All varieties of tanned cow calf were demanded by Hamburg.

Local prices were unchanged and continued to be same as of last week in tanned skins. Tanned buffalo calf skins were easy and export prices were reduced from one to two pence.

Tanned goatskins absorbed locally was 5,000 pieces leaving 5,000 in the market and tanned sheep skins sold

were 38,000 leaving 53,000 for still further disposal. Prices proved lower by 12 nP per lb. for goatskins and for sheep skins quotation was 30 nP lower. Raw skins prices continued to be easy.

Bangalore raw goat skins per 100: Rs 560 to Rs 575: White wool sheep Rs 600 to Rs 620: Black Rs 450/500: Bezwada Raw goat skins Rs 525/530: He sheep Rs 615 and she sheep Rs 465.

The following are the prices for tanned skins per lb: Tanned cow prime 5/5½ lb Rs 3 to Rs 3.37: 6-6½ lb Rs 2.75 to Rs 3. 8/8½ lb Rs 2.31 to Rs 2.37: 10/12 lb Rs 1.94 to Rs 2.00: Buffalo 12/13 lb Rs 1.44 to Rs 1.69: Cow Calf 1½/2 lb Rs 4.62 to Rs 5.12: Buffalo Calf 1½/2 lb Rs 3 to Rs 3.37: Goat Prime 5½/6 lb Rs 10.25 to Rs 10.50: 8/9 lb Rs 9.12 to Rs 9.37: Sheep ordinary 6/7 lb Rs 8.50 to Rs 8.87: Prime 3/7 lb Rs 10.62 to Rs 10.87.

THE MODERN MILLS, LIMITED.

NOTICE TO SHAREHOLDERS.

NOTICE is hereby given that the Twenty-sixth Annual General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Company, Temple Bar Building, 70, Forbes Street, Fort, Bombay, on Tuesday the 7th June 1960 at 4-30 P.M. to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Statements of Accounts for the year ended 31st October, 1959.
2. To declare a dividend.
3. To appoint Directors in place of those who retire but are eligible for re-appointment.
4. To appoint Auditors for the current year and to fix their remuneration.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

By Order of the Board,
N. SIRUR & CO. PRIVATE LTD.,
Managing Agents.
N. D. SIRUR,
Managing Director.

Bombay,
14th April, 1960.

N.B.—The dividend, when declared, will be made payable at the State Bank of India, Bombay, on and after Monday the 20th June 1960 to those Shareholders whose names stand on the Register of Members on the 28th May 1960. The Dividend Warrants will be made negotiable at par at the State Bank of India, Bangalore. Shareholders are requested to intimate change of address, if any.

Detailed Notice of the above Meeting is already published in the Press and is also sent to the Shareholders individually.



Sustaining Influences

Investment Gossip:

ALTHOUGH there has been a sagging tendency in the stock market during the past few days, the undertone has continued to remain steady. Investment interest seems to be at a low ebb but operators continue to derive encouragement from the trends of corporate activity in the country.

It would appear that the revival of interest in Indian Irons has stemmed from a number of factors. Firstly, as has been pointed out last week, the rumour about the company's plans for diversification is taken as a favourable point. Secondly, an increase in steel retention price is expected to improve the company's profit margin and thirdly, a considerable section of the operators seems to believe that in the present context Indian Irons are comparatively still low-priced.

The main sustaining influence is, of course, the scarcity of most popular scrip. The fact that the Life Insurance Corporation has not given any indication that it may emerge as seller has obviously given further encouragement to the bulls.

The Summit fiasco has had some disturbing effect on sentiment and the marking down of prices in the past two days, especially in Indian Irons and some other speculative counters is to be attributed to the growing tension in the international situation. But this reaction will prove to be temporary even as it has in the London Stock Exchange.

Last week's interim clearing has clearly demonstrated that the bull hold on the market cannot be easily dislodged. High prices for equities are now generally considered quite in tune with the state of the economy. Most companies have expansion plans for the next few years and considering the response to the new issues some of which will begin to pay a dividend only after some time, it is clear that investors are prepared to take a chance at the growth prospects. This explains the absence of large-scale selling even at the higher levels.

New Issue Notes

A new cable company, known as the Omega Insulated Cable Company (India) Limited, has been formed for the manufacture of VIR, PVG and paper-insulated cable with an authorised capital of Rs 2 crores. The company has been issued an indus-

trial licence by the Government of India. The factory will be situated in Madras. The factory is expected to go into production by the end of next year.

The recent issue of Rs 20 lakhs, offered by the Adarsh Chemicals Limited, is reported to have been heavily over-subscribed by as much as 22 times. Allotment of shares will be made during the next fortnight in consultation with the stock exchange authorities in Bombay.

Dalmia Cement (Bharat) Limited and the Orissa Cement Limited have offered for sale, at par, to the general public from their holdings 2 lakh equity shares of Rs 10 each in Dalmia Iron & Steel Limited. The offer is made in order to comply with the regulations of the Calcutta Stock Exchange for enlisting the shares of the company. The list will remain open from 16 May to 30 May, 1960.

The Dalmia Iron & Steel Limited has established recently steel casting plants in collaboration with a Belgian concern and these have started working from the middle of 1958. As the company has proposed to add shortly a few more machines to manufacture spun cast iron into pipes, the additional capital expenditure is expected to be about Rs 5 lakhs to the existing total gross capital expenditure of this section amounting to Rs 57 lakhs as on 30 September 1959. The authorised capital of the company is Rs 5 crores and the subscribed and paid-up capital is Rs 40 lakhs, divided into 4 lakh equity shares of Rs 10 each.

Investment Notes:

At the annual general meeting held recently by the Elgia Mills Limited, it was decided that payment of all dividends for the year 30 September 1959 should be deferred. The directors have been requested to re-examine their recommendations regarding the payment of dividends on the 8 per cent and 5 per

cent Cumulative Preference shares in the light of representations from the shareholders as well as the latest pronouncement of the Union Finance Minister on the subject.

The steady expansion of the Standard Vacuum Oil Company's activities is of growing significance to India's five-year development programme. During the past 10 years, Stanvac has built a complete new refinery in Bombay. In partnership with Government, Stanvac is also carrying on a large-scale search for oil in West Bengal. It has expanded its marketing services. It has increased its purchases of Indian products as well as its employment and training of Indian nationals. In these 10 years, Stanvac has invested more than Rs 4,620 lakhs in India, including all the company's net income earned in India, all reserves set aside for replacement of worn-out equipment and Rs 352 lakhs in foreign exchange. Its net income in its refining and marketing operations over the 10-year period has averaged about Rs 188 lakhs a year, or an average of 7.5 per cent of total Stanvac equity and borrowed capital. The income from sales in India amounted to Rs 72.46 crores in 1959. Expenses were Rs 71.26 crores, leaving a net income of Rs 1.20 crores after providing for Taxation of Rs 2.85 crores.

Investment Briefs:

Kamant Engineering Corporation Limited has recommended a dividend of 7½ per cent, subject to tax, for the year ended 30 September 1959. The net dividend works out to 5.425 per cent as against 5 per cent paid previously.

Elphinstone Spinning & Weaving Mills Company Limited has proposed a dividend of Rs 7 per share, subject to deduction of tax, for 1959. The dividends for 1957 and 1958 were passed over. Travancore Cements Limited has recommended a taxable dividend of

6 per cent for 1959 against a tax-free dividend of 6 per cent in the preceding year.

India Sugar has announced a taxable dividend of 12½ per cent for the year ended 30 September 1959 against a tax-free dividend of 10 per cent paid for the previous year.

Balance-Sheet Briefs:

Godfrey Phillips India Limited has reported a gross profit of Rs 31.34 lakhs for 1959 against Rs 29.54 lakhs for 1958. The directors have recommended a taxable dividend of 26 per cent. The net dividend works out to 18.2 per cent against 20 per cent.

The working of the Hindustan Pilkington Glass Works Limited has resulted in a profit of Rs 28.38 lakhs for the year 31 October 1959 as Rs 11.60 lakhs for the previous year. A taxable dividend of 12 per cent (net 8.4 per cent) is recommended against 6 per cent.

Amar Dye-Chem Limited has shown a substantial rise in the gross profit to Rs 58.81 lakhs for 1959 from Rs 16.75 lakhs. A maiden dividend of Rs 12.00 per share, subject to tax, is recommended.

The National Rubber Manufacturers Limited has earned a profit of Rs 7.47 lakhs for 1959 as against Rs 4.42 lakhs. A taxable dividend of 8.5 per cent is recommended. This works out to a net dividend of 5.95 per cent against 6 per cent.

The net profit of the Travancore Rubber & Tea Company Limited is Rs 12.49 lakhs against Rs 8.12 lakhs. The dividend has been raised to 7½ per cent (taxable) from 5 per cent.

The working of Jenson & Nicholson (India) Limited has resulted in a profit of Rs 4.32 lakhs against Rs 2.31 lakhs. The directors have recommended a net dividend of 4.2 per cent (gross 6 per cent) against 6 per cent paid previously.

The gross profit of the Mahendra Mills Limited, Ahmedabad, has risen by Rs 5.27 lakhs to Rs 34 lakhs for 1959. A taxable dividend of 8 per cent is recommended against a tax-free dividend of 6 per cent.

The Arvind Mills Limited, Ahmedabad, has shown a substantial rise in the net profit to Rs 29.79 lakhs from Rs 18.90 lakhs. A final dividend of Rs 25 per share is recommended. This makes a total of Rs 40, subject to tax. The net dividend works out to Rs 28 per share, the same as in the preceding year.

Balmer Lawrie & Co. Ltd.

ELECTRICAL MECHANICAL
STRUCTURAL ENGINEERS
MANUFACTURERS REPRESENTATIVES
METAL CEMENT OIL PAINT
BUILDING MATERIAL MERCHANTS
PAPER FLOUR CLEARING
FORWARDING AND
TRAVEL AGENTS
TEA BUYERS AND EXPORTERS

Offices at
CALCUTTA BOMBAY NEW DELHI ASANSOL

THE CENTRAL BANK OF INDIA LIMITED

(Established—December, 1911).

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

Authorised Capital	Rs. 6,30,00,000
Subscribed Capital	Rs. 5,77,50,000
Paid-up Capital	Rs. 3,15,00,000
Reserve Fund & Other Reserves	Rs. 4,05,83,129
Deposits as at 31-12-59	Rs. 1,80,63,64,411

DIRECTORS:

Sir Homi Mody, K.B.E.	Framroze J. Gajdar, Esqr.
(Chairman).	Sir Jamsetjee Jeejeebhoy, Bart.
Ooverji Hormusji Bhabha, Esqr.	H.H. Sir Jiwajirao Madhavrao
(Vice-Chairman).	Scindia, G.C.S.I., G.C.I.E.
Dharamsey Mulraj Khatau, Esqr.	Jaykrishna Harivallabdas, Esqr.
C. P. Wadia, Esqr.	Shivaji Sorabji Khambata, Esqr.
Chimanlal Bapalal Parikh, Esqr.	Mr. N. K. KARANJI, General Manager.

Branches and Pay Offices in all important Commercial Centres of India, Pakistan and Burma.

LONDON BRANCH: 159, Fenchurch Street, London, E.C.3.
NEW YORK AGENTS—Morgan Guaranty Trust Company of New York, The Chase Manhattan Bank.

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

LOCAL BRANCHES

Ballygunge ... 200/2C, RASH BENARI AVENUE.	Haikola ... 100, SOVABAZAR STREET.
Barabazar ... 71, JAMUNAL BAZAR STREET.	Howrah ... 18-A, GRAND TRUNK ROAD
Bhowanipore ... 86, SHYAMAPROSAD MUKHERJEE RD.	Kidderpore 3/1, DIAMOND HARBOUR RD.
Calcutta ... 33, NETAJI SUBHAS ROAD.	New Market 10, LINDSAY STREET.
Shambazar ... 133, CORNWALLIS STREET.	

Branches in West Bengal:—Asansol, Bankura, Burdwan, Jalpaiguri, Kalimpong, Raiganj, Siliguri, Purulia.

Branches in Bihar:—Arrah, Bettiah, Bhagalpur, Chapra, Darbhanga, Deoghar, Forbesganj, Gaya, Jamshedpur, Jaynagar, Jharia, Katihar, Kharagpur, Kishanganj, Lahorisara, Lakhisarai, Motihari, Monghyr, Muzaffarpur, Patna, Patna City, Ranchi, Razaul, Samastipur, Sahibganj, Sasaram, Sitamarhi and Sewan.

Branches in Orissa:—Sambalpur.



Excellent Results of Guest, Keen, Williams

Balance-Sheet Reviews

Despite increased competition and difficulties in obtaining adequate supplies of raw materials, Guest, Keen, Williams, Limited has maintained its overall production. This is reflected in the working results for the year ended January 2, 1960. Although sales are slightly lower at Rs 9.74 crores against Rs 10.38 crores, the net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 86.70 lakhs as against only Rs 56.92 lakhs in the previous year, mainly due to the cut in manufacturing expenses from Rs 1.30 crores to Rs 1.17 crores.

In respect of allocations, the Depreciation amount is raised to Rs 27.06 lakhs from Rs 22.68 lakhs; Additional Depreciation Reserve to Rs 3.57 lakhs from Rs 2.59 lakhs; Development Rebate Reserve to Rs 33.01 lakhs from Rs 8.42 lakhs and General Reserve to Rs 5.69 lakhs from Rs 1.36 lakhs. The Taxation provision is, however, reduced to Rs 35.60 lakhs from Rs 74.20 lakhs. The directors have recommended a final dividend of Rs 1.60 making a total of Rs 2.40 per share. This works out to a net dividend of 16.81 per cent against 24 per cent paid for the preceding year.

The balance-sheet, as at 2nd January 1960 shows a paid-up capital of Rs 2.00 crores divided into shares of Rs 10 each. The Share Premium Account is shown at Rs 58.94 lakhs; General Reserve at Rs 1.06 crores; Capital Reserve at Rs 32.57; Additional Depreciation Reserve at Rs 26.14 lakhs; Taxation Equalisation Reserve at Rs 11.28 lakhs and Development Rebate Reserve at Rs 41.43 lakhs. The gross block at Rs 6.75 crores is depreciated by Rs 2.15 crores to show a net block value of Rs 4.59 crores.

According to the directors' report, the first phase of the company's Calcutta Works Development Programme was completed only toward the end of the year and did not have any significant influence on trading results of 1959. Operating costs continued to rise and this coupled with the cost of servicing loan capital and bank borrowings has resulted in a reduction in the profit margin.

At an extraordinary general meeting of the company, held on 29th May 1959, it was resolved to allot and issue to Joseph Sankey & Sons Limited, equity shares in exchange for their equity shareholding in Sankey Electrical Stampings Private Limited. The application for consent to the exchange of shares is still under consideration by Government and the terms of the exchange, therefore, have been amended to exclude any reference to dividends for the financial period ended 2nd January, 1960.

Chairman—Mr. R. Calow.
Year ended Decr. 1959 1958 1957

	1959	1958	1957
Sales	86,095,816	102,481,488	90,708,315
Interest, Comm. and Mis. Income	1,275,542	1,317,489	1,152,522
Stocks	5,994,561	5,776,145	6,734,108
Raw Materials	9,566,458	10,543,358	10,473,653
Works in Progress	2,459,550	2,999,632	2,152,855
Net profit	15,292,843	14,958,874	16,149,129
Taxation	3,560,000	7,453,699	7,200,841
Depreciation	2,705,576	2,268,121	1,790,884
Reserve Fund	569,208	136,000	2,590,741
Development Rebate Reserve	3,301,000	812,291	...
Other Funds	356,559	258,960	821,333
Div. Amount Ord.	4,800,000	4,000,000	4,000,000
Carry Forward	Nil	Nil	Nil
Div. % Ord.	24	20	20

(Annual General Meeting on 10-6-60 at 12 noon.)
*After transferring Rs 123,750 from Taxation Equalisation Reserve.

*After transferring Rs 171,313 from Taxation Equalisation Reserve and after writing off Debenture Issue Expenses of Rs 714,204.

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

Liabilities.	1959	1958	1957
Capital Paid-up	20,000,000	20,000,000	20,000,000
8% Debentures	15,000,000	15,000,000	...
Share Premium	5,894,000	5,884,000	5,894,000
Capital Reserve	32,576	32,576	32,576
Reserve Fund	10,595,549	10,026,341	9,397,741
Other Funds	8,885,522	5,351,713	4,421,775
Loans Secured	24,386,302	11,572,610	9,270,265
Taxation Provision	3,579,715	8,555,891	15,572,648
Debts	22,735,901	24,746,766	30,310,521
Total	111,109,565	101,179,897	95,392,526

Assets.	1959	1958	1957
G. Block	67,459,338	44,488,991	38,931,446
Depreciation	21,547,390	18,934,508	16,828,306
Block (net)	45,911,948	25,549,483	22,103,140
Cap. Exp. in Progress	14,471,703	25,114,914	11,513,531
Stores	8,271,494	7,418,166	5,663,941
Stocks in Progress	2,459,550	2,999,632	2,152,855
Raw Materials	11,125,660	11,964,265	17,333,719
Stocks	5,994,561	5,776,145	6,734,108
Outstandings	11,047,166	9,544,982	12,782,280
Do More than 3 months	6,080,254	7,193,687	6,810,179
Mis. Deposits and Advances	4,610,653	4,838,095	9,528,480
Investments	652,023	600,503	538,190
Cash	484,553	237,025	173,103
Total	111,109,565	101,179,897	95,392,526

Better Results by Cheviot Mills

The working of the Cheviot Mills Company Limited, during the year ended 30 November 1959, has resulted in a net profit, before providing for Depreciation and Taxation, of Rs 5.65 lakhs as against Rs 3.12 lakhs for the preceding year. A sum of Rs 1.07 lakhs (Rs 1.06 lakhs) is provided for Depreciation; Rs 1,500 (Rs 43,300) for Taxation; Rs 50 lakhs (nil) for General Reserve; Rs 30,000 (nil) for Contingency Reserve and Rs 4,426 (Rs 888) for Development Rebate Reserve. The directors have recommended a final dividend of Rs 8, making a total of Rs 12.50 per share, subject to deduction of tax. This works out to a net dividend of Rs 8.75 against Rs 5.00 paid for the preceding year.

Against a total paid-up capital of Rs 25.95 lakhs, Share Premium Account is shown at Rs 3.94 lakhs and Reserves and surplus at Rs 19.23 lakhs. The gross block at Rs 86.23 lakhs is depreciated by Rs 59.63 lakhs to show a net block of Rs 26.60 lakhs.

Mg. Agents—Andrew Yule & Co., Ltd.

Year ended Novr. 1959 1958 1957

Sales	8,497,541	8,599,020	8,796,110
Stocks	490,074	435,498	683,387
Net profit	564,544	312,101	108,282
Taxation	1,500	43,300	23,000
Depreciation	106,790	106,000	108,000
Reserve Fund	150,000	...	...
Development Rebate Reserve	4,426	888	...
Other Funds	30,000	...	...
Div. Amount Ord.	199,375	79,750	...
Div. Amount Pref.	70,000	70,000	70,000
Carry Forward	20,473	18,020	5,857
Div. % Ord.	121(T)	5	Nil
Div. % Pref.	7(T)	7	...

(Annual General Meeting on 30-5-60 at 11-25 a.m.)
*After transferring Rs 103,000 from Dividend Equalisation Reserve and Rs 70,000 from Dividend Equalisation Reserve.

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

Liabilities.	1959	1958	1957
Capital Paid-up	1,000,000	1,000,000	1,000,000
7% C. Pref.	1,595,000	1,595,000	1,595,000
Ordinary	2,500	2,500	2,500
Forfeited Shares	393,750	393,750	393,750
Share Premium	1,451,122	1,451,122	1,323,622
Reserve Fund	136,410	136,410	136,410
Other Funds	335,314	300,888	300,000
Superannuation Res.	136,410	136,410	136,410
Loans Secured	...	87,385	...
Loans Unsecured	...	20,173	...
Taxation Provision	20,869	42,327	23,083
Debts	677,512	680,806	657,056
Carry Forward	20,473	18,020	5,857
Total	5,632,950	5,577,883	5,437,278

Assets.

G. Block	8,322,004	8,351,324	8,502,301
Depreciation	5,962,749	5,861,100	5,878,175
Block (net)	2,660,155	2,490,416	2,624,126
Stores	632,117	720,387	787,100
Stocks in Progress	178,103	219,266	211,179
Raw Materials	982,843	1,164,779	647,399
Stocks	490,074	435,498	683,387
Outstandings	242,487	357,507	176,755
Mis. Deposits and Advances	240,435	101,400	93,386
Investments	90,190	83,791	83,791
Cash	116,768	4,840	130,158
Total	5,632,950	5,577,883	5,437,278

Orient Jute Pays More

The Orient Jute Mills Limited has reported a higher profit of Rs 6.89 lakhs for the year ended 30 November 1959 as against only Rs 2.09 lakhs for the preceding year. Sales are slightly higher at Rs 86.39 lakhs against Rs 86.11 lakhs. Apart from providing Rs 1.50 lakhs for General Reserve, the Depreciation amount is raised to Rs 97,200 from Rs 96,000 and Taxation provision to Rs 1.36 lakhs from Rs 33,750. The sum allocated to Development Rebate Reserve is lower at Rs 570 against Rs 2,325. The directors have recommended a final dividend of Rs 7.50, making a total of Rs 12 per share, subject to tax. This works out to a net dividend of Rs 8.40 against only Rs 2.50 paid for the preceding year.

Against the paid-up capital of Rs 24.91 lakhs, Reserves and surplus amount to Rs 24.32 lakhs. The gross block is shown at Rs 76.56 lakhs; total depreciation at Rs 54.35 lakhs and the net block at Rs 22.21 lakhs.

Mg. Agents—Andrew Yule & Co., Ltd.

Year ended Novr. 1959 1958 1957

Sales	8,639,313	8,610,883	8,997,141
Stocks	618,671	606,730	665,485
Net profit	680,352	208,620	116,883
Taxation	136,000	33,750	22,000
Depreciation	97,200	96,000	100,000
Reserve Fund	150,000	...	...
Development Rebate Reserve	570	2,325	...
Div. Amount Ord.	289,820	62,275	...
Carry Forward	26,919	20,257	5,881
Div. % Ord.	12(T)	2	Nil

(Annual General Meeting on 30-5-60 at 12 noon.)
*After transferring Rs 72,000 from General Reserve.

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

Liabilities.	1959	1958	1957
Capital Paid-up	2,491,000	2,491,000	2,491,000
Forfeited Shares	2,250	2,250	2,250
Reserve Fund	1,926,849	1,778,049	1,798,799
Other Funds	372,895	372,325	370,000
Superannuation Fd	133,000	133,000	133,000
Loans Unsecured	...	36,674	...
Taxation Provision	169,068	33,754	22,874
Debts	964,655	674,478	444,846
Carry Forward	26,019	20,257	5,881
Total	5,787,034	5,530,387	5,268,750

Assets.

G. Block	7,655,874	7,667,180	7,655,439
Depreciation	5,434,680	5,339,989	5,245,690
Block (net)	2,221,194	2,327,191	2,409,748
Stores	604,793	820,758	783,695
Stocks in Progress	158,290	219,233	230,277
Raw Materials	979,653	1,182,285	773,869
Stocks	618,671	606,730	665,485
Outstandings	204,678	170,316	216,290
Mis. Deposits and Advances	78,435	97,338	87,559
Investments	77,874	70,743	70,743
Deposits in Banks	400,000	...	...
Cash	446,461	85,796	131,084
Total	5,787,034	5,530,387	5,268,750

Kothari Textiles Do Well

Thanks to reasonably good prices obtained for fine and superfine counts of yarns, the Kothari Textiles Limited has been able to report a substantial rise in the net profit from Rs 2.42 lakhs to Rs 24.80 lakhs for 1959, although sales are slightly lower at Rs 1.42 crores against Rs 1.59 crores. After setting aside a sum of Rs 7.47 lakhs for Development Rebate Reserve, the Depreciation amount is raised to Rs 8.84 lakhs from Rs 2.40 lakhs. The directors have recommended a gross dividend of 10 per cent (net 7 per cent) against nil in the previous year.

According to the directors' report, the new mill at K. Vadamathurai, Coimbatore, went into production by the end of March 1959. By June 1959, 12,000 spindles, out of the new 24,000 spindles, came into operation and worked one shift. Power for the third shift is expected only about in July 1960. Erection of this further 12,000 spindles is proceeding apace and out of this, 7,000 spindles are already working two shifts. In a month's time, it is expected that this entire 12,000 spindles will start working on two shifts.

The paid-up capital is Rs 85.20 lakhs divided into 6.72 lakhs equity shares; 1.20 lakhs 6 per cent tax-free Cumulative "A" preference shares and 60,000 6 per cent tax-free Cumulative "B" preference shares, all of Rs 10 each. Against this, General Reserve is shown at Rs 8 lakhs; Reconstruction Reserve at Rs 9 lakhs; Dividend Equalisation Reserve at Rs 1.25 lakhs and Development Rebate Reserve at Rs 7.47 lakhs. The gross block amounts to Rs 1.70 crores; total depreciation to Rs 49.34 lakhs and the net block to Rs 1.20 crores.

Mg. Agents—Kothari & Sons.

Period ended 1-1-1959 1-7-1957 1-7-1956

Sales	14,238,551	15,672,185	8,106,436
Stocks	2,924,918	2,330,563	1,825,423
Works in Progress	452,813	428,566	323,974
Net profit	2,480,491	342,652	1,137,246
Taxation	...	593	30,000
Depreciation	883,555	239,907	578,916
Development Rebate Reserve	746,768	...	...
Div. Amount Ord.	672,000	...	378,750
Div. Amount Pref.	154,286	162,000	99,750
Carry Forward	55,806	31,924	91,772
Div. % Ord.	10(T)	Nil	10
Div. % Pref. 'A'	6	9	6
Div. % 2nd Pref. 'B'	6	9	41

*After transferring Rs 100,000 from Dividend Equalisation Reserve.
*Preference dividend for 18 months ended 31-12-1956 at 6 per cent per annum.

Synopsis of balance sheet as on the last day of Decr. 1959 Decr. 1958 June 1957

Liabilities.	1959	1958	1957
Capital Paid-up:			
6% C. Pref. 'A'	1,200,000	1,200,000	1,200,000
6% Pref. 'B'	600,000	600,000	599,975
Equity	6,720,000	6,700,800	4,199,925
Reserve Fund	800,000	800,000	600,000
Other Funds	1,771,768	1,025,000	1,125,000
Loans Secured	7,270,396	4,813,715	4,142,229
Loans Unsecured	1,182,152	1,337,346	1,014,671
Taxation Provision	...	...	30,000
Debts	2,525,889	508,084	974,933
Carry Forward	55,806	31,924	91,772
Total	22,126,011	17,025,869	14,178,505

Assets.

G. Block	16,979,866	14,072,730	10,581,567
Depreciation	4,933,767	4,050,212	3,828,076
Block (net)	12,046,229	10,022,518	6,753,491
Materials for Expansion	...	527,765	392,061
Miscellaneous Exp.	...	54,910	...
Stores	623,036	620,186	540,867
Stocks in Progress	452,813	428,566	323,974
Raw Materials	4,135,303	582,729	3,078,395
Stocks	2,924,918	2,330,563	1,825,423
Outstandings	173,282	190,105	238,390
Mis. Deposits and Advances	1,007,707	1,613,266	552,904
Investments	535,361	415,361	382,774
Deposits in Banks	167,318	239,900	116,626
Cash	...	...	...
Total	22,126,011	17,025,869	14,178,505

Dividend Passed by Adoni Spinning

In spite of good working, the Adoni Spinning & Weaving Company has not found it possible to declare the dividend even for the preference shareholders. This is mainly due to the fact that the company has to provide a sum of Rs 5.44 lakhs for Development Rebate Reserve on account of 12,000 spindles, which were installed during the year and came into operation. If this sum had been available, the company could have provided not only for the normal depreciation, but also declared dividend on the preference shares.

The rise in sales from Rs 43.80 lakhs to Rs 71.94 lakhs is reflected in the net profit, which has risen to Rs 6.52 lakhs from Rs 3.74 lakhs. The Depreciation amount is reduced to Rs 99,157 from Rs 3.61 lakhs.

The paid-up capital is shown at Rs 49.93 lakhs and 6 1/2 per cent First Mortgage Debentures at Rs 5,00 lakhs. Development Rebate Reserve provision amounts to Rs 5.44 lakhs. The gross block at Rs 73.05 lakhs is depreciated by only Rs 7.21 lakhs to show a net block of Rs 65.84 lakhs.

Mg. Agents—Kothari & Sons.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	7,193,787	4,380,250	3,487,811	
Stocks	288,925	233,982	298,628	
Works in Progress	55,432	48,401	30,246	
Net profit	652,038	374,243	269,397	
Depreciation	99,157	360,703	261,336	
Development Rebate Reserve	543,856	...	...	
Carry Forward	31,634	22,608	9,068	
Div. % Ord.	Nil	Nil	Nil	
Div. % Pref.	Nil	Nil	Nil	

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	1,000,000	1,000,000	1,000,000
Capital Reserve	408,405	413,390	364,561
Loans Secured	511,181	625,149	552,130
Other Funds	2,781	...	...
Taxation Provision	6,690	5,378	...
Debts	178,645	135,701	153,261
Carry Forward	235	...	...
Total	2,107,937	2,179,618	2,069,952

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	572,900	586,945	625,793
Depreciation	352,088	346,158	337,840
Block (net)	220,812	240,787	287,953
Stores	119,776	147,289	150,684
Stocks in Progress	365,881	340,269	425,358
Raw Materials	214,836	284,732	264,697
Stocks	291,774	238,865	287,537
Outstandings	97,250	91,263	109,381
Do More than 3 months	89	318	30,726
Mis. Deposits and Advances	703,603	712,464	379,113
Investments	64,591	80,920	95,150
Cash	29,325	24,757	29,967
Debit Balance	...	13,954	9,386
Total	2,107,937	2,179,618	2,069,952

Tungabhadra Industries Wipe out Debit Balance

Thanks to a rise in sales from Rs 3.22 crores to Rs 3.53 crores, the Tungabhadra Industries Limited has been able to report a higher net profit of Rs 11.51 lakhs for the year ended 30 September 1959 against Rs 6.76 lakhs in the previous year. The Depreciation amount is reduced to Rs 5.05 lakhs from Rs 5.74 lakhs. The net profit is adjusted against the debit balance of Rs 5.90 lakhs brought forward from previous year, leaving a surplus of Rs 56,308, which is carried forward. As a result, the directors have not able to recommend any dividend.

The paid-up capital is Rs 30.59 lakhs against which Reserves are shown at Rs 29,686. The gross block amounts to Rs 68.69 lakhs; total depreciation to Rs 17.69 lakhs and the net block to Rs 51 lakhs.

During the year under review, the production of vanaspathi, refined oil and hard oils aggregated to about 15,300 tons as against about 13,800 tons in the previous year. Due to higher prices of raw materials, the prices of finished goods also had to be adjusted, which resulted in a higher turnover in spite of a slightly lower production.

The company has taken steps to install a Solvent Extraction Plant at its factory at Kurnool. The plant is expected to be commissioned shortly.

The working results of the business under the name and style "Tungabhadra Merchandise Agency" have been satisfactory.

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	35,296,368	32,221,199	24,439,718
Stocks	4,218,935	3,366,634	1,600,875
Net profit	1,151,228	676,237	520,343
Wealth Tax	...	20,113	9,000
Depreciation	504,907	574,206	449,800
Development Rebate Reserve	...	12,500	...
Carry Forward	56,308	590,013	659,431
Div. % Ord.	Nil	Nil	Nil

(Annual General Meeting on 27-5-60 at 4 p.m.)

Synopsis of balance sheet as on the last day of Sept.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	3,058,950	3,058,950	3,058,950
5% Debentures	1,503,000	1,503,000	1,503,000
Other Funds	29,686	29,843	17,483
Loans Secured	2,549,382	3,450,880	2,897,181
Loans Unsecured	1,074,852	2,034,511	2,698,833
Taxation Provision	10,604	20,000	9,000
Debts	2,972,660	2,311,145	2,128,288
Carry Forward	56,308	...	...
Total	11,255,442	12,408,329	12,112,715

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	6,868,838	6,869,006	6,800,162
Depreciation	1,768,838	1,209,006	694,800
Block (net)	5,100,000	5,600,000	6,105,362
Stores	947,843	749,974	607,836
Raw Materials	202,988	235,504	124,367
Stocks	4,249,366	3,411,108	1,613,276
Outstandings	303,821	1,280,138	1,890,354
Do More than 3 months	9,954	13,113	5,391
Mis. Deposits and Advances	252,641	302,421	841,978
Investments	25,451	25,451	25,451
Cash	163,378	200,607	239,169
Debit Balance	...	590,013	659,431
Total	11,255,442	12,408,329	12,112,715

Bijonagar Tea Results

The Bijonagar Tea Company, Limited, in the same managing agency group, has also reported a higher profit of Rs 8.69 lakhs against Rs 4.68 lakhs for 1958. Apart from raising the Depreciation amount from Rs 1.54 lakhs to Rs 1.73 lakhs and Taxation from Rs 1.10 lakhs to Rs 2.75 lakhs, a sum of Rs 37,000 is set apart for Development Rebate Reserve; Rs 1.50 lakhs for Capital Reserve and Rs 1.50 lakhs for General Reserve. The directors have recommended a dividend of 14 per cent, subject to tax. This works out to a net dividend of 9.8 per cent against 8 per cent paid for the previous year.

The paid-up capital is Rs 8,69,125 divided into 34,765 shares of Rs 25 each. Against this, reserves and surplus amount to Rs 30.49 lakhs. The gross block is Rs 35.77 lakhs; total depreciation Rs 11.78 lakhs and the net block Rs 23.98 lakhs.

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	869,125	869,125	869,125
Capital Reserve	1,070,000	920,000	848,000
Reserve Fund	1,800,063	1,650,063	1,575,063
Other Funds	37,000	...	...
Staff Benefit Fund	22,102	23,350	26,892
Loans Secured	331,204	418,548	514,062
Taxation Provision	485,009	384,586	549,574
Debts	120,211	170,071	198,368
Carry Forward	...	...	...
Div. % Ord.	14	8	8

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	3,005,006	2,812,942	2,569,961
Depreciation	1,035,732	916,021	815,118
Block (net)	1,969,274	1,896,921	1,754,843
Stores	207,270	156,611	137,432
Stocks	949,272	805,407	910,669
Mis. Deposits and Advances	130,481	145,656	185,307
Investments	434,173	421,972	421,972
Deposits in Banks	129,438	124,690	...
Cash	133,765	204,899	320,077
Total	3,953,673	3,766,156	3,730,300

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	3,376,842	3,231,418	2,864,390
Depreciation	1,178,496	1,005,949	851,919
Block (net)	2,198,346	2,225,469	2,012,471
Stores	257,968	306,207	279,038
Stocks	1,082,165	1,210,715	1,160,540
Mis. Deposits and Advances	337,974	250,136	347,734
Investments	500,417	463,216	488,216
Deposits in Banks	...	156,575	160,339
Cash	337,876	125,840	139,826
Total	4,914,744	4,758,168	4,578,164

Malhati Tea Raises Dividend

Malhati Tea Syndicate Limited, in the managing agency of D. C. Ghose & Company, has reported satisfactory working results for 1959. The net profit, before providing for Depreciation and Taxation, is higher at Rs 5.64 lakhs as against Rs 4.08 lakhs in the preceding year. The directors have provided Rs 1.20 lakhs (Rs 1.01 lakhs) for Depreciation; Rs 1.80 lakhs (Rs 1.10 lakhs) for Taxation; Rs 8.872 (Rs 11,308) for Wealth Tax; Rs 26,000 (nil) for Development Rebate Reserve; Rs 1.00 lakh (nil) for Capital Reserve and Rs 50,000 (nil) for General Reserve. A taxable dividend of Rs 1.50 per share is recommended against a tax-free dividend of Rs 1.00 for 1958.

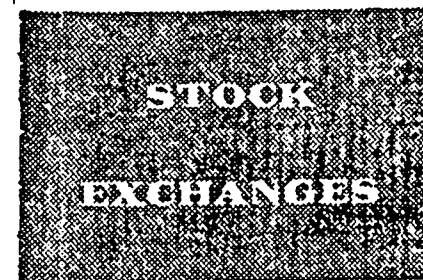
Although the outturn is lower at 1,047,760 pounds against 1,082,000 pounds, the average price realised is higher at Rs 2.18 against Rs 1.94 per pound. The estimated crop for the current year is 960,000 pounds.

Against a paid-up capital of Rs 9 lakhs, Reserves and surplus are shown at Rs 23.38 lakhs. The gross block at Rs 30.05 lakhs is depreciated by Rs 10.38 lakhs to show a net block of Rs 19.69 lakhs.

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	1,261,210	1,308,627	792,681
Stocks	949,272	806,407	910,669
Net profit	563,876	406,458	220,329
Taxation	180,000	110,000	47,000
Wealth Tax	8,872	11,308	...
Depreciation	119,711	100,902	95,421
Reserve Fund	50,000	50,000	75,000
Development Rebate Reserve	26,000	...	...
Other Funds	100,000	75,000	25,000
Div. Amount Ord.	135,000	90,000	45,000
Carry Forward	50,413	106,320	137,072
Div. % Ord.	15(T)	10	8

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	900,000	900,000	900,000
Capital Reserve	677,000	577,000	502,000
Reserve Fund	1,555,523	1,505,523	1,455,523
Other Funds	26,000	...	...
Staff Benefit Fund	29,253	28,838	29,726
Loans Secured	33,330	271	105,823
Taxation Provision	305,550	321,333	289,845
Debts	376,295	316,871	310,311
Carry Forward	50,413	106,320	137,072
Total	3,953,673	3,766,156	3,730,300

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	3,005,006	2,812,942	2,569,961
Depreciation	1,035,732	916,021	815,118
Block (net)	1,969,274	1,896,921	1,754,843
Stores	207,270	156,611	137,432
Stocks	949,272	805,407	910,669
Mis. Deposits and Advances	130,481	145,656	185,307
Investments	434,173	421,972	421,972
Deposits in Banks	129,438	124,690	...
Cash	133,765	204,899	320,077
Total	3,953,673	3,766,156	3,730,300



Cautious Trading: Mixed Trends

Watch-Dog Writes:

STOCK markets have given a mixed performance during the week under report. Selected shares have continued to meet with good support, while a few shares in the forward list are facing some selling pressure.

No doubt, the disappointing Summit Conference in Paris has introduced an element of caution among marketmen. However, with floating stocks not large and with investors unwilling to part with their holdings, the bulls appear to be in a more advantageous position than the bears.

Activity on the Calcutta Stock Exchange was confined to a few selected scrips, while conditions in other counters remained generally quiet and dull.

Despite profit-taking at bulges, the main body of shares on the Bombay Stock Exchange closed with gains.

Trading on the Madras Stock Exchange was overshadowed by fears of a stricter margin on forward trading.

Conditions on the London Stock Exchange remained unsettled due to international political developments.

Calcutta

Calcutta, Friday Evening.

EXCEPT for a few selected shares which forged ahead on special considerations, prices in other counters on the local Stock Exchange developed a slightly easier trend last week. Although the hectic activity, noticed during the past two weeks, continued to be in evidence till Tuesday, operators turned somewhat cautious from mid-week following the news of the collapse of the Summit Conference in Paris. There was some liquidation of holdings, resulting in the bullish fervour being checked to some extent.

But, it must be said that the bull operators were still able to push up prices, as holders were not prepared to cash profits even at the present high levels. Further, those speculators, who had made unexpectedly large profits recently in certain commodities, had plenty of money to play with. There was, however, a disposition among certain operators to book profits at bulges due to persistent rumours that further action might be taken by the Government to make business in the forward list more difficult.

The Glitged section was devoid of interest. There were no buyers at all and the general trend of prices was downward. While the absence of demand for long and medium-

dated scrips continued, even the short-dated loans ceased to be in demand. 3 per cent 1986 Conversion Loan changed hands at Rs 72.95 to Rs 73.70.

Bank shares remained generally quiet on the thought that bank profits might be affected rather badly due to the recent credit squeeze measures. Punjab National remained unchanged at Rs 20.12, while United Commercial improved to Rs 67 from Rs 65.25.

After the lapse of many weeks, Jute shares came in for some enquiry at improved levels following the steady decline in the prices of raw jute from the recent high levels and the news of the Government decision to import more jute from Pakistan. Birlas were enquired upto Rs 31.87 from Rs 31.37 due to diversification of company's activities, while Anglo-India were wanted upto Rs 221 from Rs 229; Bally upto Rs 255 from Rs 238; Ganges upto Rs 11.75 from Rs 10.75; Khardah upto Rs 176 from Rs 162 and Megna upto Rs 12.37 from Rs 11.62. Howrah were, however, on offer at Rs 22.50 to Rs 22.87; National at Rs 29.50 to Rs 30 and New Central at Rs 27.75 against Rs 28.31.

Trading in the Coal section was rather restricted in sympathy with general trend of the market. Selected shares, however, continued to receive support at every setback in prices on the hope that the private collieries might be encouraged to extend their activities to new areas in view of the need for raising production to meet the demand. Bengal remained firm at Rs 345 and so also New Beerbhoom at Rs 24.75. Central India, however, turned quiet at Rs 13.00 against Rs 14.12 and Western Bengal at Rs 8.44 against Rs 9.00 on lack of fresh support. Burrakur fluctuated irregularly between Rs 19.69 and Rs 20.19 on alternate buying and selling, to finish at Rs 19.87.

Trading in the Tea section revealed a cautious undertone. First, the news of the decline in output last month discouraged operators to go in for buying. Secondly, the results of the first export sale of Darjeeling teas were considered to be rather discouraging, especially with regard to quality. Finally, it was feared that the output in the current month might also be affected due to drought, thereby reducing the profitability of the industry. A general feeling that the fall in output in April and May might be made good later, however, induced some buying at the lower levels. Brooke Bond changed hands at Rs 17.61 to Rs 18.12 (Rs 17.81); Bishnauth at Rs 21.12 to Rs 21.37 (Rs 21.25); Hantapara at Rs 151 to Rs 154.50 (Rs 152); Jayshree at Rs 17.50 to Rs 17.75 (Rs 17.62) and Methoni at Rs 23.25 to Rs 23.44 (Rs 23.37). Figures shown within brackets were the closing rates for the week.

Sugar shares ruled comparatively steady due to encouraging production figures for the current season and the consequent hope of an improvement in the earnings of various companies. Raza/Buland had buyers at Rs 13.50 to Rs 14.12; Carew at Rs 11.87 to Rs 12; Ramnugger Cane at Rs 23.87 to Rs 26.87 and SKG at Rs 14.19 to Rs 14.31. Cawnpore were, however, quiet at Rs 15 against Rs 15.37 with UP maintained at Rs 18.25.

In the Engineering section, keenest attention centred round Indian Irons due to strong rumours that the company was seriously contemplating to go in for some new engineering project in collaboration with a foreign concern. After opening higher at Rs 26.22, Indian Irons advanced further to Rs 26.53 at which level some selling pressure brought down the scrip to Rs 25.60, to finish the week better at Rs 26.11. TEXMACO were marked down at one time to Rs 25.90 from a high of Rs 26.85; Jessop to Rs 24 from Rs 24.75 and Braithwaite to Rs 30.44 from Rs 30.69 to improve toward the close to Rs 26.30; Rs 24.06 and Rs 30.69 respectively. Thanks to the publication of engineering results, G. K. Williams firmed upto Rs 44.72 from Rs 44 on good investment demand. Britannia were marked at Rs 13.56 and Kumardhubi at Rs 7.50.

In the Miscellaneous section, Paper shares were in the forefront on the hope that the Government might make an early announcement with regard to the increase in the selling price of paper. Orient Paper were pushed upto Rs 47.00 from Rs 43.80 (Rs 47.00); Titagur upto Rs 40 from Rs 39.44 (Rs 40.00); Shree Gopal upto Rs 29.06 from Rs 28.50 (Rs 29.00); India Pulp upto Rs 22.37 from Rs 22.06 (Rs 22.06) and Sirpur upto Rs 19.00 from Rs 17.81 (Rs 19.00). Figures shown within brackets were the week's closing rates.

The following table shows the price trends of other scrips:

	High	Low	Closing
	Rs.	Rs.	Rs.
I. Cable	34.62	33.44	34.00
I. Aluminium	28.06	27.19	27.25
I. Copper	6.13	5.00	5.09
I. Oxygen	53.94	33.73	34.00
I. Steamship	12.31	11.69	11.75
H. Motor	21.44	20.31	21.44
Robtas	35.75	35.00	35.37
Onipol	43.00	41.00	42.37
Aluma, Corp.	18.12	17.81	18.00
Asso. Battery	36.12	35.78	35.81
B.I.C.	8.56	8.25	8.44

Madras

LAST week's buoyant conditions continued to prevail in the Madras Stock Exchange today. In fact the position improved appreciably in so far as high prices were concerned. Sellers were absent and resulted in the boosting of prices around. Tea, Coffee and rubber shares came in for very good support. Textiles vastly gained, particularly Travancore Rayons. The price of this scrip jumped up sharply in sympathy with Bombay rayon shares. Madras also appreciated in the textile counter. Cement shares in the industrials came in for good support and enquiry followed next by Indian Aluminium shares.

Indian Finance

LIST OF QUOTED SHARES

Reference Shares

CALCUTTA

NAME	Paid-up per Share	Quotation as on 13-5-60	Quotation as on 13-5-59
Atiabhad	6%	101.90	109.00
Behar	5%	21.00	19.75

Banks			
Atiabhad	6%	101.90	109.00
Behar	5%	21.00	19.75

Coal			
Asso. K'pura	41%	50.50	50.50
Bharat	51%	49.50	48.00
Borree	6%	83.50	83.50
Burrakur	7%	89.00	102.50
Burrakur	6%	6.50	5.00
Equitable	6%	79.00	100.00
Ghualack & Mulla	100	100.00	100.00
Gourangid	5%	40.00	40.00
K'pura	51%	58.00	55.50
Khas Kajora	6%	7.94	7.25
J. Beerbhoom	7%	11.62	10.00
N. Churulla	5%	2.56	2.50
N. Huntodih	5%	45.00	44.00
Orad	61%	81.00	91.50
Parasce	51%	50.00	50.00
Unl. Colliery	5%	78.00	83.00

Cotton			
Basanti	61%	8.56	9.00
B-Nagpur	7%	78.00	75.00
Bowreah	8%	152.00	122.00
Bowreah	7%	65.00	65.00
Elgin	8%	100.00	115.75
Elgin	8%	7.50	8.25
Jagatjit	5%	38.75	43.75
Jyajeero	51%	84.50	81.50
J. K. Cotton	6%	93.60	90.00
Kesora	7%	106.00	105.00
Muir	6%	83.00	82.00
N. Victoria	6%	3.25	3.53
Orissa	5%	80.00	...
Shree Madhusudan	41%	81.00	...
S. Niwas	4%	54.00	53.00
Shree Bhawani	5%	105.00	100.00
Swadeshi	6%	61.00	78.00

Jute			
Asarpara	7%	93.00	101.00
Alexandra	7%	90.00	97.00
Alliance	5%	76.00	91.00
Anglo-India	7%	96.00	108.00
Auckland	51%	70.00	83.50
Auckland	41%	60.00	66.50
Bally	7%	98.00	104.00
Barnagore	5%	38.00	39.50
Belvedere	7%	97.00	101.50
Birla	74%	63.50	77.00
Birla	54%	90.25	...
Budge-Budge	7%	103.50	102.00
Calcutta	61%	77.00	78.00
Caledonian	7%	89.00	77.50
Cherviot	7%	101.00	102.00
Chitavalah	7%	98.50	95.50
Clive	6%	75.00	70.50
Clive	7%	84.00	78.00
Dalhousie	7%	91.00	96.50
Delta	5%	68.00	78.50
Empire	7%	76.00	105.00
F. Gloster	7%	114.00	115.00
F. Gloster	5%	71.00	77.00
F. Gloster	7%	111.50	115.00
Ganges Mfg.	8%	125.00	120.00
Gourepore	6%	90.00	97.00
Hastings	6%	90.00	96.50
Hooghly	1%	10.00	10.75
Howrah	A Pref.	101.00	107.00
Howrah	7%	104.00	99.00
Howrah	7%	98.00	105.00
Khaty	6%	89.00	100.00
Kharrah	6%	89.00	90.00
Kedarnath	6%	68.00	68.00
Kedarnath	7%	88.00	86.00
Kelvin	7%	89.50	106.00
Kharadh	6%	93.00	89.50
Kinnison	7%	86.50	105.00
Lansdowne	7%	104.00	111.00
Lawrence	7%	88.00	95.00
Lawrence	51%	70.00	80.00
Nalhati	7%	101.00	96.00
Nalhati	41%	66.00	66.00

NAME	Paid-up per Share	Quotation as on 13-5-60	Quotation as on 13-5-59
National	7%	100.00	107.00
Nellimaria	6%	86.00	85.00
N. Central	7%	96.00	100.00
Northbrook	51%	77.75	72.25
Rameshwara	6%	12.37	10.56
Reliance	7%	81.00	73.00
S. Ambica	74%	86.00	98.00
Soorah	7%	88.00	88.00
Standard	6%	97.00	97.00
Union	7%	87.50	98.00
Waverley	5%	40.12	41.50

Minings			
Asso. Mining	5%	38.00	27.25
Ch. Mica	51%	50.00	53.00
Metal Corp.	5%	79.00	101.00

Cement			
Dalmia Bharat	6%	8.75	10.00
Jalpur Udyog	3%	37.00	37.00
K'pura Lime	6%	80.00	80.00
K'pura Lime	6%	100.50	100.80
K'dhubi Fire	7%	101.00	101.00
K'dhubi Fire	51%	54.80	54.80
Orissa Cement	4%	35.06	35.06

Chemicals			
Alkali	5%	100.00	102.00
Bathgate	41%	28.00	17.00
Beng. Chem.	74%	13.25	12.82
Beng. Chem.	41%	72.00	77.50
Frank Ross	41%	60.00	50.00
Smith Stanl	10%	69.52	57.00

Electric			
Calcutta	5%	9.87	9.52
Dishergarh	5%	78.50	82.00
Dishergarh	41%	75.00	79.50

Engineering			
Arthur Butler	7%	10.75	10.75
Br. Bldg.	6%	60.00	76.00
Br. Engg.	7%	100.00	100.00
Burn & Co.	7%	123.00	124.50
Burn & Co.	7%	113.00	117.00
I. Iron	5%	99.00	104.50
I. Machinery	7%	23.00	23.00
Ind. St. Wagon	7%	126.00	124.80
Jessop & Co.	5%	90.50	90.00
J. K. Steel	7%	95.00	102.00
K'dhubi	5%	90.00	94.50
R. Cruddas	51%	94.00	84.00
S. Products	5%	8.00	2.19
Texmaco	51%	91.50	93.00
Texmaco	51%	61.00	63.50
Texmaco	61%	100.00	...

Miscellaneous			
Albion Plywood	51%	100.00	...
Alum. Corp.	5%	75.00	75.50
Alum. Corp.	5%	109.50	98.00
Amal. Det.	5%	42.00	42.00
Asso. Hotel	7%	50.25	52.00
Bharat Nidhi	6%	53.50	59.50
Br. Biscuits	8%	9.30	9.70
B. I. Corp.	8%	122.50	110.00
Cal. Cr. Corp	6%	42.50	51.00
Cal. Cr. Corp	51%	29.00	34.50
Cal. Gas	51%	63.00	52.25
Cal. Silk	5%	49.12	40.00
Cal. Trams	5%	8.22	8.75
Duncan Bros.	4%	55.25	58.00
Dunlop	6%	115.00	118.00
Dunlop	6%	81.50	80.00
Eastern Inv.	5%	69.94	72.50
Gillanders	5%	52.50	57.25
Godfrey Phil.	51%	61.50	58.00
Greaves Oct.	5%	40.00	45.00
Greaves Oct.	8%	37.00	43.00
Hindustan Motors	8%	183.00	...
Hindustan Nat.	4%	93.00	101.00
Ind. Alum.	5%	67.00	66.00
Indian Cables	6%	28.50	25.75
Ind. Plastics	51%	45.00	51.50
I. Rubber	5%	73.00	75.00
James Wright	5%	25.25	32.00
J. Henderson	51%	56.25	60.00
K. Bullen	51%	58.25	63.75
K. Bullen	4%	55.00	63.00
Kusum	51%	64.00	69.80

NAME	Paid-up per Share	Quotation as on 13-5-60	Quotation as on 13-5-59
Macneill & Barry	5%	55.50	62.75
Madhya Pradesh	Ind. 5%	100.00	...
Martin-Burn	6%	100.00	102.00
McLeod & Co	5%	88.00	88.00
1st Pref.	...	52.00	54.00
McLeod & Co.	5%	68.00	70.50
2nd Pref.	...	84.00	76.00
Metal Box	6%	77.00	68.00
Nat. Rubber	6%	3.00	4.00
Nat. Tobacco	5%	77.50	74.00
Nat. Tobacco	41%	67.00	65.00
N. Bhrt. Vanija	100	90.00	...
Rallis	6%	82.50	93.00
Robtas Indus.	7%	118.00	116.00
Robtas 41 B	100	60.00	63.00
Shen Raleigh	5%	163.00	85.00
Shaw Wallace	5%	70.25	74.25
Spencer 81 A	10	6.87	7.50
Spencer 81 B	10	8.64	9.47
Standard	6%	95.50	...
Union Tobacco	6%	22.00	22.00

Doors			
Banarhat	61%	100	105.00
Birpara	9%	100	109.00
C'bhatti	61%	100	104.50
Hantapara	8%	100	109.00
Hasimara	7%	100	106.00
N. Doors	61%	100	102.50

Cachar.			
Sonal River	5%	93.00	93.00

Sylhet			
N. Samanbagh	8%	91.50	101.50

S. Indian			
Kotamullai	6%	15.06	16.50

Total			
Atal 41% cp	...	5.30	6.12
Tirunah	0%	10	13.00

Ordinary Shares
CALCUTTA

NAME	Paid-up per Share	Quotation as on 13-5-60	Quotation as on 13-5-59
Atal 41% cp	...	5.30	6.12
Tirunah	0%	10	13.00

GOVERNMENT OF INDIA LOANS

(Non-Terminal Loans)		
3% Govt. Paper	71.90	72.00

(Terminal Loans)		
3% Loan (1986)	73.05	73.78
21% Loan (1961)	98.40	97.20
21% Loan (1962)	97.95	97.00
21% Loan (1963)	83.30	83.15
21% Loan (1964)	99.75	99.95
3% Loan (1964-65)	97.97	97.17
3% Loan (1965-66)	97.98	97.73
3% Loan (1966-67)	98.92	97.73
31% Loan (1967-68)	91.00	91.25
31% Loan (1968)	99.65	99.25
31% Loan (1969)	100.00	100.10
31% Loan (1970)	99.75	100.10
31% Loan (1971)	100.09	99.45
31% Loan (1972)	99.82	99.56
31% Loan (1973)	99.70	99.10
31% Loan (1974)	99.65	99.05
31% Loan (1975)	100.75	100.83
31% Loan (1976)	100.65	100.80
31% Loan (1977)	99.70	99.80
4% Loan (1960-70)	100.50	100.70
4% Loan (1972)	101.80	101.75
4% Loan (1973)	101.45	101.00
4% Loan 1979	100.23	...

Real Property			
Humayan	6%	7.45	8.82
Reg. Estate	5%	33.50	33.00

Saw Mills			
Ben. Timber	8%	30.00	30.00

Shipping			
B-A Steam	7%	60.00	54.00
L.G.N.	8%	80.00	67.50
I. Steam	5%	78.00	94.00

SUGAR			
Carew	61%	85.50	73.00
Cawnpore	5%	102.00	112.00
Jaswant	51%	85.00	69.50
Mohini	5%	70.00	70.00
New India	74%	150.00	92.00
Purab	10%	13.75	13.00
Ramnagar	6%	92.00	98.00
Ryan	6%	8.40	9.00
S. Behar	9%	20.50	20.50
S. Hanuman	5%	85.00	60.00
S. K. Oyan	6%	85.00	75.00
S. K. Oyan	5%	72.00	60.00
Upper Ganges	5%	70.00	75.00

TEA			
Amiluckie	7%	37.06	42.71
Bornah Jan	6%	62.00	74.00
Brooke Bond	6%	69.25	69.75
Dunseri	7%	3.00	2.95
Dumakshi	8%	3.00	3.70
Kingsley Gola	6%	80.00	86.00
Moheema	6%	9.50	9.21
Tezpur	2%	11.19	9.85

BANKS			
Allahabad	100	332.00	349.00
Allahabad	50	170.50	169.00
Bank of Bihar	100	31.00	30.00
Bank of Baroda	25	46.25	55.50
Bank of India	50	118.00	121.00
Hindust. Comm.	50	20.50	13.50
Hindust. Mercan.	50	19.25	13.75
Punjab National	10	20.12	22.50
United D.	10	5.87	4.88
United Comm.	50	60.50	65.75

RAILWAYS			
Ahmedpur-Kutwa	100	35.00	48.00

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NAME	Paid-up per Share.	Quotation as on 12-5-60	Quotation as on 12-5-59	NAME	Paid-up per Share.	Quotation as on 12-5-60	Quotation as on 12-5-59
Dhanga Chem. 100	92.00	94.00		Khandesh ... 1000	1450.00	1100.00	
Digvijay Tiles 6% 100	85.00*	85.00		Khandesh ... 250	878.00	800.00	
Digvijay Woollen 8% 100	134.00	40.00*		Kothari ... 10	10.00*	14.75	
East L. Hotels 5% 100	100.00*	100.00*		Lakshmi ... 250	500.00	392.50	
Estrela 5% 50	38.00	34.50		Mafatal ... 100	850.00	450.00	
Ferro Alloys 6% 100	100.00	100.00		Mahendra ... 100	315.00	173.50	
Gwalior Rayon 6% 100	99.00			Mahendra (New) ... 40	40.00*	40.00	
Hind. Const. ... 100	89.00	76.50		Model ... 250	29.00	97.50	
Hind. Const. ... 100	65.00*	65.00*		Modern Mills ... 50	56.00	40.00	
Hind. Cycles 5% 100	75.00*	25.00*		Naysari Cotton ... 100	229.00	180.50	
Hind. Cycles 5% 25	25.00*	25.00*		New City ... 100	123.75	94.50	
Hind. Cycles 6% 100	100.00			N. Kaiser-Hind ... 100	53.00	49.00	
Hindus. Elec. 6% 100	82.00	82.00		Phoenix ... 100	145.00	160.00	
Hingir Rampur ... 50	185.00	74.50		Pulgaon ... 10	10.24	9.76	
Indian Dye 6% 100	104.00	32.00		R. Motilal ... 100	62.00	7.00	
I. Hume Pipe 5% 100	57.75	59.00		Ruby ... 25	62.00	35.25	
Jalpur Metals 6% 37 1/2	33.50			Sassoon Silk ... 10	9.52	8.00	
Kamli Eng. 5% 100	55.50	60.00		Sassoon Spg. ... 10	58.00	51.00*	
Khandewal Ferro Alloys 7 1/2% 50	49.50			Shubhalaxmi ... 100	125.00	125.00*	
L. & Toubro 5% 100	98.80	95.50		Swadeshi (Kan.) ... 10	10.40	10.40	
Madhusudan 4% 12 1/2	6.00	7.50		Swadeshi (P.O.) ... 10	10.40	10.40	
Madhya Pradesh Ind. 6% 100	106.00			Victoria ... 100	375.00	287.50	
Mahindra 6% 100	102.50	101.00		Vishnu ... 100	107.00	95.50	
Mahendra 6% 100	107.50	106.00		W. India ... 1000	4400.00	4475.00	
MacKenzie 5 1/2% 1st 100	88.00*						
MacKenzie 5 1/2% 2nd 100	100.00*						
Motor & G. Fin. 25	36.00*	26.00					
Nat. Elec. 4 1/2% 100	80.00*	80.00*					
Nat. Rayon 5% 100	74.00	81.50					
Nat. Rubber 6% 100	82.00	100.00*					
N. Cen. Jute 7% 100	107.00	100.00*					
N. I. Fisheries 6% 100	101.00	101.00					
Orient Paper 1st 100	93.20	91.00					
Orient Paper 2nd 100	88.50	88.50					
Parshuram Port 6% 25	25.00						
Poly Chem. 8 1/2% 50	48.75	52.50					
Palson 6% 100	76.20	80.00					
Prem. Const. 1st 100	90.40	87.50					
Prem. Const. 2nd 100	83.00	86.25					
Prem. Const. 3rd 10	5.28	6.04					
Premier Tyre 6 1/2% 60	49.00						
Radio Lamp 5% 100	74.00	70.50					
Rohtas 7 to 9% 100	110.00	110.00					
Rohtas 4 1/2% 100	60.50	61.00					
Sathe Biscuits 7% 100	94.20	94.20					
Sen Raleigh 5% 100	145.00	109.50					
Sirpur Paper 6% 100	66.50	110.00					
Standard Motor 6 1/2% A 100	103.00*						
Standard Motor 6 1/2% B 100	103.00*						
Star Paper 5% 100	96.00	101.50					
Star Paper 6 1/2% 100	73.00*	70.00*					
Structural Eng. 5% 100	105.50*	105.50					
Sundatta Foods 8% 50	50.10	50.10					
Supreme Ind. ... 100	68.50	71.50					
Tata Chem. 5% 100	97.00	96.30					
Tata Oil 4 1/2% 100	57.00	62.50					
Termaco 1st 5 1/2% 100	85.00*	85.00*					
Termaco 2nd 5 1/2% 100	62.00	62.00					
Termaco 6 1/2% 100	101.00						
W. Coast Paper 100	111.00	110.50					
W. I. Plywood 6% 100	90.00*	90.00*					

Ordinary Shares (Non-Cleared)

BOMBAY

NAME	Paid-up per Share.	Quotation as on 12-5-60	Quotation as on 12-5-59
Adani ... 10	8.20*	10.40	
Bhavani ... 10	10.00*	10.00*	
Bradbury ... 50	130.00	144.50	
Burhanpur Tapli ... 100	98.50*	87.00	
Coorla ... 100	133.00	133.75	
Davangere ... 100	114.00	113.50	
Dawn ... 50	108.00	103.00	
Gaekwar ... 100	260.00	210.00	
Gold Mohur ... 100	220.00	207.50	
Hindustan P.P. 1000	4825.00	4800.00	
Hindustan P.P. 250	992.50	992.50	
Hukumchand ... 100	105.00	105.00*	
Indian Manfg. ... 1000	2270.00	4350.00	
Indian Manfg. ... 500	1050.00		
Jam. Ranjit ... 1000	1500.00	1450.00	
Jyajeero ... 10	15.52	9.76	

ESTABLISHED

NAME	Paid-up per Share.	Quotation as on 12-5-60	Quotation as on 12-5-59
Khandesh ... 1000	1450.00	1100.00	
Khandesh ... 250	878.00	800.00	
Kothari ... 10	10.00*	14.75	
Lakshmi ... 250	500.00	392.50	
Mafatal ... 100	850.00	450.00	
Mahendra ... 100	315.00	173.50	
Mahendra (New) ... 40	40.00*	40.00	
Model ... 250	29.00	97.50	
Modern Mills ... 50	56.00	40.00	
Naysari Cotton ... 100	229.00	180.50	
New City ... 100	123.75	94.50	
N. Kaiser-Hind ... 100	53.00	49.00	
Phoenix ... 100	145.00	160.00	
Pulgaon ... 10	10.24	9.76	
R. Motilal ... 100	62.00	7.00	
Ruby ... 25	62.00	35.25	
Sassoon Silk ... 10	9.52	8.00	
Sassoon Spg. ... 10	58.00	51.00*	
Shubhalaxmi ... 100	125.00	125.00*	
Swadeshi (Kan.) ... 10	10.40	10.40	
Swadeshi (P.O.) ... 10	10.40	10.40	
Victoria ... 100	375.00	287.50	
Vishnu ... 100	107.00	95.50	
W. India ... 1000	4400.00	4475.00	

PLANTATIONS

NAME	Paid-up per Share.	Quotation as on 12-5-60	Quotation as on 12-5-59
Blue Mountain ... 2	3.64	3.60	
Highland ... 10	12.60*	12.92*	
Hallebury ... 10	16.52*	16.80	

NAME	Paid-up per Share.	Quotation as on 12-5-60	Quotation as on 12-5-59
Kalpatta ... 10	12.28	13.44	
Midland ... 10	12.12	12.76	
Nellampathy ... 2	2.88	3.28	
Rajagiri ... 10	18.92	18.76	
Tyrol ... 10	13.24	15.84	
Waterfalls ... 2	3.80	3.70	

MISCELLANEOUS

NAME	Paid-up per Share.	Quotation as on 12-5-60	Quotation as on 12-5-59
Alembic ... 100	224.50	210.00	
Alembic Chem. ... 100	224.50	210.00	
New ... 100	212.50	193.00	
Alumna Corp. ... 10	16.36	15.32	
Amar Dye ... 100	275.00	173.00	
Ambika Silk ... 100	155.00		
Anil Hardboards ... 100	355.00	176.25	
Asso. Rubber ... 100	105.00	101.00	
Associated Stone ... 10	21.28	19.88	
Baroda Rayon ... 50	123.00		
Bom. Burma (P.P.) ... 50	193.75	185.00	
Bombay Cycle ... 20	24.00	15.00	
Bombay Pottery ... 100	143.00	125.25	
Bombay Safe ... 200	405.00	365.00	
Bombay Silk ... 50	8.00	5.00*	
Bom. Swadeshi Stores ... 5	6.24		
Bom. Uganda ... 80	49.00	49.00	
Brady Eng. ... 80	67.00	60.00	
B. I. Corp. ... 5	8.52	5.12	
Brunton Eng. ... 10	4.00	5.00	
Ceat Tyres ... 100	215.00	152.00	
C. I. Coal ... 10	8.60	6.36	
C. I. Machinery ... 10	10.00*	10.00*	
C. P. Railway ... 100	48.00	63.00	
Che. Pharma. ... 25	27.00	20.00	
Colour Chem. ... 100	322.00		
Commerce (1935) ... 10	17.00	20.00*	
Dehri-Rohas Ry. ... 10	22.68	12.44	
Dena Inv. ... 25	11.08	11.20	
Dehli Safe ... 10	10.00*	10.00*	
Dehli Safe ... 7	7.00*		
Dharamal Chem. ... 50	177.00	92.20	
Dharamadha ... 100	157.00	120.00	
Digvijay Tiles ... 100	84.00*	73.00	
Digvijay Woollen ... 5	14.36	5.00*	
East India Hotel ... 8	10.00	10.00	
Empire of India ... 15	40.00	42.75	
Estrella ... 60	51.50	42.00	
Ferro Alloys ... 100	99.00	95.50	
G. Claridge ... 100	190.00	170.00	
Greaves Cotton ... 100	145.00	135.00	
Gujarat Inv. ... 50	11.00	25.00	
Gujarat Safe ... 75	120.00	120.00	
Gwalior Rayon ... 10	41.50	18.40	
Har & Satapathy ... 500	365.00	400.00	
Hind Cycles ... 100	135.00	111.00	
Hindustan Elec. ... 100	120.00	107.00	
Hindustan Housing ... 25	125.00	25.00*	
Hindustan Lever ... 10	37.50	30.50	
Hingir Rampur ... 50	43.00	19.00	
Indian Dyestuff ... 100	590.00	777.50	
Indian Rayon ... 25	54.00		
Indian Tool ... 100	112.00	112.50	
Indian Veg. ... 100	153.00	155.00	
Ind. Cr. & Inv. Corp. ... 100	80.00	80.50	
Ind & Prudential Inv. Corp. ... 100	136.00	116.25	
Jalpur Metals ... 100	130.00	90.00	
Jaipur Metal Dtd. ... 25	27.00	6.20	
Jost Eng. ... 50	63.00	71.00	
Jyoti (Old) ... 100	190.00	165.00	
Kamani Eng. ... 10	14.92	9.80	
Kemp ... 200	298.00	222.00	
Kirloskar Indus. ... 100	109.00	138.50	
Kirloskar Bros. ... 25	83.00*		
Kirloskar Oil Eng. ... 10	16.00	19.48	
Khandewal Ferro Alloys ... 50	78.00		
Laxmi Starch ... 100	151.50		
Madhusudan A ... 100	75.00	65.00	
Madhusudan B ... 20	14.00	13.00	
Madhya Pradesh Ind. ... 10	16.52		
Mahindra ... 10	23.24	23.48	
Man Indus. Corp. ... 100	95.00	95.00	
McKenzie ... 100	83.00	78.00	
Motor & Gen. Fin. ... 100	40.00*	40.00*	
Mys. Kirloskar ... 100	125.00	132.50	
Nat. Elec. Indus. ... 50	76.00	75.00	
National Rubber ... 100	13.00	16.52	
N. Central Jute ... 10	28.10	15.12	
N. I. Fisheries ... 100	80.00	100.00	
N. I. Industries ... 100	427.50	240.00	
New Stand Eng. ... 100	108.00		
Orient Paper ... 10	37.10	35.80	
Purshuram Pottery ... 25	65.00		
Pulcham ... 50	237.00	102.00	
Premier Tyres ... 50	72.00		
Radio Lamp ... 100	108.00	123.00	
Raymond Woollen ... 100	98.00		
Rohtas Indus. ... 10	34.70	22.12	
Sardar Carbonic ... 100	320.00	320.00	
Sathe Biscuits ... 100	100.00	100.00*	

Ordinary Shares (Cleared)

TEXTILE

NAME	Paid-up per Share.	Quotation as on 12-5-60	Quotation as on 12-5-59
Ahmed Adv. ... 100	160.00	140.00*	
Apollu ... 2	1.28	1.50	
Azam Jahl ... 100	74.00	52.50	
B. R. Cotton ... 100	28.50	18.52	
Bombay Dyeing ... 25	66.20	63.00	
Central India ... 100	103.00	105.00	
Century ... 100	478.00	539.50	
Edward Tex. ... 200	290.00	217.00	
Elphinstone ... 50	49.00	34.00	
Finlay ... 100	334.00	273.00	
Gokak ... 100	142.00	147.00	
India United ... 10	11.48	8.20	
India United (Defd.) ... 1	1.56	1.06	
Indore ... 100	113.00	97.50	
Khatu ... 100	355.00	226.50	
Kohinoor ... 100	343.75	278.50	
Minerva ... 100	62.00	61.00	
Mysore ... 100	300.00	253.00	
New Great ... 50	62.50	81.50	
Osmanshab ... 100	171.00	175.00	
Podar ... 100	86.50	89.00	
Srinivas ... 100	154.00	152.50	
Simplex ... 100	260.00	178.00	
Standard ... 50	165.00	189.00	

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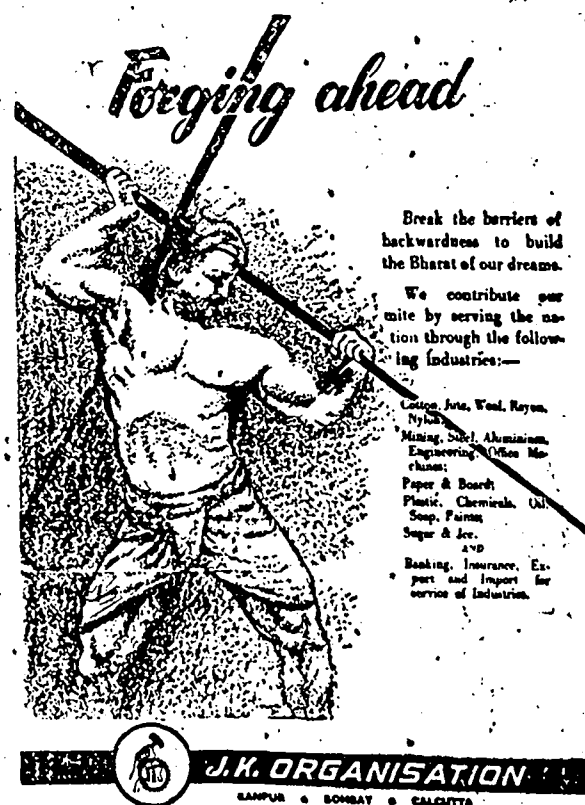
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Indian Finance

Indian Finance

Saturday

28 May 1960

Volume LXV No 21

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HIGHLIGHTS OF THIS ISSUE

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next 15 years?

The National Council of Applied Economic Research has
just published a projection study in this regard.

The second Leading Article says that this study will serve
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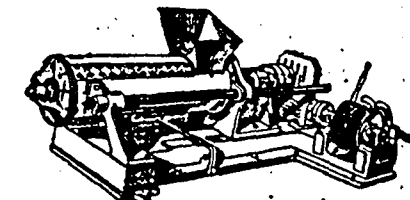
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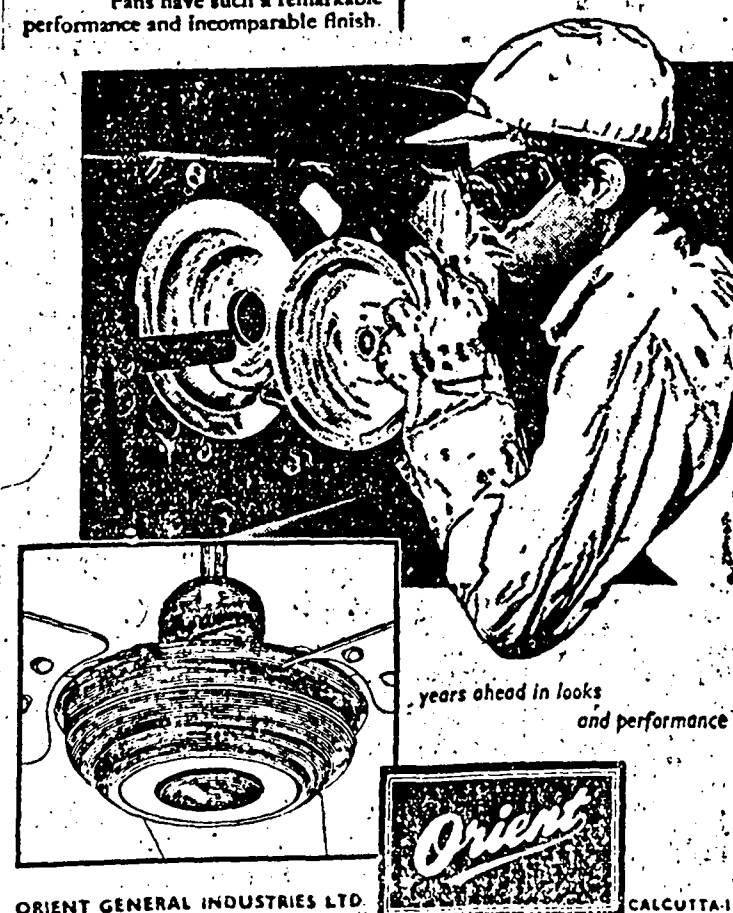


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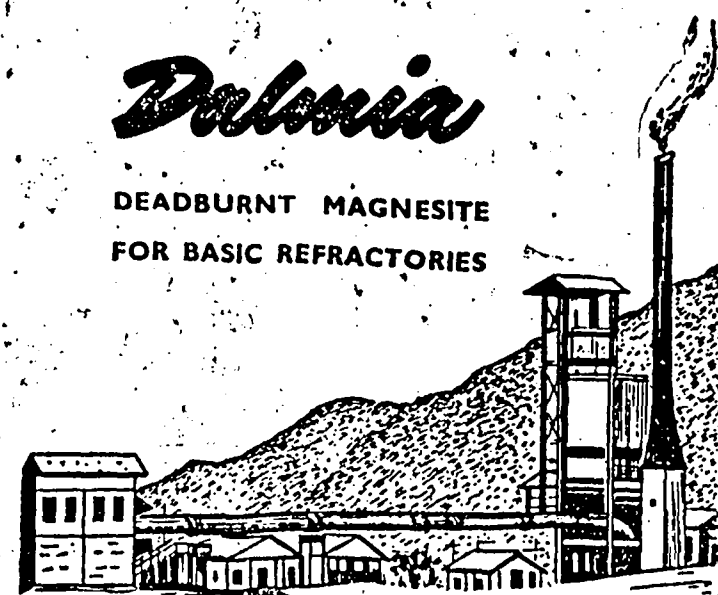
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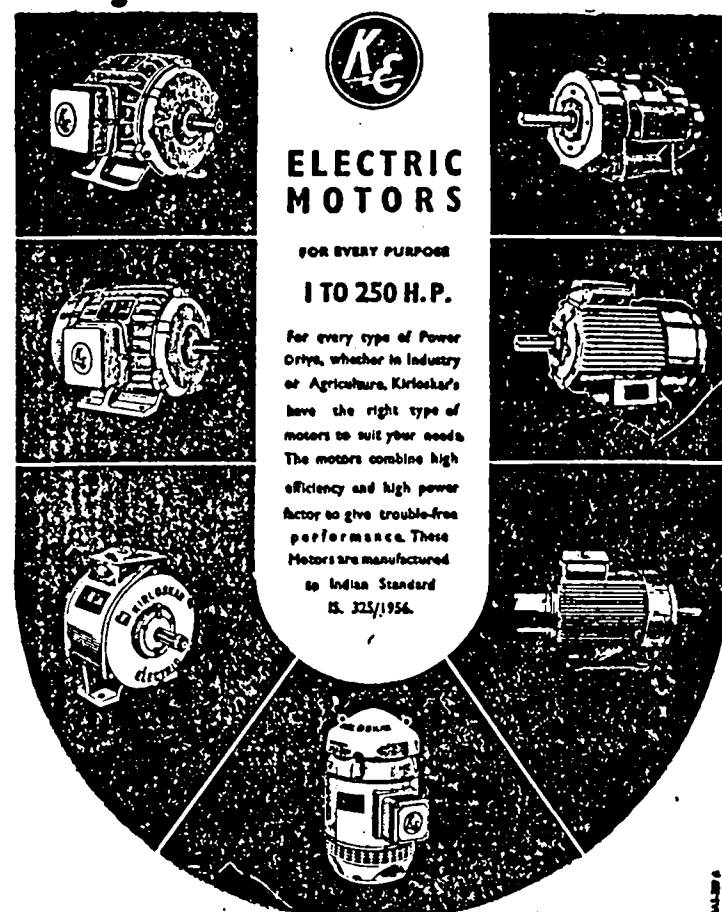
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28 May 1960

WORLD OF FINANCE

Reverse Ad Hocs in Recent Weeks

IN recent weeks, as disclosed in the weekly statistical supplement to the Reserve Bank of India Bulletin, there appears to have been, on at least three occasions, cancellation of ad hoc Treasury Bills in fairly sizable dimensions. During the week ended 22 April, outstandings of Government of India Treasury Bills declined by roughly Rs 26 crores to Rs 1279.61 crores; in the following week, there was a further fall of Rs 17.53 crores to Rs 1262.08 crores; finally, in the week ended 13 May, a drop of a little over Rs 7 crores was registered under the relevant head. The institution of what we have termed "reverse ad hocs" is not, we may hasten to point out here, an innovation of just the recent past. But almost always in the past, the cancellation of ad hocs was found to be linked up with one kind of governmental borrowing effort or the other. That is to say, in the new loan week of the Central Government, for example, the "surplus" cash balances were used to reduce the liability on Treasury Bills as such; again, whenever Government have, in pursuance of keen demand for securities, created special securities and sold them in the first instance to the Reserve Bank, cancellation of ad hocs took place; similarly, consequent upon new loan realisations by State Governments, in the week in which the latter might make large repayment to the Centre, reverse ad hocs were again in evidence. But how is it that, this year, the Central Government found it possible to show thus their flexible use of a monetary device like deficit financing, despite there apparently being no particular considerations like new loan issues?

Our first reaction was to study whether the solution was to be discovered in the decision not long ago to deposit future accruals under Public Law 480 counterpart funds with the Reserve Bank instead of the State Bank. But the absence of any upward movement in Other Deposits in the return for the Banking Department of the Reserve Bank—it is under this head that, presumably, such new accruals will be credited and shown—rules out such an easy solution of the conundrum. (The procedure to be adopted for the new accruals is likely to be fascinating; we hope in a future issue of Indian Finance to work out exactly what happens when the funds do gather; and the implications are both interesting and exciting).

Then, there was the off-chance that, without any publicity whatever as indeed they had done in the last Friday in December 1959, Government might have put through a funding operation in respect of Treasury Bills; twice since the Second Plan started, such funding of ad hocs has been effected. In the one case, it was made public that a special issue of 4 per cent 1973 in an amount of Rs 300 crores was being created and would be made over to the Reserve Bank in cancellation of Treasury Bills of like amount. But, in December last year, funding of the order of Rs 150 crores was quietly put through; and it was only in the Finance Minister's Budget speech

that confirmation in this respect was available. Nor was this absence of publicity the only difference. In the earlier case, the special issue was not to be sold to the public; in the latter, the funding took the form of various amounts of various medium term loans, with no particular disability that they could not be sold by the Reserve Bank. But this second solution also fails to convince, because the amounts involved in the earlier two cases were Rs 300 crores and Rs 150 crores, whereas the transactions of the three weeks in point add up to scarcely Rs 50 crores.

It is at this stage that the obvious solution offers itself. During the week ended 15 April, the Central Government's balances were swollen by receipts from State Governments, and were placed at Rs 75.08 crores, or some Rs 25 crores more than their "traditional minimum." What could be more natural than for Government out of such surfeit to cancel ad hoc Treasury Bills? Even so, in the following week, there should have been special receipts which enabled the Centre to maintain its cash balance at above the Rs 50 crore mark while simultaneously instituting reverse ad hocs for roughly Rs 17 crores. Again, in the week ended 6 May, the Centre got a fair sized payment from the States; and so, in the following week, the Centre's cash was drawn upon to cancel ad hocs for a further amount of Rs 7 crores.

What does the foregoing show? We believe this is important evidence of the flexibility of monetary policy in this country; and it is logical as well. If Government are short of cash, Nasik and Treasury Bills are available; if Government have a balance surplus to their needs, the interest liability is reduced by cancellation of ad hocs.

We are not yet clear in our mind as to the impact on deficit financing of two sets of transactions both of which are in the offing. One is the "release" of funds by the State Bank in respect of moneys re-lent to this country from the counterpart funds which have accrued with the State Bank and which are on deposit with that institution; the obvious implication is the prospect of further "reverse ad hocs." Another is the deposit of such funds henceforth with the Reserve Bank; and the inference is that, as heretofore, the Centre will have to create money to pay for the surplus wheat and rice obtained from the USA.

So, it should happen that the changes in respect of fresh receipts of counterpart funds will relate mainly to Other Deposits and Investments, both in the return of the Banking Department of the Reserve Bank. Government would effect sales of ad hoc Treasury Bills in favour of the Reserve Bank; and the proceeds would be used to pay the US Embassy for the surplus commodities landed. In turn, the US Embassy would deposit such funds with the Reserve Bank, this being placed by the Reserve Bank under the head of Other Deposits. Now, the institution of deficit financing would in the first instance be reflected in the return for the Issue Department, since Investments in the Banking Department are statutorily limited to marketable securities. But the balance-sheet total on the liabilities side of the Banking Department would rise as a result of the deposit of the counterpart funds. Hence a transfer of marketable securities would require to be made from Rupee Securities in the Issue Department to Investments in the Banking Department. That is to say, it may happen in the future that deficit financing will be reflected in the Banking Department rather than in the Issue Department as heretofore.

Sharp Contraction in Note Circulation

Slack season indications are to the fore in the latest banking returns. According to the statement of the Reserve Bank for 20 May, Active Note Circulation has declined by the sizable amount of Rs 21.38 crores to Rs 1880.06 crores; and Rupee Coin has returned from circulation for Rs 0.49 crores. Currency has been contracted against Rupee Securities for Rs 15 crores by transfer to Investments in the Banking Department. Consequently, the Reserve Bank's cash in the till has improved by Rs 6.85 crores to Rs 22.26 crores.

In the Banking Department, it is noteworthy that the Centre's balances are higher by Rs 6.11 crores at Rs 57.99 crores notwithstanding its liability in respect of maturing Treasury Bills that had been purchased and discounted by the Reserve Bank. This portfolio is lower by Rs 8.41 crores. Since Investments are higher only by Rs 1.41 crores, the implication is that there has been no recourse to created money. But the State Bank is known to have purchased securities for Rs 5 crores. So, it is likely that the Centre instituted countervailing deficit financing for Rs 5 crores against the maturities, and that this was concealed by sale of securities to the State Bank. State Governments, too, increased their Deposits by Rs 3.56 crores to Rs 29.47 crores after reducing ways and means borrowings from the Reserve Bank by Rs 1.70 crores to Rs 51.31 crores. On the other hand, the Reserve Balances of member banks appear to have declined by Rs 4.84 crores to Rs 94.24 crores; but, since the State Bank's cash in hand and with Reserve Bank fell in the relevant week by some Rs 12 crores, the implication is that other Scheduled Banks added to their Reserve Balances by something like Rs 7 crores.

Lastly, as far as concerns the Reserve Bank returns, the disquieting fall in Balances Held Abroad continues, and the latest decline registered is one of Rs 2.11 crores to Rs 11.56 crores.

The return of the State Bank for 20 May shows that Deposits have fallen by Rs 5.46 crores to Rs 626.17 crores. It is remotely possible that this decline might relate to making over of agreed amounts from the counterpart funds on deposit with the State Bank. In slack season fashion, the total of Advances is lower by Rs 1.98 crores at Rs 214.86 crores. The gilt-edged portfolio is higher by Rs 5 crores; as a result, cash balances have been drawn on for something over Rs 12 crores. A rise of Rs 6 crores under Other Assets suggests further purchase of gilt-edged in the offing.

During the week ended 13 May, gross Deposits of Scheduled Banks went up by Rs 4.12 crores to Rs 1977.95 crores. Also, the total of Advances has declined by Rs 3.76 crores to Rs 1135.86 crores. Nevertheless, indebtedness to the Reserve Bank has gone up by Rs 1.51 crores to Rs 49.16 crores. Gilt-edged investments are shown higher by Rs 5 crores, wholly on account of State Bank purchases in that week. As a result, cash balances have been marked up by Rs 4.72 crores at Rs 184.32 crores; but, since the State Bank in that week reported an increase of roughly Rs 9 crores in cash, it is clear that other Scheduled Banks suffered a fall of around Rs 4 crores in this regard.

TENDERS for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, the 24 May 1960. Total amount offered was Rs 2,30,00,000. Tenders at Rs 99.325 were accepted in full and those

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at Rs 99.310 were allotted approximately 91 per cent. Lower tenders were rejected. Total amount accepted was Rs 2,00,00,000, the average rate of accepted shares being Rs 2.745 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 30 May 1960. Successful tenderers should make payment on Friday, the 3 June 1960. Other conditions are as usual.

During the week ended the 20 May 1960 Government of India Treasury Bills for Rs 47,93,50,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 25 to 28 May 1960 at Rs 99.326 per cent. Sales can be stopped at any time without notice if Government think it necessary.

There were no sales of 91 days' Intermediate Treasury Bills during the period 18 to 21 May 1960.

55

The Economic Effects of the Summit Failure

By

Paul Enzig

EVEN those of us who did not attach sanguine hopes to the outcome of the Paris summit meeting were shocked by the deliberate and brutal way in which Mr Khrushchev has torpedoed the conference. It foreshadows a period of international political tension, with the possibility of acute war scares from time to time. From an economic point of view it means the abandonment of hopes of an early reduction of defence expenditure both in the Communist countries and in the free world. It also means prolonged uncertainty with periodical scares that are liable to affect Stock Exchanges and foreign exchanges.

Instead of spending less on arms, the democratic countries will have to spend more. This necessarily means that less will be available for civil expenditure or for much-needed tax reductions. It also means that less will be available for the support of under-developed countries. The latter will be affected by the increased expenditure on arms both in the free world and in the Communist Bloc. For Moscow will not be in a position to be too liberal with economic aid to uncommitted countries—unless they are prepared to sell their birthright for a mess of pottage by committing themselves in favour of the Communist camp.

A few years ago an increase in military expenditure in the Soviet Union would have meant mainly longer hours and smaller pay

for the Soviet worker. In the meantime, however, the Soviet Government has committed itself to shorter working hours and higher standard of living. It would incur unpopularity if changes were made in the opposite sense, and even if at least part of the promises were not to be implemented. This means that even an increase in the output would not make it possible for the Soviet Union to give economic assistance outside the Communist Bloc on any appreciable scale.

In any case, Mr Khrushchev will now have to say goodbye to his seven year plan. Manpower and industrial capacity will have to be diverted to arms production instead of expanding productive capacity for consumer goods as promised.

Nor is the outlook in the free world very promising. In most Western industrial countries industries are working almost to full capacity. It is impossible to superimpose an arms drive over the present activity without curtailing the production of capital goods and consumer goods for civilian requirements. Any attempt at eating our cake and keep it would overstrain our economies. So we too have to revise our expectations of an increased standard of living.

On the other hand it is possible—I would not put it higher than that—that the aggravation of the international outlook might produce a salutary effect on the labour situation in the free world. In face of a danger to our security and freedom, the scramble for higher wages and shorter hours might possibly come to be moderated. Even though the situation is not comparable with that of 1940, nevertheless it is conceivable that the realisation of the need for strengthening the national defences might induce the trade unions to exercise self-restraint. The Governments may not have unsurmountable difficulty in appealing successfully to business firms to set an example by restraining dividend payments and by cutting prices rather than increasing their profits. In that case the change of the situation, so far from producing inflationary effects, might operate in the opposite direction.

In any case, there is no reason for any pessimism about the prospects of either sterling or dollar. The immediate reaction to the breakdown in Paris was a weak tendency in sterling against the dollar and against the Western European currencies. There was no justification for it. After all, we all stand to be affected in the same way by an aggravation of the international political situation. Indeed, a war scare should strengthen sterling and even more the dollar, because many Western Europeans would become anxious to place at least the Channel, but preferably the Atlantic between their money and Soviet tanks. There is certain to be a flow of refugee funds to London and to a much larger extent to New York.

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Indian Finance

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Taxing

WE do not know whether Professor Parkinson has got round to formulating his law on Taxes, but if he has, it would probably read like this: Expenditure expands to consume the tax revenue available. This not particularly original theory will find striking confirmation in the 92nd report of the Estimates Committee of the Lok Sabha. Our New Delhi Correspondent's despatch the week before last discussed this report at some length and drew some interesting conclusions. The figures themselves are eloquent. Out of an additional tax effort of Rs 792 crores only Rs 188 crores were actually available for the Plan. The Finance Ministry has demurred to this particular inference on the ground that it is the result of relating additional tax receipts to additional non-Plan expenditure. If, it is argued, a different kind of 'pairing off' is done, as for example between tax yield and the expenditure on the Centre's Plan financed from revenue and revenue grants for the State Plan, the result would be more flattering. On the basis of a four year computation from 1956 to 1960, the Ministry puts additional tax yield at Rs 556 crores of which Rs 70 crores are to go to the States as their share. As against the Rs 486 crores left with the Centre, Centre's own revenue expenditure on the Plan and the grants to the States from revenue account for Plan purposes come to Rs 422 crores. On this basis it is argued that only Rs 64 crores has gone for non-Plan purposes. This argument is a little specious for, as per the Second Plan, surplus of Rs 252 crores was to be obtained from current revenues at 55-56 levels of taxation for the Plan. In the Finance Ministry's reckoning, it is tacitly assumed that no such surplus is available for the Plan. The Estimates Committee too seems, on the basis of certain figures supplied by the Planning Commission, unimpressed by this argument. This basic fact seems to be contained in the following figures:

	(Rs in Crores)
Revenue receipts during the Plan period	3,372
Non-Plan expenditure	2,932
Balance available for the Plan	440

Considering that the Plan expected taxes to finance it to the extent of Rs 1200 crores and that taxes to the extent of Rs 1044 crores were actually found, it is depressing to be told that only a little over a third of it was actually available for the Plan.

There are, doubtless, explanations and extenuations. The more familiar are increase in non-Plan expenditure due to more onerous commitments under Defence, non-plan developmental expenditure, civil administration, statutory grants to States and debt servicing, and certain other 'book adjustments'. Of these Defence expenditure is something that recent developments along the border do not permit us seriously to challenge. Non-Plan development expenditure again, is something that has certain amount of justification. It may be difficult to avoid such expenditure entirely, and, it may seem pettifogging to object to developmental expenditure merely because it has not been listed as part of the Plan. Indeed it is also possible to 'exaggerate' the achievements of the Plan by including these items in the Plan itself, for much of such ex-

penditure was being normally incurred long before planning came on the scene. The Planning Commission, it may therefore be argued, has resisted a temptation to which most others would only too easily have yielded. But on principle, such expenditure should be reduced to the minimum under an economy of 'total planning'.

Cost of civil administration, is the one thing to which Parkinson formulations have the clearest application. A certain fatalistic acquiescence to a proliferating and increasingly expensive bureaucracy is a world-wide mental attitude today. Every now and then we hear of demand for economy in civil administration and official readiness to consider it. But there is no real conviction either in the demands in their functions or acceptance and there seems little likelihood of any significant reduction of such expenditure. The Pay Commission's recommendations have already created fresh commitments whose precise quantum is still uncertain.

The other items like increase in statutory grants to States are equally unamenable to any significant reduction. As things stand at present, the dependence of the States on the Centre will not be any less in the near future.

But when all the excuses have been made, two fundamental issues have to be faced: Is there not an element of bad faith involved in the fact that only so little of taxes demanded in the name of the Plan should, for whatever reason, be available for the Plan itself? People did not render up the taxes for being administered more expensively. If in politics there can be no taxation without representation, in public finance there can be no taxation without strict accountability of its use for the purpose it was taken. Secondly, the morale of the people is not likely to receive any boost by being told that the surplus from current revenues for the Third Plan is unlikely to exceed Rs 200 crores. This means, according to the Planning Commission, an additional tax effort to the tune of Rs 1150 crores by the Centre alone for the Third Plan. It may well be that the Planning Commission's estimate of surplus from current revenues is unduly pessimistic. But it is depressing to be asked to provide another Rs 1200 crores just after having paid nearly the same amount of which only a third was really used for the purpose for which it was taken. It would be hardly surprising if people felt that not only their purse but their patience was being taxed.

Future Demand for Energy

THE National Council of Applied Economic Research has just published its painstaking projection study* of the pattern of demand for energy in the next 15 years in India. This study may well serve as an invaluable aid in

*Demand for Energy in India: 1960-1975. This study, reflecting the collective judgment of the National Council, has been carried out by the Energy and Natural Resources Section headed by Dr J. Dubash, under the guidance and direction of Dr P. S. Lokanathan, Director-General.

Indian Finance

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28 May, 1960

The Wise Man in his attitude towards the World has neither Predilection, nor Prejudices. He is on the side of what is Right—The Analects of Confucius

perspective planning if the demand pattern it has charted for the future is acknowledged as the most likely one. Of course, this study, like any other projection-study of the kind has at least two major limitations. One of these is that as any projection has necessarily to be done within a framework of assumptions, it can be valid only in the measure that the assumptions themselves are reasonably valid. And the other limitation is that as there will always be some future imponderables which cannot be precisely figured out in advance, a certain amount of guesswork, statistically intelligent though it be, is a necessary part of any exercise in projection. Notwithstanding these limitations which are common to all projections of the kind, the National Council's study strikes one as manifestly dependable for the broad purposes of planning.

As for the study's assumptions which would need to be considered at the outset, to say, as the National Council itself has admitted, that "the assumptions on which it is based cannot be exact" would not mean that they may not be valid ones. These, it must be recognised straightway, have the merit of being clearly stated—a merit which in a way reinforces their validity. This is particularly true of what may be called the central basic assumptions of the study. The most important of these is that the future course of the Indian economy will "follow the lines postulated in the model given in the Second Five Year Plan with a slight modification towards the end of the period when the per capita income, by 1975-76 is assumed to be Rs 564 in lieu of Rs 546 given in the Plan frame". So upgraded, the model is as under:

	1956-61	1961-66	1966-71	1971-76
National Income, at 1952-53 prices, at the end of the period (Rs crores)	13,480	17,260	21,680	28,200
Per capita income at the end of the period (Rs)	331	396	466	564

It is too late in the day to question the desirability of this model though there may be some doubt on the score of its feasibility in the light of achievement to date. Although the likely per capita income in the end-year of the Second Plan may only be around Rs 300, the probability of development in the subsequent Plan periods, taking place broadly in accordance with the model can still be assumed in view of the twin circumstance that the Third Plan will start with a broader and more diversified industrial base and also ensure an accelerated pace of agricultural development. It would thus appear that the National Council's assumption regarding the growth of national income in the next 15 years is a reasonably valid one. And it is crucial too because the growth of energy consumption as a necessary overhead—of economic growth "conditions and is, in turn, conditioned by the latter". As a corollary to this assumption, the National Council's study has also worked out a broad sub-division of national income into constituent sectors on the basis of likely shifts in occupational distribution and changes in productivity. These sectoral breakdowns which

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form part of the assumption regarding national income are given below.

Sector.	(In Rs crores)			
	1960-61	1965-66	1970-71	1975-76
Agriculture and allied pursuits	6,170	7,400	8,800	10,600
Mining and manufacture	2,910	4,250	5,900	8,500
Trade, transport and communications	2,300	2,900	3,540	4,600
Services	2,100	2,710	3,440	4,500
Total National Product	13,480	17,260	21,680	28,200

Another assumption which is related to the first is based on some historical trends and international comparisons. According to these comparisons, "at intermediate levels of development—when there are marked changes in the structure of production, mainly consisting in the greater expansion of industry and other activities where energy inputs are proportionately higher and in a more intense growth of domestic consumption—supply requirements will increase at least as rapidly as Gross National Product." It is, again, validly assumed that India is at this intermediate stage of development, for, already the income elasticity of total energy consumption is about 0.6 and that of primary energy (consumed predominantly in the productive sectors as distinct from the sector of domestic consumption) about 1.6.

The third basic assumption is "that such resources as are necessary to put through a programme of energy development outlined in this study will be available, as and when called for, out of the aggregate resources required for overall economic development." This, in turn, is related to, and therefore as valid as, the first assumption. The projections made by the National Council on the basis of these and some other assumptions are statistical exercises of no mean order; their range and detail and the scientific care with which all relevant available data have been sifted and utilised in the process compel admiration.

The final results of the series of projections are, summed up in the following table. This table presents the pattern of gross demand for energy by source, in terms of million tons of coal equivalent, in the period 1960-75. It will be seen from this table that nuclear power will be making a rather meagre contribution to energy consumption by 1975. Although nuclear power, according to the National Council, compares unfavourably with thermal power and hydro-power at present (with regard to both capital as well as unit costs), it is recognised that it might be competitive in about a decade, that is, by 1970 or so, when thermal power costs are expected to go up and nuclear costs come down and that, in any case, the cost per kWh of nuclear power would be practically the same, from the very beginning, as that of thermal power at places remote from the coalfields.

Year.	(mtce)			
	1960	1965	1970	1975
Coal	62.4 (76.5)	97.1 (74.5)	149.8 (72.5)	227.4 (71.2)
Hydro power	8.7 (10.6)	15.5 (11.9)	28.0 (12.6)	40.2 (12.6)
Petroleum	10.6 (12.9)	17.0 (13.0)	27.3 (13.2)	44.2 (13.9)
Nuclear power	—	1.0 (0.6)	3.2 (1.7)	7.5 (2.3)
Total primary energy	91.7 (100.0)	130.6 (100.0)	206.3 (100.0)	319.3 (100.0)
Secondary energy	97.3	99.3	97.6	88.0
Total energy	179.0	229.9	303.9	407.3

N.B.: (i) Gross consumption includes losses.
(ii) Figures in brackets are percentages of total primary energy demand.
(iii) Secondary energy is obtained from cattle dung, firewood and agricultural wastes.
(iv) Thermal power is included in coal.

In the light of this recognition as well as of the advanced research under way in Britain for basing nuclear power stations on the fusion reaction of 'heavy hydrogen' atoms (which have merely to be obtained from ordinary water) and, thus, for producing still cheaper electricity, it would appear there is a case for possible greater reliance on this source than on petroleum. While the energy that can be obtained by way of heat and electricity from coal and by way of hydro power may well be, more or less, according to the pattern projected by the National Council, the most likely shortfall will be in petroleum supplies. It is here that nuclear power may be required to make a substantially greater contribution than what has been forecast by the National Council.

The projections of demand for primary energy by consuming sectors for 1965, 1970 and 1975 would also need to be known to have a broad idea of the power-hunger of economic development. The relevant estimates worked out with meticulous care by the National Council are presented in three numbered tables at the end of this article. The figures are in terms of thousand tons of coal equivalent. Here 'effective consumption' must be understood to mean consumption at the place where it is actually consumed; it does not include consumption required to process and transport the energy to the place of actual consumption. A shorter table is also given below to sum up the estimate of demand for energy by sectors in the period 1960-75 in terms of million tons of coal equivalent. No interpretation of these tables is, however, attempted here as the figures will speak for themselves in the light of the National Council's projections of national income by sectors.

Sector.	1960.	1965.	1970.	1975.
Industry	37.6	63.2	99.2	149.6
Transport*	19.0	25.0	33.1	44.0
Domestic:				
Primary	8.6	14.5	25.7	46.9
Secondary	97.3	99.3	97.6	88.0
Services & miscellaneous(a)	4.7	7.5	12.1	20.0
Total	167.2	209.5	267.7	348.5

*Including transport of coal and petroleum but excluding transmission of electricity.
(a) Including construction.

TABLE I (1965).				
(thousand tce)				
	Net coal.	Electricity.	Net petroleum.	Total primary.
(a)	(b)	(c)	(d)	(e)
Agriculture and Allied Activities	1,500	674	780	2,954
Industry				
(a) Metal and Non-metal	28,810	12,000	890	41,700
(b) Textiles	2,590	3,100	492	6,182
(c) Rest	7,620	4,900	2,780	15,300
Total Industry	39,020	20,000	4,162	63,182
Transport				
(a) Railways (c)	16,560	1,560	378	18,498
(b) Automobiles	—	—	4,950	4,950
(c) Aviation	—	—	460	460
(d) Shipping	900	—	150	1,050
Total transport	17,460	1,560	5,938	24,958
Domestic				
(a) Heat	9,088	462	910	10,460
(b) Light	—	1,232	2,847	4,079
Total Domestic	9,088	1,694	3,757	14,539
Public and Commercial Services	900	1,700	—	2,600
Miscellaneous and unaccounted for (d)	1,500	—	375	1,875
Effective Consumption	69,468	25,628	15,012	110,108

Indian Finance

TABLE II (1970)
(thousand tce)

	Net coal.	Electricity.	Net petroleum.	Total primary.
(a)	(b)	(c)	(d)	(e)
Agriculture and Allied Activities	2,500	1,136	1,312	4,948
Industry				
(a) Metal and Non-metal	44,930	21,100	1,870	67,900
(b) Textiles	2,960	4,000	740	7,700
(c) Rest	11,190	7,850	4,620	23,650
Total Industry	59,070	32,950	7,230	99,250
Transport				
(a) Railways (c)	19,030	2,600	788	22,418
(b) Automobiles	—	—	8,250	8,250
(c) Aviation	—	—	750	750
(d) Shipping	1,500	—	225	1,725
Total Transport	20,530	2,600	10,013	33,143
Domestic				
(a) Heat	18,673	857	1,250	20,780
(b) Light	—	1,798	3,152	4,950
Total Domestic	18,673	2,655	4,402	25,730
Public and Commercial Services	1,500	2,590	—	4,090
Miscellaneous and unaccounted for (d)	2,500	—	600	3,100
Effective Consumption	104,773	41,921	23,557	170,251

TABLE III (1975)
(thousand tce)

	Net coal.	Electricity.	Net petroleum.	Total primary.
(a)	(b)	(c)	(d)	(e)
Agriculture and Allied Activities	4,000	1,800	2,280	8,080
Industry				
(a) Metal and Non-metal	64,130	31,500	3,375	99,005
(b) Textiles	3,380	5,070	1,120	9,570
(c) Rest	18,450	13,800	8,760	41,000
Total Industry	85,960	50,370	13,245	149,575
Transport				
(a) Railways (c)	20,700	4,100	1,508	26,308
(b) Automobiles	—	—	13,600	13,600
(c) Aviation	—	—	1,200	1,200
(d) Shipping	2,500	—	340	2,840
Total Transport	23,200	4,100	16,648	43,948
Domestic				
(a) Heat	37,305	1,625	1,670	40,600
(b) Light	—	2,840	3,472	6,312
Total Domestic	37,305	4,465	5,142	46,912
Public and Commercial Services	3,000	4,110	—	7,110
Miscellaneous and unaccounted for (d)	4,000	—	900	4,900
Effective Consumption	157,465	64,935	38,215	260,615

(a) Excluding coal used in electricity generation.
(b) Excluding petroleum used in electricity generation.
(c) Including coal and petroleum carried by Railways.
(d) Including construction.
— nil or negligible.

Punitive Publicity

THE unfinished business of the last parliamentary session includes the Taxation Laws (Amendment) Bill. The tax holiday provisions in the Budget and withdrawal of development rebate for motor vehicles and office equipment are perhaps less controversial than the proposal to publicise default or evasion. The protection of secrecy is removed, because of the official decision to accept the Tyagi Committee's recommendations. The Bill, of course, offers essential relief in regard to payment received as interest on small savings, past or future.

28 May 1960

Most of the clauses are drafted in order to keep up with the interpretation given by the Courts about tax law and procedure. The aim is admittedly both correct and expedient. The ceiling set for donations in cash or kind (7½ per cent of income or Rs 1.5 lakhs) is liberalised to some extent. Inter company investments and tax due on dividends drawn have produced complaints and the Finance Act has dealt already with exemption of dividends in regard to investments made since 1959.

By far the most interesting legal change contemplated is in regard to the secrecy rule. The Gift Tax, Expenditure and Wealth Taxes are equated with income tax, so that breach of the law and penalties imposed can be made known. The USA is familiar with the elimination of the rule. The Goldfine Case, an offshoot of the inquiry into Mr Sherman Adam's use of influence from the White House, was concerned mainly with detailing what was done by a Boston party to placate local revenue officials by bearer cheques. There can be no trial by television in India, but the Gazette can set out names and the officials or managing agents of companies involved can also be named. That such publicity can be damaging is, of course, the whole point of the change for the Tyagi Committee prescribed publicity as a remedy for the evil of evasion.

When appeals are pending, names will be shrouded in secrecy, but even when conviction takes place, there is discretionary power to withhold publicity, provided the interests of the Central revenues are duly safeguarded. That is to say, compounding *ex post facto* is allowed. The very fact that the incometax Investigation Committee's reports dealt only with nameless cases and voluntary disclosures and satisfaction of computed liability were allowed is one reason for a drastic change. But it has been argued that foreign practice on this point does not give adequate guidance and there has been objection to the very notion of furnishing names on request for information about tax payable. This may lead to prosecution by disgruntled rivals or displaced employees. A further argument is that credit rating may be affected by the provision of information (even to banks or insurers). This argument is not very impressive, nor is there any special sanctity for incometax records since banks have to open their books for official investigators and seizure of business records on orders from above is not uncommon. The fact that sales tax or other authorities may make use of information secured from Central records is to be taken as a serious argument, when a new type of discipline has to be imposed on a business society.

The need to relate wages and bonus to profits earned, like the Tariff Commission's anxiety to ascertain costs in order to determine fair prices validate the proposal. And in any case, only a microscopic minority of a million assesses will be touched by the removal of the shield of secrecy. Prof. Kalder's views on tax reform—the need to lighten the load for the well-to-do by doing away with evasion—must also be given special weight though the Matthal Commission earlier had declined to consider publicity a promoter of purity.

The great debate on corruption raging for months is, of course, a relevant and timely consideration in examining the virtue of additions to Sec 59. The voluntary agencies set up to preserve standards in public life are not likely to object, though the Chambers of Commerce now appear to be critical of the amendments by additional clauses. The extra-legal connections between revenue officials and assesses cannot be disregarded in view of the cases reported in the USA during and after the term of Mr Truman in office. The practice in New Zealand is not so reliable as the practice in USA which forces lobbyists to name their clients, specify the fees received, and

mention the purposes of such payment. Results are, of course, evaluated by the private pay masters. The salaries of US film stars, their tax liability and the private companies that retain the literally viable assets are known to the public at large. Even legislators have to give information about payment of salary to relatives and it may be recalled that an MP in India was expelled for seeking extra satisfaction from his seat. That old story acquires some force now. The wording of the Bill indicates that only penalties above Rs 6,000 will be normally notified; the small fry will escape presumably. But where a Court imposes a penalty, the same will be recorded. Journals reporting taxation cases will have more material to publish, but perhaps that is an inconsiderable advantage.

The current guesses about the volume of 'black funds' and the cash held outside the banking system may justify an approach that is also grounded in the familiar demand for freedom of information to tell all is more than a private plea. The data secured from inquiries may be one reason for a change that will prejudice only the non-conformist meaning the evader. The other may be the need to effectively dispel the impression that the authorities are 'soft' on the well-to-do law breakers. The swift and summary treatment of smugglers and even violators of Prohibition laws is assuredly a reason for giving publicity to cases of evasion in respect of either incometax or the gift tax. The wonted leniency is out of tune with the present need to put teeth in the law and the brief preliminary discussion last month has established the strength of the Treasury's case for more revenue—and more publicity too. The law, if it is enforced, may help to maintain capitalism and instead of vague mysterious hints as of yore there will be a list in cold print—of those who failed to discharge obligations to constituted authority.

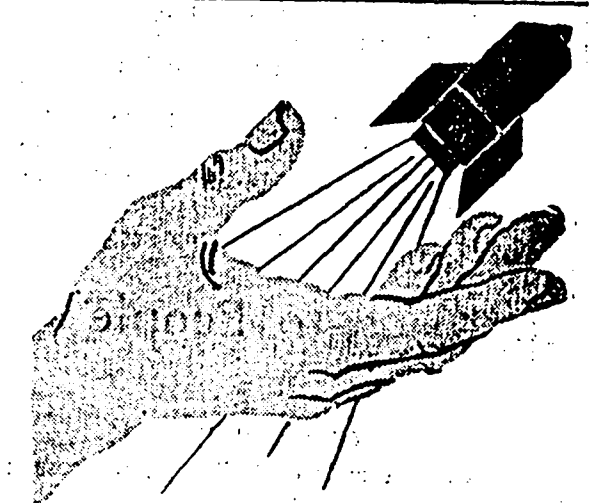
Flow of Foreign Capital into India

THE accelerated flow of foreign capital in recent years into India is part of a political change easily measurable by Mr Eisenhower's impressive visit to Delhi but the figures in the Reserve Bank bulletin for April are concerned not with the results of Indian missions abroad or the visit of foreign missions but with the results achieved by new agencies through new methods. Since 1960 has been marked by new plans for many new plants, the only point to consider is whether economic planning inhibited foreign capital. It has not done so, and the latest mission (that of the three experts who wrote about India today to Mr Black) to assess prospects and needs has only endorsed the view that more should be done for India soon. The temptation to look upon the performance of foreign capital as superior always can be ignored. What is important is that foreign concerns in India mostly follow the Ford Motor Co of England, a public company, in retaining the bulk of the earned profits for financing expansion even in new, risky countries, and the balance carried forward in the latest Ford report is almost equal to the company's capital. That comes out as very significant, as also the fact that the adverse balance of payments was not corrected to any degree by the inflow of foreign capital into India in 1958. Apart from the preponderance of institutional support for Indian enterprises of promise, the salient feature is the association of former importers of goods with the suppliers of capital or capital goods for instance, in the rayon industry or chemical and dyestuffs manufacture. The analysis calls attention to the foreign liabilities of what is

called the official sector. This is parallel to the fall in India's foreign assets but it has no relation to what the private sector has achieved. The rise in India's external debt raises new problems, but the foreign investor is not concerned with the steel plants' operating results but with facilities available for remittance of interest due or the earned profits.

Far more important is the indication of foreign aid in developing manufactures in India. The UK is still the leader and offers of aid in the new lines like motor and cycle manufacture are calculated to enlarge employment than any rise in bank deposits. The bulletin's estimate of Rs 570.64 crores offered as the gross total for foreign capital invested at the end of 1958 is derived from the detailed calculations as to extra capital put in even in the tea planting industry. But the 1958 figures are to be taken as representing a trend for investments in 1959-60 are invested with more importance and what has been done by collaboration with foreign interests can be ascertained from the new year number of the Bombay journal, *The Hyphen*. Mr Hennessy, with his Indian experience notes that the re-invested profits raise the volume of investment made by Great Britain and the UK thus accounts for 81 per cent of the total foreign capital in India. Indeed the previous reduction was due mainly to the nationalisation of the KGF and the life insurance companies.

New companies with manufacturing programmes for chemicals, tractors and machinery have come in and Indian capital too, has participated in the expansion undertaken. There is also the Durgapur Steel project and Rio Tinto's aid for the extraction and Smelting of base metals in Rajasthan. What Japan has done to help in glass, vacuum flask manufacture, electrical wires, toys and watches calls for brief mention like the steps taken by German chemical firms to get the dyestuffs



New frontiers

From the beginning of time human eyes have looked up into space and wondered, and wondered, desired to possess the moon.

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industry started in India also. ICI is also in the picture as the Bulsor project of Atul Products proves, and ICI happens to be the sponsor both of explosives-making and insecticides. The Italian thrust is apparent in Montecatine coming into India for aluminium production also in the near future. The Bata Shoe Co. is not foreign, but it is worth noting that at Mokameh ghat it has its own tannery and hide-collecting agency. The rubber shoes from Faridabad and the leather footwear from Dighaghat support the export trade, valued at Rs 1 crore. The IBM's operations in India, using local talent only, call for mention proving that Mr Watson's policy of getting local participation in a developing economy is still followed closely. There is a chance of IBM entering the typewriter field also and combining output from its Japanese and Australian subsidiaries with Indian production.

The latest news about dredger making in India is a sign that other foreign enterprises are ready to back local manufacture. Paper making machinery, cement and sugar mill machinery is being fabricated in India by arrangement with foreign suppliers and the saving on foreign exchange may augment the resources for future investment. Leaving aside the objects of further industrial development, the new opportunities given for local investors by enterprises increasing capital steadily like Mahindra and Larsen & Toubro must be taken into account as also the fact that the joint collaboration agreements help to reduce the strain on the balance of payments.

The fact that India's needs determine the choice of allies in industry requires no specific description and it is evident that the democratic tradition conditions the flow of capital like the prewar framework of regulation for development. New entrants go along with the record of still-growing enterprises like Union Carbide or Hindustan Lever. If the second industrial revolution has to be measured not by consumer goods made here but by machinery to support industrial growth, the advantages of more foreign capital appear undeniable and the assurance that the private sector in India has room to grow is supported by indications relating to fertiliser production of which the EID & SF project is fully representative, because it hinges on the co-operation of Simon-Carves as well as the steady market prepared by Parry's of Madras.

Approach to People's Car

(Contributed)

A CASUAL reader of Indian newspapers in recent months is apt to get the impression that the most urgent problem confronting the country at present is the manufacture of cheap cars! But those who are familiar with India's economic background cannot but feel concerned at the considerable confusion and contradiction in official policy. On the one hand, the Planning Commission and the Finance Ministry exhort the people to curb conspicuous consumption and augment savings; on the other hand, the Ministry of Commerce and Industry gives top priority to a scheme to produce cheap cars and sell them to the public on "attractive" hire-purchase terms. According to the Finance Ministry, India's per capita income is only about Rs 290 per year. Yet the Minister for Industry proudly proclaimed in the Lok Sabha: "We will have the people's car—of the people, manufactured by the people, for the people of the country"; and he added that "this shall be done at the earliest possible time". It is reported that a Committee of Secretaries of Union Ministries has recommended that the manufacture of cheap cars should be in the public sector, in

a parliamentary democracy, policy decisions are taken by the Cabinet in consultation with Parliament. But in this case, it would appear, the decision to undertake the production in the public sector has already been taken by the Secretaries even before the matter has come up before Parliament!

Apart from the contradiction in official policy, it would be worthwhile to consider whether there is a genuine demand from the people for a cheap car and if it is possible and desirable to satisfy it. So far as one could observe, there has not been any popular demand for cheap cars. The demand has been for cheap transport. And this demand could be met by adopting simpler and less expensive measures such as increasing the production of bicycles, motor cycles and scooters and by making them available at much cheaper prices than at present; by increasing substantially the number of passenger buses and by giving liberal permits for taxis. If instead of resorting to these methods, Government choose to flood the country with cheap cars, it will surely have undesirable consequences.

In the first place, it may affect adversely the efforts now being made by Government to persuade the people to increase their savings and divert them into productive purposes. Mr B. N. Das Gupta, a member of the Jha Committee argued in his minute of dissent: "It is so obvious that the purpose of savings will be totally defeated if a cheap automobile is introduced in this country at this stage so as to enable the people of the income group of Rs 15,000 annually to possess this handsome luxury. Such an opportunity, if created by Government, will easily divert all the savings to this investment which by no means can claim priority." Secondly, introduction of cheap cars will create difficult problems of traffic congestion. It should be remembered that the bulk of the cheap cars will be sold in Calcutta, Bombay and Madras and these cities are already confronted with acute congestion. The Jha Committee refers to the "extremely good road conditions" in European countries. But what is the position in India? The roads in our country are notoriously narrow and overcrowded and it will be extremely unwise to add indiscriminately to the number of vehicles on the roads. Before manufacturing cheap cars, Government should ensure that the existing roads in cities as well as in the rural areas are widened wherever possible and that new roads are constructed in such a way as to be able to cope with the growing volume of traffic. Any attempt to inundate the country with cheap cars in the present stage of our development will only result in considerable congestion, confusion and carnage on the roads. Thirdly, the demand for cheap cars may affect adversely the demand for bigger cars. As Mr Das Gupta says, "already the economic levels for medium sized cars have not yet been achieved—any inroad into this demand by small cars will affect them so much that a meagre increase of demand in future years may not have any favourable effect on production cost".

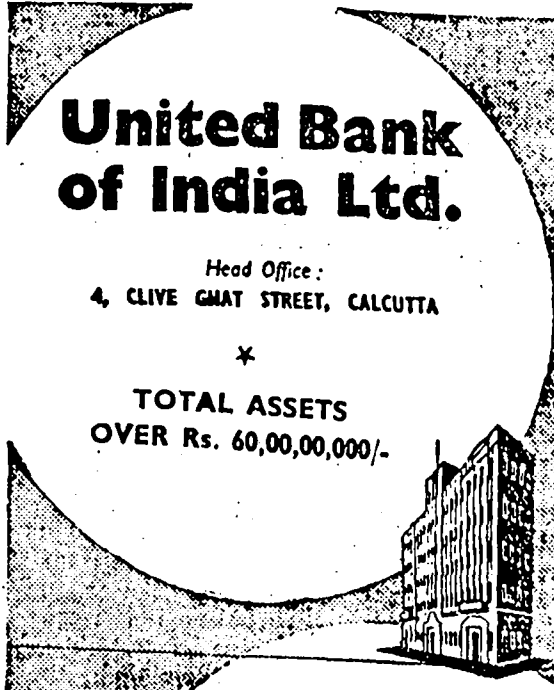
These arguments can be ignored only at peril to our economy. After several years of acute scarcity, our foreign exchange position has improved to some extent at present. This opportunity should be utilised to strengthen the existing automobile units so as to enable them to improve their efficiency and reduce the cost of production. At the same time, serious efforts should be made to reduce the excessive burden of taxation on motor vehicles.

In any case, there is not the slightest justification for the public sector to take up the manufacture of cheap cars. Mixed economy has indeed no meaning if Government is to enter even those spheres where private enter-

prise is eager and enthusiastic to develop. As many as 24 parties are reported to have submitted proposals to the Jha Committee for producing cheap cars; and if Government is unable to accept any of them, the obvious course would be to shelve the matter for the present. Cheap cars are not such an urgent need that Government should spend the scarce resources in producing them.

It is interesting to note that Japan which is one of the most advanced industrial nations in the world did not give priority for the production of motor cars till recently. The London Financial Times (May 12, 1960) has pointed out that "as recently as 10 years ago it was officially estimated that there were less than 1,000 privately owned cars in all Japan". It is only now that efforts are being made to produce cars for the middle class people. But this policy appears to cause some anxiety to the Government of Japan. The Financial Times says that Government today is worried that "the biggest traffic jams in history are in the making". With a view to cope with this situation Japan has now embarked on a highway building programme costing £770 million.

We in India, therefore, should proceed with caution in regard to our approach to this problem. The Ministry of Commerce and Industry should not be allowed to rush through the scheme without carefully considering all its implications. The Ministry is concerned only with the production and distribution of cars. It is not concerned with other consequences that would follow to the country as a whole if it is decided to produce cheap cars. The Planning Commission, the Ministry of Finance, the Ministry of Transport and State Governments like West Bengal—all these bodies should consider the proposal in all its aspects before Mr Manubhai Shah is allowed to have his way.



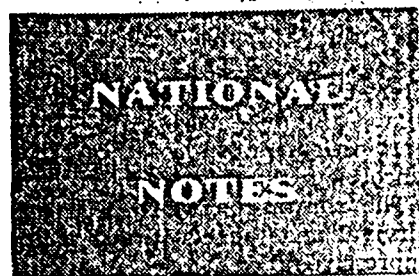
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Common Ground

The importance of strengthening the country's industrial base and ensuring a rapid rate of progress are spotlighted from different angles in the President's address to the annual meeting of the Indian Chamber. As an objective of national economic policy this will command universal assent. It is in drawing attention to the obstacles that stand in the way to the realisation of the common objective and the measures that should be taken for that purpose, that such addresses by experienced spokesmen of business and industry could serve a useful purpose. It would have been surprising if the speech had not dealt at length with the disincentive effects of Government's policy of taxation and controls. But coming so soon after Mr G. D. Birla's remarkable speech at the New York Management Association, criticism of Government policy is liable to be dismissed as just another routine performance. This would be unfortunate, for there are certainly points where controls cramp initiative in the private sector.

Mr Shah has drawn attention to the low ratio of increase in national income to gross investment in India as compared with Japan and Germany. The bulk of the investment over the last ten years

has been in large irrigation and power projects and basic industries like iron & steel which has not yet been reflected in statistics of national income. But Mr Shah is on strong ground in drawing attention to the comparatively higher level of expenditure on buildings and other less productive items in public sector enterprises, and that may be one of the factors responsible for the low rate of growth of national income in spite of substantial stepping up of investment. It is rather surprising to find Mr Shah making the claim that the country has all the raw materials that it needs. A glance at import statistics would have enabled him to keep his enthusiasm in leash. Most of the controls seek justification in the need to conserve foreign exchange to pay for imports of essential industrial raw materials.

Ports

The programme recommended by the Intermediate Ports Development Committee appears to be the minimum necessary if Coastal Shipping is to play its proper role of relieving the Railways of their load of bulky cargo. Incidentally it may also help Coastal Shipping to get over the difficulties which were highlighted in the Chairman's speech to the last annual meeting of Scindias. Though reservation of coastal traffic has been in force since 1950, the development of coastal trade has not been up to expectations. Against the target of 4,12,000 grt, coastal tonnage has only reached the level of 2,65,000 grt. Even the reduced tonnage has not been able to get sufficient cargo. Cargo lifting last year registered a drop of nearly 100,000 tons. While the Rail-Sea-Coordination Committee had recommended diversion of bulk cargoes from rail to sea route, what has actually occurred is a diversion in the reverse direction. Cargoes which were formerly moving by sea are now carried by rail. While this has increased the strain on Railways, it also leads to wastage of transport facilities.

The main reason for the diversion of coastal traffic from the sea route is the lack of handling facilities at the intermediate ports along the country's long coast line. Apart from the six major ports, the others are mostly open roadsteads which are idle during the monsoon, that is, for more than half the year. The lack of handling facilities, adds to the cost of carriage by sea. And as goods can be shipped only during certain months of the year, the rail route is naturally preferred even for bulky goods when the destination is a place between the major ports.

Until the important ports lying between the major ports each of which serves a considerable area, are equipped with adequate facilities and converted into all weather ports, coastal shipping will not be able to develop its full potential.

The recommendations of the Committee for the development of intermediate ports give first priority for the development of Tuticorin and Mangalore as all weather ports. Next come Paradip in Orissa and Porbander in Gujarat. Very little was done for intermediate and minor ports in the Second Plan, the bulk of the allocation being taken up by the expansion schemes of the major ports. The programme of development envisaged by the Committee's recommendations will serve to correct the lack of balance in the development of port facilities which has handicapped the country's coastal shipping while adding to the strain on the Railways.

The Public Relations Officer of the Southern Railway has drawn attention in a communication to the Press to the phenomenal growth of goods traffic on the East Coast line which has increased from 672.2 million ton-miles in 1950-51 to 1,250.9 million ton-miles in 1959-60. The large number of goods trains that the railways are obliged to run leaves practically no capacity for the additional passenger trains for which there is insistent demand. It is also relevant to mention that the goods traffic which has practically monopolised the line mainly comprises bulky freight like coal, iron & steel, fertilisers, food grains etc which can be profitably carried by sea if the intermediate ports are equipped to handle the cargo in all weathers. Apart from other considerations, the programme for development of intermediate ports should have strong public support if one of the indirect results is to relieve overcrowding in passenger trains.

Power in Perspective

The programme for development of atomic power during the Third Five Year Plan will be seen in perspective if it is viewed against the requirements of power in the next decade and a half and availability from conventional sources. The National Council of Applied Economic Research, which studied the problem of energy requirements, has estimated that in the next 15 years energy requirements will grow from 70 million tons to 260 million tons of coal equivalent. As it is doubtful if even half the requirement could be provided by coal, it is of the utmost urgency to develop alternative sources of energy. India has unutilised hydroelectric resources which are large, though by no means unlimited. But the development of hydroelectric power involves heavy investment in dams and reservoirs which will be economic only as part of a multipurpose project. Even as it is, atomic power stations compare favourably with hydroelectric projects in respect of capital cost.

The Atomic Energy Commission has estimated that the capital cost

of an atomic power station will be Rs 1700 per kilowatt. This compares with the Rs 2240 per kw. for Rihand, Rs 1837 for Koyna, Rs 2006 for Periyar I, Rs 3529 for Kundah I and Rs 2824 for Kundah II. The running cost, that is the fuel and operating cost, per unit will be only 1.3 and 2 nP a unit, as compared with 2.6 nP per unit for thermal stations situated in areas remote from coalfields. If allowance is made for larger interest and depreciation charges on the higher capital cost of nuclear power plants, the cost per unit is comparable with that of thermal plants. So in opting for a programme for development of nuclear power, the difficulties that have to be overcome are not economic but technical, and political. The Atomic Energy Commission's decision to send delegations to both USA and the USSR underlines this point. The Commission has plans to set up a chain of nuclear power stations to generate a million kilowatts by end of the Third Plan. It is interesting to note that many of these stations will be smaller than the first station to be set up in Bombay-Ahmedabad region whose exact location is still under consideration. As compared with installed capacity of 2.3 lakh kilowatt of this station, the others will produce between 50,000 and 1,50,000 kilowatts. Operation of a large plant will be economic only if it could be connected to a grid already being fed with larger amounts of power from conventional sources. The smaller size of the other plants that are proposed to be set up will give greater flexibility in the matter of location, so that areas remote from coal fields, which do not now have well developed power systems, could also derive the benefit of the new source of power.

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FOREIGN NOTES

Consumer Income & Spending in US

Consumer income and spending are at record levels in the United States, and so is the volume of consumer credit. It is almost inevitable, therefore, that the question should arise as to whether this indebtedness perhaps foreshadows a curtailment of consumer outlays later on.

It is difficult to answer this question definitively for bound up with it are subjective decisions and personal financial appraisals of millions of individuals and families. It is possible, however, to draw some important and basic conclusions from studies that have been made on this subject—most notably one study completed recently by the U.S. Federal Reserve Board (FRB).

Concerned as it is with national monetary policy, the Board is hardly likely to be complacent about rising consumer indebtedness. Yet, on the basis of its study, it can be said that the expansion of consumer credit is not, and at its present pace is not going to be excessive. Quite to the contrary, it seems to be well within the financial capability of the American consumer and promises to help sustain the high level of spending which is an important support for general economic activity.

In substance, what the Board's analysis indicates is that credit buying is no larger, proportionately, than it was a few years ago. A good part of the past year's increase in indebtedness can be attributed to new forms of credit which are taking their place on the American economic scene.

During 1959, the study shows, Americans added to their instalment, or time-purchase, debts the sizeable sum of \$5,400 million, and so far in 1960 they have continued to boost these purchases at close to the same rate. The total consumer credit outstanding now comes to more than \$50,000 million, of which upwards of \$40,000 million comprises instalment buying.

Yet it is important to note that while the dollar total of U.S. instalment buying has been climbing, its rate of rise has been falling for nearly a decade. The 1959 rise, for instance, was 16 per cent, compared with 23 per cent back in 1955, also a year of sharply expanding consumer credit.

There are, moreover, some notable improvements evident in the way consumer credit is being used today. Behind the 1955 rise, for instance, was an upsurge in automobile credit, which jumped nearly

three times as fast as all other types of credit.

In 1959, however, the picture was much sounder and far better balanced. The increase in auto instalment loans was only 17 per cent, and most of the credit extended was used to purchase a wide variety of other goods and services. It also is significant that the average automobile loans has become smaller during this past year—a development in which the successful introduction of the new and generally less expensive compact cars may well be a factor.

In assessing the credit situation, it also is important to bear in mind that 1959 was a year in which a number of new forms of credit came into widespread popular use. Chief among these were the so-called revolving credit accounts, which give a customer six months or more to pay for purchases and permit him to make new purchases before the outstanding balance is paid up. This type of credit, which already amounts to an estimated \$1,000 million and accounts for more than 40 per cent of instalment credit at department stores and mail order houses, has had an obvious influence on the growth of consumer indebtedness.

It was in 1959, also, that many banks began to introduce their own charge account and check-credit plans for depositors. And of course, it was a year in which the ubiquitous credit card, permitting a customer to finance nearly everything from restaurant meals to hotel bills, became so normal a part of daily living that for more than a few individuals cash seemed to be exception and credit the rule.

Even so, the American people as a whole are using no greater share of their total disposable—after-tax—personnel income to repay instalment debts than they have been for the past several years. And while, at 13 per cent, this proportion seems to exceed by a wide margin the nine per cent of 10 years ago, it should be remembered that disposable—which means spendable—income also has gone up—and at an even faster rate.

Thus, from a statistical viewpoint, it is entirely reasonable to say that an instalment repayment ratio of 13 per cent imposes a smaller burden on the American people, when measured against their current disposable income of \$345,000 million a year, than did the nine per cent ratio of 1950, when measured against that year's total disposable income of \$208,000 million.

Nigeria's Future

Nigeria's future now seems far more assured than that of any African territory for promises at conferences are being kept and independence will be followed by automatic membership of the British Commonwealth. Regional rivalries may persist but the steady North will be dominant and Nigeria as an independent State will

have advantage of a strong peasantry, a hereditary aristocracy and the democratic traditions of Islam in the north especially. The minerals of Nigeria especially columbite and tin are now supplemented by oil which makes the West African country potentially a big contributor to world trade. Not groundnuts, cocoa or palm oil but petroleum will be the strongest card in Nigeria's suit in the future. The absence of an industrial tradition makes Nigeria a major market for most foreign manufacturers and if outside investment in plantations, (for instance rubber) increases, there may be more customers for consumer goods. The improvement of communications from the ports is of decisive importance but overseas capital may be available only for extractive industries and export trade. The continuance of Nigeria in the sterling area is to be taken for granted and the access to the London capital market will be maintained, as 3 per cent and 4 per cent sterling loans are due to be repaid in 1963, 1964 and 1966.

The federal structure of Nigeria marks it off from the Union of South Africa which concentrates political power in Pretoria. The smooth evolution of political agreement distinguishes it from Kenya and even if the Cameroons are detached for administrative and other reasons, the Nigerian outlook is settled by the large area and a population put at 33 million. There is no doubt as to the growth of cotton manufacture or oil crushing. The steady increase in electricity output supports the hope of many secondary industries coming up rapidly. The present trading connections with India are small and only the sale of handloom goods from Madras has made Nigeria familiar. The STC can hardly compete with the United Africa Co. (a Unilever subsidiary) and the interest shown in East African market's possibilities has not yet been developed by officials.

Afghan Attitude

Afghanistan, at one time an ally of Turkey and Iran in the Saadabad pact ensuring neutrality between the Axis and the Entente, has clearly dropped out of the Middle Eastern picture. Objections to the use of Pakistani bases by US planes are derived not from the Soviet Premier's lead but from a consciousness of what a buffer State requires of the Central Treaty Organisation blessed by the USA. The Afghan view may be said to accord with that of India, but it may be also a sign of US economic aid having failed to impress Afghanistan where the governing elite hopes to keep its position by getting Russian support. The Afghan attitude is logical, because Pakistan has made light of Pukhtistan demands and adheres to the Durand Line as the boundary. The withdrawal of Britain from India has made it necessary for most Afghans to look to Moscow only

and the conflict between Egypt and Iraq has made it necessary to look beyond the Morlen World. Her interest lies mainly in keeping the Oxus as a boundary after minor rectifications and to see that China cancels out Russia in Central Asia.

The neutral's problem is one of survival and the equipment is not impressive, though arms aid for the Soviet Union plus conscription may make the kingdom more effective than Nepal to hold its own. If US bases in Pakistan are neutralised, the ability of Afghanistan to keep on its course will be strengthened and Turkish or Persian denials in connection with the intrusion of the U-2 are taken as less important than a general declaration against any encroachment on air space. The land-locked State has disadvantages that air transport cannot remove and that is why Kabul looks to the north nowadays. The people have to be reassured that there is also the reason to stand well with Moscow; oil imports for a country without railways are vital and the Afghan protest against US plane's intrusion shows that foreign policy does not rest on ideals but on appreciation of national interests. The stoppage of flights may reassure Kabul, but it is only the end of the cold war that can make Afghanistan hope for a guarantee of neutrality like that available to Nepal.

Growth Stocks

New mutual funds, through which investors' holdings are channelled to "growth" stocks, are increasing on the Australian money market. An interesting newcomer is Delin Australian Fund Incorporated, registered in Sydney (New South Wales) as an unlimited company to acquire flexibility in the issue and repurchase of shares. It is sponsored by Development Finance Corporation Ltd., a Sydney company with strong overseas affiliations. Capel National Fund, sponsored by Capel Court interests in Melbourne (Victoria) was announced in March. It is offering to the public 40,000,000 shares at 4/8d, plus service fee 4d, making each 5. Another Melbourne company is the Second Australian Capital Fund, sponsored by the Commercial Bank of Australia and the Australia United Corporation. This company named "growth" stocks which it favours for its portfolio. Most of these stocks are already popular with investors, and many also show low yields. The company states in its prospectus for an issue of 1,000,000 shares of 10, that it places emphasis on companies considered to have better than average growth potential. The industries covered in the list include wireless, cement, paper, bitumen, tobacco, sugar, industrial gases, containers, textiles, chain stores, newspapers, pipes, and chemicals. Others are mining and engineering companies, and rubber-producing industries. Altogether there are 417 companies in the list, with duplications of the type of industry involved.

STATES NOTES

Pharmaceutical Education

Presiding over the 15th annual conference of the UP Pharmacists' Association, Dr S. Rohatgi, Vice-President of the Pharmacy Council of India, made a strong plea for the allocation of funds for pharmaceutical education. The present position of pharmaceutical education belies the importance that must attach to it. The Third Plan programmes for health that have been drawn by the Centre make no mention of pharmacy although considerably larger outlay than under the Second Plan has been proposed to be spent on health during the Third Plan. The impression that pharmacy is receiving short shrift at the hands of the Government is unavoidable and rests on other grounds as well. Proper standards in respect of practising pharmacists and manufacturing chemists have been consistently shirked by the Government. What is even stranger is that, while the basic qualifications of new entrants to pharmacist course have been raised, the qualifications of the manufacturing chemists have been downgraded and left to the discretion of the manufacturing concerns. That this omission on the part of the Government would lead to a fall in the quality of pharmaceutical products is not to be doubted. There is also a deplorable lack of understanding of the significance and purpose of drug control. The Drugs and Pharmacy Act does not insist on even a basic education in pharmacy for those who are vested with control of the trade. Bombay is an exception and the experience of the drugs control in that State affords undeniable proof of the advantage of having properly trained personnel to administer the Drug and Pharmacy Act. In view of the harmful consequences possible in the lack of insistence on educational qualification, the appointment of people with requisite qualification and experience in the trade is a matter that can no longer be treated as unimportant.

Kisans Impatient

The All-India Kisan Sabha which met at Ghazipur last week, has, in terms of a number of resolutions, urged early and effective measures to end exploitation of the peasantry. The resolutions as becomes a communist sponsored body are radical in content and tone and have been couched without reference to the progressive legislation that is being passed to improve agrarian relations. The call

for land ceilings embodied in one of the resolutions has, for example, no present relevance since the Congress ideology has already inspired legislation on this subject in most of the States. The Sabha almost obliquely accepts the good work already done to introduce land reform measures, but holds the view that they remain ineffective because of lacunae in law. That the legal enactments relating to land reform measures passed by the various State Governments are not perfect would be admitted. But it is pure ideological opposition to attribute pro-landlord leanings to the legislators for such defects in the law. Similarly, to say that agriculture is being hampered not by lack of investible surplus, but by outmoded agrarian relations is to stretch the ideological line too far.

The concern at the lagging pace of agricultural production expressed in one of the resolutions passed at the conference would be shared by all. The Sabha has suggested acceleration of development work along all lines. In respect of irrigation, it has recommended concentration on small and medium projects in the Third Plan. Measures such as distribution of better seeds and fertilisers which would raise living standards of agriculturists are also suggested. But it will not recognise the need for betterment levies on the farmers. The greatest stumbling block to progress in agriculture, according to the Sabha, is the administration which it condemns as being bureaucratic overcentralised and disinterested in agricultural development. The logical next step from this is the creation of an entirely different and new cadre to man the administration.

Small Industries in Bihar

One of the declared policies of the Government of India is the promotion of the growth and development of small scale industries, in order to build up a strong economy. This task is allotted to the State Governments under the Constitution. But considering the magnitude of the task, the limited resources available to the State Governments, and the vast field they have to traverse, the Government of India has assumed the task of furnishing the States both financial and technical aid.

The Bihar Government, on their part, have done some remarkable service to this cause by way of advancing loans and grants under the Bihar State Aid to Industries Act. They have so far defrayed an amount of Rs 8,07,995 during the First Five Year Plan and a sum of Rs 83,04,038 during the first three years of the Second Plan to various entrepreneurs and small industrialists. They have also envisaged a plan to make available to them more than Rs 3.6 lakhs for the remaining period of the Second Plan. In addition to these loans,

the Directorate of Industries have advanced loans to the tune of Rs 77,58,610 for the development of type foundry, cold storage and preservation, automobiles, manufacture of ready made garments, house-hold utensils, leather goods, gur and khandari, radio components, steel trunks, agricultural implements, pharmaceuticals and medicinal goods, cane and bamboo goods hosiery and the like. Apart from all these assistances the Government procure for the small industrialists machines and other implements on hire purchasing scheme from the National Small Industries Corporation Limited, New Delhi. The Corporation has supplied so far about 170 machines costing nearly Rs 8 lakhs to twenty-six small scale industries in the State.

Growing Monopoly

The Madras Transport Department is translating its ambitions into services. Long-distance buses to Trichy, Salem and other towns from Madras will be supplemented by inter-district services. The absence of private competition on the new routes notified is one reason: the other is the addition to the fleet at its disposal. In spite of complaints levelled against the nationalised City bus service, the State Government is eager to follow the example of Bombay and even if goods haulage is out of the question, the long-distance transport is quickly being acquired for the State. The link up with Kanya Kumari district will make Tuticorin port more accessible but the passenger traffic or tariff will not yield very large profits. How the railways regard road competition sponsored by the State Government with bus fares below third class railway fares cannot be known at once, but it is certain that the tax on railway fares will yield much less. The demand for trucks and tyres will certainly increase and the higher duty on high-speed diesel oil is seen to be no brake on expansion of road transport. In a sense, Madras is only following Travancore's example offered twenty years ago and has decided to make the most of improvements and extensions to high-ways after the war.

Comparisons with Kerala road services will always occur and the standard of road service from Nagercoil, for instance, will obviously be based on what Kerala does for those who go by Express buses. But Madras seems to believe in a single class service and may lose some traffic in consequence. The withdrawal of State transport from inter-State or suburban routes may not take place in spite of plaintive protests about the indifferent service provided, for the whole object is to keep up a large transport department, not so much for revenue as to prove that the State can run by itself, as in Ceylon, a mono-

poly and add to its assets. Municipalities are given no chance to break into the preserve though they can do the job quite competently and help themselves to follow the best example.

An Unusual Approach

The new Chambal Valley project is associated with the name of Acharya Bhawe. Not dams but meetings with outlaws have been arranged and the success of the Mission to meet dacoits in public vindicates the unusual approach of the Acharya. The Police have been eclipsed by the federation but officers have shown appreciation of a procedure that entails surrender to the law and trial by courts. The co-operation of the State Governments with an unofficial agency is due to the realisation that a peace mission is cheaper than combing out the ravines. The depreciation of the use of force, though punishment is to follow the crimes admitted, makes Acharya Bhawe's voluntary mission unique though there is the precedent of Telengana for his walking forth boldly into trouble spots. The mission is a success and puts all doubts in Delhi to flight. It ends the troubles inherited from the old princely States and it may be added that those who surrender are of high caste, proving that family feuds have led to defiance of the law.

The revelations made over a week may not lead to the bestowal of a medal for the Acharya, but it will open many eyes to the value of a new approach to conventional methods or correctional discipline. The comments on Home Guards may prove chastening to the authorities, so also the effective disposal of fire arms surrendered. The Bhawe project, derived from the dacoits' own faith in a holy man or superman may compel the State Governments to see whether their police system is really up to the mark, whether they should not get any talent from outside to raise both morale and methods. In any case, the treatment of those charged must take into account the controversy following the execution of Carryl Chessman after 12 years of harrowing suspense in San Quentin.

New Houses

A statistical inquiry into building activity in Calcutta, Bombay, and Madras between 1955-56 and 1957-58 undertaken by the Reserve Bank confirms the postwar impression that investment in buildings has increased, that additions and alterations have taken place, and the volume of funds flowing into real property in big cities has been substantial. The trend may have strengthened since what is really important is that suburban housing construction Bombay has risen steadily and afforded relief

to the middle class, also that the range of ownership by occupiers has been steadily extended.

The Reserve Bank bulletin for April analyses the results of a sample survey to indicate not only the net worth of investment but the trend towards larger non-residential premises, the increased use of both steel and cement as well as the proportion of wages to other costs of building. The Calcutta Municipal records helped while engineers and architects furnished data about built-up space and costs. Only in Calcutta did the volume of new construction decrease since 1955-56 in marked contrast to Bombay. Data available in Madras was not so complete but the preponderance of new construction by intending owners is established by the figures: The volume of speculative building activity is not ascertainable, but it may be said by many that sites, not buildings, have been the medium of speculation. The contribution of the Improvement Trust to the maintenance and revival of building must of course, be large and instalment purchase of houses by the middle class supported the rise of new colonies, imposing inevitably a strain on the City Corporation services. The decline in non-residential construction must have been reversed since 1957-58 for a rage to build new shops to let has developed. And removal of accommodation or rent control now envisaged may lead to extra investment in non-residential premises in populous or fashionable areas. The inquiry has not led to the acquisition of data on the degree of overcrowding, the proportion of suburbs to metropolitans and the amount of mortgage debt incurred for construction through co-operative housing societies,

though in Madras City cheap credit has been admittedly a factor in the building boom that goes on at present. The replacement of large vacant compounds by middle class housing estates occupied by owners is calculated to reinforce municipal revenue and the current level of rents also favours an increase in the yield of property tax, though outlay on streets and lighting has to be recovered by a betterment levy.

Industrialisation in MP

The National Council for Applied Economic Research which conducted a techno-economic survey of Madhya Pradesh has, in its report, indicated bright prospects of the industrialisation of the State. The State has known and potential resources particularly of minerals and forests in such richness and plenty that their effective utilisation would make it one of the industrial regions of the country. What however is needed is "a strong well-integrated administrative and planning machinery".

The survey has found a target of 5 per cent increase in the per capita income for the State and an increase of 8 per cent in the total income of the State as quite feasible. Toward this, the survey has suggested a ten-year programme of planned action involving a total investment outlay of Rs 2,090 crores. The distribution of this outlay between different sectors of development as proposed by the survey is: largescale manufacturing industry 25 per cent, transport and communications 21.5 per cent, agriculture and allied fields 21.8 per cent, power 9.6 per cent, mining 6.6 per cent, construction of

schools, houses and hospitals 8 per cent and small-scale industries 1.9 per cent.

One favourable factor which the State shares exclusively for industrial development is the absence of the problems of over-population and acute "overt" unemployment. While this is attributable to lower population pressure and the large size of agricultural holdings, this represents an advantage in so far as the problems connected with the transfer of population from agriculture to industries an inevitable stage in industrial development, is considerably mitigated. However the present manpower is largely unskilled and must needs be properly trained before industrial development could make headway.

The pattern of investment recommended by the survey report is estimated to increase the output of large industries by 270 per cent, mining by 44 per cent and small-scale industries and services by 30 per cent and 88 per cent respectively.

Package Plan in Gujarat

The efforts that are being made by the Directorate of Agriculture of the Gujarat State in enhancing the agricultural output are indeed timely and commendable especially viewed against the background of the low agricultural yield of the State and the food deficit which at present runs to more than 1 million tons. The Directorate has already formulated a five-year plan to double the food production with the financial and technical assistance of the Government of India. The 'package plan' as the new plan is termed, envisages a total outlay of Rs 1 crore and contemplates a State wide campaign and aims as a first step toward food self sufficiency an increase of 20 per cent in the agricultural yield.

A striking feature of the package plan is the increased emphasis laid on replacing the antiquated methods of cultivation by modern and upto-date ways. This is particularly beneficial to the State whose low average yield per acre promises abundant scope for adopting intensive methods of cultivation. Efforts are also being made to help the farmers in purchasing improved seeds, better manures and ensuring them better returns for their products. Toward this goal, the Government have already appointed a five-member committee to conduct a detailed enquiry into the problem of manufacturing more nitrogenous fertilisers in the State. Besides, the Government have constituted a State Co-operative marketing body with a capital of Rs 20 lakhs under its disposal for securing good remuneration to the sweat and toil of the tillers.

As a prelude to the new scheme the authorities contemplate a pilot

scheme in Surat district which will later be extended to the other parts of the State.

Kerala's Third Plan

While most of the State Third Plans have reached their way to the desk of the Planning Commission for consideration and approval of that body, the Kerala Third Plan does not look like being ready before the end of June. The delay is attributable to the political instability from which the State suffered until quite recently. Preparatory work on the draft Third Plan was being done by the Communist Ministry before it was supplanted by the Presidential rule, and some disruption in work was unavoidable in an atmosphere of uncertainty that pervaded the last days of the Communist Ministry. The work started by the Communist Ministry reached finalisation during the days of the Presidential rule. The various working groups which have been constituted to prepare the draft plan drew one envisaging an outlay of Rs 380 crores. The draft had, however, to go through a phase of revision at the end of which the outlay was slashed down to Rs 180 crores.

The Pattachi Ministry which assumed office as a sequel to the victory of the United Democratic front over the Communists had its own ideas of what the Third Plan should be like. One of the first acts of the Ministry was to constitute a popular non-official study team to check up on the programmes suggested by the officials and to suggest changes if there was need for them. The study teams numbering eight were to submit their reports by May 5, but only three of them seem to have completed the work. The finalisation of the draft plan has, in the circumstances, to await the submission of reports by the remaining five study groups.

Rumours circulating among knowledgeable circles seem to indicate an outlay of Rs 200 crores in the draft plan that is being worked out now. A major share of the total outlay is expected to be set apart for industrial and power projects.

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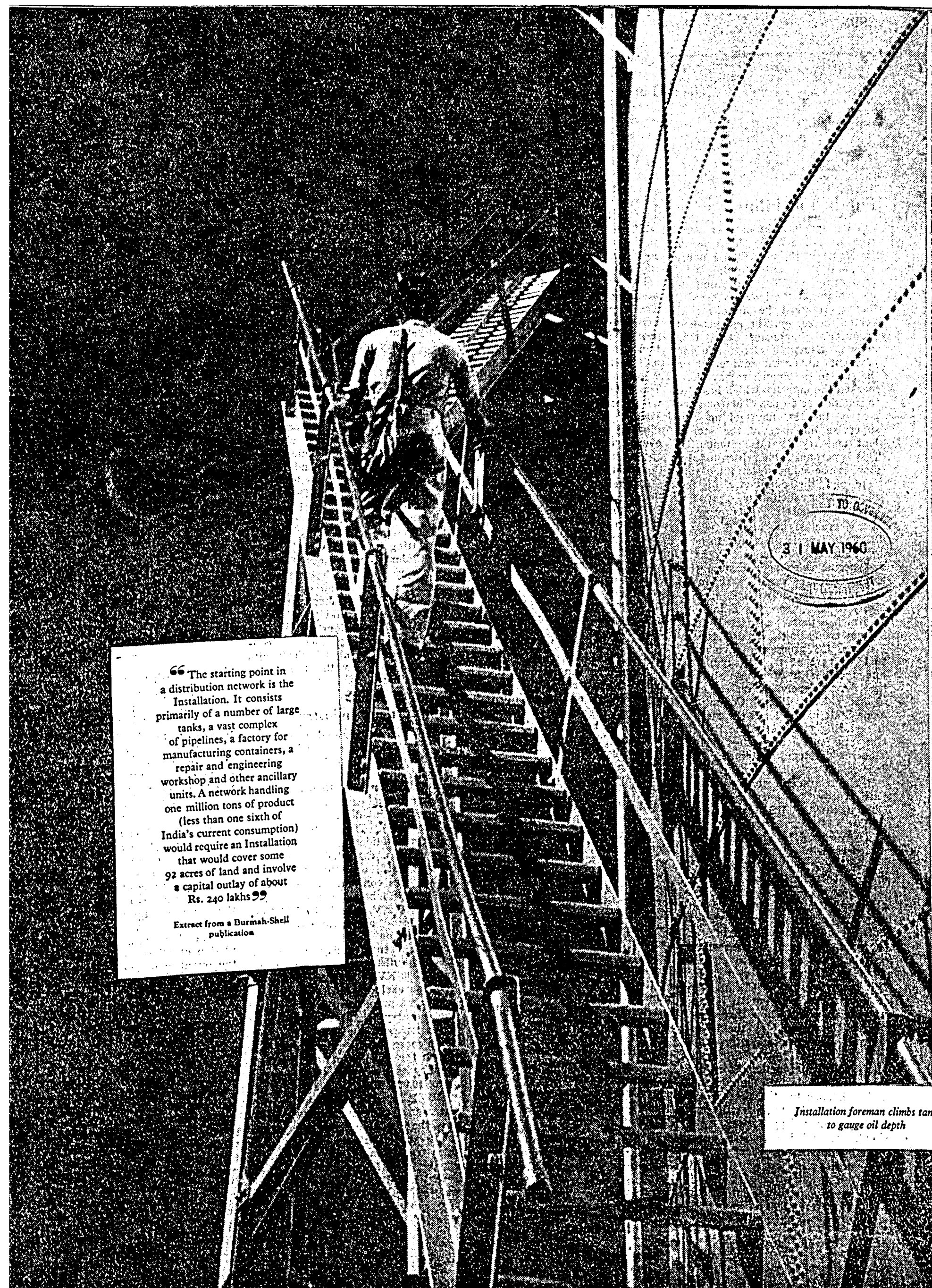
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UDIAPUR

Condensed Balance Sheet as on 31st. December, 1959.

1958. Rs.	ASSETS	1959. Rs.
2,11,03,588	Cash, Bank Balance & Money at Call	1,18,91,834
1,37,42,720	Investments	2,29,54,003
1,45,78,805	Advances	1,90,86,625
41,67,686	Other Assets	56,56,914
5,35,92,799	TOTAL Rs.	5,95,89,376
20,00,000	LIABILITIES	20,00,000
	Authorised and Issued Capital	
9,22,875	Paid-up Capital	9,23,700
6,82,125	Reserve Fund and other Reserves	7,09,625
4,53,74,038	Deposits and other Accounts	4,92,22,427
66,13,761	Other Liabilities.	87,33,624
5,35,92,799	TOTAL Rs.	5,95,89,376

B. L. SETHI
GENERAL MANAGER



Vinoba's most recent enterprise, is the most challenging of all. But the entire logic of his was leading to it. Vinoba rarely takes the name of Gandhiji, in which he reveals a fastidiousness that many politicians conspicuously lack. He talks about non-violence even less often, in this providing a piquant contrast to Gandhiji himself who was rather garrulous on the subject. But the winning of the souls

Calcutta Madras New Delhi

of the dacoits of Chambal Valley is the supreme test to which a vision of life based on non-violence can be put. Moreover, Vinoba won his spurs, so to speak, by releasing the terror-stricken Telangana from the grip of violence and fear. This is how Tennyson describes the situation in Telangana when Vinoba went there in 1951: "The communists refused to surrender their arms, and went into underground opposition against the very people with whom a few

months before, they had been co-operating. The party was declared illegal, and its members went into hiding in the hills and jungles, emerging at night to murder landlords and divide up their lands among the poor. The villagers dare not disclose the rebels' whereabouts for fear of their reprisals. And most of them distrusted the police, as much as they did the communists. They were caught in a murderous crossfire." It was in this scene Vinoba appeared. In a

few months, the deathly pall of fear lifted. The communists have never again regained their hold in the area.

In dealing with the dacoits of the Chambal area on the terms in which Vinoba does, there are obviously many difficulties. None is perhaps more keenly aware of them, than Vinoba himself. The Chambal ravines have offered the principal preoccupation of the Governments of the area and some-

thing like a concerted police action has at long last started yielding results. The police, understandably, are anxious to press home their advantage and are inclined to think of Vinoba's experiment, as, to put it mildly, inopportune. Vinoba's clear enunciation of the consequences of surrender by the dacoits is, theoretically, a clear indication of his intention of not poaching on Caesar's preserves. But in practice, they involve considerable ambiguity. The dacoits themselves have their reservations and those who have surrendered in fact, may have their own calculations to verify. There certainly has been a certain amount of naive enthusiasm among Vinoba's followers, who probably 'exceeded' their briefs in their ardour to convert. But these hazards that are clearly worth risking in an enterprise of this magnitude. After all, in the political battles that Gandhiji fought there were many lapses and that did not make those who jeeringly flung at Gandhiji his own precepts anything other than cheap jibers. Considering the terrain, it is very unlikely that there ever would come a time when the police would completely succeed in ridding the valley of the fear that haunts it by their methods. Whether Vinoba would succeed where the police failed remains to be seen. But, that the attempt was worth making none with any imagination can doubt.

In the days that have elapsed since the Summit was scuttled, there has been a strange lack of honest-to-goodness front page news. I wonder whether this is because more people in most parts of the world are more shaken at the failure of the Summit than they have cared to admit publicly. This, I suppose, is heartening sign. At least there is the hope that, at the eve of the next Summit, the principal countries involved will tread more warily and seek to prevent precisely the kind of development that reduced the Paris Summit to the proportions of a farce. Nor, I trust, is it strictly necessary that the cold war will become more frigid; though, in this respect, we have to wait for what Mr Khrushchev will have to say. That he will disclaim about the Americans, there can be no doubt; but I don't believe that he will by deed—though he has done by word—intensify the cold war. For, it will be plain to the Russian leader that he has over-played his hand, and while for Communist consumption he may be compelled to take up uncompromising stances—and possibly insulting as well—the competition for the goodwill of the "neutrals" should be an influence to moderate his tirades. And now, as they say on All India Radio, the weather, which is about all that has been prominently in the news. Tidal waves have wreaked havoc; rain has saved a suffering Calcutta public; bull speculators on the jute markets somewhat lost their grip as a consequence; and the monsoon might, we have been told, reach Calcutta fully a month ahead of its time.

EAVESDROPPER.

GATEWAY GOSSIP

Refinance Corporation

THE working of the Refinance Corporation for Industry during the year ended 31 December 1959, shows that the facilities offered by the Corporation are yet to be fully utilised. The total application for refinance made in 1959 amounted to Rs 223 lakhs and the applicants numbered only three. Even this small amount had not been fully taken up as total drawings amounted to only Rs 85 lakhs. It is not as though the Corporation does not have sufficient funds at its disposal. The Government of India alone have provided a sum of Rs 26 crores from the US PL 480 counterpart funds.

It cannot be argued that the discouraging performance of the Corporation is due to any lack of demand for money, because during the past year, private sector industries have made substantial borrowings for their expansion programmes and new ventures. Again it cannot be maintained that the facilities offered by the Refinance Corporation are superfluous since there are already other institutions to cater to the financial needs of the private sector, like the Industrial Finance Corporation of India, the Industrial Credit and Investment Corporation of India, the State Financial Corporations and other similar institutions set up in recent years. These institutions, no doubt, have come to play an important role in the affairs of the private sector industries but it cannot be concluded that they are adequate to meet their ever increasing credit needs. A rapid industrialisation of the country has been planned and the private sector is, and will be, given a substantial portion of the task. If this expansion programme is to be fulfilled as scheduled, it is essential that private entrepreneurs are enabled to obtain requisite funds expeditiously.

The fact that, despite the large demand for money last year, the Refinance Corporation has not been popular with entrepreneurs, is responsible for the criticism that the conditions governing the working of the Corporation are far from conducive to an expansion of its activities. Criticism is mainly directed against the rate of interest charged. It may be noted that there is no direct link between the industrial borrower and the Corporation. Funds are routed through those banks who are shareholders of the Corporation with the result that the cost of borrowing works out to 6½ per cent, five per cent charged by the Corporation and 1½ per cent by the banks. It has also been pointed out that the fact

that the Corporation's loans are for a period of three years to seven years only is another deterrent, since those who want to start new enterprises with the financial assistance of the Corporation in most cases will not be in a position to accumulate adequate funds to repay the loans within the short period.

Speaking at the second annual general meeting of the Corporation, Mr H. V. R. Iengar, the Chairman, has drawn attention to the fact that the Corporation is designed to serve a particular section of private entrepreneurs. "We provide refinance for a medium term only, viz., three to seven years. There is, undoubtedly, need for an institutional arrangement of this type, but the inelasticity of the time element does not suit more than a small proportion of the entrepreneurs. The facilities we provide are only suitable for those who find that they can repay their loan within a period of seven years or those that can, within that period make other arrangements for raising finance".

According to Mr Iengar, the argument that the rates of interest charged by the Corporation are higher is based on the assumption that the cost of medium term finance should be comparable to the cost of short term working capital. However, steps are to be taken to widen the field of operations of the Corporation. There is first the proposal to make the refinance facilities available to a large number of banks. At present only banks who are shareholders are eligible for loans. The change seeks to extend the facility to all banks by deleting the condition that limits eligibility for loans to banks who are shareholders. This will in turn involve the abolition of the system of allotting quotas to member banks. The second proposed change pertains to the present limitation as regards industries eligible for assistance. It is now proposed to extend the Corporation's facilities to all industries, which in its opinion, are in conformity with the purposes of development plans. The third proposal seeks to relax the rigidity imposed on the working of the refinance arrangement. The existing condition in this regard is that member banks should have a spread of a minimum of 1½ per cent between the rate at which they borrow and the rate at which they lend. When this proposal is accepted banks will be free to fix their lending rate. However, this will be subject to the approval of the Corporation. Referring to the comparative stagnation of the Corporation's activities, Mr Iengar has noted that there is a school of thought that the fact that banks have substantial deposits of the Corporation's funds may itself be the reason for the lack of interest in the refinance facilities. It has been decided, therefore, that a substantial portion of the funds should be invested in Government securities.

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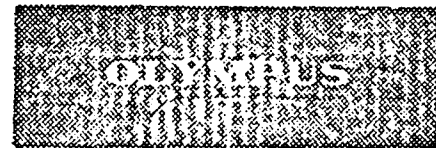
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The Ganga's Traffic Potential

WITH the publication, by the National Council of Applied Economic Research (New Delhi), of the findings of its survey of the traffic potential of the Ganga, a river-rail controversy is conceivably in the making. But it may also be that no such controversy will actually emerge if further investigations about the cost of operating steamers today, construction of approach roads, ghats and shore and terminal facilities and about the extent of State assistance to river transport, river conservancy, etc establish the possibilities of economic operation of steamers or country craft. In any case, a river-rail controversy would be premature now in view of the fact that the National Council's study is only of an exploratory character. Incidentally, Dr P. S. Lokanathan, Director-General of the National Council, has viewed this as a question of co-ordination and collaboration between the railways and the waterways rather than as one of competition between the two. Whether the Railway Board, with its rather competitive approach to road transport and coastal shipping, will come to share his view remains, however, to be seen.

Quite apart from the question of comparative costs, whatever they be, of rail transport and river transport, there is the question of possible diversion of traffic from the railways to the waterways.

The latter question will probably have no disquieting import from the point of view of the railways if the traffic potential of the waterways turns out, after a series of surveys, to be of inconsequential proportions. The National Council's Ganga Traffic Survey itself, covering a stretch of as much as 400 miles between Allahabad and Rajmahal (Bihar), has assessed the traffic potential at only 200,000 tons in terms of cargo and 80,000 in terms of passengers. In an expanding economy such as that expected in the Third Plan period, it is not inconceivable that there will be some substantial traffic which cannot be handled by the railways but which can be more conveniently moved by road as well as by river. It is in this context that waterways appear as a supplemental form of transport. This is particularly true of the Ganga.

If, thus, river transport comes to be recognised as a modest but necessary supplement or complement, wherever possible, to the railways, the rest is a matter only of coordination. The National Council's study has, therefore, rightly emphasised that "without proper co-ordination with railways, no river service can be successful or economic" and that, as far as the Ganga is concerned, there should be proper rail-river coordination at Manihari Ghat in North Bihar and at Rajmahal in South Bihar. The case for such co-ordination is presented in the following passage quoted in extenso from the Council's report:

"In spite of various improvements planned on the railways there will be difficulties in moving the large volume of coal and steel produced in Bihar by the

end of the Second Five Year Plan. A large proportion of 60 million tons of coal and 5 million tons of steel will have to move across Bihar by railways. These targets are expected to expand further during the Third Five Year Plan. It should therefore be in the interest of the railways that some portion of Bihar's traffic is moved by water transport inside Bihar, and then sent to Assam or West Bengal by rail routes. For the river transport user, coordination would mean that a consignor, say in Buxar, will be able to obtain a single document which he can despatch to the consignee in Assam, or Calcutta, or some station in Bihar to enable the latter to collect the goods at destination on presentation of documents, and that all intermediate rail-cum-river or road-cum-river arrangements will be such as to effect movement without delay, loss, or damage in transit."

Given such rail-river coordination, the suggested resumption of steamer services—a Ganga despatch service from Patna to Rajmahal with proper arrangements for co-ordination with railways at Manihari Ghat (in North Bihar) for Assam traffic and at Rajmahal (in South Bihar) for West Bengal traffic, a Ganga service from Patna to Buxar for inter-district movements of goods and passengers and a Gogra service from Patna to Darauli for inter-district movements of goods and passengers—should go some way in relieving the expected traffic pressure on the railways during the Third Plan period. With the possible introduction of these principal steamer services and of a few short distance and ferry services, it is expected that the traffic potential, as estimated by the National Council's survey, will be as follows:

	(Maunds)
Rice and agricultural produce ..	11,15,000
Sugar ..	40,000
Jute ..	12,00,000
Tobacco and cigarettes ..	70,000
Salt ..	12,000
Cotton piecegoods ..	70,000
Petroleum and petroleum products ..	4,50,000
Stone, sand and building materials ..	15,00,000
Sundries and smalls ..	11,14,000
Total ..	55,71,000*

*Or nearly 200,000 tons

It may be seen from the above breakdown of the traffic potential according to composition and volume that coal and iron and steel do not figure therein. Coal, it is stated, is railway's traffic by tradition; iron and steel will be mostly the railway's traffic via Mokameh. The above total of traffic potential, however, excludes the likely traffic in timber, fire-

wood, straw, cattle, cement, iron and hardware, stationery, machinery etc., for which no firm data are available. The estimates are thus cautiously conservative, as the survey report itself has stated. If technical, handling and other ancillary facilities are provided, the estimated traffic can be further developed. At the same time, it is stated, movement of goods by river between Bihar and West Bengal can be resumed and developed considerably after the Ganga barrage is completed, as this may make possible a direct navigation route for steamers. Perhaps, it is only when the traffic potential develops further in such ways will any investment outlay, which should be substantial in this case, be justified. The Ganga-Brahmaputra Water Transport Board, on whose behalf the National Council has carried out the Ganga traffic survey, may be expected to follow it up with estimates of the magnitude of investment that will be required and of the cost of haulage, per ton for different mileages, by river.

The Consumption Survey under Way

The National Council has also taken on hand a household consumption survey with the aim of studying the consumption patterns of Indian people. The survey will cover 2,000 sampled households in 21 villages and 5 towns representing all the States. The field investigations, which will be completed during the next five weeks, will collect data on consumption practices and preferences as well as on household composition and incomes. Besides these data about the production practices will be collected from the farming households. The present survey, for which the Foreign Agriculture Division of the US Department of Agriculture is partly responsible by way of sponsorship, is a part of the Council's projected larger study of the present and future demand and supply of agricultural commodities in India.

The present survey will be of enormous significance if the sample of 2,000 households (as against the 10,000 or 11,000—sample drawn in a National Sample Survey) is deemed sufficient for giving valid results in the Indian conditions of diversity—economic, social, regional, etc. To a question by this correspondent on this point, the American statistical expert in charge of the survey has replied that the 2,000-sample is sufficient. This correspondent, however, is not wholly convinced by the reply; it may be that this will be explained more fully in the survey report in a convincing manner. The National Council may also do well to explain if the ascertained food consumption pattern of rural households "in the last month" can be taken as uniformly prevalent in each month of a year.



Mr Kamaraj on Congress Policy

THE budget session of the Madras Legislature that concluded only a couple of weeks ago, turned out to be one of the stormiest ever to be held. The session which began with a fairly general appreciation of the achievements of the Government, ended on a controversial note over the land ceilings bill. After the adjournment of the legislature, a sort of political calm seems to have settled down over the State. Though echoes could still be heard from Congress and Swatantra platforms, the controversy has lost the focus and point which only the legislature could lend. The respite from legislative business is being utilised by the Ministers to contact their constituencies and keep them in touch with Congress policies and programmes.

Chief Minister Mr K. Kamaraj and Industries Minister Mr R. Venkataraman, who are presently touring the Tanjore district are evidently on such a mission. The two Ministers have covered a number of villages and small towns in their tour. Amidst the score of public functions which they attended what appeared to be their first concern was the upholding of the Congress prestige among the people. For it was this theme which ran through almost every speech which they made during

the tour. The two between themselves almost exhausted every imaginable ground to justify Congress principles and the Government's own doings.

The Swatantra party was the particular target of Mr Kamaraj Nadar's attack. The party, he observed at Tiruvayyar, had no positive programme and only wanted perpetuation of the present serious inequalities of income. The land ceilings bill, which has been criticised by the Swatantra party as being discriminatory, was shown to be justified in view of the imposition of steeply graded taxes on the higher reaches of income. The graded income tax, excess profit tax, estate duty and the expenditure tax were cited as examples. The charge of corruption levelled by the Swatantra party against the Congress Government was, Mr Kamaraj observed at Tiruvayyar, only a scare which had no basis in the absence of failure to bring out specific instances of corrupt practices.

Because the Swatantra party has concentrated its attack of Congress policies on the land ceilings bill, Mr Kamaraj was at great pains to justify Government's action in bringing forward such a measure. Choosing the egalitarian aspect of the measure for his defensive ground Mr Kamaraj asked "How long can well-to-do and privileged classes hope to live a life of ease and pleasure when millions are languishing in poverty and misery and what is the point in talking all kinds of irresponsible things when any progressive measure is launched?". Maharajas and Zamindars had been liquidated. Landlords belonged to the same feudal class and therefore must go. The argument that there would be little

left as surplus for redistribution, has, in the circumstances, no relevance. Mr Kamaraj also did not seem to mind the concealed disposal of lands by present owners to evade the provisions of the ceilings bill. In a reference to such concealed deals being effected by landowners Mr Kamaraj pointed out that there was nothing wrong in that since such distribution was the very object which the bill aimed at.

The Dravida Munnetra Kazhagam, now the chief opposition party in the legislature, was also not spared from criticism. DMK's ideal of Dravidanad was shown to be chimerical and the party, Mr Kamaraj pointed out, was not sure of what it was proclaiming. The combination of the DMK, the Communist party and the Swatantra party represented the union of strange bed-fellows who had no positive programme in common except the desire to pull down the Congress.

While criticising the opposition parties Mr Kamaraj also took care to explain the positive programmes and policies of the Congress and to present its achievements in the best light. He particularly sought to drive home the democratic character of the party and its faith in the people. The party has, of course, adopted the socialist ideology, but it drew up its ideology with great plan and thought. The ideal of the Congress party Mr Kamaraj observed was the greatest good of the greatest number and toward this, it was concentrating on the liquidation of poverty, illiteracy, providing minimum comforts to the poor in the villages, shelter and means of livelihood and enlarging employment opportunities in the State.

Mr Venkataraman in his speeches treaded almost the same ground covered by Mr Kamaraj. However it was the achievements of the Congress Ministry that he sought to stress in his speeches. Referring to the progress in the field of industry and education, Mr Venkataraman stated at Kumbakonam that the Madras State was easily the top most in the matter of education among the States in the country. The State had 26,000 primary schools as against 18,000 villages. Education upto the 8th standard was free to the poor. Moreover there were 16 polytechnics, 6 engineering colleges and 4 medical colleges. In agricultural production, the State stood foremost with the record of 1,300 lbs per acre as against the average of 800 lbs for the country as a whole. They had set apart Rs 22½ crores for loans to agriculturists in the budget year. In Neyveli they were providing plenty of employment opportunities and disbursing nearly Rs 15 lakhs monthly salary.

Referring to irrigation facilities Mr Venkataraman said that they had harnessed nearly 95 per cent of the Cauvery rivers while in neighbouring Andhra Pradesh, 90 per cent of Godavari waters and 95 per cent of the Krishna rivers flowed into the sea. Mr Kamaraj referred to the big legislative revolution that has been achieved by introducing the ceilings bill.

At almost every place which the two Ministers visited there was unmistakable evidence of popular enthusiasm for the Congress policies and therefore as a boost to the morale of the Government, the campaigning seems to have been highly successful.

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Deposits as on 31-12-1959	-	Rs.	43,92,73,211

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G. S. SUNDARAM,
Secretary.

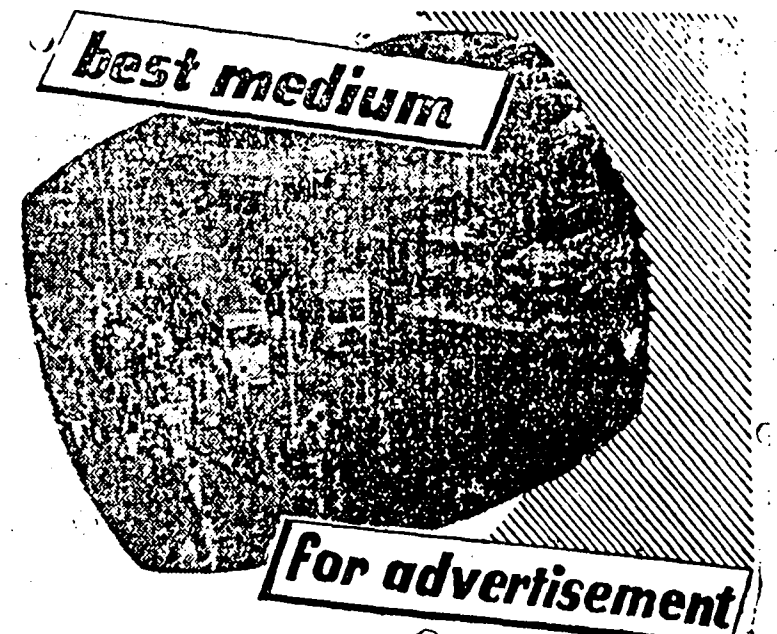
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THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS

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

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

(A copy of this Prospectus having attached thereto the documents mentioned below has been duly delivered for registration to the Registrar of Companies, Bombay, as required by Section 60 of the Companies Act, 1956).

The subscription List will be open at the commencement of the banking hours on the 30th day of May 1960 and will close at the discretion of the Directors at any time after the close of banking hours on the 4th day of June 1960 but not before the 2nd day of June 1960.

All applications must be made at and received by the banking offices of the Bankers set out in the instructions on the back of application forms during Banking hours.

SYNTHETICS AND CHEMICALS LIMITED

(Incorporated under the Companies Act, 1956 on 21st January, 1960).

AUTHORISED CAPITAL:

15,00,000 Shares of Rs. 100/- each 15,00,00,000

ISSUED CAPITAL:

4,50,000 Equity Shares of Rs. 100/- each 4,50,00,000

The Company has been formed by Kilachand Devchand & Co. Private Ltd. for establishing a plant for the manufacture of synthetic rubbers in India in collaboration with The Firestone Tire and Rubber Company of Akron, Ohio, U.S.A., Kilachand Devchand & Co. Private, Limited, Directors of the Company and their associates and friends and The Firestone Tire and Rubber Company will subscribe for the following Equity Shares of Rs. 100 each:

Name	Equity Shares
Kilachand Devchand & Co. Private, Ltd., Directors, associates and friends	1,72,000
The Firestone Tire and Rubber Company of Akron, U.S.A. and Mr. Elton Henry Schulenberg and Mr. Walter Dale Waugh who are to take Directors qualification shares	1,12,500
The balance of 1,65,500 Equity Shares of Rs. 100 each is now offered for the public subscription.	

No shares are to be allotted for a consideration other than cash.

The 4,50,000 Equity Shares will be payable as follows:

on application	Rs. 25 per share
on allotment	Rs. 25 per share
The balance of Rs. 50 per share is payable in two calls of Rs. 25 each.	
The first call will not be made payable before the 30th September, 1960. The second and last call will not be made payable before the 31st December, 1960.	
Failure to pay the allotment money or any call when due will render the share liable to forfeiture.	

BOARD OF DIRECTORS:

Name	Description and Occupation	Address
Shri Tulsidas Kilachand	Merchant.	95, Nepean Sea Road, Bombay-6.
Shri Ramdas Kilachand	Merchant.	95, Nepean Sea Road, Bombay-6.
Shri Elton H. Schulenberg	Director, Vice-President and Treasurer, The Firestone Tire and Rubber Company.	1200 Firestone Parkway, Akron, 17, Ohio, U.S.A.
Shri Walter Dale Waugh	President, Firestone International Company.	1200 Firestone Parkway, Akron, 17, Ohio, U.S.A.
Shri A. D. Shroff	Business.	Bombay House, 24, Bruce Street, Bombay-1.
Shri Pratapsinh Mathuradas	Merchant.	Sir Mithuradas Vasanil Road, Andheri, Bombay-41.
Shri B. K. Daphtary	Solicitor.	13-19, Meadows Street, Bombay-1.
Shri Kishore Maneklal Premchand	Financier.	63, Apollo Street, Bombay-1.

N.B.—Of the aforesaid Directors, the said Mr. Elton Henry Schulenberg and Mr. Walter Dale Waugh are officers of The Firestone Tire and Rubber Company and Firestone International Company (a division of The Firestone Tire and Rubber Company) respectively.

BANKERS:

STATE BANK OF INDIA.
THE BANK OF BARODA LTD.
THE NATIONAL AND GRINDLAYS BANK LTD.

BROKERS OF THE ISSUE:

BOMBAY:

M/s. Premchand Roychand & Sons, 63, Apollo Street, BOMBAY-1.	M/s. Harkisondas Lakhmaldas, 5, Hamam Street, BOMBAY-1.
M/s. Balliwala & Karani, Union Bank Building, Dalal Street, BOMBAY-1.	M/s. Ratilal Kasturchand, New Stock Exchange Building, Apollo Street, BOMBAY-1.

BOMBAY—(Contd.)

M/s. Lewis & Jones, Bank of Baroda Building, Apollo Street, BOMBAY-1.	M/s. Devkaran Nanjee & Co., 17, Elphinstone Circle, BOMBAY-1.
M/s. Ramanbhai Lalbhai Sheth, 5, Stock Exchange New Building, Apollo Street, BOMBAY-1.	M/s. Merwanjee Bomanjee Dalal, Allahabad Bank Building, Fort, BOMBAY-1.
M/s. Mahadevia Bros., Stock Exchange Old Building, Dalal Street, Fort, BOMBAY-1.	M/s. Jaswantlal V. Bhagat, 5, Hamam Street, BOMBAY-1.
M/s. P. R. Subramaniam, 70-A, Stock Exchange Building, Apollo Street, BOMBAY-1.	M/s. Merwanji N. Mehta, 12A, New Exchange Building, Apollo Street, BOMBAY-1.
M/s. Prafulchandra Chhaganlal, Stock Exchange New Building, Room No. 74, Apollo Street, Fort, BOMBAY-1.	M/s. L. G. Bhole, 78, Stock Exchange New Building, Apollo Street, BOMBAY-1.
M/s. R. R. Nabar & Co., 31, Dalal Street, Fort, BOMBAY-1.	

CALCUTTA:

M/s. Place Siddons & Gough, Private Ltd., 6, Lyons Range, CALCUTTA.	M/s. Stewart & Co., 14, India Exchange Place, CALCUTTA.
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MADRAS:

M/s. Kothari & Sons, Oriental Building, Armenian Street, MADRAS.	M/s. Paterson & Co., 22, Errabalu Chetty Street, MADRAS-1.
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NEW DELHI:

M/s. Harbansingh Mehta & Co., 33, Regal Building, Parliament Street, NEW DELHI-1.	
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LEGAL ADVISERS:

Messrs. Daphtary, Ferreira & Divan, 13-19, Meadows Street, Fort, BOMBAY-1.	
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AUDITORS:

Messrs. Dalal & Shah, 49, Apollo Street, Fort, BOMBAY-1.	Messrs. Nanubhai & Co., 51, Mahatma Gandhi Road, Fort, BOMBAY-1.
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REGISTERED OFFICE OF THE COMPANY:

45/47, APOLLO STREET, FORT, BOMBAY-1.

The Consents of the Auditors, Bankers, Legal Advisers and Brokers to act in their respective capacities have been filed with the Registrar of Companies Act, 1956.

OBJECTS OF THE COMPANY.

The Company was incorporated on 21st January, 1960 with the objects mentioned in the Memorandum of Association. The main object of the Company is to set up a Plant for the production of synthetic rubbers and latices of the butadiene-styrene type with a capacity of 20,000 long tons a year styrene Plant with a capacity of 9,000 long tons per year and a Butadiene Plant with a capacity of 15,000 long tons per year will also be set up so as to supply the raw materials for the Synthetic Rubber Plant.

COMMENCEMENT OF BUSINESS.

The Company will in due course supply for a Certificate to commence business as required by the Companies Act.

It will be seen that the consumption of rubber in India already exceeds the production of natural rubber. The deficit is met partly by the import of natural and synthetic rubber. Apart from the use of rubber in the manufacture of tyres, other uses of rubber are also increasing such as conveyor soling, etc. It is expected that with the increase in motor vehicles, bicycles and other uses of rubber, the deficit will increase year by year requiring larger imports of rubber and larger expenditure of Foreign Exchange. India's requirements of rubber of all kinds by the year 1965-66 are estimated to exceed 85,000 tons.

28 May 1960

SYNTHETICS AND CHEMICALS LIMITED, ANNOUNCEMENT—(Contd.)

The Government of India has already approved the programmes for increasing the production of natural rubber in India. But taking into account the time that is required for rubber trees to mature, and the decrease in rubber yield of ageing trees, the production of natural rubber is not likely to exceed about 30,000 tons by 1965-66, thus leaving a large gap between the production of natural rubber and the total expected consumption. An appreciable part of this gap will have to be filled by the use of synthetic rubber.

Moreover, synthetic rubber is being more and more used for mixing with natural rubber and in some products is taking the place of natural rubber.

It is expected that the whole of the production of the Company's Synthetic Rubber Plant will be sold without any difficulty, and the demand is likely to be such that the Plant will have to be increased.

PROFITS.

On the basis of the existing prices the Directors are of the opinion that, in the absence of any unforeseen circumstances, the Company should be in a position to pay reasonable dividends on the issued Equity Shares.

TECHNICAL PARTICIPATION.

The Company has entered into an Agreement dated the 25th day of March, 1960, adopting the Agreement between Kilachand Devchand & Co., Private Ltd. and The Firestone Tire and Rubber Company of Akron, Ohio, U.S.A. dated 30th January, 1960.

The main points of the agreement are:—

The Firestone Tire and Rubber Company of Akron, Ohio, U.S.A. (hereinafter referred to as "FIRESTONE") will provide required technical information, know-how, expert advice and supervision, and will be responsible for design, layout, procurement, engineering construction and initial operations of the plants, namely Styrene (9,000 tons per annum), Butadiene (15,000 tons per annum) and Synthetic Rubber and Latices (20,000 tons per annum) and all attendant facilities.

Firestone will furnish to the Company necessary formulae, specifications and technical assistance and know-how for manufacture of synthetic rubbers and latices and will help to maintain quality of the same. They will further provide assistance in organising a Rubber Technical Service.

For a period of 10 years after the Synthetic Rubber Plant goes into production, Firestone will continue to provide technical information and assistance.

Payments to Firestone for services:—

- U.S.A. \$750,000 (dollar seven hundred and fifty thousand) to re-imburse FIRESTONE for its expenses in relation to the work of designing, engineering, construction and start up service to be paid in two equal instalments, the first to be paid at the end of the first year after the Agreement becomes effective and the second to be paid at the end of the first year after the synthetic rubber plant goes into production and meets the guarantees set out in Exhibit "C" to the Agreement.
- A disclosure fee of U.S.A. \$300,000.00 (dollar three hundred thousand) to be transmitted by FIRESTONE to its associates in the field of styrene and butadiene production, the said disclosure fee to be paid on such date as may be agreed to by the Company.
- A continuing know-how and technical service fee of U.S.A. \$285,000.00 (dollar two hundred and eighty-five thousand) each year for a period of ten (10) years after the synthetic rubber plant goes into production and meets the guarantees set out in Exhibit "C" to the Agreement, by instalment and terms to be agreed upon, such fee to include any payments which FIRESTONE may have to make to its associates in providing styrene and butadiene know-how.
- All Indian Federal, State or municipal taxes which may be imposed on non-Indian employees of FIRESTONE and (unless otherwise agreed) their foreign sub-contractors during their residence in India while engaged exclusively on work pertaining to the Agreement.
- The cost of Firestone for obtaining from its associates the know-how and other technical information regarding the Styrene and Butadiene Plants is included in the amounts to be paid to FIRESTONE.

The Firestone Tire and Rubber Company of Akron, Ohio, U.S.A., was founded by Harvey S. Firestone in 1900. During these 60 years of continuous progress, the Company has expanded into a worldwide organization with seventy-one factories in nineteen countries employing 80,000 people. One of Firestone's more important tyre plants was established in Bombay, India, twenty-two years ago.

Although the manufacture and sale of a widely diversified line of tyres and other rubber products still represents a major portion of Firestone's total business, the Company has in recent years expanded its operations into a number of other important fields which include metal products, textiles, plastics, chemicals and synthetic rubber.

Firestone is not only one of the largest producers of synthetic rubber in the world, but it also produces a large part of its requirements of the butadiene which is the principal component of synthetic rubber.

Firestone's most important asset is its ultra-modern research facilities and its capable research and development organization which can mean so much to the continued dynamic progress of the Company.

Firestone will be willing to discuss the licensing of know-how in respect of other products including coral and diene rubbers at any time in future.

LOCATION.

The Uttar Pradesh State Government and the Government of India had originally planned for a Synthetic Rubber Project to be located in U.P. based on the large availability of Alcohol as a by-product of the Sugar Industry. It is therefore intended to set up this Plant in Uttar Pradesh. A suitable site admeasuring approximately 1,200 acres situate near Bareilly is available and steps are being taken to obtain the same with the assistance of the Uttar Pradesh Government. The proposed site has railway facilities and is centrally situated for obtaining Alcohol from all Centres of Alcohol production within the State.

Messrs. Kilachand Devchand & Co. Private, Ltd. as Promoters have initiated proceedings for acquiring a part of the land under the provisions of the Land Acquisition Act and to obtain the rest by purchase.

RAW MATERIALS.

For production of Synthetic Rubbers and Latices it is necessary to set up plants for Styrene Monomer and Butadiene and therefore, provision is made

to manufacture Styrene Monomer and Butadiene. The production of these intermediates, viz., Styrene and Butadiene would require about 14,000,000 gallons of Alcohol. Arrangements have been discussed with the Government of U.P. for obtaining the required quantities of Alcohol at reasonable prices. The other principal raw material, viz., Benzene required production of Styrene will be available from the Steel Plants and steps are being taken to arrange for Benzene supply at reasonable price on long-term basis. Except for a few special chemicals which will have to be presently imported, most of the other chemicals are available in the Country.

START OF PRODUCTION.

The Plants are expected to go into production in 1962.

CAPITAL OUTLAY AND WORKING CAPITAL:

The estimated requirements are as follows:	Rs.
(i) The complete cost of plants including land, buildings, machinery (inclusive of designing and engineering fees, transport, customs duty and erection), site preparation and housing	13,00,00,000
(ii) Preliminary and issue expenses, (including brokerage) and payment to Promoters	20,00,000
(iii) Repayment of any borrowed moneys	Nil
(iv) Working capital	1,30,00,000
(v) Any other expenditure	Nil
Total	14,50,00,000

Part of the above expenditure can be deferred.

PRELIMINARY EXPENSES AND ISSUE EXPENSES.

The preliminary and issue expenses which are payable by the Company are not expected to exceed Rs. 5,00,000 including brokerage on shares not exceeding Rs. 1,65,500, other expenses of the issue are approximately Rs. 1,75,000 and other Preliminary expenses approximately Rs. 1,59,500.

PAYMENT TO PROMOTERS.

Kilachand Devchand & Co. Private, Ltd. have rendered valuable service to the Company. They have formulated, negotiated and brought to fruition the present scheme for the manufacture of synthetic rubber and latices which has been approved by the Central Government and they have obtained a licence for establishing the project. They have made arrangements whereby the foreign collaborators, Foreign Commercial Banks and Financial Institutions and Indian Banks have agreed to make available to the Company the very large sums in foreign currencies and in rupees which are mentioned below. They have arranged with the Government of Uttar Pradesh for acquiring land totalling 1,200 acres for the purposes of the Company and have arranged for the purchase of other land for the purpose of the Company. They have negotiated arrangements with the Government of Uttar Pradesh for obtaining alcohol, water power and other facilities for the Company in connection with the foregoing work. Kilachand Devchand & Co. Private, Ltd. have incurred considerable expense in travelling to U.S.A. and U.K. in consulting technical and legal advisers, in negotiating various agreements, in viewing and inspecting various plants and processes and in carrying out negotiations over a long period.

They have agreed to transfer to the Company the benefits of all agreements, arrangements and negotiations made by them. By an agreement dated 25th March, 1960, the Company has agreed to pay to them a sum of Rs. 15 lacs (Rupees fifteen lacs) to reimburse them for the expenses incurred by them and for transfer to the Company of the agreements, arrangements and benefits of the negotiations entered into by them.

In addition, Kilachand Devchand & Co. Private, Ltd. have agreed to advance money to the Company for meeting its expenses until the Company becomes entitled to commence business. These advances will be repaid by the Company to them.

FINANCING.

- The Firestone Tire and Rubber Company have agreed by the Agreement dated 30th January, 1960 to provide \$3,625,000 to be paid in cash in U.S.A. and other foreign currencies as required for purchasing the machinery, equipment and initial stores. A portion of the above sum will be utilised to pay for 1,12,500 Equity Shares in the Company at par. The balance will be advanced by way of long-term loan to the Company carrying interest at the rate of 6 per cent per annum.
- The Bank of America National Trust and Savings Association, Bankers Trust Company, The Chase Manhattan Bank and The First National City Bank of New York have by an agreement dated 22nd April, 1960, agreed to advance U.S.A. \$1,500,000 each totalling to \$6,000,000 carrying interest at the rate of 6 per cent per annum and upon the terms contained in the said Agreement with the Company.
- The Export Import Bank of Washington has agreed to give on a long term loan of Rs. 3,92,00,000 from PL. 480 funds. The Agreement is being drawn up.
- The repayment of above loans (b) and (c) is to be guaranteed by The State Bank of India, The Bank of Baroda Ltd., and National and Grindlays Bank Ltd. The said Banks have addressed letters dated 10th day of May, 1960, setting out the terms on which they will be willing to give their guarantees to the foreign institutions.
- The Promoters—Kilachand Devchand & Co. Private Ltd., the Directors and their associates and friends have agreed to subscribe for ordinary capital of the Company at par of a face value of Rs. 1,72,00,000.
- The working capital will be arranged for when required.

The balance of the requirements of the Company will be covered by the capital now offered to the public for subscription and by other finance to be arranged for.

The Government of India have expressed their readiness to provide foreign exchange in U.S. dollars to the extent of \$3,375,000 to meet any foreign exchange requirements not covered by other arrangements.

The First Boston Corporation (of New York) is to be paid by the Company a fee (to be finalised) for assistance in concluding the negotiations for the loan (b) above and the fees of their lawyers and their expenses have to be paid by the Company.

SYNTHETICS AND CHEMICALS LIMITED, ANNOUNCEMENT—(Contd.)

MINIMUM SUBSCRIPTION.

The minimum amount which in the opinion of the Directors must be raised by the issue of shares in order to provide the sums required to be provided as per paragraph five of Schedule II to the Companies Act, 1956 upon which the Directors will proceed to allot shares offered by this Prospectus is the subscription of the 4,50,000 Equity Shares of the nominal value of Rs. 4,50,00,000 payable in cash.

BROKERAGE.

In respect of the shares now offered to the public the Company will pay brokerage at the rate of Re. 1/- per share to Banks and recognised brokers on allotments made in respect of applications bearing the stamps of such Banks and brokers.

PURCHASE OF PROPERTY.

Proceedings were initiated by Kilachand Devchand & Co. Private Ltd. for acquiring lands in Uttar Pradesh before the Company was incorporated. The lands are to be acquired directly in the name of the Company.

The Company has entered into an Agreement dated 25th March 1960 with Messrs. Kilachand Devchand & Co. Private Ltd. for taking over the benefit of the proceedings for acquiring the lands by paying the actual cost incurred by Kilachand Devchand & Co. Private Ltd.

DIRECTORS' INTEREST.

Mr. Tulsidas Kilachand and Mr. Ramdas Kilachand are interested as Directors and shareholders of Kilachand Devchand & Co. Private Ltd., the Promoters of the Company, and as such in the Agreements between the Company and Kilachand Devchand & Co. Private Ltd., herein referred to.

Messrs. Elton Henry Schulenberg and Walter Dale Waugh are Officers of The Firestone Tire and Rubber Company at Akron, Ohio, U. S. A. and Firestone International Company, Akron, Ohio, U.S.A. (a division of The Firestone Tire and Rubber Company) respectively and as such are interested in the payments to be made by the Company to The Firestone Tire and Rubber Company.

Mr. B. K. Daphtary is a member of Daphtary, Ferreira and Divan, who are Legal Advisers of the Company and as such interested in any fees to be paid by the Company to the said firm.

Mr. Tulsidas Kilachand and Mr. B. K. Daphtary are directors and shareholders of The Bank of Baroda Ltd., which is one of the banks guaranteeing the loans from the American banks and the Export Import Bank of Washington and is one of the bankers of the Company. Mr. Ardeshtir Darabshaw Shroff is a shareholder of the said bank.

Mr. Pratapsinh Mathuradas is a Director and Shareholder of The State Bank of India which is also guaranteeing the said loan and is one of the bankers of the Company.

Mr. Kishore Maneklal Premchand is a partner of Premchand Roychand & Sons one of the Brokers of the issue, and as such is interested in the brokerage which may be received by the said Company.

All Directors are interested in the usual remuneration to be paid by way of fees for meetings attended, and will be paid their travelling expenses, if any.

INSPECTION.

Originals and/or copies of the Memorandum and Articles of Association of the Company, Consent of the Controller of Capital Issues, Licence issued by the Government of India for establishing the industrial undertaking, Auditors' Report, contracts and agreements can be inspected at the registered office of the Company during usual business hours on any working day until the subscription list is closed.

APPLICATION FOR SHARES AND ALLOTMENT.

Application must be made for a minimum of five shares or multiples of five shares.

Applications for shares must be made on the Application Form attached to this prospectus and delivered before the close of the subscription list to any of the offices of the Banks set out on the back of the application form, accompanied by the full amount payable on application. The application money must be paid in cash or by cheque or bank draft. Money orders will not be accepted. Cheques or drafts must include a sum sufficient to cover all commissions and Bank charges. Where no allotment is made, the deposit will be returned by cheque on the Company's Bankers at Bombay and where a partial allotment is made, the unutilised balance after adjusting the allotment money will be returned by cheque on the Company's Bankers at Bombay. Bank commission, if any, will be payable by the applicant. No interest will be paid by the Company. The shares when issued will be subject to the Memorandum and Articles of Association of the Company.

The instructions contained in the application forms must be carefully followed.

Further copies of the Prospectus and application forms will be available from the Brokers named above, at the Company's Registered Office and at the offices of the Banks set out on the back of the Application form.

The Directors do not bind themselves to allot the full number of shares applied for and reserve the right to reject any application wholly or in part without assigning any reason therefor. Applications which are not complete or which are not accompanied by proper payment as above may not be considered.

The Share Certificates will be issued within nine months from the date of allotment.

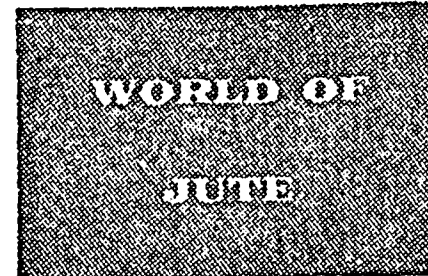
The Company has no debentures or debenture stock outstanding.

BANKS IN BOMBAY.

- (i) State Bank of India.
- (ii) The Bank of Baroda Limited.
- (iii) The National and Grindlays Bank Limited.

Any existing Branches at:

Ahmedabad, Ajmer, Allahabad, Amritsar, Bangalore, Baroda, Bhavnagar, Bombay, Calcutta, Cochin, Coimbatore, Delhi, New Delhi, Gwalior, Hyderabad, Indore, Jaipur, Kanpur, Lucknow, Madras, Madurai, Nagpur, Poona, Patna, Rajkot, Surat, Secunderabad, Trivandrum, Varanasi.



Fresh Measures to Curb Speculation

RAW jute prices have continued to rule firm, although Assam Bottoms for May-June delivery on Tuesday was somewhat lower at Rs 50 per maund after having been done up to Rs 54 per maund on Monday. It is now generally believed that the next jute crop will be considerably delayed. This will mean a period of very little supply of raw jute after July till the new crop begins to arrive in quantity. At long last, the drought seems to have ended and sufficient rains have fallen in the course of the past few days to enable cultivators to proceed with their work. Latest information from the growing areas seems to indicate that the acreage under jute may not be less than last year's. In other words, though delayed, the new crop may not suffer any diminution in its size.

In the meantime, the Indian Jute Mills Association is getting ready to meet all emergencies. At its meeting on the 20th May, the IJMA has decided that "the production of jute goods should be restricted either by a progressive scaling of looms from the beginning of July, or by a block closure of the mills for an appropriate number of weeks in September", with a view to bring about a substantial reduction in the consumption of jute by the mills. This decision stems from the calculation that notwithstanding Government's decision to issue supplementary licences for the import of a further quantity of raw jute from Pakistan, there is no likelihood of the supply position showing any substantial improvement until the arrival of the new crop. Which of the above two alternative courses is to be adopted will perhaps be decided at the IJMA meeting early in June when "it should be possible to assess more accurately both the availability of jute and the extent to which the new crop has been delayed by the drought". On the information at present available, the IJMA, however, can see "no alternative to a curtailment of production in the mills".

The Government announcement regarding supplementary licences for the import of Pakistani jute cannot bring any speedy relief for the simple reason that Pakistan too is carrying only meagre stocks. Even if we are prepared to pay the present enhanced price, it is doubtful if supplies can be got in

time to avert the crisis that is fast developing in Indian mills.

One may not be far wrong if one concludes that now that the rains have come, the next crop will be of a satisfactory size. But it is not the size of the next crop that is causing the present worry. The problem is how to keep the mills going till the new crop becomes available.

The jute goods market ruled generally steady last week due to continued buying interest both for near and forward delivery goods. Although overseas enquiries were conspicuous by their absence, sellers were reserved presumably in view of the IJMA decision to curtail production from July. The high price levels, however, do not benefit the mills as the price of raw jute has also continued to outstrip the increase in the price of goods. The spurt in the price of goods is inevitable as the supply of jute goods will steadily decline in the coming months if the mills are obliged to curtail production due to an inadequate supply of the raw material. The foreign buyer may feel aggrieved that he is forced to pay high prices for his requirements. But in the present context of the shortage of raw jute, the spurt in prices of goods cannot be entirely attributed to profiteering. It is true that the giddy heights to which goods prices have been taken now will have an adverse effect on jute goods exports as consumers will be turning to substitutes which offer comparatively stable price levels.

Prices in the jute goods market were steady in the first half mainly in sympathy with the firm raw jute market. With the IJMA announcement on Wednesday that mills have been permitted voluntarily to seal such additional proportion of their looms as would ensure that their supplies of raw jute would last until new crop jute is available, with effect from June 6, prices declined sharply. Hessian 40"x10 oz Ready which was quoting at Rs 51.75 last Thursday was taken up to Rs 54.25 on Tuesday. Following the latest IJMA announcement the rate declined to be finally placed on Thursday at Rs 52. The fluctuations in B Twills Ready were sharp. Last Thursday's rate was Rs 136.50 but by Tuesday it was as high as Rs 145. Subsequently sentiment turned easier with the rate coming back to Rs 138.50 by close on Thursday. In the raw jute section, Assam Bottoms moved up briskly from Rs 47 to Rs 54 to be pushed down steeply to Rs 49.50 by close on Thursday.

	As on 19th May	High-est	As on 25th May
Hessian:			
45" x 11 ozs	56.00	58.00	57.00
40" x 10 ozs:			
Ready	51.75	54.25	52.00
June	52.00	54.50	52.00
July/Sep	51.75	54.75	52.00
40" x 8 ozs	41.50	43.25	41.75
40" x 7 1/2 ozs	38.75	40.50	39.25

Sacking:

B. Twills:

Ready	136.50	145.00	138.50
June	136.50	145.50	139.50
July/Sep	136.50	146.00	140.00
Hy. Ceas (Green)	139.00	146.00	140.00
Cornacks	137.25	145.00	139.50
Cubans	160.00	170.00	162.00
A. Twills	158.00	167.00	163.00
L. Twills	152.00	159.00	154.00
D. W. Flours	155.00	161.50	158.00
Sugar Twills	158.00	165.00	159.00

Ready Raw Jute:

Assam Bottoms	47.00	54.00	48.50
Northern Bottoms	45.50	53.00	47.00

Futures:

Hessian—

May*	50.70	51.50	49.50
August*	49.70	50.00	48.80
November	48.40	50.08	47.90

Sacking—

May*	134.75	138.00	133.50
August*	132.00	133.58	131.00
November	128.70	132.65	128.55

Raw Jute—

September*	40.40	41.24	39.10
December	38.00	39.60	37.04

*Nominal Rates were quoted.

The following is the Press Note issued by the IJMA on 25th May:—

Following the announcement on Friday, the 20th May, of the Association's intention to restrict the production of jute goods from the 1st July, 1960, the price of raw jute rose, as a result of speculative activity by more

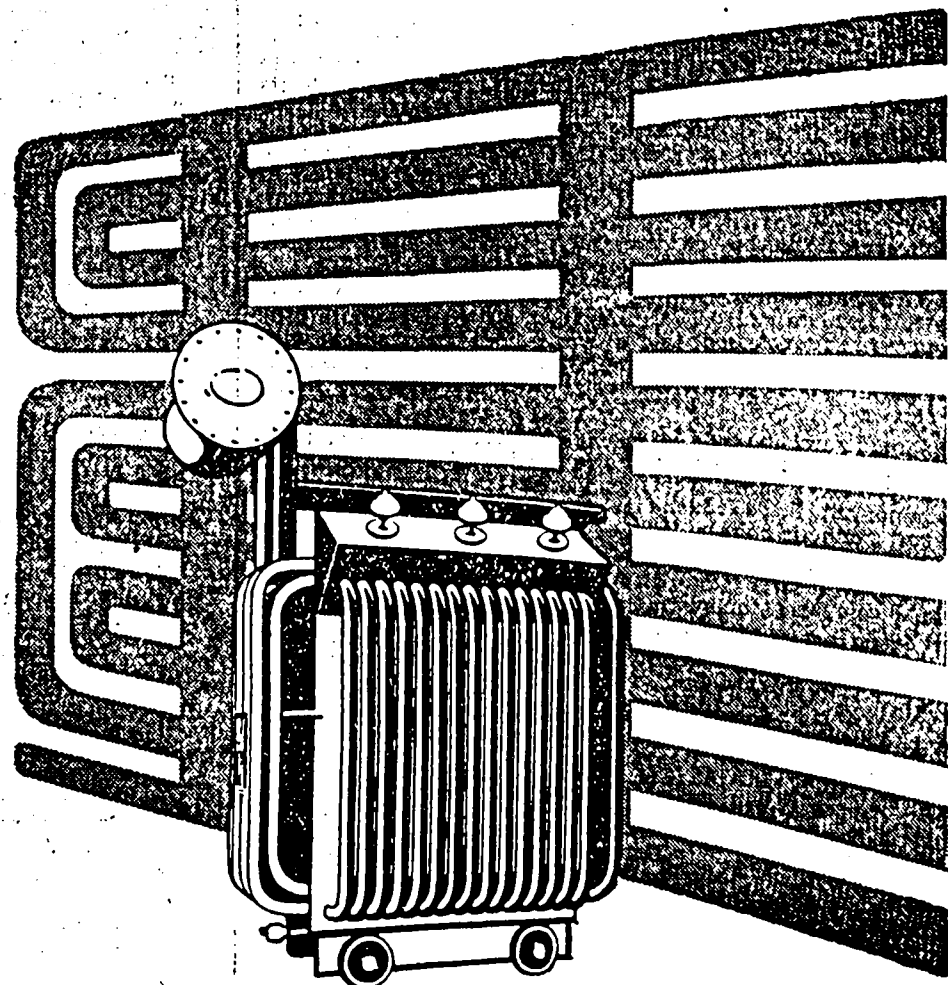
than Rs 5 per maund. The prices of jute goods also rose and, although the increase was not proportionate to the rise in jute prices, it is nevertheless most detrimental to the interests of overseas buyers and to India's export trade in these commodities.

In these circumstances it is clear that earlier and more drastic action is required to bring raw jute prices down to realistic levels, and at their meeting this morning, the IJMA Committee unanimously decided that as from Monday, the 6th June, 1960, member mills should be permitted to seal such additional proportion of their looms as would ensure that their supplies of raw jute would last until new crop jute was available, on the understanding that they would be permitted to make up the hours of work so lost at any time after the 1st November, 1960.

It is felt that this arrangement which provides that the loss of output in the coming months will be restored in subsequent months, is in the best interests of overseas buyers and the Association trusts that it will have the desired effect on the jute market. The Association will not hesitate to take such further measures as may be necessary to put an end to excessive speculation in raw jute, in which it is assured that it will have the full support of the Government of India.

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Highly suitable for use in a wide variety of electrical equipment, E.R.W. Tubes manufactured by Indian Tube, can be employed to great advantage in Transformers, Condensers, Refrigerators and Air-Conditioning machinery. Close dimensional tolerances and a smooth finish are standard features of E.R.W. Tubes. In addition, their great strength combined with their light weight render them eminently suitable for electrical appliances.



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You mean to say then, Bhai Sahib, that packet tea is bought in really large quantities? Surely, the poorer folk do not go in for tea in packets?

What makes you think so, my friend? Brooke Bond alone produce over 184 crores of packets every year. If packet tea were a luxury, would it sell in such astronomical numbers?

After all, out of our population of 360 million only 7 lakhs i.e. one in 514 earn more than Rs. 250 a month. Our average family income is assessed at Rs. 130 per month.

There...you've hit the nail right on the head. In a country like ours no industry can be built up on a truly large scale unless it serves the millions rather than just the well-to-do few. This is something Brooke Bond realised many years ago. They have endeavoured ever since to bring packet teas within the reach of everyone.

But what is the price of a packet of Brooke Bond Tea?

Brooke Bond market a whole range of packets—guaranteed for quantity and quality—of which the prices vary from 3 nP to Rs. 5.75 nP. But—and this is the crucial fact—nine out of ten of these packets sell for less than 50 nP! And, as you can imagine, they are bought by the humbler people—from the largest cities to the remotest villages.

It's obvious then, Bhai Sahib, Brooke Bond's packet tea really is tea for the people.

Brooke Bond India Private Limited

JWT88 348

28 May 1960

WORLD OF TEA

Decline in Exports

ACCORDING to trade sources, exports of Tea from North-East India have declined by 6.58 million pounds to 7.99 million pounds in April from 14.57 million pounds in the corresponding month of last year. Total exports, in the first four months of the year, are lower at 78.11 million pounds, as compared to 81.06 million pounds in the corresponding period of 1959.

A trade review points out that a close balance between demand and supply last year resulted in relatively steady prices in the world's tea markets, the average annual price for 1959 showing little change from that of 1958. The prices of quality teas were well maintained during most part of the year, although there was some reduction in the price differential between the prices of quality and plain teas toward the end of the year.

The survey adds that, during the past year, total exports of tea from the sterling area fell by both quantity and value, due to reductions in exports to the UK and the dollar area. Total exports fell by 54 million pounds and £14 million; but were still 7 and 3 per cent respectively higher than in 1957.

Total shipments of tea from India and Ceylon each fell by about 7 per cent in both quantity and value during 1959 as compared with a year earlier. The smaller producers each increased their exports by quantity, but only in the case of East Africa was there an increase in value.

Against a fall in exports to the dollar area and the UK, India increased her exports to the majority of other countries. Ceylon's exports of tea were also mainly affected by the fall in shipments to the UK; but there were reductions in exports to some Middle East countries.

Meanwhile, in the Internal Sale held in Calcutta this week, offerings were 22,990 packages of Dusts and 429 packages of Leaf grades. There was a good general demand for Dusts at easier rates. Grainy orthodox descriptions declined by 12 nP per pound, while the small and powdery types in this category met with a better enquiry. Medium CTC types met with an active enquiry. Where quality was maintained, these were fully firm and sometimes dearer. The plainer and more fibrous types declined in price. The few Darjeelings, on offer, were difficult of sale. Following rates were quoted:—Medium Doars Dust Rs 1.82 to Rs 1.92;

Medium Assam Dust Rs 1.78 to Rs 1.94; Medium Assam CTC Dust Rs 2.02 to Rs 2.26 and Best CTC Assam Dust unquoted.

In the Cochin market, 2 million pounds of Leaf tea were offered for exports. Against good general demand at easier rates, black leaf teas, particularly Fannings, were firm. Other sorts were irregularly 5 nP to 10 nP per pound easier following quality. Best liquoring teas were lower by 10 nP to 15 nP per pound.

Production of tea in South, during March 1960, fell to 10.5 million pounds from 11.2 million pounds in the same month last year. This puts the total South Indian tea output, in the first quarter of the year, lower at 29.7 million pounds as compared to 32.2 million pounds in the January-March, 1959.

In the Colombo market, offerings amounted to 7,632,034 pounds. The few best Dimbuls maintained quality; but second, invoices and most other types showed more falling off. Best Dimbula BOPs were irregularly easier following quality; but below the best were lower. Medium BOPs were firm to dealer; but other mediums were 5 to 10 cents lower. Low-grown teas were firm to dealer. Low Brown Fannings were generally firm.

Competition at the London tea auctions has not been quite as strong as in the past few weeks. The strength of demand in the weeks following Easter was mainly a reflection of the Assam situation where the first and second "flushes" of the tea crop have been suffering severely as regards quantity (though not quality) from the prolonged drought. As rain has now fallen in Assam, London dealers are worrying less about a possible shortage of teas this year.

Most of the autumn teas from North India have now been sold at the London auctions. During the remaining sales of the season, buyers will be working through what is left of last summer's plain "rains" teas. Ceylon teas, however, will continue to come in throughout the summer and the Ceylon Government have just announced an increase of 5 million pounds in their allocations for the London market during the first half of this year.

According to the Board of Trade, London, tea imports into the UK, during March 1960, increased to 47.05 million pounds from 29.78 million pounds in the corresponding month of last year. This puts the total imports into the UK, in the first quarter of the year, higher at 153.13 million pounds as compared to 133 million pounds in the first quarter of 1959.

Supplies of Indian tea to the UK improved slightly from 79.14 million pounds in January-March 1959 to 79.79 million pounds in the first quarter of this year; but those of Ceylon tea rose sharply from 30.73 million pounds to 36.3 million pounds.

WORLD OF COTTON

New Curbs Unsettle Markets

THE ready cotton market at Sewri observed hartal from Thursday to Saturday last week as a mark of resentment against the new curbs imposed by the Government of India on cotton transactions which will be enforced from 1 August. The sales of cotton, as revealed by the Government order, shall be made from the first day of August only to mills: specially nominated for that particular purpose by the Textile commissioner. The purchasing mills will pay the ceiling prices and the quality will be certified by appropriate committees appointed by the authorities. The new procedure is intended to ensuring the observance of ceilings and render the transactions genuine with regard to quality, weight and price of cotton. However, sales for export and inter-trade sales will not be drawn under the purview of the new order. It remains to be seen how far the contemplated procedure will be able to eliminate the prevailing malpractices.

In the futures market the announcement of the imposition of stricter controls came like a bolt from the blue and precipitated a sagging tendency during the first part of the week, but later the prices rebounded. Apart from this, the trade seems to have been influenced by the steady statistical position brought about by a sharp reduction in crop and slower imports. Moglai Jarilla August during the first half of this week opened at Rs 775 to rebound to Rs 781.50 and reacted to Rs 779.78.

The announcement of stricter controls generated panicky conditions in the Sewri market. The merchants, on their part, are fearing a complete elimination from the market for they will be entirely left to the whims and discriminatory treatment of the Government. Cotton merchants however, were eager to dispose of as much of cotton as possible so as to take advantage of the high prices. Mills were also anxious to accumulate cotton for their requirements fearing that they would find it difficult to secure adequate cotton during August-November period.

Indian mills have consumed about 27.5 lakh bales of cotton during the first seven months of this season. Although quotas were issued for importing cotton to the tune of 12 lakh bales for the season, actual arrivals amounted only to four lakh bales till the end of April.

Among the indigenous growths,

Bengal Deshi was transacted at Rs 750 and Rs 880, Oomra at Rs 820-860, Dhollera at Rs 820-840, Jarilla at Rs 840-900 and Vijay Broach at Rs 995 nom.

Among the foreign growths Kar-nak changed hands at Rs 1775 and Rs 2200, Sudan Average at Rs 1575 and Rs 2100, American 1.8" and below at Rs 1175 and 1200 and American Midling 1.5/32 at Rs 1280 and Rs 1245. Demand for the American styles continued, while African BP 52, Bussoga of UNUG seed, Jinga and Mwanza commanded interest at steady prices. Business was done in Sudan mostly in higher and medium Sakel varieties.

PIECEGOODS:
In the cloth market quietly steady conditions prevailed during last week. With the approach of the end of the busy season, the tempo of activity in the domestic sector was slow. There was good upcountry demand for current season goods like the gadlapat, coatings and flannels, but in shirtings poplins, sucs, pyjama patts and cheaper varieties of voiles the offtake was rather restricted.

On the export front demand was slack and due to the absence of bulk buying from oversea traders, trading in this section was restricted to needy bookings only.

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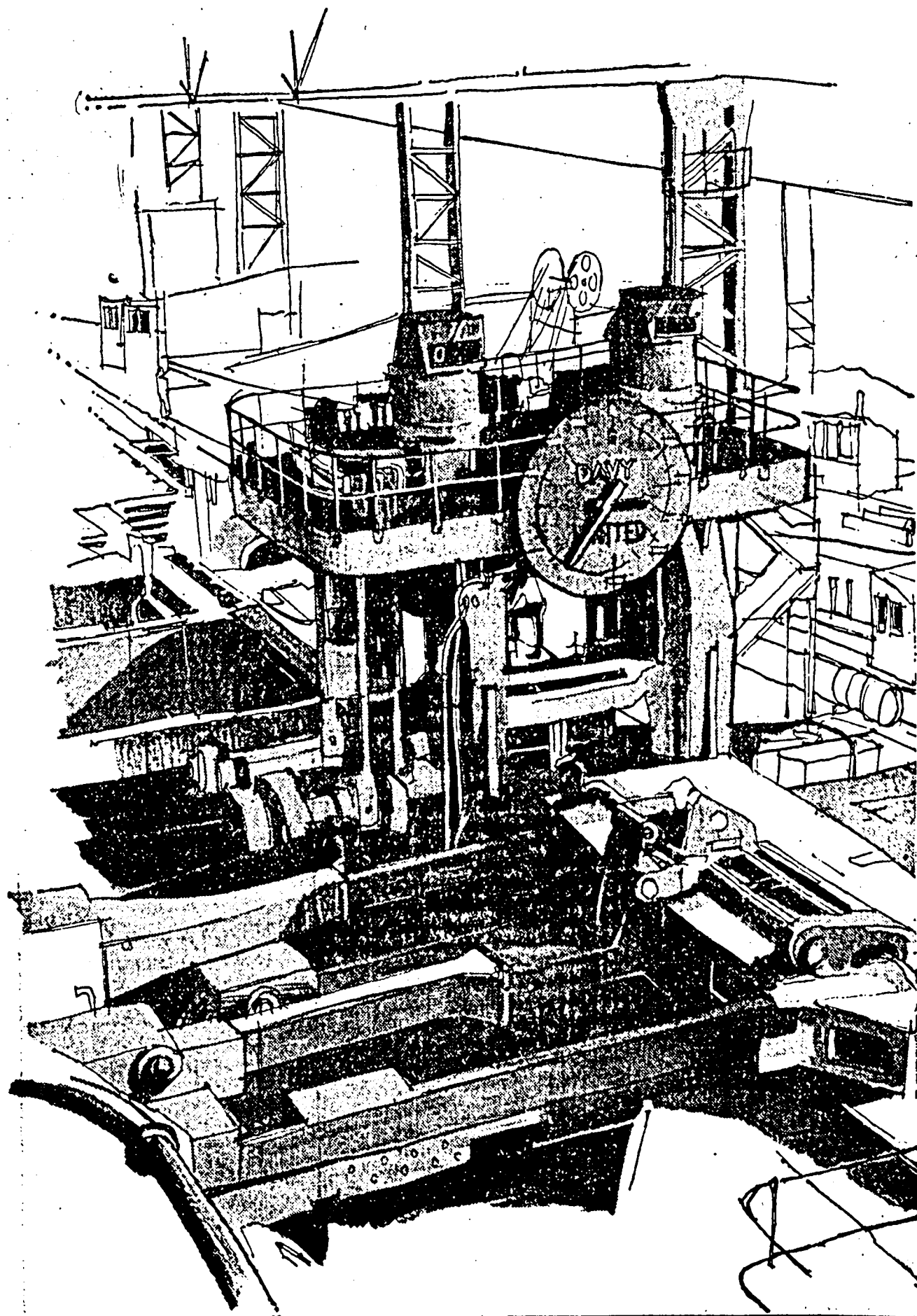
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DURGAPUR mills are rolling



After 3½ years of building, the new Durgapur Steelworks is in production.

Open hearth furnaces began operating in the middle of April; by the end of April the 42" Blooming Mill, designed to roll more than a million tons of steel a year, was ready for its first ingots. At the beginning of May this mill and the following 32"

Intermediate Mill both began rolling; now the Continuous Billet Mill is coming into operation, delivering the raw material for India's other development plans.

So now, Durgapur steel is beginning to be a real force in India's industrial future.

Davy-United at Durgapur

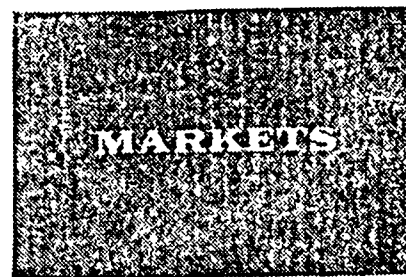
As well as all the Rolling Mill Plant, Davy-United are responsible for the Iron and Steel Foundry and the Central Engineering Maintenance Department, which are already in production, the Sleeper Plant and the Wheel and Axle Plant—in fact for over a quarter of the new steelworks.

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Pepper Markets Turn Weak

PEPPER prices, which had been ruling very firm during the past many weeks, have now suffered a sharp setback in the absence of shipper enquiry and trade support. In the Cochin market, the rate has gone down to Rs 295 from Rs 315 per cwt quoted in the previous week. The London market is also in an uncertain state. The main bearish factor were the advices from Singapore regarding the new Lampong crop.

A number of estimates of the size of the Indonesian Lampong crop of black pepper have been reaching the London market, nearly all of them making it much larger than the last year's crop. Some estimates predict a crop of 25,000 tons against last year's 9,000 tons, while a good many more give figures of around 15,000 tons.

No reason are given for such a dramatic increase. The favourable weather in Indonesia and the fact that the eviction of the Chinese there had less serious consequences than was feared, cannot in themselves explain the increase. It is even suspected that the above estimates may have been put out by dealers interested in bringing about a fall in prices.

On the other hand, overseas buyers are keeping away from the Indian market for the present on the expectation that the Singapore advices are true and that prices will come down substantially by the end of June or July when the new crop is expected to reach the market. Except for the stray business done with Russia a few days ago, no appreciable business has been concluded with foreign countries. The USA is reported to be quiet.

Meanwhile, India's exports of black pepper rose by 1,100 tons in 1959 as compared to the previous year, mainly due to larger import of the commodity by the USA. India exported 15,214 tons of black pepper as against 14,114 tons. The USA took 5,101 tons against 3,818 tons in 1958.

Rubber

According to the figures released by the Rubber Board, both production and consumption have risen in March as compared to the previous month. Production is shown at 1,295 tonnes against 1,155 tonnes and consumption at 3,964 tonnes against 3,178 tonnes. While stocks with the estates and dealers have declined to 3,747 tonnes from

4,440 tonnes, those with the manufacturers have risen to 5,454 tonnes from 5,143 tonnes. The quantity of raw rubber, imported during March, was 800 tonnes of Group 2; 356 tonnes of Group 3; 3 tonnes of Group 4; 243 tonnes of Group 5 and 887 tonnes of Group 6. Total 2,288 tonnes. Exports during March were nil.

Conditions in the rubber market in London remain unsettled. Prices have fallen back after the close of dealings in the May position in Singapore. This has led to hopes that the recent squeeze may be over. Although the news of the breakdown of the Summit Conference has induced some short-covering, the market is still worried about the possibility of the recent squeeze being renewed shortly.

Dealers say that, whatever the precise reasons for the present situation, it springs from a "paper" shortage rather than a physical one. The trouble appears to be, that operators in, at least, some markets have got to deliver rubber in the near future which they have not yet bought and which they are finding great difficulty in buying. They are all apparently in need of Grade 1 rubber and not of so called "off grades".

Coffee

The Coffee Board has released a quantity of 1,107,000 kilograms of Coffee for export out of the 1959-60 crop, consisting of 348,000 kilograms of Plantation A; 270,000 kilograms of Plantation B; 36,000 kilograms of Plantation Triage; 117,000 kilograms of Arabica Cherry/Gleanings Flats and 336,000 kilograms of Robusta Cherry Flats. The last date for tender is 8 June, 1960.

At the major Pool sale held in Coimbatore, a quantity of 430 metric tons of coffee was exposed sale. Following was the bidding range (prices per 50 kilos, ex-bag ex-works):—Plantation PB Rs 240 to Rs 250; Plantation A Rs 225 to Rs 230; Plantation B Rs 210 to Rs 225; Arabica Cherry Rs 180 to Rs 185; Robusta Rs 165 to Rs 170 and Plantation Triage Rs 190 to Rs 200.

Ginger

Production of dry Ginger in India, during 1959-60, was about 13,400 tons, grown in an area of 37,000 acres. These figures show respectively an increase of 8.9 per cent and 3.6 per cent over the corresponding figures for the previous year. India exported 72,000 cwts of ginger, valued at Rs 52 lakhs, in 1959.

Sugar

Production of sugar till 7 May came to 23.50 lakh tons and, for the rest of the season, it can be expected to be about 40,000 tons. With estimated production of 23.90 lakh tons and the opening stock of 1.73 lakh tons as on 1 November 1959, the total available supply for the season amounts to 25.63 lakh tons.

On the basis of the total release of 7.79 lakh tons for the first five months (at an average of 1.56 lakh tons per month) and allowing for higher average despatches of 1.75 lakh tons per month for the last seven months, total consumption for the season will come to 20.04 lakh tons for the whole season. This will leave a carryover of 5.13 lakh tons, which should go a long way off in Government taking courage in both hands for decontrol.

According to the figures released this week, consumption of sugar in West Bengal declined from 247,000 tons in 1952/53 to 212,000 tons in 1957-58. In Uttar Pradesh also, there is a decline in consumption from 281,000 tons to 264,000 tons in the same period. In Andhra, it rose from 48,000 tons to 73,000 tons; in Assam from 21,000 tons to 62,000 tons; in Bihar from 103,000 tons to 131,000 tons; in Bombay from 375,000 tons to

522,000 tons and in Kerala from 31,000 tons to 44,000 tons. Among other States, the increase in consumption was from 92,000 tons to 118,000 tons in Madras; from 82,000 tons to 88,000 tons in Mysore; from 14,000 tons to 25,000 tons in Orissa; from 140,000 tons to 148,000 tons in the Punjab and from 59,000 tons to 75,000 tons in Rajasthan.

Meanwhile, sugar prices have registered modest gains in the Hapur market, to quote Rs 114.75 per bag. With the supply position comfortable, conditions in the Muzaffargarh market have remained quiet and the rates for the commodity are moving between Rs 115 and Rs 117 per bag.

Gur

In the Hapur market, ready Gur prices are fractionally higher due to a revival of outside demand. Stocks are estimated at 26,000



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maunds, the corresponding figure for last year being 81,000 maunds. Pansera quality is quoted at Rs 15 to Rs 15.37 per maund.

Khandsari

Khandsari prices have declined by a rupee a maund following the withdrawal of marriage season demand. Enquiry from Gujarat is negligible. With the result, stocks in the Muzaffarnagar market have increased by 25,000 maunds to 1.25 lakh maunds. Superior quality is quoted at Rs 38 to Rs 39 per maund.

Foodgrains

Conditions in the Hapur Foodgrains market have remained depressed. Despite increased arrivals in the market and the rising demand, wheat prices have remained almost unchanged. In the Pulses section, prices have shown a slight improvement on revival of support from the stockists at lower levels. The Rice section ruled

quiet, thanks to the easy supply position.

Gold & Silver

Although price movements were irregular and narrow, the Bombay Bullion Exchange displayed a distinctly easy tone in the week's trading. The imposition of ex-parte margins in the contracts from Tuesday disturbed the sentiment in both the gold and silver sections.

With the price in gold Ashad declining below the margin rate of Rs 127, bull operators in the metal escaped the ex-parte margin. Arrivals amounted to 7,000 tolas as against an offtake of only 2,000 tolas. Ready gold changed hands at Rs 130.56, to 131.06, to finish at Rs 130.75. Sovereign ruled quietly steady at Rs 88.25.

Despite the severe fall in prices, Silver Ashad attracted margin, as it closed above Rs 213 the marginal rate. Bulls of Ashad silver, therefore, had to pay, on their outstanding long position, margin

at the rate of Rs 3,000 per bar to the Bullion Association on Tuesday. Arrivals were very heavy at 55 bars as against an offtake of only 12 bars. Silver ready (.996) changed hands at Rs 214.75 to Rs 215.44, to finish at Rs 215.

Yarn

Easy conditions prevailed in the Yarn market and prices declined further in the absence of upcountry enquiries. Reports from the rayon cloth market were not very encouraging. Upcountry weavers, therefore, preferred to keep away from the market. Some of them deferred their purchases of yarn on expectation that prices would decline further in the near future.

The bull squeeze in Cupressa Bamberg yarn appeared to have ended as a result of the imposition of higher margins on bulls by the market authorities. Bear operators hammered down the June delivery at one time to Rs 1,920 from Rs 2,000 per 100 kilograms.

With the result, a special clearing had to be effected during the week.

Trading in the Cotton Yarn section was listless with prices moving within a narrow range. Export enquiries were very poor. Nylon yarns were the only exception to the general trend of the market.

Oils & Oilseeds

Barring Linseed which was steady, Oilseeds prices were irregularly lower in the week's trading.

In the Groundnut section, activity remained subdued on most days of the week. Although prices displayed a steadier tendency on support from Saurashtra and the local professional bulls, presumably prompted by the Government decision to consider on merits of applications from individual established exporters for the export of groundnut oil linked with the export of groundnut cake, higher levels attracted considerable selling from weak holders following the issuance of tenders against the maturing contract for the first time. Moreover, with the start of the monsoon, stockists were eager to dispose of their supplies, while crushers and vanaspathi manufacturers were inclined to buy only their immediate requirements. Groundnut Bold quality was quoted at Rs 43.25 and Groundnut Oil ready at Rs 22.62.

Prices in the Castorseed section tended to recover in earlier stages on revival of support as well as profit-covering by bears. Rumours were also current about further business in oil with the Communist countries. Selling soon emanated, as business was done in the maturing contract at a discount of around Rs 10.50. Castor ready was quoted at Rs 33.75 and Castor Oil, commercial quality, at Rs 18.50.

The most important bullish influence in the Linseed section came from abroad. The UK was stated to be steadily revising its price ideas. With the result, shippers could book business for a moderate quantity at £111 to £113½ per ton. Linseed ready was quoted at Rs 32.75 and Linseed Oil at Rs 16.25.

Trading in the Cottonseed section remained listless in the midst of scattered deals.

It has been a week of declining prices in the Madras groundnut oil and groundnut kernels market. With good rains in the growing regions giving encouraging picture of future harvest, and also, good arrivals of summer crops into the markets, both local and in southern side, the price of groundnut kernels has been kept lower. Bombay and Calcutta interests were also inclined to depress futures in oils with the result spot trading too looked considerably easy. Summer crop arrivals in the City averaged hundred tons daily while in Southern Centres it was between 400/450 tons daily.

Wednesday's prices in the seeds and oil exchange closed considerably less than last week this day: Groundnut oil per candy of 500

lbs ex-Madras godown expeller Ready 3% F.F.A. Ready Rs 383: May Rs 383; June Rs 384; July 383. Groundnut Kernels per candy of 531 lbs: Coromandel Rs 198: Peanut Rs 190. Castor oil per candy of 500 lbs Tirupattur Rs 310: Coconut oil per tin Rs 39.25 to Rs 39.50. Gingelly oil per maund Rs 23.50 to Rs 23.75. Gingelly seed per bag Rs 77.78. Groundnut oil cake per bag of 160 lbs ex-gunny Rs 27.50. Groundnut oil Price in U.K. £121 to £121/10 per ton. Burma unquoted.

Steady and good arrivals of summer crop in important centres in the South helped groundnut market to maintain more or less a steady level. There was only

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(Incorporated in England)

DIVIDEND NO. 34.

NOTICE IS HEREBY GIVEN that at the Thirtysixth Annual General Meeting to be held in Committee Room No. 1 of the Bengal Chamber of Commerce and Industry, Royal Exchange, Calcutta, on Wednesday, the 27th July, 1960 at 11-30 A.M. the Directors will recommend payment of a Dividend (No. 34) for the year ended 31st December, 1959 of 27% (6.48 pence i.e. 36 Naye Paise per unit of stock) subject to deduction of Tax, in respect of the Issued Capital of £1,371,300. Subject to confirmation of members, the dividend will be paid on the 31st August, 1960 to all members registered in the books of the Company at the close of business on the 17th June, 1960. The Registers of Members will be closed from the 18th June, 1960 to the 9th July, 1960, both days inclusive.

The profit for the year ended 31st December, 1959 was £1,202,259 (against £997,848 for previous year), out of which have been provided £1,175,000 for depreciation (£1,150,000 last year), £439,949 for Taxation (against £467,282), £56,250 for Development Rebate Reserve (against £50,625), £125,000 for General Reserve (against £125,000) and £Nil for Gratuities (against £7,156), leaving a net profit of £406,060 (against £197,785). With £71,312 brought in from 1958, the balance available is £477,372 (against £318,146) and after providing £370,251 for the abovementioned proposed Dividend of 27% subject to deduction of Tax (Dividend No. 33 of 18% free of Income Tax last year—£246,834) the balance carried forward is £107,121 (against £71,312 brought in from previous year).

By Order of the Board,
G. A. Carver,
Secretary.

Gillander House,
Netaji Subhas Road,
Calcutta-1.

Dated the 25th May, 1960.

limited buying support to groundnut oil. Local vanaspathi and Calcutta interests were the main supporters for oil during last week only. Burma took up last week small quantities at Rs 1,775 per ton in tins. Small scale producers of groundnut oil continued to get good offers from large buyers because of their lower price than from big crushers whose prices remain always higher by Rs 10/12 per candy. Improvement of summer crop arrivals in South was also a contributory factor to lower price levels. Thus there was a restricted buying resulting in a loss by about Rs 15 to Rs 16 per ton for groundnut oil this week. Groundnut kernels lost very little.

Local groundnut kernels arrivals were absorbed readily during the earlier part of the week, but stocks began to accumulate when oil prices began to weaken later on.

It was difficult to make deals even around Rs 392 per candy of groundnut oil. Weakness reported in Bombay market further contributed to the dullness. Holders lost their morale in a way and began offerings at still lower levels. In May there was only nominal quotation in oil with practically no business.

June vaida had some support around Rs 386.50 per candy though in the middle of last week the rate quoted was Rs 397/396. Steep decline set in from last week end. The positions given below would indicate the price trends in all vaidas.

July vaida had moderate activity. Buyers were inclined to support this position only at a small discount over the June position. The following were the rates which ruled for groundnut oil and kernels from Thursday, May 19:

Thursday (May 19): Groundnut oil: Ready 394; May Rs 394; June 395; July Rs 395; Kernels: Coromandel: Rs 200; peanut Rs 191/192; Friday (May 20): Ready Rs 391; May Rs 391; June Rs 391; July Rs 390; Kernels Peanut Rs 191/192; Coromandel Rs 200/201; Saturday (May 21): Ready Rs 386; May Rs 386; June 386.50; July Rs 385.50; Kernels Peanut Rs 190/191; Coromandel Rs 198/199; Monday (May 23): Ready Rs 385.50; May Rs 385.50; June Rs 386; July Rs 385; Kernels Peanut Rs 188/189 Coromandel Rs 198/199; Tuesday (May 24): Ready Rs 383; May Rs 383; June Rs 384; July Rs 383; Kernels Peanut Rs 188/189; Coromandel Rs 199/200.

Thus the evidence is clear that due to suppression of forward dealings prices by Bombay, Madras prices had been considerably influenced from the middle of last week. The decline in groundnut oil price from Monday this week to Tuesday and today has been also considerable. Oil Ready lost Rs 2.50 per candy, June Rs 2.00 and July Rs 3.00. Even the price of kernels had come down by a rupee or two per candy.

Upcountry Markets: Southern centres received good summer crops, some centres recording bet-

ween 100 to 120 tons daily. Crushers were keen on buying and prices of these quantities improved better than those obtained in Madras City. Goods were taken around a pucca parity of Rs 203/205 per candy. In the Circars and

the Ceded Districts no change was reported in the price trend. Sowings of early winter crop in Pollachi and Coimbatore areas have been mostly completed. While the growth of these plants are reportedly satisfactory summer rains are expected.

OTHER OILS AND SEEDS:

Gingelly seed:		
Chanda/Warora quality	Rs 86/87 per bag	
Rajasthan	Rs 79/80	
Tuni/Rajahmundry	Rs 78/77	
Local varieties	Rs 77/78	

The following are the latest ruling levels in foreign market for some of the important oils and seeds:

Groundnuts May/June	£ 74/- per ton
Nigerseed May/June	£ 55/10 per ton
Castorseed May/June	£ 65/10 per ton
Groundnut oil May/June (bulk)	£121 to £121/10 per ton
Castor oil bulk May/June	£120/- per ton
Castor oil commercial	£123/- per ton
Tobacco seed oil (drums) June	£126/- (nominal)
Coconut oil Straits (May/June)	£113/10 per ton
Coconut oil Colombo	£116/10 per ton
Groundnut oil cake (Expeller) 54% June	£ 33/5 per ton
Groundnut oil deoiled cake: 50% June	£ 30/15 to £31/- per ton
Groundnut oil deoiled cake: July	£ 30/7/6 to £31/- per ton

The following are the prices prevailing for groundnut oil and kernels in the upcountry markets:

	Groundnut kernels 531 lbs	Groundnut oil 500 lbs
Guntur/Bezwada	210	395
Vidhachalam	203	384
Nandyal	204	392.50
Villipuram	203	384
Cuddappah/Yerragantla	203	385
Pollachi nominal	205	392.50
Tanjore	205	392.50
Tiruvannamalai	200	385
Salem	205	392.50

The following are the closing prices of Cochin Pepper today:

Ready Rs 285; July Rs 293.75; August Rs 312.25 (All in cwt.) Ungarbled Rs 650 per candy of 600 lbs.

Hides and Skins

In the skins and hides market there were good arrivals of tanned cow hides with good clearance. For United Kingdom good prices were offered for medium weight advanced by over 2nd per lb with steady offering from U.K. Inferior fifts of 8/8½ lb remained unchanged. Prices for 5/5½ lb remained easier.

With meagre arrivals, tanned buffalo hides commanded higher prices. In tanned cow calf skins, premium and semi-premium quality were negotiated for U.K. at a lower level of prices. In most cases the reduction stood in the neighbourhood of 2/3d per lb.

Sales of market quality tanned goatskins went up to 4,000 pieces and tanned sheepskins to 100,000 pieces. Bazar stocks left over were 5,000 tanned goatskins and 60,000 tanned sheepskins. Price of market quality goatskins however went down by 25 nP per lb and that of sheepskin by about 12 nP per lb. Good class goatskins Run and thirds and fourths in 5½/6 lb and 5/9 had enquiries for export on a lesser rate by 3d to 6d per lb.

The raw skin market continued to be easy. The following are the prices (last week's in brackets):

Bangalore raw goatskins Rs 520/540 (Rs 560/575); White Wool Sheep Rs 550/585 (Rs 600/620); Black Wool Sheep Rs 420/485 (Rs 450/500) Bezwada raw goat skins Rs 480/490 (Rs 525/530); He sheep Rs 600 (Rs 615) She sheep Rs 450 (Rs 465).

The following prices for tanned skins prevailed in the market per lb: Tanned cow prime 5/5 lb Rs 3 to Rs 3.7; 6/6½ lb Rs 2.75 to Rs 3.00; 8/8½ lb Rs 2.31 to Rs 2.37; 10/12 lb Rs 1.94 to Rs 2.00; Buffalo 12/13 lb Rs 1.44 to Rs 1.69; Cow Calf 1½/2 lb Rs 4.62 to Rs 5.12; Buff Calf 1½/2 lb Rs 3 to Rs 3.37; Goat Prime 5½/6 lb Rs 10-25 to Rs 10.50; 8/8½ lb Rs 9.12 to Rs 9.37; Sheep Ordinary 6/7 lb Rs 8.50 to Rs 9.87; Prime 6/7 lb Rs 10.62 to Rs 10.87.

THE TATA IRON AND STEEL COMPANY LIMITED

NOTICE

Notice is hereby given that the Register of Members and the Transfer Books of the Company will be closed from Monday, the 20th June 1960, to Thursday, the 14th July 1960, both days inclusive.

Notice is also hereby given that the dividends for the year ended 31st March 1960, when sanctioned, will be made payable to those shareholders whose names stand on the Share Registers of the Company on Thursday, the 14th July, 1960.

Dated at Bombay this 24th day of May 1960.

By Order of the Directors,
For and on behalf of
The Tata Iron and Steel
Company Limited,

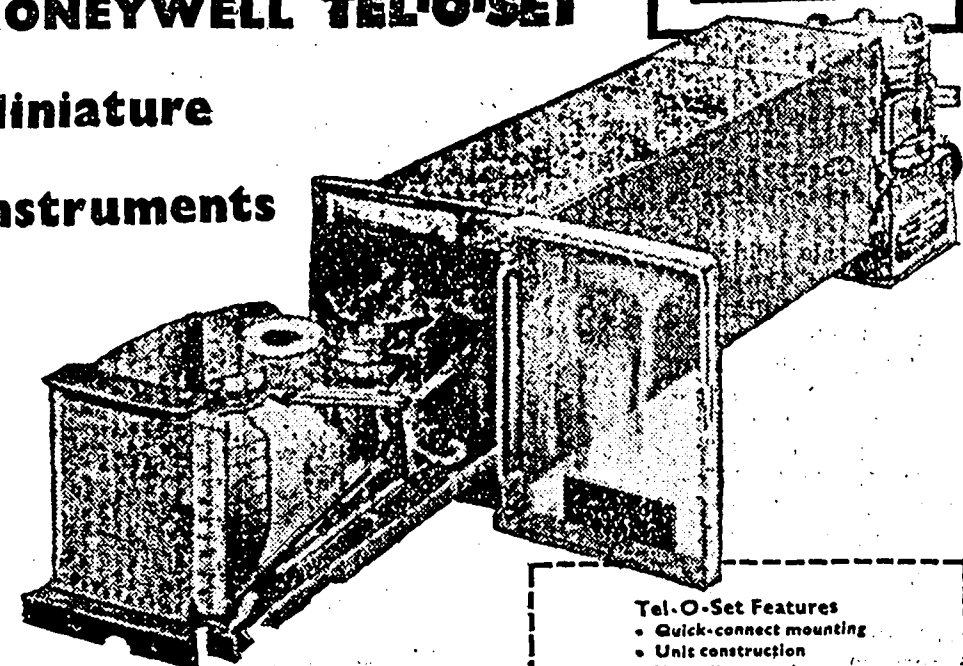
Tata Industries, Private Limited,
Managing Agents,
J. J. Bhabha,
Agent.

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Curb-fears Subdue Sentiment

Investment Gossip:

A subdued tone has come to prevail in the stock markets during the past two or three days. Earlier dealings this week were characterised by a firm trend with most equities finding support at higher levels. The reactionary tendency that has latterly developed is still largely confined to the more speculative counters. Even so, the decline in values is not steep and part of the lost ground has been regained in later dealings.

It is not strange that some selling pressure has developed in the speculatives. All the principal markets are rife with rumours about more stringent curb measures to come. Already the Madras Stock Exchange has imposed a margin of 4 per cent on clearing shares. In the absence of any announcement from the Reserve Bank so far, the market is left guessing as to the nature of the curb measures that are believed to be in the offing. The readiness with which operators are reacting to the various rumours that have come to be circulated from time to time, would seem to suggest that the generality of marketmen have veered round to the view that the present level of equity prices is unjustifiably high.

The selling pressure may be partly attributed to the fact that a big new issue is now on the market and more are in the offing. The sustained interest in new issues and selected industrials clearly shows that investors continue to have a preference for shares with growth prospects.

As for the outlook for equities in general, there is every reason to hope that conditions conducive to the efficient functioning of private enterprise will continue to prevail in the country. Indications are again available that Authority is as much anxious as Private enterprise to put an end to the futile controversy between the two sectors.

But it is not the long-term outlook that is presently influencing operators. The inflationary psychology seems to be the main driving force and till last week there was discernible a tendency to resist whenever lower levels were reached.

New Issue Notes

SYNTHETICS & CHEMICALS LTD.

With the sharp increase in sales of automobiles and development of road transport, consumption of rubber has sharply increased in recent years and it has become necessary to import large quantities for overcoming the shortage. With the increasing consumption of rubber for manufacturing goods of various types, the gap

between demand and supply should be reduced as far as possible by augmenting indigenous production. Although there was opposition for some time in particular quarters to the idea of producing synthetic rubber within the country, it is now realised that the manufacture of synthetic rubber will not adversely affect the production of natural rubber.

A mammoth project, Synthetic and Chemicals Ltd., is to be started, in Bareilly, Uttar Pradesh, based on indigenous raw materials in collaboration with foreign interests. The Government of India have made it a condition that the manufacture of synthetic rubber should be based upon alcohol, especially when power alcohol is easily obtainable in large quantities in the State.

Synthetics and Chemicals Limited has now come to the market for raising Rs 1.65 crores in equity shares of Rs 100 each from the public out of the issued capital of Rs 4.5 crores, the authorised capital being Rs 15 crores. Kilachand Devchand and Company, Private Limited, directors, associates and friends, will subscribe for 1,72,000 shares and the Firestone Tyre and Rubber Company, the foreign collaborators, for 1,12,500 shares. A sum of Rs 25 per share is payable on application and Rs 25 on allotment. The balance is payable in two calls of Rs 25 each. The subscription list will open on 30 May and will close at the discretion of the directors on 4 June, but not before 2 June.

Besides being the first project for the manufacture of synthetic rubber in the country, this is one of the big capital issues offered this year. The Government of India have expressed their readiness to provide foreign exchange in US dollars to the extent of \$3,375,000 to meet any foreign exchange requirements, not covered by other arrangements. It may be expected that the public response to the issue will be quite good, especially when the whole of the production of its synthetic rubber plant will be sold without any difficulty. The demand is likely to be such that the capacity of the plant will have to be increased.

A new cable-manufacturing company, known as the Traco Cable Company, Limited, with an authorised capital of Rs 1 crore has been formed. The issued capital is Rs 40 lakhs. The company proposes to manufacture electric wires, cables and flexi-

bles. The factory will be situated at Tirupanthura (Kerala State). The Kerala Government will take shares worth Rs 10 lakhs, while a Japanese firm, which is providing technical assistance, will be investing Rs 18 lakhs.

It is understood that the recent issue of the Phillips Carbon Black Limited has been oversubscribed by over 18 times. It is reported that lots will be drawn for the allotment of shares in respect of applicants for shares ranging from 50 to 250. The applicants for shares 300 and above will get an allotment of about 5.6 per cent of shares applied for.

The Albion Plywoods Limited has proposed to raise the capital of the company and issue right shares, at par, in the proportion of one new Ordinary share for every one existing share, to those shareholders whose names are registered as on 6 June, 1960.

The Aluminium Industries Limited, Madras, has obtained the Government sanction for issuing 2 lakhs right shares at Rs 12.50 (including premium), payable in full on application, to those shareholders whose names are registered as on 21 June, at one share for every four shares held. Last date for the receipt of applications is 1 August. The new shares will rank for dividend from 1 August.

Investment Notes:

The approval of the Controller of Capital Issues has been obtained by the Cheviot Mills Company, Limited for acquiring the undertaking and assets of the Orient Jute Mills Company, Limited. This approval is subject to the modification that the ratio shall be 100 ordinary shares of Rs 10 each in Cheviot for every 11 ordinary shares of Rs 100 each in Orient Jute.

The Chairman of the British India Corporation Limited has struck a note of optimism about the outlook for the company. He says that the confidence in the future of the Corporation is redoubled, especially when a comprehensive scheme is under preparation and the leading position of the two woollen mills will be fully assured.

Among Bombay textile scrips, Standards have staged a spectacular rise to Rs 1,760 from Rs 1,310 quoted a week ago. There are rumours that the company may issue 9 or 4 shares for every one share for undertaking new industrial venture. The market

is left conjecturing as to what type of new industrial undertaking will be launched. There have been vague talks of oil refinery being set up with foreign collaboration in Gujarat. There are also indications that a Fertilizer project may be undertaken on a big scale. There is also a rumour that a plan for manufacturing paper may be set up in Gujarat.

Investment Briefs:

Kamani Engineering Corporation Limited has recommended a taxable dividend of 7½ per cent for the year ended 30 September, 1959. The net dividend works out to 5.425 per cent against 5 per cent paid previously.

Cambodia Mills, Coimbatore, have passed over the dividends, both on the Ordinary and Preference shares, for 1959.

Balance-Sheet Briefs:

The Indian Copper Corporation Limited has reported a substantial rise in the net profit from £197,785 to £406,000 for 1959. The directors have recommended a taxable dividend of 27 per cent. This works out to a net dividend of 18.9 per cent against 18 per cent. Transfer Books will be closed from 18 June to 9 July, 1960.

The working of the Bombay Uganda Company, Limited has resulted in a profit of Rs 2.04 lakhs against Rs 1.66 lakhs for 1959. A final dividend of Rs 6.50 per share is recommended. This makes a total of Rs 9.00, subject to tax, for 1959.

The Alembic Glass Industries Limited has earned a profit of Rs 21.14 lakhs against Rs 12.80 lakhs. A taxable dividend of Rs 25.00 (net Rs 17.50) is recommended against a tax-free dividend of Rs 15.00 paid for 1958.

The gross profit of the Ahmedabad New Cotton Mills Company, Limited has dropped from Rs 9.04 lakhs to Rs 7.18 lakhs. The directors have recommended a taxable dividend of Rs 25 (net Rs 17.50) against Rs 20 paid for 1958.

The Nutan Mills Limited has reported a gross profit of only Rs 7.75 lakhs against Rs 12.97 lakhs. A taxable dividend of Rs 25 is recommended against a tax-free dividend of Rs 20 per share.

The working of the Saraspur Mills Limited has resulted in a loss of Rs 9.26 lakhs. The directors have proposed a dividend of Rs 20 per share, less tax. The company paid a tax-free dividend of Rs 20 per share previously.

The Asoka Mills Limited has incurred a loss of Rs 1.94 lakhs against a profit of Rs 2.74 lakhs. The directors have recommended a taxable dividend of Rs 25 per share after making a transfer from the Dividend Equalisation Reserve. In the previous year, a tax-free dividend of Rs 20 per share was paid.

The Raipur Manufacturing Company, Limited has shown a net profit of Rs 9.46 lakhs against Rs 98,499. A final dividend of Rs 23 is recommended. This makes a total of Rs 35.00 per share, subject to deduction of tax. The net dividend works out to Rs 24.50 against Rs 23.00 previously.



Satisfactory Results of Godfrey Phillips

Balance-Sheet Reviews:

DESPITE greater competition and the appearance of new brands in the cigarette market, Godfrey Phillips India Limited has reported satisfactory working results for the year ended 31 December 1959. Total sales have increased appreciably from Rs 3.33 crores to Rs 3.54 crores, while the net profit, after providing for Depreciation and Taxation, is higher at Rs 13.38 lakhs as against Rs 10.20 lakhs in the previous year.

Except for Depreciation which is raised to Rs 5.04 lakhs from Rs 4.89 lakhs, all other allocations have been reduced.—Taxation provision from Rs 14.75 lakhs to Rs 12.75 lakhs; Development Rebate Reserve from Rs 40,000 to Rs 33,500 and Gratuity Reserve from Rs 1.23 lakhs to Rs 93,483. The directors have recommended an Ordinary dividend of 26 per cent, subject to tax. This works out to a net dividend of 18.2 per cent against 20 per cent paid previously.

Results, since the close of the year, have continued to be satisfactory. The directors have taken steps to increase the manufacturing capacity to meet the growing demand. The directors state that, although prospects seem fair, the company operates in a field in which margins are small and in which unforeseen events can speedily produce very material changes.

The balance-sheet, as at 31 December 1959, shows a paid-up capital of Rs 70 lakhs, divided into 4 lakh Ordinary shares of Rs 10 each and 30,000-5½ per cent Cumulative Preference shares of Rs 100 each. Reserves are shown at Rs 4.74 lakhs, excluding Gratuity Reserve at Rs 7.60 lakhs. The gross block amounts to Rs 71.58 lakhs and this is depreciated by Rs 41.40 lakhs to show a net block value of Rs 30.18 lakhs.

Chairman:—Mr. D. S. Barron.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	35,370,017	33,310,122	33,638,071	
Blocks	140,362	264,501	620,037	
Raw Materials	6,834,203	6,872,291	6,297,717	
Net profit	3,023,290	2,861,642	2,139,387	
Taxation	1,275,000	1,475,000	1,100,000	
Depreciation	503,813	489,361	483,562	
Development Rebate Reserve	33,500	40,000	—	
Other Funds	—	—	57,000	
Div. Amount Ord.	1,040,000	800,000	600,000	
Div. Amount Pref.	165,000	113,025	113,025	
Carry Forward	1,040,721	1,034,574	1,090,318	
Div. % Ord.	26(1/2)	20	15	
Div. % Pref.	51	51	61	

(Annual General Meeting on 3-6-60 at 4 p.m.)

Synopsis of balance sheet as on the last day of Decr.				
Liabilities	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up:				
5½% Pref.	3,000,000	3,000,000	3,000,000	
Ordinary	4,000,000	4,000,000	4,000,000	
Other Funds	473,500	440,000	400,000	
Staff Gratuity Fund	760,483	687,000	544,000	
Loans Secured	2,940,416	3,881,810	2,574,360	
Taxation Provision	1,275,000	1,475,000	2,421,417	
Debts	2,973,906	1,990,822	1,993,232	
Carry Forward	1,040,721	1,034,574	1,090,318	
Total	16,464,026	16,489,006	16,023,327	

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	7,095,493	6,841,943	6,389,740
Depreciation	4,139,847	3,678,212	3,343,367
Block (net)	2,955,646	3,163,731	3,146,373
Goodwill	62,587	62,587	62,587
Stores	2,251,558	1,880,677	1,555,767
Stocks in Transit	120,517	559	75,353
Raw Materials	6,834,203	6,872,291	6,297,717
Stocks	140,362	264,501	620,037
Outstandings	2,565,128	2,489,256	1,853,510
Do More than 3 months	2,303	19,506	9,271
Mis. Deposits and Advances	1,404,091	1,620,920	2,287,259
Cash	127,631	114,978	115,467
Total	16,464,026	16,489,006	16,023,327

New India Investment Corporation Earns Higher Profits

Although "Dividend Income" is maintained at Rs 2.36 lakhs, the New India Investment Corporation Limited has earned as much as Rs 5.01 lakhs for 1959 as against only Rs 1.83 lakhs in the previous year, thanks to the substantial rise in sales of State Government securities and shares from Rs 6.43 lakhs to Rs 16.91 lakhs. A sum of Rs 117 (Rs 134) is provided for Depreciation and Rs 2.75 lakhs (Rs 50,000) for General Reserve. No provision is made for Taxation against Rs 75,000. The directors have recommended a taxable dividend of Rs 6.50 per share against a tax-free dividend of Rs 3.75 previously.

The paid-up capital is Rs 23,31,600 divided into 31,088 shares of Rs 75 each. Against this, General Reserve is shown at Rs 10 lakhs and Contingency Reserve at Rs 1.00 lakh. The market value of the company's investments, a sat 31 December 1959, exceeds the book value by Rs 12.10 lakhs.

Secretaries:—Ramdutt Ramkissendass.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	1,697,977	643,834	308,817	
Interest, Dividends & Mis. Incomes	256,301	244,257	229,496	
Stocks	3,531,258	3,577,546	3,329,480	
Net profit	501,341	258,178	61,108*	
Taxation	—	75,000	—	
Depreciation	117	134	154	
Reserve Fund	275,000	50,000	—	
Div. Amount Ord.	202,072	116,580	77,720	
Carry Forward	45,497	21,345	4,883	
Div. % Ord.	61(1/2)	5	31(3)	

(Annual General Meeting on 10-6-60 at 4 p.m.)

*Includes Rs 59,690 being refund of Income-tax.

Synopsis of balance sheet as on the last day of Decr.				
Liabilities	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up	2,331,600	2,331,600	2,331,600	
Forfeited shares	500	500	500	
Reserve Fund	1,000,000	725,000	675,000	
Other Funds	102,391	102,391	102,391	
Loans Secured	—	72,962	—	
Taxation Provision	280,350	282,850	378,921	
Debts	785,612	187,661	137,497	
Carry Forward	45,497	21,345	4,883	
Total	4,545,950	3,724,309	3,630,792	

Assets.			
	1959	1958	1957
	Rs.	Rs.	Rs.
G. Block	4,957	4,957	4,957
Depreciation	3,830	3,713	3,579
Block (net)	1,127	1,244	1,378
Outstandings	283,977	42,754	143,005
Mis. Deposits and Advances	109,060	78,945	73,933
Investments	4,011,918	3,577,546	3,329,480
Cash	148,868	23,820	82,996
Total	4,545,950	3,724,309	3,630,792

Modern Mills Release Good Results

The Modern Mills Limited has reported good results for the year ended 31st October 1959. Although sales are lower at Rs 1.67 crores against Rs 1.71 crores, the accounts reveal a net profit of Rs 12.77 lakhs as against a loss of Rs 2.48 lakhs incurred in the previous year. The profit was made mostly in the superfine section and in the dyeing and bleaching departments which took up outside processing work. During the current year, the mills have increased their superfine production with the liberal quotas of foreign cotton granted by the Government to the textile industry.

In respect of allocations, a sum of Rs 4.36 lakhs (Rs 3.37 lakhs) is provided for Depreciation; Rs 36,000 (Rs 42,545) for Taxation; Rs 65,806 (Rs 2.19 lakhs) for Development Rebate Reserve; Rs 1.22 lakhs (Rs 1.20 lakhs) for Gratuity Reserve and Rs 8.15 lakhs (nil) for Machinery Rehabilitation Reserve. The directors have recommended a dividend of Rs 5 per share, subject to deduction of tax, as against Rs 3 in the previous year, free of tax. In this connection, it may be added that the dividend for the previous year was paid out of reserves.

The paid-up capital is shown at Rs 46,47,350; Share Premium Account at Rs 2.80 lakhs; Machinery Rehabilitation Reserve at Rs 15.50 lakhs; Development Rebate Reserve at Rs 2.85 lakhs; Investment Reserve at Rs 20,000 and General Reserve at Rs 17.50 lakhs. The gross block at Rs 1.44 crores is depreciated by Rs 70.50 lakhs to show a net block of Rs 73.68 lakhs.

Mg. Agents:—N. Sirur & Co. (Private), Ltd.				
Year ended October.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	16,745,849	17,078,029	16,281,233	
Interest, Dividends & Mis. Incomes	810,940	459,900	153,007	
Stocks	76,736,368	6,004,930	6,528,642	
Net profit	1,815,232*	866,104*	601,406*	
Taxation	36,000	42,545	44,145	
Depreciation	436,257	337,237	337,219	
Reserve Fund	—	—	100,000	
Development Rebate Reserve	65,806	219,194	—	
Other Funds	815,000	—	—	
Div. Amount Ord.	464,735	278,841	331,860	
Carry Forward	28,992	31,558	43,271	
Div. % Ord.	10(1/2)	6	10	

(Annual General Meeting on 7-6-60 at 4-30 p.m.)
*After writing back Rs 427,081 being excess provision for depreciation in previous years.
*After transferring Rs 350,000 from General Reserve and Rs 165,000 from Machinery Rehabilitation Reserve.
*After writing back Rs 100,000 from provision for taxation.

Synopsis of balance sheet as on the last day of October				
Liabilities	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital Paid-up	4,647,350	4,647,350	3,318,800	
Debentures	—	1,200,000	1,200,000	
Share Premium	280,220	280,220	1,607,870	
Reserve Fund	1,750,000	1,750,000	2,100,000	
Other Funds	1,855,000	974,194	920,000	
Staff Gratuity Fund	—	1,054,311	993,669	
Loans Secured	6,320,364	5,048,624	3,641,542	
Loans Unsecured	228,078	241,134	216,592	
Taxation Provision	36,986	42,545	54,933	
Debts	3,006,801	1,793,754	1,870,000	
Carry Forward	28,992	31,558	43,271	
Total	18,153,589	17,063,690	15,966,773	

Assets.			
G. Block	14,337,502	14,123,500	12,883,753
Depreciation	7,049,639	7,057,174	6,799,178
Block (net)	7,307,663	7,066,326	6,084,575
Stores	1,084,841	923,741	823,484
Raw Materials	2,139,411	2,307,950	1,465,139
Stocks	6,736,368	6,004,930	6,528,643
Outstandings	363,337	374,221	435,060
Do More than 3 months	723	325	12,167
Mis. Deposits and Advances	427,542	195,441	428,939
Investment	60,301	123,525	123,525
Cash	33,403	62,231	35,041
Total	18,162,589	18,022,222	16,952,625

THE BRITISH INDIA CORPORATION LIMITED

DEFICIT WIPED OFF—SURPLUS IN 1959 WORKING RESULTS

Chairman, Sri H. S. Chaturvedi's Review

Address by: Shri H. S. Chaturvedi, Chairman and Managing Director, to the shareholders of the British India Corporation, Limited, at the Fortieth Annual General Meeting of the Corporation held in Kanpur on Wednesday, 18th May, 1960.

Gentlemen,

It gives me great pleasure to welcome you to the Annual General Meeting which, unlike recent years, has been called within a reasonable time after the close of the year.

The Audited Accounts and the Report of the Directors have been in your hands for some time, and, with your permission, I shall take them as read.

From the letters of appreciation received from various shareholders, it is evident that a feeling of satisfaction obtains at the results achieved during the year. After a period of great anxiety, it is but natural that the shareholders should feel happy at the turn in the affairs of the Corporation.

You will observe that the accounts for the year 1958 showed a deficit of Rs 19,28,478 to be carried forward. After wiping off this loss, the accounts for 1959 yield a surplus of Rs 21,18,442. The net indebtedness of the Corporation to its bankers, which amounted to nearly Rs 2½ crores on 31st December, 1958, has been reduced to Rs 134 lakhs on December 31, 1959. The results for 1959 reveal a marked all-round improvement.

On the question of dividends representations have been received from a number of shareholders urging that dividends on Preference Shares should be distributed free of tax. Shareholders have also drawn attention to the Finance Minister's latest pronouncements on this subject in the course of the 1960 Budget Debate in the Lok Sabha. The matter is not free from doubt and difficulty and it might be desirable to reconsider it in all its aspects. The Board of Directors only desire to do what is right and proper.

I shall now proceed to give you a brief sketch of the activities of the Corporation. As you are aware, the B.I.C. Group, through its branches and subsidiaries, comprises Woollen, Leather and Cotton industries, while its wholly owned subsidiary, Begg, Sutherland and Co. Private Ltd., are interested in Sugar, Engineering and Brush-making as Managing Agents.

WOOLLEN BRANCHES—LALIMU AND DIHARIWAL

The two units have achieved an all time record during the year. Their goods continue to enjoy the highest reputation for quality. Our Mills manufacture practically

every type of woollen and worsted cloth; new shades and designs are introduced periodically to meet changing requirements, and the competitive position in the market has been fully maintained. The following figures relating to the orders booked are indicative of the steady progress of the Mills:—

	(Rs. in lakhs)
1957	499.83
1958	537.55
1959	542.08

For our supply of raw wool, we are largely dependent upon the foreign markets. Notwithstanding the fact that the licences issued were inadequate, the Mills were, by judicious purchasing and utilisation of a wider variety of imported wools, able to maintain production at a two-shift level. Indian wools are being utilised in larger proportions, despite the fact that suppliers do not always adhere to quality standards. With the introduction of effective controls on quality admixtures we hope to make increasing use of Indian wools for our various ranges.

The two Woollen Mills have also made a significant contribution to the country's foreign exchange earnings. In 1959, our woollen exports amounted to Rs 31.42 lakhs as against Rs 12.86 lakhs in 1958. A bigger export drive has been planned for 1960.

The Board of Management is conscious of the fact that unless we modernise our plant, it will not be possible successfully to withstand competition for long. A comprehensive scheme is under preparation, covering a phased programme of rehabilitation spread over 4/5 years, and with its implementation the leading position of our Mills will be fully assured.

LEATHER BRANCHES—COOPER ALLEN AND NORTH WEST TANNERY

In addressing you last year, I mentioned that in spite of the stupendous nature of the problems confronting the management in the Leather units, the position was steadily getting better and preparation, covering a phased that 1959 would show a distinct improvement. I am glad to say that this has been achieved in full measure. Despite an unprecedented increase in the cost of raw materials, the trading loss for the year is negligible in comparison with past years. An extensive reorganisation has been carried out in all departments; this has resulted in the reduction of fixed overhead ratio; turnover has increased and the shoe factory, which has achieved an improvement in production, is showing better results. In short, there is every reason to look to

1960 for still better results. Exports which amounted to Rs 34.73 lakhs in 1958 have risen to Rs 44.12 lakhs in 1959. In the home market, however, the incidence of excise duty on leather footwear continues to operate as a serious handicap. For the same reason, Army boot orders are extinct, and it is a factor which seriously militates against the most economic utilisation of the factory's production capacity.

We have thought it desirable to make a provision of Rs 12 lakhs for obsolescent stores and spare parts.

COTTON TEXTILE UNITS—ELIGINS AND CAWNPORE TEXTILES

The Elgin Mills Company has an established name in the Cotton Textile Industry. With the purchase of Cawnpore Cotton Mills by Elgin, its capacity for production will increase considerably in the near future. The new Mill has been styled as Elgin No. 2, and it has already gone into production.

As will be seen from Elgin's Balance Sheet, the working results have improved and it has made a satisfactory profit during the year. Sales amounted to over Rs 355 lakhs, as against Rs 298 lakhs in the previous year. Although cloth and yarn prices realised were lower than in the previous years, their impact on the net results has been more than offset by higher productivity, better sales, and a prudent cotton purchase policy.

Cawnpore Textiles Ltd., has also done well during the year. While there was an adverse balance of nearly Rs 13 lakhs carried over from previous year, the results for the last year showed a net profit of Rs 8,72,022.

Having regard to the highly competitive nature of the Cotton Textile Industry, and the necessity for expanding export trade, we have decided to install automatic looms at Elgin No. 2 generally to maintain our competitive strength by replacing old machinery with the latest types, within the resources available to us.

Looking back on the anxious days of the past few years, there is reason to feel gratified at the progress that has been achieved. When I first addressed you in 1958, I referred to the soundness of the B.I.C. foundations and I said that there was no cause for panic. In my address to you last year, I reiterated my optimism. The results of 1959 justify me in saying that our confidence in the future of the Corporation is redoubled and we can look forward to the B.I.C. growing from strength to strength.

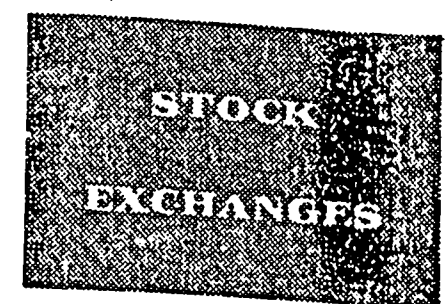
I would like to express on behalf of myself and my able colleague, Mr H. L. Khanna, to all members of the staff and work people in our various units our warmest thanks for their devoted service throughout the year. The management are deeply appreciative of their co-operation and I am

happy to report that your Directors have, in recognition of our employees' good work, declared a bonus payment after a lapse of five years.

In the vacancy caused by the retirement of Mr R. L. Powell, the Hon'ble High Court was pleased to appoint Mr K. M. Wilcox as Executive-cum-Secretary Director. Mr Wilcox is not new to the Corporation which he has been serving for more than a decade. His elevation has been very well merited, and I am confident that he will prove to be a great asset to the B.I.C.

Finally, I wish to place on record my grateful thanks to the Directors for the keen interest which they have evinced and their valuable contribution towards the revival of the B.I.C. They have more than borne their burden and the management are grateful to them for their cooperation and counsel.

N.B. This does not purport to be a record of the proceedings of the above Annual General Meeting.



Recovery After Initial Setback

Watch-Dog Writes:

THE recent bullish progress in stock markets has abated somewhat this week. Operators have turned cautious due to persistent rumours about the possibility of heavier margins and restrictions on trading in the forward list. Although prices have staged a marked recovery toward the close in the absence of any decision taken so far by the Reserve Bank, the undertone remains hesitant.

Except for Tea shares which met with selective support, trading on the Calcutta Stock Exchange was generally dull.

On the Madras Stock Exchange, the general tone was subdued and prices displayed a slightly easier tendency.

Calcutta

Calcutta, Friday Evening.

TRADING in the local stock market showed a mixed pattern during the week under review. While a few selected scrips of the Birla group were keenly sought after at enhanced levels and Tea shares met with selective buying, speculative issues were subjected to heavy selling pressure till the middle of the week. Price movements in other counters were rather irregular on alternate buying and selling.

In general, the bullish fervour, noticed during the past few weeks,

has subsided to some extent and the mild shake-out in values was brought about by rumours with regard to the possibility of imposing margins on forward transactions as was done by the Madras Stock Exchange authorities. The news, that a move was afoot on the part of the commercial banks to raise their interest rates on advances, was also a contributory factor. Some operators, however, appeared to lend support to a few shares on individual merits.

The Gilt-edged market continued to remain dull in the absence of any buying interest. Institutional investors kept out of the market due to monetary stringency. The volume of business was reduced even below the recent attenuated levels. 3 per cent 1986 Conversion Loan, after improving at one time to Rs 73.70, receded at the close to Rs 73.30.

Bank shares improved moderately with United Commercial having buyers upto Rs 68.50 from Rs 67. Punjab National, however, remained unchanged at Rs 19.75.

Although Jute shares were still more or less neglected, their prices remained unaltered in the absence of selling pressure. This was mainly due to the fact that the recent rains in the jute-growing areas gave a sense of relief to the holders of jute shares. The IJMA's decision to permit the mills to seal as many looms as they liked from 6 June gave rise to a feeling that the mills could adjust their production according to the availability of raw jute and cross the hurdles without any material loss.

Howrah met with business at Rs 22.50 to Rs 22.81; Birlas at Rs 32.37 to Rs 33; Ganges at Rs 11.62 to Rs 12.06 and New Central at Rs 29.37 to Rs 31.00. National were rather sticky at Rs 29. Kelvin were enquired up to Rs 153 from Rs 145 and Kamarhatty up to Rs 164 from Rs 160.

Coal shares were rather quiet, reflecting lack of follow-up support at the recent high levels. There was a general disposition to await whether the private collieries would be encouraged to produce more in the coming years. The only firm features were Amalgamated and New Beerbhoom, quoting Rs 24 and Rs 24.87 respectively. Central India, however, turned quiet at Rs 12.87 against Rs 13.12 and South Karanpura at Rs 12.56 against Rs 12.69. Western Bengal were done at Rs 8.56 to Rs 8.81, while Burrakur fluctuated erratically between Rs 19.25 and 20, to finish the week at Rs 19.56.

After a long period of neglect, Tea shares came in for good enquiry at improved levels on second thoughts with regard to the prospects for the industry due to reports of rains in Assam and Dooars areas. The proximity of dividends for last year was another contributory factor. Above all, it was expected that, with the fall in production and the rising consumption within the country the position of the industry might improve

substantially as supply might even fall short of demand. Brooke Bond had buyers at Rs 18 to Rs 18.25; Bishnauth at Rs 21.37 to Rs 22.37; Grob at Rs 14 to Rs 14.25; Hasimara at Rs 24.75 to Rs 26.37; Hantapara at Rs 150 to Rs 156; Jayshree at Rs 17.75 to Rs 18.06; Rydak at Rs 36.37 to Rs 37.25 and Tezporo to Rs 18.50 to Rs 18.81.

Sugar shares were selectively firm on the feeling that the earnings of the companies might have improved with the rise in production during the current season. Higher levels, however, attracted some profit-taking at the close. Raza/Buland were at one time taken upto Rs 14.37; Ramnugger up to Rs 27.25 and Balrampore up to Rs 4.00, to finish at Rs 14.12; Rs 26.75 and Rs 4.00 respectively. Carew moved narrowly between Rs 11.81 and Rs 11.94 with Dyer Meakins having recovered to Rs 21 from a low of Rs 20.37. Belsund were quiet at Rs 13.75 against Rs 13.87 on reports of lower profits for last year.

In the Textiles section, attention was mostly concentrated on the shares of those companies which had diversified their activities. In this respect, Kesoram and Jayshree were keenly sought after up to Rs 32.25 and Rs 16.06, to ease off at the close to Rs 30.75 and Rs 15.31 respectively on profit-taking. Bowreah were a steady feature at Rs 174, while Cawnpore closed quiet at Rs 7.31 against Rs 7.94 and Elgins at Rs 19.94 against Rs 20.06.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to heavy bull liquidation till the middle of the week on lower Bombay advices. After opening firm at Rs 26.23, Indian Irons were depressed at one time to Rs 25.31 at which level some bear-covering coupled with replacement buying induced to a recovery to Rs 25.76, to close finally at Rs 25.70. In sympathy, Jessop were marked down to Rs 23.69 from Rs 24.25; Britannia to Rs 13.25 from Rs 13.56 and TEXMACO to Rs 26.30 from Rs 26.70, to close better at Rs 24.12; Rs 13.44 and Rs 26.65 respectively. G. K. Williams were, however, a firm feature, having sustained support upto Rs 44.75 from Rs 44.37. Kumardhubi were enquired up to Rs 7.50 from Rs 7.19, while Marshalls were on offer at Rs 5.81 against Rs 6.12.

In the Miscellaneous section, Paper shares continued to be in good demand although profit-taking erased some of the extreme gains at the close. Among Mining issues, Indian Copper were a special feature and the share, after dropping down to Rs 4.90 from Rs 5.10, recovered fully to Rs 5.11 following the release of encouraging results and the increase in net dividend for last year. Hindustan Motor attracted sustained support up to Rs 21.50 from Rs 20.37 on rumours of the possibility of the dividend being doubled. Follow-

ing were the price trends of a few other selected scrips:

	Week's High	Week's Low	Week's Closing
Paper Shares	Rs	Rs	Rs
Orient Paper	47.75	46.20	47.25
Shree Gopal	30.62	29.00	30.62
Sirpur	19.19	18.44	18.56
Bengal	102.80	99.00	102.00
Other Miscellaneous			
Rohtas	36.21	35.75	36.37
Dunlop	42.87	41.44	42.00
Alumina, Corpn.	17.87	17.44	17.44
I. Aluminium	27.31	27.00	27.06
I. Cable	35.06	34.06	35.06
I. Steamship	11.87	11.31	11.31
I. Oxygen	34.50	33.50	34.50
Asso. Battery	35.87	34.50	34.50
Union Carbide	42.50	41.25	41.56
A. Chemical	26.62	26.25	26.31

Madras

Except Travancore Rayon, cleared securities were less active in the Madras Stock Exchange today. Practically there was no business in Banks and Public Utilities shares. Only moderate business was reported in sugars with Travancore and Decan shares being prominent, EID proving sellers. Tea and rubber shares commanded a small turnover.

Government Securities: Meagre business continued this week also in Government securities with the undertone running very quiet. Unlike last week, there were not practically any offer in Government of India securities. Nor were there many sellers. Madras Government Loans had some support, notably 4 per cent 1964 at Rs 100.50.

Banks: This proved an extremely uninspiring and dull counter. No business was reported.

Plantings: Both tea and coffee shares had enquiries but they were not so active as they were last week. Blue Mountain shed its value by 5 nP from its last closing to be bought at Rs 5.10, but this is better than last week end's closing rate of Rs 5.07. Chembra too did have a sliding rate at Rs 4.51 from Rs 4.55 of early week price. Cochin Malabar continued at the same Rs 8.20. Consolidated Coffee was steady at Rs 26.20 at which business was reported done today. Haileyburia however increased in value from Rs 15.50 to Rs 15.65. Upward trend probably was halted further on the higher margin imposition and therefore Highland tea shares with some others were quoted lower. Highland, for instance, was priced at Rs 14.90 from its last week's Rs 15.12. Cottanad had support only at Rs 14.00 less by 50 nP than Monday or last week closing. Midland was marked down at Rs 12.30, ten nP lower. Ossoor had buyers at the lesser rate of Rs 3.65 than yesterday. Periakaramalai had been steadily supported at the same rate of Rs 3.90. Pullangode improved fractionally to Rs 2.01. Travancore Rubber and Tea slightly improved to Rs 8.60. United Nilgiri got good demand at reduced price of Rs 22.12, the same at which this stood last Friday. Monday's rate of this share was better at Rs 22.25. Like others in the line Wartyhully declined to Rs 3.47 but Waterfall improved by 10 nP to Rs 4.40. Rubber shares

like Nenmeny remained at Rs 19.50, Mercaras were steady at Rs 9.20, and Nilambur was unchanged at Rs 19.25.

Textiles: As in last week, interest centred round the cleared scrips, notably Travancore Rayons, which again met with the speculative interest at Rs 38.75. This scrip was quoted at Rs 40.40 last week end, closed lesser at Rs 39.75 Monday and still less today at the above rate. Nevertheless this share truly reflected the Bombay sentiment on rayon shares, Adoni Spinning had offers at Rs 8.15, and Anglo-French at Rs 108.00. Bangalore Woollen dropped down to Rs 199.00 from Rs 200.50, Buckingham's temporary rise by one rupee to Rs 207.00 went down again to Rs 206.00. Cannanore likewise shed its quotation by a rupee to at Rs 164.00. Coimbatore Cotton was supported at the same rate of Rs 148.00. but other Coimbatore spinning shares continued steady without gaining any further. Janardana, however, put up its value higher at Rs 71.00 from Rs 70.00. Radhakrishna too was bought at a slightly increased value at Rs 28.25. Madura continued steady at Rs 33.50 as well as Mettur at Rs 436.00. Lakshmi remained unaltered at Rs 158.00. Other scrips in this section remained steady but most of them continuing their last week's values.

Miscellaneous: Here too slight recession was visible. Ashok Leyland went down to Rs 9.00, Aluminium Industries too lost a few points at Rs 28.00. It was Rs 28.20 during last week, went down to Rs 28.10 and today it closed at Rs 28.00. Industrial shares did not go up steeply as they did during last fortnight. Even here the buoyant note of last week was not sustained. Only cement shares had a moderate turnover, with rates however lower than last week. Andhra Cement continued at Rs 10.50, Dalmia Cement improved to Rs 12.35 and India Cement reported negotiations at Rs 6.68, at least 28 nP higher than last week end closing, though on the second day of the market opening this week this had lost only a couple of nP at the counter.

THE INDO-BURMA PETROLEUM COMPANY LTD.

NOTICE IS HEREBY GIVEN that the Preference Register of Members of the Company will be closed from the 13th June 1960 to 1st July 1960 both days inclusive for the purpose of payment of the dividend for the half year ending 30th June 1960 on the 2nd July 1960 at the rate of Rs. 3.50 per share less tax to be deducted in accordance with the provisions of the current Finance Act.

By Order of the Board,
STEEL BROTHERS &
COMPANY LIMITED
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
26th May, 1960.

LIST OF QUOTED SHARES

Preference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 20-5-60 Rs NP	Quotation as on 20-5-59 Rs NP	NAME	Paid-up per Share.	Quotation as on 20-5-60 Rs NP	Quotation as on 20-5-59 Rs NP	NAME	Paid-up per Share.	Quotation as on 20-5-60 Rs NP	Quotation as on 20-5-59 Rs NP
Banks				Darjeeling.				Oil			
Allahabad 6% 100	101.90	109.00		Gliele 6% 100	70.00	64.00		Atal 4% cp 100	5.30	6.12	
Behar 5% 50	21.00	19.75		Lingla 6% 100	64.00			Tirunah 0% 10	14.00	13.00	
Coal				Okayti 7% 100	79.00	93.50		Paper			
Asso. K'pura 4% 100	50.50	50.50		Pussimbing 7% 100	93.00	100.00		Ballarpur 5% 100	117.00		
Bharat 6% 100	49.50	48.00		Singtom 5% 100	5.19	6.25		Beng. Paper 7% 100	43.25	46.75	
Borree 6% 100	83.50	83.50						Beng. Paper 7% 100	96.50	103.50	
Burakur 7% 100	89.00	102.50						Beng. Paper 8% 100	66.00	62.00	
Burakur 6% 100	6.50	5.00						Beng. Paper 8% 100	86.00	94.00	
Equitable 6% 100	79.00	100.00						Orient 5% 100	62.50	65.00	
Obusick 6% 100	100.00	100.00						Orient 6% 100	103.00	110.00	
Gourangdi 5% 100	40.00	40.00						S. Gopal 8% 100	103.00	110.00	
K'pura 5% 100	58.00	55.50						S. Gopal 7% 100	102.50	101.50	
Khas Kajora 5% 10	7.94	7.25						Sirpur Paper 6% 100	85.25	87.25	
N. Beerbhoom 7% 10	11.62	10.50						Star Paper 5% 100	78.50	70.00	
N. Churulla 5% 10	2.56	2.50						Star Paper 6% 100	94.00	86.50	
N. Huntodih 5% 100	45.00	44.00						Star 7% 100	96.00		
Qudal 6% 100	61.00	91.50						Star 7% Con. 75	101.00		
Parasea 5% 100	50.00	50.00						Titagarh 8% 100	81.79	85.00	
Unl. Colliery 5% 100	78.00	83.00						Titagarh 4% 100	85.50	73.00	
Cotton								Pressing			
Basanti 6% 100	6.56	9.00						Bhagwati 5% 100	35.00	40.00	
B-Nagpur 7% 100	78.00	78.00						Real Property.			
Bowrah 8% 100	152.00	126.00						Humayun 6% 100	7.45	8.82	
Bowrah 7% 100	64.00	64.00						Reg. Estate 5% 100	33.50	33.00	
Elgin 8% 100	100.00	115.75						Saw Mills			
Elgin 5% 100	7.50	8.25						Ben. Timber 5% 100	30.00	30.00	
Jagatjit 5% 100	38.75	43.75						Shipping			
Jijajeeo 5% 100	84.50	81.50						D-A Steam 7% 100	60.00	54.00	
J. K. Cotton 6% 100	93.60	90.00						L.G.N. 5% 100	80.00	67.50	
Kesoran 7% 100	106.00	105.00						L Steam 5% 100	78.00	94.00	
Muir 6% 100	83.00	82.00						SUGAR			
N. Victoria 6% 5	3.25	3.50						Carew 6% 100	85.50	73.00	
Orissa 8% 100	80.00							Cawnpore 8% 100	102.00	107.00	
Shes Madhusudan 4% 100	81.00	58.00						Jaswant 5% 100	85.00	69.50	
S. Niwas 4% 100	54.00	58.00						Mohini 5% 100	70.00	78.00	
Shree Bhawan 5% 100	105.00	100.00						Mod India 7% 100	150.00	92.00	
Swadeshi 6% 100	61.00	75.00						Punjab 10% 100	13.75	13.00	
Jute								TEA			
Agarpara 7% 100	93.00	105.50						Amluckie 7% 100	37.06	42.71	
Alexandra 6% 100	90.00	97.00						Bormah Jan 6% 100	62.00	74.99	
Alliance 7% 100	76.00	91.00						Brooke Bond 6% 100	67.25	69.75	
Anglo-India 7% 100	96.00	108.00						Dunster 7% 100	3.00	2.95	
Auckland 5% 100	70.00	83.50						Dimakushi 8% 100	3.80	9.70	
Auckland 4% 100	60.00	66.50						Kingsley Gola 6% 100	90.00	86.00	
Bally 7% 100	98.00	104.00						Moheema 6% 100	9.50	8.00	
Barnagore 5% 100	38.00	39.75						Tezpora 2% 100	11.19	10.50	
Belvedere 7% 100	97.00	101.50						Nominal. Ex-Dividend. Cum-Dividend. Ex-Rights.			
Bengal 5% 100	63.50	77.00									
Birla 7% 100	91.00	87.00									
Birla 5% 100	90.25										
Budge-Budge 7% 100	100.00	102.00									
Calcutta 6% 100	77.00	78.00									
Caledonian 7% 100	89.00	77.50									
Cheviot 7% 100	101.00	102.00									
Chitavalah 7% 100	82.00	99.50									
Clive 6% 100	75.00	70.50									
Clive 7% 100	84.00	78.00									
Dalhousie 7% 100	91.00	96.50									
Delta 5% 100	68.00	78.50									
Empire 7% 100	76.00	105.00									
F. Gloster 7% 100	114.00	115.00									
F. Gloster 5% 100	71.00	77.00									
F. William 7% 100	111.50	115.00									
Ganges Mfg. 7% 100	125.00	120.00									
Gourepore 6% 100	81.00	95.00									
Hastings 6% 100	90.00	97.00									
Hooghly 1 100	10.50	10.75									
Hooghly A Pref. 100	101.00	107.00									
Howrah 4% 100	104.00	99.00									
Howrah 7% 100	98.00	105.00									
H'chanced 7% 100	86.00	95.00									
K'hatty 7% 100	89.00	90.00									
K'narrab 6% 100	63.00	68.00									
Kedarnath 6% 100	85.00	106.00									
Kedarnath 7% 100	85.00	89.50									
Kelvin 6% 100	89.50	105.00									
Khardah 7% 100	104.50	111.00									
Kinnison 7% 100	88.00	95.00									
Lawrence 7% 100	70.00	80.00									
Lawrence 5% 100	101.00	96.00									
Naihati 7% 100	66.00	66.00									
Naihati 4% 100	66.00	66.00									

NAME	Paid-up per Share.	Quotation as on 20-5-60 Rs NP	Quotation as on 20-5-59 Rs NP	NAME	Paid-up per Share.	Quotation as on 20-5-60 Rs NP	Quotation as on 20-5-59 Rs NP	NAME	Paid-up per Share.	Quotation as on 20-5-60 Rs NP	Quotation as on 20-5-59 Rs NP
How-Sheakhala	100	71.00	34.99	Swadeshi Cotton	10	9.50	11.00	Bharat Commerce	10	18.06	6.47
Kata-Lalabazar	100	52.13	57.50	Swadeshi (P.O.)	10	8.25	11.06	Bharat Nidhi	10	10.25	6.62
Mahdara (Dahli)	100	67.00	98.00	Victoria Cotton	10	12.37	...	Bhartia Co.	100	34.75	44.75
Saharanpur	100	67.00	98.00					Bhartia Sons	10	2.56	2.47
								Bikaner Gypsum	10	16.00	...
								Birds Invest.	10	14.62	14.81
								Bihar Rice	10	1.95	1.50
								Brl. Biscuits	10	32.00	20.25
								B. I. Corp'n.	5	8.44	5.03
								Cal. Credit Corp'n.	10	21.00	11.60
								Calcutta Gas	10	5.00	7.00
								Cal. Invest.	100	43.70	47.35
								Calcutta Safe	10	8.00	8.25
								Calcutta Silk	10	5.50	6.25
								Calcutta Trams	21	13.69	15.12
								Cambay Invest	100	100.00	101.00
								Cherra Chhatka	5	7.00	6.50
								Clive Row Inv't.	10	9.00	11.44
								Darjeeling Rope	10	7.75	8.06
								Dumcan Bros.	100	120.00	117.00
								Dunlop	10	42.37	32.12
								Eastern Invest.	100	138.00	140.00
								Elec. Const.	10	14.50	12.75
								French Motor	20	41.00	24.38
								Ganges Rope	100	218.00	184.00
								Gillanders	10	11.94	12.69
								Godfrey Phillips	10	26.37	20.25
								G. E. Hotel	250	250.00	250.00
								Greaves Cotton	100	138.50	108.50
								Gwalior Rayon	10	43.75	...
								Hindus. Alum'n.	21	3.34	...
								Hindusthan Gas	7	15.87	12.62
								Hindusthan Ice	5	1.05	0.80
								Hindusthan Lever	10	39.62	30.00
								Hindus. Motors	10	27.44	8.75
								Hind. Nat. Glass	10	7.00	6.12
								Hindus. Pilkington	10	26.75	16.25
								Hindustan Wire	10	11.12	...
								Products	10	7.62	7.56
								Hoare Miller	10	13.53	11.94
								Impl. Tobacco	10	27.25	21.03
								Indian Alum.	10	34.00	31.00
								Indian Cable	10	12.00	27.75
								Indian Oxygen	10	34.06	5.25
								Indian Plastic	10	18.62	17.62
								Indian Rubber	10	31.25	40.50
								Ind. Corp. of Ben.	10	0.31	0.31
								Ivan Jones	2	1.58	1.95
								James Wright	5	1.65	2.00
								Jacobs Wright Defd.	1	0.69	0.69
								J. Henderson	100	69.50	84.00
								James Alexander	10	10.58	9.12
								Jewell	10	8.37	6.00
								John Paterson	10	2.50	1.78
								Kalimpong Rope	10	2.25	2.62
								Kettlewell Bullen	100	137.00	143.00
								Khandelwal Ferro	10	73.00	...
								Alloys	50	75.00	75.00
								Kishore Trading	100	2.25	5.75
								Kusum Products	10	3.87	3.12
								Macfarlane	5	1.07	0.75
								Macfarlane Defd.	1	98.50	...
								Macneil & Barry	100	16.69	...
								Madhya Pradesh	10	26.25	29.00
								Ind.	10	22.07	15.05
								Mahindra and	10	200.00	200.00
								Mahindra	10	119.00	202.00
								Mahindra	10	40.37	37.31
								Marsadad Water	10	5.69	6.25
								N. I. Cables	10	28.37	34.12
								National Pipes &	10	20.19	19.25
								Tubes	10	15.94	15.00
								National Rolling	10	13.00	14.94
								Nat. Rubber Mfg.	10	4.25	0.30
								Nat. Tanneries	10	22.37	16.37
								Nat. Tobacco	10	4.00	...
								Nav Bharat	75	60.00	45.50
								Vanija	10	5.00	1.25
								New I. Invest.	10	24.75	23.12
								Pearl Invest.	100	200.00	200.00
								Phillips India	4	15.00	10.50
								Phosphate Co.	100	117.50	70.25
								Publicity Society	10	6.00	4.08
								Rails	10	35.37	21.75
								R.B. Rodda & Co.	10	3.12	2.78
								Robtas	10	21.25	16.87
								Sahu Properties	5	23.00	18.00
								Sen Raleigh	2	0.75	1.06
								Shaw Wallace	10	21.00	20.00
								Spencer's Hotel	100	80.00	81.00
								Spencer & Co.	25	8.00	8.00
								Star Co.	10	15.50	13.62
								Star Trading	10	15.50	13.62

NAME	Paid-up per Share.	Quotation as on 20-5-60	Quotation as on 20-5-59
Straw Products	10	13.60	17.25
Shiralk	10	11.81	8.25
Union Co.	100	80.00	75.00
Union Carbide	10	41.37 1/2	30.62 1/2
Union Tobacco	10	0.87	1.94
Union Tobacco Defd.	5	2.00	2.00
Walforda	1	3.81	2.00
Walforda (Po)	1	3.12	1.56
W. Stockholder	15h	1.62	1.47

OILS

I. B. Petrol	10	29.00	26.62
Northern India Oil	10	1.56	1.25
Tide Water Oil	10	16.81	16.69

PAPER MILLS

Ballarpur	25	60.50	25.50
Bengal Paper	25	99.00	94.50
India Paper	10	22.06	22.50
Mysore Paper	10	25.25	17.75
Orient Paper	10	47.00	35.60
Shree Gopal	10	29.00	17.06
Sirpur Paper	10	19.06	13.00
Star Paper	10	14.00	12.03
Titagarh P.O.	2 1/2	4.25 1/2	4.25
Titagarh Ord.	10	40.50 1/2	41.62
U. I. Couper	100	60.00	60.00
West Coast	100	166.25	145.00

PRESSING

Bhagwati	10	6.00	4.80
Camperdown	100	103.00	110.00
Hooghly Ganges	10	10.25	5.44

REAL PROPERTY

Bengal Bonded A	500	545.00	613.00
Bengal Bonded B	62 1/2	63.92	81.85
Bengal Bonded C	100	104.00	141.00
Bengal Bonded D	12 1/2	13.13	18.38
Clive Bldgs.	100	100.00	...
Hindustan Bldg.	10	5.00	4.81
Humayun Prop.	10	10.35	10.19
Humayun Defd.	1	3.12	2.30
Midnapore Estate	9 1/2	19.00	...
Regent Estate	10	1.00	1.00

SAW MILLS AND TIMBER

Assam Saw	5	3.94	2.59
Bengal Timber	100	15.25	15.25

SHIPPING

B. A. Steam	100	89.00	108.00
Cal. Landing	10	11.81	15.25
Cal. Steam	10	12.37	11.62
Fraser & Co.	10	16.25	14.44
I. G. Navigation	610	69.50	70.00
India Steam	10	11.75	14.56
Port Shipping	10	10.81	13.15

SUGAR

Balrampur	5	3.91	7.25
Belsund	7 1/2	13.81	12.81
Bharat	10	16.37	13.00
Basti	100	120.50	120.50
Carew	10	12.00	8.81
Cawnpore	10	15.37	11.06
Champaran	10	21.12	17.06
Darbhang	10	19.12	18.00 1/2
Deoria	10	9.56	9.56
Dyer Meakins	5	21.00	16.50
Ganesh Sugar	10	19.87	19.87
Jaswant	10	5.25	5.25
Mohini	10	4.50	2.75
Nawabganj	100	60.00	60.00
New India	10	33.00	27.37
New Savan	10	6.56	5.06
Punjab	100	65.00 1/2	80.00
Partabpore	10	12.00	12.12
Rannugger Cane	10	26.62	20.50
Ratna	10	1.45	2.65
Raza	10	14.37	14.31
Rayam	10	15.94	16.50
Samaraspur	10	13.00	12.56
Shree Anand	10	11.00	11.00
Sitalpur	10	7.00	4.00
South Behar	10	1.00	1.37
S. Behar Defd.	2 1/2	0.25	0.25
S. Hanuman	10	16.00	14.65
S. K. Gyan.	10	14.19	9.81
Shree Sitaram	10	12.00	9.00
Tulsipur	5	8.00	...

NAME	Paid-up per Share.	Quotation as on 20-5-60	Quotation as on 20-5-59
Upper India 'A'	100	102.00	127.00
Upper India 'B'	25	8.75	15.00
Upper Ganges	10	68.00	55.00
United Province	10	18.25	16.50

TEA

NAME	Paid-up per Share.	Quotation as on 20-5-60	Quotation as on 20-5-59
Assam Gardens			
Amluckie	10	27.12	27.12
Ananda	10	19.00	20.00
Anandatas	10	24.37	25.00
Baghmari	10	23.12	26.12
Barduar Tea	6	6.50	5.50
Basmatia	10	28.37	27.25
Bateli	5	23.37	19.25
Beljan	10	23.75	25.37
Bishnauth	10	21.37	21.12
Bokakhat	10	14.50	15.12
Bormahjan	10	19.00	18.81
Borpukhuri	10	17.12	18.81
Brooke Bond	10	17.94	20.31
Doojoo Valley	10	69.00	72.00
Dumai & Furbat	100	157.00	152.00
Dheikhat	10	23.94	23.25 1/2
Dhunerai	20	17.87	15.54 1/2
Dibrugarh	10	31.50	34.12
Dimakuri	10	26.00	33.50
Dufflaghur	10	40.94	38.00
East India	10	23.00	21.00
Gillapukri	10	26.75	30.25
Gobpur	10	18.19	25.00
Grob	5	14.00	18.94
Hapjan Purbat	10	14.00	14.00
Hoograjuli	10	25.37	29.25
Hoolungorie	100	199.00	200.00
Joonkoolle	10	22.87	20.12 1/2
Jutilbari	10	23.50	19.75
Kyang Tea Seeds	10	5.25	5.12
Kingsley Golaghat	100	160.00	130.00
Krishnabehari	10	10.22	10.82
Ledo	10	19.25	19.50
Maud	10	15.00	14.75
Metnoon	10	24.06	24.87
Moheema	10	13.81	13.31
Mothola	100	510.00	595.00
Murphulani	10	25.87	27.87
Murphulani P.O.	10	27.62	28.50
Naga Hills	10	22.50	27.37
Namburnadi	10	13.25	13.50
N. Cinnatollah	100	114.00	114.00
New Monkhooshi	7 1/2	23.75	...
Rajgarh	10	39.87	47.31
Sapoi	10	23.50	22.25
Seajuli	10	28.62	30.12
Telajan	10	27.87	32.12
Tengpani	10	35.87	37.57
Tezpore	10	18.50	18.50
Tyongani	10	8.00	8.56
Tyoon	10	34.12	43.50

Darjeeling Gardens

Bloomfield	10	2.25	3.00
Chamong	10	10.31	11.00
Darjeeling	100	149.00	149.00
Dillaram	100	102.00	95.00
Gleile	10	11.81	9.12
Jayshree	10	17.75	12.75
Linga	10	21.56	24.50
Longview	10	10.37	6.62
Margaret's Hope	10	12.06	19.12
Mim	100	226.10	229.60
Nagri Farm	10	25.75	26.25
Okayti	100	601.00	500.00
Pashok	10	20.00	18.62
Pashok	10	6.94	9.00
Poocong	10	10.50	10.12
Pussimbiting	100	360.00	410.00
Runglee Rungliot	10	10.50	12.50
Seeyok	100	29.37	22.00
Sinrell	10	6.62	6.44
Singtom	10	13.31	19.56
Soom	10	39.50	40.00
Sungma	10	13.31	19.56
Teesta Valley	10	17.00	21.50
Tukvar	10	8.19	10.44

Dooars Garden

Banarhat	100	340.00	319.00
Baradighi	10	29.50	23.12
Bhatkoti	10	19.37	24.37
Birpara	100	204.00	174.00
Carron	100	174.00	127.00
Choonabhatti	100	291.00	268.00
Ellenbarrie	100	149.00	155.00
Engo	100	196.00	400.00
Etchelbari	10	10.12	12.00
Gairkhatia	100	160.00	154.00
Gopalpur	25	22.62	20.00
Hantapara	100	152.00	134.00
Hastmara	10	24.62	25.50

NAME	Paid-up per Share.	Quotation as on 20-5-60	Quotation as on 20-5-59
Huidloari	10	27.00	24.25
Jaybirpara	10	12.87	15.25
Killcoot	10	17.62	21.12
Malhati	10	18.75	14.81
Manabbarie	10	66.62	68.50
Nagalsurree	100	190.00	145.00
New Dooars	100	299.00	301.00
Oodlabari	10	14.00	17.06
Phaskowa	100	150.00	133.00
Ranicherra	10	19.87	18.25
Rydak	10	20.68	20.00
Sarugaon	10	35.50	32.62
	10	32.37	28.00

Cachar Gardens

Arcuttipore	10	7.00	7.00
Central Cachar	100	75.75	70.00
Eastern Cachar	10	2.87	4.81
Kallinugger	100	102.00	96.00
Kunchanpore	10	8.50	8.50
N.W. Cachar	100	149.00	94.00
Pathemara	10	6.75	7.00
Roopacherra	10	16.31	15.44
Rungamattie	10	80.00	81.00
Soni River	10	11.12	9.12
Tea Producing Co	10	16.37	10.37
Tilkah	10	10.00	19.00

Chittagong Gardens

Kodala	10	12.12	12.38
Kornafull	10	10.50	10.50
Oodslah	10	12.00	12.00

Sythet Gardens

Baltkhal	10	7.00	8.06
Chundeecherra	10	24.94	27.50
Dauracherra	10	9.31	9.25
Hattikihira	10	12.62	13.67
Kahiti	10	5.37	5.45
Lackatoorah	10	19.75	18.81
Loobah	10	3.50	3.62
N. Samanbagh	10	24.87	23.50
Patrakola	100	182.00	149.00
Rajnagar	10	9.56	9.56
Tellapara	100	128.00	131.00

South Indian Gardens

Kotamulal	5	16.00	12.25
Atal	10	6.00	6.62
Beigachi	10	26.00	30.00
Gangaram	100	152.00	158.00
Hanagua	20	19.50	18.44
New Chumta	10	36.25	33.37
New Terai	10	16.75	18.12
Pahargoomlah	10	27.62 1/2	29.00
Putintaree	10	47.00	49.50
Tirihannab	10	40.00	32.75

Preference Shares

MADRAS

NAME	Paid-up per Share.	Quotation as on 20-5-60	Quotation as on 20-5-59
Adoni 6%	10	10.45	10.25
Anglo-French 6%	100	67.00	69.00
B'lore Wool 6%	100	117.00	110.00
Buckingham 7 1/2%	100	133.50	131.00
Cambodia 7%	100	108.00	110.00
Cauvery Spg. 6 1/2%	100	97.00	85.75
Colm. Kamala 8 1/2%	100	100.00	...
Colm. Muru. 6%	100	88.00	89.00
Co. Pioneer 6 1/2%	100	85.25	91.75
Hemalatha 5%	100	67.00	63.00
Kothari Tex. 6%	10	10.00	9.00
Loyal 5%	100	63.00	66.50
Palani Andavar 7%	50	88.50	55.00
Rajalakshmi 6 1/2%	50	50.00	51.00 1/2
Tirupati 6 1/2%	10	10.00	10.00
Trav. Rayon 5%	10	9.00	8.95
Vasanta 6 1/2%	100	101.75	105.00
Vasanta 6%	100	102.00	95.00
Venkatesa 4%	50	47.00	50.00
Vijayakumar 6%	100	90.00	91.50
Virudunagar 4%	100	55.00	55.00

ELECTRICS

Berhampur 6%	10	8.05	8.55
Kumbakonam 6%	10	9.60	9.50
Nepattanam 6%	10	9.50	9.50
Salem Brode 6 1/2%	10	9.24	9.90
S. Madras 5 1/2% 1st	10	9.97	9.75
S. Madras 5 1/2% 2nd	10	9.40	9.25
Tin. Tuticorin 6 1/2%	10	9.57	9.50
Vallore 6%	10	6.75	7.05
W. Coast 6 1/2%	10	6.50	7.10

SUGAR

Cauvery 5%	100	101.12	100.00
Deccan 7%	5	6.25	6.00
E.I.D. 7%	20 1/2	31.75	17.25
India 7 1/2%	100	88.25	93.00

*Nominal. †Ex-Dividend. ‡Cum-Dividend.
§Ex-Rights.

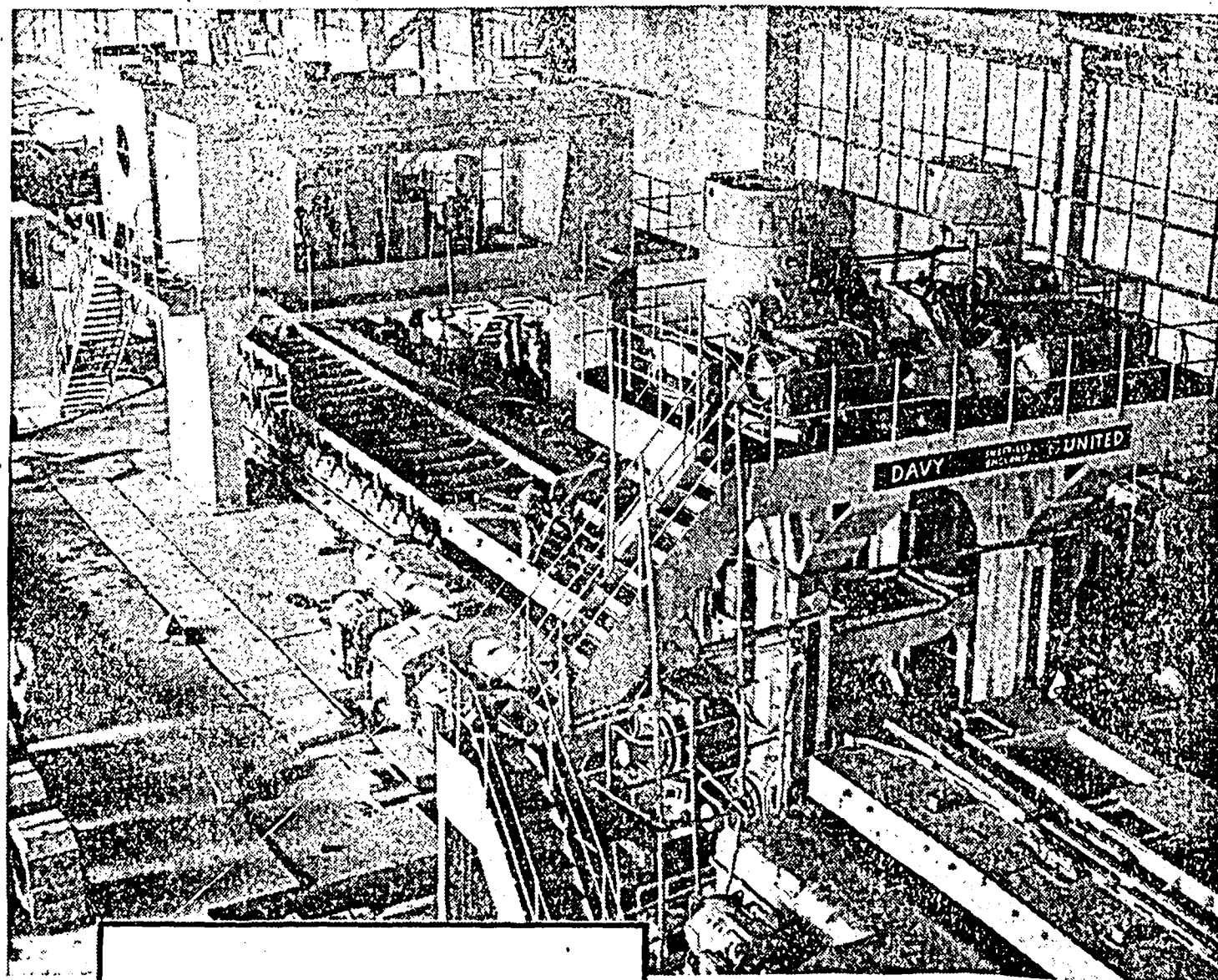
NAME	Paid-up per Share.	Quotation as on 20-5-60	Quotation as on 20-5-59</
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NAME	Paid-up per Share.	Quotation as on 20-5-60	20-5-59	NAME	Paid-up per Share.	Quotation as on 20-5-60	20-5-59
Digvijay Woollen	100	134.00	40.00*	Khandesh	1000	1450.00	1100.00
East T. Hotels 5%	100	100.00*	100.00*	Khandesh	250	375.00	300.00
Katela 5%	50	38.00	34.50	Kothari	10	10.00*	10.00*
Ferro Alloys 6%	100	100.00	100.00	Lakshmi	250	500.00	405.00
Gwalior Rayon 5%	100	99.00	...	Marfatil	100	923.75	444.00*
Hind. Const.	100	69.00	77.00	Mahendra	100	315.00	173.50
Hind. Const.	100	65.00*	65.00*	Mahendra (New)	40	40.00*	40.00
Hind. Cycles 5%	100	75.00*	75.00*	Mohar	250	20.00	95.00
Hind. Cycles 5 1/2%	25	25.00*	25.00*	Modern Mills	50	56.00	40.00
Hind. Cycles 6%	100	100.00	...	Narsari Cotton	100	220.00	190.50
Hindus. Elec. 6%	50	82.00	82.00	New City	100	123.75	112.00
Hindus. Motor 6%	50	185.00	74.00	N. Kaiser-I-Hind	100	54.00	54.50
Hingir Rampur	50	32.00	32.00	Phoenix	100	145.00	156.25
India Dye 6%	100	104.00	130.00	Pulgaon	10	10.24	9.76
I. Hume Pipe 5%	100	57.75	61.20	R. Motilal	100	62.00	77.00
Indian Rayon	37 1/2	33.00	...	Ruby	25	62.50	35.25
Jalpur Metals 6%	100	56.00	58.00	Sassoon Silk	10	9.52	8.24
Kamini Eng. 5 1/2%	100	55.50	60.00	Sassoon Spg.	10	61.50	51.00
Khandewal Ferro Alloys 7 1/2%	50	49.50	...	Shubhalaxmi	100	128.00	125.00*
Khadiyar Pottery 4 1/2%	100	100.00*	...	Shubhalaxmi (Kan.)	10	12.00*	12.00*
L. & Toubro 5%	100	97.00	97.00	Swadeshi (P.O.)	10	10.40	10.40
Madhusudan 4%	12 1/2	6.00	7.50	Victoria	100	109.50	110.50
Madhya Pradesh Ind. 6%	100	106.00	...	Vishnu	100	4400.00	4475.00
Mahindra 6%	100	102.50	101.00	W. India	100	80.80	103.00
Mahendra 6 1/2%	100	107.50	106.00	Baroda	50	48.50	49.75
Mackenzie 5 1/2% 1st	100	86.00*	...	Baroda B.	25	47.50	53.00
Mackenzie 5 1/2% 2nd	100	100.00*	...	Central	25	50.00	56.00
Motor & G. Fin.	25	36.00*	86.00	Central (F.P.)	25	50.50	52.50
Nat. Elec. 4 1/2%	100	80.00*	80.00*	Devk. Nanjee	50	20.00*	9.30
Nat. Rayon 5%	100	72.50*	80.20	Hind. Comm.	50	14.00	11.24
Nat. Rubber 5%	100	82.00	100.00*	Hind. Mercantile	50	98.00	133.00
N. Cen. Jute 7%	100	107.00*	100.00*	India	50	98.50	136.00
N. I. Fisheries 6%	100	101.00	101.00	India 'A'	50	2.00	1.92
Orient Paper 1st	100	93.20	91.00	Jodhpur Com.	5	55.70	52.00
Orient Paper 2nd	100	58.50	58.50	Maharashtra	40	19.78	...
Parshuram Port 6%	25	25.00	...	Punjab National	25	335.00	...
Poly Chem. 8 1/2%	50	48.75	52.50	State Bank	100	6.04	6.98
Palson 6%	100	76.20	80.00	Union	5	6.04	6.98
Prem. Const. 1st	100	90.00	87.50	United Comm.	50	67.00	64.50
Prem. Const. 2nd	100	83.40	86.00	All-India Genl.	5	1.24	2.40
Prem. Const. 3rd	100	5.40	6.04	British India	10	14.12	14.44
Premier Tyre 6 1/2%	60	49.00	70.50	Devakaran Nanjee	50	32.25	33.50
Radio Lamp 5%	100	74.00	110.00	Empire of India	25	268.75	201.25
Robtas 7 to 9%	100	110.00	110.00	Empire of India	25	8.00	8.00
Robtas 4 1/2%	100	60.50	61.00	Indian Globe	25	44.75	42.00
Sathe Biscuits 7%	100	94.20	94.20	Ind. Mercantile	40	6.00	5.60
Sen Raleigh 5%	100	145.00	109.50	Jupiter	15	1.48	1.00
Sirpur Paper 6%	100	87.00	110.00	Neptune	10	2.78	2.78
Standard Motor 5 1/2% 'A'	100	103.00*	...	New Asiatic	5	22.00	21.52
Standard Motor 5 1/2% 'B'	100	103.00*	...	New Great	20	62.70	61.40
Star Paper 6%	100	96.00	101.50	New India	15	61.00	61.00
Star Paper 5 1/2%	100	73.00*	70.00*	New India 'A'	15	62.00	60.00*
Star Paper 5 1/2%	100	100.00*	92.00	Sentinel	50	12.00	13.00
Structural Eng. 5%	100	105.50*	105.50	Universal Fire	10	12.00	13.00
Structural Eng. 6 1/2%	100	106.50	60.10	Vulcan	10	20.18	20.52
Sundatta Foods 8%	50	50.10	50.10	Amalgamated	10	10.80	10.78
Supreme Ind.	100	68.50	71.50	Anand	50	53.00	64.00
Tata Chem. 5%	100	97.00	96.20	Basselt	10	8.50*	8.80*
Tata Oil 4 1/2%	100	57.00	62.50	Broach	10	7.00	7.12
Termaco 1st 5 1/2%	100	85.00*	85.00*	Dharwar	50	51.00	51.00
Termaco 2nd 5 1/2%	100	62.00	62.00	Nadlad	50	54.00	61.50
Termaco 6 1/2%	100	100.75	...	Nagpur	25	19.52	20.00
W. Coast Paper	100	110.00	110.50	Nasik Deolali	100	106.00	72.00*
W. I. Plywood 5%	100	90.00*	90.00*	Pooni	100	112.25	120.00

Ordinary Shares (Non-Cleared)

NAME	Paid-up per Share.	Quotation as on 20-5-60	20-5-59
Adoni	10	8.20*	10.40
Bhawani	10	10.00*	10.00*
Bradbury	50	130.00	145.00
Burhanpur Tapli	100	98.50*	87.00
Cocira	100	133.00	133.75
Davangere	100	114.00	113.50
Dawn	50	107.25	104.25
Geekwar	100	260.00	220.00
Gold Mohur	100	220.00	207.50
Hindustan P.P.	1000	4825.00	4850.00
Hindustan P.P.	250	992.50	992.50
Hukunchand	100	105.00	105.00*
Indian Manfg.	1000	2270.00	4350.00
Indian Manfg.	500	1050.00	...
Jam. Ranjit	1000	1600.00	1450.00
Jyajeero	10	15.52	9.76

NAME	Paid-up per Share.	Quotation as on		NAME	Paid-up per Share.	Quotation as on	
		20-5-60 Rs nP	20-5-59 Rs nP			20-5-60 Rs nP	20-5-59 Rs nP
Khandesh	1000	1450.00	1100.00	Kalpetta	10	12.28	13.44
Khandesh	250	375.00	500.00	Midland	10	12.32	12.76
Kohari	10	10.00	10.00*	Nellompathy	2	2.88	3.28
Kushmi	250	500.00	405.00	Rajagiri	10	18.92	18.16
Kashtali	100	923.75	444.00*	Twyford	10	13.24	15.64
Kabendra	100	315.00	173.50	Waterfalls	2	3.80	3.70
Kabendra (New)	40	40.00*	40.00				
Kode	250	20.00	95.00	MISCELLANEOUS			
Kodern Mills	50	56.00	40.00	Alembic	100	234.50	207.50
Kavayatri Cotton	100	220.00	190.50	Alembic Chem.			
New City	100	123.75	112.00	New	100	218.00	193.00
Kaiser-I-Hind	100	54.00	54.50	Alumn. Corp.	10	16.36	15.32
Khenix	100	145.00	158.25	Amar Dye	100	315.00	160.00
Kulgaon	10	10.24	9.76	Ambika Silk	100	155.00	...
Kutlial	100	62.00	77.00	Anil Hardboards	100	335.00	175.00
Kutly	25	63.50	35.25	Asso. Rubber	100	105.00	101.00
Kutson Silk	10	9.52	8.24	Associated Stone	10	21.28	19.88
Kutson Spg.	10	61.50	51.00	Baroda Rayon	50	129.00	...
Kutubnagar	100	125.00*	125.00*	Bom. Burma (P.P.)	50	195.00	191.25
Kutwadi (Kan.)	10	10.40	10.40	Bombay Cycle	20	24.00	15.00
Kutwadi (P.O.)	10	10.40	10.40	Bombay Potteries	100	140.00	125.25
Kutwadi	100	375.00	287.50	Bombay Safe	200	405.00	365.00
Kutwadi	100	109.50	110.50	Bombay Silk	50	5.00	5.00
Kutwadi	1000	4400.00	4475.00	Bom. Swadeshi			
Kutwadi				Bom. Uganda	5	6.24	...
Kutwadi	50	80.80	103.00	Bom. Uganda	80	49.00	49.00
Kutwadi	25	48.50	49.75	Brady Eng.	80	67.00	80.00
Kutwadi	25	47.50	53.00	B. I. Corp.	5	8.36	5.08
Kutwadi (F.P.)	25	50.00	56.00	Brunton Eng.	10	4.00	5.00
Kutwadi	50	53.50	52.50	Ceat Tyres	100	206.00	144.00
Kutwadi	50	20.00*	9.30	C. I. Coal	10	8.60	6.36
Kutwadi	50	14.00	11.24	C. I. Machinery	10	10.00*	10.00
Kutwadi	50	98.00	133.00	C. P. Railway	100	48.00	63.00
Kutwadi	50	99.50	138.00	Chemo. Pharma.	25	27.00	20.00
Kutwadi	50	2.00	1.92	Colour Chem.	100	375.00	...
Kutwadi	5	55.70	52.00	Commerce (1935)	10	17.00	18.00*
Kutwadi	25	19.76	...	Dehri-Rohas Ry.	10	22.68	12.44
Kutwadi	100	335.00	...	Dena Inv.	25	11.08	11.20
Kutwadi	5	6.04	6.96	Delhi Safe	10	10.00*	10.00*
Kutwadi	50	67.00	64.50	Delhi Safe	7	7.00*	...
Kutwadi				Dharamsi Chem.	50	180.00	91.00
Kutwadi				Dhrangadha	100	155.00	119.50
Kutwadi				Digvijay Tiles	100	94.00*	73.00
Kutwadi				Digvijay Woollen	10	14.36	5.00*
Kutwadi				East India Hotel	5	10.00	10.00*
Kutwadi				Empire Dyeing	15	40.00	43.50
Kutwadi				Estrella	50	51.00	42.00
Kutwadi				Ferro Alloys	100	99.00	96.50
Kutwadi				G. Claridge	100	190.00	170.00
Kutwadi				Greaves Cotton	100	155.00	131.00
Kutwadi				Gujarat Inv.	50	11.00	25.00
Kutwadi				Gujarat Safe	75	120.00	120.00
Kutwadi				Gwalior Rayon	10	43.75	18.56
Kutwadi				Har & Satapathy	500	365.00	400.00
Kutwadi				Hind Cycles	100	130.00	110.50
Kutwadi				Hindustan Elec.	100	120.00	107.00
Kutwadi				Hindustan Housing	25	125.00	25.00*
Kutwadi				Hindustan Lever	10	38.25	30.00
Kutwadi				Hingir Rampur	80	23.00	19.00
Kutwadi				Indian Dyestuff	100	700.00	700.00
Kutwadi				Indian Hume Pipe	100	155.00	...
Kutwadi				Indign Rayon	25	54.00	...
Kutwadi				Indian Tool	100	112.00	112.50
Kutwadi				Indian Veg.	100	153.00	160.00
Kutwadi				Ind. Cr. & Inv.			
Kutwadi				Corp.	100	80.00	80.50
Kutwadi				Ind & Prudential	10	26.00	...
Kutwadi				Inv. Corp.	100	136.00	116.00
Kutwadi				Jalpur Metals	100	130.00	90.30
Kutwadi				Jalpur Metal Dgd.	20	27.00	7.00
Kutwadi				Jost, Eng.	50	65.00	71.00
Kutwadi				Jyoti (Old)	100	190.00	185.00
Kutwadi				Kamani Eng.	10	13.40	9.72
Kutwadi				Kemp	200	299.00	229.00
Kutwadi				Killick Indus.	100	108.00	139.00
Kutwadi				Kirloskar Bros.	25	63.00*	...
Kutwadi				Kirloskar Oil Eng.	10	16.52	19.76
Kutwadi				Khandewal Ferro Alloys	50	78.00	...
Kutwadi				Laxmi Starch	100	149.50	...
Kutwadi				Madhusudan A	100	75.00	65.00
Kutwadi				Madhusudan B	20	14.00	13.00
Kutwadi				Madhya Pradesh Ind.	10	17.00	...
Kutwadi				Mahindra	10	23.52	23.18
Kutwadi				Man Indus. Corp.	100	95.00	95.00
Kutwadi				McKenzie	100	99.00	78.00
Kutwadi				Motor & Gen. Fin.	10	40.00*	40.00*
Kutwadi				Mys. Kirloskar	100	125.00	132.50
Kutwadi				Nat. Elec. Indus.	50	78.00	75.00
Kutwadi				National Rubber	100	13.00	16.52
Kutwadi				N. Central Jute	10	28.00	15.08
Kutwadi				N. I. Fisheries	100	80.00	100.00
Kutwadi				N. I. Industries	100	430.00	240.00
Kutwadi				New Stand Eng.	100	108.00	...
Kutwadi				Orient Paper	10	37.10	35.80
Kutwadi				Purshuram Pottery	25	6	...



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Indian Finance

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Saturday
4 June 1960
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HIGHLIGHTS OF THIS ISSUE
Post-Summit Tremors are still heard.
Are they portents of fresh eruption—or final spurt of a spent force?
Read First Leading Article.

Indian Finance
Founded in
1928
by
C. S. Rangaswami

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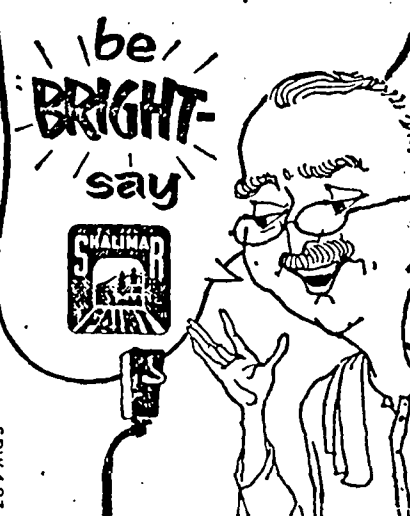
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WORLD OF FINANCE

"Need for A Banking Plan"

A PLAN for economic development would hardly be realistic if the situation in the banking system is left out of consideration. Any attempt at economic uplift (from a stage of under-development) should, to be effective, also take into its purview a reorganisation of the banking system. This aspect, however, does not appear to have so far received sufficient notice, although we have drawn frequent attention to this subject. It is therefore reassuring now to find that, on the eve of the Third Five Year Plan, the central banking authority has taken up the matter and brought it to the forefront. In its Annual Report on the "Trend and Progress of Banking in India for 1959," the Reserve Bank has drawn the pointed attention of the Indian banks to the urgent need for "study" and reorganisation. The Report appears to have taken note of some of the major problems of Indian banking. The need for "cost studies" and "rationalisation" of banking charges has been stressed, and the necessity for examining the various issues relating to expansion of banking business, rationalisation of charges, policies, procedures, etc., has been emphasised.

Though the published profits of banks appear to have improved slightly in 1959 as compared to 1958, the net profits (available for distribution of dividends, allocation to reserves, etc.) after provision for taxes and bonus to staff, have declined in the case of 22 larger Indian banks out of 25 which have Deposits of Rs 5 crores and over. If the weekly average of the total of Advances of these banks is taken with the weekly average of their Deposits during 1959, it will be seen that, by and large, the banks fully utilised the accretions to Deposits during the year. But, if the rate of interest on Deposits had not been reduced in time, the position would have been serious by now. The earning capacity of banks would thus appear to be far from being encouraging. In such a situation, therefore, and particularly with the recent impounding of part of new accretions to Deposits, the need for examining the cost structure generally and of individual banking services and rationalisation of the banking charges, on the basis of such study, becomes a matter of urgent necessity. These points have been discussed, in recent years, by, among others, Dr N. N. Law, Chairman of United Bank of India Ltd, in his speeches to the shareholders. He drew pointed attention to these aspects again in his speech this year, when he has suggested that an "enquiry into the manner in which and the extent to which the rising operating expenses have so far been absorbed, and whether the process has not adversely affected the banking system and the sound growth of the national economy, would prove to be a very useful study". In the same address, Dr Law also emphasized that, "besides meeting the rising costs, the banking system must have a better pattern of earnings to be able to provide better and newer services", and that adoption of new techniques of Advances (apparently referring mainly to Term loans and Character loans), necessary

for economic development, "needs to be backed by better built in cushion".

However, it is common knowledge that, in spite of the facilities of the Refinance Corporation and the encouragement given by the Reserve Bank of India in this regard, the Indian banking system has by and large not yet been found enthusiastic about Term loans to industrial undertakings. There can be no doubt that industrialisation would be better facilitated if the borrowing units could be ensured of the supply of funds for the specified period, even though the rate of interest may be related to the Bank Rate and thus subject to variation. Nevertheless, the banking system cannot be entirely blamed for not going ahead with this type of loans. Unless and until the profitability of banks improves satisfactorily, banks may be taking a great deal of risk if they were to embark on such innovations. Can the banks, in the present conditions, afford to take such a risk?

A thorough study of the Indian banking system with a view to reorganising it to suit the changing requirements of the national economy is a matter which would require collective and concerted efforts, on the part of the Indian banks; and this has been emphasised by the Reserve Bank of India, in suggesting that the Indian Banks Association should organise Study Groups for "a collective and comprehensive stock-taking of the problems, policies and procedures". The Reserve Bank has, at the same time, offered its "requisite co-operation and help" to the Indian Banks Association. It may be recalled that Mr B. K. Dutt, Managing Director of United Bank of India, had drawn up, in December 1956, a tentative study for a Banking Plan which was acclaimed by knowledgeable quarters, and which can still form the basis for such a "comprehensive stock-taking". Unfortunately, however, although this tentative plan was drawn up at the instance of the Indian Banks' Association, no step appears to have been taken so far.

Now that the Reserve Bank of India has brought these matters into sharp focus and has offered its co-operation and help, the Indian banking system must take note of the situation and act quickly. The urgent necessity to-day is a joint and concerted effort. No institution in the system can live and prosper in isolation. Sporadic individual action can be of little avail to-day. A Plan must be drawn up with the co-operation of all the individual units in the system; and, in this regard, great responsibility lies with the Indian Banks' Association. The Association should not only be able to organize collective thought and give a proper lead; if necessary, it should also be prepared to re-organise itself, in such a manner as would elicit the co-operation and support of all the various banks in the country, not excluding the smallest units.

Again, Steep Fall in Note Circulation

A CONTRACTION in note circulation of true slack season proportions has been recorded for the second week in succession. According to the returns of the Reserve Bank for 27 May, Active Notes have fallen by a further steep Rs 19.06 crores to Rs 1860.99 crores; and the contraction in the last two weeks exceeds Rs 49 crores. Furthermore, Rupee Coin has returned from circulation in the amount of Rs 0.79 crores. Currency has been contracted against Rupee Securities for Rs 10 crores by transfer to Investments in the Banking Department. Consequently, the Reserve Bank's cash has improved by Rs 9.65 crores to Rs 32.11 crores.

An increase of around Rs 24 crores to Rs 255.62 crores in Investments in the Banking Department implies recourse to deficit financing, since, in the first place, the transfer from the Issue Department was only Rs 10 crores and since, in the second place, there is evidence of inter-governmental transactions. But it is important to note that roughly another Rs 10 crores of the rise in Investments is due to counter-vailing deficit financing in respect of maturing Treasury Bills in the Reserve Bank's portfolio of bills purchased and discounted. It is the balance alone, of around Rs 5 crores, which really represents created money. The State Governments have apparently benefited fairly considerably; their Deposits are marked higher by Rs 5.02 crores at Rs 34.49 crores, the while that their indebtedness to the Reserve Bank stands reduced by Rs 9.23 crores at Rs 42.08 crores. But, with the institution of deficit financing, the Centre was able to meet this liability by drawing down its cash by Rs 5.88 crores to Rs 52.01 crores. There is apparently also an indication of slack season attributes in regard to member bank figures contained in the Reserve Bank statement. For, 'Reserve Balances are sharply higher by Rs 9.40 crores at Rs 103.64 crores; but, then, the State Bank has reported an increase of around Rs 12 crores in cash in hand and with Reserve Bank, so that other Scheduled Banks apparently had to draw somewhat upon their statutory balances with the central banking institution. On the other hand, the decline of Rs 6.33 crores to Rs 108.45 crores in the Other Loans and Advances of the Reserve Bank is surely indicative of an easier banking position, since it would largely relate to reduction of indebtedness by Scheduled Banks.

It is disquieting to note that Balances Held Abroad have further fallen, in declining by Rs 2.11 crores to Rs 9.54 crores. It would appear either that export performance recently has not been satisfactory or that receipts of foreign assistance have suddenly slowed down.

The return of the State Bank for 27 May is largely featureless. Deposits are slightly higher by Rs 2.71 crores at Rs 628.88 crores. However, for the first time this year, the State Bank is free of debt in respect of borrowings from the Reserve Bank. The gilt-edged portfolio is unchanged at Rs 384.22 crores, but Other Assets are shown lower by Rs 6.34 crores at Rs 11.56 crores. With the total of Advances declining by Rs 0.73 crores to Rs 214.12 crores, cash in hand and with Reserve Bank is substantially higher by Rs 12.50 crores at Rs 36.82 crores.

The statutory statement of the 'position of Scheduled Banks as at 20 May 1960 shows that gross Deposits are practically unchanged at Rs 1,977.66 crores against Rs 1,977.95 crores; but, in the relevant week, the State Bank reported a fall of Rs 54 crores in Deposits, so that Other Scheduled Banks definitely experienced an increase of corresponding amount. The beginnings of slack season influence are suggested by the fall of Rs 8.15 crores to Rs 1,127.71 crores in the total of Advances, of which the State Bank accounted for about Rs 2 crores. The rise of Rs 5 crores in the gilt-edged portfolio is wholly ascribable to the State Bank. The accretion of Deposits with other Scheduled Banks has enabled the latter to reduce borrowings from the Reserve Bank by almost exactly Rs 4 crores. In the end result, cash balances are lower by Rs 3.15 crores at Rs 181.17 crores; but, with the State Bank having shown a drop of Rs 12 crores in that week, it is clear that other Scheduled Banks added to their cash balances by roughly Rs 9 crores.

Treasury Bills

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills were opened on Tuesday, the 31 May 1960. Total amount offered was Rs 2,25,00,000. Tenders at Rs 99.325 were accepted in full and those at

Rs 99,310 were allotted approximately 86 per cent. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.745 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at Calcutta, Kanpur and New Delhi up to the close of business on Monday, the 6 June 1960 and at Bangalore, Bombay, Madras and Nagpur up to 11 A.M. on Tuesday, the 7 June 1960. Successful tenderers should make payment on Friday, the 10 June 1960. Other conditions are as usual.

During the week ended the 27th May 1960 Government of India Treasury Bills for Rs 40,24,50,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 1 to 4 June 1960 at Rs 99.326 per cent. Sales can be stopped at any time without notice if Government think it necessary.

91 days' Intermediate Treasury Bills sold from the 25 to 28 May 1960 amounted to Rs 1,24,50,000.

Towards Western European Economic Unity?

By
Paul Enzig

It looks as though my forecast that Mr Khrushchev would restore economic unity in Western Europe will prove to be correct. Had it not been for the wrecking of the summit meeting, both trading groups, the Common Market and the Free Trade Association, would be busily engaged by now in preparing for their cold economic war that was to result from the implementation of the Hallstein Plan. It is true even before the Paris failure the Common Market decided to defer the Hallstein Plan for six months. But preparations were made for a major showdown at the GATT conference in Geneva. The United States Government was even firmer than President de Gaulle in opposing the Free Trade Association and had every intention to organise resistance to it at Geneva. Instead, the American spokesman came out strongly in favour of its recognition, twentyfour hours after Mr Khrushchev delivered his unacceptable ultimatum in Paris. So it is an ill wind that brings no one any good. Even though the restoration of Western unity is small compensation for the Paris failure, that is no reason for not being grateful for small mercies.

The Lisbon meeting of the Free Trade Association welcomed the change of heart on the part of the Common Market and expressed itself eager to negotiate a settlement. There are of course no indications on what lines the

compromise is likely to be reached. But the deterioration of relations with the USSR has made it virtually certain that some compromise will be reached, or at any rate an active clash between the rival groups will be avoided.

It remains to be seen how far the British Government will be prepared to go towards joining the Common Market without unduly antagonising (a) Commonwealth interests; (b) British agriculture; (c) British industries liable to be affected unfavourably; and (d) the other participants in the Free Trade Association. But the trend is distinctly towards free trade.

For two years now the cost of living index has been kept stable in spite of the rise in wages, and the Government is most anxious to prevent the impending increases from causing a resumption of the increase in the cost of living. The most effective way to that end would be drastic cuts in tariffs. It is true it would hit hard a number of industries which can only prosper while being protected against Western European competition. But their loss would be the gain of many other industries. That would be small comfort for those firms which would suffer the disadvantages of freer trade. But any unemployment resulting from such a change would be easily absorbed, judging by the fact that proportion of the unemployed has now declined to 1½ per cent. Continental competition would force prices down, and this would offset the effect of rising costs due to higher wages.

The Government can, we'll afford to face the unpopularity of free trade in Lancashire and elsewhere. The next general election is far removed and the Opposition shows signs of disintegration. Tory Rightwing opposition to liberalisation, too, can be ignored. Even some measure of weakening of the economic links with the Commonwealth, which until recently would have been politically impossible, might be found acceptable, owing to the realisation by Government of the importance of gaining access to the expanding markets of the increasingly prosperous Western European countries. The German miracle has been followed by a French miracle and an Italian miracle, so that between them these countries, together with the Low Countries, constitute a most important market which the Commonwealth could ill afford to lose.

Taking all in consideration it would not be surprising to find that Britain will go a long way towards meeting the Common Market point of view. It remains to be seen how far her trading partners in the Commonwealth and in the Free Trade Area will be prepared to follow her, and how far France will be prepared to waive her resistance to Britain's inclusion in the Common Market. Anyhow the next three or four months are likely to be of decisive importance.

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Post-summit Tremors

THE political Everest that unexpectedly turned out to be a political Vesuvius is still smouldering. Rumbblings are still heard but whether they are portents of fresh eruption or only the final spurt of an already spent-force is an open question. Perhaps it is the former. Marshal Malinovsky's reported order to the Chief of the Russian Rocket Forces 'to strike at any base from which a plane took off and infringed Soviet Air Space' has an ominous rather than 'looking-back-in-anger' ring. Certainly, it has struck terror in the hearts of the unfortunate countries who have formally got entangled in the mesh of regional pacts. The Soviet defence Minister's 'warning'—he distinguished it from 'threat', a distinction with no appreciable difference as far as these countries can see—included the prospect of not only the shooting down of intruding planes but also of 'striking back at the bases from which the violator plane took off'. He also added for good measure that the 'violation' he had in mind was not only of Soviet territory but also of 'socialist countries'. Whether are not the acrimonious exchanges over the U-2 incident had made countries like Pakistan and Norway uneasy, the present warning is sure to send them into panic. Pakistan's denunciation of the US use of Peshawar for the spy-flight in the recent meeting of the SEATO and Norway's decision to make reconnaissance flights conditional on express prior permission are indices of the state of mind of the committed allies of the US. The Marshal's speech announcing these orders contained some heavily ironic references about the illusions of the West regarding the striking power of Soviet Rocketry. The provocation was the doubt expressed about the way the American spy plane was shot down. The Soviet Defence Minister boasted that the West had as yet no planes and with 'such a ceiling which our Soviet rockets could not hit'. A further indication that the Cold War has plumbed new depths below the freezing point was had in the formal disavowing of 'camp David spirit', from which the only moral now drawn is that the 'imperialists are not to be trusted'.

All this does little to relieve the oppressive sense of human inadequacy that has been caused by the failure of the summit. In effect, all the old cold-war postures are once again coming into fashion. Phrases we had learnt to forget come back to mind with a vivid shock of recall. If Marshal Malinovsky had had a 'facile gift of phrasing, he might have referred to "instant massive retaliation at times and places of our choosing" is one. Even the justifications have an old ring, though, here the Marshal has a fortuitously valid case in the American mistake. The intruding plane has to be shot because one does not know whether it carries a nuclear bomb. Mr Dulles, in the complacency no longer available in view of present relative strength in striking power of the power of strategic Air command, used to make similar excuses for retaliating even before the striker had begun to hit. The assumption in both cases is that it is right to shoot first and then ask the questions. It did not trouble Mr Dulles, that such subsequent inquest may be highly embarrassing to the

country quick on the trigger; for it may well turn out that the intruder was no dealer of death but one who had merely lost his way. An even more horrifying prospect is the unleashing of a nuclear war from which we all thought we had shrunk to such an extent as to make it impossible. But the Marshal's exercise in brinkmanship makes all the world wonder whether it can ever be sure of waking up alive the next morning. Even if such a war is still unlikely, the immediate consequence of this threat is further stiffening of attitudes on the other side and more frenzied thinking on newer kinds of weapons.

The Marshal may, of course, be bluffing. But who would gamble on that? Nor can we draw much comfort from the guess that all this is the result of some internal convulsion inside the Soviet Union and the communist world. For, if Mr Khrushchev is merely putting on an act because of internal stresses, there is no certainty that the stresses may not eventually overwhelm him. If, on the other hand, he has himself become disillusioned about co-existence, the prospect is equally bleak.

The pity of it all is that the US has so hopelessly placed itself in the wrong, first by allowing the spying on the eve of the summit and then by trying to justify it, that it has no firm moral ground under its feet. The result is that it finds itself wobbling when it tries to strike an attitude moral enough to denounce Soviet brinkmanship. At the Security Council meeting, no one was really convinced of the American justification of the spy flight. But the smaller nations on the Council showed enough awareness of the complexities of international political ethics to thwart Russian efforts at impaling the US on the stakes. Perhaps even Russia had not hoped anything beyond the squeezing the last ounce of propaganda advantage by this reference to the Security Council. The earlier effort (by smaller nations) to salvage the summit was forlorn, but the call to keep talking—presumably at lesser heights, from which a fall may not have such shattering consequences—gives enough time to recover the lost tempers. But there is not much cause for immediate hopes, since forces far beyond the power of smaller nations to control are operating. What is even worse luck, even deferred hopes may be unfounded, if Marshal Malinovsky's threats are genuine. No doubt, words have been eaten before and will be in future. That is one cause for comfort. But the real hope of mankind is still the one that is to be wrung out of despair; mankind cannot, despite every evidence to the contrary, have lost its instinct of self preservation to such an extent as to deliberately set about destroying itself.

For a Prosperous Madhya Pradesh

IN the techno-economic survey of Madhya Pradesh, the second major State survey completed by the National Council of Applied Economic Research, there is to be found, as in the first one covering Bihar, that integrated

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The Wise Man in his attitude towards the World has neither Predictions nor Prejudices. He is on the side of what is Right—The Analects of Confucius.

assessment of the resources potential as a sound and scientific precondition for integral planning. This assessment has logically led the National Council to suggest a comprehensive ten-year plan for a prosperous Madhya Pradesh—a plan which, on the face of it, may look somewhat ambitious, involving as it does a total investment of Rs 2,090 crores over the 1961-71 period. This magnitude of investment, if it comes to be accepted as both possible and necessary, will be higher by Rs 290 crores, as compared to a possible Rs 1,800 crores which the State could reasonably expect on a per capita basis if the aggregate investment visualised for all-India over the Third and Fourth Plan periods is of the order of Rs 25,000 crores. If the National Council has considered it necessary to suggest some weighting in favour of Madhya Pradesh, it is because there are vast untapped potentials of agricultural, mineral and forest resources in the State and relatively larger investments are required in the infrastructure, that is, in the power and transport sectors, for exploiting those potentials. There can be no two opinions on the need for such weighting in favour of a State like Madhya Pradesh which is a by-word for poverty and agricultural and industrial backwardness.

This backwardness and poverty alike are reflected in the low per capita income of Rs 247, as of 1957, in the State as compared to Rs 281 in the same year for India as a whole. An index of agricultural backwardness in particular is to be found in the fact that the average acre-yields of such crops as wheat, rice, maize, gram, sugarcane, cotton and groundnut range between 66 per cent and 87 per cent of their all-India average yields. This low level of productivity is mostly attributable to the circumstance that only about 5 per cent of the cropped area in the State is irrigated, as compared to 17 per cent in all-India. And this, in turn, is responsible for the very low intensity of cultivation practices in the State. Against this background, the high participation rate (50.7 per cent), that is, the percentage of working force in agriculture to total rural population, which is very much higher than in most other States, means that the agricultural population can eke out, only a bare subsistence from the land. The National Council has, therefore, rightly suggested that as much as 21.8 per cent of the proposed 10-year aggregate investment of Rs 2,090 crores be made in the sector of 'agriculture and allied activities including irrigation'. If this proportion is much higher than the corresponding figure of 15 per cent estimated for all-India, it has necessarily to be so in the conditions of agriculture in Madhya Pradesh.

A similar reasoning applies equally well to the sector of large-scale industries in which the suggested investment will account for 25.5 per cent of the State's aggregate ten-year investment, as against the corresponding esti-

*Techno-Economic Survey of Madhya Pradesh. The field survey was carried out last year, under the general direction of Dr. P. S. Lokanathan, by a team headed by Mr. M. V. Divatia (Project-Director). There were 13 economists and technical officers and four foreign and two Indian technical consultants in the team.

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PROPOSED PATTERN OF INVESTMENT FOR M.P. (1961-71)

Sector	(Rs Crores)		Public Total	Private	Total Public & Private	Percent- age M.P.	Percent- age all India
	Centre	State					
Agriculture and Irrigation	...	338	338	118	456	21.8	15
Mining	74	...	74	64	138	6.6	3
Large-scale Industry	414	29	443	90	533	25.5	20
Power	...	200	200	...	200	9.8	7
Small-scale and Cottage Industries	...	38	38	3	41	1.9	3
Construction (of schools, hospitals and buildings)	...	86	86	86	172	8.2	28
Railways, roads and road transport	127	...	380	71	451	21.5	17
Stocks and Miscellaneous	31	48	79	22	101	4.9	7
Total	646	992	1638	454	2092	100.0	100
Percentage to Total	31.2	47.1	78.3	21.7	100	...	...

PROPOSED LARGE-SCALE INDUSTRIES IN MADHYA PRADESH (1961-71)

S. No.	Industry	Location	Capacity in tons per year	Investment in lakhs	Net value of output (by 1971)	Employment potential (No. of workers)	Power requirements (K.W.)	Public or private sector
1.	Iron & Steel (New Plant)	Rowhat	1.5 mill	22,000	2,500	12,000	130,000	Public (Centre)
2.	Bhilai Plant (expansion for steel)	Bhilai	1.5 mill	15,000	3,600	6,500	100,000	—do—
3.	Aluminium and Alumina	Birsinghpur Anuppur region	30,000 Aluminium and 60,000 Alumina	3,000	320	2,400	75,000	Private
4.	Ferro-manganese	Bajaghat	50,000	500	220	400	25,000	—do—
5.	Beneficiation of manganese	—do—	150,000	73	21	100	1,000	—do—
6.	Central foundry and forge plants	Indore and Raipur	6,000	15	20	200	200	Public (State)
7.	Steel Rolling Mills	Bhilai	24,000	17	76	100	1,000	Private
8.	Structural fabrication	Bhilai	4,000	8	29	200	200	—do—
9.	Road machinery	Raipur	...	5	1	100	100	—do—
10.	A.C.S.R., Conductors	Jabalpur	1,00,000	80	170	2,800	60	—do—
11.	Agricultural implements	Ujjain	...	2	5	50	50	—do—
12.	Heavy Electrical Plant	Bhopal	...	4,400	900	5,000	600	Public (Centre)
13.	Fertilisers (Nitrochalk)	Itarsi	340,000	2,450	410	5,000	60,000	Private
14.	Super-phosphate	Raipur & Indore	60,000	10	45	100	700	Private
15.	Dicalcium Phosphate	Nagda	50,000	25	50	100	2,500	—do—
16.	Sulphuric Acid	Raipur & Indore	33,000	20	17	50	25	—do—
17.	Alum	—do—	16,500	20	17	20	60	—do—
18.	Copper Sulphate	Indore	3,300	1	17	20	50	—do—
19.	Ferrous Sulphate	Raipur	3,300	1	23	20	50	—do—
20.	Caustic Soda	Nagda	33,000	205	160	250	13,600	—do—
21.	Bleaching Powder	—do—	25,000	...	...	...	...	—do—
22.	Calcium Carbide	Jukhi Katni	10,000	70	30	200	5,100	—do—
23.	Precipitated Chalk	Satna area	3,300	10	6	50	100	—do—
24.	Solvent Extraction	Oilcrush- ing centres	180,000	120	525	600	150	—do—
25.	Coal Carbonisation	Itarsi	650,000	380	65	300	1,500	Public (State)
26.	Refractories	Bhilai	250,000	4000	273	5,000	500	Private
27.	Cement	Jukhi Katni	1.5 mill	1,060	598	1,000	2,400	—do—
28.	Ceramics	Gwalior	15,000	125	25	1,000	1,000	—do—
29.	Paper	Shahdol	80,000	2,500	500	2,000	8,000	—do—
30.	Particle Board	Jabalpur	9,000	40	26	300	500	—do—
31.	Hard Boards	Mandla Hoshangabad areas	12,000	110	34	300	2,400	—do—
32.	Insulation Board	Dabra	13,500	80	50	200	2,000	—do—
33.	Teak Veneer	Hoshangabad	6 mill sq. ft.	10	85	100	1,000	—do—
34.	Saw Mills	Rajnandgaon, Cft. of Jabalpur & Jagdalpur	0.6 mill timber	42	13	500	1,000	—do—
35.	Tanning extract	Jabalpur	3,000	25	12	50	50	—do—
36.	Sugar	Chambal area	4,000 per day	400	200	1,500	400	—do—
37.	Cotton seed processing	Indore	100,000 (Seed)	100	160	1,000	200	—do—
Total			63,304	11,203	61,010	436,395		

mate of 20 per cent for all-India during the same period. The need for a relatively higher level of industrial investment is underlined by the fact that the sector of large-scale industries now accounts for only about 4 per cent of the State income as against the 10 per cent of national income for India as a whole. If 'mining' is also considered together, it will be found that these two sectors alone will absorb 32.1 per cent of the State's aggregate investment as against the corresponding estimates of 23 per cent in all for all-India. That the larger part of the proposed investment in these two sectors together will have to be made by the Centre in the public sector is understandable in the context of the Government's overall industrial policy as also of the known inadequacy of surpluses within the State for industrial investment. The National Council has no choice in the matter. If, still, it has visualised an aggregate private industrial and mining investment, over the ten-year period, of about Rs 154 crores, it may be because private capital from the more prosperous States is expected to be attracted to Madhya Pradesh in the wake of large-scale public investment in heavy industries and in the power and transport sectors.

PHASING OF INDUSTRIAL INVESTMENT IN M.P.

Industry	(Rs Crores)	
	Third Plan	Fourth Plan
Steel (New)	...	220.0
Steel (Expansion)	150.0	...
Heavy Electricals	24.0	20.0
Aluminium and Alumina	15.0	15.0
Ferro-Manganese	15.0	...
Nitro-Chalk	24.5	...
Caustic Soda	...	2.0
Coal Carbonisation	3.8	3.8
Refractories	1.0	3.0
Cement	5.3	5.3
Paper	14.5	10.5
Sugar	2.0	2.0
All other proposed industries	6.4	3.4
Total	251.5	285.0

An industrial investment of the order of about Rs 535 crores would not be possible without a correspondingly heavy investment in the power and transport sectors. The deficiencies in these sectors, from the point of view of development of industrial and commercial centres, are due to the twin circumstance that railways and roads in Madhya Pradesh were originally designed for through traffic between the northern and southern parts of India and the great power potential of the State has not hitherto been investigated for historical reasons. Since investment in the infrastructure mostly belongs to the public sector, the National Council has rightly suggested that the larger part of the outlays on power and transport be made by the Centre and the State Government together, with the private investment (Rs 71 crores over the ten-year period) being limited to road transport. Again, since the proposed investment in power and transport is absolutely necessary for the establishment of industries, the National Council's plan for Madhya Pradesh is essentially an industry-oriented plan. Even the relatively high investment in agriculture is partly intended to make more raw materials available for the agro-industries.

If this industry-oriented plan for Madhya Pradesh comes to be implemented broadly on the lines suggested by the National Council in the light of its careful appraisal of the resources potential, the State may well rank as 'one of the highly industrialised as well as agriculturally prosperous States by about 1971'. An average annual growth rate of about 8 per cent in the total State income, or about 5 per cent in the per capita income, during the period 1961-71, achievable with a total investment of Rs 2,090 crores and an assumed capital-output ratio of 3, may well

PROPOSED SMALL-SCALE INDUSTRIES IN MADHYA-PRADESH (1961-71)

S. No.	Industry	Units proposed	Investment (Rs. 000)	Employment (No. of workers)
1.	Model Saw Mills	4	300	112
2.	Wood seasoning plants	4	264	66
3.	Teakwood veneer plant	1	150	25
4.	Joinery plants	5	548	200
5.	Bobbin plant	1	45	20
6.	Stationery and wood products plant	7	200	210
7.	Tannin plant	1	200	8
8.	Chrome Tanneries	2	600	48
9.	Leather Finishing Plant	1	260	20
10.	Footwear Units	3	660	135
11.	Leathergoods Plants	2	575	66
12.	Small Bone Mills	20	50	50
13.	Big Bone Mills	2	600	90
14.	Foundries-cum-Smithies	5	600	170
15.	Wire, Nails, Screws & Pins	3	117	60
16.	Bolts & Nuts Plants	3	900	90
17.	Agricultural Implements	4	1,200	220
18.	Builder's Hardware Units	4	340	220
19.	Tin Container Plant	1	340	52
20.	Hand Tool Plant	4	1,600	240
21.	Small Machine Tools	2	1,100	190
22.	Textile Machinery Plant	1	609	53
23.	Water Pipe & Sanitary Fittings Plant	1	383	56
24.	Composite Engineering Plants	7	4,000	400
25.	Electric Motor Plant	3	2,430	300
26.	Electrical Accessories Plant	1	125	35
27.	Domestic Appliances	1	300	50
28.	Stainless Steel, Domestic	1	125	18
29.	Scientific Instruments	4	670	390
30.	Bicycle	4	800	312
31.	Soap-stone Plant	2	400	40
32.	Thynol Plant	2	200	30
33.	Paints & Varnishes	3	450	90
34.	Soap	3	1,200	210
35.	Scientific Glass Plant	2	20	26
36.	Electrical Porcelain Wares	1	75	30
37.	Plastic Units	3	120	48
38.	Paper Plants	2	520	90
39.	Mosaic Tiles	3	360	75
40.	Ready-made Garments	1	165	80
41.	Sports Goods Plant	1	70	50
42.	Laundries	4	424	140
43.	Surgical Instruments	1	400	35
Total		130	24,217	4,868

be sufficient to bring the economy of Madhya Pradesh to the stage of self-sustaining development, although the National Council is not dogmatic on that score. That nearly four-fifths of the entire investment of Rs 2,090 crores will have to be made by the public sector to ensure the basic conditions for a 'take-off' is an eloquent commentary on the role of public investment in an under-developed economy. It is obvious that in the absence of such public investment, the private sector in agriculture, industry, mining, transport and commerce will be condemned to a state of prolonged stagnation.

But the question is whether, as far as the proposed plan for Madhya Pradesh is concerned, public investment is likely to be made according to the pattern charted by the National Council. There is good reason for optimism on this score. For one thing, it is highly probable that the proposed investment of about Rs 645 crores by the Centre will be actually made over the ten-year period because the larger part thereof will be in mining and heavy industries for which the State has abundant reserves of coal, iron ore and limestone and in railways for which there are already more schemes than can be conveniently implemented during the period. For another, private investment of the order of Rs 453 cores over the period may also be reasonably expected to fructify because it is relatively not much and the larger part of it will be in agriculture, mining, construction and road transport. The only difficulty will be in respect of the public investment of the order of Rs 992 crores by the State Government

itself over the period. It is here that an element of uncertainty is foreseen by the National Council which has estimated a gap of Rs 210 crores in the State's own resources after taking into account all possible additional resources from tax and non-tax sources, small savings, market loans and Central assistance. This gap virtually represents the proposed weightage in favour of Madhya Pradesh and the case for increased Central assistance to meet it is, therefore, pretty strong.

Financial Position of Sugar Industry

REHABILITATION of plant and machinery is one of the urgent problems confronting the sugar industry in India. Most of the factories came into existence over three decades ago. In the meanwhile, the consumption of sugar has shown a steady increase and in the coming years the demand for it is bound to go up still further. It is therefore important to ensure that the sugar industry is always kept at a high level of efficiency so that apart from meeting the internal requirements it may also be possible to build up an export market for this commodity.

What then is the present financial condition of the industry? In the presidential address at the last annual session of the Indian Sugar Mills Association, a reference was made to the 'alarmingly poor' financial position of the country. The President said: 'Many units are actually incurring losses and returns on capital and also reserves are declining. The industry in the north, particularly, is faced with near-crisis conditions'. The President of the Indian Sugar Mills Association emphasized the need for 'large funds' because the normal depreciation would be 'wholly inadequate to cover even a fraction of the rehabilitation charges'.

Now that the full text of the Tariff Commission's report is available, it will be worthwhile to examine in some detail the financial position of the sugar industry. The Commission, it will be recalled, has not favoured a uniform allowance for rehabilitation to all the units in industry in the fair price selling of sugar. It has recommended that the Government should make the necessary arrangements for making available financial assistance to the units in the sugar industry on similar lines as those made for cotton and jute textile industries for the renovation and modernisation of their plant and equipment. Those units which require assistance are asked to make out a case for rehabilitation. The Commission's conclusion is that only a few factories in East UP and Bihar regions require financial help to rehabilitate their plant and machinery.

The Commission has made this recommendation on the basis of the detailed analysis of the working results of the sugar factories in different regions. The relevant particulars are given in the table at the end. It will be noted that some factories are composite units, engaged in the production of goods other than sugar. The figures reveal that 23 units in the East UP producing only sugar made gross investment in fixed assets of about Rs 89 lakhs between 1953-54 and 1957-58. Their fixed assets had depreciated to the extent of about 65 per cent of the value of gross block, and their net worth, that is, paid up capital and reserves, declined steadily mainly as a result of the depletion of reserves caused by lower profits. But their surplus and depreciation funds amounted to about 99 per cent of the value of gross block in 1957-58. A portion of the surplus was used as working

Statement showing the financial position to sugar industry in different regions in

(Amount in lakhs of Rupees)

Regions.	1957-58		1953-54	
	Sugar only	Other activities besides sugar	Sugar only	Other activities besides sugar
Number of units	23	7	23	7
Gross Block	662	304	573	212
Accumulated Depreciation	432	181	362	154
Net Block (3-4)	230	123	211	58
Net Worth	455	166	508	173
Surplus of Net Worth over Net Block (6-5)	225	43	297	115
Debentures and long-term Borrowings	28	18	37	70
Available resources (7+8)	253	61	334	125
Investments	158	40	127	24
(10) as per cent of (7)	70.6	93.1	42.6	20.8
Reserve plus Bonus Issues as per cent of originally paid-up capital	56.9	169.0	69.6	197.9
Net Block as per cent of Gross Block	34.7	40.6	36.8	27.3
Number of Units	7	13	7	13
Gross Block	453	1303	209	683
Accumulated Depreciation	179	644	94	424
Net Block (3-4)	274	659	115	259
Net Worth	239	689	187	597
Surplus of Net Worth over Net Block (6-5)	-35	30	72	338
Debentures and long-term Borrowings	14	84	10	14
Available resources (7+8)	-21	114	62	352
Investments	49	73	68	104
(10) as per cent of (7)	...	239.9	93.7	30.8
Reserve plus Bonus Issues as per cent of originally paid-up capital	38.0	136.6	41.5	123.2
Net Block as per cent of Gross Block	60.4	50.6	54.7	37.9
Number of Units	14	6	14	6
Gross Block	542	435	435	316
Accumulated Depreciation	340	221	283	177
Net Block (3-4)	202	214	152	139
Net Worth	388	281	377	210
Surplus of Net Worth over Net Block (6-5)	186	47	225	71
Debentures and long-term Borrowings	22	27	...	32
Available resources (7+8)	206	74	225	102
Investments	41	32	44	27
(10) as per cent of (7)	22.0	66.4	19.4	37.6
Reserve plus Bonus Issues as per cent of originally paid-up capital	100.1	133.1	94.6	127.6
Net Block as per cent of Gross Block	37.2	49.2	34.9	44.1
Number of Units	2	2	2	2
Gross Block	106	...	70	...
Accumulated Depreciation	33	...	20	...
Net Block (3-4)	73	...	50	...
Net Worth	-17	...	11	...
Surplus of Net Worth over Net Block (6-5)	-90	...	-39	...
Debentures and long-term Borrowings	55	...	25	...
Available resources (7+8)	-35	...	-14	...
Investments	15	...	...	...
(10) as per cent of (7)	...	...	...	...
Reserve plus Bonus Issues as per cent of originally paid-up capital	...	...	...	...
Net Block as per cent of Gross Block	69.0	...	71.6	...
Number of Units	4	9	4	9
Gross Block	219	1294	144	737
Accumulated Depreciation	73	503	33	368
Net Block (3-4)	146	791	111	369
Net Worth	90	637	38	618
Surplus of Net Worth over Net Block (6-5)	-55	46	-73	249
Debentures and long-term Borrowings	42	179	39	12
Available resources (7+8)	-13	225	-34	261
Investments	22	112	2	100
(10) as per cent of (7)	...	244.3	...	40.0
Reserve plus Bonus Issues as per cent of originally paid-up capital	7.4	152.9	...	153.4
Net Block as per cent of Gross Block	66.7	61.2	77.3	50.2

BOMBAY.					
(Amount in lakhs of Rupees)					
1957-58					
1953-54					
Regions.	Other activities besides sugar.	Co-operatives.	Other activities besides sugar.	Co-operatives.	
Number of Units	11	9	11	9	
Gross Block	1387	844	977	268	
Accumulated Depreciation	714	92	513	30	
Net Block (3-4)	673	752	464	238	
Net Worth	1138	301	796	184	
Surplus of Net Worth over Net Block (6-5)	465	-451	332	-52	
Debentures and long-term borrowings	62	350	65	52	
Available resources (7+8)	527	-101	397	...	
Investments	99	1	96	...	
(10) as per cent of (7)	21.2	...	29.0	...	
Reserve plus Bonus Issues as per cent of originally paid-up capital	542.2	11.4	354.8	5.7	
Net Block as per cent of Gross Block	48.5	89.1	47.5	88.6	

PUNJAB.					
(Amount in lakhs of Rupees)					
1957-58					
1953-54					
Regions.	Other activities besides sugar.	Co-operatives.	Other activities besides sugar.	Co-operatives.	
Number of Units	2	...	115	...	
Gross Block	197	...	115	...	
Accumulated Depreciation	75	...	43	...	
Net Block (3-4)	122	...	72	...	
Net Worth	114	...	70	...	
Surplus of Net Worth over Net Block (6-5)	-8	...	-2	...	
Debentures and long-term borrowings	39	...	15	...	
Available resources (7+8)	27	...	36	...	
Investments	27	...	36	...	
(10) as per cent of (7)	...	...	...	...	
Reserve plus Bonus Issues as per cent of originally paid-up capital	108.4	...	67.3	...	
Net Block as per cent of Gross Block	62.0	...	62.4	...	

Note:—... Indicates that the numerator or denominator is negative.
 Note:—... Indicates that the numerator or denominator is negative.

(a) Figures relate to the year 1954-55.
 (b) Figures relate to the year 1955-56.

capital but a substantial part ranging from 42.6 per cent in 1953-54 to 70.6 per cent in 1957-58 was invested in shares or debentures of associate companies or shares and debentures of other joint stock companies. The position of the seven units in the same region producing sugar and other products was also satisfactory, considering the fact that the reserves plus bonus issues constituted in 1957-58 about 169 per cent of their original paid-up capital. The study of the financial results of the factories in the other regions, as given in the following tables, goes to show that by and large the industry has done well. The rate at which the industry has expanded and increased its capacity during 1954-58 was much greater than that in the preceding period of 1937-54. According to the Commission the gross fixed assets increased by Rs 33 crores between 1954-58 as compared with Rs 39.65 crores between 1937-1954. The Commission argues that since the owners of the industry who invested originally Rs 31 crores have increased the value of their equity to Rs 58 crores it is they should be called upon to bear the burden of carrying out the necessary rehabilitation programme. The Commission says that it is "against canons of social justice to claim that, since they have applied the resources they had for expansion, the consumer should now be called upon to pay the cost of their rehabilitation programme which,

all the available statistics show, was delayed so long". The Government has accepted the recommendation of the Commission, and has pointed out that financial assistance will be given for rehabilitation more or less on the same lines as those given for the cotton and jute industry. The reaction of the sugar industry to this recommendation is not yet known. But it is to be hoped that Government will adopt a helpful policy so as to expedite the programme of modernisation. In the case of the cotton textile and jute industry, the process of rehabilitation has not progressed as rapidly as it should have; and it is necessary to ensure that further delay does not take place in regard to the sugar industry. The Government's concern to protect the interests of the consumer is understandable. It is all the more important therefore that rehabilitation of the sugar industry is carried out as quickly as possible. The Exchequer at the Centre and in the States is deriving substantial revenue from the sugar industry every year. The Centre alone raises about Rs 58 crores per year through excise duty. State Governments collect about Rs 10 crores per year as cane cess and although the object is to develop sugar cane, only a meagre portion of the revenue is spent for this purpose. Besides, the sugar factories pay Rs 1 crore per year as cooperative societies' commission. Therefore, there should be no difficulty in providing the industry with timely and adequate financial assistance to enable it to expedite its scheme of modernisation.

Change in Turkey

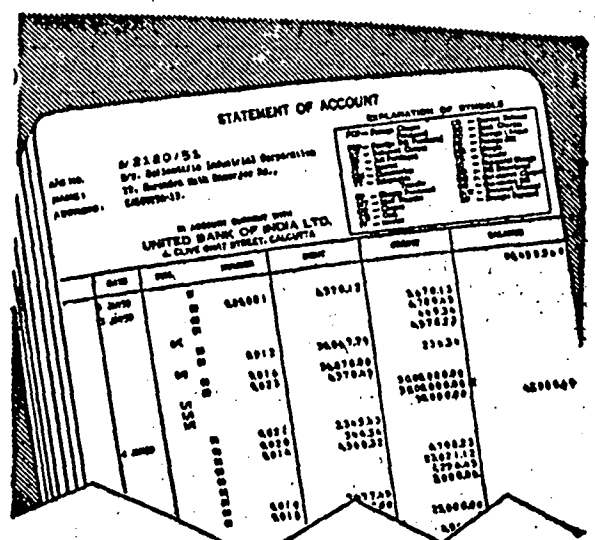
WHETHER the failure of the Paris conference shaped events in Turkey need not be debated, but the fact of a quiet, orderly revolution, really stands out. There are no ancient institutions to abolish—the Sultanate went before the Caliphate—no traditions to scrap eagerly. Only the dismantling of the Police State of the so-called Democrats has to take place before a constitution to suit Anatolian desires is prepared. Turkish alignment with the west, politically and culturally, is achieved by the Army's sudden plunge into politics. Turkish antipathy to the people's democracy in the Balkans is taken for granted, though neutralist sentiment is bound to develop in Turkey as in Greece after the fall of Menderes. The very fact that the next head of the Government will be Ismat, the lieutenant of the Ghazi and the victor of Mudania where the convention created the new Turkey may convey to the world the impression that Turkey is going back to the principles and policy of the Thirties, clinging to nationalism rather than entangling alliances. That policy paid, for the Treaty of Lausanne was amended in 1936 to suit Turkish desires and Turkey got the Sanjak of Alexandretta, the only scrap of territory retrieved from the old Ottoman empire.

The cardinal difference between the Iraqi and Turkish revolution, between Egypt and Turkey's attitude, deserves emphasis in view of the international recognition accorded promptly to the change of regime. It is admitted implicitly that Menderes had misused his parliamentary majority since 1957 and had destroyed civil liberty and put curbs on the Press as well as politicians. Hence the change in Turkey is more a restoration of the status quo ante than a start on a different course, though some glimpse already an adaptation of parliamentary rule to suit Ankara's changed circumstances. The work of Kemal Pasha is going to endure with the Republicans getting the approval of the Army—a stable element because the prewar regime had eroded the rights of the people and misused the power vested in it by the voters. The revolution was marked by no barricades—it was quite

like the change of regime in the Lebanon three years ago when the fact of American intervention was faced calmly and the war of nerves in the Middle East was got over. There is no such competition for favours but it may be suspected that the U-2 episode will make Turkey reluctant to either provide bases or to range herself indefinitely against the Soviet Union.

The revival of nationalism in Europe since 1957 is carried farther by the cataclysmic changes in Istanbul and Ankara. To that extent, Asian countries will sense that Turkey has parted company with the USA, also that anti-Russian sentiment is not the basis of Turkish policy, because the Army demonstrated effectively its own lack of confidence in the Menderes government and the Colonels made it clear that Turkey, not her allies, comes first with them. The difference as compared with the changes of 1958 in Pakistan call for passing mention mainly because Turkey is not a Succession State but the rump of an empire, that goes back to Byzantine days. The post-war Balkan pattern may be upset to some extent, since Turkey may elect to follow Yugoslavia, accept US economic aid for industrial growth but ward off demands for control of her own strategic positions including the Dardanelles.

Moscow will certainly be disinclined to make demands on Turkey in future, repeat charges or assume that precautions in Bulgaria and Rumania must always be taken. The change of regime may even help the Greeks in Cyprus to revive the demand for union with Greece, but the Turkish minority in Cyprus may look hereafter to Ankara and not to London for upholding its rights. The Russians may try to offer aid for development plans, provide markets for chrome and tobacco and regain a footing lost in the Forties by a careless demand for Kars and other provinces.



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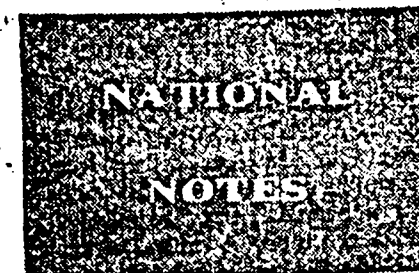
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New Industries

Industrial licensing, to go by the record for January alone, is more liberal this year and the use of metals by manufacturers is to be encouraged since shortage of iron and steel is ending. The undertakings approved by the Government are not so large as varied and production covers springs as well as castings, tin sorter machinery as well as conduit pipes. A curious item may be found in the diversification of activities by a flour mill engaging in the production of electric motors and the Indian Telephone Industries producing condensers for fluorescent lighting. If concerns in Moradabad get almost automatically licences for metal ware, the manufacture of minor electrical equipment in Bombay seems to be the rule and Rallis' expansion of fan manufacture is now definitely on the cards like the manufacture of flexible wire and cable in Bombay. The local manufacture of heaters also is now contemplated and political organisations will approve the proposal to make amplifiers as also tape-recorders.

The production of tipping wagons by the Associated Cement Company is part of its development programme to use its mines and quarries fully. The entry of Kirloskar into the refrigerator field under a phased programme seems logical but the most impor-

tant item in the licences issued in January is that given to EID & SF for its Ennore project to make 4,680 tons of ammonium phosphate per mensem. This is the scheme that was mentioned at the annual meeting on April 29 as derived from its arrangement with Simon-Carves.

Of equal interest is the scheme of New Central Jute to produce 40,000 tons of soda ash, making it clear that like Rohtas, New Central is now a composite industry. The Plans of Boake Roberts to produce fine chemicals and essences at a factory near Madras City calls for bare mention like the inception of resin making for plywood at Dandeli in North Kanara. Spencer & Co in Madras has been licensed to make carbon dioxide and the Indian Oxygen Co means to make both nitrogen and argon.

Textiles do not figure much in the programme of current development but paper makers are still looking ahead and Bengal Paper is to have a capacity of 11,400 tons of printing and writing paper and some one has an approved scheme for a mill in Jilwarpur, Darbhanga district, may be to use local bagasse for paper making. The expansion of soap output by making 100 tons of liquid soap is part of the diversification of interests undertaken by India United Mills. The steady recovery in the shares since October rests on the basis of the Indo-groups getting on to manufacture of textile accessories and equipment. Also of more significance perhaps is the entry of Assam Silimanite into the field of refractories production in Ramgarh with as much as 44,720 tons per annum. When oil companies produce chemicals, it is only natural for mining interests to turn to refractories. One other point calls for notice. Tomco has a new plant at Ghaziabad to produce laundry and toilet soap as also glycerine and the recent spurt in the shares in Bombay is perhaps based on the prudent investor's appreciation of greater earning potential and the chances of a new issue to finance expansion on the familiar Tata lines.

The State Bank

The opening of the 400th branch of the State Bank at Kairana in UP by Mr Morarji Desai, Union Finance Minister, marks the fulfilment of an obligation that was laid down by the State Bank of India Act. The relevant section of the Act states that "notwithstanding anything contained in sub-section (4), the State Bank shall establish not less than four hundred branches in addition to the branches referred to in sub-section (3) within five years of the appointed day or such extended period as the Central Government may specify in this behalf..." That it has been possible to reach the target of branch expansion within the specified period is owing to a variety of factors by no means fortuitous.

As a concomitant of such growth there has taken place a spectacular increase in the resources as well the business transacted by the State Bank. The total deposits of the Bank which stood at Rs 188.0 crores in June 1955 have steadily risen to Rs 615.0 crores in April 1960 and formed 31.9 per cent of the total deposits of all the scheduled banks in India as compared to 19.1 per cent in June 1955. There was also a parallel increase in the Bank's advances including bills from Rs 110.0 crores in June 1955 to Rs 185.3 crores in June 1959. With an increase in the gilt-edged investments of the Bank from Rs 87.0 crores in June 1955 to Rs 297.4 crores in June 1959 the role of the Bank in the gilt-edged market assumed prominence.

Branch expansion formed only one phase of the transformation that was envisaged for the State Bank by the All-India Rural Credit Survey. To recall its recommendations, the object was "the creation of one strong, integrated, State-sponsored, State-partnered commercial banking institution with an effective machinery of branches spread over the whole country, which, by further expansion (including further, but minor, amalgamation where necessary), can be put in a position to take over cash work from non-banking treasuries, provide vastly extended remittance facilities for cooperative and other banks, thus stimulating the further establishment of such banks, and, generally, in their loan operations, in so far as they have a bearing on rural credit, follow a policy which while not deviating from the canons of sound business, will be in effective consonance with national policies as expressed through the Central Government and the Reserve Bank". There are ample indications that the Bank is striving its utmost to live up to this role. A successful debut has already been made in the provision of funds to small-scale industries, while considerable extension of facilities for agricultural financing has also been effected.

Fair Prospect

An encouraging estimate of the prospects of engineering goods exports has been made by the Chairman of the EEPG at press conferences in Madras and in Bombay. The estimate is firmly based on the steady increase in exports during the last three years and on the findings of the Council's delegation to the Western Hemisphere. Exports have increased from Rs 4 crores in 1958 to Rs 6 crores in 1959, and the record of the first four months of the current year shows that the target of Rs 8.5 crores has not been set too high. The development of new markets in the USA will help to maintain this rate of increase and Mr Agarwal envisages that engineering goods exports will reach the level

of fifty to sixty crores in another five or six years. Indian industry is now in a position to export different types of iron and steel castings. The level of exports indicated by Mr Agarwal could be reached even earlier if the interest stimulated by the Council's delegation to the United States is followed up by the establishment of feeder industries in India. The availability of finance from counterpart funds under the Cooley Amendment to PL 480 should be an incentive for joint Indo-US ventures in this field which will ensure a steady market for Indian engineering manufactures in the United States.

The success of Japan in the US market has now created confidence among the exporters who hope to raise targets on the basis of quality and prices. But compared with Japan the export organisation is weak and Mr Agarwal pleaded for a special export house to deal in engineering goods destined for markets abroad. The coming exhibition in Ceylon may help to interest overseas buyers and the rise in light engineering exports this year promises some benefits like the reduction in shipping freights from Indian ports made on representations by exporters of sewing machines, fans, GI buckets, etc. Shipments of engineering goods to Burma, Ceylon and Malaya this year are rising and the promotion Council had derived benefits from the surveys made by missions. There is now an export trade in razor blades, printing types, steel trunks and furniture and the market may not be confined to Indians abroad. Umbrella fittings also go abroad and the higher price of stainless steelware and cutlery has not apparently affected the export trade.

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FOREIGN NOTES

US Budget Prospects

It looks as though the United States will have a balanced budget in the current (1960) fiscal year ending this June 30, after all. And it is even beginning to look as if the net surplus in the US Government's accounts will be larger than originally estimated.

News of this sort is always welcome, of course. But it is doubly welcome now, in that it lays to rest the oft-heard fears that government's budgetary position would not come up to expectations.

Authority for this latest optimistic appraisal of the government's finances is none other than Budget Director Maurice H. Stans. In a Congressional appearance last week before the Ways and Means Committee of the US House of Representatives, he stated that that the Eisenhower administration now expects to equal or to slightly better the \$200 million surplus forecast for this fiscal year.

The general view at this moment seems to be that the surplus will approximate \$300 million. There even is some speculation—unofficial, of course—that it could go as high as \$500 million.

That original \$200 million projection was made last January when President Eisenhower sent his budget message to Congress. However, because of disappointing corporation tax collections, there has been some fear that this surplus, slim at best, would not be achieved—indeed, that a deficit might result. Corporate tax receipts have been running more than \$500 million below expectations, largely because last year's lengthy steel work stoppage has kept below anticipated levels the earnings of many companies in the steel industry and in related industries.

But it is evident now that other important influences have combined to offset this budgetary disappointment. For one thing, net expenditures will not be, as large as expected. For another, a marked increase in individual income tax receipts, reflecting the sizeable gains in the total personal income of all Americans, has gone far toward making up for the reduced corporate tax revenues.

Statistically, when all the accounts settled, both budget receipts and expenditures will probably be a few hundred million dollars below the January estimates of \$78,000 million and \$78,400 million respectively. However, the drop in spending promises to be a little larger than the drop in tax revenue.

Contributing to the reduction in outlays are improvements in the fiscal positions of the US Commodity Credit Corporation (CCC), keeper of the nation's agricultural reserves, and the Export-Import Bank of Washington, one of the nation's major international lending institutions. Both of these agencies are benefiting from unexpectedly large cash returns which are helping to reduce their net outlays.

The CCC is doing better than expected because it has been exporting more government-held cotton, and is paying out less in corn price supports to American farmers, than it had anticipated. The Export-Import Bank has been benefiting from unexpectedly early repayments of some of its loans to foreign governments. In addition, lower interest rates have reduced the estimated budgetary cost of carrying the US public debt.

But it is the revenue side of the ledger that offers the most striking evidence of economic improvement. An upsurge in individual income tax receipts has shown up in the tax cheques the US Treasury Department has been processing since April 15, the final deadline for completing the tax payments covering the previous calendar year. And this upsurge is the obvious result of rising personal incomes which went up, in the aggregate, from an annual rate of \$380,000 million in August 1959 to a rate of \$392,100 million in December.

What is more, the rise has continued into 1960. During April, the latest month for which such data are available, total personal income hit an annual rate of \$397,400 million. For the first four months of 1960, it averaged out at an annual rate of \$394,300 million, nearly \$21,000 million or about 5.5 per cent higher than in the corresponding period of 1959.

This income rise, it should be noted, represents a substantial advance in the real purchasing power of the American people. After adjustment for price changes, the year-to-year income gain still amounts to a sizeable four per cent.

The Taiwan Issue

F. M. Montgomery's visit to China has produced official disclaimers in London but his opinions are not likely to be ignored. The argument that Formosa belongs properly to China has been endorsed and the cordial reception at Peking is not the only reason for the case presented. The chances of a change in US foreign policy need not be discussed, but it is patent that UN trusteeship for Formosa is ruled out, as also the theory that China is divided like Korea or Vietnam. No plebiscite can be held on the island to ascertain whether Chiang-kai-shek commands complete local loyalty. But the Chinese Government is likely to press its own claim as part of its general anti-American

policy. The island republic with 10 million people mostly refugees, has acquired undue importance and as a US protectorate retained international standing also. The failure of the Paris talks may force the USA to examine whether Taiwan can be the perennial issue in the cold war or whether the exclusion of China from the UN is the price to be paid for keeping the US Seventh Fleet in the Central Pacific. Conventional views on defence are changed by the US episode and in the missile age a big navy does not seem impressive.

F. M. Montgomery's views on China may be ignored in Washington but in Britain, they are bound to affect current thinking on world problems. The fact is that Taiwan is kept alive by US subsidies and its rice and sugar exports are not enough to foot the heavy bill for defence. The problem of withdrawal is made doubly difficult by the re-election of Chiang-kai-shek. And if an attack is mounted by China very difficult issues will arise though Japan is now an ally of America. The Eisenhower visit to Tokyo may lead to a clarification of US aims in the Far East and the failure of the Rhee regime even makes it urgent. The chances of an agonising appraisal (after the Presidential election) may be kept in view because the hope of a summit meeting is not yet dead. The distaste for negotiation with China may even be removed by the association of uncommitted nations which see the solidarity of the Communist block even after M. Gromyko's complaint failed to impress the Security Council.

Independence will come to Somalia as also to the Belgian Congo. But while riots keep the Congo's name in the papers, the future of Somalia is hardly mentioned. An election has in February made it clear that the end of Italian rule was desired by the people and the unification of Somalia with British Somaliland was also desired. The new element is the local mistrust of Ethiopia. But the guarantee of a subsidy to a perpetually insolvent State makes for apprehensions abroad. There have been disputes over grazing rights and Ethiopia feels that her access to the coast must be ensured by international treaty.

The USA is very much interested in the development of Ethiopia and if a greater Somalia to suit the people on the Burning Coast is created, there, perhaps, will be a conflict, though the USA will take care to see that Somali minerals are not left to Egypt which feels that Arab influence must extend rapidly beyond the Red Sea, as it is a part of S. W. Asia. Britain does not favour giving much to the Somali tribes out of Kenya or other territory, mainly because a lot of money was spent in the past on chasing the Mad Mullah and the Somali territory has yielded only a little gum and hides and skins for sale in Aden.

Much depends also on French evacuation of Somalia territory because control of the Jibuti-Addis Ababa railway is vital for a new republic that can just preserve its independence against Ethiopian pressure. The locally entrenched Italians are likely to retain commercial influence always in Somalia and may ship salt to the East. But Britain must be willing to pay for the Somalia after the union of territories even if the Horn of Africa is as unpromising as Cape Horn. Unlike Libya, with its oil, a counterpoise to Egypt, the territory has no value in European eyes and past promises to the Somalis have only bred local discontents and created a middle class that makes politics an end in itself. If Somalia collapses nobody will care to move in because the desert tribes will revert to the conditions of the past and Ethiopia will be told that Somalia is or can be a buffer against Egyptian designs. As a ward of the UN, the Eritrean territory has done well for itself but the future is rather dubious. Somalia is not, like Afghanistan, the recipient of Russian aid plus US bounty. It is not like Liberia endowed with rich iron ore ready for shipment to the USA. It is going to be the world's newest poor relation.

Cambodia

The recent election in Laos held to decide what direction her own foreign policy should take may have influenced Cambodia. Not the fear of Chinese intervention in her affairs nor the intrusion of South Vietnam may be the reason for the neutralist King to hold a referendum. Uncomfortable in relation to Siam, the Kingdom of Cambodia cherishes not only neutralist ambitions but hopes of US aid on a large scale. Mr Chou-en-Lai's recent visit gives added importance to the proposed vote which will give Prince Norodom a doctor's mandate. The elections are to be free and open, but not supervised. But the whole object is to get popular approval for the policy of a King who may be regarded as the daring young man on the flying trapeze. A referendum is one way of scotching local communism. Previous association with France may well explain Cambodia's recourse to a Napoleonic device. The outcome will be a demonstration of confidence in the King by his five million subjects. Buddhism is a political factor as in Burma, and the convincing defeat of the Reds by U Nu's party may help the court to get extra strength. It may also lead to more US purchase of rubber, kapok and pepper from the Mekong valley. Mineral development and extraction is ill-developed as compared with the Federation of Malaya and the election is to be taken as a prelude to development on lines similar to that of Malaya where Japanese capital has flowed into joint ventures.

Indian Finance

4 June 1960

STATES NOTES

Climate for Industrialisation

The UP Government claims exceedingly good results for the steps it has taken for creating the proper climate for industrialisation of the State. The claim is verifiable from figures of additional employment created, extent of loan assistance made available and extent of self-help evoked. So far as employment is concerned, every Rs 3,500 invested in the small-scale sector has been able to find direct employment for an unemployed hand. Similarly for every rupee of loan help that the States small scale industries sector received from the Government, it has been able to supplement it with self-help to the tune of Rs 2.6, while the all-India figures is only Rs 2.

State participation in the development of the small scale sector by means of loan aid through various lending agencies has also been considerably stepped up, and during the last 15 months an amount of Rs 1.50 crores is reported to have been made available to small scale units. Overdraft facilities from the State Bank to meet the needs for working capital amounted to Rs 75 lakhs during the last two years. The target of facilities from the State Bank during the current year is expected to be raised to Rs 2 crores. Encouraging progress is also claimed in respect of the utilisation of the credit available from the State Financial Corporation for hire purchase of machinery by the small units. UP which has lagged behind West Bengal, Bombay and Madras in the utilisation of such credit so far, hopes to head the list in future.

Evidently the subject of industrialisation is being treated as a "life and death" question. It was such earnestness which the State's Chief Minister Dr Sampurnanand sought to drive home by his slogan "industrialise or perish". The Third Plan outlay on the small scale sector is sought to be raised from the original figure of Rs 21 crores to Rs 25 crores and greater attention will be paid to the development of depressed areas.

Unemployment Enquiry

Though largely rural in character, the problem of unemployment has other confusing aspects. The Bihar Government is one of the few states to have the problem thoroughly inquired into by a Committee constituted for the purpose in 1954. The Committee consid-

ered all possible avenues for new employment and recommended measures for increasing employment opportunities in the State. After nearly five years since the Government took up for implementation the suggestions of the Committee, the unemployment problem is not found any the less severe than it was when the Committee was set up.

It will be agreed that the problem almost everywhere is of such magnitude as not to admit of any short-term solution. Development has to be stepped up along all lines such as intensive farming, pisciculture, mining, industries etc for a measurable reduction in unemployment. So far as rural unemployment is concerned, a slight mitigation is the most that can be expected from the present efforts of the Government. Educated unemployment is also inevitable in so far as the rate of progress in economic development falls short of the rate of expansion in education. Though a developing economy tends to expand the field of employment for the educated unemployed by means of converting a good part of wage work into salaried work, the trend in educated employment in India has not confirmed this connection. It is generally on expansion of education that most State Governments place reliance for providing jobs for the educated unemployed. Single teacher schools and high ratio of teachers to pupils form part of the measures that are being implemented on a national scale. Revision of school and university syllabus to suit the technical and technological needs should also be helpful in reducing unemployment.

The Bihar Committee also considered the problem of unemployment among women and made several suggestions with a view to providing more opportunities for women of middle class families. The growing demand for ready made garments is considered to provide very appropriate avenue for the self-employment of middle class women.

Bogus Firms

A startling increase in the number of bogus firms making money by racketeering of foreigners has been reported from the UP. The police investigations reveal the existence of as many as 30 such firms which prey on foreigners. Such firms have been known to exist in the State since 1956 when a few cases came up for investigation. That their number should have increased since then is indeed strange and would seem to indicate lack of proper vigilance on the part of the authorities. But the police have been helpless in the face of a problem that is difficult to track down for want of proper evidence. The victims of the racketeering are mostly foreigners and their evidence is indispensable for conviction. This, however, would

involve them in a costly trip to this country. This is a circumstance that tends to give a freer field for such fraudulent business to flourish. The fact that the foreign victims are not drawn from one country alone but belong to countries as far-flung as the British West Indies, British Guiana, Kuwait, Gyaba, Nigeria, West Africa, Ireland, Malaya, and Singapore is another circumstance that makes conviction of the men involved in such crimes difficult.

Only a microscopic few involved in this business has been known to have been convicted. The majority go scot free because of lack of legal ground for conviction. The State police are up against the most difficult problem they have ever faced. There is only one solution and that is to secure the evidence of the victims on commission in the countries they hail from. This is reported to be receiving the consideration of the authorities.

Mill Industry in the South

The mill industry in South India is not confined to the district of Coimbatore and in fact, the largest textile unit is outside. The annual report of the Southern India Millowners' Association for 1959 indicates that in spite of

cotton shortage and industrial unrest the majority of mills fared better than in 1958 and the larger output of cloth met good demand. Since superfine cloth accounts for only 5.9 per cent of the year's production of 301 million yards the preponderance of medium cloth is now well established. Larger deliveries of yarn to the handloom industry ensured a reduction in mill stocks. Last year South India produced 436 million lbs. or 25.3 per cent of the country's total output, but the year's production suffered by the closure of the Harvey Mills for 65 days which is why output is up by only 33 million lbs. on 1958 total. Since the production of yarn above 40 counts is shown at 6.4 per cent only it is evident that the shortage of foreign cotton hampers the mills to some extent and export incentive schemes do not help very much.

The South Indian mills did not gain much from the scheme for installing automatic looms in 1959-61. The Association asked the State Government to endorse its plea for larger allocation of automatic looms in the southern region because of the excess of yarn following an increase of spindles since June 1957 by 2.1 million. The Madras Government backed the application but the Centre allotted the looms only to the established composite mills because

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of its view that new undertakings would not be in a position to export all the cloth produced on automatic looms. The figures relating to the capacity of mills indicate that the number of spindles used or the size of the paid-up capital has no bearing on profits earned although a large, old unit like Lakshmi mills has the advantage of 496 looms to use up yarn. There are hardly any mule spindles now, but only a few mills have automatic looms for instance, Kothari Textiles and Radhakrishna Mills. Anyway B. & C. with 120,288 spindles and 2,788 looms including 2,450 automatic looms stands out easily as the largest unit. The mill statement curiously leaves out Mettur Industries with 25,556 spindles and 603 looms. Undoubtedly the most powerful and prosperous unit in Madras has not furnished data while the Loyal mills of Kolipatti also has not given figures relating to its productive capacity. However, privately-owned units like Gobald Textiles have furnished

data regarding employment and machinery installed. The great differences in size, resources and output stand out as also the fact that South India with 133 spinning mills contains only 48 composite mills (out of 294 in India). The mill industry employing 1,91,637 workers including 28,706 women is the largest organised industry in South India and the mills in Mysore are a long way behind. Though Bangalore mills with 1,157 looms is definitely a major unit and far more prosperous and better known than S.K.R. mills which has set up a branch at Chitaldrug. The millowners' report refers to the 'new power tariff, the persistence of labour unrest despite a rise in dearness allowance paid in Coimbatore and makes it clear that after the adverse experience few mills can stand an addition to the wages bill. The report does not indicate how much staple fibre and rayon yarn is consumed at present, but it is fairly obvious that South India Viscoise when its plant is in

operation in 1961 will command a large market in the South, mainly because the popular preference for rayon will influence the textile industry's output in future to a greater degree than now.

Cooperatives in Rajasthan

The Rajasthan Government have ambitious plans for extending cooperation during the Third Plan. The working Group on Cooperation set up by the Government have proposed the bringing of all the villages and 80 per cent of the rural population within the co-operative fold. This, as the report of the working group has pointed out, calls for the setting up of 8,000 new service cooperatives, with an average membership of 150 to cover 12 lakhs of rural families.

The rural population of the State in 1951 was 130 lakhs or 26 lakh families. The increase in 1961 is estimated at 4 lakh families rais-

ing the total number of rural families to 30 lakhs at the beginning of the Third Plan. 80 per cent of these 30 lakh families would be brought within the co-operative fold by the end of the Third Plan. Considering that by the end of the Second Plan only 7 lakh families will have been covered, the additional number of families that would have to be covered to attain the target of 24 lakh rural families is 17 lakhs.

The report says that the broad objective of the Third Plan is to bring the entire rural population within the co-operative fold, but it admits that it may not be possible to achieve this because of the lack of experience in working out co-operatives. The credit requirements, short medium and long term for the 24 lakh families at the end of the Third Plan is estimated at 4,200 lakhs. Service co-operatives will get a subsidy of Rs 900 spread a period of five years.

The scheme for sponsoring the net work of cooperatives is part of the larger plan for stepping up agricultural production in the State. The other aspects of the work connected with increasing agricultural production are also being seriously taken up. The scheme now being considered for covering almost the entire area of the State with improved seeds during the Third Plan period is worth mention. The additional food production by this measure alone is estimated at 2.5 lakh tons.

Water Problem

The Madras Government have now no illusions about the charitable mindedness of their neighbours. Apparently thwarted in their attempts to get a sizeable supply of water for both irrigation and drinking purposes for this State, they have decided to launch upon what they describe "medium irrigation projects." Every district of the State would be surveyed for this purpose in the coming Plan at a cost of about Rs 27 crores.

Finances are restricted and it is expected the outlay may be cut to Rs 15 crores covering about twenty projects. The Parambikulam Project is always there and Madras Government has high hopes of getting on with it. Mr Pattom Thanu Pillai's stress to consider the scheme de novo notwithstanding.

The irrigation expenditure during the First Plan was Rs 20.19 crores and it was less in the Second Plan at Rs 14.45 crores. Conserving of the irrigation water is given prominence by soil seepage prevention through cementing the bed of channels. The Valgal channels, irrigating Ramanathapuram district, would be remodelled and the Mettur Cauvery canal system in the Tanjore district would be cement lined to lessen seepage of water. At least a hundred channels would be taken for remodeling in the Valgal scheme during the next Plan.

Indian Finance

4 June 1960

WORLD OF BUSINESS

People's Radio

Consumer comforts have been receiving considerable attention from the Government of India in recent times. There is already a proposal for manufacturing cheap cars in the country. And now the leading radio manufacturers have finalised arrangements with a view to producing cheap radio sets so as to suit the pockets of the common man. The new scheme was drawn up in New Delhi at convention called by the Union Ministries of Commerce and Industry and Information and Broadcasting.

In that meeting the radio manufacturers have unanimously decided to devote more than twenty-five per cent of their production for making the cheap sets. In this endeavour they will receive considerable backing from the Union Government by way of additional imports of component parts required for the industry. According to the present calculations more than 50,000 radio sets capable of receiving medium and short wave stations will be put into the market by the end of the next year, each set costing about Rs 125 including all taxes except the local sales tax. The very fact that the new venture coincides with the All-India Radio's expansion programme to cover the entire population by its medium wave transmission seems to be a good augury for the successful implementation of the plan. Fresh rumours are also afloat about the possibility of reducing the licence fees for the cheap sets by about 50 per cent by the authorities.

It has also been determined to enhance the indigenous production of radio components so as to cater to the entire requirements of the industry within a year or two and thereby doing away with the import. It may be recalled that more than 25 per cent of the component parts required by the industry are at present being imported which accounts for foreign exchange expenditure to the tune of Rs 10 crores a year and the increased production of those parts will undoubtedly be of immense assistance to the country in stopping this heavy drain. Besides, the measures for augmenting the production of transistorized radio sets have also received careful attention from the representatives of the industry. Arrangements have been finalised to utilise 25 per cent of the import quota from the current licencing period for importing transistor valves. It is heartening to point out that the first transistor set under the new scheme

will be made available in the market by the end of this year and another 50,000 sets will be added to this by the end of the next year.

Kosi Makes Headway

The three unit Kosi project estimated to cost about Rs 44.76 crores has made considerable headway. Revealing the progress in the working of the scheme, the progress report states that a sum of Rs 20 crores has already been expended over the various heads of work under the Kosi scheme up to the end of March 1960. The first unit consists of a barrage across the River Kosi about three miles above Hanumanagar. (The work of Unit 1 is expected to be completed by the middle of 1962). The second unit consisting of an embankment has already been completed. The report also states that the Head Regulator for the East Main Canal is practically finished and the left under sluices are nearing the final stages. Excavation driving of sheet piles, concreting and stone protection work of the spillway proper in a length about 500 feet has been initiated. About 20 lakhs of cubic feet of concrete has been poured in the structure of barrage so far.

The construction of the concrete portion of the Barrage and Head Regulators and the prestressed concrete bridge over the barrage has already been entrusted to competent contractors. Orders for the supply of materials worth about Rs 91.50 lakhs has been placed with different firms.

More than 60 per cent of the 236 million cubic feet of earth work involved in the main canal falling under Unit 3 of the project and 80 per cent of work in the branch canals have been completed. The Bharat-Seyak Samaj to which the construction of canal structures valued at Rs 10 lakhs has been entrusted will also carry out earth-work in a number of tributaries. The Kosi scheme when completed besides affording protection against floods, will irrigate more than 14 lakh acres annually in the Bihar State.

In 1949 the Concrete Association had helped Madurai Municipality in constructing low-cost concrete houses. The Association had also exhibited a low cost house with provision of a verandah, living room, kitchen, bath and windows at a cost of Rs 1,750. This model low cost-house is constructed with hollow block walls, pre-cast R.C.T-beam roof, concrete door and window frames. All other components of the house are also made of pre-cast blocks. The model house installed at the Chitral Exhibition in Madurai had been worked at a cost of Rs 5.75 per sq. foot. (Present rate of the traditional brick-cement-timber housing is around 16/18 per sq. ft. in Madras city.) The Concrete Association house has 9" thick walls. The cement used is stated to be only 5 per cent. Use of soil cement blocks had helped to bring down construction cost by 25 per cent. Mr Thadane said this type of construction of houses met with

considerable success in East Punjab and Mysore in a limited extent.

An interesting feature of the house is about its roof which Mr Thadane said did not need centering. The entire operation of laying out the roof takes only a fraction of the time needed for building other conventional types. The roof is not only stronger and durable, it is also fire-proof. The walls are provided with 1" cement mortar ceiling tiles which provide vastly improved thermal insulation.

There is as yet an extremely conservative outlook in South against concrete houses. This conservatism has to be fought by bolder experiments and promotional propaganda. In South India there are many such houses of the type described by Mr Thadane, but it does not mean that they should not be experimented upon.

Both bauxite and cheap electrical energy are available, the bauxite from Salem's Shevaroy Hills, eight miles north of Salem town, and electrical energy from the Kundah Project. The bauxite has been tested to be the best in India for aluminium production. The aluminium content of this ranges from 50 per cent. In the run-of-mine ore to about 60 per cent in picked pieces. A special 220 kw line has been laid from Kundah to Salem and will be extended to Mettur to the new plant location.

The Concrete Association of India had decided to offer their advice to house builders. Laboratories would be set up by the Association in Madras, Calcutta and New Delhi. These laboratories would first of all test soil suitability and offer suggestions to prospective house-builders on the various cement and concrete mixtures at a nominal charge.

This was decided by Mr K. V. Thadane, Regional Engineer, at Madurai where he spoke to newsmen about the Association's plans to help house-building at cheap cost. The Association had put up model cheap houses in exhibitions so far. But only now it has come forward to offer its help in soil testing. Even then Mr Thadane said that these laboratories would be set up only if sufficient demand is forthcoming in the regions concerned.

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a new life



"Do you not hear the entrance of a new theme?"

Do you not hear the asserting cry of the newborn,

see myriad men rise to work;

to build, to wield the power of the sun?

Fashioning life, making a world that offers a little more:

a little less of the care, a little more of the joy.

Yes, you feel the awakening—

an ancient nation sheds the stagnation of the ages.

TODAY, in the past, our products help to make homes cleaner,

healthier, happier. But today we are also working for...

TOMORROW, when the evergrowing urge for better living will

demand still greater efforts. And we shall be ready with wider

service, new ideas, new products...

Today and Tomorrow...Hindu (an Lover serves the home

WORLD OF BOOKS

A Modern Philosophy of Management

LOOKING back over the last decade, it seems that trade unions have heavily encroached on management prerogative in industry. Exasperated managers, seeing their area of action restricted first by Government and then by trade union action, are often bewildered as to what 'rights' remain in their hands. "Where will it end?" they ask, when faced with yet another union demand impinging on the formerly sacred area of management prerogative. Certainly the old idea of the manager as an autocrat, the master to whom his employees are servants, has gone for good. Even the legal theories derived from the British customary law known as the Law of Master and Servant have been replaced by the new principles of "social justice" evolved by the industrial courts. Does this mean that all management's prerogatives are open to attack by trade unions, that no area remains sacrosanct?

In order to see the new developments in their proper perspective, it may be well to consider what we mean by management in industry. Here it may be relevant to study the theory advanced by Neil W. Chamberlain, Professor of Economics at the

Graduate School of Business of Columbia University, in one of a series of lectures published under the title of "Labor".* In these lectures he seeks to examine the organisations of labour and business and the collective bargaining relationship between them, and the impact of unionism on an industrial economy. A book intended primarily for students, it has much to commend it to the manager. Of course all managers will say that they have no time for such study, but their multifarious duties will be seen in a better perspective if they can pause from time to time to study the changing background against which their everyday decisions have to be made. They may suffer from less frustration when they can see their problems in perspective.

In considering the role of management we can in these more democratic days dismiss as feudalistic the idea of the autocratic manager. Even paternalism is no longer acceptable in a state which by its constitution guarantees equal rights to all its citizens. More recent approaches to the role of management have identified its function as decision-making. Management it is argued, has to decide what line of products or services shall be produced, on what scale, by what methods, and at what prices the goods or services shall be sold. But this is an oversimplification. Many factors enter into a single decision made by management, and many people other than management are involved in the decision-taking. For example, if the workers are not prepared to produce at the rates decided by management, then that decision is bound to be infructuous. The

*"Labor" by N. W. Chamberlain, McGraw-Hill, U.S.A.

whole object of unions is to obtain better wages and conditions of employment for their members, but if this is to be considered an area for management decision, then unions are bound to encroach upon management functions. Few people would deny nowadays that unions should have a voice in the settlement of wages, because their interests are deeply involved, but the same argument can apply to the whole range of subjects which affect the security and wellbeing of the workers.

Unions have justified their claims to a voice in business decisions on the democratic principle that decision-making should be shared by those whom the decisions affect. Writers such as Elton Mayo argue that decision-making is, in any case, a group process, that it is not merely the man at the top who decides, for instance, the speed of the assembly line, but every worker who by working that speed 'shares' in the decision. Mary Parker Follet, another well-known American writer on management, declared that all management decisions are really the result of the "law of the situation", that each decision is inevitably built up out of the environmental circumstances, and that conflict could be avoided if both management and workers would recognise this "law". The area for actual decision is extremely small, because the facts of the situation speak for themselves, and, if only all those involved would appreciate this, agreement would be comparatively simple. What is really necessary is clear channels of communication at all levels to allow the facts to speak for themselves.

These theories, says Mr Chamberlain, may justify participation in decision-making by all levels, but do not clarify the function of management. He points out that all the time "demands" are being made on an enterprise from all directions and from all sorts of groups. Each level within the business has its own area of aspiration. On any issue there will be many viewpoints. Each group will be seeking to make a "bargain" in its own interest—workers, technicians, salesmen, managers, shareholders, suppliers, and customers. Because of the number of individuals and groups involved, because of the number of issues involved, it is necessary to have a co-ordinator of all this bargaining, to see that the numerous bargains or decisions are consistent with each other. The unique function of management, according to this line of thought is "the co-ordination of the bargains of all those who compose the business." There are two necessary conditions in the exercise of this function if the organisation is to survive. First, the cost of agreeing on all this complex of internal bargains must be less than the cost of disagreeing, and secondly, as far as the economic side is concerned the "total outflows of the firm must be matched by its inflows."

Indian Finance

It is obvious that no ambitious manager would be satisfied with seeing himself merely as a neutral co-ordinator. Naturally he has his own area of aspiration, like any other group. He wants to use his initiative, to expand production, build new plant, initiate research. This he can only do when the inflow exceeds the outflow and leaves a residuary profit.

Apply this theory to management in India today, and it certainly sheds some light on the situation. Take the case of management faced with the problem of closing down a branch sales office in an area which has in recent years changed its composition so that business is adversely affected. To the man at the top it seems a clear case that the unit will soon become uneconomic, but before he can take action there are numerous groups and individuals who have to be consulted. First he must obtain figures from the accounts department to check his impressions. Then he must consult the Senior Sales Manager and the Area Sales Manager. Between them they have to consider how the local work will be re-allocated and whether the officers and the staff can be transferred. This will involve consultation with various other officers to whom the work and staff may be transferred, and who will therefore be affected by any decision. Now the Area Sales Manager may not want to lose prestige through reduction of the number of local offices under his control and the other local officers may not want to be burdened with additional work. If all the staff cannot be transferred, then the question of redundancy arises and here the manager will find himself in the area in which the union functions, and he will probably be up against the most difficult of all the "bargains" which he has to make.

If the manager is wise or has experience of handling such problems, he will not attempt to announce a decision to any of these individuals or groups. He will consult them before taking his decision, even if he sees that decision as inevitable. In effect his ultimate decision will embody the joint thinking of a number of persons and groups represented by them. If he merely rides roughshod over them, he cannot expect willing co-operation. He has to reach a "bargain" of some kind with each of them to ensure future smooth working. Now the manager often does not resent the opposition of the lower managerial levels, realising that their interests are affected and he must approach them tactfully, and yet he resents the opposition of the union. If, however, he can see his job as that of a "co-ordinator of bargaining", he is less likely to resent the necessity for bargaining with the union. He will be able to see them as one of the groups and to recognise that their viewpoint is no less selfish than that of other managerial staff and technicians.

4 June 1960

Clive Street Gossip

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

pelled the then Finance Minister, Mr T. T. Krishnamachari, and the Reserve Bank authorities to anticipate the kind of relief that would need to be provided if the financing of the 1956-57 busy season was to be successfully put through. The bill market scheme, which had been gathering dust in the armoury of central banking weapons, was cleaned and oiled and made ready for use. Credit lines for Rs 150 crores against usance bills were approved.

★

But, simultaneously in point of time, a new development appeared on the banking horizon which, to this day, thwarts the healthy and sustained progress of the banking system. I refer to the Deposits war that was touched off in those stringent days of 1956. Nobody bothered about what the bank rate was. As against the 3½ per cent which constituted the official lending rate, rates of interest that banks were prepared to pay for their money were rather higher. The argument on every hand was that, since 1956 had shown that the expansion in Deposits was not keeping pace with the increase in the demand for funds, only the allurements of a higher rate of interest could be depended upon to entice new money from the new classes of Depositors who, in the wake of Governmental expenditure on the Plan, were being created. This chaotic state of interest rates not merely provoked but compelled the Reserve Bank into taking action. Contrary to the advice from various sundry students of the money market, the Reserve Bank, I am sure, felt that raising of bank rate were best avoided. But, in February 1957, it could desist no more from action. The effective rate at which banks could borrow from the central banking institution was raised to 4 per cent against Government securities and slightly higher than that against usance bills, though bank rate remained unchanged at 3½ per cent. It was only in May of that year that the de facto bank rate also became the de jure bank rate.

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Not least of the reasons why the financing of the 1956-57 busy season was less difficult than it might have been was because, with imports restricted, the rise in Deposit resources came to be more easily discernible. During the 1957 slack season, the heightened tempo of new Deposit accruals was pro-

nounced. Due to the sustained high level of demand for banking finance during 1956, banks' profits for that year were spectacularly good. So much so, when slackness overtook the banking economy in the middle of 1957, both by way of an increase in Deposits and a decline in Advances, banks nevertheless persisted in the competition for Deposits—persisted, that is to say, in greedily taking up new and costly money, which, over the immediate future, they could not use—because the bankers reasoned that this slackness was only a temporary phenomenon. The Deposits War, incidentally, was also of benefit to the Central Government and the Second plan. For, embarrassed by this superfluity of resources, in order to cut their loss, bankers found no alternative to stepping up considerably their investments in gilt-edged. The gilt-edged market suddenly revived, and revived on a scale known only during the war years. The new loans were a success, but the demand was still there, and the Reserve Bank sold sizable parcels of gilt-edged through the tap. But, as the refrain has it, the Deposits War continued.

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Then came the 1957-58 busy season. Suddenly, for no reason whatever, the expansion in bank credit was not as large as had been anticipated and planned for. Meantime, new Deposits by the crore continued to pour into banks' coffers. So, we had the curious spec-

tacle of banks in the midst of the busy season adding to their gilt-edged portfolios. The 1958 slack season further accentuated the gap between gathering resources and the uses that banks had for such funds. Investment in gilt-edged went up by leaps and bounds. The Advances-Deposits ratio came down sharply and was very comfortable indeed on the eve of the 1958-59 busy season. It was at that stage, finally, that sense began to dawn. An inter-bank agreement was concluded whereunder, from 1 October 1958, the maxima that the signatories could pay on their Deposits were fixed. The 1958-59 busy season was fully as stringent as the previous busy season had not been. Nevertheless, by virtue of the vast increase in Deposits, the Advances-Deposits ratio did not inch up too high. But, because banks had been compelled to invest their idle resources—idle, costly resources—in gilt-edged, the financing of that busy season required recourse to central banking credit on a considerable scale. Stringency was fairly pronounced; the Reserve Bank was taken aback at the quantum of credit expansion; banks were urged to use restraint in the matter of granting Advances; and the banking system was called upon to effect a reduction in Advances of the order of Rs 100 crores during the 1959 slack season. The borrowing programme of the Central and State Governments was again a success, because new, costly deposits being "purchased" by the banks could not be allowed to lie idle. Came further wisdom. And the maxima in terms of the interbank agreement were reduced somewhat from 1 September 1959. We now come to recent experience, and the colossal expan-

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sion in bank credit that took place during the 1959-60 busy season. Alarmed by a disquieting trend in prices, the Reserve Bank authorities weilded for the first time a weapon that they were possessed of, namely, raising the statutory deposit requirements. At first, banks were called upon to keep with the Reserve Bank an additional 25 per cent of all new accruing Deposits. A few weeks later, the additional deposit requirement was raised to 50 per cent of new resources.

A further factor which has complicated the banking situation is the receipt of counterpart funds in respect of accretions under public law 480 and their deposit with the State Bank of India. When first bank Deposits began to rise, it was fashionable to assert that the receipt of counterpart funds was all that really made the difference. It is now crystal clear that counterpart funds have accounted for rather less than half of the new Deposits accruing in recent years. But the original secrecy about the magnitude of counterpart funds served to obscure the real rise in banking resources that was taking place. So, the Deposits War continued.

And where are we today? The Reserve Bank, quite correctly, apparently wishes to avoid any tinkering with bank rate. It realises only too well that dear money is

not the answer to inflationary pressures or tendencies in India. But it also realises that a tough money policy has to be followed, if orthodox money market students outside India are to be convinced that this country is taking all possible steps to hold the price line. It is, I know, difficult to persuade our foreign friends that inflation can be kept in abeyance without the use of the bank rate weapon. Therefore, the need for selective monetary control, the necessity of raising the additional statutory deposit requirements. And, against such a background, how are our banks placed? Put simply, the banks cannot hope to recover from gilt-edged investments the cost of their new Deposits, after taking into account the additional reserves that have to be maintained with the central banking institution. In all conscience, bank expenses are high. So, the outlook is one for profits to be further squeezed. With the Reserve Bank's directive on Advances, the extent to which bankers can hope to increase their earnings is rather limited in scope. Hence, either an increase in the rates charged for Advances or a reduction in the rates paid for Deposits may be said to be inevitable. I am personally hoping that the Indian Banks Association will not, as it did in 1958 and 1959, wait for the end of the slack season before revising downward the maxima of the interest payable on Deposits. I am hoping that, by

the end of the month at the latest, agreement will have been reached on a further sizeable reduction in the rates that the signatories to the agreement may pay for their money.

The implications of the current banking situation include the near certainty that banks will be in no position to invest further in gilt-edged. The outlook for the new loan programme of the Central Government is obscure, if not altogether bleak. The monetary authorities must have realised that, when they raised the additional deposit requirements, the flow of funds from the banking sector for investment in gilt-edged was bound to diminish. Hence it is that we have reached a vicious stage in banking. Banks cannot earn more, and cannot support the borrowing programme of the Central and State Governments in the manner in which the increase in their Deposits would suggest or dictate.

As I said at the beginning of this article, I am unable to see a silver lining to this overhanging firmament of stormy clouds. But there are certain things that need obviously to be done. As the Report on the Trend and Progress of Banking in 1959 has suggested, study of banking costs and rationalisation of banking charges are urgently necessary. In this wise, we may hope soon to have a proper adjustment of the interest rates that banking constituents pay. Se-

condly, the banks must recognise that it is not the seductive qualities of high interest rates which entice new Deposits; it is, rather, the Governmental disbursements percolating back into the banking system. As such, they should have no compunction and less hesitation about a speedy reduction—and a large reduction at that—in the rates of interest payable on Deposits. Thirdly, the Reserve Bank has to recognise that banking finance plays an insignificant role in contributing to inflationary pressures. The measures of the last two and a half months must be reversed as soon as is convenient. It is only by their reverse that banks can be expected to make the borrowing programme of the Central Government a success. It is the success of the borrowing programme of the Government which in turn will ensure that dependence on deficit financing is minimised.

So, for banks: increase your charges, reduce what you pay on your Deposits. For the Reserve Bank: reverse your temporary measures, and encourage both investment in gilt-edged and the financing of industry. It is by such ways that the strength of the banking system can be vouchsafed, so that production—which is the only answer to inflation—can be fostered and helped by the banking system.

EAVESDROPPER.

GATEWAY GOSSIP

Problems of Third Plan

ALTHOUGH discussions on the Third Five Year Plan are still continuing, a rough idea as to the shape in which it may finally emerge can, however, be derived. It looks almost certain that the total outlay will be in the environs of Rs 10,000 crores. One also frequently hears that the Plan should necessarily be big because it is to serve as the take-off stage for the Indian economy. Ten years of planned development have brought the country to a stage wherein, given some further concerted effort, the economy has every chance of becoming self-generating.

The main criticism against a massive Third Plan is that, in the name of a rapid development of the country, it would be unjustifiable to increase the loan burden of the coming generation. Already the foreign assistance taken in the form of loans is considerable and it will require years of hard-work to liquidate. The Third Plan as conceived by Authority will require a larger quantum of foreign assistance than had been taken during the current Plan period. In other words, the nation's foreign indebtedness will be greatly increased.

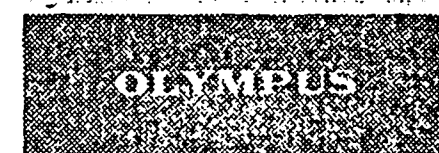
The problems of the Third Plan form the theme of the "Spring Lecture" delivered at Poona early this week by Mr B. R. Bhagat, Deputy Minister of Finance. Mr Bhagat argues that a big Third Plan seems to be the logical outcome of the planned endeavour undertaken so far. The Five Year Plans are designed to take the country progressively higher in economic development. The first two Plans have made some progress in this direction and the Third Plan is necessarily to continue this process. But the question as to what should be the rate of progress in the next five year period, has elicited differing views. Mr Bhagat, however, says that "it is now generally conceded that the aim should be to secure during the Third Plan period a rise in national income of at least 5 per cent per annum". According to him the objective should also include the continuing strength of the economy so that it can sustain the rate of growth in the subsequent five year periods also.

Once it is accepted that these should be our objectives in the next Plan period, it is easy to admit the proposition that our efforts should be proportionate to the desired result. This is now a Rs 10,000 crore Third Plan has come to be formulated with its emphasis on the development of basic industries, food self-sufficiency and increased production of agricultural raw materials. It is not as though a massive Third Plan is justifiable only from the need for continuing the tempo of development or the popular expectation for a rapid development. There are certain factors in the economy which make a large Third Plan feasible. Mr Bhagat has pointed out that in the first place development which has occurred over the last ten years will act as the foundation for further development. Big strides have been made in industrialisation, transport development and the production of basic materials. "In short our efforts in the last 10 years have resulted in an industrial base which can provide every useful starting point for development." Further, the Third Plan is better placed than its predecessors in that the considerable investment undertaken in the Second Plan will begin to yield during its early years. Other advantages are the greatly strengthened institutional framework, improved experience in planning of the Administration and the various measures initiated in the past few years to rehabilitate the rural population. Mr Bhagat includes in his list of favourable factors, the integrated system of direct taxation that has been evolved, the increased power of the Reserve Bank in the field of credit control, the reform of Company Law, the various control measures and the nationalisation of life insurance. In the sphere of agriculture too, although progress has not been as expected, sizable headway has been made toward strengthening of the agriculture base. The recently concluded long-term food agreement with the US for the import of 17 million tons of foodgrains will further help augment investment in this sector. The picture, however, is not without its dark patches. The unsatisfactory aspects in the present situation in the country are the low level of foreign asset, the high level of prices and the uncertainties on the northern frontier.

It is against this mixed background that the major problems of the Third Plan have to be considered. Mr Bhagat says that these are three-fold: "First, there is the basic problem for any developing economy—the problems of resources, internal and external; second, there is the problem of phasing, i.e., the problem of ensuring at each point of time over the Plan period that the balances in the system are maintained; and third, there is the problem of maintaining the level of prices fairly stable and of evolving an appropriate price policy to ensure reasonable stability."

Referring to the problems of resources, both internal and external Mr Bhagat admits that "there is a limit beyond which it is neither feasible nor is it desirable to rely on external resources". External assistance will perforce have to be taken but internal re-

sources must bear the brunt of the burden. The position would not have been as difficult as it had proved to be during the Second Plan, if savings had been adequate. Shortage of internal savings was responsible for the heavy dependence of the Second Plan on external resources. If the Third Plan is not to encounter the same rough weather as its predecessor, it is essential that savings are stepped up. This will inevitably mean restraint on consumption. It is a fallacious argument that development can occur without any restraint on consumption. Another glaring fallacy that one often comes across in arguments against a big Third Plan is to treat resources as though they are a fixed entity. Mr Bhagat has rightly averred that "resources for economic development are not some fixed pre-existing quantity; but the resources themselves are a result of development. The essential point is that the pool of resources itself can be—and indeed must be—enlarged."



CSO's Paper on National Income

THE Central Statistical Organisation has recently issued its usual annual paper on India's national income. It is seen from this paper that the national income, in terms of current prices, has increased from Rs 9,980 crores in 1955-56 (end-year of the First Plan) to Rs 12,470 crores in 1958-59 (preliminary), that is, by 25 per cent. But, in terms of constant (1948-49) prices, it has increased from Rs 10,480 crores in 1955-56 to Rs 11,690 crores in 1958-59, that is, by only 11.5 per cent. As the 'constant prices' estimate is at once an index of the real progress made by the economy, one immediate inference may be that the real progress registered in the first three years of the Second Plan has either been substantially less than what one would have expected from the high level of investment during those years or been only a little higher than what the increased population would have required during the period. No dogmatism is, however, possible on

this score because the real progress registered by the economy under the Second Plan is not, as of today, measured in terms of 1952-53 prices at which that Plan's original model was constructed. This, incidentally, underlines the need for maintaining a national income series in terms of 1952-53 prices so that even a lay man can figure out whether or not the nation's economy is progressing broadly according to plan. But, unfortunately, this sound suggestion advanced by some quarters in October last appears to have been in vain. One wonders what political or technical reasons there can be for not doing this.

In the absence of a national income series at 1952-53 prices, the most that can be done here is to find out in a rough manner what real progress has been made in the first three years of the Second Plan in terms of that Plan's model. Here, the examination is confined to per capita income which, according to the C.S.O.'s paper, has increased from Rs.261 in 1955-56 to Rs 313 in 1958-59 in terms of current prices and from Rs 274 in the former year to Rs 294 in the latter in terms of constant (1948-49) prices. It would appear that an increase of 7.3 per cent in per capita real income as compared to 1955-56 is not very impressive. But it is even less impressive when it is found, on a rough-and-ready estimation, that the per capita income should have been only round Rs 280 in 1958-59 in terms of 1952-53 prices—just about the same as what has been worked out for 1955-56 in the Second Plan model at 1952-53 prices. If this estimate is broadly correct, it would mean that the real progress registered till 1958-59 has been just sufficient to cover the increase in population.

Since the population has been increasing in recent years at an annual rate of 1.8 or 2.0 per cent, it will be a great achievement if the per capita income reaches a level of about Rs 300, at 1952-53 prices, in the end-year (1960-61) of the Second Plan, as against the original estimate of Rs 331 for 1960-61 in that Plan's model. At this rate of real progress, the Second Plan will end up with some short falls in achievement in relation to its original size, although there may be no such short falls in relation to its revised (and reduced) size. If it is in this context that the Rs 10,000 crore Third Plan (now in the stage of finalisation at the Cabinet level) seems to be

(AT 1948-49 PRICES)

Sector	1955-56	1956-57	1957-58	1958-59
Agriculture and allied activities	5,020 (47.9)	5,250 (47.7)	5,010 (46.0)	5,580 (47.7)
Mining, manufacturing and small enterprises	1,760 (16.8)	1,840 (16.7)	1,860 (17.1)	1,870 (16.0)
Commerce, transport & communications	1,970 (18.3)	2,080 (18.9)	2,110 (19.4)	2,210 (18.9)
Other Services	1,730 (16.5)	1,820 (16.6)	1,920 (17.6)	2,040 (17.5)
Net earned income from abroad	0.0	0.1	0.1	0.1
National Income	10,480 (100.0)	11,000 (100.0)	10,890 (100.0)	11,690 (100.0)

N.B.—Figures in brackets are percentages of national income.

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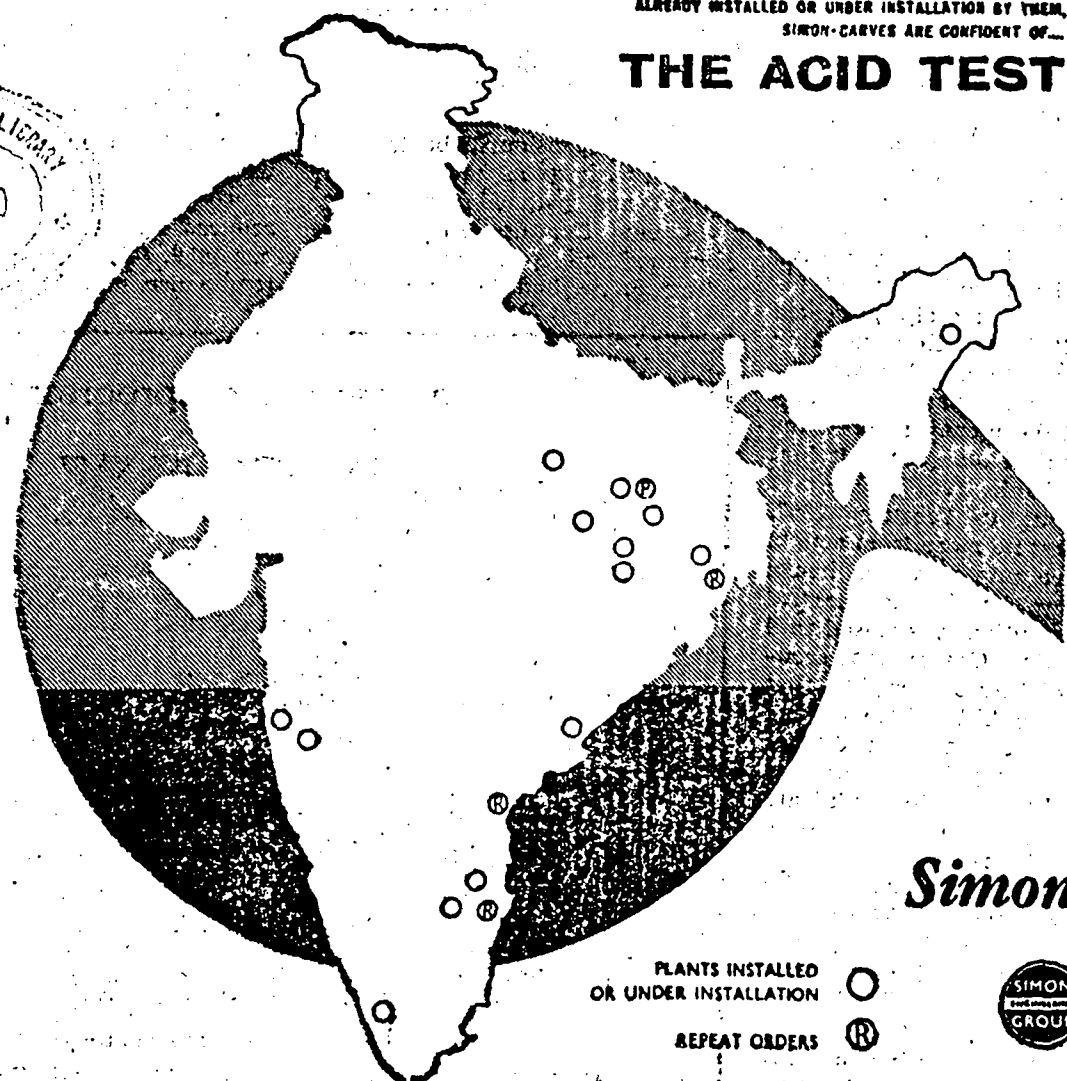
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rather inadequate for the twin purpose of reaching its own physical targets and of making good the shortfalls of the Second Plan.

It may be that the proposed size of the Third Plan will be adequate for the purpose if there is already in evidence any pronounced dynamism in the two major sectors of agriculture and industry. The C.S.O.'s paper shows that the share of the agricultural sector in real national income has increased from Rs. 5,020 crores in 1955-56 to Rs. 5,580 crores in 1958-59. The dynamic element here is the proved effectiveness of aids to agriculture in a year of good rainfall, this element is likely to operate to greater effect during the Third Plan period when the irrigation potential created during the Second Plan period comes to be more fully utilised, thereby minimising the hazards of erratic seasons. The other dynamic element in the agricultural sector is the intensive use of resources in fertilisers, manures, improved seeds, etc., in all existing irrigated areas, by stages, from the current year onwards.

The dynamic element in the industrial sector is by now pretty obvious, although the C.S.O.'s paper shows that the share of 'mining, manufacturing and small enterprises' in real national income has increased from Rs. 1,760 crores in 1955-56 to only Rs. 1,870 crores in 1958-59. It may be that the contribution of factory establishments and small enterprises to national income has been underestimated. As for factory establishments, the C.S.O.'s paper itself has the following to say in a brief note:

"Some provisional data based on the results of the Sample Survey of Manufacturing Industries for 1954 to 1958 received recently from the Indian Statistical Institute together with other data on the subject have been examined and estimates of contribution to national income have been prepared. These are under study in consultation with the Advisory Committee on National Income. As such the entire series of estimates in this sector is likely to be revised. For the present, however, estimates have been prepared on the lines followed in the previous years."

As for small enterprises, there is known to be a large element of guesswork in the statistical estimation of their contribution to national income. With the present diversification in the structure of industrial production and with the visible boom in the small enterprises sector, it may be expected that the factor of dynamism will be increasingly in operation in the industrial sector in the years immediately ahead. As for the other sectors, no valid comments are possible. Still the relevant figures are given below to give a broad idea of the pattern of sectoral contributions to real national income in recent years.

THE PENINSULA

Labour Relation in Railways

AT the fourth annual convention of the National Federation of Indian Railwaymen held last week in Mysore the Communist tactics of strike was squarely denounced and any move to induce strike threat was decided to be resisted at the General Council draft resolution discussion. Mr Khandubhai Desai did not mince matters when he called attention of the workers to the importance of maintaining peaceful relations between the workers and administrators. Strike was an outmoded weapon he declared and added that the National Federation of Indian Railwaymen had effected revolutionary change in the outlook of the railway administration.

The Convention also decided to stand by the Government in its China policy and offer all help to meet the external aggression by China.

Union Railway Minister Mr Jagjivan Ram in his inaugural speech hoped that the railwaymen, who had the required skill and strength to meet the national challenge would rise to the occasion by providing quick and sufficient transport that the nation today required.

The Railway Minister stated that the Indian Railways moved 114,000,000 tons of freight at the end of the First Five Year Plan. The tonnage of this was expected to go up to 162,000,000 tons by the end of the Second Five Year Plan. The freight expected to be hauled by the railways by the end of the Third Plan was 235,000,000 tons and more, Mr Jagjivan Ram said. This responsibility, he hoped would be shared by the railwaymen with cheer and determination.

Regarding provision of amenities to railway staff, the Minister stated that the Government had been taking a progressive policy having spent as much as Rs 11 crores yearly from the revenue account. In 1956/57 the amount expended on the same was only about Rs 6 crores. Better living accommodation, recreational and medical facilities are also being provided to railwaymen, he told the Convention.

Adverting to the recommendation of the Central Pay Commission implementation, the Minister said the initial cost worked out approximately to Rs 13 crores yearly. This would increase progressively in the coming years. Adjustments in the railway freight rates had, therefore, become necessary in addition to levy of a supplementary charge of five p per rupee on goods and coal traffic effective from April 1, 1960. In regard to the other recommenda-

tions of the Pay Commission, Mr Jagjivan Ram informed the Convention that they were under examination. Anomalies would inevitably arise while implementing the Pay Commission's recommendations and he suggested that the Federation should always be free to discuss them within the framework of the Government's recommendations already conveyed to the Federation.

Regarding increasing incidence of railway accidents of certain categories, the Minister disclosed that carefully conducted analytical studies of these had shown that failure of human element on the part of railway staff alone was responsible for quite a high percentage of accidents from 40 to 50 per cent. Unstinted cooperation of the railway staff and their organisations at all levels was necessary to eliminate them, he said.

Mr S. R. Vasavada, President of the National Federation of Indian Railwaymen in his address said that acceptance of the principle of arbitration was in perfect keeping with the policy laid down in the Second Five Year Plan. It was also the most valuable right for which workers and their organisations must live and, if necessary, fight.

Instances were many when the Railways conceded workers' demands only after wild agitations, Mr Vasavada said, and remarked this would create a feeling among workers that they won't get their grievances redressed unless they resorted to coercive agitation. He regretted that the Government did not accept in toto the Pay Commission's recommendations. Having been a party before the Pay Commission, he felt the Government were bound to accept in full its award.

Mr Vasavada's announcement at the Convention of the Government's acceptance to hold consultations with the Federation on all questions arising out of the Pay Commission Recommendations would probably allay the fears of the public against any future cry of strike and other agitations inconveniencing the users of this national transport. It may be hoped that for some good length of time, the public could expect a smooth railway administration.

Mr Vasavada appealed to the Planners to take into consideration the life of the common man while preparing the Third Five Year Plan. After two plans described as successful by them, he complained, there was not the additional purchasing power which ought to have simultaneously developed with the completion of plans. Only a bold attempt should be made to attack this problem, he stressed.

Continuous agitation by workers hampered productivity, Mr Vasavada conceded, but was it not better to accept and abide by the code of discipline whereby all disputes are settled by negotiations and arbitration and allow no occasion to arise for either party to

resort to means which endangered industrial peace nad goodwill? He believed that the democratic set up in this country would rule out all possibility of strife and discontent in the industrial field. Force should be eliminated from industrial relations, he stressed, and only if settlement was made through peaceful means could either party become inheritors of the goodwill of the nation, he stated.

Mr Vasavada urged the workers to realise their task of going from milestone to milestone: which was what they were exactly achieving in respect of their own grievances. Every grievance redressed meant traversing a milestone and they had many such to cross to attain their target. He asked the workers to accept the settlement to be reached by the sub-committee of the Federation with the Railways and cry halt to further agitation. Mr Vasavada also, in passing, referred to the dangers of the Indian borders by Chinese aggression and wanted internal peace to meet the external dangers.

The Labour policy of the Railway administration was assailed by Mr A. P. Sharma, General Secretary, National Federation of Indian Railwaymen, in his annual report. The Railway Administration he said lived from ad hoc and indefinite labour policy allowing projections of political parties to interfere with railway labour who were exploited only for party purposes rather than for genuine trade union motive.

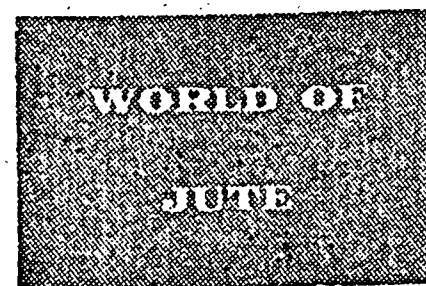
Mr Sharma was equally strong against Railway Administration's yielding to coercive methods and acts of rowdism by a section of railwaymen. Undesirable and fissiparous tendencies were encouraged by the so called production and station committees, he said, and feared that in the absence of a more realistic attitude there was danger of lawlessness developing throwing constitutional-minded employees into the laps of hooligans.

Mr Sharma also entered a caveat against the attitude of the State towards industrial problems which had been made more difficult, by the administrators of public undertakings confusing themselves with the Government of the State. He also gave a warning that as long as some clear distinction was not drawn between the Government of the State and the management of the public undertaking, none of the industrial problems in the public undertakings was going to be solved satisfactorily. There was no uniform policy for private and public wings of the industry. The Government insisted upon private sector to accept arbitration and refused to apply the same principle to the public sector. Mr Sharma also accused the Government for non-implementation of labour laws in public sector.

The total membership of the Federation is about 260,000 and there are 282 branches spread over the entire railway system.

Indian Finance

4 June 1960



Markets Subdued

The prompt steps taken by the Indian Jute Mills Association coupled with the improvement in weather conditions in the growing areas seem to have markedly curbed the speculative propensity in the jute markets. The IJMA's announcement that member mills are free to embark upon scaling of looms after 6 June if they so desire on the basis of their raw jute stock position has unnerved operators in the raw jute section. The move has made it clear that no mill will be obliged to replenish its raw jute stock by purchasing any sizable quantity at unjustifiably high prices. The fact that the possibility that there will be a period in which there may be practically no jute on offer has been sought to be met by a reduction in output by such of those mills as may have no adequate raw material to work all their looms in operation now, has come as severe blow to those who were basing their calculations that mills would perforce have to buy raw jute at any price before the new crop is available in quantity.

In the meantime, there has been encouraging news from the jute growing areas. The recent rains have revived the hope that the new crop may not suffer much setback. Perhaps the only adverse effect to be expected is some inevitable delay in the arrival of the new crop—six to eight weeks. It is even believed that the crop may actually turn out to be better and larger than earlier anticipated as late rains usually turn out to be favourable to the healthy growth of the jute plant. It is also to be expected that Authority will take concerted measures to promote jute production with special care this year.

A third factor has also been at work in arresting the wayward price level in the jute markets. The price ceiling imposed by the East India Jute and Hessian Exchange has considerably restricted the scope for speculation even though it has also severely curtailed the hedging facilities. The reported postponement of consideration of the plea for the removal of the ceiling has evidently stemmed from the anxiety on the part of the ELHE to make sure that the factors favouring unbridled speculation have been subdued.

The decline in jute goods springs primarily from the weakness of raw jute which in its turn is now being governed by the latest IJMA decision and the improvement in weather conditions in the jute growing areas. The possibility of

a sealing of looms has failed to revive enthusiasm mainly because foreign buyers have continued to keep out of the market. Few now expect an expansion of foreign enquiry even at current prices. Since the turn of the year, Indian hessian has been losing ground in its principal market—US. As for sacking there has been very little fresh foreign interest.

In the absence of foreign business, the jute goods market displayed an easy trend during the week ended Thursday. With the decline in raw jute prices, sentiment steadily deteriorated. The market opened on Friday on a quiet note following selling pressure in the futures section, coupled with absence of foreign interest. Hessian 40"x10 oz ready was quiet at Rs 51.00 with B Twills also lower at Rs 138.50. There was a slight improvement in sentiment on Saturday with Hessian gaining half a point to Rs 51.50 and B Twills quoting at Rs 139.50. Indications of a revival of interest in goods from China, especially

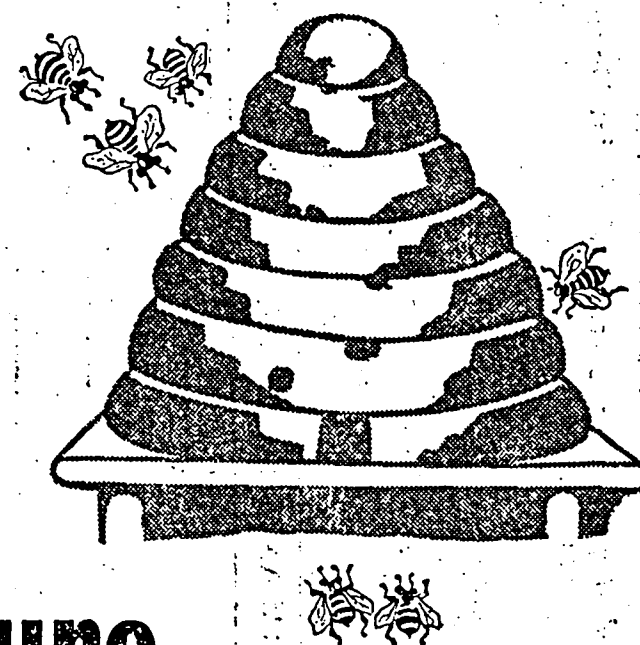
in hessian, imparted some steadiness to the market on Monday but higher levels could not be maintained due to profit-taking. Hessian closed at Rs 51.25 with B Twills, however, steadier at Rs 140.00. The trend again became rather quiet on Tuesday in the absence of fresh incentives and the quotations were as follows: Hessian ready Rs 51.00 and B Twills Rs 139.50. The downtrend gathered further momentum on Wednesday following selling pressure and profit-taking. Hessian ready reacted to Rs 49.50 while B Twills Ready lost Rs 4 to be placed at Rs 135.50. On Thursday prices lost further ground on unabated selling pressure to close as follows: Hessian Ready Rs 48.25 and B Twills Ready Rs 132.50.

The raw jute market opened with old crop jute quoting around Rs 49 basis Assam Bottoms. New crop Assam Bottoms October delivery was quoted at that time at Rs 41. In the first few days of the week under review, the rate fluctuated around this level on indica-

tions of scattered mill interest. But from Wednesday, an easier trend set in and Assam Bottoms declined steadily to be finally placed on Thursday at Rs 47.

	As on 26th May	High Rs	As on 1st June Rs
Hessian:			
45" x 11 ozs	56.00	56.60	54.25
40" x 10 ozs:			
Ready	51.35	51.65	49.50
July/Sep	51.35	51.65	49.75
Oct/Decr	49.00	49.00	47.00
40" x 8 ozs	41.50	41.50	40.25
40" x 7 1/2 ozs	38.75	38.85	37.60
Sackings:			
B. Twills—			
Ready	138.25	140.00	136.00
July/Sep	139.00	141.00	137.00
Oct/Decr	132.00	133.50	129.75
Hy Coes (green)	140.00	142.50	139.00
Cornsacks	139.00	143.00	140.50
Cubans	161.00	163.50	160.00
A. Twills	163.00	163.50	160.00
Ready Raw Jute:			
Assam Bottoms (old)	49.50	49.50	48.00
Northern Bottoms (old)	47.50	48.00	47.00
Futures:			
Hessian—Nov.	48.30	48.40	48.50
Sacking—Nov.	129.60	129.90	127.70
Raw Jute—Dec.	37.50	39.92	35.86
Raw Jute—Sept.	39.10	39.30	39.30

save
for the
future...



"...by putting aside as little as Rs. 5/- at the end of each month. You will be amazed how quickly it grows especially when it earns interest. Our SAVINGS BANK ACCOUNTS—are as the name implies—are designed for "Saving for the Future" with the added convenience of withdrawals by cheque. At present interest is paid at 2½% per annum. Why not contact us for further details? We shall be pleased to help you."

National and Grindlays Bank Ltd.

Incorporated in the United Kingdom. The liability of Members is limited

CALCUTTA BRANCHES: 19 NETAJI SUBHAS ROAD
31 CHOWRINGHEE ROAD - 6 CHURCH LANE - 17 BRABOURNE ROAD

United Industrial Bank Ltd.

TWENTIETH REPORT

Directors' Report for the year ended 31st December, 1959

GENTLEMEN,
The Directors beg to place before the shareholders the Balance Sheet and the Statement of Profit and Loss Account for the year ended 31st December, 1959. The Auditors' Report is also annexed.

2. During the year under review the Bank incurred a loss of Rs. 92,984.93 nP, and this was primarily due to the fact that interest amounting to Rs. 2 lacs and odd from certain advances could not be applied to Profit and Loss Account as the amount was not covered by the relative securities held and the Directors considered that until the amount was recovered in cash from the concerned borrowers it should be held in Suspense account. Deducting the sum of

Rs. 4,107.11 nP, being the profit brought forward from the previous year, there remains a loss of Rs. 88,877.82 nP to be carried forward.

3. Shri M. K. Bhattacharyya, having retired, Shri V. G. Pal, a retired officer of the State Bank of India, has been appointed as the General Manager of the Bank as from the 16th October, 1959.

4. The following Directors retire under the Articles (but, being eligible, offer themselves for re-election):—
(1) Shri Jadu Nath Roy.
(2) Dr. Satya Churn Law.

5. The Shareholders are requested to appoint Auditors for the ensuing year and fix their remuneration.
The Auditors, Messrs. Lovelock & Lewes, retire under the Articles, but, being eligible, offer themselves for re-appointment.

6. Shri Priya Nath Roy, Director, being out of station, could not sign the Balance Sheet.
*For and on behalf of
Board of Directors,
JADU NATH ROY,
Chairman.

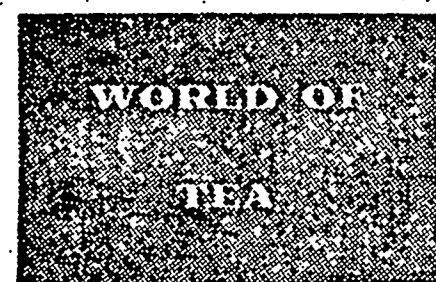
Calcutta,
The 22nd April, 1960.

BALANCE SHEET AS AT 31st DECEMBER, 1959.

31-12-58.	Rs.	nP.	31-12-59.	Rs.	nP.	31-12-59.	Rs.	nP.	31-12-59.	Rs.	nP.
CAPITAL AND LIABILITIES.						PROPERTY AND ASSETS.					
1. CAPITAL						1. CASH					
AUTHORISED CAPITAL						In Hand and with Reserve Bank and State Bank (including foreign Currency Notes)					
75,000,000.00						15,40,308.50					12,84,705.94
ISSUED CAPITAL						BALANCES WITH OTHER BANKS ON CURRENT ACCOUNT					
37,500,000.00											
SUBSCRIBED CAPITAL						(i) In India					
37,500 Shares of Rs. 100/- each						1,01,737.08					93,234.64
(i) Shares issued as fully paid up pursuant to any contract without payment being received in cash						NII					NII
(ii) Shares issued for payment in cash											
37,500 Shares of Rs. 100/- each, of which have been called up as under:											
37,500 Shares at Rs. 75/- per share						55,78,906.68					38,45,008.58
Less: Calls in arrears						NII					NII
27,66,195.00						2,12,500.00					7,84,370.00
Add: Received in advance of Calls						1,00,000.00					1,00,000.00
36,650.00						NII					NII
28,02,845.00						58,91,406.88					47,29,378.58
Add: Forfeited Shares (Amount paid up)											
100.00											
28,02,945.00											
3,72,000.00											
2. RESERVE FUND AND OTHER RESERVES											
3. DEPOSITS AND OTHER ACCOUNTS											
32,16,889.86											
35,01,615.12											
69,05,013.52											
1,36,23,518.50											
4. BORROWINGS FROM OTHER COMPANIES, AGENTS, ETC.											
14,50,000.00											
NII											
14,50,000.00											
PARTICULARS											
(i) Secured by Government Securities per Contra						5,00,000.00					
(ii) Unsecured						NII					
1,08,382.87											
27,49,292.90											
NII											
27,49,292.90											
5. BILLS PAYABLE						BILLS RECEIVABLE BEING COLLECTION AS PER CONTRA					

Profit and Loss Account for the Year Ended 31st December, 1959

EXPENDITURE.			INCOME (less provision made during the year for Bad and Doubtful Debts and other usual or necessary provision)		
1958.	Rs.	nP.	1958.	Rs.	nP.
1. Interest 'paid on Deposits, Borrowings, etc.	3,56,875.49		1. Interest and Discount	6,55,777.71	6,18,630.88
2. Salaries and Allowances and Provident Fund (including Salaries and Allowances of General Managers at Rs. 20,050.81) (1958—Rs. 16,887.09)	3,98,844.57		2. Commission, Exchange and Brokerage	78,176.80	1,19,065.23
3. Directors' and Local Committee Members' Fees and Allowances	2,160.00		3. Rents	NII	NII
4. Rent, Taxes, Lighting and Insurance, etc.	47,299.65		4. Net Profit on sale of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account)	NII	9,165.20
5. Law Charges	6,249.49		5. Net profit on revaluation of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account)	NII	
6. Postage, Telegrams and Stamps	5,719.54		6. Income from Non-Banking Assets and Profit from sale of or dealing with such Assets	NII	
7. Auditors' Fees	8,000.00		7. Other Receipts (including Income-Tax Refundable Rs. 92,078.06—1958)		2,616.06
8. Depreciation on and Repairs to the Banking Company's Property	7,416.36		8. Loss		92,984.93
9. Stationery, Printing and Advertisement, etc.	22,277.80				
10. Loss from sale of or dealing with Non-Banking Assets	NII				
11. Other Expenditure	19,964.38				
12. Balance of Profit	NII				
Total Rs.	8,74,807.28		Total Rs.	8,42,462.30	



Trends in Prices

THE recent drought has affected the quantity as well as quality of the good second flush teas, which are usually produced at this time of the year. It is felt that, if weather conditions do not improve, gardens will find it difficult to recover the loss fully. It is, however, evident that the North Indian season will make a slow start; not much tea is likely to be available until July and the offerings in the first few auctions may be limited.

The outlook will, therefore, be governed by the supply and demand position. In view of the shortfall in production during the earlier months of the season, gardens may try to increase the crop later, resulting in a larger supply of plain teas. Again, Ceylon has produced a bumper crop of 45.4 million pounds in March against 32.8 million pounds in the corresponding month of last year. Since most of the production is of the plain grades, there should be an adequate supply of this category in the coming months. Africa, China, Formosa and Pakistan are also expected to place substantial quantities on the world markets.

Moreover, there is little evidence to show that favourable prices of the last season can be realised for Common teas this year. Producers will find it their worth while concentrating on fine plucking and good manufacture. It is, therefore, possible that the present trend—higher prices for quality teas and lower for plain grades—may be accentuated further in the coming weeks, as buyers are anxious to obtain good grades.

In this context, the annual report, issued by Messrs J. Thomas & Company Private Limited, states "that the market position is fundamentally sound. Prospects for the coming season may, therefore, be regarded as considerably brighter than in recent years. Naturally, the law of supply and demand will play its part in determining the state of the market. In this respect, Calcutta seems to hold a slight advantage over London. It is almost certain that a similar Middle Eastern enquiry will continue which, in conjunction with strong internal demand, should ensure economic prices for Common and low medium teas. This is also likely to produce a narrow price margin between the lowest and the best quality teas. Finally, there is every prospect that the trend of the market will follow similar lines of the previous season. However, if exceptionally unfavourable weather conditions should result in an appreciable

shortfall in the North Indian output, then the market barometer should be fixed at "set fair" for most of the season."

Meanwhile, in the second export sale of the new season's Darjeeling teas, offerings were 13,043 packages. The market opened on a subdued note, but brightened up considerably toward the close. The cheaper sorts were sold fairly readily at or a little below valuation, while the few best invoices with attractive flavour were also sold well. Medium quality varieties were the weakest feature of the sale and there were considerable withdrawals, prices being up to one rupee per kilo below valuations.

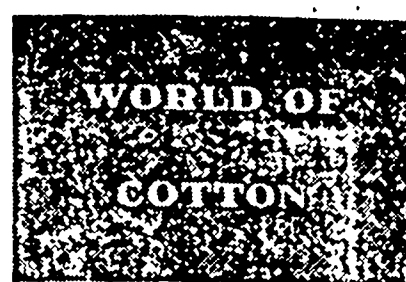
As was the case in Sale "A", there was more interest in Broken and Fannings grades than Whole Leaf grades in the case of medium varieties. In the Export Quota section, no business was transacted and there were sellers at 1 nP per kilo with no buyers. In the New Season's Quota, there were sellers at 3 nP per kilo; but buyers showed interest at 2 nP per kilo.

In the Cochin market, seven and a half lakh pounds of Dusts were offered for internal consumption. Against good general demand, prices declined in view of the poor quality of the offerings. Best Liquoring teas were firm, while other sorts were irregularly 5 nP to 10 nP per pound easier.

In the Colombo market, a total of 7,556,833 pounds was offered. Quality showed little change; but many high-grown sorts were lacking in colour. Better liquoring Dimbula Brokens met with less competition and were easier by 10 to 30 cents per pound. Prices for "below the best" types were irregular except the very poor descriptions, which were 10 cents per pound lower. Coloury mediums were firm to dearer, while BOPs were dearer by 3 to 8 cents. Small low BOP Fannings were irregular, but generally firm.

In London auction, offerings were 22,794 packages. Although demand for North Indian and other miscellaneous tea offerings was less general than last week, there was nevertheless good competition for nearly all descriptions. Bright liquoring coloury teas were sold well at fully steady to dearer prices with the best CTC Assams the strongest feature. Orthodox Assams were sold well, providing they were not thin liquoring. African teas met with irregular support to begin with; but prices, on balance, were generally steady.

As far as the auctions are concerned, there is a much better demand for North Indian teas as compared with last week's rather selective and sometimes indifferent buying interest. Prices are mostly in seller's favour. This better level of buying is attributed by trade quarters to a feeling among blenders that they ought to stock up with the best of the available old season's tea in view of the possibility of a shortage of new season's quality teas from North India.



Futures Rule Firm

THE cotton futures market in Bombay ruled firm last week due to short-covering and fresh support. The upward trend in prices was accelerated by the end of the week and this has been attributed to the growing apprehension in the minds of the traders that there might not be any cotton tender against this contract if the present demand from mills continued for a couple of months. Expectation of a more liberal distribution of local cotton quota to spinners and the possibility of an increase in ceiling prices for the 1960-61 crop, also pushed up the values during the latter part of the week. Besides, the cheerful conditions that prevailed in the spot market added stimulus to the futures section. Mills were reported to be active buyers of all sections of indigenous varieties. Trade interests were disappointed at the failure of the talks with the Textile Commissioner in which they stressed the paramount importance of modifying the recent orders curbing the cotton transactions with effect from 1 August. Jarilla August after opening at Rs 792 moved up to Rs 794.50; to react to Rs 790.50 and closed at Rs 793.

SPOT MARKET:

The spot market at Sewri, which opened after three days' halt, evinced a revitalised demand for almost all varieties of indigenous growth, thanks to the issue of additional quotas to the mills for domestic cotton. Spinners and millers were reported to have covered their immediate requirements of foreign and local growths. Among the indigenous varieties, mills showed interest in Kalagin, Kalyan, Laxmi, Jaidhar, Digvijay and L147 CO2 and among imported varieties Busoga, East African BP 52, Mwanza and Jinja were in renewed demand. Some upcountry mills enquired for new crop of Egyptian cotton in view of cheap rates. The discount rate on sales of Egyptian cotton has been retained at 11.5 cents during the week under review.

The production of cloth and yarn for the months of January to April this year, according to the figures revealed by the Textile Commissioner are as follows:—

	(Figures in Millions)	
	(yards)	(lbs)
	1959-1960	1959-1960
Production Cloth		Yarn
January	430-419	151-191
February	592-403	137-139
March	406-410	141-140
April	407-407*	140-136*

*The figures are provisional.

Indian Finance

During the beginning of this week Bengal Deshi changed hands at Rs 750-880; Oomra at Rs 820-860; Dhollera at Rs 820-840; Jharilla at Rs 840-900; Vijay Broach at Rs 995. Among the foreign styles Karnak was transacted at Rs 1775-2200, Sudan Average at Rs 1600-2125, American 1.1/8" at Rs 1175 to 1200, American Good Middling 1.5/32" at Rs 1230-1245.

The total receipts of cotton in Bombay for the period commencing from 1 September to 19 May were as under:—

Growth	1959-60	1958-59
Khandesh	58,103	90,923
Vijay	101,184	258,923
Surti	23,697	77,612
Kalyan	9,284	87,276
Dholera etc.	21,576	64,040
Gaorani 6 and 12	20,556	35,122
Madhya Pradesh	28,203	66,692
Punjab	132,387	158,062
Rajasthan and UP	66,039	45,767
Andhra	15,370	2,833
Madras	1,509	1,486
Mysore	8,655	5,693
West Bengal		86
Pakistan	28,223	
American	72,203	49,775
Sudan	56,241	42,938
Egyptians	107,214	30,273
East Africans	70,321	107,548
Burma and other		
sorts	16,167	1,433
Coast Ports	16,640	89,131
Total Bales	853,632	1,208,673

×

FOREIGN COTTON:

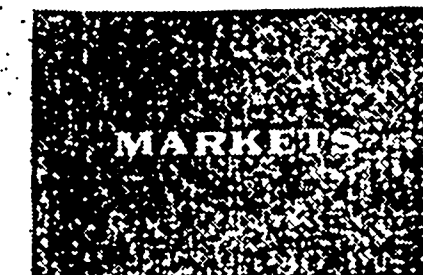
Relatively small price fluctuations were prevalent in the New York futures market. The last current crop contract registered appreciation of about 15 points over the week while changes in the new crop contracts varied from 5 points down to 6 points up. Unfavourable weather conditions affected the California, Texas and Oklahoma growths. The re-planting in California and Mississippi has been completed.

Entries and repossession for the week ended 20 May were to the tune of 2 bales and 5641 bales respectively and thereby pushed the total up to 334,946 bales and 254,108 bales respectively. The net loan stocks during the above mentioned week amounted to 80,838 bales.

The Commodity Credit Corporation sales and purchases under the Choice 'A' programme for the week stood at 12,811 bales and 250 bales respectively. New Orleans advices reveal that about 18,858 bales were sold for unrestricted uses on 25 May. The total sales from the beginning of bids on 28 September last, total 543,630 bales.

The Alexandria futures market, during the week under review, registered some losses and consequently Karnak and Ashmouni were transacted at 120 and 288 points down respectively. Demand in the spot market continued on the low side and there was a small recession in the premia for all the varieties barring Menufi. The Sudan Gazira Board auctions on 24 and 25 May amounted to 7200 and 1991 bales respectively.

4 June 1960



Falling Trend in Sugar and Gur Prices

SUGAR prices have recorded a fall of Rs 2 during the week, to quote presently at Rs 113 per bag. The supply position of the commodity has improved considerably. The quota released for sale, during the past two months, is lying idle, while dealers have not shown any keenness to lift it. The crushing season has almost come to a close and the total production in the country has touched a new peak of about 24 lakh tons.

After shooting up to Rs 122 per bag at the peak of the marriage season during the last fortnight, sugar prices, in the Kanpur market, have now come down to Rs 116. This downward trend is partly due to higher allotment to confectioners by the district authorities.

Also, in the Muzaffarnagar market, prices have developed a downward trend due to better supply position and the rate is quoted at Rs 114 per bag. Following higher production, rumours about the sugar decontrol have revived in the market. Trade circles expect that the coming quota will be released for sale in the open market.

In the London market, too, sugar prices have shown a slightly easier tendency due to continued uncertainty about Cuba's intentions in regard to the International Sugar Agreement. Cuba is reported to have already sold all but 300 tons of the export quota allowed for her under the agreement. It is fairly certain that the International Sugar Council will not be willing to increase export quotas unless the world sugar price moves in to what it regards as the "desirable" price range of 3.25 to 4 cents a pound.

There are, however, reports that the next year's Cuban crop may be comparatively small—perhaps no more than 5 million tons. The present move about Cuba's surplus and her attitude to the International Sugar Agreement may, therefore, give place to quite a different situation in the coming season.

Gur

In the Hapur market, Gur prices have also displayed an easier tendency. Arrivals out of the stocks, retained by the cultivators, are about 200 maunds. Stocks are estimated at 25,000 maunds as against 77,000 maunds in the corresponding period of last year.

Pansara dry quality is quoted at Rs 15.37 per maund.

In the Muzaffarnagar market, prices sagged by 25 nP to 50 nP a maund in the absence of demand from Gujarat and Madhya Pradesh.

Khandsari

Khandsari prices, in the Hapur market, have registered a fall of Re 1 a maund. Demand from the consuming areas of Gujarat and Saurashtra is slack and the producing centres are nursing heavy stocks. The production from "galawayat" will begin soon after the onset of rains. Superior quality is quoted at Rs 37 to Rs 38 per maund.

In the Kanpur market, prices have gradually climbed down on account of selling pressure from the producing centres coupled with the expectation of early decontrol of sugar on the return of the Union Food Minister from his foreign tour.

Foodgrains

The bearish trend in Foodgrains prices, witnessed since the beginning of "rabi" grain arrivals, seems to have cried a halt. Led by Gram, Wheat and Coarse grain prices have registered modest gains. In the Pulses section, Peas and Arhar have also registered gains due to support from the stockists, although outside buying interest is slack.

Thanks to a comfortable supply position, the Rice section remains quiet. Stocks both with the trade and the Government are reported to be fairly heavy while the Government's procuring scheme is still continued in the surplus districts of the Uttar Pradesh State.

Rubber

The Kerala Government have just finalised the details of a scheme to plant 20,000 acres of the Government lands with rubber next year. Twentyfive per cent

of this area will be made available to the planting companies and the distribution will be through public auctions. Ten to fifteen per cent will be planted directly by the Government. The rest will be given on lease to individuals and co-operatives who wish to undertake rubber planting. They will be given loans and other assistance through service co-operatives. The idea is to convert two to three lakh acres of forest and other suitable lands into rubber plantations during the Third Plan period.

Meanwhile, private reports from Malaya say that the output of rubber is currently running at a high level. Reports from Indonesia—accounting for about one-third of the total world supplies—however, suggest that production on estates is declining "alarmingly".

It is felt that this year will again see a deficit, probably of around 40,000 tons of natural rubber. Available figures confirm

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this expectation. Rubber production in Malaya—the main rubber producer—declined by nearly 16 per cent in February when the output totalled 54,689 tons. Another decline is indicated for March, although Malayan sources expect April figure to be "nearly back to normal".

Most dealers in London say that, at present, the prospective supply and demand for Grade 1 rubber will be roughly in balance during the coming months. They add that the only thing, that is likely to upset the balance, is a renewed outburst of buying from the Communist China. It, however, looks as if that China is not now interested in buying at the current prices.

Pepper

The Pepper market has been ruling quiet during the past few weeks, the rate being quoted at Rs 280 per cwt in the Cochin market. The export performance has, however, been satisfactory. Exports

from India, for the first five months of the season (November 1959 to March 1960), totalled 251,999 cwts against only 114,475 cwts in the corresponding period of the previous season. Out of the exports, USA's share was the highest, at 147,074 cwts.

According to the latest reports, most of the Malabar crop has been sold and the present fall in prices is not expected to affect seriously the growers until the position is clearer toward November. It is just possible that the Singapore trade is forcing prices down to cover its commitments.

The Indian crop is now estimated at just over 26,000 tons—one of the largest in recent years. Lampong crop, expected in September, is estimated to be as high as 25,000 tons as against 10,000 tons last year. This estimate may well be exaggerated and the true position, which may be nearer 15,000 tons, may hold the price reasonably near the current levels.

Ginger

Exports of dry Ginger from India, during March, were slightly lower at 9,446 cwts as against 11,015 cwts in February. Out of the total exports, Calicut accounted for 5,231 cwts; Cochin 2,584 cwts and Bombay 1,438 cwts. Total exports, for the five months ended March 1960, are, however, higher at 36,861 cwts as against 34,501 cwts in the corresponding period of last year.

Bangalore Silk

During the week ended May 26, a decline of Rs 2.00 per lb was noticed in respect of T Narsipur and Kanakapura Filature Silk. The rates for Government Filature silk was revised by the Bangalore Silk Marketing Co-operative Society on May 17, 1960. The revised quotations for T Narsipur and Kanakapura were at the week-end Rs 40.00 to Rs 41.25, and Rs 42.00 per lb., respectively, as

Indian Finance

against their previous week's prices of Rs 42.00 to Rs 43.25 and Rs 44.00. Kollegal and Channapatta silk rates were not quoted. As regards Charka silk and reeling and seed cocoons the variation was minor.

The demand for all qualities of raw silk was reported to be moderate while the supply was stated to be limited. There was a moderate improvement in the price of Charka silk varieties especially 1st and 2nd Qualities.

Reeling cocoons maintained more or less a steady trend. Mugur area cocoons, however, quoted a slightly lower rate, namely Rs. 1.60 to Rs 2.00 as against Rs 1.70 to Rs 2.10 per lb in the previous week.

As regards seed cocoons the rates for Mysore seed cocoons ruled higher at between Rs 5.75 to Rs 9.00 per 1000 as against Rs 4.00 to Rs 7.00 during the previous week. Foreign seed cocoons remained steady.

Gold & Silver

Prices on the Bombay Bullion Exchange suffered a sharp setback, being influenced by the continued inflow of the metals. With a record large receipts in the market of unauthorised gold and in the absence of any encouraging offtake in the ready section, Gold ready lost as much as Rs 2.25 over the week. The difference between the spot and Ashad delivery also narrowed down to only Rs 1.12 from the previous level of Rs 2.69. The spot premium continued to decline on the operation of ex-parte margin and selling pressure from Delhi. Ready gold changed hands at Rs 126.69 to Rs 127.19, to finish at Rs 127.12. Sovereign was quoted at Rs 86.75. Arrivals amounted to 2,000 tolas; but the unrefined metal receipts totalled 6,700 tolas. Including the unauthorised receipts, the market estimated the total receipts at 26,700 tolas, while offtake was hardly 4,000 tolas.

In the Silver section, speculative activity was restrained due to the operation of ex-parte margins. Sentiment was also affected adversely by the continued inflow of the metal. Discouraging spot advice acted as an additional depressant. Arrivals amounted to 35 bars as against an offtake of 10 bars. Unrefined metal receipts amounted to 39 bars. Ready silver (below .996) changed hands at Rs 212.81 to Rs 213.12, to finish at Rs 213.06.

Yarn

Easy conditions continued to prevail in the Bombay Yarn market. Acetate and Nylon yarns suffered heavily due to selling pressure from the upcountry stockists. The Staple-Fibre yarn section, however, presented a better trend with a small improvement in ready prices.

The offtake in Cotton yarn continued to be limited. Reports from the cloth market were not encouraging. The end of the marriage season in some parts of

4 June 1960

the country was considered another bearish factor. Weavers from the Punjab, Delhi, Benares and Surat complained of growing accumulation of stocks and were, therefore, not inclined to purchase more yarn.

*

Oils & Oilseeds

The market for Oils and Oilseeds displayed an uncertain behaviour with the prices of Castor and Linseed showing a declining trend. Consequent upon the rise in the freight rates by \$20 effective from June and the higher floating stocks of castor in the local market, estimated at around 20,000 candel, bulls started unloading. There was also some selling pressure from Delhi and Agra. Although the long-range outlook for Castorseed was considered to be bullish, the pressure of spot supplies precluded aggressive support and hence prices sought lower levels. Castor ready was quoted at Rs 33.62 and Castor Oil, commercial quality, at Rs 18.12.

In the Linseed section, traders were inclined to be cautious on account of the possibility of larger arrivals in future. Ready was quoted at Rs 33.25 and Linseed Oil at Rs 16.25.

Prices in the Groundnut section ruled, however, steady. The Government decision to consider, on merits of application, the export of groundnut oil under the present export promotion scheme gave rise to a belief that the export incentive would be liberalised shortly. It is stated that a suitable increase in the incentive will go a long way in providing fresh fillip to the export of groundnut oil, especially so far as the trade with Burma is concerned. While the trade is awaiting an indication of the future policy in this connection, the possibility of a bigger incentive has failed to arrest the downward tendency in groundnut futures. Ready Bold was quoted at Rs 43.25 and Groundnut oil at Rs 22.75.

Trading in the Cottonseed section continued to be dull with the transactions remaining few and far between.

With the tapering off of the summer groundnut crop arrivals both in the local and southern-side markets, there is a significant spurt in the prices of both groundnut oil and kernels in Madras. Almost upto the middle of last week, that is by Friday opening, the easier trends in prices that were evident earlier continued, but Friday later closings indicated improvement in prices of both items. Local groundnut arrivals had dwindled to about 40 tons daily. While Villipuram centre alone reported about 100 tons of daily arrival of summer crop, other centres obtained less volume in the neighbourhood of 35 to 40 tons daily. Prices here also proved to be hard. There was not much change in other seeds or oils though in gingelly seed due to paucity of arrivals the price had gone up to Rs 80 per maund.

The closing prices of groundnut oil and kernels in today's market were:

Groundnut oil per candy of 500 lbs ex-Madras godown expeller Ready 3% FFA: Ready 391: June Rs 397: July 395. Kernels per Candy of 531 lbs: Coromandel 204: Peanut Rs 194. Castor oil per candy of 500 lbs Tirupattur Rs 305/306. Coconut oil per tin Rs 39.50. Gingelly oil per maund Rs 23.75. Gingelly seed per maund Rs 80 (superior) Rs 77/80: other varieties. Groundnut cake Rs 27 per bag of 160 lbs ex/gunny. United Kingdom price of Groundnut oil per ton 121/10. Groundnut cake £33 per ton. Alleppey Coconut oil: Ready Rs 650: June 664: July 672. All are buyers' rates.

The easier tone in the groundnut oil market took a turn for the better last Friday. It was more or less the same in the case of groundnuts too. These registered small declines during the last ten days. But the poor arrivals gave a fillip to higher quotations. The forward position which were weakened by Bombay did not sustain itself this week and a few days before. The West Coast rains lend pressure to bear operations in forward positions only earlier in the week. When price increase came, it came in a striking manner both in spot rates and forward positions. Sizeable gains were made therefore by both oil and groundnuts. Oil which lost much last week gained its position during the last few days.

The arrival position of groundnuts in local market week end from 80 tons to 40 tons this week. Last week there was regular flow of about 100 tons daily. Therefore price levels of coromandel variety remained around

Rs 198 per candy. On some days last week the rate went down to Rs 196 per candy. The increased price for nuts which began Friday went upto Rs 200 per candy from Rs 198 and it gained another couple of rupee today to be quoted at Rs 202. Likewise peanut price also registered an increase by a couple of rupees at Rs 191 from Rs 189. Earlier last week the quotation was ranging between Rs 187/189 for this variety.

*

Hides and Skins

Prices of tanned cow hides in the Madras market went up by a couple of nP for 10/12 lb average, while the lesser 8/8 lb stood steady. In the lighter weights of 5/5 lb the quotation was about 3 nP lower. There was further decline by about 6 nP in still lighter weight of average 4/4 lb. Arrivals of cowhides were good and absorption was also similar.

In the CIF section, good quantities of 8/2 lb fifths were traded at 45d to 46d. U. K. wanted to import 10/12 lb average. Price of this variety was very firm. Buffalo tanned hides stood firm this week and prices remained unaffected.

In both tanned cow calf and buff calf there was very small turnover. U.K. importers were indifferent. The local market sold out 6,000 pieces of tanned goatskins and only 8,000 pieces of tanned sheepskins, leaving in the market about 7,000 goatskins and 53,000 sheepskins. Prices for these varieties were lower.

Tanned goatskins export business was reported at a lower rate of 3 to 6d per lb. Inferior fifths were made available at still lower quotations. Other varieties like the medium and light weight were lower by about 6d per lb.

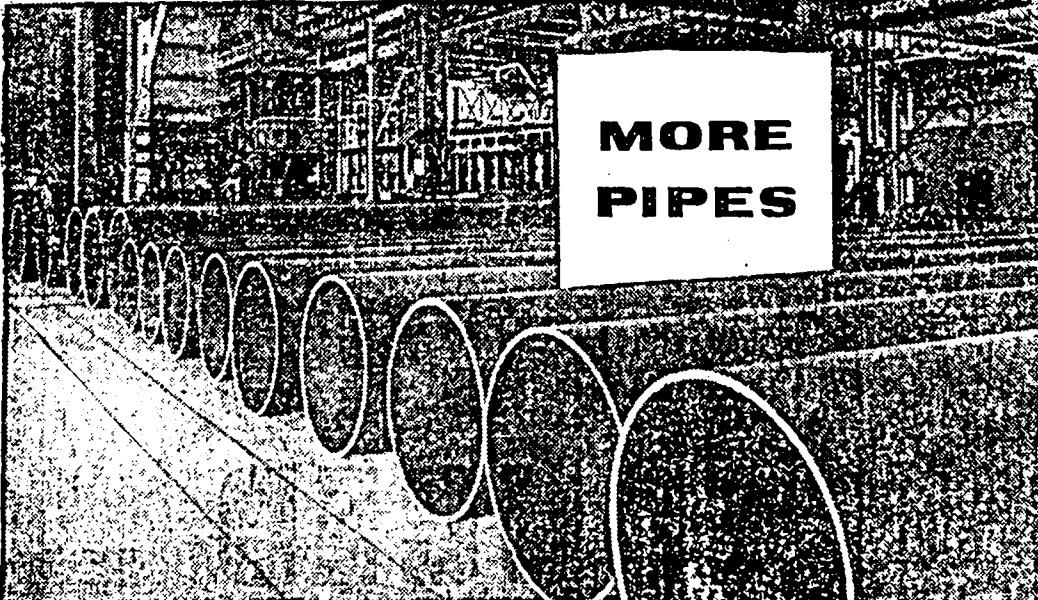
Prime or semi-prime sheep skins were not much in demand since prices were not inclined to come down, and sellers too were indifferent to get into larger commitments.

The report of the May 23 London Public Auctions disappointed local skins and hides trade in view of the alleged sales there and the stocks being held over the next auction. Even sales which were affected had to be done at lower levels, it was reported.

The following are the prices of raw skins per hundred: (last week's prices in brackets): Bangalore Raw Goat Rs 475/500 (Rs 520/540); Whitewool sheep Rs 500/565 (Rs 550/585); Blackwool sheep Rs 420/450 (Rs 420/485); Bezwada Raw goat Rs 420/435 (Rs 489/490); He sheep Rs 585 (600); She sheep Rs 435 (Rs 450).

The following are the prices of tanned skins per lb:

Tanned cow prime 5/5 lb Rs 3 to Rs 3.37; 6/6 lb Rs 2.75/3.00; 8/8 lb Rs 2.31 to Rs 2.37; 10/12 lb Rs 1.94 to Rs 2.00; Buffalo 12/13 lb Rs 1.44 to Rs 1.69; Cow calf 1 1/2 lb Rs 4.62 to Rs 5.12; Buff calf 1 1/2 lb Rs 3.00 to Rs 3.37; Goat Prime 5 1/6 lb Rs 10.25 to Rs 10.50; 8/9 lb Rs 9.12 to Rs 9.37; Sheep Ordy 6/7 lb Rs 7.25 to Rs 8.00; Sheep Prime 6/6 lb Rs 10.62 to Rs 10.87.



MORE PIPES

With the erection of the second spun pipe plant at the Kulti Works of The Indian Iron and Steel Co. Ltd. the production of spun iron pipes will increase from 60,000 to 150,000 tons per year. This additional tonnage will save India Rs. 8 crores annually in foreign exchange. The output of the plant will help to satisfy India's growing demands for pipe mains. Employing the latest techniques, this unit is the first to produce 16" to 27" diameter spun iron pipes in the country.

to meet
the
nation's
needs

THE INDIAN IRON & STEEL COMPANY LIMITED

WORKS AT BUKAMPUR & KULTI

MANAGING AGENTS:

MARTIN BURN LTD.

12, MISSION ROW, CALCUTTA



BRANCHES AT:

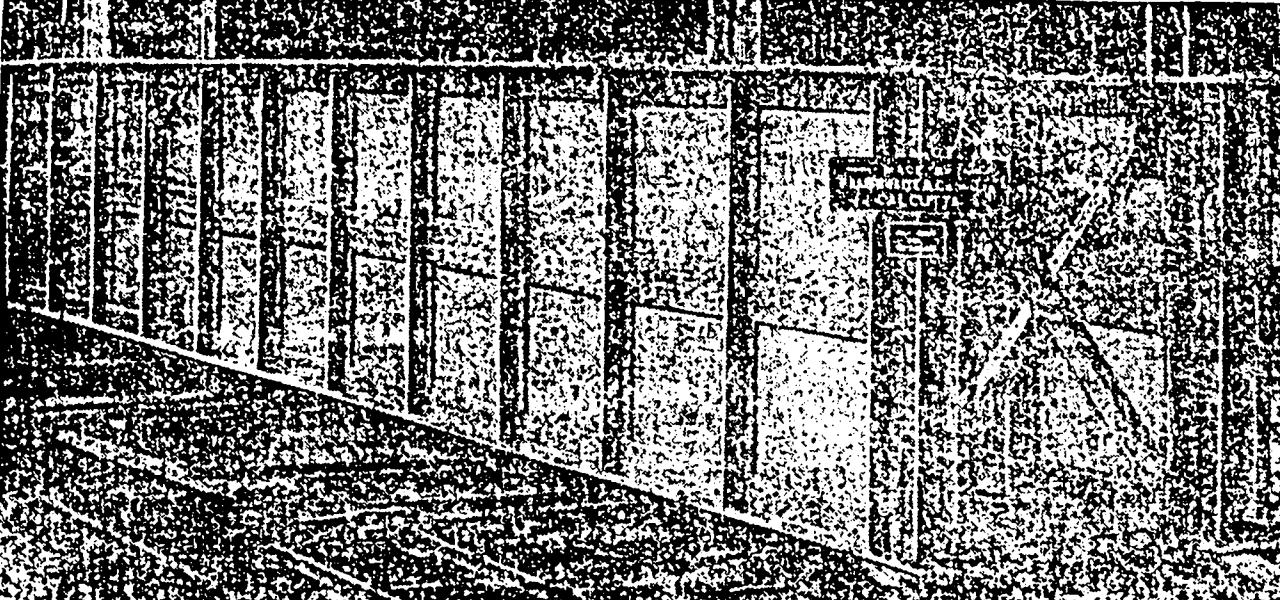
NEW DELHI BOMBAY KANPUR



**BRAITHWAITE & CO
(INDIA) LIMITED**

HIDE ROAD, KIDDERPORE,
CALCUTTA

One of ten 100 ft. Plate
Girder Spans fabricated
at our Works for the
North Eastern Railway.



TEZPORE TEA COMPANY, LIMITED.

NOTICE is hereby given that the Forty-second Annual General Meeting of the Members will be held at the Registered Office of the company, No. 4, Bankshall Street, Calcutta on Wednesday, the 29th June, 1960, at 3-30 P.M. for the following purposes:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1959.
- (2) To declare Dividends.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their remuneration.
- (5) To consider and if thought fit to pass with or without modification, the following Resolution which will be proposed as an Ordinary Resolution namely:

"That Shaw Wallace & Company Limited be and are hereby re-appointed the Managing Agents of the Company with effect from the 15th August, 1960, on the terms and conditions to be embodied in a separate Agreement to be entered into between the Company and the Managing Agents a draft whereof has been submitted to this Meeting and approved and signed by the Chairman thereof".

The Transfer Register will be closed from the 20th June, 1960 to 29th June 1960, both days inclusive.

N.B.—A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the Company.

By Order of the Board
SHAW WALLACE & COMPANY LIMITED
Managing Agents.

Calcutta,
28th May, 1960.

EXPLANATORY STATEMENT, MEMORANDUM OF INTEREST AND ABSTRACT.

(Pursuant to Sections 173 (2) & (3) and 302 (3) of the Act).

At a General Meeting of the Company held on the 20th August 1959, notice of which had been duly intimated to you, the approval of the members was accorded to the proposal that Shaw Wallace & Company Limited be re-appointed as the Managing Agents of the Company for a further period of ten years from the 15th August, 1960, the terms and conditions specified in the draft Agreement submitted to and approved at that Meeting.

Thereafter, application was made to the Central Government in terms of Section 326 of the Com-

panies Act, 1956, for its approval to the proposed re-appointment of the Managing Agents and the Department of Company Law Administration has approved of the re-appointment on condition that the period of re-appointment is reduced to 5 years and the commission of 10 per cent of the net annual profits of the Company proposed to be paid to the Managing Agents by way of remuneration is determined in accordance with sliding-scale prescribed by the Government subject to the payment of a "minimum remuneration" of Rs. 25,000/- per annum in the event of absence or inadequacy of profits in any year.

The conditions imposed by the Department of Company Law Administration have been considered and approved by your Directors and have been accepted by the Managing Agents and the Department of Company Law Administration has been advised accordingly. The accompanying notice is accordingly issued to convene a General Meeting of the Company and specifying the resolution to be passed by the Members to give effect to the re-appointment.

A copy of the draft Agreement referred to in the Resolution set out in the convening notice is available for inspection by the Members at the Registered Office of the Company between the hours of 10 A.M. and 5 P.M. on any business day upto the date of the Meeting and will be available during the Meeting.

The following abstract of the proposed Agreement is commended to the consideration of the Members of the Company:

1. The period of re-appointment of the Managing Agents shall be 5 years from the 16th August, 1960 provided that the Managing Agents shall be entitled to resign their office on giving not less than one month's notice in writing on this behalf.
2. The remuneration payable to the Managing Agents shall be in accordance with the following scale of commission on the net profits of the Company computed in the manner laid down in Sections 349 to 351 of the Act, subject to the payment of a "minimum remuneration" of Rs. 25,000/- in the event of an absence or inadequacy of profits in any year, namely:
 - (1) 10% on the first Rs. 10 lakhs net profits or fraction thereof.
 - (2) 9% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (3) 8% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (4) 7% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (5) 6% on the next Rs. 10 lakhs net profits or fraction thereof.

- (6) 5½% on the next Rs. 25 lakhs net profits or fraction thereof.
- (7) 5% on the next Rs. 25 lakhs net profits or fraction thereof.
- (8) 4% on any sum over one crore of rupees or fraction thereof.

3. Clause 6 (which is identical to Clause 6 of the previous draft Agreement) provides for the reimbursement of expenses incurred by the Managing Agents on behalf of the Company.
4. Clause 9 (which is identical to Clause 9 of the previous draft Agreement) provides that the Managing Agents and any "Associate" thereof as defined in the Act shall be entitled to retain any remuneration which may be earned by them from any Firm, Body Corporate, or other Concern in respect of sales, purchases, or the supply or rendering of services under Contracts entered into by such Firm, Body Corporate or other Concern with the Company.

The remaining Clauses of the proposed Agreement specify the powers exercisable by the Managing Agents and include administrative details.

These do not differ from the corresponding provisions of the previous Agreement.

Mr. H. K. Stringfellow a Director and a Member of your Company is also a Director and Member of M/s. Shaw Wallace & Co. Ltd. and may be deemed to be interested in the proposed resolution. The Managing Agents may be deemed to be interested in their re-appointment to the extent of the remuneration proposed to be paid to them.

THE NEW SAMANBAGH TEA COMPANY LIMITED.

NOTICE is hereby given that a General Meeting of the Members of the abovenamed Company will be held at the Registered Office, 4, Bankshall Street, Calcutta, on Wednesday the 29th day of June 1960, at 3-40 P.M. to consider and if thought fit to pass with or without modification, the following Resolution which will be proposed as an Ordinary Resolution namely:

"That Shaw Wallace & Company Limited be and are hereby re-appointed the Managing Agents of the Company with effect from the 15th August, 1960, on the terms and conditions to be embodied in a separate Agreement to be entered into between the Company and the Managing Agents a draft whereof has been submitted to this Meeting and approved and signed by the Chairman thereof."

The Share Transfer Register will be closed from the 20th June

1960 to 29th June, 1960, both days inclusive.

By Order of the Board
SHAW WALLACE & COMPANY LTD.
Managing Agents.

Calcutta,
the 30th May 1960.

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

EXPLANATORY STATEMENT, MEMORANDUM OF INTEREST AND ABSTRACT.

(Pursuant to Sections 173 (2) & (3) and 302 (3) of the Act).

At a General Meeting of the Company held on the 20th August 1959, notice of which had been duly intimated to you, the approval of the members was accorded to the proposal that Shaw Wallace & Company Limited be re-appointed as the Managing Agents of the Company for a further period of ten years from the 15th August, 1960, on the terms and conditions specified in the draft Agreement submitted to and approved at that Meeting.

Thereafter, application was made to the Central Government in terms of Section 326 of the Companies Act, 1956, for its approval to the proposed re-appointment of the Managing Agents and the Department of Company Law Administration has approved of the re-appointment on condition that the period of re-appointment is reduced to 5 years and the commission of 10 per cent of the net annual profits of the Company proposed to be paid to the Managing Agents by way of remuneration is determined in accordance with sliding-scale prescribed by the Government subject to the payment of a "minimum remuneration" of Rs. 30,000/- per annum in the event of absence or inadequacy of profits in any year.

The conditions imposed by the Department of Company Law Administration have been considered and approved by your Directors and have been accepted by the Managing Agents and the Department of Company Law Administration has been advised accordingly. The accompanying notice is accordingly issued to convene a General Meeting of the Company and specifying the resolution to be passed by the Members to give effect to the re-appointment.

A copy of the draft Agreement referred to in the Resolution set out in the convening notice is available for inspection by the Members at the Registered Office of the Company between the hours of 10 A.M. and 5 P.M. on any business day upto the date of the Meeting and will be available during the Meeting.

The following abstract of the proposed Agreement is commended

to the consideration of the Members of the Company:

1. The period of re-appointment of the Managing Agents shall be 5 years from the 16th August, 1960 provided that the Managing Agents shall be entitled to resign their office on giving not less than one month's notice in writing on this behalf.
2. The remuneration payable to the Managing Agents shall be in accordance with the following scale of commission on the net profits of the Company computed in the manner laid down in Sections 349 to 351 of the Act, subject to the payment of a "minimum remuneration" of Rs. 30,000/- in the event of an absence or inadequacy of profits in any year, namely:
 - (1) 10% on the first Rs. 10 lakhs net profits or fraction thereof.
 - (2) 9% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (3) 8% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (4) 7% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (5) 6% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (6) 5½% on the next Rs. 25 lakhs net profits or fraction thereof.
 - (7) 5% on the next Rs. 25 lakhs net profits or fraction thereof.
 - (8) 4% on any sum over one crore of rupees or fraction thereof.
3. Clause 6 (which is identical to Clause 6 of the previous draft Agreement) provides for the reimbursement of expenses incurred by the Managing Agents on behalf of the Company.
4. Clause 9 (which is identical to Clause 9 of the previous draft Agreement) provides that the Managing Agents and any "Associate" thereof as defined in the Act shall be entitled to retain any remuneration which may be earned by them from any Firm, Body Corporate, or other Concern in respect of sales, purchases, or the supply or rendering of services under Contracts entered into by such Firm, Body Corporate or other Concern with the Company.

The remaining Clauses of the proposed Agreement specify the powers exercisable by the Managing Agents and include administrative details.

These do not differ from the corresponding provisions of the previous Agreement.

Mr. H. K. Stringfellow a Director and Member of your Company is also a Director and Member of M/s. Shaw Wallace & Co. Ltd. and may be deemed to be interested in the proposed resolu-

tion. The Managing Agents may be deemed to be interested in their re-appointment to the extent of the remuneration proposed to be paid to them.

RAJNAGAR TEA COMPANY LIMITED.

NOTICE is hereby given that a General Meeting of the Members of the abovenamed Company will be held at the Registered Office, 4, Bankshall Street, Calcutta, on Wednesday the 29th day of June 1960, at 3-50 P.M. to consider and if thought fit to pass with or without modification, the following Resolution which will be proposed as an Ordinary Resolution namely:

"That Shaw Wallace & Company Limited be and are hereby re-appointed the Managing Agents of the Company with effect from the 15th August, 1960, on the terms and conditions to be embodied in a separate Agreement to be entered into between the Company and the Managing Agents a draft whereof has been submitted to this Meeting and approved and signed by the Chairman thereof."

The Share Transfer Register will be closed from the 20th June 1960 to 29th June, 1960, both days inclusive.

BY ORDER OF THE BOARD.
SHAW WALLACE & COMPANY LTD.
Managing Agents.

Calcutta,
the 30th May 1960.

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

EXPLANATORY STATEMENT, MEMORANDUM OF INTEREST AND ABSTRACT.

(Pursuant to Sections 173 (2) & (3) and 302 (3) of the Act).

At a General Meeting of the Company held on the 20th August 1959, notice of which had been duly intimated to you, the approval of the members was accorded to the proposal that Shaw Wallace & Company Limited be re-appointed as the Managing Agents of the Company for a further period of ten years from the 15th August, 1960, on the terms and conditions specified in the draft Agreement submitted to and approved at that Meeting.

Thereafter, application was made to the Central Government in terms of Section 326 of the Companies Act, 1956, for its approval to the proposed re-appointment of the Managing Agents and the Department of Company Law Administration has approved of the re-appointment on condition that the period of re-appointment is reduced to 5 years and the commission of 10 per cent of the net annual profits of the Company

proposed to be paid to the Managing Agents by way of remuneration is determined in accordance with sliding-scale prescribed by the Government subject to the payment of a "minimum remuneration" of Rs. 10,000/- per annum in the event of absence or inadequacy of profits in any year.

The conditions imposed by the Department of Company Law Administration have been considered and approved by your Directors and have been accepted by the Managing Agents and the Department of Company Law Administration has been advised accordingly. The accompanying notice is accordingly issued to convene a General Meeting of the Company and specifying the resolution to be passed by the Members to give effect to the re-appointment.

A copy of the draft Agreement referred to in the Resolution set out in the convening notice is available for inspection by the Members at the Registered Office of the Company between the hours of 10 A.M. and 5 P.M. on any business day upto the date of the Meeting and will be available during the Meeting.

The following abstract of the proposed Agreement is commended to the consideration of the Members of the Company:

1. The period of re-appointment of the Managing Agents shall be 5 years from the 16th August, 1960 provided that the Managing Agents shall be entitled to resign their office on giving not less than one month's notice in writing on this behalf.
2. The remuneration payable to the Managing Agents shall be in accordance with the following scale of commission on the net profits of the Company computed in the manner laid down in Sections 349 to 351 of the Act, subject to the payment of a "minimum remuneration" of Rs. 10,000/- in the event of an absence or inadequacy of profits in any year, namely:
 - (1) 10% on the first Rs. 10 lakhs net profits or fraction thereof.
 - (2) 9% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (3) 8% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (4) 7% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (5) 6% on the next Rs. 10 lakhs net profits or fraction thereof.
 - (6) 5½% on the next Rs. 25 lakhs net profits or fraction thereof.
 - (7) 5% on the next Rs. 25 lakhs net profits or fraction thereof.
 - (8) 4% on any sum over one crore of rupees or fraction thereof.

3. Clause 6 (which is identical to Clause 6 of the previous draft Agreement) provides for the reimbursement of expenses incurred by the Managing Agents on behalf of the Company.

4. Clause 9 (which is identical to Clause 9 of the previous draft Agreement) provides that the Managing Agents and any "Associate" thereof as defined in the Act shall be entitled to retain any remuneration which may be earned by them from any Firm, Body Corporate, or other Concern in respect of sales, purchases, or the supply or rendering of services under Contracts entered into by such Firm, Body Corporate or other Concern with the Company.

The remaining Clauses of the proposed Agreement specify the powers exercisable by the Managing Agents and include administrative details.

These do not differ from the corresponding provisions of the previous Agreement.

Mr. H. K. Stringfellow a Director and Member of your Company is also a Director and Member of M/s. Shaw Wallace & Co. Ltd. and may be deemed to be interested in the proposed resolution. The Managing Agents may be deemed to be interested in their re-appointment to the extent of the remuneration proposed to be paid to them.

KYANG TEA SEED COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the Members of the abovenamed Company will be held at the Registered Office, 4, Bankshall Street, Calcutta, on Wednesday the 29th day of June 1960, at 4 P.M. to consider and if thought fit to pass with or without modification, the following Resolution which will be proposed as an Ordinary Resolution namely:

"That Shaw Wallace & Company Limited be and are hereby re-appointed the Managing Agents of the Company with effect from the 15th August, 1960, on the terms and conditions to be embodied in a separate Agreement to be entered into between the Company and the Managing Agents a draft whereof has been submitted to this Meeting and approved and signed by the Chairman thereof."

The Share Transfer Register will be closed from the 20th June 1960 to 29th June, 1960, both days inclusive.

By Order of the Board,
SHAW WALLACE & COMPANY LIMITED
Managing Agents.

Calcutta,
the 2nd June, 1960.

Note:—A Member entitled to attend and vote at the Meeting

is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.

EXPLANATORY STATEMENT, MEMORANDUM OF INTEREST AND ABSTRACT.

(Pursuant to Sections 173 (2) & (3) and 302 (3) of the Act).

At a General Meeting of the Company held on the 27th August 1959, notice of which had been duly intimated to you, the approval of the members was accorded to the proposal that Shaw Wallace & Company Limited be re-appointed as the Managing Agents of the Company for a further period of ten years from the 15th August, 1960, on the terms and conditions specified in the draft Agreement submitted to and approved at that Meeting.

Thereafter, application was made to the Central Government in terms of Section 326 of the Companies Act, 1956, for its approval to the proposed re-appointment of the Managing Agents and the Department of Company Law Administration has approved of the re-appointment on condition that the period of re-appointment is reduced to 5 years and the commission of 10 per cent of the net annual profits of the Company proposed to be paid to the Managing Agents by way of remuneration is determined in accordance with sliding-scale prescribed by the Government subject to the payment of a "minimum remuneration" of Rs. 1,000/- per annum in the event of absence or inadequacy of profits in any year.

The conditions imposed by the Department of Company Law Administration have been considered and approved by your Directors and have been accepted by the Managing Agents and the Department of Company Law Administration has been advised accordingly. The accompanying notice is accordingly issued to convene a General Meeting of the Company and specifying the resolution to be passed by the Members to give effect to the re-appointment.

A copy of the draft Agreement referred to in the Resolution set out in the convening notice is available for inspection by the Members at the Registered Office of the Company between the hours of 10 A.M. and 5 P.M. on any business day upto the date of the Meeting and will be available during the Meeting.

The following abstract of the proposed Agreement is commended to the consideration of the Members of the Company:

1. The period of re-appointment of the Managing Agents shall be 5 years from the 16th August, 1960 provided that the Managing Agents shall be entitled to resign their office

on giving not less than one month's notice in writing on this behalf.

2. The remuneration payable to the Managing Agents shall be in accordance with the following scale of commission on the net profits of the Company computed in the manner laid down in Sections 349 to 351 of the Act, subject to the payment of a "minimum remuneration" of Rs. 1,000/- in the event of an absence or inadequacy of profits in any year, namely:

- (1) 10% on the first Rs. 10 lakhs net profits or fraction thereof.
- (2) 9% on the next Rs. 10 lakhs net profits or fraction thereof.
- (3) 8% on the next Rs. 10 lakhs net profits or fraction thereof.
- (4) 7% on the next Rs. 10 lakhs net profits or fraction thereof.
- (5) 6% on the next Rs. 10 lakhs net profits or fraction thereof.
- (6) 5% on the next Rs. 25 lakhs net profits or fraction thereof.
- (7) 5% on the next Rs. 25 lakhs net profits or fraction thereof.
- (8) 4% on any sum over one crore of rupees or fraction thereof.

3. Clause 6 (which is identical to Clause 6 of the previous draft Agreement) provides for the reimbursement of expenses incurred by the Managing Agents on behalf of the Company.

4. Clause 9 (which is identical to Clause 9 of the previous draft Agreement) provides that the Managing Agents and any "Associate" thereof as defined in the Act shall be entitled to retain any remuneration which may be earned by them from any Firm, Body Corporate, or other Concern in respect of sales, purchases, or the supply or rendering of services under Contracts entered into by such Firm, Body Corporate or other Concern with the Company.

The remaining Clauses of the proposed Agreement specify the powers exercisable by the Managing Agents and include administrative details.

These do not differ from the corresponding provisions of the previous Agreement.

Mr. H. K. Stringfellow, a Director and Member of your Company is also a Director and Member of M/s. Shaw Wallace & Co. Ltd. and may be deemed to be interested in the proposed resolution. The Managing Agents may be deemed to be interested in their re-appointment to the extent of the remuneration proposed to be paid to them.

JAGATJIT COTTON TEXTILE MILLS LTD.

NOTICE

Notice is hereby given that the next Annual General Meeting of the Shareholders of the Company will be held at its registered office at 'THAPAR HOUSE', 25, Bra-bourne Road, Calcutta, on the 29th June, 1960, at 11 A.M. to transact the following business:

AGENDA

1. To receive the Directors' Report and to pass the audited accounts of the Company for the year ended 31st January, 1960.
2. To declare dividends.

The Directors have recommended:—

- (i) 7.17% subject to Tax on Preference Shares.
- (ii) 14.27% subject to Tax on Equity Shares.

3. To elect Directors in place of those who retire.

(a) Sardar Bahadur Mohan Singh being longest in office retires by rotation and being eligible offers himself for re-election.

(b) Lala Karam Chand Thapar also retires by rotation and as he is an Associate of the Managing Agents of the Company, a Notice has been received from a Shareholder proposing his re-election. A Special Notice as such is hereby being given for passing the following Resolution with or without modification as a Special Resolution:—

Resolved:

"That pursuant to Section 261 of the Companies Act, 1956, Lala Karam Chand Thapar, an Associate of the Managing Agents of the Company, be and he is hereby re-elected as a director of the Company."

(c) Dewan Anand Kumar also retires by rotation and being over 65 years of age, a Notice has been received from a Shareholder proposing his re-election. A Special Notice is hereby being given for passing the following Resolution with or without modification as an Ordinary Resolution:

Resolved:

"That Dewan Anand Kumar, who is above 65 years of age, be and is hereby re-elected as a director of the Company and that the age limit as specified under Section 280 of the Companies Act, 1956, shall not apply to him."

4. To appoint Auditors for the Current year and to fix up their remuneration. The present Auditors M/s. S. P.

Chopra & Co. retire and are eligible for re-appointment.

5. To transact any other business that may be brought forward with the permission of the Chairman.

Note:—

- (i) The Share Transfer Books of the Company will be closed from the 16th June, 1960 to 29th June, 1960 (both days inclusive).
- (ii) A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy who need not be a member to attend and vote instead of himself.

By Order of the Board

KARAM CHAND THAPAR & BROS. (Private Limited)
Managing Agents.
Calcutta, 4th June, 1960.

Explanatory Note:

Pursuant to Section 173 of the Companies Act, 1956.

Item No. 3

(b) Under the Articles of Association of the Company, the Managing Agents are entitled to appoint their nominee Directors on the Board of the Company. A resolution under Section 261 of the Companies Act 1956 is necessary for Lala Karam Chand Thapar who is an Associate of the Managing Agents, to continue as a Director of the Company whose office is liable to termination by retirement by rotation. A Notice as required under Section 190 of the Companies Act has also been received.

Item No. 3

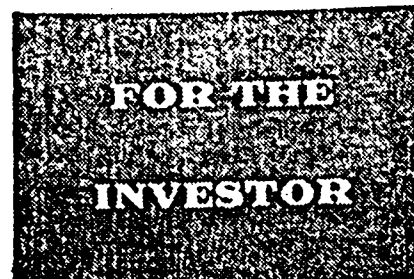
(c) A notice has been received by the Company for Dewan Anand Kumar's continuing as a Director of the Company notwithstanding his age of above 65 years. Under Section 281 of the Companies Act, 1956, the appointment of the person who is above 65 years of age needs the approval of the Company in the General Meeting specifically declaring that the age limit of 65 years shall not apply to him. In view of the valuable services he has rendered to the Company it is desirable that the Board should continue to receive the benefits of his advice.

This Weekly is Printed

By

DORCHESTER PRINTING WORKS
118, LOWER CIRCULAR ROAD,
CALCUTTA 14.

4 June 1960



Uncertainty

Investment Gossip:

EQUITY prices have been drifting lower during the week just ending. Now that the Bombay Stock Exchange has joined Madras in tightening up the margins on cleared shares, it is generally expected that some such step is imminent in Calcutta also.

The fact that Madras and Bombay have deemed it fit to impose restrictions on trading has confirmed the general belief that the excessive rise in prices noticed in recent trading is partly at least brought about by speculation.

Marketmen themselves realise that pushing up prices to unjustifiably high levels would inevitably invite Government intervention. But fears about further curb measures notwithstanding, the higher levels have been well maintained till last week and even now price levels are not much related either to dividend or growth prospects. Evidently, investors find no suitable alternative to investing in equities. This perhaps explains the absence of any widespread profit-taking even at the higher levels.

The present mood of investors is best brought out by the uniformly good response to new issues which have come on the market during the past few months. The trend, if anything, is stronger today. It is reported that the response to the Synthetics and Chemicals issue has surpassed all expectations. All this proves that there is a plethora of money seeking profitable investment and, in existing conditions, equities are indeed a good buy.

Even so, the price-rise that has occurred has rightly been viewed with considerable concern by the generality of marketmen. They are perhaps reminding themselves that Authority which showed itself concerned when prices were much lower would not remain a passive spectator for long. The National Development Council is shortly to discuss the spurt in prices in many a commodity market as well as in the stock market. And marketmen are naturally inclined to await further developments before moving one way or the other.

New Issue Notes

It is learnt that the response to the public issue of the Synthetics and Chemicals has been overwhelming. A premium of Rs 210 per share is mentioned in unofficial dealings in Bombay.

The directors of the Phillips Carbon Black Limited have announced that the recent issue has been 19 times over-subscribed. Lots have been drawn in case of

applications for 250 shares or less. Successful applicants for 50, 100 and 150 shares will get 10 shares each and those for 200 and 250 shares will get 15 shares each. Applicants for 300 shares and above will, however, secure an allotment. In determining the respective allotments, there will be some grouping of applicants, but this will not extend to applications of 1,000 shares or more. In all, 70 per cent of the capital on issue is being allotted to applicants for less than 1,000 shares. Letters of regret and refund pay orders in respect of the unsuccessful applicants for 250 shares or less will be issued from 1st June 1960, while allotment letters and the relative refund pay orders will be issued to successful applicants from 16th June 1960.

The Albion Plywoods Limited has offered for sale 75,000 Ordinary shares of Rs 10 each, at Rs 13, payable in full on ex-right basis. The application lists will open on 11 June and will close on 21 June.

The present issued and subscribed capital of the Albion Plywoods Limited is Rs. 10 lakhs, divided into one lakh Ordinary shares of Rs 10 each. The directors have decided to issue further capital of Rs 10 lakhs, divided into one lakh ordinary shares of Rs 10 each, to be offered to the existing shareholders whose names stand registered as on 6 June, in the proportion of one for every share held.

Jayant Paper Mills Limited—a new company formed to undertake the manufacture of certain special qualities of paper—is expected to enter the market for raising capital in the second or third week of June. The authorised capital will be Rs 1 crore, divided into one lakh Ordinary shares of Rs 100 each. The issued capital will be Rs 25 lakhs. Out of this, the promoters, directors and their friends will subscribe for Rs 12.50 lakhs. The balance of Rs 12.50 lakhs will be offered to the public.

A new company will shortly be formed by the house of Khataus in collaboration with a Swedish firm for undertaking the manufacture of tungsten carbide, tipped drills

and detachable bits. The capital outlay of the project is estimated at Rs 1.33 crores and the foreign exchange is placed around Rs 63 lakhs. The issued capital will be Rs 60 lakhs in the form of equity shares. The Swedish firm will be taking up Rs 36 lakhs. The balance of Rs 12 lakhs will be offered for public subscription.

The Directors of J. K. Cotton Spinning and Weaving Mills Co. Ltd., in consultation with Bombay and Calcutta Stock Exchanges, have allotted 6,20,000 Equity Shares in the manner following:—For 50 and below 100 15 Shares; For 100 and Below 150 25 Shares; For 150 to 250 50 Shares; For 300 to 450 100 Shares; For 500 to 1000 150 Shares; For 1050 to 2000 200 Shares; Above 2000 Ten Per cent.

Investment Briefs:

Katras Jherria Coal Company Limited has recommended a final dividend of Rs 6, making a total of Rs 9.50 per share, subject to tax, for the year ended 31 January 1960. The net dividend works out to Rs 6.55 against Rs 6.50 per share.

Sendra Coal has declared a dividend of 3½ per cent, taxable, for 1959 as against nil for the previous year.

Carnore Spinning has paid a final dividend of 8½ per cent, making a total of 17 per cent, taxable, for the year ended 31 March, 1960 as against a tax-free dividend of 15 per cent.

Singareni Collieries Company Limited has proposed a taxable dividend of 7½ per cent for 1959 against a tax-free dividend of 7½ per cent previously.

The West Coast Paper Mills Limited has decided to pay the arrears of dividends on the Preference shares for the period ended 30 June 1958 out of the profits of the company for the current year.

Balance-Sheet Briefs:

The profit of the Indian Standard Wagon Company Limited has improved by Rs 3.95 lakhs to Rs

23.68 lakhs for the year 31 March, 1960. The directors have recommended a dividend of 2½ per cent on the Ordinary shares. This works out to a net dividend of 19.95 per cent against 20 per cent paid for 1958-59.

The working of Sen-Raleigh Industries has resulted in a higher profit of Rs. 23.73 lakhs for the year ended 30 September 1959 as against only Rs 11.28 lakhs. The directors have recommended a net dividend of 5.6 per cent (gross 8 per cent) against 6 per cent paid in the preceding year.

The Soorah Jute Mills Company Limited has earned a profit of Rs 12.61 lakhs for 1959 as against Rs 10.39 lakhs for 1958. A taxable dividend of 25 per cent is recommended. This works out to a net dividend of 17.5 per cent against 15 per cent.

The net profit of the Krishna Industrial Corporation Limited is higher at Rs 4.83 lakhs for the year ended 30 September 1959 as against Rs 3.32 lakhs. A taxable dividend of 10 per cent is recommended against a tax-free dividend of 10 per cent.

THE INDIAN STANDARD WAGON COMPANY LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting (being the forty-first Ordinary General Meeting) of the Company will be held at the Registered Office, 12, Mission Row, Calcutta, at 11 a.m. on Friday the 24th June, 1960, for the following purposes:

1. To receive and adopt the Audited Accounts for the year ended 31st March, 1960, and the Directors' and Auditors' Reports thereon.
2. To declare Dividends. The dividends, if declared, will be paid to the shareholders whose names appear in the Registers of Members on the 24th June, 1960, or to their mandatees.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

The Registers of Members and the Transfer Books of the Company for both Ordinary and Preference Shares will be closed from the 15th June, 1960 to the 24th June, 1960, both days inclusive.

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

By Order of the Board,

MARTIN BURN LIMITED

F. G. LIVERSEDGE

Managing Director

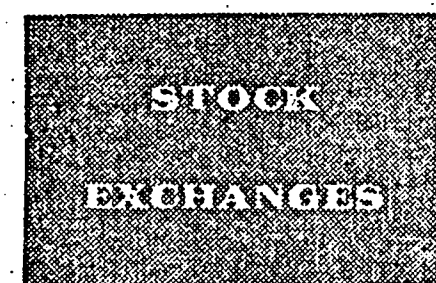
Managing Agents

Calcutta,
31st May, 1960.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Previous Proposed	Transfer Books Closed
(Rs Per Share)			
CALCUTTA:			
G. K. Williams	June 10	2.40	27/5/60 to 10/6/60
New India Investment	June 10	6.50	6/6/60 to 10/6/60
Belsund Sugar	June 17	1.40	28/5/60 to 11/6/60
Bisra Stone	June 20	1.25 (Int)	22/5/60 to 5/6/60
Seni Raleigh	June 23	0.80	9/6/60 to 23/6/60
I. S. Wagon	June 24	28½	15/6/60 to 24/6/60
Indian Copper	June 27	0.36	18/6/60 to 9/7/60
Churulia Coal	June 28	0.12	14/6/60 to 28/6/60
Caledonian Jute	June 29	12.00	15/6/60 to 29/6/60
National Rubber	July 2	0.85	13/6/60 to 2/7/60
BOMBAY:			
Modern Mills	June 7	5.00	7/5/60 to 28/5/60
Hindustan Aluminium	June 11	Nil	1/6/60 to 11/6/60
Bombay Gas	June 18	6½	11/6/60 to 18/6/60
National Rayon	June 23*	22.00	20/5/60 to 15/6/60
MADRAS:			
India Sugars	June 20	12½	7/6/60 to 20/6/60
Cambodia Mills	June 24	Nil	3/6/60 to 24/6/60

*Rs 21.27 on new ordinary shares and proportionate dividend for 1958.



Irregular Price Trends

Watch-Dog Writes:

STOCK markets have started the week on an uninspiring note and, in the absence of any fresh incentive, price movements have remained narrowly irregular. The awareness, that more stringent official measures may be adopted to check the unbridled speculation, has induced some caution in the minds of the operators, who are reluctant to enlarge their commitments.

Extremely dull conditions prevailed on the Calcutta Stock Exchange.

The upward revision of margins, decided by the Board, seemed to have little effect on the Bombay stock market.

THE TATA IRON AND STEEL COMPANY LIMITED

NOTICE

Extension of date for submission of coupons and applications in respect of "A" Second Preference shares and new Ordinary shares.

Notice is hereby given that the extended period for submission of coupons in respect of the "A" Second Preference shares and the new Ordinary shares in terms of the Company's Circular dated the 12th October 1959 expires on the 31st May 1960. As some shareholders have not yet exercised their right to obtain shares by submitting the requisite coupons, the Directors have extended the period for submission of coupons to 30th June 1960, and the Company's bankers have accordingly been authorised to receive applications on and after the 1st June 1960 upto but not later than the 30th June 1960 in respect of such coupons. Provided that along with each such application with the required coupons and the moneys to be received with such application interest at the rate of 9% per annum (which the Directors have decided to charge) shall be paid to the Company's bankers as under:—

(i) For applications with coupons from resident shareholders from 16th December 1959 to the date of payment; and

(ii) For applications with coupons in the case of non-resident shareholders from 1st June 1960 to the date of payment.

The Directors have also resolved that the last date for receiving applications in respect of "A" Se-

Activity on the Madras Stock Exchange was restricted in the absence of buying support.

The London Stock Exchange finished the week on a satisfactory note. Wall Street closed barely steady.

Calcutta

Calcutta, Friday Evening.

THE week's trading on the local Stock Exchange was unimpressive, as fresh support was of a halting nature. Fears of imminent official measures to curb excessive speculation on the eve of the Government's borrowing programme lulled speculative counters for a time. While the prominent bull operators availed themselves of the opportunity to book profits at the recent high levels, investors did not show any interest in view of the uncertain outlook for the immediate future.

But, the chill wave subsided soon and, as the week progressed, a mild recovery followed with the Miscellaneous section providing some bright features on intrinsic merits. Even the news of the new measures taken by the Bombay Stock Exchange authorities had little influence on sentiment due to a general feeling

that prices would continue to remain bullish unless the authorities resorted to the use of other weapons in their armoury. In this respect, there was a general disposition to await the outcome of the National Development Council meeting.

In the absence of buyers and, with almost everyone wanting to sell at the quoted rates, the Gilt-edged market was devoid of activity. The tendency was, therefore, for prices to sag slowly due to small offerings. After opening lower at Rs 73.20, 3 per cent 1986 Conversion Loan receded further to Rs 73, to finish better at Rs 73.12 at the close.

Bank shares were quietly steady with fractional changes either way. Punjab National changed hands at Rs 19.50 to Rs 19.69 and United Commercial at Rs 68.50 to Rs 69.

The buying enquiry in Jute shares, that was noticed in the previous week, seemed to have subsided in view of the uncertain outlook for the industry. Advances from the gunny market indicated that foreign buyers' interest would continue subdued unless prices moved down to reasonable levels. There was, however, not much selling pressure due to reports of rainfall in many jute-growing areas and the consequent belief that the mills might not experience much difficulty in obtaining their supplies of the raw material later in the season. Howrah changed hands at Rs 22.25 to Rs 22.75; Birlas at Rs 32.37 to Rs 32.50; Anglo-India at Rs 220 to Rs 222; Ganges at Rs 11.62 to Rs 11.81 and New Central at Rs 30.56 to Rs 31.50. National, after being marked down at one time to Rs 27.62 from Rs 28 due to speculative selling, finished better at Rs 28.25. Khardah were, however, supported up to Rs 21.25 from Rs 21.12.

Coal shares remained quiet in the absence of any indication so far whether the expected incentives for increasing production would be forthcoming. Central India were on offer at Rs 12.75 to Rs 12.94; Western Bengal at Rs 8.44 to Rs 8.56 and East Indian at Rs 30.37 to Rs 31.06. Bengal were a steady feature at Rs 326, while Burrakur fluctuated narrowly between Rs 19.19 and Rs 19.44, to close finally at Rs 19.37.

In an otherwise dull session, Tea shares were fairly active on second thoughts with regard to the prospects for the industry. First, the sound statistical position encouraged the hope that the new marketing season would begin well on 13 June when the first export sale would be held. Secondly, it was expected that the dividends for 1959 would be satisfactory. Finally, it was believed that the position of the industry might improve tremendously in the course of the next few months in view of the reports of rainfall in the Assam and Dooars areas. Brooke Bond met with business at Rs 18.37 to Rs 18.62; Bishnauth at Rs 22.69 to Rs 23.25; Grob at Rs 14.44 to Rs 14.62; Hasimara at Rs 25.31 to Rs 25.81; Jaysree at Rs 17.94 to Rs 18.25 and Tezporé at Rs 19.69 to Rs 19.87.

Sugar shares ruled generally firm on expectation that, with the substantial rise in production during the season just ended, the earnings of various companies might have

improved. Belsund were enquired up to Rs 14.50 from Rs 13.81; Ramnugger Cane up to Rs 26.75 from Rs 26.62 and Raza/Buland up to Rs 14.03 from Rs 13.87. SKG remained remarkably steady at Rs 14.56 with Dyer Meakin rather quiet at Rs 20.50 against Rs 21.

Textile scrips developed a slightly reactionary tendency due to scattered liquidation on reports of the deteriorating labour relations over the issue of the implementation of the recommendations of the Wage Board. Jaysree were on offer at Rs 14.94 to Rs 15.12; Elgins at Rs

SHREE GOPAL PAPER MILLS LIMITED.

NOTICE

NOTICE is hereby given that the next Annual General Meeting of the Shareholders of the Company will be held at its registered office at 'THAPAR HOUSE', 25, Brabourne Road, Calcutta, on the 29th June, 1960, at 10.30 A.M. to transact the following business.

AGENDA:

- To receive the Directors' Report and to pass the audited accounts of the Company for the year ended 31st December, 1959.
- To declare dividends. The Directors have recommended:
 - 11.3/7% subject to Tax on 1st Preference Shares.
 - 10% subject to Tax on 2nd Preference Shares.
 - 17.6/7% subject to Tax on Ordinary Shares.
- To elect Directors in place of those who retire. Shri Brahma Shume Shere J. B. Rana, Seth R. K. Jaidka and Seth B. P. Poddar being longest in office retire by rotation and being eligible offer themselves for re-election.
- To appoint Auditors and to fix their remuneration. The present Auditors, M/s. Price, Waterhouse, Peat & Co. retire and are eligible for re-appointment.
- To transact any other business that under the Articles may be transacted at the Annual General Meeting.

NOTE:

- The Share Transfer Books of the Company will be closed from the 16th June, 1960 to 29th June, 1960 (both days inclusive).
- A member entitled to attend and vote at the meeting is entitled to appoint a Proxy who need not be a member to attend and vote instead of himself.

By Order of the Board
KARAM CHAND THAPAR & BROS. (Private Limited)
Managing Agents.
Calcutta, the 4th June, 1960.

19.50 to Rs 19.87 and Kesora at Rs 30.44 to Rs 30.62 against Rs 15.19; Rs 19.94 and Rs 30.75 respectively quoted in the previous week. New Victoria were sticky at Rs 1.50 with Cawnpore easing off further to Rs 6.94 from Rs 7.31.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to settlement adjustments till Wednesday. Against the previous week-end closing of Rs 25.45, Indian Irons opened lower at Rs 25.38 and receded further to Rs 25.20 due to selling pressure. Some short-covering coupled with replacement buying at the latter level, however, induced the scrip at one time to Rs 25.58, to close finally at Rs 25.42. The settlement rate was fixed at Rs 25.30 as against last settlement of Rs 26.04. The following table shows the output during the last months (figures in metric tons):—

	May	April
Saleable Steel ...	56,406	44,751
Pig Iron ...	83,903	90,876
Steel Ingots ...	71,579	74,806
Despatches ...	58,663	33,126

Among other engineering issues, Texmaco touched a low of Rs 26.15 and a high of Rs 26.85, to finish at Rs 26.60. Jessop changed hands at Rs 23.75 to Rs 24.12; Britannia at Rs 13.25 to Rs 13.37; Kumardhubi at Rs 7.25 to Rs 7.50 and Marshalls at Rs 5.75 to Rs 5.94. Indian Standard Wagon firmed up to Rs 97 from Rs 94 on the publication of encouraging results for the year ended 31 March, 1960.

Miscellaneous issues ruled generally steady with price movements confined to a narrow range. An exceptional feature of the week's trading were Hindustan Motor, which were persistently supported up to 21.75 from Rs 20.87 on expectation of a higher dividend for last year. Orient Paper met with business at Rs 46.70 to Rs 47.25; Shree Gopal at Rs 29 to Rs 30.37; Sipur at Rs 18.44 to Rs 18.75; Indian Cable at Rs 34.56 to Rs 34.75; Indian Aluminium at Rs 26.69 to Rs 27; Indian Oxygen at Rs 34.37 to 36.25; Indian Copper at Rs 4.93 to Rs 5.06; Rohtas at Rs 36.19 to Rs 36.62; Dunlop at Rs 41.37 to Rs 41.85; India Steamship at Rs 11.25 to Rs 11.50; Associated Battery at Rs 34.50 to Rs 34.75; Union Carbide at Rs 39.50 to Rs 41.50 and Aluminium Corporation at Rs 17.50 to Rs 17.62.

Madras

Dull conditions prevailed today in the Madras stock exchange. Except cleared scrips other counters remained uninteresting. There was poor response in textiles. Limited transactions were made in tea share. Cements in the industrial section proved better.

Government Securities: State loans declined this week. Madras 1971 4 per cent was below par. Mysore also was like that. Andhra followed Kerala in this respect. The short dated loans remained unchanged. Madras Government 1960 3 per cent was quoted at Rs 99.50, Mysore's of the same date and denomination at

Rs 99.70 and Kerala 1956-61 was quoted at Rs 98.00. 4 per cent Madras 1971 was quoted at Rs 99.85, that of Mysore and Kerala was quoted at Rs 99.75 and Rs 99.75 respectively. Andhra State Loan of the same denomination proved even less attractive at Rs 99.65.

Banks: Bank showed a subdued tone with less activity. Andhra continued to be quoted below par at Rs 99.85 for its Rs 100 paid shares and Rs 82.50 for its Rs 85 paid shares. There was no change in the Indian Overseas Bank which continued at Rs 166.00, or even in the Pandyan Bank which remained at Rs 39.25. Punjab National was lower at Rs 19.37 and proved weaker than last week's price which was Rs 19.50.

Electrics: Prices were almost grounded in electric shares. It looks as if these shares are not favoured by investors whose neglect of these scrips cannot but mean this. Bernampur continued to be below par at Rs 6.50, Cochin continued unchanged at Rs 10.30, Karaikkal was also below par for several weeks at Rs 9.75, Negapattinam too was the same at Rs 9.60, South Madras could not improve beyond Rs 10.12 and West Coast was steady at Rs 12.35.

Sugars & Breweries: Though this week it could not be said that there was better interest in these shares than last week, interest, in Sugars, however seemed to be sustained. Deccan proved good at Rs 14.25 today and it opened even less at Rs 14.20 beginning of this week. EID likewise attracted attention at Rs 55.50. It looks EID would continue this strength due to larger production and consumption of sugars in this State itself. Cauvery did not go beyond Rs 143.00 nor India Sugars which weakened to Rs 13.60. Mysore was wanted at Rs 77.00, Travancore slightly better at Rs 11.62. United Breweries remained unaffected at Rs 91.00.

Plantings: Cochin Malabar improved to Rs 8.23. Coffee Lands maintained its position steady at Rs 24.75, while Consolidated Coffee shares lost a few points at Rs 26.00. Cowcoody improved to Rs 6.05. Gokul had demand at Rs 1.97 and Haileyburia moved upto Rs 15.75, Blue Mountains had sales at Rs 5.00, which was fractionally lower than its last week's quotation. Kumerode too was available below last week's listed price at Rs 5.45. Manar tea shares were available at Rs 2.70. Midland rubber improved to Rs 12.48, Non-such was better at Rs 26.30 and Osoor livened up to Rs 3.63. Puthutotam declined to Rs 2.83 as well as Talayar at Rs 1.80. Travancore Rubber continued at Rs 15.62 with 10 per cent dividend taxable and Travancore Rubber & Tea shares with 7½ per cent taxable dividend continued at Rs 8.60. Wartyhully was at Rs 3.50 while business was done in Waterfall at the improved price of Rs 44.35.

Textiles: Textile shares proved steady. It is true there was not so much rage for the Travancore Rayons which after declining to Rs 38.50 again went up to Rs 38.90 today. Anglo French interested quite a few at an improved rate of Rs 104.00. Likewise Bangalore Woollen also improved a little at Rs 200.00, but Buckingham Mills continued at the same rate of Rs 203.00. Among the Coimbatore mills shares Dhana-lakshmi had been fancied at Rs 225.00. Kothari ex-dividend continued at Rs 12.55. Madura was quietly steady at Rs 33.25. Rajalakshmi (7 per cent ted) was sold at Rs 73 and Rajapalayam continued at Rs 135. Tirupathi improved its value at Rs 10.10. Vijayeswari was quoted at Rs 106.00.

Miscellaneous: Aluminium Industries probably had stopped its rise at Rs 27.00 at which it was steady. Andhra Cement was only slightly better at Rs 10.40. Dalmia Cement was the same today at Rs 12.30. Transactions improved in FACT's at Rs 11.00 though this is lower than this week's opening at Rs 11.05. Forest Industries met with good support at Rs 3.20. India Cement improved with moderate demand at Rs 6.60. Met-tur Chemicals were also fancied at lower level of Rs 12.20. Mysore industrial shares did not alter in the counter. The National Rubber Manufacturers remained at Rs 13.00. Ogale Glass was only a rupee higher than its face value, while Parry Confectionary continued at Rs 4.46. Rallis was steady at Rs 115.00, Spencer too at Rs 20.30, Textool was better at Rs 170.50, higher than last week. WIPlywoods was strong at Rs 300.00.

BHILAI LARGEST PRODUCER OF SALEABLE PIG IRON

The Bhilai Steel Project produced the largest quantity of saleable pig iron in India during 1959, according to the annual report of the Ministry of Steel, Mines and Fuel for the year 1959-60.

The Bhilai Steelworks produced 292,435 tons of pig iron for sale to the consumers during the year.

The report stresses the year 1959 was an important year in India's steel economy. It was the first year in which production of iron and steel showed large increases.

The production of saleable pig iron recorded a sharp increase from 441,000 tons in 1958 to 752,403 tons in 1959. Here, the contribution of Works at Bhilai and Rourkela was large, the report adds.

The prospects for 1960-61 are brighter, the report continues. There will be more pig iron for sale as compared even to 1959.

The supply position of many items of steel like structurals, bars and rods, and plates is likely to improve as a result of the production of billets and structurals at Bhilai and plates at Rourkela.

About Bhilai, the report states significant progress was made in the construction during the year.

The first open hearth furnace was commissioned in October 1959. The primary mill to convert steel ingots into blooms was commissioned in November 1959 and the billet mill to produce saleable steel sections went into operation towards the end of 1959. By the end of the December, the second coke oven battery and the second blast furnace also went into production.

During the first eleven months of the financial year 1959-60, under review, about 4,45,000 tons of coke, 3,91,150 tons of pig iron, 70,700 tons of steel ingots, 44,250 tons, of blooms 31,050 tons of billets, 1,600 tons of sulphuric acid 2,000 tons of ammonium sulphate and 17,000 tons of coal tar were produced.

Practically, all the equipment and stores to come from the USSR have arrived in India. Construction has reached the peak and will begin shortly to taper off. Of the permanent township of 7,500 houses 4,805 houses have been built and occupied. The other houses are in various stages of construction. This is besides a number of temporary houses and construction colonies for the workers.

In the current year, the third coke oven battery and the third blast furnace, the remaining four open hearth furnaces, the rail and structural mill and the merchant mill will be completed, resulting in capacity to roll the entire steel into saleable sections. The mechanised iron ore mines would also have been completed and regular supplies for continuous production in the three blast furnaces established, the report concludes.

WORKING OF ENFORCEMENT DIRECTORATE

During the year 1959-60, the Enforcement Directorate, Ministry of Finance, registered 1241 cases of violation of the Foreign Exchange Resolution Act for investigation. The Director adjudicated 223 cases during the period and imposed a total fine of Rs 57,29,327 on the offenders.

Since its inception on May 1, 1956, 3503 cases have been registered by the Directorate. Several of these involved well-known industrial concerns and prominent industrialists of India.

The work of adjudication of cases by the Director was started in March, 1958, and since then as many as 410 cases had been adjudicated by him up to March 31, 1960. The total fine imposed on offenders in those cases was Rs 66,56,620. Apart from the cases adjudicated by the Director, 32 cases were sent up to courts for trial. Of these, 26 ended in conviction and six in acquittal. A total fine of Rs 62,800 was imposed in cases decided by courts.



Excellent Results of National Rayon

Balance-Sheet Reviews

THANKS to the satisfactory working of all the plants, the National Rayon Corporation Limited has produced excellent results for the year ended 31 December, 1959. Sales have shown a substantial rise to Rs 7.52 crores from Rs 6.37 crores, while the net profit, after providing for Depreciation and Taxation, amounts to as much as Rs 74.86 lakhs against Rs 43.36 lakhs in the previous year.

In respect of allocations, the Depreciation amount is raised to Rs 94.50 lakhs from Rs 92 lakhs and the Taxation provision to Rs 84 lakhs from Rs 55 lakhs. The amounts provided for Debenture Redemption Reserve and Gratuity Reserve are maintained at Rs 10 lakhs and Rs 3 lakhs respectively. The directors have recommended a dividend of Rs 22 on the Old ordinary shares and Rs 21.27 on the New ordinary shares, both subject to tax. The dividend paid for the previous year was 14 per cent, free of tax.

The balance-sheet, as at 31 December, 1959, shows a paid-up capital of Rs 4,15,34,440 divided into 2,41,121 Ordinary shares and 1,74,246 Preference shares, both of Rs 100 each and less, Calls unpaid Rs 2,260. Share Premium Account is shown at Rs 26.27 lakhs and 54 per cent Mortgage Debentures at Rs 1.50 crores. Against these, General Reserve stands at Rs 49 lakhs; Deferred Taxation Reserve at Rs 40 lakhs; Debenture Redemption Reserve at Rs 50 lakhs; Development Rebate Reserve at Rs 6.85 lakhs and Gratuity Reserve at Rs 13.50 lakhs.

The gross block at Rs 11.70 crores is depreciated by Rs 5.26 crores to show a net block of Rs 6.44 crores.

According to the directors' report, the installation of the Tire Cord Plant is progressing satisfactorily. The list of machinery and equipment to be imported has been finalised and orders are going through, while sizable quantities of indigenous materials required for this project have already been covered. It is expected that the bulk of the machinery will arrive at about the end of this year so as to facilitate completion and commissioning of the plant before the end of 1961.

Import licence for putting up a few more Spinning Frames and balancing equipment has been obtained and it is very likely that they will also be pressed into commission during 1961.

Arrangements have been made for putting up a 100-ton/day Sulphuric Acid Plant, which is expected to start working sometime in the beginning of next year. This will more than ensure the supply of entire requirements of Sulphuric Acid, both for the Tire Cord Plant and the expansion of the main Rayon Plant.

As regards the Corporation's project for manufacturing Cellophane Paper, a loan on deferred terms of payment has been arranged with the Industrial Credit and Investment Corporation of India, to cover the foreign exchange content of the equipment to be imported.

Necessary steps have been already taken to duplicate the Caustic Soda Chlorine Plant to take care of the increased requirement of this raw material for the Corporation's expansion programme on hand.

Mg. Agents:—Chinai & Co. (Private), Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	75,247,288	63,711,002	53,747,628
Interest, Dividends & Mts. Incomes	404,003	225,153	217,028
Stocks	2,161,356	4,971,217	3,817,344
Net profit	25,396,207	19,064,310	13,674,483
Taxation	8,400,000	5,500,000	1,200,000
Depreciation	9,450,000	9,200,000	7,500,000
Reserve Fund	...	...	1,335,386
Development Rebate Reserve	360,000	325,000	...
Other Funds	1,000,000	1,000,000	1,000,000
Div. Amount Ord.	5,245,897	2,469,264	2,248,694
Div. Amount Pref.	871,230	566,793	864,260
Carry Forward	166,270	97,190	123,837
Div. % Ord.	22(T)	14	14
Div. % Pref.	5(T)	5	5
(Annual General Meeting on 23-6-60 at 4-15 P.m.)			
Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
5% T.C. Pref.	17,424,600	17,424,600	17,424,600
Ordinary	24,109,840	16,062,100	16,062,760
Ord. P. Paid	...	6,330,780	...
Forfeited Shares	44,150	44,150	43,500
51% Debentures	15,000,000	15,000,000	15,000,000
Share Premium	2,628,640	2,197,400	614,705
Reserve Fund	4,901,000	4,600,000	4,600,000
Other Funds	9,685,000	8,825,000	9,000,000
Staff Gratuity Reserve	1,350,000	1,050,000	750,000
Loans Secured	...	206,080	11,835,141
Loans Unsecured	177,530	175,000	4,244,393
Taxation Provision	7,404,500	7,448,215	2,116,965
Debits	15,040,333	11,602,421	10,497,759
Carry Forward	166,270	97,190	123,837
Total	97,928,833	90,962,936	92,513,750
Assets			
G. Block	117,025,574	109,432,348	105,596,105
Depreciation	52,637,085	43,200,000	34,000,000
Block (net)	64,388,489	66,232,348	71,596,105
Stores	8,558,037	9,519,437	7,530,109
Raw Materials	6,025,062	5,202,714	4,369,116
Stocks	2,161,356	4,971,217	3,817,344
Outstandings	1,019,460	577,215	1,215,047
Do More than 3 months	5,352	15,930	...
Mts. Deposits and Advances	2,228,959	2,352,833	3,016,832
Investments	160,300	110,200	110,200
Deposits in Banks	11,500,000	...	...
Cash	2,081,828	1,981,042	668,998
Total	97,928,833	90,962,936	92,513,750

Lower Profit for Belsund Sugar

Despite a marked rise in sales from Rs 75.26 lakhs to Rs 1.26 crores, the net profit of the Belsund Sugar Company Limited has shown a decline to Rs 6.73 lakhs for the year 30 September 1959 as against Rs 7.14 lakhs in the previous year. These figures are arrived at after providing for depreciation and taxation. The Depreciation amount is raised to Rs 1.89 lakhs from Rs 68.489. After transferring Rs 1.00 lakh from Development Reserve, the directors have provided Rs 2.06 lakhs (Rs 4.12 lakhs) for Taxation; Rs 50,000 (same) for General Reserve and Rs 1.79 lakhs (nil) for Development Rebate Reserve. The directors have recommended a taxable dividend of Rs 1.40 per share against a tax-free dividend of Re 1.00 previously.

Against a paid-up capital of Rs 19,49,050, General Reserve stands at Rs 7.75 lakhs and Development Rebate Reserve at Rs 1.79 lakhs. The gross block amounts to Rs 43.95 lakhs; total depreciation to Rs 27.46 lakhs and the net block to Rs 10.50 lakhs.

The quantity of cane crushed is higher at Rs 31.21 lakh maunds against 24.91 lakh maunds; but the recovery percentage is lower at 10.15 per cent against 10.47 per cent.

The extension of the factory, increasing the crushing capacity to 1,200 tons per day, is practically completed. It is expected that the 1960-61 season shall be started with full extended capacity.

Mg. Agents:—Bangur Brothers, Ltd.			
Year ended Sept.	1959	1958	1957
	Rs.	Rs.	Rs.
Cane Crushed (mds.)	3,120,771	2,491,495	3,411,524
Sugar (mds.)	316,825	260,653	331,379
Sales	12,608,593	7,525,637	11,789,564
Stocks	2,010,477	3,250,646	1,526,618
Net profit	961,824	782,245	795,556
Taxation	206,000	412,000	450,000
Depreciation	188,800	68,489	84,221
Reserve Fund	50,000	50,000	...
Development Rebate Reserve	178,726	...	...
Div. Amount Ord.	363,818	250,870	250,870
Carry Forward	41,303	66,832	74,946
Div. % Ord.	181(T)	131	131
(Annual General Meeting on 11-6-60 at 11-30 a.m.)			
*After transferring Rs 100,000 from Development Reserve.			
Synopsis of balance sheet as on the last day of Sept.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	1,949,025	1,949,025	1,949,025
Forfeited Shares	25	25	25
Reserve Fund	775,000	725,000	975,000
Other Funds	178,726	160,000	100,000
Loans Secured	2,501,392	3,227,107	238,718
Loans Unsecured	1,300,000	200,000	...
Taxation Provision	604,035	793,237	893,858
Debits	1,751,589	2,310,368	1,368,982
Carry Forward	41,303	66,832	74,946
Total	9,101,095	9,441,504	5,290,534
Assets			
G. Block	4,395,189	3,336,131	3,383,770
Depreciation	2,745,653	2,970,647	2,568,270
Block (net)	1,649,536	785,484	815,500
Cap. Exp. in Progress	...	486,068	...
Stores	988,893	806,555	777,097
Stocks	2,010,477	3,250,646	1,526,618
Outstandings	695,640	283,611	111,286
Do More than 3 months	15,900	16,466	16,441
Mts. Deposits and Advances	2,422,857	2,883,654	1,831,276
Investments	1,207,275	718,540	95,839
Cash	111,555	101,771	175,377
Total	9,101,095	9,441,504	5,290,534

Arvind Mills Maintain Net Dividend

The Arvind Mills Limited has reported satisfactory working results for 1959. Sales are slightly lower at Rs 3.42 crores against Rs 3.59 crores, while the net profit, before providing for Depreciation and Taxation, is higher at Rs 84.07 lakhs against Rs 83.23 lakhs in the previous year.

In respect of allocations, a sum of Rs 10.06 lakhs (Rs 14.11 lakhs) is provided for Depreciation; Rs 33.90 lakhs (Rs. 47 lakhs) for Taxation; Rs 3.00 lakhs (nil) for General Reserve and Rs 5 lakhs (Rs 3.50 lakhs) for Development Rebate Reserve. The directors have recommended a final dividend of Rs 25, making a total of Rs 40 per share. This works out to a net dividend of 28 per cent, same as in the previous year.

In the last report, it was mentioned that the additional plant would go into production some time by the middle of 1960. In this connection, the directors state that, in view of the difficulty in obtaining machinery in time, their expectations have not been fulfilled. It is, however, hoped that the plant will start operations early next year.

The paid-up capital is Rs 86.25 lakhs against which Capital Reserve stands at Rs 4.20 lakhs; General Reserve at Rs 183.50 lakhs; Dividend Equalisation Reserve at Rs 40 lakhs; Contingency Reserve at Rs 12 lakhs; Rehabilitation Reserve at Rs 47 lakhs and Statutory Development Rebate Reserve at Rs 8.50 lakhs. The gross block amounts to Rs 2.85 crores; total depreciation to Rs 1.40 crores and the net block to Rs 1.45 crores.

Mg. Agents:—Narottam Lalbhai & Co.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	34,222,832	35,862,624	33,520,348
Interest, Dividends & Mts. Incomes	3,312,042	2,572,971	...
Stocks	3,573,621	4,498,226	5,497,770
Net profit	8,406,800	8,323,230	6,710,264
Taxation	3,389,954	4,700,000	3,360,000
Depreciation	1,685,730	1,411,276	1,354,118
Reserve Fund	300,000	...	...
Development Rebate Reserve	500,000	350,000	500,000
Div. Amount Ord.	2,430,000	1,680,000	1,400,000
Div. Amount Pref.	120,750	82,714	82,714
Carry Forward	158,312	127,946	28,706
Div. % Ord.	40(T)	28	35
Div. % Pref.	6(T)	5	5
Div. % 2nd Pref.	4(T)	41	41
(Annual General Meeting on 10-6-60 at 9 a.m.)			
Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
5% C. Pref.	525,000	525,000	525,000
4 1/2% C. Pref.	1,050,000	1,050,000	1,050,000
4 1/2% R.C. Pref.	1,050,000	1,050,000	1,050,000
B & C Ordinary	6,000,000	6,000,000	4,000,000
Capital Reserve	420,295	391,444	362,127
Reserve Fund	18,350,000	18,050,000	19,000,000
Other Funds	10,750,000	10,250,000	10,050,000
Taxation Provision	3,100,000	4,517,552	2,954,702
Debits	8,632,540	4,739,091	4,410,600
Carry Forward	158,312	127,946	28,706
Total	50,036,148	46,701,033	44,331,135
Assets			
G. Block	28,500,200	23,446,771	21,778,010
Depreciation	14,042,300	12,421,342	11,066,807
Block (net)	14,457,900	11,025,429	10,711,113
Stores	2,453,682	2,915,087	2,395,602
Raw Materials	1,086,491	663,511	4,488,533
Stocks	3,573,621	4,498,226	5,497,770
Outstandings	5,205,273	4,560,763	4,595,332
Do More than 3 months	63,354	173,045	140,891
Mts. Deposits and Advances	4,092,751	2,694,806	1,932,491
Investments	11,812,946	11,687,547	11,463,213
Deposits in Banks	5,400,000	7,000,000	2,507,000
Cash	1,270,930	853,619	606,190
Total	50,036,148	46,701,033	44,331,135

Further Progress made by National Rubber

During the year ended 31 December 1959, National Rubber Manufacturers Limited has recorded further progress in respect of the expansion programme undertaken by the company. Apart from construction of additional structures and provision for supply of additional power and other auxiliary services, all major plant and machinery, with the exception of Belt Press and some Cycle Tube manufacturing machines, were received toward the end of the year. Expansion of manufacturing capacity, already sanctioned in respect of Cycle Tyres and Tubes, V-Belts and Fan Belts, was already completed.

It is gratifying to note that turnover has recorded a further to Rs 2.00 crores from Rs 1.63 crores, representing an increase of 23 per cent over 1958. The net profit, before providing for Depreciation and Taxation, is higher at Rs 10.67 lakhs against Rs 6.86 lakhs. The directors have provided Rs 2.67 lakhs (Rs 2.43 lakhs) for Depreciation; Rs 1.80 lakhs (Rs 48,464) for Taxation; Rs 50,000 (nil) for Dividend Equalisation Reserve and 1.44 lakhs (Rs 3.22 lakhs) for Development Rebate Reserve. The directors have recommended a taxable dividend of 8 per cent on the Ordinary shares against a tax-free dividend of 6 per cent.

Against the paid-up capital of 59,76,022, reserves and surplus are shown at Rs 9.30 lakhs. The gross block at Rs 83.55 lakhs is depreciated by Rs 33.68 lakhs to show a net block value of Rs 49.88 lakhs.

Bombay Gas Company Results

The Bombay Gas Company Limited has presented the report for the year ended 31 December, 1959. The profit, after providing for Taxation of Rs 2.50 lakhs, amounts to Rs 1.90 lakhs. Deducting Rs 1.04 lakhs, the income from investments, the net profit actually amounts to Rs 0.86 lakhs. Even this is not the real picture of profit. For, during the year, there has been an extra income of Rs 1.52 lakhs from the supplementary bills. Without this, even the meagre profit of Rs 0.86 lakhs would have turned into a loss. Adding the carry forward from the previous year of Rs 1.18 lakhs, there is an available balance of Rs 3.08 lakhs.

The directors feel that the profit of Rs 1.90 lakhs is not quite adequate as to justify the payment of any better dividend than 6.5 per cent, less tax. This works out to a net dividend of 4.55 per cent. After payment of this dividend, there is a balance of Rs 48,173, which is carried forward to next year.

It is to be noted that the profit, during the year, has gone down to a considerable extent in comparison with earlier years due to the continuous increase in the cost of raw materials and labour. For the year, manufacturing expenses have gone up from Rs 66.73 lakhs to Rs 71.31 lakhs. Since the close of the accounts, there have been further increases in the cost of raw materials and freight. According to the present increase, these will entail additional expenditure of

Rs 1.35 lakhs during the current year. Besides, the company expects an increase under other heads like wages and salaries to the extent of about Rs 90,000. Moreover, there are chances of further revision of coal price, which will involve further additional expenses.

In respect of other allocations, the directors state that it has not been possible to make any provision for Rehabilitation resulting in the productive capacity of the plant and machinery being greatly hampered.

The balance-sheet, at 31 December 1959, shows a paid-up capital of Rs 40 lakhs against which Reserves are shown at Rs 23.29 lakhs and Capital Reserves at Rs 3.97 lakhs. Total gross block amounts to Rs 89.59 lakhs and this is depreciated by Rs 47.06 lakhs to show a net block value of Rs 42.53 lakhs.

It is quite clear from the present financial position of the Company that, unless the Bombay Government agree to a rise in the price payable for gas supplied by the Company, the Company will be hard put to declare dividends to shareholders in future.

India Sugars Earn More

The working of the India Sugars and Refineries Limited has resulted in a substantial rise in the net profit to Rs 16.83 lakhs for the year ended 30 September 1959 from Rs 5.30 lakhs in the previous year. Sales have risen to Rs 1.96 crores from Rs 1.33 crores.

The directors have set apart Rs 4.65 lakhs (Rs 4.94 lakhs) for Depreciation; Rs 50,000 (Rs 35,000) for Taxation and Rs 70,000 (Rs 8,000) for Development Rebate Reserve. They have recommended a taxable dividend of 12 1/2 per cent against a tax-free dividend of 10 per cent.

Mg. Agents:—The India Sugar Agencies Private Ltd.

Year ended Sept.	1959	1958	1957
	Rs.	Rs.	Rs.
Cane Crushed (tons)	185,172	136,817	120,684
Sugar (tons)	17,647	13,262	7,959
Sales	19,617,622	13,333,238	8,222,082
Stocks	1,993,173	2,255,271	2,562,059
Net profit	2,004,904	1,699,033	—301
Taxation	50,000	35,000	...
Depreciation	464,644	493,669	...
Development Rebate Reserve	70,000	8,000	...
Other Funds	...	487,414	...
Div. Amount Ord.	799,706	639,760	599,775
Div. Amount Pref.	82,500	56,513	30,825
Carry Forward	562,866	24,812	46,085
Div. % Ord.	12 1/2(T)	10	10
Div. % Pref.	7 1/2(T)	7 1/2	7 1/2

(Annual General Meeting on 20-6-60 at 10-30 a.m.)
*After transferring Rs 675,000 from General Reserve.
†After transferring Rs 388,406 from General Reserve.

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

Liabilities	1959	1958
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LIST OF QUOTED SHARES

CALCUTTA

PAID-UP				QUOTATION AS ON				PAID-UP				QUOTATION AS ON				PAID-UP				QUOTATION AS ON				
NAME		per Share.	27-5-60	27-5-59	NAME		per Share.	27-5-60	27-5-59	NAME		per Share.	27-5-60	27-5-59	NAME		per Share.	27-5-60	27-5-59	NAME		per Share.	27-5-60	27-5-59
		Rs	NP	Rs			Rs	NP	Rs			Rs	NP	Rs			Rs	NP	Rs			Rs	NP	Rs
How-Shekhala	100	51.00	34.90		Swadeshi Cotton	10	9.50	11.00		CHEMICALS					Bharat Commerce	10	18.00	6.50		Bharat Nidhi	10	10.25	6.62	
Kan-Lalabazar	100	52.13	60.00		Swadeshi (P.O.)	10	10.00	11.06		Alkali	10	26.12	22.62		Bhartia Co.	100	34.75	44.75		Bhartia Sons	10	2.56	2.47	
Sahara (Delhi)	100	69.00	98.00		Victoria Cotton	10	12.25			Bathgate	5	1.06	1.06		Bikaner Gypsum	10	16.00			Birds Invest.	10	14.62	14.81	
Saharanpur	100				JUTE					Bengal Chem.	100	104.50	102.00		Bihar Rice	10	1.95	1.50		Bri. Biscuits	10	31.62	20.50	
					Agarpara	10	13.16	12.44		Bengal Starch	10	8.06	8.06		B. I. Corp.	5	8.28	4.75		Jal. Credit Corp.	10	21.00	11.60	
COAL					Alexandra	100	153.00	182.00		Burma Lime	10	8.25	7.60		Calcutta Gas	10	5.00	6.25		Cal. Invest.	100	43.70	47.36	
Amalgamated	10	24.00	26.75		Alliance	100	118.00	118.00		Calcutta Chem.	10	14.00	13.00		Calcutta Safe	10	8.00	8.25		Calcutta Silk	10	5.50	6.25	
Asso. Kpura	10	6.00	5.50		Anglo-India	100	217.00	232.00		Dharangdhara	100	100.00	111.00		Calcutta Trams	61	13.81	14.62		Camby Invest				
Asso. Laikidib	10	3.62	3.47		Auckland	100	148.00	165.00		Frank Ross	5	3.19	2.75		Corp.	100	100.00	101.00		Cherra Chhatkak	5	7.00	7.95	
Bagdigi Kujama	10	9.00	8.00		Bally	100	260.00	204.00		Smith Stanistreet	5	13.37	11.25		Clive Row Inv.	10	8.87	11.00		Darjeeling Rope	10	7.75	8.06	
Bengal	100	328.50	308.00		Barnagore	10	142.00	136.00		ELECTRICS				Duncan Bros.	100	120.00	117.00		Dunlop	10	41.87	81.50		
Bengal Bhatdee	10	3.48	4.08		Belvedere	100	152.00	173.00		Agra	100	137.00	144.00		Eastern Invest.	100	138.00	134.00		Elec. Const.	10	14.31	12.75	
Bengal-Nagpur	10	15.56	12.75		Bengal	10	11.06	12.06		Aligarh	10	10.00	9.10		French Motor	20	41.00	24.38		French Motor	20	41.00	24.38	
Bhagalora	10	6.50	8.25		Bharat	25	6.12	6.12		Bareilly	10	14.56	14.50		Ganges Rope	100	218.00	184.00		Gillanders	10	12.00	12.31	
Bharat	10	6.28	6.00		Blria	10	32.50	20.12		Benares	10	14.81	14.50		Godfrey Philippe	10	26.37	20.25		Godfrey Philippe	10	26.37	20.25	
Bhowra Kankance	10	11.12			Budge-Budge	100	138.00	142.00		Bhagalpur	10	7.47	7.87		G. E. Hotel	250	250.00	250.00		G. E. Hotel	250	250.00	250.00	
Bhulanbarera	10	5.87	6.00		Calcutta	10	10.50	9.94		Chutack	10	14.66	14.94		Grews Cotton	100	138.50	108.50		Grews Cotton	100	138.50	108.50	
Bhuranga	10	1.00	2.00		Caledonia	100	160.00	192.50		Dharyar	50	45.80	46.50		Gwalior Rayon	10	43.87			Gwalior Rayon	10	43.87		
Bokaro & Ramgur	10	18.00	14.75		Champdany	100	118.00	135.00		Disarghar	100	67.00	74.80		Hindustan Alumn.	24	3.25			Hindustan Alumn.	24	3.25		
Borra	10	21.00	19.25		Cheviot	100	168.00	217.00		Eastern UP	10	7.00	7.00		Hindusthan Gas	7	15.56	12.62		Hindusthan Gas	7	15.56	12.62	
Burakur	10	19.56	17.00		Chaitanya	10	14.37	15.56		Jubbulpore	10	13.62	12.87		Hindusthan Ice	5	1.85	0.90		Hindusthan Ice	5	1.85	0.90	
Central India	10	13.00	7.50		Chit	10	12.19	12.62		Muttra	10	10.00	8.34		Hindusthan Lever	10	38.87	29.44		Hindusthan Lever	10	38.87	29.44	
Central Kurund	10	11.25	10.31		Dalhousie	100	122.00	132.00		Muzaffarpore	10	7.62	8.00		Hindus. Motors	10	21.31	8.69		Hindus. Motors	10	21.31	8.69	
Churulla	4	4.28	3.84		Delta	100	143.00	183.50		Patna	10	11.06	11.87		Hind. Nat. Glass	10	7.00	6.12		Hind. Nat. Glass	10	7.00	6.12	
Dhemo Main	10	9.50	10.25		Empire	10	16.37	19.52		Sahajanpur	10	6.80	8.51		Hindustan. Pilkington	10	27.37	16.21		Hindustan. Pilkington	10	27.37	16.21	
East India	1	31.62	23.75		Fort Gloster	100	399.00	290.00		Shillong Hydro.	2	4.96	5.50		Hindustan Wire	10	11.12			Hindustan Wire	10	11.12		
Equitable	10	31.81	31.75		Fort William	10	24.87	23.81		Situa Jheriah	10	10.56	10.32		Hoare Miller	10	7.62	7.56		Hoare Miller	10	7.62	7.56	
Ghusek & Musila	10	15.03	13.75		Ganges Mfg.	10	11.87			U. P.	100	132.00	138.00		Impl. Tobacco	10	12.94	11.81		Impl. Tobacco	10	12.94	11.81	
Jourangdi	10	8.12	7.00		Gondalpara	10	30.00	26.38		Upper Ganges	10	16.50	24.37		Indian Alumn.	10	27.06	20.31		Indian Alumn.	10	27.06	20.31	
Guzdar Kajora	10	6.00	4.56		Gouropore	100	375.00	370.00		Upper Jumna	10	18.19	20.00		Indian Cable	10	35.06	30.12		Indian Cable	10	35.06	30.12	
Murliadib	10	14.37	14.37		Hastings	100	125.00	106.00						Indian Oxygen	10	34.25	26.25		Indian Oxygen	10	34.25	26.25		
Jaity Central	21	0.43	2.00		Hoghyly	10	15.00	12.25		Bridge and Road	10	28.00	27.00		Indian Plastic	10	14.56	5.25		Indian Plastic	10	14.56	5.25	
Jogta	10	2.69	1.75		Howrah	10	22.75	26.12		Burns & Co.	100	469.00	429.00		Indian Rubber	10	18.62	17.87		Indian Rubber	10	18.62	17.87	
Kalapahari	10	27.75	22.00		Hukumchand	10	21.50	21.25		Calcutta Steel	10	18.62			Indian Wood	10	29.76	40.50		Indian Wood	10	29.76	40.50	
Karanpura	100	109.00	133.00		India	331	15.87	15.94		Guest Keen	10	44.63	49.19		Ind. Corp. of Ben.	10	1.931	0.31		Ind. Corp. of Ben.	10	1.931	0.31	
Katras Jheriah	10	35.37	75.00		Kamrhaty	100	161.50	202.00		Hoghyly Docking	50	147.00	115.00		Ivan. Jones	2	1.44	1.82		Ivan. Jones	2	1.44	1.82	
					Kamrhaty B	100	146.00	191.00		Indian Galv.	10	35.06	30.12		James Wright	5	1.65	2.06		James Wright	5	1.65	2.06	
Khas Kajora	10	12.00	9.50		Kankarnah	100	97.00	90.00		Indian Iron	10	25.10	24.18		James Wright Defd.	1	0.69	0.69		James Wright Defd.	1	0.69	0.69	
Khad Shampora	10	1.95	1.96		Kankarnah (B)	100	93.00	79.00		Indian Machinery	10	44.31	2.00		J. Henderson	100	69.00	82.00		J. Henderson	100	69.00	82.00	
Kud	10	8.57	7.00		Kedarnath	10	9.37	8.12		Indian Malt. Out.	4	6.00	5.05		James Alexander	10	10.04	9.12		James Alexander	10	10.04	9.12	
Lakurka	10	14.80	18.00		Kelvin	100	16.00	196.00		Indial. Cutting	1	3.75	3.00		John Paterson	10	8.97	6.00		John Paterson	10	8.97	6.00	
Mahabir	10	16.00	12.25		Kharadh	10	21.00			Ind. St. Wagon	25	94.50	109.00		Kalimpong Rope	10	2.25	2.62		Kalimpong Rope	10	2.25	2.62	
Mundulpore	10	0.50	2.37		Kinnison	100	178.00	198.00		L Steel Wire P.P.	1	13.43	14.50		Kettwell Bullen	100	137.00	143.00		Kettwell Bullen	100	137.00	143.00	
Nazira	10	8.87	8.12		Lawrence	100	137.00	138.00		Jay Engineering	10	28.81			Khandwal Ferro					Khandwal Ferro				
New Beerthoom	10	24.62	20.62		Mahabir	100	85.00	85.00		Jesop & Co.	10	23.87	31.00		Alloys	50	73.00			Alloys	50	73.00		
New Churulla	10	2.37	2.00		Magna	100	12.62	15.44		J. K. Steel	10	16.65	8.81		Kishore Trading	100	75.00	75.00		Kishore Trading	100	75.00	75.00	
New Huntodih	10	4.50	3.50		Nalhati	100	74.50	69.00		Kumardhubi	2	7.25	8.81		Kusum Products	10	2.25	6.76		Kusum Products	10	2.25	6.76	
New Jaipuram	10	13.05	13.56		Naskarpura	100	12.50	12.00		Marshall	2	16.94	6.12		Macfarlane	5	3.87	3.12		Macfarlane	5	3.87	3.12	
New Manbhoir	10	1.00	1.25		National	10	29.00	23.75		National Engg.	10	3.00	4.31		Macfarlane Defd.	1	0.75	0.50		Macfarlane Defd.	1	0.75	0.50	
North Damuda	51	1.00	23.87		Nellimaria	10	12.62	13.37		National Iron	10	10.81	7.87		Macnelli & Barry	100	98.50			Macnelli & Barry	100	98.50		
North-West (P.P.)	10	18.12	21.00		New Central	10	31.06	15.12		National Screws	10	9.50	5.06		Madhya Pradesh					Madhya Pradesh				
North-West (P.P.)	71	8.12	6.00		Northbrook	10	19.37	19.25		R. Orudde	10	8.19	8.19		Ind.	10	16.56			Ind.	10	16.56		
Oriental	10	18.06	12.00		Nudea	100	58.00	56.50		Saran	14	8.00	7.44		Martin-Burn	10	26.28	28.12		Martin-Burn	10	26.28	28.12	
Ondal	10	18.06	12.00		Orient	100	142.00	167.50		Steel Products	14	3.89	3.00		Mahindra and					Mahindra and				
Parasa	10	18.56	14.50		Presidency	10	6.12	5.87		Text. Machinery	10	26.70	25.50		Mahindra	10	22.07	15.05		Mahindra	10	22.07	15.05	
Perch Valley	10	23.44	20.12		Rameshwara	10	9.56	6.81		FLOUR MILLS				Marwar Trading	100	200.00	200.00		Marwar Trading	100	200.00	200.00		
Pure Sitapora	10	5.13	6.25		Reliance	10	7.40	7.44		Bengal	10	45.25	32.25		McLeod & Co.	100	219.00	204.00		McLeod & Co.	100	219.00	204.00	
Shandgunge	10	17.31	15.94		S. Luchminarayan	10	7.00	7.00		Delhi's	10	18.00	15.00		Metal Box	10	41.06	37.25		Metal Box	10	41.06	37.25	
Reva	10	24.75	18.19		S. Luchminarayan	10	8.25	6.25		Hoghyly	10	20.86	36.37		Moradabad Water	10	5.69	6.25		Moradabad Water	10	5.69	6.25	
Samia	10	12.00	12.00		S. Luchminarayan	10	7.00	7.00		United	10	47.00	29.57		N. L. Cables	10	27.37	34.00		N. L. Cables	10	27.37	34.00	
Searsole	21	2.69	4.75		S. Luchminarayan	10	7.00	7.00						National Pipes &	10	18.50	17.37		National Pipes &	10	18.50	17.37		
Seebpore	7	31.62	27.25		S. Luchminarayan	10	7.00	7.00						National Railing	10	15.62	14.44		National Railing	10	15.62	14.44		
Sendra	10	12.75	12.12		S. Luchminarayan	10	7.00	7.00						Nat. Rubber Mfg.	10	13.00	14.37		Nat. Rubber Mfg.	10	13.00	14.37		
Shree Mahakali	10	3.31	4.10		S. Luchminarayan	10	7.00	7.00						Nat. Tanneries	10	4.2								

NAME	Paid-up per Share	Quotation as on 27-5-60	Quotation as on 27-5-59	NAME	Paid-up per Share	Quotation as on 27-5-60	Quotation as on 27-5-59
Digvijay Woollen 5%	100	134.00	40.00*	Khandesh ... 1000	140.00	150.00	
East L. Hotels 5%	100	100.00*	100.00*	Khandesh ... 250	375.00	375.00	
Estela 5%	50	38.00	34.50	Kothari ... 100	10.00*	10.00*	
Verro Alloys 5%	100	100.00	100.00	Lakshmi ... 250	53.75	425.00	
Gwalior Rayon 5%	100	99.80		Mafatal ... 100	1000.00	444.00	
Hind. Const. ... 100	69.00	77.00		Mahendra ... 100	315.00	173.50	
Hind. Const. ... 100	65.00*	65.00*		Mahendra (New) 40	40.00*	40.00*	
Hind. Cycles 5% 100	75.00*	75.00*		Model ... 250	29.00	95.00	
Hind. Cycles 5% 25	25.00*	25.00*		Modern Mills ... 50	55.00	40.00	
Hind. Cycles 6% 100	100.00			Navsari Cotton ... 100	220.00	196.25	
Hindus. Elec. 6% 100	82.00	82.00		New City ... 100	123.75	106.00	
Hindus. Motor 6% 50	185.00	75.00		N. Kaiser-I-Hind ... 100	54.00	54.00	
Hingir Rampur 60	32.00	32.00		Phoenix ... 100	145.00	142.50	
Indian Dye 6% 100	104.00	139.00		Pulgaon ... 100	10.24	9.78	
L. Hume Pipe 5% 100	57.75	61.20		R. Motilal ... 100	62.00	77.00	
Indian Rayon 37 1/2	33.00			Ruby ... 25	62.50	35.25	
Jaipur Metals 6% 100	55.00	58.00		Sassoon Silk ... 100	9.52	8.24	
Kamini Eng. 5 1/2	55.50	60.00		Sassoon Spg. ... 100	125.00	125.00*	
Khandelwal Ferro Alloys 7 1/2	50	49.50		Shubhalaxmi ... 100	125.00	12.00*	
Khandiyar Pottery 4 1/2	100	100.00*		Swadeshi (Kan.) ... 10	10.40	10.40	
L. & Toubro 5% 100	28.80	97.00		Swadeshi (P.O.) ... 10	10.40	10.40	
Madhusudan 4% 12 1/2	6.00	7.50		Victoria ... 100	375.00	287.50	
Madhya Pradesh Ind. 5%	100	106.00		Vishnu ... 100	110.50	110.50	
Mahindra 6% 100	102.50	101.00*		W. India ... 1000	4400.00	4475.00	
Mahendra 6 1/2	100	107.50	104.00*				
Mackenzie 5 1/2 1st 100	86.00*						
Mackenzie 5 1/2 2nd 100	100.00*						
Motor & Q. Fin. 25	36.00*	28.00					
Nat. Elec. 4 1/2	80.00*	80.00*					
Nat. Rayon 5% 100	72.00	60.00					
Nat. Rubber 6% 100	82.00	100.00*					
N. Cen. Jute 7% 100	107.00*	100.00*					
N. L. Fisheries 6% 100	101.00	101.00					
Orient Paper 1st 100	93.20	91.00					
Orient Paper 2nd 100	58.50	58.50					
Parshuram Port 6%	25	28.00					
Parshuram Port 4%	25	16.00					
Poly Chem. 8 1/2	50	48.00	52.50				
Palson 6% 100	78.20	80.00					
Prem. Const. 1st 100	93.10	84.00					
Prem. Const. 2nd 100	83.40	96.00					
Prem. Const. 3rd 100	5.38	5.78					
Premier Tyre 6 1/2	60	49.00					
Radio Lamp 5% 100	74.00	70.50					
Rohas 7 to 9% 100	110.00	110.00					
Rohas 4 1/2	100	60.50	61.00				
Sathe Biscuits 7% 100	94.20	94.20					
Sen Raleigh 6% 100	145.00	109.50					
Sirpur Paper 6% 100	87.00	110.00					
Standard Motor 6 1/2 'A'	100	103.00*					
Standard Motor 6 1/2 'B'	100	103.00*					
Stanvac 6% 100	96.00	101.50					
Star Paper 5% 100	73.00*	70.00*					
Star Paper 6 1/2	100	100.00*	92.00				
Structural Eng. 5%	100	105.50*	105.50				
Structural Eng. 6 1/2	100	107.00					
Sundatta Foods 5% 50	50.10	50.10					
Supreme Ind. ... 100	68.50	71.50					
Tata Chem. 5% 100	96.00	96.20					
Tata Oil 4 1/2	100	55.50	62.50				
Texmaco 1st 5 1/2	100	85.00*	85.00*				
Texmaco 2nd 5 1/2	100	62.00	62.00				
Texmaco 6 1/2	100	101.00					
W. Coast Paper 100	110.00	110.50					
W. I. Plywood 6% 100	90.00*	90.00*					

Ordinary Shares (Non-Cleared)

BOMBAY

NAME	Paid-up per Share	Quotation as on 27-5-60	Quotation as on 27-5-59
Adoni ... 10	8.20*	10.40	
Bhawani ... 10	10.00*	10.00*	
Bradbury ... 50	130.00	145.00	
Burhanpur Tapli ... 100	98.50*	87.00	
Cooria ... 100	133.00	133.75	
Davangere ... 100	114.00	113.50	
Dawn ... 50	104.00	104.25	
Gaekwar ... 100	260.00	227.50	
Gold Mohur ... 100	220.00	207.50	
Hindustan P.P. 250	4825.00	4800.00	
Hindustan P.P. 250	992.50	992.50	
Hukumchand ... 100	105.00	105.00	
Indian Manfr. ... 1000	2770.00	4350.00	
Indian Manfr. ... 800	1050.00		
Jam. Randit ... 1000	1600.00	1450.00	
Jyaleerao ... 10	15.52	9.78	

TEXTILES

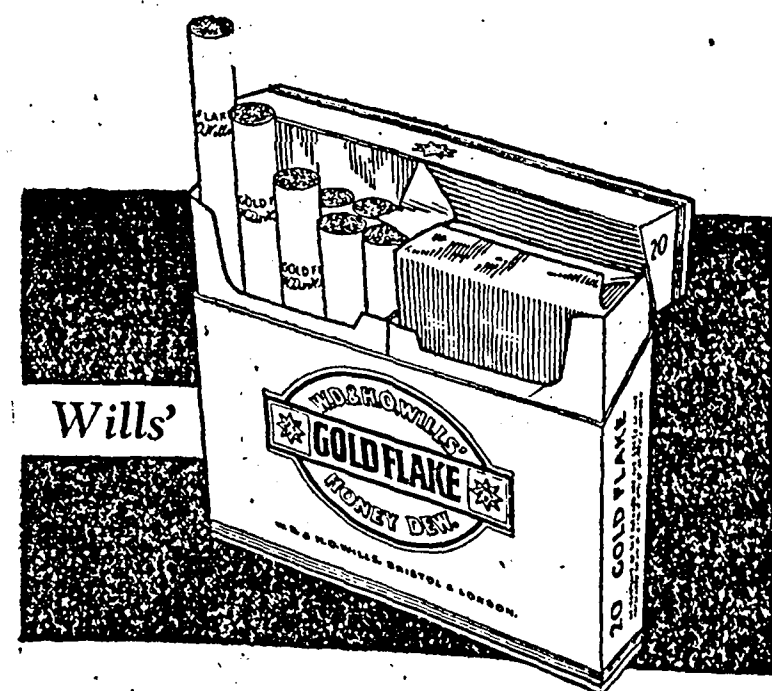
Adoni ... 10	8.20*	10.40	
Bhawani ... 10	10.00*	10.00*	
Bradbury ... 50	130.00	145.00	
Burhanpur Tapli ... 100	98.50*	87.00	
Cooria ... 100	133.00	133.75	
Davangere ... 100	114.00	113.50	
Dawn ... 50	104.00	104.25	
Gaekwar ... 100	260.00	227.50	
Gold Mohur ... 100	220.00	207.50	
Hindustan P.P. 250	4825.00	4800.00	
Hindustan P.P. 250	992.50	992.50	
Hukumchand ... 100	105.00	105.00	
Indian Manfr. ... 1000	2770.00	4350.00	
Indian Manfr. ... 800	1050.00		
Jam. Randit ... 1000	1600.00	1450.00	
Jyaleerao ... 10	15.52	9.78	

NAME	Paid-up per Share.	Quotation as on		NAME	Paid-up per Share.	Quotation as on	
		27-5-60 Rs nP	27-5-59 Rs nP			27-5-60 Rs nP	27-5-59 Rs nP
Khandesh	1000	145.00	150.00	Kalpatta	10	12.28	13.44
Khandesh	250	375.01	375.00	Midland	10	12.32	12.78
Kothari	10	10.00	10.00*	Nellompathy	2	2.88	3.28
Lakshmi	250	563.75	425.00	Rajagiri	10	18.92	18.76
Mafatlal	100	1000.03	444.00	Twyford	10	13.24	15.64
Mahendra	100	315.00	173.50	Waterfalls	2	3.80	3.70
Mahendra (New)	40	40.00*	40.00	MISCELLANEOUS			
Model	250	29.00	95.00	Alemble	100	195.00	195.00
Modern Mills	50	55.90	40.00	Alemble Chem.	100	214.00	100.00
Navsari Cotton	100	220.00	196.25	New	100	214.00	100.00
New City	100	123.75	106.00	Alumna Corp.	10	10.00	15.32
N. Kaiser-I-Hind	100	54.00	54.00	Amara Dye	100	317.50	160.00
Phoenix	100	145.00	142.50	Amul Hardboards	100	345.00	175.00
Pulgaon	10	10.24	77.00	Assa Rubber	100	105.00	101.00
R. Motilal	100	62.00	35.25	Associated Stone	10	21.28	19.88
Ruby	25	62.50	8.24	Banoda Rayon	50	128.50	182.00
Sassoon Silk	10	9.52	49.00	Bom. Burma (P.P.)	50	195.00	182.00
Sassoon Spg.	10	68.00	128.00*	Bombay Cycle	20	23.48	15.00
Shubhalaxmi	100	125.00	120.00*	Bombay Pottery	100	146.00	125.25
Swadeshi (Kan.)	10	10.40	10.40	Bombay Safe	500	405.00	365.00
Swadeshi (P.O.)	100	375.00	287.50	Bombay Silk	200	5.00	5.00
Victoria	100	110.50	110.50	Bom. Swadeshi	5	0.24	...
Vishnu	100	440.00	4475.00	Bom. Uganda	80	49.00	49.00
W. India	1000	440.00	4475.00	Brady Eng.	80	67.00	60.00
BANKS							
Baroda	50	63.50	103.00	B. I. Corp.	5	8.18	5.04
Baroda 'B'	25	48.00	53.00	Brunton Eng.	10	4.00	5.00
Central	25	49.00	56.80	Ceat Tyres	100	230.00	136.25
Central (F.P.)	25	53.50	50.00	C. I. Coal	10	8.60	8.36
Devk. Nanjee	50	20.00*	9.90	C. I. Machinery	10	10.00*	10.00*
Hind Comm.	50	14.00	11.24	C. P. Railway	100	49.00	63.00
Hind. Mercantile	50	97.50	132.25	Chem. Pharma.	25	27.00	20.00
India	50	98.50	133.75	Colour Chem.	100	380.00	...
India 'A'	5	2.00	1.92	Commerce (1935)	10	22.00	18.00
Jodhpur Com.	40	55.70	50.00	Dehri-Rohas Ry.	10	22.68	12.44
Maharashtra	25	19.00	...	Dena Inv.	25	11.08	11.20
Punjab National	100	332.00	...	Delhi Safe	10	10.00*	10.00*
State Bank	5	6.04	7.00	Delhi Safe	7	7.00*	...
Union	50	68.00	62.50	Dharamast Chem.	50	161.00	91.00
United Comm.	50	68.00	62.50	Dharamast Chem.	100	149.00	115.00
INSURANCE							
All-India Genl.	8	2.00	2.40	Digvijay Tiles	100	94.00*	73.00
British India	10	14.12	14.44	Digvijay Woollen	10	14.36	5.00*
Devakaran Nanjee	50	32.25	30.50	East India Hotel	5	10.00	10.00
Empire of India	100	268.75	201.25	Empire Dyeing	15	40.00	43.50
Indian Globe	25	8.00	8.00	Estrella	50	54.00	42.00
Ind. Mercantile	40	45.00	42.50	Ferro Alloys	100	102.00	96.50
Jupiter	15	6.00	5.60	G. Claridge	100	190.00	170.00
Neptune	10	1.48	1.00	Greaves Cotton	100	148.00	124.00
New Asiatic	5	2.78	2.78	Gujarat Inv.	50	11.00	25.00
New Great	20	22.00	21.00	Gujarat Safe	75	120.00	120.00
New India	15	61.50	51.40	Gwalior Rayon	10	43.00	18.78
New India 'A'	15	63.00	52.00	Har & Sahaspathy	500	365.00	400.00
Sentinel	50	52.00	50.00*	Hind Cycles	100	123.00	118.50
Universal Fire	10	12.00	19.00	Hindustan Elec.	100	120.00	107.00
Vulcan	10	20.18	20.52	Hindustan Housing	25	25.00	25.00*
ELECTRICS							
Amalgamated	10	13.52	10.78	Hindustan Lever	10	37.00	29.30
Anand	50	53.00	64.00	Hingir Rampur	50	23.00	19.00
Bassell	10	8.50*	8.50*	Indian Dyeing	100	700.00	700.00
Broach	10	7.00	7.12	Indian Hume Pipe	100	155.00	...
Dharwar	50	51.00	51.00	Indian Rayon	25	55.00	...
Nadlad	50	54.00	61.50	Indian Tool	100	112.00	112.50
Nagpur	25	19.52	20.00	Indian Veg.	100	153.00	160.00
Nasik Deolali	100	105.00	71.50	Ind. Cr. & Inv.	100	80.00	116.00
Poona	100	112.25	120.00	Ind & Prudential	10	26.00	...
Surat	100	85.00	107.25	Inv. Corp.	100	136.00	116.00
CEMENT							
Ashoka	10	20.40	8.88	Jaipur Metals	100	130.00	90.00*
Bagalkot	10	8.36	8.20	Jaipur Metal Defd.	10	27.00	11.00
Dalmia	10	12.24	10.68	Jost, Eng.	50	65.00	71.00
India Cement	5	6.00	8.12	Jyoti (Old)	100	190.00	165.00
Indian	10	25.00	25.00	Kamani Eng.	10	14.00	9.72
Jaipur Udyog	10	14.12	10.78	Kemp	200	299.00	225.00
STEEL							
Mukund Defd.	10	111.00*	70.00*	Killick Indus.	100	109.00	139.00
SHIPPING							
Bharat Line	10	9.80	12.72	Kirloskar Bros.	25	53.00*	...
Great Eastern New	5	11.32	16.36	Kirloskar Oil Eng.	10	16.62	19.78
Malabar Steamship	10	11.68	11.88	Khandelwal Ferro	50	78.00	...
SUGAR							
Cauvery	100	107.60	107.50	Laxmi Starch	100	149.50	...
Hindusthan	40	308.00	230.00	Madhusudan A	100	75.00	65.00
Kesar	40	140.00	47.00	Madhusudan B	20	14.00	13.00
Kr. Gyanoday	50	15.00	10.24	Madhya Pradesh	10	16.52	...
Maharashtra	50	236.50	191.50	Ind.	10	16.52	...
New Swadeshi	100	315.00	240.00	Mahindra	10	22.60	20.68
Oudh	100	195.00	142.00	Man Indus. Corp.	100	95.00	65.00
Ravalgaon	50	107.50	134.00	McKenzie	100	102.00	78.00
Ravalgaon Defd.	50	30.00	40.00	Motor & Gen. Fin.	10	40.00*	40.00
South Behar	10	1.00*	1.00	Mye. Kirloskar	100	125.00	132.50
South Behar Defd.	25	0.25*	0.25	Nat. Elec. Indus.	50	76.00	75.00
Ugar	100	140.00	...	National Rubber	100	13.00	16.52
Vishnu	100	235.00	235.00	N. Central Jute	10	29.75	15.21
PLANTATIONS							
Blue Mountain	2	5.20	3.60	N. I. Fisheries	100	80.00	100.00
Highland	10	12.60*	12.92*	N. I. Industries	100	422.50	240.00
Halleburyia	10	16.52	16.80	New Stand Eng.	100	108.00	...
				Orient Paper	10	37.10	35.00
				Purusharam Pottery	25	65.00	...
				Polychrom	50	260.00	99.50
				Premier Tyres	50	60.50	...
				Radio Lamp	100	106.25	121.00
				Raymond Woollen	100	110.00	...
				Rohas Indus.	10	34.70	22.12
				Sarda Carbonic	100	320.00	320.00
				Sathe Biscuits	100	100.00	100.00



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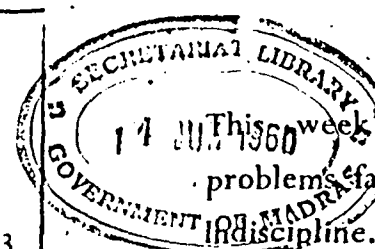
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HIGHLIGHTS OF THIS ISSUE

Clive 'Street Gossip' deals with the
problems facing the Universities in regard to Student
discipline.

Indian Finance

Founded in

1928

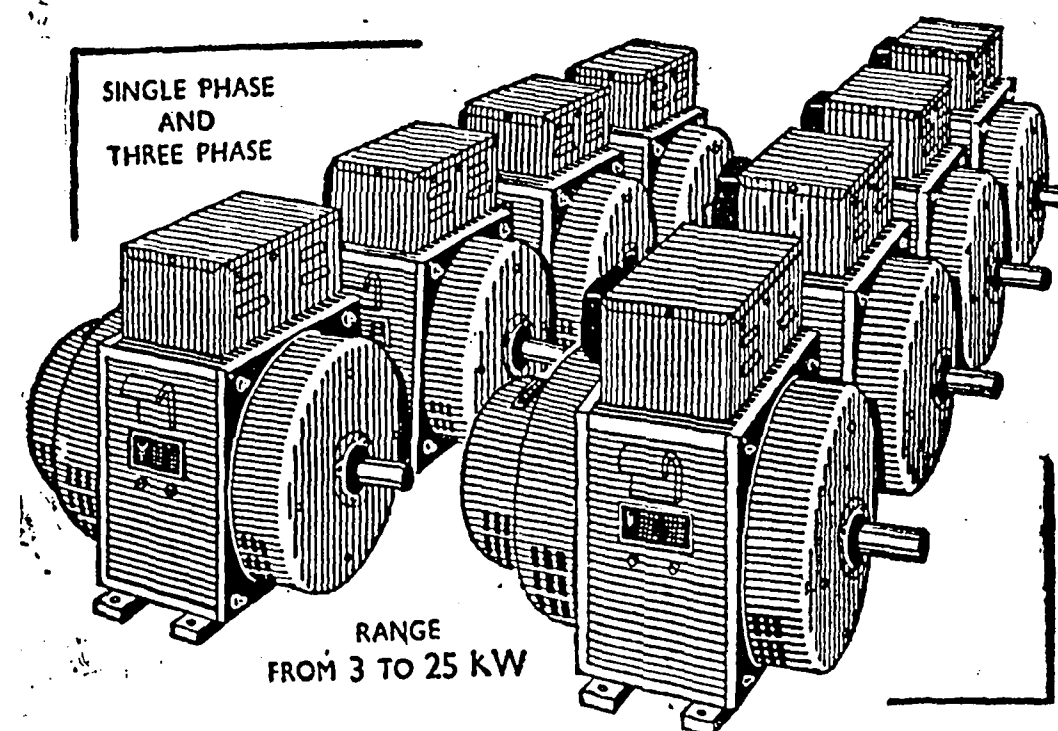
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C. S. Rangaswami

SQUARE PATH

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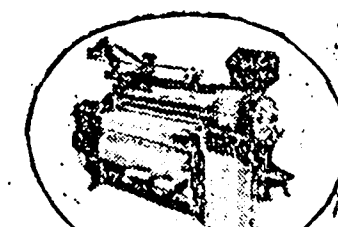


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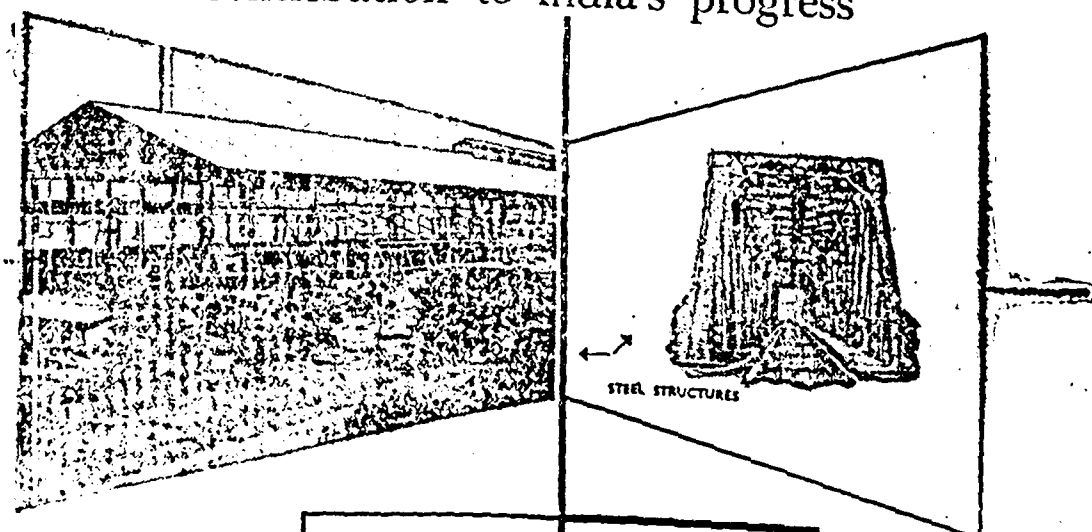
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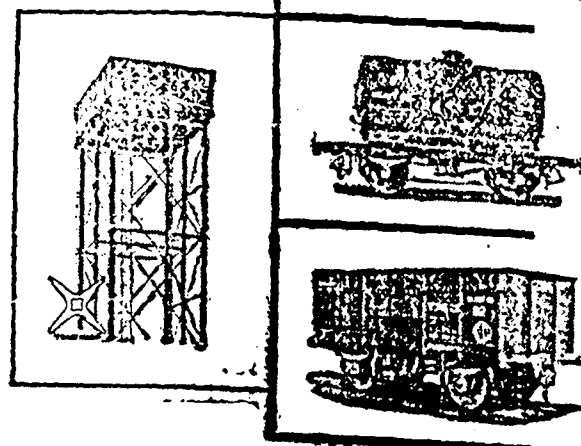
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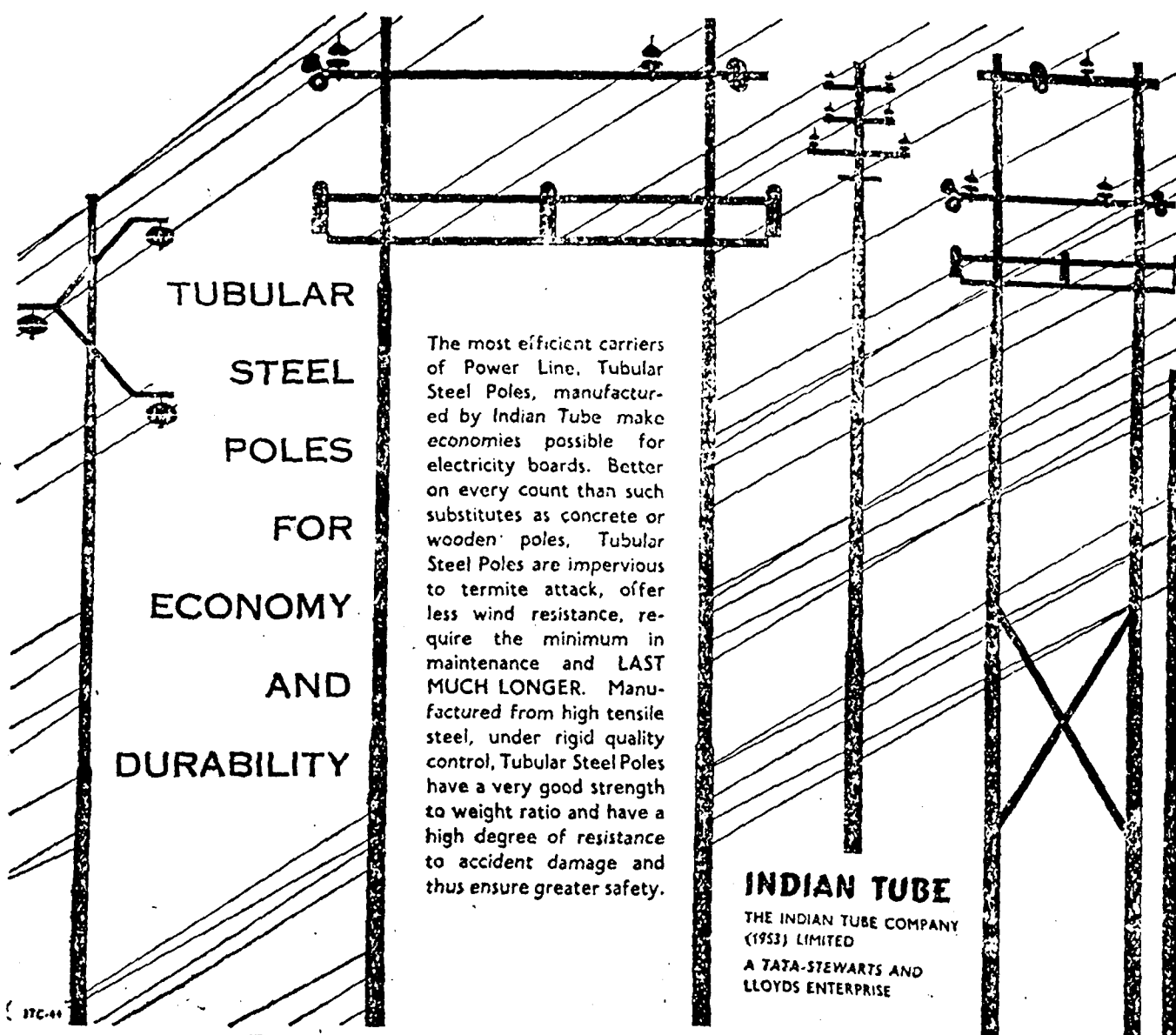
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WORLD OF FINANCE

State Bank and the Banking System

IN last week's Clive Street Gossip, Eaves-dropper analysed the progress of banking in recent years. He had remarked that, at one time, the accrual of counterpart funds with the State Bank was made so much of that it was contended that growth of Deposits with the banking system generally was disappointingly small. By now, however, it is crystal clear that the increase in Deposit resources of the banking system, even if counterpart funds were to be excluded, is of vast dimensions. How spectacular this new accretion has been will be realised if the figures for the State Bank are excluded. Incidentally, it would also be worth our study to see in what sense and to what extent the State Bank as such has been able to attract new Deposits. The following table shows the changes under four important heads in the figures of the State Bank (that is, Imperial Bank just on the eve of the nationalisation announcement) and in the figures of other Scheduled Banks.

	STATE BANK		
	(In crores)		
	17-12-1954	26-2-1960	Change
Deposits	233.82	604.82	+371.00
Cash	41.31	36.18	- 5.13
Investments	97.36	381.35	+283.99
Advances	100.72	190.49	+ 89.77

	OTHER SCHEDULED BANKS		
	(In crores)		
	17-12-1954	26-2-1960	Change
Deposits	703.13	1305.96	+602.83
Cash	89.88	124.41	+ 34.53
Investments	252.73	382.79	+130.06
Advances	433.53	870.50	+436.97

Taking, first, Deposits, it will be noticed that the State Bank appears to have experienced a much larger proportional increase than have the other Scheduled Banks. But regard must be had for the fact that, as the State Bank Chairman pointed out early in March this year, the State Bank has lodged with it some Rs 300 crores of counterpart funds and all of this amount accrued with that institution only after nationalisation. This means that, in the last five years odd, the State Bank showed an increase in "normal" Deposits running only to some Rs 71 crores, or an increase of roughly a third; and, against this, the other Scheduled Banks are seen to have done comparatively rather better. So, even in the mopping up of Deposits from the up-country and the new banking centres, it would appear that the other Scheduled Banks can claim to have given better account of themselves than the State Bank.

Strangely, the State Bank has reported a decline in its cash balances, including money at call and short notice; but the other Scheduled Banks have added to their cash, although not in proportion to the rise in Deposits. Thirdly, if allowance is made for the fact that the State Bank, as a matter of policy, contra-invested in gilt-edged against the special Deposits, then the State Bank would appear actually to have disinvested against "normal" Deposits. Other Scheduled Banks, on the

other hand, have significantly added to their gilt-edged portfolio.

Lastly, in the matter of Advances, the State Bank has reported slower expansion vis-a-vis the other Scheduled Banks. But, whereas the increase in the State Bank's "normal" Deposits has not been sufficient to cover the expansion in Advances, the other Scheduled Banks, in spite of doubling the quantum of Advances, had this rise fully covered by the increase in Deposits. What does all this prove or suggest?

A number of things, we suggest; for, the last week saw the fulfilment of a branch expansion target by the State Bank, with 400 new offices opened in the period since July 1955, and the figures show that, while Deposits of "new" branches have risen significantly from less Rs 1 crore to Rs 28 crores, Advances in such new offices have also gone up from hardly Rs 16 lakhs to over Rs 22 crores. It is of course obvious that the new activities postulated by agricultural financing, etc., will have entailed unprofitable working, and special provision is indeed made in the State Bank's accounts for meeting such liability. Fortunately for the State Bank, the adventitious profit on counterpart funds deposited with it has enabled its growth in profits to keep pace with the general improvement that, until last year, was noticeable in banking earnings. Then, to what extent has the State Bank "competed" unfairly—a question that used often enough to be raised?

It may be realised, in the first place, that expansion in commercial banking has proceeded much further in the case of other Scheduled Banks than in respect of the State Bank. Whether in relation to new Deposits or increase in Advances, there can be no doubt on this score. In the second place, there can have been no significant "switch-over" of accounts from the other Scheduled Banks to the State Bank; else, the rise in Deposits of the State Bank would have been rather more pronounced.

In the third place, all new rural money has not been unprofitable. It is only because the State Bank is "pioneering" non-banked areas, that its new offices are particularly susceptible to loss, at least for a short term of years. Other Scheduled Banks have also been engaged in opening new branches, but their experience has not been too unsatisfactory.

In the fourth place, more lasting support for gilt-edged has emanated from the other Scheduled Banks rather than from the State Bank; after all, Rs 300 crores of contra investments will sooner or later—and, perhaps, sooner rather than later—be sold back to the Reserve Bank, as and when drawings are made on the special Deposits with the State Bank.

At that stage, it will be clear, as it is not now, that the State Bank has not been competing enough with other Scheduled Banks. While the recently completed programme of branch expansion should start "paying" in the course of the next two years or so, further expansion and pioneering will have to depend, not on fortuitous profit from counterpart funds, but on additional profit to be made from enlarged commercial banking activity. This is a factor that should make banking conditions even more competitive in the near future.

Bank Deposits in Sight of Rs 2000 Crores

MONTH early disbursements have interrupted the stately progress of the 1960 slack season, with the Reserve Bank returns for 3 June revealing an expansion of Rs 6.00 crores to Rs 1867.88 crores in Active Note

circulation; and Rupee Coin has also gone out into circulation in the considerable amount of Rs 1.35 crores. Because Balances Held Abroad, as shown in the Banking Department, had fallen to an unworkably low level, the inevitable has happened, and a transfer of Rs 5 crores has been made from Foreign Securities in the Issue Department. But, because the week's expansion in currency circulation could be met by drawing down the Reserve Bank's cash in the till, which stands reduced by Rs 8.24 crores at Rs 23.87 crores, there has been a countervailing transfer of Rs 5 crores from Investments in the Banking Department to Rupee Securities in the Issue Department.

Inter-governmental transactions have been considerable; the State Governments have apparently had to meet large-scale liabilities, presumably in respect of loans and advances instalments against which had to be repaid. In the event, Balances of State Governments are sharply lower by Rs 17.70 crores at Rs 16.79 crores, the while that their indebtedness to the Reserve Bank also rose by Rs 2.34 crores to Rs 44.42 crores. The Central Government, as recipient of such largesse, have experienced an increase of Rs 14.68 crores to Rs 68.70 crores in their Deposits.

Investments in the Banking Department are lower by Rs 15 crores at Rs 240.59 crores, whereas, as we have seen, the countervailing transfer accounted only for Rs 5 crores. The missing Rs 10 crores, however, does not constitute reverse ad hoc; for, the State Bank is known to have augmented its gilt-edged portfolio by such an amount in the week.

Apparently, beginning of the month disbursements have had a severe impact on the position of Scheduled Banks. For, the Other Loans and Advances of the Reserve Bank have risen unseasonably by Rs 11.78 crores to Rs 120.23 crores. At the same time, however, Reserve Balances of member banks are practically unchanged at Rs 97.68 crores; and the State Bank, partly for purchase of gilt-edged, ran down its cash in hand and with Reserve Bank by nearly Rs 15 crores. So, it would be implied that other Scheduled Banks added considerably to the statutory deposits with the Reserve Bank during the week; and this, in turn, would suggest that other Scheduled Banks experienced a perhaps considerable increase in Deposit resources in the pertinent week.

The import surplus, or the inadequate flow of foreign aid, is continuing to eat sharply into our foreign exchange reserves. After transfer of Rs 5 crores from the Issue Department, Balances Held Abroad in the Banking Department are shown to be higher only by Rs 0.97 crores. So, the foreign exchange loss has exceeded Rs 4 crores during the week. At this rate, and unless either the trend in exports or the receipt of foreign aid improves, the prospect is for week by week transfer from Foreign Securities in the Issue Department to Balances Held Abroad. Furthermore, with the commitment for some element of repurchase of currency from the International Monetary Fund later this month, it is almost certain that our foreign exchange reserves will touch a new low. No doubt, continuing drawings will be made on our holdings of Foreign Securities.

The return of the State Bank for 3 June indicates a rise of Rs 4.96 crores to Rs 633.34 crores in Deposits. Also, the month-early demand for funds has caused a rise of Rs 1.48 crores to Rs 215.80 crores in the total of Advances. Due presumably to some earlier commitment, there has been an addition of

New Delhi since 1956 (when the first PL480 deal was concluded) that this country could look forward, from year to year, to some 3 million tons of American foodgrains to meet the marginal food shortage turned out to be the reverse side of the coin on which the word "complacency" was writ large. For another, this time it is much more than a mere "hope"; it is a definite deal carrying with it the element of certainty for a period of 4 or 5 years. Since the element of uncertainty, howsoever slender it may be, will not be there from year to year, there is a still greater likelihood of complacency setting in both at the administrative and the public levels and a still lesser chance of the requisite effort being made to achieve food self-sufficiency.

The danger of complacency, flowing from the certainty of food imports under such favourable terms as those of the latest PL480 Agreement, is all the greater when the Food and Agriculture Ministry will inevitably continue to think and function more in terms of food distribution than in terms of greater domestic production. The vast administrative machinery of this Ministry which has been fashioned all along to devote most of its energies to such questions as imports, prices, procurement, movement, distribution, zoning, cordoning, trading, licensing and the like has acquired something of a vested interest in a perpetual food problem in the sense of scarcity, and it will therefore be a miracle if Mr Patil's "dynamic" impact on it turns it in the right direction. As of today, however, we have only his word that the "attempt" to achieve food self-sufficiency will be made and that there will be no slackening of effort at the administrative level in this regard.

But what chance is there of the attempt succeeding when the latest PL480 deal will not be turned to the greater advantage of Indian agriculture in the short or the medium term? The assurance that "the emphasis will be upon the Agricultural Sector including construction of food reserve storage" will not be enough where the projects to be financed either from loan or from grant under the deal are expected to have a wide non-agricultural range. PL480 deal or no PL480 deal, a certain irreducible minimum allocation will be made in the Third Plan for agriculture and irrigation and this will in any case be financed. But this minimum will not be sufficient for stepping up food production to the point of self-sufficiency. To get a relatively small part of this minimum financed by the counterpart funds will only mean that the minimum itself is rendered partly dependent on such funds.

It is in this context that the idea of making the larger part of the counterpart funds under the latest PL480 deal available as so much additional finance for a series of labour-intensive agricultural and irrigation schemes for raising the food production potential in a period of 3 years or so should have commended itself to the attention of the authorities. Having 50 per cent of the 84.5 per cent of the counterpart funds (Rs 607 crores in all) as "grants" (which, as giveaways, are neither healthy for the beneficiary nor good for the benefactor) while the loan part thereof carries a rather high rate of interest (3½ per cent as compared to the 2½ per cent or so of the previous PL480 deal), and getting a few major irrigation projects (which, in any case, will be completed; PL480 deal or no PL480 deal) financed by a relatively small part of the counterpart funds will be of no particular advantage in the light of the felt need for earmarking substantially large additional funds for agriculture and irrigation. It is difficult to see how Mr Patil's hope of achieving food self-sufficiency by the end of the

Third Plan when production will have to be of the order of 100 million tons or so to cater to the then population, will be fulfilled otherwise.

The Food Minister's just pride over the successful conclusion of the latest PL480 deal should be tempered not only by the thought that he has not bargained for a more judicious and effective disposal of the counterpart funds from the point of view of achieving food self-sufficiency but also by the circumstance that the loaned counterpart funds will carry a higher rate of interest than is warranted by a food loan of the kind (which, may it be noted, is not of the same character as a foreign exchange loan for the import of capital goods and technical knowledge), especially in the context of the all-too-obvious American anxiety to find markets for their accumulating food surpluses. Much the better arrangement would have been to keep the 'grant' portion at about the same low percentage level as in former PL480 deals and have the loan portion at a rate of interest of, say, 1½ per cent. The whisper in some American as well as Indian circles that the PL480 loans may not be ultimately repaid and that, therefore, more "grants" would be preferable is galling to the self-respect of this nation.

A loan, whatever be its size, is a tremendous moral obligation, especially where it covers food; what sort of morality will it be to think in terms of not repaying it? Has it not been rightly said in a Tamil proverb that "even if the mouth does not appreciate, the stomach will"? Since, as a food loan, it will have to be repaid in a spirit of gratitude (which, of all the human virtues, is the most difficult one to practise), it would be prudent on the part of the Government to utilise as much of the loaned food as possible directly in the production of more domestic food and thereby bring about, at the earliest, a situation in which there will be no further moral and material commitments of the kind and the nation's morale will not be sapped by continued dependence on imported food. Well may this country take a leaf out of the experience of Russia and China which have always been particular about food self-sufficiency!

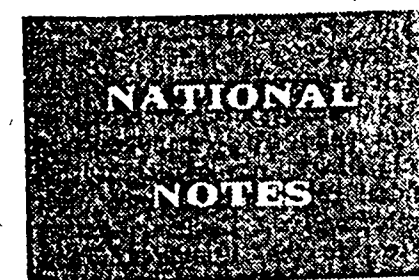
This is all the more necessary in the context of internal and external political factors. If a war breaks out (God forbid!), practically no shipping will be available for bringing food even if this country is then aligned with the United States. It may be that there will then be a repetition of the war-time famine in more than one deficit State of the Indian Union. If self-sufficiency is not achieved with a sense of urgency, there is no knowing how this country will be able to face the external dangers, known as well as unknown. Even the veriest tyro knows that self-sufficiency in food is a defence necessity of the first magnitude which has no narrow "autarchic" implications. If even the latest PL480 deal, which is a great blessing in the sense that it will partly enable the price line to be held during the Third Plan period, is not effectively and directly utilised in the production of more domestic food, even the fortunes of the Congress Party which is the greatest force making for stability and ordered progress may be adversely affected. The sands of time seem to be running out pretty fast.

"Popular" Strike

A strike that will certainly prove popular (just like an oil war) with many, is the proposed strike by the Incometax department staff. Of course, only some classes threaten action and no decision has been yet taken. But the hint dropped at Hyderabad by the tax

collecting officials about going on strike, if demands based on the Pay Commission report are not met, will certainly make a difference to many who have to prepare and submit returns in June. The casual replacement or dilution of labour, as in a dock dispute, is altogether impossible and the assesses know it as well as the staff. The warning given at Hyderabad by the subordinate staff is ominous, but only to the Government. But since Mr Gopala Reddi claims that arrears are being collected and reduced and the yield of income-tax in India is going up steadily, the avoidance of trouble seems very necessary.

The incometax cases in hand may also suffer if a major dispute with employees develops. The usual remedy of an Ordinance may be tried but it will create a bad impression and stiffen the attention of the NGO's whose main point may be unexpressed—that the subordinates get no pickings while the higher-ups are able to feather their nests and that too even after retirement. However, the lapses of others are not now mentioned so much as the failure of the authorities to give relief due to staff even while cutting holidays for the offices. The Prime Minister may be expected to deal promptly with the pending question, while the staffs will be content to withdraw from work, if nothing is done by 14 June. But a strike may easily lead to trouble in the Customs and Excise also and the interruption of Central revenue collections must be guarded against. There may be outside backing, not only from Leftist politicians, for a strike by keymen and nobody will readily subscribe in this case to the US doctrine that "there is no right to strike against the public". The course of events will be watched carefully, if conciliation is tried and whether a Whitley Council is set up for the staff, now with a load of grievances as well as papers about reliefs and refunds.



Student Indiscipline

In identifying interference of politicians as the primary cause of student indiscipline, the committee of the UGC which has just reported on the question has not made any new discovery. The unabashed exploitation of students during times of elections has been a subversive of all discipline in educational institutions. Politicians who depended on the services of students for achieving their objectives were only too ready to give them moral support when they fell foul of college or university authorities. And the latter were helpless against pressure from quarters with a large potential for troublemaking.

The role that students have been obliged to play in revolutionary situations, or in crises of war, giving up or suspending their studies in the large national interest, has come to be regarded as setting the pattern for normal times. The result has been progressive erosion of educational standards and the complete disruption of discipline in educational institutions.

This fact has been clear for a long time, that the first step to restoration of the proper atmosphere in educational institutions should begin with an agreement among the political parties to leave them outside the range of the

rivalries of party politics. But recognition of the causes has not yet been followed by prompt action to eliminate them. Political parties have allowed their inhibitions to frustrate effective action. A tentative beginning was made in Madras two years ago, to reach a gentlemen's agreement among political parties to keep students out of politics, which appeared to be working well. But, in the meantime, the "mass upsurge" in Kerala exerted a pull in the opposite direction and, in any case, the Madras example has not been followed up. And even in that State the tentative proposals have not been finalised.

The UGC committee's report will come up for consideration before the Vice-Chancellors meeting in Poona who may be expected to endorse this recommendation of the committee. But it depends on the political parties when, if at all, it is implemented.

To wait for all the parties in the country to agree on a code of conduct will indefinitely postpone effective action. The Congress as the largest party in the country, which is also responsible for the Government at the Centre and in the States, will have to take the lead in the matter and save the students from being sacrificed at the altar of petty party politics. If agreement on a self-denying ordinance proves elusive, the Government must seriously consider legislation declaring educational institutions 'out of bounds' for political parties.

Problem of Storage

Addressing press conferences in Calcutta and New Delhi on his return from his triumphant visit to the United States, the Union Food Minister has given details of the agreement under which India will be getting 17 million tons of US food grains in the course of the next four years. But certain implications of a transaction of this magnitude, which will make tremendous calls on facilities of transport, handling and storage, require further elucidation and especially its effect on the internal trade in food grains.

The first doubt that arises is in respect of adequacy of storage accommodation to deal with imports of the order of four million tons a year, of which one millions tons will be intended for reserve stock. Mr Patil indicated that storage space for two million tons was ready even now (presumably this includes private godowns) and this will be increased by another three million tons by the time it was used up. He did not consider that any special storage facility for the remaining twelve million tons would be necessary as this represented the quantity required to meet current deficits estimated for these years. Even so will it be possible to transfer the grain straight from the ships as they arrive in port to the retail shops? And if there is a time lag between arri-

val of grain in port and its distribution to consumers, where will it be stored, as available accommodation will be taken up by the imports intended for the reserve stock?

The Food Minister, has of course stated that the programme of imports would be flexible and that purchases would be regulated with reference to requirements from time to time, transportation, storage accommodation and other factors. But will it be possible to estimate requirements so finely and dovetail import programme with transport and distribution to consumers, that no extra storage space will be required? Moreover, will a storage space for five million tons be sufficient to operate a buffer stock of that size?

The reserve cannot be held indefinitely in storage without risk of deterioration rendering the grain unfit for human consumption. Most of the grain coming from the United States would have already been in storage for three or four years. The stock will have to be renewed from year to year by internal purchases. In a year of bumper harvest, when the internal surplus may be of the order of three million tons, it may be necessary to provide for storage of up to eight million tons. And operation of a buffer stock will mean that the Government will have to enter the trade in food grains on a very large scale. This means that apart from the total size of the storage accommodation, the location of the silos and warehouses should also receive careful consideration. It will be necessary to provide adequate storage accommodation both in the surplus areas as well as in the major consuming centres.

Bhutan A Buffer?

The recent deliberations of the Bhutan Assembly excited unusual interest in India. The claims made regarding the connection of maps (and the objections to Chinese maps) may be viewed as correct if it were not for the suggestion that Bhutan is irked by the treaty of 1949. The territorial concession made by India after the confirmation of the protectorate is forgotten. What Bhutan sees or feels is the fact of Chinese authority in Tibet, the hints relating to a Himalayan sub-federation. Bhutan evidently is not impressed very much by the assurance that foreign policy and defence will be looked after by the Indian Government. The difference between Bhutan and Sikkim is obvious at present—the latter is content with the existing position, whereas Bhutan is feeling her oats. There is also the fact that British Indian authorities even after the scientific survey of Sir Joseph Hooker never felt impelled to make Bhutan like Manipur a state under a Resident's influence, because the ethnic and other differences were obvious. The affinity with Tibet has created a Tibetan refugee problem for

Bhutan also. But what probably impresses Bhutan most is the successful Chinese assault from the North, on Mount Everest, supporting the claims advanced against Nepal.

The interest of Nepal in becoming a buffer State, getting help from China as well as India may condition Bhutan's future attitude and the Nepali treaty of 1956 with China may help Bhutan to rise above the level of a protected princely kingdom. The real importance of the Bhutanese representations about maps may be said to lie in a desire to know what case the Indian officials are putting forward in Peking at present, whether the special interests of Bhutan are represented and upheld by an appeal to the records or old maps. The fact that Nepal's claims to special influence in Tibet have lapsed quietly may be in the background of Bhutan's objections to Indian maps which do not mark off the Bhutanese boundary as an international frontier. A subsidy including arms like that given to Afghanistan in the past may only lead to the withdrawal of objections but the question is whether republican India will pay a subsidy before getting the right to build roads and station troops in Bhutan. Renegotiation of the treaty may be expected in Bhutan after the visit of Chou-en-Lai to Nepal but continuing unrest in Tibet is a warning to Bhutan also and if the Chinese in Tibet make good their claim to a part of Ladakh (not difficult as some competent observers note) the Indian government must make concessions to Bhutan and preserve the latter's frontier with Tibet in India's own interest. All this is perhaps sensed by Bhutan's leaders already—hence the pleas and points about maps.

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FOREIGN NOTES

Credit Regulation in US

AS an instrument of national monetary policy, the US Federal Reserve Board (FRB) keeps a sharp eye on economic and financial developments that may call for new moves in the field of money and credit regulation. It is therefore of more than passing significance when the Board announces a change in its general policy directions.

Such a change has just been announced. The Board has approved the reduction of its rediscount rate from 4 per cent to 3.5 per cent at two of its twelve districts, Philadelphia and San Francisco. And once such a move starts, it normally spreads to all other FRB regions as well.

Yet one should resist the temptation to place too much significance on this latest move. True, by reducing the rediscount rate—the charge federal reserve banks on loans to commercial banks—the Board is in effect stimulating economic activity by making credit and borrowing easier. But it would be a mistake to interpret this as a sign that the FRB sees the economy in imminent danger of a downturn, and hence in need of this kind of stimulus.

On the contrary, FRB spokesmen—the Board seldom issues official explanations of its moves—have made it clear that the rate reduction actually seems from the underlying soundness of the American economy. The statement widely attributed to one such FRB spokesman is that “the economy is on a solid base and inflationary psychology has diminished.”

Under such circumstances, there is less need to follow a policy of credit and monetary restraint. Thus, the FRB seems to be in the enviable position, seldom attained in this imperfect world of easing its policies in the interest of the long-term objectives of economic growth with stability—that is, without any real fear of inflationary pressures.

The Board actually has been following what has been called a “neutral” policy for some months now. This means that it has been making no moves of any great consequence in the direction of either tightening or loosening its policies, although there have been some signs in recent weeks that it was relaxing a little of its pressure on commercial banks by making more lendable funds available to them.

This “neutrality” has tended to reflect the fact that the economy, while obviously prosperous, was

not expanding as rapidly as some forecasters had predicted when the year began. Several cross-currents have been evident. Industrial production, for instance, is no higher now than it was at the end of 1959; new orders have not been especially exuberant, and recently short-term commercial interest rates have tended downward.

On the other hand, more than counterbalancing these developments have been the recent strong rises in such important economic indicators as retail sales and gross national product (GNP)—the nation's total output of goods and services. Homebuilding also seems to be showing new signs of strength, while business borrowing has kept pace with the normal seasonal pattern.

Prices, meanwhile, have fluctuated in narrow ranges. The consumer price index has shown little change since last autumn, despite a spurt in April, and the wholesale price index, while also drifting slightly higher, is virtually at the same level as two years ago.

What seems to have tipped the scales in favour of an overt move toward credit ease has been the calm reaction of the American people—consumers and businessmen alike—to the international situation growing out of the collapse of the summit meeting. Of particular moment has been the evident disinclination to go on spending sprees or to stock up in anticipation of later shortages. And this regarded as a good test of current attitudes toward inflation—or the lack of inflation.

If things work out as the FRB apparently hopes—indeed, expects—economic activity will continue to advance steadily and soundly, unaffected either by a deflationary dip or an inflationary boom.

Out of Step

Fidel Castro who made many allegations against the USA has now been told off. There will be no aid to Cuba which is now pro-Communist rather than pan-American. Whether the USA will keep its naval bases on lease and whether she will continue to buy Cuban sugar in bulk may be in doubt. The visit of M. Mikoyan early this year to Havana led to a contract for sale of Cuban sugar for Russian goods. The barter deal was made much of by Senor Castro who thinks the Cuban revolution must embrace the conquest of local American capital, previously friendly to the Batista regime despite its defects. Agrarian reform led to grave fears about the future of US interests in Cuba and the State Department was inclined to contrast the mild Leftists of Caracas with the fire-eaters of Havana. The USA felt that Cuban leaders were in a hurry and their eagerness to undo the mistake of dictators was leading them into dangerous experiments. Cuba has a single crop economy and its tourist traffic has

fallen off sharply owing to the recurrence of disorders.

Antipathy to dictators is not the only mark of the Castro regime—it is authoritarian and its opponents have been dealt with severely. The Cuban leaders object also to US control of the Panama Canal zone, the tight grip of US Fruit Co on the Banana Republics and, of course, the drain due to the dominance of US capital in an undeveloped republic like Cuba. There are other Islands that can always offer sugar and tobacco to the USA, in case Cuba is out of the market, and the announcement regarding technical aid is a hint that Senor Castro cannot overlook though his local savings movements, based on lotteries, may be running smoothly. The expression of American displeasure will be viewed by some as a result of the failure at Paris, by others as a consequence of Castro's careless talk about Yankee Imperialism. There has long been a heavy import surplus in Cuba and conscription has long imposed a burden on the island economy. A break in the price of sugar is certain, but that will not help either Cuba or the foreign investor.

Crisis in South Africa

While the South African Government in celebrating the jubilee of Union, made possible by the Liberals in power in England, takes the line that its policy is correct and beneficial, organised industry is concerned over the signs of disunity, the danger to mining output and exports, if African labour is deliberately segregated. The crisis in South Africa is one that demands a change of policy and the handling of race relations will obviously be the acid test. Mr H. F. Oppenheimer even earlier writing in Optima (the house organ of the Anglo-American Corporation) argued that the real issue today is not the relations between Beder and Briton, but between White and Black. While 50 years of stable government have made South Africa prosperous, the African population has gained very little from development. This, says Mr Oppenheimer, is the black mark earned by a bipartisan policy which has ignored both African nationalism and the pressure of liberal opinion abroad. White labour must be ready to concede the claims of African workers also to advancement, he has urged. The founders of South African Union missed Rhodes' plea for equal rights for the civilised man as also the rise of new African States to the north. It may be hard to resist South Africa's claim to become a Republic but Mr Oppenheimer calls attention to the problem of continuing development on the basis of political stability. The fall in South African mining shares this year may touch only the investor abroad but the flow of new capital might suffer and the gold-mining industry will be able to

provide less for itself and others. The growth of secondary industry despite high wages and a limited market, might also come to an abrupt end. The reconversion of South Africa into a farming and pastoral community is now impossible and the Chairman's frank address to the Anglo-American Corporation's share-holders is a warning against the pursuit of mistaken and prejudiced policies. That South Africa has so far given nothing for the under-developed countries and the educational system too has been distorted by the passion for apartheid are common-places. No early improvement can be foreseen, but if an economic boycott abroad awakens rudely the South African government, it is just possible that the idea of a multi-racial community, as in Malaya, will not be rejected offhand. Mr Oppenheimer too subscribes to the theory of the winds of change blowing across Africa today and a minimum of fundamental rights for the subjects, as distinguished from the citizens, is regarded as the essential beginning of a new chapter in South African history.

Queen's Visit

The formalities are concluded, and Queen Elizabeth's promised visit early next year to Delhi will begin a new era in Indo-British relations. Both President and Prime Minister accept tacitly the view that a Royal tour will help Commonwealth relations, just as Pakistan has conceded already. It may even help to improve Indo-Pakistan relations by calling attention to the historical and durable association of British with the sub-continent; and to the intimate economic ties strengthened after independence. The points of resemblance between the Crowned republic of Britain and the countries in the new Commonwealth may require no formal exposition. But the visit will serve to show that British interest today is not limited to Borneo or Hongkong for the sake of oil or trade. There will be certainly a better sense of free India's achievements, before and after the Royal visit in the cold weather, and tourism too may receive a good fillip from the example set by the Court. The essential point that British example has influenced so far Indian politics and economics may require less emphasis than the other essential point that India had a long history before her contact with the British and her record is not like that of West Africa, rescued from ju-ju for justice not long ago. Sir William Hunter told British students that Indian history does not begin in 1757 and the British phase was only one of many in an ancient and civilised land. The new, implicit community of aims and continuity of administration yet may provide a stronger foundation for action in concert hereafter, for instance in scientific research or leprosy relief and the Indo-British industrial partnership may take new forms.

Indian Finance

11 June 1960

STATES NOTES

Lantern Industry

The period 1958-59 for the lantern industry has been one replete with difficulties especially in the supply of raw materials. The unprecedented paucity of tinplate and galvanised wire required for the industry had its repercussions on production, the total output of which registered a steep decline to 3.80 million in contrast to 5.48 million of 1955. But on a clear analysis of the affairs of the industry, one can understand that the lack of raw materials was not solely responsible for the disquieting state of affairs. It is partly due to the closing down of four established production units. Nevertheless, as pointed out by Mr Hruska, in his presidential address to the Fifth Annual General Meeting of the Lantern Manufacturers Association held in Calcutta, the existing eight units can fully cater to the needs of the country if they employ fully their production capacity.

In addition to the shortage of raw materials, their irregular and unsatisfactory distribution, also hindered the industry to keep pace with the production programme of the factories. Arrangements for the import and distribution of tinplates under the DLF scheme also failed to live upto expectations and the industry was at no time able to procure the particular type of tinplates with correct gauges. The procedure adopted by the authorities appears to be really cumbersome and often resulted in inordinate delays and tremendous hardship to the industry. With a view to obviating the difficulties of the manufacturers, Mr Hruska suggested that if the Government are bent upon importing the tinplates under the DLF scheme, it would be of immense help to the manufacturers if the Iron and Steel Controller should assess the aggregate demands of the industry prior to the calling of global tenders.

The price of the indigenous tinplates has shot upto Rs 1458.50 per ton since the recent levy of additional excise duty. This price is much more than that of the imported varieties. This has, in its turn, pushed up the prices of finished products by 5 to 7 per cent. Fearing that the future of the industry will be affected Mr Hruska urged the authorities for a suitable revision of the excise duty.

However, it is gratifying to note that the industry has developed an export market in East Africa, Malaya, Ceylon, Burma, and Persian Gulf countries. Exports of this commodity from 1956 to 59 amounted to the tune of Rs 5.01,

121.00. The industry can, if adequately assisted, cope with the foreign competition and supply its products at competitive prices.

Railways' Progress

Union Deputy Railway Minister, Mr. S. V. Ramaswamy, said that the Southern Railways were working at a loss of Rs 6 crores yearly for the last four years.

But the Minister's contention was that high cost of coal for the Southern Railways involved them in a loss of Rs 2 crores. Pilferage of equipment and other things including the coal on its way to the Southern points from the coal belt area accounted for another couple of crores loss and the implementation of the Second Pay Commission Report meant expenditure of another Rs 2 crores.

The Minister announced the revival of the Talsamannar-Colombo ferry service by the Southern railways from June 1 next. The suspension was due to loss that was regularly incurred to the tune of a lakh of rupees yearly, the Minister stated, but resumption of this six-day week service, welcomed by the Ceylon Government, was due entirely to humanitarian grounds. The Minister who had been to Ceylon and Talsamannar stated that accumulation of passengers from both sides and the plight of the passengers made them reopen the service.

As for the obligations the railways had to face on the completion of the Neivelli lignite mining, the Minister did not go beyond the declaration that whatever was expected of the railways when the Lignite mining gets into stride in Neivelli they would do it and were prepared for doing them. Probably the lignite, might be carried to Bhadravathi Iron Works and a railway line from Neivelli to Bhadravathi might be possible.

Regarding fresh railway lines in the Third Plan period, Mr. Ramaswamy stated that the Planning Commission's allotment of Rs 1225 crores would be utilised only for the laying of 1200 miles of new lines. These lines had already been committed for. Therefore no new lines would be possible. These lines are: 600 miles in the steel belt area, 300 miles in the coal mining area and 300 miles in Kotawals and Balladilla, to benefit the Dandakaranya Project. These lines in the Dandakaranya area would also to make more iron ore exports. Principally for iron ore export priority had been given to the last mentioned schemes Mr Ramaswamy explained.

As regards the completion of the Tambaram-Villupuram electric traction, the Minister stated soon a decision on the use of direct current was expected and before the end of the year the scheme might be put through. Already civil engineering works had been completed in this line. It looks as if the expert decision would only be in favour of direct current provision. There was difference of view about changing the present d/c into a/c current, but then the latter seems to be ridden with technical

problems. So the experts might plump for d/c traction which will continue upto Villupuram. If and when electrification scheme gets through beyond Villupuram, the Minister said then there would be the possibility of resorting to a/c traction system.

Hard Foundation

Progress in iron and steel output is already reflected in the rising output of iron ore in India though the demands of export trade may be responsible for the marked increase by 29 per cent over 1958 output. The larger demand for one at home may not limit exports to Japan which has become an important buyer of iron ore from Orissa as well as Goa. The STC has developed an important line of export and domestic supply also to the State-owned steel plants. The use of lower grade ore is also gaining ground and shipments to East Germany, Hungary and Czechoslovakia represent an important development in the trade. Though steel-making in Japan rests on import of iron ore from many countries, it is recognised that the countries having iron deposits are better able to develop the steel industry. But the USA too is a big buyer of foreign ore like Japan. And since India has only iron ore in abundance, the only metal industry that has developed fast is iron and steel on the basis of a larger output of iron ore for the new steel works.

Company Report

THE STERLING GENERAL INSURANCE COMPANY LIMITED, NEW DELHI

A YEAR OF CONSOLIDATION

INCREASE IN CAPITAL, DIVIDEND AND RESERVES

THE sixteenth Annual General Meeting of the Sterling General Insurance Company, Limited was held on June 6, 1960, when the Accounts of the Company for the year ended December 31, 1959, were passed. The following is an extract from the Directors' Report and Accounts.

PREMIUM EXCEEDS ONE CRORE TWENTY LACS

The gross premium booked during the year amounted to Rs 1,20,14,000 and the net premium amounted to Rs 44,80,000. The gross premium has been maintained at about the level of the previous year but the net premium has been reduced due to increased reinsurance. This has enabled the Company to strengthen its financial position by increasing the percentage of underwriting reserves, which have been increased from 45% to 50%, 44.4% to 50% and 61% to 70% in the Fire, Accident (Miscellaneous) and Marine departments, respectively.

INCREASE IN PROFIT

After paying management expenses and claims, writing off bad debts, and providing for departmental reserves, the working of the year resulted in a net profit of Rs 2,15,220 (Rs 1,39,838 in 1958). Adding to this Rs 3,610 brought forward from the previous year and Rs 1,457 being the amount of dividends forfeited, the total profit came to Rs 2,20,287.

Textile Industry in Vidarbha

The liquidation of the Laxmi Bank as officially approved by the Bombay High Court, has evidently not been an isolated incident. By hastening the closure of yet another textile mill, the Mohota Mills of Akola, it has deepened the crisis in the textile industry in Vidarbha. The 9-unit strong cotton textile industry of Vidarbha most of them small units with very meagre working capital, has never recovered completely from the aftermath of the crisis that swept the cotton textile industry during 1958. For several years now, many of them have been hovering on the brink of closure.

Working class interests have been clamouring for radical measures to stem the textile crisis in Vidarbha. The Government have already responded by assuring to take over the Sawatram Mills. This is only a palliative and could offer only temporary relief. The idea of a textile corporation to take over all closed mills has been mooted by a trade union representative. This is open to the objection of introducing an element of backdoor nationalisation in the textile industry. In the interest of workers' welfare it may be the duty of the Government to take over closed industrial units and keep them running.

INCREASED CAPITAL AND DIVIDEND

The paid up capital of the Company increased by Rs 1,30,398 and now stands at Rs 14,93,938. At the same time, the Company has increased its dividend from 5% (free of tax) for 1958 to 9%, subject to tax.

SUBSIDIARY COMPANY

During the year under report, the Central Mercantile Assurance Company Ltd. became a subsidiary of the Company.

ASSETS EXCEED Rs. 89 LACS

The total assets of the Company amounted to Rs 89,81,142 at the end of the year.

WORLD OF BUSINESS

Exchange Control

In spite of challenges through writ petitions by the affluent and aggrieved exchange control is both legal and logical and the Reserve Bank's little book "An Outline of Exchange Control" should help those affronted by foreign exchange regulations to appreciate the why and the wherefore. As an inheritance from the British Raj, exchange control may be termed tyrannical, but the system goes with trade control and Stafford Cripps' name may sanction its continuance. If some liberalisation in trade has not helped to remove prejudice, monetary agreements have made for less rigidity. Protecting the balance of payments is an overriding objective and the banks are called in to help. The preliminary section does not say anything about the Vesting Orders which took away the dollar assets of Indians, but later on, it says much about enforcement regarding declaration of assets held abroad by Indian citizens. There are new rules about Travel allowances and remittances or insurance premium payments. Foreign investors can draw dividends, while foreigners employed here can still send money home.

Most of the rules are meant to ensure that India gives as little and gets as much as possible. Self-interest is certainly writ large in the rules, so that it may be said that the current principles and procedure are as far removed from US practice as can be conceived. Under the present rules, shares cannot be bought in London, because they are cheaper, and that is a real drawback, as some still argue. The export of capital is taboo, but money can be brought home from Malaya or Ceylon for use here. The regulations cut across protests against exchange control practised in Ceylon or Pakistan. In order to check smuggling of gold new notes were issued in 1958 and even foreign travellers cannot bring in Indian money without declaration and permission, but they can bring their own native money and are quite free to spend it. Foreigners with funds in India have to follow rules and the usual rule of secrecy is probably violated by the exchange regulations in force, so that India does not allow the freedom and sanctity of contract obtaining, say, in Switzerland.

The outline does not indicate where Nepal stands whether it is like Pakistan or Ceylon, and whether the Bank of Nepal holds rupees for buying Indian goods.

But the outline reveals the different status of different currencies. Even the Escudo is rated strong like the Swiss franc or the Iraqi dinar floating after Iraq got out of the sterling area. The outline makes no mention of the penalties for evasion, the technique employed for smuggling gold or foreign currency, and treats Indo-China as a unit with the plastre even after the French left Saigon for good and Vietnam fell apart into two parts that can never agree. The status of the Turkish, Egyptian and Israeli pounds is also left to conjecture. In the outline, printed by the Examiner Press under the Reserve Bank's authority, it is strange to find Guadeloupe misspelt, while it is equally strange to find Tunisia called a French Protectorate even today.

The Bluest Chips

Though Indian Iron and Indian Copper shares are quoted regularly in London and the Directory of Directors finds a place for Indians on the board of the Indian Copper Corporation, there is no share that can be called international. It is US demand that makes a share international, and only listing in New York gave added status to Royal Dutch Oil shares. The American demand for European shares is the counterpart or sequel to acquisition of European holdings in US companies. The revival of Amsterdam as a capital market is bound up with the US desire to go in steadily for shares like Philips Lamp, Royal Dutch and AKU (the Dutch rayon combine). The decline and fall of many European bourses did not reduce the attraction of internationals. The prospect of the European Common Market became an attraction for many, and if the formidable forecaster, Roger Babson advised plainly against Americans investing in European concerns the fact of West German recovery made a powerful impression as well as the record of concerns like Ciba and Nestle. But Swiss securities are not the only internationals. If Mexican Eagle in the past loomed large, it is now recognised that the real growth stocks of today are Philips Lamp and Unilever. The firmness of Unilever in London despite the troubles in Africa, including the Congo, seems a recommendation like the long standing Dutch connection.

It is estimated that over half of Philips Electric capital is held outside Holland and the scramble for Philips shares in New York has excited comment a year ago. A merger of interests with Siemens might render Philips of Eindhoven more powerful and pervasive in Europe. And it is not improbable that the ECM may bring about a combination between the Dutch AKU and Sna-Vlascosa leading to a division of export markets for convenience. Integration in prospect makes the internationals more active and the fact that the

current yield on Philips Elec. shares is as low as 1.6 per cent has been mentioned to indicate that worldwide demand for Philips shares after the war has made it the bluest of blue chips, far better than De Beers with its fat dividends from diamonds. The New York market has made also for brisk dealings in Electrical and Musical Industries, Bowater and other shares with an American connection. But it is Philips which has glowed really through recent years and US investment trusts have been keen buyers of international scrips.

There is perhaps a moral for Indian investors who have taken kindly to Philips Elec. and regard its local manufacturing programme of radios as a bull point. The current rating of Philips India reflects the optimism of shareholders in what is obviously a growth stock like Union Carbide or Indian Oxygen. Those now denied access to stock markets abroad are certainly keen on buying shares that have an international cachet and many hope that foreign collaboration will be the strongest recommendation, as in the case of Philips Carbon Black.

Problems of Chemical Industry

In his presidential address to the Annual General Meeting of the Indian Merchants Association held in Calcutta on 27 May, Mr M. K. Roy, alleged that the restrictive import policy pursued by the Government of India had brought untold miseries to the chemical trade in general. In order to remove these unpropitious conditions and to strengthen the industry, the need for a more liberal and sympathetic approach can hardly be emphasised. It was only in the fitness of things that Mr Roy made a fervent appeal to the authorities for a revision of the basic years for fixing quotas to established importers of chemicals especially in regard to items like mercury, bleaching powder, camphor, ultra marine blue, menthol etc.

However, in spite of these hardships, it is gratifying to point out that the production of chemicals in the country registered an appreciable increase during the year under review. But the fact that the indigenous production was far below the requirements and was able to meet only a fringe of the mounting demand clearly indicates the paramount necessity of expediting the activities of the trade with a view to dispensing with imports altogether.

Dealing with the canalisation of imported materials through the State Trading Corporation, Mr Roy pointed out that the sudden change in the Government's policy has brought, in its wake, monetary losses and other difficulties to the members of the Association who had been all these years functioning as indispensable link between the producers, importers and con-

sumers. Since licences have already been issued to the State Trading Corporation, Mr Roy urged the authorities, as a remedial measure, to adopt salutary changes in the policy so as to entrust at least the distribution of these chemicals to the normal channels of trade. Apart from these, he also desired that the STC should, as far as possible, confine its activities to entering into trade agreements or such promotional activities with foreign traders so as to expand the country's foreign trade, leaving, for all practical purposes, the actual trading operations to the normal channels of trade.

Besides, Mr Roy also drew pointed attention to the fact that there exists tremendous scope for enhancing the exports of chemicals from the country which will fetch in a sizable amount of foreign exchange. In order to help those concerned, as suggested by the speaker, certain facilities will have to be provided to the exporters in the nature of allowing considerable concessions in the railway freights (on the movement of these commodities for export purposes) and the like. It will be recalled that the railway freight for certain chemicals from producing centres to the ports is heavy particularly in the case of alumina ferric, sodium bichromate and barytes.

Sikkim's Copper

The directory of Indian metals and mines does not find a place for the copper located in Sikkim though the small occurrence in Panch Mahals is mentioned. The discovery at Rongpo on the border of Sikkim may render the Sikkim Mining Corporation started in February 1960 important enough to attract more Indian aid. But the Sikkim Government holds 50 per cent of the capital of Rs 1 crore and 49 per cent is held by the Indian government, though the investment may only afford a regular return later on. Local labour is being now trained to work the mines in the Teesta valley and the erection of a smelter is contemplated already. Both zinc and lead are found with copper at Khantal and it is hoped that the help of Indian geologists and technicians will give Sikkim a regular revenue and help India to get the metals needed to supplement what little is obtained. The long search has been crowned with distinct success and good results are reported from the mines situated conveniently near Gangtok, the capital. Copper, more than oranges or whisky, may be the strongest card in Sikkim's suit and the lift in copper and brass prices may even help to get ore refined at the smelter in India. The output initially may not be large but when larger power supply is available next year, the mining operations will increase in scale and importance to justify economic aid given under this treaty with Sikkim.

Indian Finance

11 June 1960

VICE-CHANCELLORS of Universities are meeting at Khadakwasla on the fifteenth of this month to discuss student indiscipline and a committee of the University Grants Commission has prepared a report for them. It would have been remarkable if the report had anything new on a subject so pathetically overworked. And yet the problem itself has assumed menacing proportions. Hardly a day passes without reports of organised misdemeanour by young thugs who pass for students. One day it is the railway servant who asks them for the fare that is manhandled; the next, it is the invigilator who asks them to hand up the little aid to memory under the cuff. I wonder whether there has been in recent times any year in which examinations have not had to be suspended because some one found the questions too 'stiff' and therefore, broke the furniture, tore up the answer books and dragged forcibly the others away. There are a hundred other acts of individual and organised irresponsibility, from petty annoyance to fellow-students, especially of the other sex, to strikes and hartals, often for the flimsiest of reasons. What is particularly depressing is that none of these proceeds from an excess of youthful joie de vivre—the sort of mad defiance of authority that gets you sent down from the university for a prank like the legendary stealing of the policeman's helmet on the beat-race night. For high spirits is what the Indian student of to-day seems conspicuously to lack.

There has been no dearth of diagnosticians: The list of commissions and committees that have reported on University Education in general and on the particular problem of indiscipline is long. The UGC committee's report could therefore add little to what was already known. The 'manifest and complex' causes are listed as 'interference by politicians, changing social values, loss of authority and prestige of the teachers, increase in the number of students, the prevailing system of examinations, lack of healthy interest in physical and cultural activities and the abuse of students' Union as a bargaining counter.' I have no wish to add to the tedium of discussion by rehearsing these well-known hypotheses. But on the basis of these 'facts', the committee has drawn certain further sociological inferences about 'attitudes and values governing student behaviour that are worth discussing. That politicians have been straying into the academic world doing much harm to students by involving them in practical politics is well known. But the committee

Clive Street Gossip

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

puts this down not only to the politicians' predatoriness where power is concerned with the students being a mere victim of power-manoeuvres. They see evidence of a profound distortion of values among the students themselves. It is the politician and not the intellectual or the scholar or even the saint, who according to the committee, is the student's hero. I believe that this is rather an exaggeration, but if true, it will fall into the larger national pattern. In that case, this finding will be an interesting footnote to the recent AICC discussion over the rival prestige-potentiality of the parliamentary wing and the non-parliamentary wing of the party. Within the party itself, politics has come to be thought in terms of power publicly wielded by one and that is why there is such a mad scramble for candidature for political office. In other words, in the larger national sphere, as in the student world, "the politician has tended to become the successful man par excellence because of the prominence he seems to have in public life. Teachers and students also, therefore, try to become 'politicians' in their small worlds."

It is rather difficult to deny that the politician occupies a rather larger share of the national scene than is his desert. But that is not perhaps a particular distortion of relative values in this country. Judged by the amount of newspaper space they occupy, politicians all over the world project their images more persistently than any other comparable group. It is true that the Indian press does print at wearisome length all the platitudes of all the politicians, but I am not sure that this helps the public at large to think any the better of them. But there are two important differences between India and certain other countries like Great Britain. First, in the national context, there is a genuine public consciousness of modes of success other than political in England. In other words, at the shrine of the bitch-goddess success, there are other favoured worshippers beside a politician. Take, for example, a television personality or a pop singer or Diana Dors (for whose life story, the News of the World paid over £30,000 last January). A politician, by comparison, despite a cer-

tain attempt at a glamour boy build-up for Mr Macmillan, is not a hero for the British public. In the US, likewise, the image of a successful man is probably not the local senator but Liberace and of a successful woman—not Mrs Roosevelt—but Gina Lollabrigida. Even at higher levels, there is a far greater range of publicly recognised and genuinely respected achievement. In India, it is rarely that greatness in spheres of scholarship science or technology get comparable prestige.

The second reason is that in a country like Britain, there is substantial real achievement in spheres other than politics that simply cannot be ignored. This is particularly so in seats of learning. University for University, any one in England has at any particular point of time more men whose depth of scholarship and range of intellectual interests would compel respect from the most brazen than in India. This, in a sense, is the real tragedy of our universities. There are of course exceptions and they are precisely those who are most acutely conscious of the aridity of the intellectual atmosphere in which they are compelled to live.

I am aware that British universities have their 'politics' as was

demonstrated by the recent election to the Oxford Chancellorship. Some of C. P. Snow's novels expose the involutions of intrigues in the senior common room. But the factional squabbles and worse that disfigure some of our universities are of a different order altogether.

If then, the politician is the hero of the Indian student, and his acts of indiscipline proceed from an over-eager rehearsal of the seamy side of politics, the remedy obviously is two-fold. First and most importantly, to make him realise that success as such is an unworthy end to pursue. If at an university the young mind and imagination have no worthier aim in life than success, heaven alone can save our country. I know it is somewhat an odd evocation in the context of some of our universities, but Arnold's Oxford and Forster's Cambridge appear before my mind's eye. (Ironically, Arnold's scholar gypsy thought of Oxford as too worldly. I shudder to think of what he would have thought of some of our universities.) "As Cambridge filled with friends, it acquired a magic quality. Body and spirit, reason and emotion, work and play, architecture and scenery, life and art—these pairs which are contrasted elsewhere were there fused into one. People and books reinforced one another, intelligence joined hands with affection, speculation became a passion and discussion was made profound by love." Even for achieving a measure of worldly achievement, it is absolutely essential that the universities keep alive an intrepid venturesomeness of the spirit, which alone can open new worlds.

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Of course, universities have their practical tasks and equipping them for the life in the wider world is one of their duties to their alumni. But even here, any university worth the name should offer an image of practical achievement more prepossessing than a politician intriguing for power. It ought to hold up, if not the poet or thinker as hero, at least the scientist or doctor or engineer as hero. I am appalled at the poverty of spirit which, in the face of the clearest evidence of relative achievement of the politician and, say, the scientist in modern times, chooses to be a politician. And this choice is made, not at the market place, but at the University campus. What could all those people, for whom the national

laboratories have been built be doing? It would have sounded odd to me if somebody told me that young men who heard Rutherford on the atom were thinking of the hustings or day-dreaming of 10, Downing street. Which leads me on to the proposition that something needs to be done about the University teachers before anything can be done about university students.

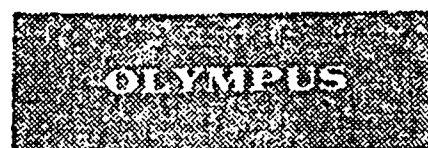
But of course, the politicians are only part of the reason for student indiscipline. By all means let us have a gentleman's agreement among political parties to leave the young well alone. But we would still have students who would break invigilators' heads because the question paper was too

'stiff'. Here we have a complicated vicious circle which starts, as all these things do, with bread and butter. The brutal truth is that not more than 10 per cent of the people who crowd the colleges and universities have any business to be there at all. But they get there, by hook or crook for by one of those farcical distortion of values that bedevil much of our national life, a degree from an university is considered essential for everything from landing a wife to landing a job. And so you find them by the hordes in overcrowded colleges, parasitically lived on by people who see in education racket of some scope. A whole range of subsidiary enterprise, from making 'bazar notes' to stealing question papers has

grown around this circumstance. There is little wonder that the level of attainment is shamefully low and questions that are slightly out of the ordinary stump them. Even the brighter boys find it difficult to cope when they encounter a real challenge to their intellect abroad, since there has been a continuous watering down of standards. Unless the Universities are in a position to end this scandalous state of affairs, there is no real hope.

What then is to be done? I hate to multiply class distinctions, but it would appear that we may have to have two kinds of universities and colleges. One kind in which only the best will be allowed after a very rigorous entrance test and the products of which will eventually form the elite. The other which will peddle degrees as at present. I make this suggestion because it is difficult to scrap the whole thing immediately, for, the social dislocation it will cause would be tremendous. In about fifteen years time, it should be possible to so reduce the value attached to the degree emanating from the latter as to make merit find its level. By then, the only places that can call themselves Universities without any sense of shame would be the former kind.

This is no easy proposal to put through. The task of separation of the sheep from the goat may well founder for much the same reasons which have brought the Universities where they are today. Would the necessary high-minded readiness to jettison the bogus or at least relegate it to a secondary place be forthcoming? One should hope so, for the alternative is too desperate. After all, if politicians are self-denying enough to leave the campus, there is no reason why the idea of admission being regulated by merit in at least some colleges and universities should sound naively hopeful. Once this happens, and these universities have teachers of the highest calibre—for as in the case of students, only 10 per cent of the teachers at the Universities to-day have any business to be there—we will have the beginning of a real intellectual ferment in our universities. The problem of indiscipline may still remain but it would no longer be of student indiscipline for the buyers of degrees cannot with propriety be called University Students. In the real universities themselves, it is not inconceivable—though I hope not—that from time to time a student will get rusticated. But the reason would be, not that he cheated at the examination but that, like Shelley, he wrote an atheistic pamphlet, or whatever is its modern equivalent intellectual audacity. It would be a sad thing to happen, but compared to what happens to-day, it would be a healthy thing.



Industrial Prices and Production

IN a recent representation to the Government of India the Federation of Indian Chambers of Commerce and Industry has pleaded for a new approach to the question of industrial prices wherever they are fixed by the authorities. It is suggested in this connection that an industry which is subjected to price regulation may be enabled to provide substantial funds for rehabilitation, modernisation and expansion from internal resources and that the return on investment in such an industry should have some relationship with the return in other industries so that it may be in a position to compete for new funds from the capital market. A number of concrete suggestions have also been advanced by the Federation, particularly in regard to rehabilitation and return on capital.

As regards rehabilitation, the Federation has drawn pointed attention to the lack of a uniform policy for grant of allowance therefor in fixing prices payable to producers. It is a pertinent question why rehabilitation allowances have been granted in the case of certain industries like steel and cement while they have not been allowed in the case of other industries like sugar and paper. The Federation has referred here to the fact that the Supreme Court, in considering the award of bonus to workmen, has uniformly held that rehabilitation should be considered as a prior charge and that adequate provision should be made therefor. On the other hand, there is the question whether in the case of industries producing commodities of general or universal consumption like sugar and paper the consumer can be justifiably expected to foot the bill of rehabilitation through a price increase on that score. It is here that the National Industrial Development Corporation with its special financing arrangements can come into the picture. Only, the Corporation's finances would have to be augmented for the purpose. But the Federation has made no such suggestion probably because the rehabilitation finance that can be provided by the Corporation will still be loan finance.

As regards the return on capital employed, the Federation has pointed out that since 1958 the Tariff Commission has been generally allowing a return of 12 per cent on the basis of the value of net assets. This return, it is further pointed out, is to provide for increased provision for labour welfare, bonus and gratuity to employees, managing agency commission, besides interest on bor-

rowing, taxation of profits and payment of dividends to preference and equity shareholders. The Federation's calculation is that on the basis of a return of 12 per cent, after meeting the various charges, the net return to the equity shareholders, free of tax, will hardly amount to 4 per cent. In the case of the sugar industry it is stated to be 3.86 per cent and in the case of the cement industry, 3.82 per cent. In the case of coal, the return is stated to be as low as 2.42 per cent. The Federation's contention is that such a low net return, free of tax, to the equity shareholder is very inadequate and that in the present market conditions it is difficult to raise even preference capital at less than 6.5 per cent free of tax. It is in this context that the Federation's point that, before 1945, the Tariff Board used to treat managing agency commission as an item of cost seems to be relevant. The Federation's further point that bonus and gratuity should also be treated as items of cost is based on the view that they are definitely items of revenue expenditure.

Another concrete suggestion made by the Federation is that the Tariff Commission, in its assessment of costs, should take into account the actual expenditure incurred on the works side. Theoretical assumptions of production being nearly equal to capacity and consumption of raw materials, it is pointed out, would be hardly realistic in any assessment of works costs. Objection is also taken to the Tariff Commission's procedure of working out the 'fair' works costs as an average of the costs of all producers. The Federation's contention is that in such a situation, the producers whose costs are above the average will have no inducement for expanding capacity and production. Perhaps this contention is rather weak because it may be reasonably expected that high-cost producers may well increase their production to achieve greater economies and thereby reduce the costs. Even if this contention is supposed to be correct, there is still the question whether suitable criteria can be evolved for selecting the 'marginal' unit whose costs, according to the Federation, should provide the basis for determining the 'fair' works costs.

The Central Advisory Council of Industries will be meeting some time this month. It will be appropriate to take stock of the industrial progress in 1959 in the context of the Council's forthcoming meeting. A long table is given at the end of this despatch to give a broad picture of industrial production, in terms of value at 1957 prices, in the last two years, namely, 1958 and 1959. These value figures, according to the Ministry of Commerce and Industry, are rough approximations and are intended merely to convey the orders of magnitude involved. It will be seen that almost all the newer and younger industries are covered and that some older indus-

tries like the textiles are not covered.

The aggregate value of industrial production in the organised sector in 1959, at 1957 prices, has amounted to Rs 1,359 crores as against Rs 1,212 crores (at 1957 prices) in 1958. This total value does not cover the textile group's production.

This table is given on the eve of the forthcoming meeting of the Central Advisory Council of Industries.

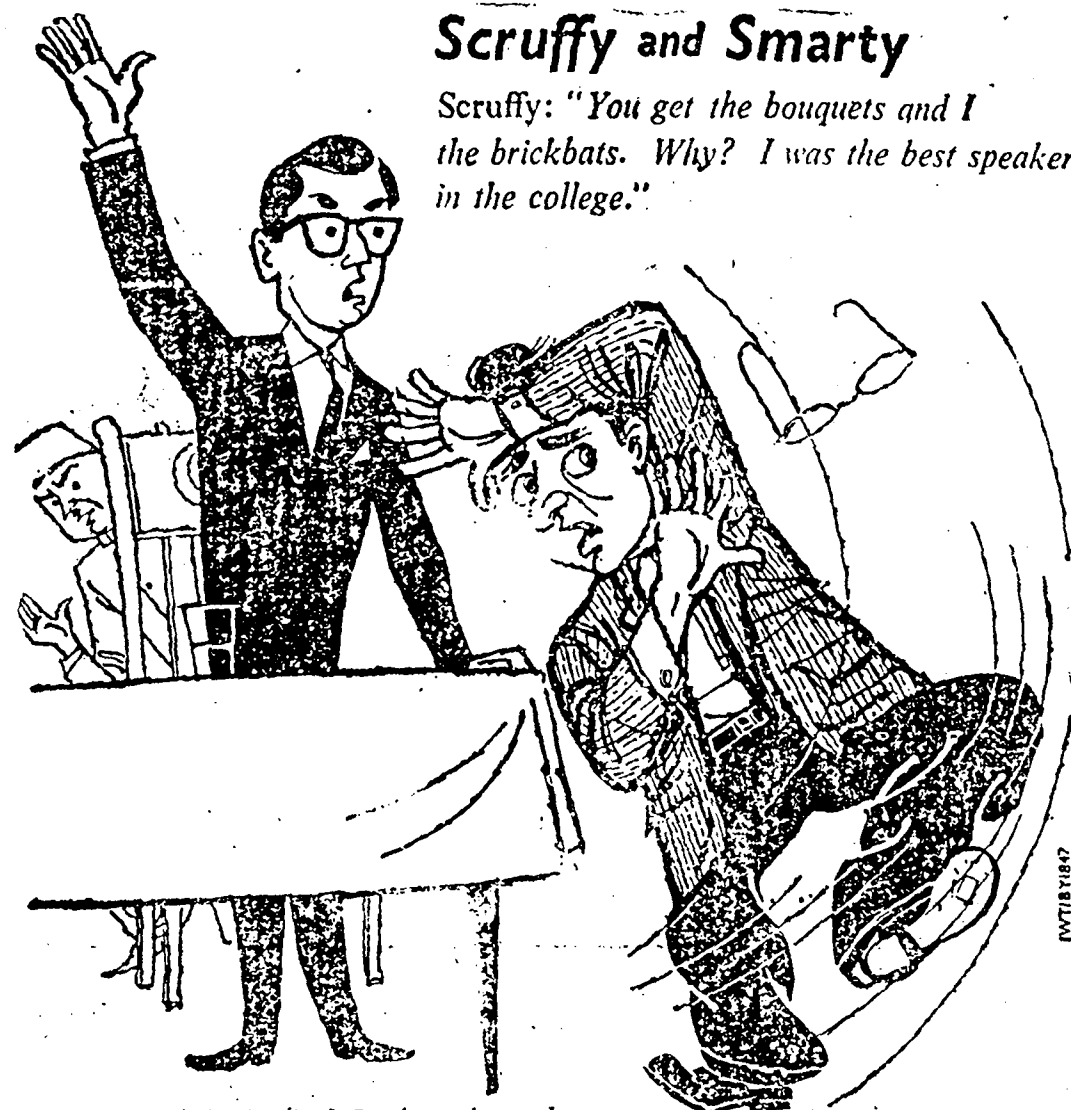
INDUSTRIAL PRODUCTION IN 1958 AND 1959

(In terms of value at 1957 prices)

Industries	1958 (Rs lakhs)	1959 (Rs lakhs)
I. Chemical and Allied Industries:		
Alum (all varieties) ..	19	20
Ammonium sulphate ..	1,075	1,088
Bichromates ..	52	60
Bleaching power (stable) ..	49	38
Calcium carbide ..	34	37
Caustic soda ..	378	438
Chlorine liquid ..	112	134
Copper sulphate ..	35	52
Dyes (all varieties) ..	377	559
Glue ..	43	68
Glycerine (refined) ..	173	195
Hydrogen peroxide ..	28	34
Industrial Alcohol ..	100	122
Insecticides and pesticides ..	139	169
Leather cloth ..	143	184
Matches ..	2,617	2,889
Moulded plastic goods ..	350	397
Paints and varnishes ..	1,080	1,215
Pharmaceuticals & drugs ..	5,400	6,500
Phenol f. moulding powder ..	32	44
Potassium chlorate ..	47	45
Polystyrene ..	95	165
Power Alcohol ..	87	75
Rayon staple fibre ..	566	808
Rayon yarns ..	817	883
Salt (common) ..	630	470
Soap ..	1,968	2,016
Soda Ash ..	299	316
Sodium sulphide ..	25	29
Sulphuric Acid ..	431	511
Superphosphates ..	351	523
Textile Auxiliaries and detergents ..	106	139
Titanium dioxide ..	50	60
Welding gases ..	248	293
Zinc oxide ..	284	288
Total I ..	18,427	20,854
II. Industrial and other machinery:		
Agricultural machinery ..	83	144
Arc Welding Electrodes ..	166	180
Ballbearings ..	143	122
Cement machinery ..	62	46
Chemical and Pharmaceutical machinery ..	71	75
Compressors ..	2	32
Cotton textile machinery ..	568	709
Construction machinery ..	32	62
Cranes and bridges ..	50	..
Diesel engines (vehicular) ..	288	563
Grinding Wheels ..	74	72
Industrial Blowers ..	14	22
Industrial Boilers ..	9	6
Jute machinery ..	118	178
Mining machinery ..	9	12
Machine Tools ..	378	441
Oil Mill Machinery ..	29	51
Power Driven Pumps ..	220	236
Rice, Dal and Flour Mills ..	29	42
Road Rollers ..	47	71
Sugar machinery ..	191	250
Steel structural ..	1,200	1,224
Tea Processing machinery ..	71	82
Twist Drills ..	86	66
Unclassified industrial machinery ..	8	22
Weighing machines ..	37	48
Total II ..	4,522	5,383
III. Electrical Equipment:		
Cables and Wires ..	1,263	1,277
Conduit pipes ..	585	435
Control gear & switchgear ..	200	225
Dry cells ..	518	576
Electrical Accessories and Fittings ..	280	290
Total III ..	6,739	6,982
IV. Transport Equipment:		
Ancillary Automobiles ..	506	606
Automobiles ..	4,158	5,544
Auto Rickshaws ..	26	54
Bicycles ..	1,367	1,486
Buffers, plungers and castings ..	66	38
Motor cycles ..	72	89
Locomotives ..	374	396
Railway signalling and brake equipment ..	115	50
Scoters and autocycles ..	59	53
Trailers, Transport ..	68	46
Total IV ..	6,811	8,341
V. Light Engineering Industries:		
Air conditioners ..	178	169
Balls and Nuts ..	680	700
Crown Corks ..	43	49
Duplicators ..	12	12
Enamelware ..	123	108
Expanded Metal ..	244	210
Hurricane Lanterns ..	105	122
Oil Pressure Lamps ..	34	39
Razor Blades ..	107	130
Electrical Instruments ..	158	15
Scientific Instruments ..	150	273
Machine Screws ..	24	32
Wood Screws ..	65	83
Sewing Machines ..	949	429
Shuttles and Bobbins ..	184	299
Steel Files ..	81	86
Total V ..	2,703	2,617
VI. Mining, Metals and Metal Manufacture:		
Aluminium Sheets and Cables ..	679	809
Aluminium Virgin Metal ..	311	648
Antimony ..	17	21
Armenical Copper rods ..	11	5
Brass (copper & similar alloys) ..	97	91
Coal ..	9,521	9,786
Copper (Sheets & Circles) ..	120	105
Copper Virgin Metal ..	251	245
Copper and Brass pipes and tubes ..	4	3
Finished Steel ..	7,527	9,774
Iron Ore ..	2,970	3,389
Lead Pipes & Tubes ..	7	15
Lead Virgin Metal ..	43	50
Pig Iron ..	4,347	6,493
Zinc Sheets & Strips ..	46	55
Total VI ..	26,326	32,350
VII. Miscellaneous Industries:		
A. O. Sheets ..	744	712
Cement ..	3,403	3,772
Ceramics ..	409	387
Quartz ..	1,491	1,508
Glass ..	913	898
Leather Footwear ..	1,052	1,073
Paper & Paper Board ..	3,795	4,350
Plywood (Commercial & Teacheft) ..	473	472
Refractories ..	450	477
Rubber Footwear ..	1,468	1,540
Sugar ..	18,552	19,766
Tea ..	10,853	11,383
Tyres & Tubes (Auto) ..	1,120	1,298
Tyres & Tubes (Bicycle) ..	490	593
Vanaspatti ..	7,195	7,512
Wheat flour ..	3,231	3,556
Total VII ..	55,630	59,385
GRAND TOTAL (I to VII) (In Rs crores)	121.7	139.1

Scruffy and Smarty

Scruffy: "You get the bouquets and I the brickbats. Why? I was the best speaker in the college."



Smarty: "Who is denying that? But sloppy dress and a good speaker never go together."

Scruffy: "Why not? After all, they've come to hear me and not to look at me!"

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THE PENINSULA

Techno-Economic Survey

A summary of the report of the techno-economic survey of Madras State conducted by the National Council of Applied Economic Research was today released to the Press at a Press Conference in the Madras Secretariat. The Council's Chairman, Dr P. S. Loganathan, explained certain details about which reporters and correspondents sought clarification. The full and complete report, upon which usually well-informed criticisms could be made, would be available only by July end. A glance of the released summary of the report would immediately reveal lack of many details and existence of many gaps in the Council's recommendations.

Industries Minister Mr R. Venkataraman and Finance Minister, Mr C. Subramaniam were present to intervene here and there and clarify certain details which Dr Loganathan could not by himself do.

The one-year survey has nothing to do with the Planning Commission's projects in Madras State. It is only an advisory body, which has been requested to do the survey because of its acquaintance with the technical procedure of assessing the State's economic resources and suggest, on the basis of their findings, appropriate measures to step up the rate of growth of the economy through expansion and diversification of economic activities and to raise the standard of living.

The Madras State, according to the Council's findings, has a relatively diversified pattern of economic activity with well developed agriculture, widespread industrial activity and good transport and communications. The characteristic feature of the economy, however, the summary points out, is

the high pressure of population on limited resources which has led naturally to severe unemployment both in rural and urban areas. A suitable way should be opened up to reduce unemployment to the minimum and find new jobs at a high technological level so that the average per capita output of Rs 230 (1956), lower than the All-India level of Rs 261 (1956) is raised.

Agriculture, the survey points out, having been very well developed, future development pattern of this State will necessarily be dominated by industrial growth. Availability of skilled labour and the aptitude to learn new skills, the existence of many large scale industries, large population providing a large market and a "well ordered political system" are the advantages which the Council believes Madras State has to its credit. It wants better utilization of existing underutilized industrial capacity. Transport facilities and availability of power need to be improved.

Thus the National Council has suggested that the State should plan for the coordinated expansion of all the three sectors—primary, secondary and tertiary—with definite and deliberate emphasis on industries as strategic action.

The Council has assumed that Madras would keep pace with All-India rate of growth of doubling the national income of 1956 by 1971, and it feels that the total investment needed to double the State income of Rs 7,300 million in 1956, will be of the order of Rs 20,000 millions. The tertiary income may be assumed to increase at a slightly lower rate than total income (95%—an increase of Rs 2,780 million) leaving an increase of Rs 4,500 millions to be obtained from the primary and secondary sectors.

The Council's recommendations are:

1. Madras needs more engineering and processing industries with a reorientation for obtaining raw materials or semi-finished materials for being finished and exported. Therefore great emphasis is laid on quick and cheap transport. It lays stress on a vigorous programme for development of large-scale industries which are relatively small in number in this State making the State compare unfavourably with Bombay or West Bengal. Big industries would help create ancillary units. In the next five years, the Survey says, Madras can expect to have three leaders in the Neyveli industrial complex, comprising chemical and engineering industry; the Salem complex centered around iron, steel and aluminium industries and the Tuticorin complex based on chemicals and fisheries. It has recommended that both small and large scale industries should grow side by side.

The Council places more emphasis on non-resource based industry. These industries will increase income and employment directly

and will open up scope for many ancillary industries. The Council's recommendation with regard to engineering (metal-based) and chemical industries are calculated to develop physical resources based on consumer goods industries, which are important because of their high employment potential.

2. Engineering Industries: Additional capacities in the following industries are recommended: Ball and roller bearings (one million units), bolts, nuts and rivets (160,000 tons). Shot and chilled iron (1000 tons), tea processing machinery, power station equipment, industrial gas cylinders, industrial blowers, air compressors, machine tools, diesel engines, power transformers (1 million kva); electric fans, (1 lakh units) and ACSR conductors (5,000) tons.

Substantial expansion of the capacity of the following engineering industries is also suggested: bicycles, machine screws, railway wagons, steel pipes and tubes, structural fabrication, metal containers, sugar mill machinery, automobiles and accessories, pistons and piston rings, power driven pumps, dry batteries, storage batteries, galvanized and barbed wires, textile machinery, agricultural tractors and enamel wares.

Doubling of the installed capacity of the following industries is also recommended: automobiles and trucks, motor cycles, vehicular type of diesel engines, electric motors, abrasives, small tools and distribution transformers.

The State's weakness in engineering industry is inadequacy of intermediate processing facilities like foundries and forges. The Council has recommended manufacture of grey iron castings, malleable iron castings, steel castings, steel forgings, steel press work, aluminium castings, electrical steel sheets, re-rolled steel and alloy tool and special steel.

The Council considers Salem to be the best location for rolling and re-rolling, Madurai for malleable iron castings, Coimbatore for grey iron castings and Madras for the rest of the items.

3. Chemical and Allied industries of the State need to double their present installed capacity. The Council's recommendations in respect of these industries are: 2,000 tons of domestic and sanitary ware and tiles at Ranipet or Neyveli, 2000 tons of insulators at Neyveli, 25,000 tons of refractories, 250 tons of carborundum, refractories and crucibles at Tiruchirappalli or at Salem, 20,000 tons of sheet glass at Salem, 1,000 tons of neutral and Pyrex-glass at Madras and 350 tons of optical glass at Madras.

It also recommends the doubling of the capacity of the Mettur and Dharangadhara Chemicals (in Tirunelveli district) to attain a daily output of 200 tons of caustic soda. A soda ash plant with 200 tons daily output can also be installed in Madras it says.

Establishment of an extraction plant for such chemicals like po-

tassium chloride, bromide and gypsum from bittern with annual capacity of utilising 60,000 tons of bitterns is also held feasible in Madras because the State produces large quantity of salt from seawater. A 20,000 tons plant is suggested to be erected at Tuticorin.

4. On the scope for the establishment of industries based on forest products, the Council is of the view that there is scope for making writing, printing and wrapping paper in Madras. Bamboo, wattle, blue gum and sugarcane bagasse (with waste-paper as alternative) should provide for a 15,000 ton plant for making wrapping paper at Mettur Dam, a 15,000 ton plant for rayon pulp and paper pulp manufacture at Bhavanisagar and 25,000 ton plant for making printing and wrapping paper at Nellikuppam or Neyveli and a 6,000 ton plant for paper. It also recommends the installation of a 4,500 ton capacity plant for manufacturing particle board at Kodaikanal using wattle bark. There is also scope for two plants for the manufacture of hard board each with an annual capacity of 6,000 tons at the Nilgiris.

5. Increase of sugar production by 15,000 tons daily in fifteen plants is another recommendation. With the present level of sugar production, the Council thinks a plant with a capacity for processing 20,000 tons of molasses yearly to produce PVC, ethylene, and its derivatives, acetic acid and acetic anhydride, should be possible.

The establishment of a plant for gelatine production to supply the proposed raw film factory at Ootacamund is also recommended. Besides it had suggested a capacity of 5½ tons of ossein and 11 tons of dicalcium phosphate.

It is possible to establish about 20 solvent oil extraction plants each capable of processing of oil seeds daily and five plants for crushing cotton seeds with 75 tons daily capacity.

Quality hand made paper from textile mill-linters with 90,000 lbs yearly output is also considered be possible.

6. Coming to the need for an iron plant, the Council recommends a capacity of 30,000 tons of pig iron at Salem and Coimbatore and 200,000 tons of steel at Salem.

7. As regards small scale industries the Council has recommended establishment of 42 new small scale units with a total of 267 units at an investment of Rs 60 millions with employment potential of 11,360.

Establishment of an Industrial Investment Trust is also recommended to accept contributions from individuals for investing in profitable enterprises. Setting up of an industrial consultants' organisation to make techno-economic evaluations of potential for industrial development and a consortium of various financial agencies to give financial help to new undertakings is also suggested.

8. Agricultural development, the Council reports, is crucial in Madras in that it has to feed not only the additional 12 million mouths in 1971 but has also to meet the increasing demand for food arising from growing urbanisation, and it has to provide raw materials for a number of consumer goods industries such as textiles, sugar, leather and vegetable oils, whose growth is a sine qua non for providing employment. The Council, however, feels that Madras, with its large area

under irrigation with improved practices, offers little scope for further development except through more intensive cultivation. Changing of crop pattern by the end of Fourth Plan when the State would have almost exhausted its water resources may have to be thought of. However the Council States that the agricultural output value in Madras would have increased by 67% in 1971. Income from other primary activities like, mining, fishing and animal husbandry is also expected to grow rapidly. In all, the additional net primary output in 1971 may be Rs 2,150 million, i.e. 65% over 1956 level.

9. The Council agrees that power bottleneck poses to this State a serious problem. The State's power policy, it has reported, should be based upon creating surplus rather than catching up with demand. Madras would start its III plan with a heavy deficit of power that has been estimated at about 2,230 million units. This deficit in production would continue after the Third Plan. Power demand would increase from 3,232 million units in 1959-60 to 4,776 million units in 1960/61 and to 9,513 million units in 1965/66, i.e. the demand would double itself.

The contemplated power development in Madras from the present installed capacity of 530,000 Kw to about a million Kw, excluding 300,000 Kw from the Neyveli Thermal project, will only meet the additional requirements arising out of the development of agriculture, industry, transport and so on. The Council thinks the Madras State should additionally invest for power increase or get additional power from the neighbouring States or establish a nuclear power station as early as possible.

10. Since the Madras State needs to import raw materials like coal, iron, steel etc to feed the non-resource based industries and also because industrial output from Madras is destined for markets all over India and outside India as well, transport facilities have to be strengthened very much in future.

An investment outlay of Rs 3,500 million for transport development for fifteen year period from 1956 is recommended.

The Council thinks that the addition to man-power supply during the next fifteen years will be of the order of 2.8 millions. The new jobs created during the same period, if the proposed outlay of Rs 20,000 million is invested, will be around two million. It is clear, the Council affirms, that the problem will continue to plague the economy even after 1971.

The Council feels that the State Government must play a dominant role in promoting economic development not only by extending all facilities to private sector, which has a crucial role to play in the future but also by imposing on itself many activities which will strengthen the overhead facilities and provide a base for quick industrial growth. It has suggested a State Development Agency for coordinating efforts of different departments and for disseminating information and guidance. The programme of development envisaged during the next decade in the report is:

	Investment in Million rupees
Primary sector	2,000
Industry	5,000
Transport	3,500
Power	1,500
Housing, Education and Health	8,000
Total	20,000



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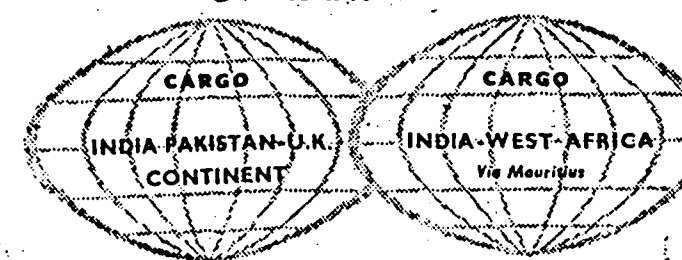
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WORLD OF TEA

Exports

ACCORDING to official sources in Calcutta, earnings from the export of tea, in the first two months of the current year, improved to Rs 17.48 crores from Rs 14.74 crores in the corresponding period of last year. This was in contrast to the fall noticed in tea exports during 1959 when earnings declined to Rs 126.39 crores from Rs 136.54 crores in the previous year.

It is interesting to note that direct exports of North-East Indian tea to the UK, during the year ended 31st March 1960, declined to 167.18 million pounds from 173.90 million pounds in the corresponding period of 1959. While shipments to London auctions declined sharply from 164.55 million pounds in 1958-59 to 155.76 million pounds, those against private sales and forward contracts increased from 9.35 million pounds to 11.42 million pounds.

Exports from Ceylon have, however, increased to 103.49 million pounds in the first quarter of the current year from 87.83 million pounds in the corresponding period of last year. With the exception of Egypt, shipments to almost all destinations recorded an increase. The UK increased her offtake from 30.25 million pounds to 38.61 million pounds and the Continental countries from 3.48 million pounds to 5.15 million pounds.

Shipments to the USA and Canada improved from 11.44 million pounds and 3.26 million pounds in January/March 1959 to 13.59 million pounds and 3.32 million pounds respectively in the period under review. Australia and New Zealand also increased their offtakes from 8.79 million pounds and 2.73 million pounds to 12.53 mil-

lion pounds and 2.97 million pounds respectively.

Exports from the Cochin Port declined to 3.89 million pounds in April 1960 from 4.37 million pounds in the corresponding month of last year. In spite of this decline in total exports, shipments to the UK, the major buyer, increased to 2.15 million pounds from 1.52 million pounds in April, 1959. Exports to New Zealand also improved to 118,170 pounds from 75,880 pounds. Shipments to other destinations, however, recorded a decline with the US offtake falling from 590,770 pounds in April 1959 to 253,800 pounds in the month under review. Exports to Canada, too, fell from 892,010 pounds to 485,600 pounds as did those to Australia from 287,650 pounds to 151,120 pounds. The USSR also reduced her offtake from 969,320 pounds to 852,920 pounds and Holland from 79,680 pounds to 33,240 pounds.

Meanwhile, an optimistic view of the outlook for Tea is taken by Sir James Jones, the Chairman of James Finlay and Company, London. In his view, there is no surplus of tea at present and world tea consumption should continue to grow, especially in Eastern producing countries where the scope for raising tea consumption is described as enormous. The tea trade in London is now awaiting some indication of the size of the new Pakistani crop though, according to the Pakistani Government, a clear picture will not emerge for some time.

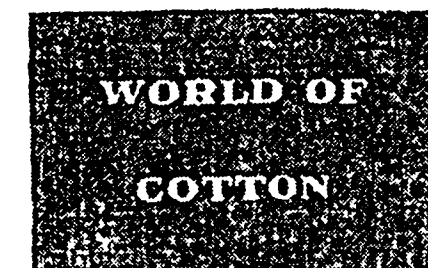
In the final Internal Sale held this week, offerings were 15,391 packages of Dusts. Demand was good, but selective. Cleanly-sorted orthodox kinds met with active enquiry although generally selling at slightly lower rates. The more fibrous types were, however, considerably easier and sometimes difficult of sale. Legg-cut Doors teas were sold well.

The small weight of bright medium CTC dusts available was keenly competed for at firm and sometimes dearer rates; but the poorer end-of-the-season types provided a weak feature of the

sale. Following rates were quoted: Medium Doors Dust Rs 1.78 to Rs 1.92; Medium Assam Dust Rs 1.74 to Rs 1.92; Medium Assam CTC Rs 2.02 to Rs 2.26 and Best CTC Assam Dust unquoted.

Production of tea in Ceylon increased sharply to 46 million pounds in April from 39.4 million pounds in the same month last year. This put the total Ceylonese outturn, in the first four months of the current year, higher at 157.9 million pounds as compared to 139.6 million pounds in the corresponding period of 1959.

Tea stocks in London, as on 27 May, totalled 142.55 million pounds as against 145.55 million pounds in the previous week. Total amount to be landed on the same date was 10.69 million pounds. Total afloat was 93.24 million pounds including from Calcutta 1.02 million pounds; from Chittagong nil; from Cochin 2.52 million pounds; from Ceylon 4.08 million pounds and from other Ports 1.71 million pounds.



Cotton Situation Unsettled

TRADING in the cotton futures market in Bombay during the past week was in a state of stalemate as the prices which pierced the ceiling of Rs 790 were reluctant to climb down. In private trading the quotation ranged around Rs 795, deriving inspiration from the expectation of an increase in the ceiling of the forthcoming new crop and the issue of fresh quotas for the indigenous varieties.

Meanwhile the agitation of the cotton trade gathered momentum over the recent orders issued by the Government of India controlling the sales of cotton to mills which will be applicable from 1 August next. From almost all the quarters of the country representations were despatched to the authorities voicing the grievances of the traders. Reports received from New Delhi give an indication that the authorities are probably in favour of a blanket control on cotton during the ensuing season.

According to the official version, the Government were forced to take recourse to the new control measures fearing that there will be a pronounced paucity of cotton during the next season too. It is gathered that the Government are contemplating the appointment of about 150 nominees all over the country for the distribution of cotton to the various mills. About the clamour for a higher ceiling on cotton from the trade, it appears that the opinions of the authorities

Indian Finance

are divided on the issue and the situation in cotton is at present in an unsettled condition.

SPOT MARKET.

The clarification of a Government spokesman about the order of 13 May has led to a frantic covering and buying of all available varieties of good cotton. Among the imported varieties Busoga BP 2.52, Jinga, Sudan and US cotton below 1" and 1.18" to 1.532" met with less interest while among the indigenous styles spinners evinced keen interest in Vijay, Digvijay, Surti, Jaydhar, and Laxmi.

According to official information, the total quantity of foreign varieties licenced for imports and the actual arrivals between 1-9-59 and 14-5-60 were as follows:—

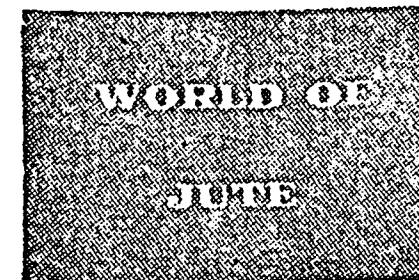
Variety	(bales of 400 lbs)	
	Qty.	Actual
East African	123,360	94,791
Sudan	80,967	63,149
Egyptian	170,230	167,496
Peruvian, Pakistan & Others	113,238	46,421
USA	307,765	88,128
Total	795,560	468,985

FOREIGN.

Trading in Liverpool futures market continued on a more active scale. The near position which suffered declines during the last week on liquidation coupled with switching operations, staged a remarkable recovery. The May position witnessed rapid fluctuations before going off the board strongly at 22.60 d. The near July position was also able to generate adequate strength from trade covering thanks to the improved demands from mills for actual cotton. New crops were substantially supported by American buying with only light hedge selling to meet the demand.

NEW YORK.

Futures trading in the New York cotton market was sluggish. The fluctuations in the prices were rather insignificant in thin trading. The new crop position eased slightly on account of light commission house selling inspired by the propitious climatic conditions. The net changes were 3 points up for the current crop contract and 3 to 20 points down for the new crop contracts. The export sale of raw cotton during 1959-60, according to the estimates of the US Department of Agriculture totalled about 6.58 million bales. Indigenous consumption also registered a slight increase by 3 lakh bales to 9 million bales. Entries into the loan during the week ended 27 May were nil while repurchases amounted to 3,372 bales. The purchases of the Commodity Credit Corporation under the Choice 'A' programme being nil the total purchase stood at the previous week's level. Crop Plantation and replanting have been completed but the lack of rainfall has put the planters in melting pot.



Stocks Rise

PRICES have continued to display a declining trend in the jute markets during the week ended Wednesday due to lack of mill interest in raw jute coupled with the absence of any sizable foreign enquiry. Over the past week, raw jute, basis Assam Bottoms, has declined by three rupees while ready hessian and sacking have lost Rs 1.70 and Rs 2.50 respectively.

The reactionary tendency has stemmed from the realisation on the part of speculators who have been so long dominating the market, that powerful forces have begun to work against the continuance of high price levels.

Reports from the jute growing areas have confirmed that the new crop, though delayed, will not show any serious setback; the general expectation is that it will be good in quality and plentiful in quantity. The problem that is facing the industry is one of meeting the gap in supply of the raw material during the period between the end of this season's jute supply and the arrival in quantity of next season's harvest. The IJMA has devised an effective remedy and that is to give freedom to mills to

adjust their production according to the availability of raw jute in their godowns. It is now reported that a goodly proportion of the mills in West Bengal has decided to carry out the necessary changes with effect from 6 June. It has been estimated that the looms sealed by these mills will work out to about 2 per cent of the total loomage of the industry. This will mean that roughly mills have now 11 per cent of their looms sealed, as against 9 per cent effective 1 May.

The fact that May-end stocks of jute goods have recorded a rise of 5400 tons over the previous month-end level has also contributed to the lowering of price levels. Total stocks are placed at 82,000 tons as against 76,600 tons at the end of April. At the corresponding date a year ago stocks stood at 99,400 tons. May-end stocks are made up of 34,600 tons hessian, 33,800 tons sacking and 13,600 tons other varieties. It will be seen that the main contribution to the overall increase in stocks has come from hessian, the rise in which is to the tune of 5,300 tons. The increase in the sacking section is comparatively small accounting for a rise of 1,300 tons. Other goods are however lower by 1200 tons. The increase in stocks is not unexpected for a number of reasons. In the first place it is well known that following the steep rise in goods prices during the past couple of months, foreign buyers have ceased to evince much interest in the Calcutta market. The plea that the rise in goods prices is due to the spurt in raw jute prices is unlikely to leave the buying pattern undisturbed for the simple reason

that overseas buyers have alternate packaging materials ever ready to meet their requirements both in quality and price. May-end stock figures perhaps reflect this fall in overseas demand and the slight increase in production as a result of the unsealing of the 1 per cent looms from the first of the month. While a fuller picture of the conditions obtaining during the month can be assessed only after the publication of the figures pertaining to production during the month, from the sizable rise in hessian stocks, it would appear that this category of goods has not been having satisfactory reception in its principal foreign market.

The adjustments made by the industry in order to cope with the present shortage of raw jute are no doubt the best way out of the difficult supply situation in raw jute. But the curtailment of production is not without its risks and one of these is the resumption of the upward trend in goods prices. Although May-end stocks will contribute further toward sobering sentiment, there is the possibility that if the current comparatively lower levels begin to attract attention of overseas buyers, speculators may find a favourable point in the curtailment of mill production and consequently goods prices may be pushed up. The result would be to drive the overseas consumer to substitutes again. It is against this violent fluctuations in prices that effective remedial measures have to be taken by the industry and trade and authority as the future of the industry will largely depend on the success in ensuring stable price levels.

STOCKS OF JUTE GOODS AT THE END OF MAY, 1960.

	(000 Tons/Metric Tons)		
Hessian Cloth and Bag	34.6 (35.1)	29.3 (29.7)	+5.3 (+5.4)
Sacking Cloth and Bag	33.8 (34.4)	32.5 (33.6)	+1.3 (+1.4)
Others	13.6 (13.8)	14.8 (15.1)	-1.2 (-1.3)
Grand Total	82.0 (83.3)	76.6 (77.8)	+5.4 (+5.5)

	As on 2nd June	High-est Rs	As on 8th June Rs
Hessian:			
45" x 11 ozs.	53.50	54.25	52.75
40" x 10 ozs.			
Ready	48.25	49.75	47.85
July-Sept.	48.50	49.75	48.00
Oct.-Dec.	48.00	47.25	46.00
40" x 8 ozs.	39.25	39.75	38.85
40" x 7 1/2 ozs.	36.50	37.37	36.10

Sackings:

B. Twills—			
Ready	133.00	137.00	133.50
July-Sept.	133.50	138.00	134.00
Oct.-Dec.	127.50	132.00	128.00
Hy. Coes (Green)	139.00	142.00	140.00
Corn sacks	137.00	140.00	138.00
Cubans	158.00	167.00	157.00
A. Twills	159.00	162.50	160.50
L. Twills	149.00	152.00	148.50
D. W. Flours	151.00	154.50	152.50
Sugar Twills	154.50	155.00	152.50

Ready Raw Jute:

Assam Bottoms (Old)	47.00	47.00	45.00
(New)	42.00	42.00	39.00
Northern Bottoms (Old)	46.00	46.00	44.00

Futures:

Hessian—August	47.20	47.56	47.14
Hessian—Nov	45.90	46.24	45.64
Sacking—August	131.75	132.50	131.20
Sacking—Nov.	127.40	127.50	125.90
Raw Jute—Sept.	38.00	37.70	37.84
Raw Jute—Decr.	35.70	35.72	34.58

THE BANK OF INDIA LIMITED

(Established 7th September, 1906)

Capital Authorised, Issued & Subscribed Rs. 5,50,00,000
Capital Paid-up Rs. 3,00,00,000
Reserve Fund Rs. 3,10,00,000

Head Office: MAHATMA GANDHI ROAD, FORT, BOMBAY.
Branches in the principal cities of India

BRANCHES OUTSIDE INDIA:

LONDON—17, Moorgate, London E.C. 2.
ADEN, DAR-ES-SALAAM, HONGKONG, JINJA, KAMPALA, KARACHI, MOMBASA, NAIROBI, OSAKA, SINGAPORE, TOKYO.

DIRECTORS:

Sir Cowasjee Banajir, Baromet, G.B.E., K.C.I.E., Chairman.
Mr. A. D. Shroff, Vice-Chairman.
Mr. Ambalal Sarabhai.
Mr. Ramjiwaj Ramnarain.
Mr. Bhagwandas C. Mehta.
Mr. Krishnaraj M. D. Thackeray.
Mr. Madanmohan Malgaldas.
Mr. N. K. Pethgani.
Mr. Jugmohan Prasad Goenka.
Mr. Jaladin Vithaldas.
Mr. Girdharlal Mehta.

Every Description of Banking Business Undertaken.

T. D. KANSARA,
General Manager.

WORKING RESULTS

STATEMENT OF ACCOUNTS AS ON 31. 12. 1959

P.N.B. 65th YEAR

LIABILITIES		
(i) Paid up Capital		Rs. 1,25,00,000
(ii) Reserve Fund and other Reserves		Rs. 1,47,50,000
(iii) Deposits		Rs. 1,41,15,86,429
(iv) Other Liabilities (including contra items such as Bills for Collection and Acceptances, endorsements and other obligations).		Rs. 35,67,35,832
Total :-		Rs. 1,79,55,72,261
ASSETS		
(i) Cash and Balances with Bankers		Rs. 13,32,95,217
(ii) Investments :		
(a) Investment in G. P. Notes, Municipal Loans, Shares and Debentures guaranteed by the Central and State Governments	Rs. 64,94,09,326	
(b) Other investments	Rs. 1,32,84,273	Rs. 66,26,93,599
(iii) Loans and Advances		Rs. 72,51,04,094
(iv) Other assets (including contra items such as Bills Receivable being Bills for Collection and Constituents' liabilities for acceptance, endorsement and other obligations).		Rs. 27,44,79,351
Total :-		Rs. 1,79,55,72,261

THE PUNJAB NATIONAL BANK LTD.
Established 1895
Head Office: New Delhi

Ashok Leyland Limited

Early Steps to Increase Capacity of Factory

Sir A. Ramaswami Mudaliar, Chairman, Reviews Company's Progress

The following is the Speech of Sir Ramaswami Mudaliar, Chairman, Ashok Leyland Limited, Delivered at the Eleventh Annual General Meeting of the shareholders on the 1st June 1960.

Gentlemen,

I have great pleasure in extending to you a cordial welcome to the 11th Annual General Meeting of your Company.

The Directors' Report, Audited Balance Sheet and Profit and Loss Account for the year ended 31st December 1959, has been circulated to you, and with your permission, I shall take them as read.

Your Company has made steady progress in its manufacturing programme during the year under review. This progress has been in two directions, both of which are essential. In accordance with the understanding which we have with the Government of India, the Company has to maintain progress in the development of indigenous manufacture, so replacing the foreign and imported content of the vehicles manufactured. It has also an equal duty to increase its production so as to meet the growing demands for the vehicles of your Company. These two aspects of manufacture require a continuous expansion of the plant and machinery and of the buildings which must house them. There is a further requirement which is as essential as either of the above, and that relates to the recruitment and training of skilled labour.

The first phase of our building programme was virtually completed in 1958 and was referred to by me at our last meeting. But we could not afford to stand still and 1959 saw the installation of additional plant and machinery required to complete the machining of engine components, to provide to some extent for the early production of the rear axle and gearbox and to enable us fully to equip our own tool room as a preliminary to producing our own Jigs, Tools and Fixtures. All these activities necessarily involved an increase in the number of employees from 954 at the end of 1958 to 1473 at the end of 1959. The increase in the production of the Leyland Comet chassis during the year reflected the increase in the demand for the Comets and the popularity of this vehicle. In the year 1959, the increase in the output of these vehicles has been 2½ times the output in 1956, but even this increase has been totally inadequate to meet the requirements of the demands as they stand in your order books. The

Comet has established a reputation for good performance at low cost per mile, which has enabled your Directors to plan with confidence for an output far in excess of your Company's original conception. All motor manufacturers in this country have, however, been faced with difficulties which they had not anticipated before and which to a certain extent have reacted on the enthusiasm with which they have planned progress. The recent levy of excise duties on motor cars of a certain horse power, on tyres and on various other auxiliaries, however necessary they may be from the point of view of revenue to meet the demands of projects for Five Year Plan, is I venture to state, a little arbitrary and militates against certain other aspects of Government's policies and projects. The increasing awareness of the Government of the need for a larger outlay on the construction and maintenance of the Highways in the country, of strengthening the bridges on such Highways and of utilising road transport for passengers and for goods over long distances, has been welcomed in the country. In a vast country like India, it is inconceivable that rail transport can be available in every nook and corner, at any rate, unless a staggering amount of capital is invested in such rail expansion. It is therefore hoped that the incidence of the excise duties on the development of road transport, will be carefully studied, and as a result of such study, a review of such incidence will lead to the abolition or at least the lowering of the heavy excise now levied on motor vehicles.

In spite of this adverse factor your Directors have taken the view that expansion of the production of the number of vehicles in your Factory is absolutely essential and that early steps should be taken to increase the capacity of the Factory for the production of this increased number. After discussion with the Directors of Messrs. Leyland Motors Ltd., your Directors, in consultation with that Company's Vice-Chairman who visited your Works last year, came to the conclusion that it would be advantageous to the Company to produce at least 5,000 Comet chassis per annum and at the same time to provide for a production of 1,000 heavy duty Leyland Engines of the 0.600 and 0.680 type, and at the same time consequentially to add at least 20% to the total productive capacity for the manufacture of spare parts.

The increased target requires additional capital expenditure. The

import of plant and machinery necessary for the purpose, the addition of buildings to house such plant and machinery would involve a fairly substantial increase of capital expenditure. As a preliminary to the serious consideration of raising the necessary capital for this expansion programme, a call will shortly be made on all the recent issue of partly paid shares to make them fully paid-up. Also the Directors approached you recently for increasing the authorised capital of the Company to Rs. 10 Crores and your consent was readily given to the proposal. Having regard to the expansion programme, it may be stated at once, that the capital which will be issued will be much less than the authorised capital and is proposed to be issued not all at once, but over a period. The problem however of raising the necessary capital has been found to be more complex than it may appear at first sight. The foreign exchange required for obtaining the plant and machinery and accessories, was far greater than the foreign exchange resources that would be available by the increase of the issued capital on the basis of issuing 51% to local subscribers and 49% to Leyland Motors, which is now the existing relationship in capital between the two sets of investors. It has been calculated that to meet all the requirements of foreign exchange for the purpose, a basis of 60% for Leyland Motors and 40% for the local investors would be required unless the Government of India was prepared to give the necessary additional foreign exchange. Consultations have therefore, been held between your Directors and the Directors of Leyland Motors Ltd. on the one hand and the Government of India on the other. The informal consent of the Government of India has been obtained for the increase in the shareholding of Leyland Motors to 60% for a period of 10 years by which time the foreign exchange position of the Country would enable the Government to restore the position of the two sets of shareholders to a 50/50 basis. Negotiations were then continued with the Leyland Directors and you will be glad to know that Sir Henry Spurrer and his colleagues have consented to meet the extra demand on foreign exchange by agreeing to invest 60% in the capital of the Company and by further agreeing to have the proportion brought down to 50% at the end of a 10 year period.

I have already referred to the elimination of the imported contents of our vehicles and we have programmed to produce the rear axle by the end of 1960 and gearbox before May 1961. This enlarged manufacturing programme and the increase in our output require the recruitment of skilled labour—a problem in facing which we are met with difficulties and anxieties. Your Directors have always been conscious that the rate of our progress must ultimately be governed by the rate at which we can train artisans. We have given our attention to this problem for sometime and today about 170 men are receiving training in this Factory. These training facilities will shortly be augmented to meet future requirements. In the years 1960 and 1961 your Directors plan to train not less than 800 artisans in addition to those trained men we may be able to recruit.

I must now refer to a subsidiary project which your Company has undertaken in collaboration with Leylands. I referred to this project last year when we were at the stage of consultation with Government over this project. The

may be expected to take place and final proposals in these matters will be placed before the shareholders within a few months, so that thereafter, with your approval, the formal consent of the Government may be obtained to these proposals. These far reaching plans involving capital expenditure of a high order, and the new building programme, necessitated by the decision to implement the proposed expansion, bring in their wake additional responsibilities on those who are in charge of the Factory and its administration. This Factory will then be equipped with plant and machinery necessary to make modern heavy commercial vehicles, which will compare favourably with similar factories in Europe. Indeed, Sir Henry Spurrer, Managing Director of Leyland Motors Ltd., in a recent speech, forecast a day not far distant, when your Factory will have an output of Leyland vehicles greater than that of Leyland's Lancashire Factories. I stated that this expansion would involve heavy responsibilities on all connected with the Company. An arduous task lies ahead, in which everyone connected with our project will have to play their due part and share the burden with the consolation that the Factory, a most modern one, has forged ahead with the production of one of the most essential types of vehicles required in the Country.

I have already referred to the elimination of the imported contents of our vehicles and we have programmed to produce the rear axle by the end of 1960 and gearbox before May 1961. This enlarged manufacturing programme and the increase in our output require the recruitment of skilled labour—a problem in facing which we are met with difficulties and anxieties. Your Directors have always been conscious that the rate of our progress must ultimately be governed by the rate at which we can train artisans. We have given our attention to this problem for sometime and today about 170 men are receiving training in this Factory. These training facilities will shortly be augmented to meet future requirements. In the years 1960 and 1961 your Directors plan to train not less than 800 artisans in addition to those trained men we may be able to recruit.

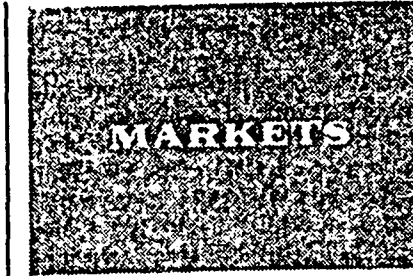
I must now refer to a subsidiary project which your Company has undertaken in collaboration with Leylands. I referred to this project last year when we were at the stage of consultation with Government over this project. The

proposals were finally approved by Government and a licence for the establishment of a Foundry called The Ennore Foundries Private Ltd., was issued on the 14th August 1959. This private company is a subsidiary of Leyland Motors Ltd., and your Company, the former having 75% of the shares and your Company 25% of the capital of the Company. The Foundry will have a management entirely separate from Ashok Leyland and the buildings for the Foundry are well in hand, the installation of the plant and machinery having commenced. Melting for proto-type castings is expected to commence in July, but full scale production of castings will not take place until the first half of 1961. Thereafter, it is expected that the new Foundry will not only meet all the needs of your vehicle factory, but will also have surplus capacity to enable it to sell castings to the automobile industry in general. This project will further, progressively reduce the foreign exchange required for the vehicle production, as the import of castings will be discontinued.

I must apologise for having taken so much of your time, but I felt you should have a fairly complete picture of accomplishments up to date, and of the programme of the future with its hopes and expectations on the one hand and with the responsibilities and anxieties on the other. But with the assistance which has been so liberally given, and will continue to be given by Messrs. Leyland Motors, I feel confident that the progress we have aimed at, will be achieved. The Directors of Leyland Motors are ready and willing to visit India and to see the set up here and give assistance and advice in every way. During the year under review, we have had two visits from Mr. West, Vice-Chairman, and early in 1960, Mr. Markland, Works Director and Mr. D. G. Stokes, Sales Director, visited the Factory, and gave invaluable advice both with regard to the work of the Factory and with regard to the expansion forecast. I am sure it will be your wish that I should convey to them and above all to Sir Henry Spurrer, who has been an enthusiastic supporter of our plans of expansion, our thanks for their help and guidance.

I must readily recognise also the enthusiastic help and co-operation that has been extended to your Directors by the officers, staff and work people both on the factory side and on the administrative office side. This co-operation has been readily forthcoming as the workers and staff have seen the growth of the factory from time to time and our relations with all of them have been cordial. I should like to convey our thanks to all of them.

NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting.



Bright Outlook for Cashewnut

THANKS to the tight statistical position, the outlook for Indian cashewnut is considered to be bright. With dwindling supplies of raw nuts from Africa, the floating stock in the country is estimated to have declined to as low as 2,500 tons. The new African crop is expected to come into the market only in November next. As such, there is a belief that the supply position will be difficult in the next few months.

Again, the Indian crop is reported to have been affected by untimely rains and a shortfall of about 10,000 tons is likely in the domestic output this year. Prices are, therefore, expected to go up in the coming weeks. Moreover, Russia is now a keen buyer of Indian cashewnuts and she is reported to have purchased as much as 65,000 cases, for shipment during the next few months, at rates varying from 54 to 55 cents per pound.

Meanwhile, business in the US market has been somewhat halting as this country is reported to have insisted on shipment during July/September at 56 cents per pound; but the trade is not willing to enter into long-term commitments in view of the tight statistical position.

Pepper

It is learnt that futures trading in Pepper will be started in Bombay by the end of this year. In this connection, the Forward Markets Commission has asked the Pepper and Ginger Merchants' Association to submit its scheme for forward trading in the commodity. Trading will be permitted only after the necessary formalities are completed.

This will be the second forward market for black pepper in the country, the first one being at Cochin. Although Kerala produces almost 90 per cent of black pepper in the country, the export business is handled largely by shippers in Bombay. Business in the new market is expected to be carried on in ungarbled variety.

Pepper prices, in the meanwhile, have revealed an easy trend during the past few days. In the Cochin market, the rate is quoted around Rs 295 per cwt for the ready position. Export enquiries have shrunk and leading shippers state that they have not been able to put through fresh business with Russia and America, as foreign

buyers think that the Indian rates are high in view of the cheaper supplies from Singapore and Indonesia.

Reports are current that the Indonesian crop has been extremely good this season. The export outlook for Indian pepper is, therefore, not considered to be bright.

Coconut Oil

Prices of Coconut Oil have continued to display a firmer tendency. In the Cochin market, the rate is quoted at as high as Rs 3,945 per ton. According to the present indications, demand for the commodity, both for industrial and domestic uses, will remain strong during the current year. This is based on the restrictive import policy for copra and coconut oil, while the prospects for any substantial increase in indigenous production are considered meagre.

But, world supply of coconut oil is expected to remain more or less at the last year's level. There is considerable uncertainty about the world export of coconut oil and copra this year. This is mainly due to the fact that damage to the Philippine coconut crop, caused by the cyclone havoc in late 1959, has not been fully assessed. Slight increase in exports is, however, expected from Malaya and Indonesia.

Exports from Ceylon are expected to decline in view of substantial increases in domestic consumption. According to a FAO report, coconut oil prices are likely to remain relatively high in the world market this year. Supplies of other edible oils are likely to enlarge owing to better cottonseed and soyabean crops in the USA.

Sugar

The Government of India have decided to release two lakh tons of sugar. There will be no release for free sale from the factories in Uttar Pradesh, Bihar and the Punjab except a small quantity which will be released to each factory for sale to their employees. In this connection, it would be recalled that the release of sugar was raised by 10,000 tons from 1.75 lakh tons per month to 1.85 lakh tons in April, 1960. During the current month, it has been further raised by 15,000 tons, bringing the monthly release to two lakh tons.

Allotment will be made at prices fixed by the Government. The controlled ex-factory price for Uttar Pradesh and North Bihar factories is Rs 37.85 a maund and for factories in the Punjab and South Bihar Rs 38.35 for ISS D-29 grade with the prescribed price differentials for other grades. The fixed f.o.r. destination prices in respect of allotments to Kanpur and Calcutta will be Rs 38.60 and Rs 39.85 a maund respectively for sugar of ISS D-29 grade.

In the Hapur market, rumours of decontrol have revived again and the rate is quoted around Rs 112 per bag. In the Muzaffarnagar

market, rates have eased further by Rs 1.50, to quote Rs 113 per bag, thanks to the easy supply position.

Khandsari

In the Hapur market, Khandsari prices have eased by about Re 1 a maund as the demand from the consuming areas of Gujarat is poor. Traders as well as manufacturers are anxious sellers due to easy supply position of crystal sugar. The rates are moving between Rs 31 and Rs 38 per maund, according to quality.

In the Muzaffarnagar market, prices have sought lower levels due to slack outside demand. Small business is reported done with Saurashtra and the Punjab destinations. Superior quality is quoted around Rs 38 a maund.

Gur

The Hapur Gur market continues to rule quiet, the rate being quoted at Rs 14.75 a maund for the superior and Rs 14.25 for the wet kotha qualities. Outside demand remains poor, while daily arrivals, out of the stocks retained by the cultivators, are about 250 maunds. Total arrivals, since the beginning of the season, are about 5.80 lakh maunds as against 6.61 lakh maunds in the corresponding period of last year.

In the Muzaffarnagar market, gur Chakku prices have, however, improved further due to lower arrivals. Demand from Gujarat and Madhya Pradesh is good. Arrivals have declined to an average of 2,000 maunds a day. Total arrivals are put at 16.65 lakh maunds, whereas stocks are estimated at 2.75 lakh maunds.

Foodgrains

Quiet conditions are witnessed in the Foodgrains market in view of the better arrivals of "rabi" grains. Wheat prices have recorded a fall of 25 nP a maund. Since the Uttar Pradesh Government are not anxious to buy wheat, it is likely that some relaxation in the grain procurement policy of the State Government may be announced soon. The State Government are, however, buying the commodity at Agra and other centres at Rs 13 to Rs 15 a maund.

The Rice section is also ruling quiet. Gram prices have recorded a modest decline to Rs 13.75 a maund on lower advices from the Punjab where the new crop is arriving in larger quantities. Moreover, the demand is slack. The market for Barley is, however, ruling steady. In the Pulses section, Peas have registered modest gains due to support from stockists.

Production of the principal food crops in the Punjab—Gram and Wheat—has recorded a fall during the year 1959-60. The decline has been attributed to unfavourable climatic conditions at the time of sowing and late winter rains,

which affected the growth of the crops and consequently lowered the yield per acre.

The setback in Gram production has been more marked due to lower acreage under the crop as compared to 1958-59. The production has fallen from the record level of 20.90 lakh tons to 18.63 lakh tons. Daily arrivals this season have dwindled to 15,000 maunds as against 40,000 maunds last year.

Despite a slight increase in area under the wheat crop, production has fallen from 21.22 lakh tons to 20.57 lakh tons due to unfavourable climatic conditions. The Punjab has doubled its production during the past twelve years. The Punjab Government have evolved improved varieties of wheat suited for different agro-climatic conditions.

The following table gives area and production figures of wheat in the Punjab, including former PEFSU region (areas in thousand acres and production in thousand tons):—

Year	Area	Production
1959-60 (estimate)	5,250	2,097
1958-59	5,237	2,122
1957-58	5,009	2,010
1956-57	5,140	2,114

The following table gives production and area under Gram:—

Year	Area	Production
1959-60 (estimate)	6,231	1,863
1958-59	6,324	2,090
1957-58	5,718	1,654
1956-57	6,390	2,022

Bangalore Silk

The prices of raw silk of all qualities did not register any change during the week ended 3rd June, 1960 as compared to the previous week.

The rates for filature silk of all Government Filatures were quoted between Rs 40 and Rs 42 per lb. Domestic basin silk was quoted between Rs 36 and Rs 37 per lb and Charka silk of all qualities between Rs 24.50 and Rs 32 per lb. The movement of Domestic basin and Charka silk was reported to be moderate while the demand for Filature silk was noticed to be dull. The prices of imported raw silk registered a fall, to be quoted at Rs 45 per lb.

Prices for reeling cocoons, particularly in rainfed areas, were quoted slightly higher, Rs 1.87 to 2.00 as against Rs 1.60 to Rs 2.00 in the previous week. There was no change in the prices in other areas.

Prices for seed cocoons showed a slight increase. Rates quoted for Mysore seed cocoons were Rs 7.50 to Rs 8.50 per 1000 seed cocoons as against Rs 5.75 to Rs 9 in the previous week. There was no change in the prices quoted for foreign race seed cocoons.

Yarn

Easy conditions continued to prevail in the Bombay Yarn market. Prices of Acetate and Nylon yarns declined further in the absence of support, while Rayon and Staple-Fibre yarns were subdued. Prices of Cotton yarns remained mostly unchanged.

The easier tendency in prices was mainly due to the fact that weavers in upcountry centres were reluctant to augment their stocks of yarn on fears that the demand for rayon cloth would be subdued in the coming months. It was also felt that the onset of the monsoon and the end of the marriage season were likely to

have an adverse effect on the overall demand for rayon cloth in the country.

Imports of rayon yarn into Bombay, during May, amounted to 2,364,387 pounds. Principal suppliers were UK with 9.79 lakh pounds; Italy with 5.34 lakh pounds and Japan with 4.24 lakh pounds. Imports of synthetic yarn amounted to 1.96 lakh pounds and of cotton yarn 55,704 pounds. Exports of cotton yarn from Bombay, during May, were estimated at 5.3 lakh pounds and of cotton-sewing thread 44,706 pounds.

Gold & Silver

After ruling initially firm, prices on the Bombay Bullion Exchange developed an easier tendency due to heavy receipts in the ready section. Selling by Chokseys and liquidation in futures by the prominent bulls with a view to avoid a further margin, were also contributory factors.

Comparatively speaking, Gold ended with a small gain following fair support. Arrivals amounted to 5,000 tolas as against an offtake of only 2,500 tolas. Ready rates moved between Rs 125.81 and Rs 128.03, to finish at former level. Sovereign was quoted at Rs 85.25.

Pressure of arrivals and reduced spot demand were the main factors responsible for the easier tendency in the Silver section where spot rates moved between Rs 211.62 and Rs 212.06, to finish at Rs 211.62. Arrivals amounted to 45 bars against an offtake of 12 bars. Unrefined metal receipts amounted to 35 bars.

Oils & Oilseeds

The market for Oils and Oilseeds ruled firm last week. The

main inspiration was derived from the reports that exports of groundnut, its oilcakes and castor oil had increased till the end of last month as compared to the figure for the corresponding period of last year. Higher advices from Saurashtra were another contributory factor.

In the Groundnut section, crushers and vanaspati interests continued to lend scattered support, although the spot demand tended to subside in view of the pre-monsoon nervousness. Moreover, the export trade in groundnut oil, HPS groundnut and oilcakes continued to be at a low ebb. In the ready section, Groundnut Bold was quoted at Rs 44.26 and Groundnut Oil at Rs 22.87.

In the castorseed section, prices scored modest gains on prospects of business with the USA in view of the buyers' desire to obtain maximum supplies from India before the scheduled upward revision in freight rates from July 1. Ready castor was quoted at Rs 33.37 and Castor Oil, commercial quality, at Rs 18.06.

The Linseed section revealed a steady undertone, as shippers claimed periodical deals in linseed oil at about £110½ per ton. The gradual depletion of local supplies and reduced arrivals also imparted stability to the market. Ready Linseed was quoted at Rs 32.87 and Linseed Oil at Rs 16.31.

Trading in the Cottonseed section continued to remain dull.

Groundnut kernel prices have gone up very much beyond reasonable expectations in Madras. The reason is ascribed to the feverish buying by the rotary mill section which has the advantage of the compounded levy. Arrivals of

groundnuts too have not been very much because the City market is getting an average of daily about 35 tons. In Southern regulated markets, the average daily receipts vary between 40 to 50 tons. But the groundnut oil price movement has been erratic. Kernel prices even in Southern markets had appreciated very much to Rs 208-210 per candy of 531 lbs.

The following are Wednesday's prices: Groundnut oil per candy of 500 lbs ex-Madras godown expeller 3 per cent FFA Ready: Rs 395; June Rs 399; July Rs 395; August Rs 392-393 (nominal). Kernels per candy of 531 lbs Coromandel Rs 220; Peanut Rs 207-208. Castor oil per candy of 500 lbs Tirupattur Rs 305; Coconut oil per tin Rs 39-8; Gingelly oil per maund Rs 23-4; Gingelly seed per maund Rs 77-80. Groundnut cake per bag of 160 lbs ex-gunny Rs 27-8. United Kingdom price of groundnut oil was £121-10 per ton and cake was sold at £33-5 per ton. At Alleppey coconut oil rates were: Ready Rs 657.50; June Rs 664; July Rs 668; All sellers.

The fall in arrivals of summer crop is also another reason for the spurt in groundnut kernel prices. In line with the trend in Bombay, a cautious attitude was witnessed in regard to groundnut oil buying. Shippers did practically nothing to accord support to the market. The Government of India have invited suggestions from established shippers who had exported during 1959 under the incentive scheme to indicate the quantum of incentive they require to push up groundnut oil export. The Secretary of the Oils & Seeds Merchants Association here feels no large scale export could materialise even with proposed higher incentive measures. Because the difference between Indian price levels and overseas rates is appreciable. Groundnut's thus marked considerable gains upto Rs 50 per ton during the week while groundnut oil improved slightly over last week's.

Superior kernels from Kalahasti and other centres were taken up early at Rs 205 or Rs 206 per candy. Last Thursday prices did not indicate any change. But the next day the coromandel variety were taken up at Rs 210 and the peanut was quoted at Rs 200 per candy. The rate continued the same till Saturday when another considerable gain was recorded by kernels trading, coromandel at Rs 214 per candy and peanut at Rs 205-206. Today's prices went higher even while market opened and continued high at Rs 220 for Coromandel and Rs 207-208 for peanut.

Calcutta and local vanaspati factories continued absorbing sizable quantities of groundnut oil when June quotation remained at Rs 394. Ready was quoted at Rs 392 on Thursday last and depreciated to Rs 390 Friday and Saturday. Monday's rate was one rupee higher. Tuesday opening in Ready rate was Rs 395.

In forward positions activity continued to be small. June position itself was erratic. Last Thursday this closed at Rs 396 with little support. Subsequent two days witnessed a stability at Rs 394 per candy. Monday's opening was higher at Rs 397 and one rupee more was added to the rate on the next day. July position too was not even. Thursday's opening continued to be the closing rate at Rs 393. Friday last there was abrupt fall to Rs 389.50 with no enquiries in this void. Only another fifty nP was gained by this position on week's closing. With better support, Monday's rate was at Rs 393 as also the next day. Even then July did not attract much attention this week.

August vaida opened only Monday at Rs 391 nominal. It went up to Rs 393 Tuesday on stray enquiries. Today it opened at Rs 392 and nominally remained at Rs 393 towards close with no transactions on board.

Summer peanut crops harvest is almost over in the South. Arrivals had not been much at these points. No rains from these areas have yet been reported. Digging up of the coromandel variety needs a couple of good summer showers. Most likely the harvest may commence by the fag-end of this month. If rains come earlier, it may begin a week before. In all these centres buying was very much in evidence despite poor arrivals. Prices therefore improved around Rs 208-210 per candy for groundnut kernel. New winter crops in Pollachi and Coimbatore area are reported to be in good condition. These areas received small rains, it is reported.

Gingelly oil seeds continued to be firm though good quantities were received from Vizianagaram area by sea. These were quickly absorbed in the market.

Chanda-Warora quality Rs 85-36 per bag; Rajasthan quality Rs 80 per bag; Tuni-Rajahmundry Rs 77-78 per bag and other local varieties Rs 77-80.

The following prices were quoted for groundnut kernels and oil in Southern markets:

	(a)	(b)
	Rs	Rs
Guntur-Bezawada	207	395
Vridhachalam	208	386
Nandyal	208	390
Villipuram	210	387
Cuddappah-Yerragantla	206	385
Pollachi nominal	210	395
Tanjore	210	393
Tiruvannamalai	208	388
Salem	210	395
(a) Groundnut kernels per 531 lbs.		
(b) Groundnut oil per 500 lbs.		

Hides and Skins

There was a decline in the skins and hides market. Clearances and prices also receded due to lack of overseas demand particularly from the UK. Poor offtake of tanned cow hides was responsible for lower price of 4-4½ lb by over 4 nP per lb. The higher weights

groups however remained unaltered in prices. Demands for these were not much anyway.

Only the fifths proved to be strong in the c.i.f. section, and in premium marks poor business was reported. Demands from Communist countries have slowed down. The Yugoslavian imports of 10-12 lb average hides receded to sizable extent.

Inferior fifths are available lower by half to one penny per lb. Tanned buffalo hides also continued to be unchanged in prices. There is continuously poor demand for both cow and buffalo calf skins of tanned variety. In tanned skins market quality goat skins sold were only 3,000 pieces and sheepskins, however were taken up to the extent of 12,000 pieces. Left over were 5,000 tanned goat skins and 62,000 sheepskins. The latter ruled lower in the market.

France imported 8-9 goat in the Run, thirds and fourths and fifths lower by 3d than last week. 5½-6 and 11-12 lb average could be had 6d easier per lb. Also middle class

skins could be had for the same lowered prices.

The prices of raw skins were easier. The following are the quotations with last week's in brackets: Bangalore Raw goat skin 430-470 (Rs 475-500); Bangalore raw white wool sheep Rs 520-590 (Rs 500-565) and Bangalore Black wool Sheep (Rs 400-450 (Rs 420-450); Bezawada raw goat skins Rs 415-420 (Rs 420-425); He sheep Rs 550 (Rs 580); She sheep Rs 400 (Rs 435).

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INVESTOR'S GUIDE

The 1960 Edition of the Calcutta Stock Exchange Official Year Book is just now out. It is India's most up-to-date and comprehensive work of reference on investments. Contains detailed information relating to the securities of all companies quoted on the Calcutta and the Bombay Stock Exchanges. Also contains information on economic matters, tax rules and rates, names and addresses of Liquidators of Companies wound up since 1944 preference dividends in arrears. Special features of this Edition: (1) Information relating to all Bombay Companies and (2) List of Companies which accept vernacular signatures on transfer deed.

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G. S. SUNDARAM,
Secretary.

HERCULES INSURANCE COMPANY LIMITED

(INCORPORATED IN ENGLAND)

The Liability of Members is Limited.

NOTICE IS HEREBY GIVEN that the TWENTY FIFTH ANNUAL GENERAL MEETING of the Hercules Insurance Company Limited will be held at the Registered Office, 16, Hare Street, Calcutta on Friday, the 29th July, 1960 at 3 P.M. for the purpose of:

1. Considering the Accounts, Balance Sheet and the reports of the Board of Directors and Auditors for the year ended 31st December, 1959.
2. Declaring a Dividend.
3. Appointing Directors in the place of those retiring.
4. Appointing Auditors and fixing their remuneration.

AS SPECIAL BUSINESS

5. Sanctioning the payment of Rs. 31,400 to the Directors as their fees for services rendered during the year ended 31st December, 1959.
6. To consider and, if thought fit, to pass, with or without modification the following resolution which will be proposed as a Special Resolution, namely:

"That the Articles of Association of the Company be altered in manner following:—

- (a) Articles 17 to 21 shall be deleted and the following new Articles numbered 17, 18, 19 and 20 substituted therefor:

CERTIFICATES

17. The certificates of title to shares and duplicates thereof of when necessary shall be issued under the Seal of the Company which shall be affixed in the presence of (i) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney; and (ii) the Secretary or some other person appointed by the Board for the purpose and two Directors and their attorneys and the Secretary or other person shall sign such share certificate; provided that, if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director.

MEMBERS RIGHT TO CERTIFICATE

18. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name or, to several certificates each for one or more of such shares, but in respect of each certificate for less than ten shares, the Directors shall be entitled to charge a fee of Re. 1/- or such less sum as they may determine. Unless the con-

ditions of issue of any shares otherwise provide, the Company shall, within three months after the date of either allotment and on surrender to the Company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares) as the case may be, complete and have ready for delivery the certificates of such shares. In the case of transfers of shares, the Company shall within one month of receipt of the application for registration of transfer of any of its shares issue the certificates of such shares or shall issue within fifteen days of such receipt, Pucca transfer receipts autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Board or that no such approval is necessary. Every certificate of shares shall specify the name of the person in whose favour the certificate is issued, the shares to which it relates and the amount paid up thereon. Particulars of every certificate issued shall be entered in the Register of Members maintained in the form set out in the Act or, in a form as near thereto as circumstances admit, against the name of the person to whom it has been issued, indicating the date of issue. In respect of any share registered in the joint names of several members the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several members registered jointly in respect thereof shall be sufficient delivery to all such members.

AS TO ISSUE OF NEW CERTIFICATES

19. If any certificate of any share or shares be surrendered to the Company for subdivision or consolidation or if any certificate be defaced, torn or old, decrepit, worn-out or where the cages in the reverse for recording transfers have been duly utilised, then, upon surrender thereof to the Company, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof; and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board, and on such indemnity as the Board thinks fit being given, a new certificate in lieu thereof shall be given to the party entitled to the shares to which such lost or destroyed

certificate shall relate. In the case of loss the new certificate shall be given within six weeks from the receipt of notification of the loss. Where a certificate has been issued in place of a certificate which has been defaced, etc., lost or destroyed it shall state on the face of it and against the stub or counterfoil that it is issued in lieu of a share certificate or is a duplicate issued for the one so defaced, etc., lost or destroyed, as the case may be, and, in the case of a certificate issued in place of one which has been lost or destroyed, the word "duplicate" shall be stamped or punched in bold letters across the face thereof. For every certificate issued under this Article, except for a certificate issued in place of an old, decrepit or worn-out certificate or in place of a certificate the cages in the reverse whereof for recording transfers have been duly utilised, there shall be paid to the Company the sum of Rs. 2/- or such smaller sum together with such out of pocket expenses incurred by the Company in investigating evidence as the Board may determine.

PARTICULARS OF NEW CERTIFICATE TO BE ENTERED IN THE REGISTER

20. Where a new share certificate has been issued in pursuance of the last preceding Article, particulars of every such certificate shall also be entered in a Register of Renewed and Duplicate Certificates indicating against the name of the person to whom the certificate is issued the number and date of issue of the certificate in lieu of which the new certificate is issued and the necessary changes indicated in the Register of Members by suitable cross-references in the "Remarks" Column. All entries made in the Register of Members or in Register of Renewed and Duplicate Certificates shall be authenticated by the Secretary or such other person as may be appointed by the Board for purposes of sealing and signing the share certificate under Article 17 hereof.

- (b) In Article 28, the words "or confer a right to participate in profits" shall be added at the end of the Article.

- (c) In Article 50, the words "his debts, liabilities and engagements solely or jointly with any other person to or with the Company whether the period for the payment, fulfilment or discharge thereof" shall be deleted and the words "moneys called or payable at a fixed time in respect of such shares whether

the time for payment thereof" substituted therefor.

- (d) In Article 51, the words "fulfilment or discharge of such debts, liabilities or engagements" shall be deleted and the words "of the moneys called or payable at a fixed time in respect of such shares" substituted therefor.

- (e) In Article 52, the words "satisfaction of the debts, liabilities or engagements of such member" shall be deleted and the words "payment of such part of the amount in respect of which the lien exists and is presently payable" substituted therefor.

- (f) Article 77 shall be deleted.

- (g) In Article 152, after the words "whilst carrying interest" the words "rank for dividend or" shall be inserted.

- (h) Article 158 shall be deleted and the following new Article substituted therefor:

"158. The Directors may deduct from any dividend payable to any member sums of money, if any, presently payable by him to the Company on account of calls made on shares in the Company held by him".

- (i) In Article 167, the word "three" shall be deleted and the word "six" substituted therefor.

The Share Transfer Books will be closed from the 22nd July to the 29th July, 1960, both days inclusive.

By order of the Board

E. K. SRINIVASAN

Managing Director.

Calcutta, 7th June, 1960

Note—1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

2. The dividend when declared will be paid only to those shareholders whose names appear on the Company's Register as on the 29th July, 1960.

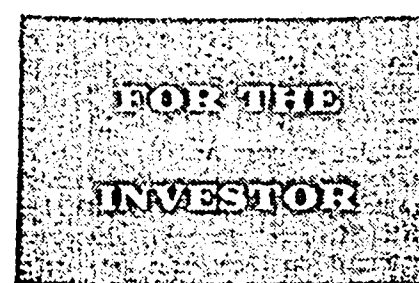
The explanatory statement as required under Sec. 173 of the Companies Act, 1956, has been sent to the shareholders.

Investment Briefs:

The Bombay Burmah Trading Corporation has recommended an interim dividend of 8.8 per cent, subject to tax. This works out to a net dividend of 6.16 per cent as against 6 per cent, paid in the preceding year.

Podar Mills Limited has recommended a dividend of Rs 12 for 1959 against Rs 18 per share (including a bonus of Rs 8) for the previous year.

Larsen & Toubro Limited has paid Rs 1.80 per share, subject to tax, for the year ended 31 March 1960 against a tax-free dividend of Rs 1.25 for 1958-59.



Lack of Investment Interest

Investment Gossip:

THE measures that are being taken by the various stock exchanges in the country are beginning to have some effect on the speculators. The decline in rates that has occurred in the course of the past two or three days seems to have directly resulted from the step latterly taken by the Bombay Stock Exchange.

The curb measures initiated by the Bombay Stock Exchange so far include the tightening up of the margin rates, the reduction of the exemption limit and the lower making-up prices fixed in regard to some scrip at the last settlement. It has been further made clear that if the situation so warranted, the making-up prices will be kept at the previous level in the current settlement also. It would appear that the indication that the

SHAW WALLACE & COMPANY LIMITED

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Members will be held at the Registered Office of the Company, 4, Bankshall Street, Calcutta on 15th July, 1960 at 3 p.m. for the following purposes:—

- (1) To consider the Profit & Loss Account for the year ended 31st December, 1959, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
- (2) To declare a Dividend on the Ordinary Shares.
- (3) To appoint Auditors and to fix their remuneration.
- (4) To elect Directors in the places of four Directors retiring.

The Share Transfer Register of the Company's Ordinary Shares will be closed from 6th July to 15th July, 1960, both days inclusive.

N.B. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

By Order of the Board

(D. A. Houghton)

Calcutta Director & Secretary.

4, Bankshall Street,
Dated, 1st June 1960

current settlement rates might be pegged at the previous level no matter what the prevailing levels, has discouraged the bull operators and at the same time brought new hope for the bears. With a view to prevent any strengthening of bearish tendencies, the stock exchange authorities have deemed it necessary to make the further announcement that the rates may be actually raised if, in their opinion, equity prices have been unduly depressed. The stock market has reacted to this with a moderate recovery in rates all along the line.

It is clear, therefore, that the various stock exchange authorities are to tackle the situation with a view to re-establish stability in equity prices.

It is, however, too early to affirm with confidence that stock market operators are fully convinced of the need for keeping to realistic price levels. Friday's recovery seems to point to the continued dominance of the bulls.

The fact that there has been a marked diminution of genuine investment activity in the stock markets for the past few weeks is a clear indication that investors at least are in no mood to take increasing interest in equities. Presumably they are confining their attention to new issues.

New Issue Notes

Polychem Limited has proposed to increase the share capital, subject to the consent of the Controller of Capital Issues, from Rs 60 lakhs to Rs 1.20 crores by issuing 80,000 Ordinary shares of Rs 50 each, at par. These new shares will be issued in the ratio of one share for every share held. The funds will be utilised from financing the company's expansion programme.

Ruby Rubber Works Limited, Madras, has proposed to issue 25,000 10 per cent taxable Cumulative Preference shares of Rs 10 each, to holders as on 4 July, 1960 the proportion of 10 preference shares for every 36 equity shares held.

MEETINGS AND DIVIDENDS PROPOSED

Company	Meeting Date	Dividend Proposed (Rs Per Share)	Transfer Books Closed
CALCUTTA:			
Belsund Sugar	June 11	1.40	28/5/60 to 11/6/60
Bisra Stone	June 20	1.25 (int)	22/5/60 to 5/6/60
Sen Raleigh	June 23	0.80	9/6/60 to 23/6/60
I. S. Wagon	June 24	28 1/2	15/6/60 to 24/6/60
Indian Copper	June 27	0.36	18/6/60 to 9/7/60
Churulia Coal	June 28	0.12	11/6/60 to 28/6/60
Caledonian Jute	June 29	12.00	15/6/60 to 29/6/60
Murphulani Tea	June 28	2.00	22/6/60 to 28/6/60
Bowreah Cotton	June 28	Nil	20/6/60 to 28/6/60
Dunbar Mills	June 28	10.00	20/6/60 to 28/6/60
Mim Tea	June 29	10.00	.....
National Rubber	July 2	0.85	13/6/60 to 2/7/60
BOMBAY:			
Hindustan Aluminium	June 11	Nil	1/6/60 to 11/6/60
Bombay Gas	June 18	6 1/2	11/6/60 to 18/6/60
National Rayon	June 23	22.00	20/5/60 to 15/6/60
Kamani Engineering	June 24	7 1/2	4/6/60 to 24/6/60
Raymond's Woollen	July 1	11.50	22/6/60 to 1/7/60
MADRAS:			
India Sugars	June 20	12 1/2	7/6/60 to 20/6/60
Cambodia Mills	June 24	Nil	3/6/60 to 24/6/60
Mysore Sugar	June 28	30 1/2	22/6/60 to 28/6/60

*Rs 21.27 on new ordinary shares and proportionate dividend for 1958.

Investment Notes:

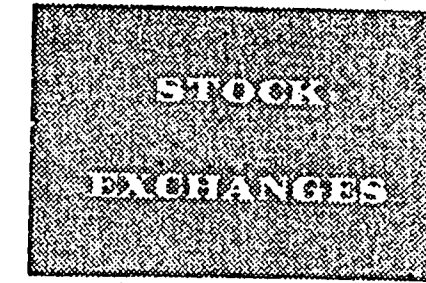
It is learnt that Messrs Simon Carves Limited, London, who are primarily responsible for the erection of the first Coke Oven Battery at the Durgapur Steel Works, have made an application for registering a subsidiary company in this country to take advantage of the opportunities offered by India in the development of more industries during the Third Plan period.

A Japanese firm will set up plants in collaboration with two Indian manufacturers to produce small paper-manufacturing plants. These plants will be capable of producing one to five tons of paper per day. The target for the Third Five-Year Plan is 900,000 tons for the entire paper industry, big and small.

In Bombay, Voltas shares have shot up by 25 points on aggressive buying. There are reports that the "Carrier" is going to establish a factory at the company's new site near Thana; that Voltas Limited may invest about 20 per cent in the new air conditioning project and that the company will get sole distributing rights.

East India Distilleries Limited, Madras, has convened an extraordinary general meeting on 24 June to consider the following proposals:—(1) Changing the Preference dividend from 7 per cent tax-free to 9 per cent, subject to tax, for the financial year commencing on or after 1 October 1958 and (2) to empower the directors to issue the 2,50,050 unclassified shares of £1 each, either as Ordinary shares ranking pari passu with the existing ordinary shares or as preference shares ranking pari passu with the existing preference shares.

Ashok Leylands Limited has made a call of Rs 2.50 per share on the 25 lakhs equity shares, making them Rs 5 fully-paid. The amount is payable on or before 15 July, 1960.



Mild Rally After A Nose-Dive

Watch-Dog Writes:

STOCK markets have suffered one of the sharpest setbacks after the recent upward movement. Sentiment has been demoralized not only by the notification issued by the Bombay Stock Exchange authorities clarifying the special deposit making-up prices, but also by the fears that the Government may take fresh measures to check excessive speculation. The only relieving feature of the week's trading is the small recovery in prices noticed toward the close, thanks to short-covering and some replacement buying at the lower levels.

Following weaker Bombay advices, prices on the Calcutta Stock Exchange developed a reactionary tendency, although the closing tone was better.

The Bombay Stock Exchange recorded an all-round sharp decline in values due to sizable bull liquidation, being induced by the Board's clarification of the recent directive to curb speculative activity. The market, however, showed some signs of recovery at the close.

Restricted trading and an easy tone were the main features of trading on the Madras Stock Exchange.

Wall Street finished the week on a firm note.

Calcutta

Calcutta, Friday Evening.

REOPENING after the long weekend due to "Id" festival, the local stock market displayed a firm undertone with prices responding to selective support. But, the market developed a reactionary tendency on Wednesday due to weaker Bombay advices and, with the speculative scrips giving way on renewed offerings from local as well as Bombay operators following the notification issued by the Bombay Stock Exchange authorities clarifying the special deposit making-up prices, the weakness spread even to other shares unaffected by the directive. The selling pressure, however, soon ran its course and the market showed signs of recovery toward the close, thanks to short-covering and some replacement buying. Assisting the sentiment was a further notification pertaining to "havala" rates, which might be fixed at a higher level than the normal making-up prices if the Bombay stock ex-

change authorities felt that equities were unduly depressed.

Conditions in the Gilt-edged section ruled extremely dull. There were sellers in most of the Loans with buyers reserved. As a result, prices tended to sag even on small offerings. Interest from institutional investors was conspicuous by its absence, while enquiry from other sources proved to be very limited. There were also no signs of official support by way of open market operations, which is usually at its peak at this time of the year. 3 per cent 1986 Conversion Loan opened at Rs 73 and, after improving at one time to Rs 73.25, receded at the close to Rs 72.90.

In sympathy with gilt-edged, Bank shares remained quiet with Punjab National being offered at Rs 18.81 against Rs 19.25. United Commercial changed hands at Rs 68 to Rs 68.50.

Jute shares were depressed due to lower advices from the gunny market following the news of a sharp increase in stocks with the mills at the end of last month and the continued absence of any enquiry from overseas buyers. Howrah was marked down at one time to Rs 22.12 from Rs 22.56; Birlas to Rs 31.62 from Rs 32 and New Central to Rs 30.25 from Rs 31.25, to finish better at Rs 22.25; Rs 31.75 and Rs 30.50 respectively. National had sellers at as low as Rs 27.00 against Rs 28.25 and Megna at Rs 11.94 against Rs 12.37. Among higher-priced shares, Anglo-India were a steady feature at Rs 215 and Delta at Rs 149.

Coal shares displayed, on the whole, a steady trend, thanks to the Government decision to allow the private collieries to extend their activities in new small areas. Bengal were well maintained at Rs 326, while East Indian had buyers at Rs 30.25 to Rs 30.50; Western Bengal at Rs 8.41 to Rs 8.56 and South Karanpura at Rs 11.94 to Rs 12.31. Burrakur fluctuated rather irregularly between Rs 19 and Rs 19.37, to finish at Rs 19.12.

Tea shares were fairly steady. Higher levels, however, could not be retained till the close due to profit-taking, being influenced by an anxiety to await the results of the new season's first export sale, to be held on Monday next. Attention was, however, mostly confined to the scrips of the Assam and Doorga gardens. Brooke Bond changed hands at Rs 18.19 to Rs 18.50; Bishnauth at Rs 22.62 to Rs 22.87; Groh at Rs 14.25 to Rs 14.44; Hasimara at Rs 24.75 to Rs 24.87; Hattikhira at Rs 13.75 to Rs 13.81; Jayshree at Rs 18.75 to Rs 19.25 and Tezapore at Rs 19.37 to Rs 19.75.

Sugar shares were selectively firm on expectation of improved earnings for various companies in view of a substantial rise in production for the season just ended. Raza/Buland met with business at Rs 13.87 to Rs 14.12; Belsund at Rs 14.50 to Rs 14.56; Cawnpore at Rs 15.37 to Rs 15.50; Ramnugger

at Rs 26.44 to Rs 26.50 and SKG at Rs 14.69 to Rs 15.00.

Textile scrips met with selective support, although there was a general disposition to await further developments in the textile situation. Jayshree closed better at Rs 16.00; Cawnpore at Rs 6.69 and Kesoram at Rs 32.75 after touching low levels of Rs 14.94; Rs 6.62 and Rs 30.62 respectively. New Victoria were quiet at Rs 1.44. Elgin were enquired upto Rs 19.87 from Rs 19.75.

In the Engineering section, price movements were mostly influenced by the speculative activity in Indian Irons which, in turn, were subjected to heavy selling pressure till Thursday on weaker Bombay advices. After opening at Rs 25.34, Indian Irons were gradually marked down to Rs 24.67 at which level some short-covering induced a minor rally to Rs 24.91, to finish the week at Rs 24.89. In sympathy, TEXMACO were at one time pushed down to Rs 27.15 from a high of Rs 27.75; G.K. Williams to Rs 43 from Rs 43.50 and Jessop to Rs 23 from Rs 23.87, to finish better at Rs 27.50; Rs 44.25 and Rs 23.50 respectively. Britannia had, however, support up to Rs 13.56 from Rs 13.37 and so also Braithwaite up to Rs 31.62 from Rs 31.50. Indian Galvanizing were more or less maintained at Rs 24.12. Burn were keenly sought after upto Rs 526 from Rs 477 on rumours of the company's proposal to make a right issue.

Miscellaneous issues moved with the general trend of the market. Following were the price trends of a few selected scrips:

	Week's Low	Week's High	Week's Close
Orient Paper	47.25	46.45	46.80
Shree Gopal	29.62	28.69	29.00
Sirpur	18.81	18.00	18.12
Bohats	37.94	37.06	37.62
Dunlop	42.50	41.87	42.25
H. Motor	21.56	20.81	21.37
I. Cable	34.50	33.81	34.50
I. Aluminium	27.62	26.62	27.50
I. Oxygen	40.87	39.00	39.00
I. Steamship	11.12	11.00	11.06
I. Copper	5.07	4.94	5.07
BTC	8.06	7.87	7.87
Asso. Battery	34.81	34.37	34.81
Union Carbide	39.75	38.12	38.12
Phillips	25.12	24.75	25.00

Madras

The Madras stock exchange opened here 7 June this week, Monday being a holiday for Bak-i-rid. It was all a seller's market with values very much lower than last week's. Cements and engineering shares alone commended enquiries while plantings and textiles proved to be very dull. The volume of business turned over too was very small considering this to be only the opening of the week's market.

Government Securities: The Madras Government's 31% 1962 loan was listed lower at Rs 99.30. Sellers offered the Madras 3% 1960 Development Loan at Rs 99.40 and business was reported in this even lower at Rs 99.30. The 41% Mysore Loan of 1970 continued at Rs 102.00. Kerala Government's 1970 41% Loan was available at Rs 100.97 and Andhra's 4% 1971 was saleable at Rs 99.65.

Banks: Enquiries were for the Rs 100 paid Indian Bank shares at Rs 172 and also for Indian Overseas Bank at Rs 168. The Punjab National continued its last week's quotation at Rs 19.35 and Pandyan too at Rs 39.25.

Electrics: South Madras shares were rated 5 nP lower than last week's closing of Rs 10.10. Enquiries or other shares were practically nil. Berhampur continued below par at Rs 6.50, as well as Negapatnam at Rs 9.60. Karaikkal did not improve beyond Rs 9.75 and Negapatnam had no enquiries at Rs 9.60. The rest of the shares were the same as if last week's.

Sugars and Breweries: India sugars had some sellers at Rs 13.50, as well as Kirlampudi at Rs 74, a rupee lower than last week's. Travancore shares showed some improvement at Rs 11.65. Cauvery was available at Rs 14.2. Deccan did not alter at Rs 14.15. United Breweries was stable at Rs 95.

Plantings: There was very poor turnover in this section. Coffee shares were offered at Rs 24.25 and Rs 25.40 respectively. Athimattam tea shares improved nominally to Rs 4.80. Blue Mountain came up for offer at Rs 4.97, less by 3 nP of last closing. Chembra also lost fractionally at Rs 4.45. Cochin Malabar was offered at Rs 8.30 and after transactions was offered even lower at Rs 8.25 today. Halleyburia was listed at Rs 15.75 and Gokul was quoted less at Rs 1.95. Kales rubber was offered for Rs 5.37. Lakshana was lower by 25 nP today at Rs 20.75. Midland improved at Rs 12.50. Nonsuch was bought at a higher rate at Rs 26.50. Ouchterlony continued steady at Rs 5.03. Periakamalai however was indifferent at Rs 3.77, lower today than on Friday last when it was available for Rs 3.80. Pathuthotam's improvement to Rs 2.85 was nominal. Savamalai shares were transacted at Rs 4.20, lower by 5 nP. Tirumbadi was quoted at Rs 1.76 along with the rest of the planting shares which were dull in outlook today. Velimalai continued at Rs 6.40, and Wartyhully improved by 5 nP to Rs 3.55.

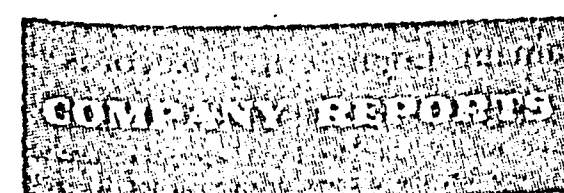
Textiles: There was not much to enthuse here also today. The Travancore Rayons came down Rs 38.25, a fall by another 25 nP from last weekend's Rs 38.50. This share too came up for sale unlike previous week. The newly listed shares of South India Viscose came down considerably in the list today to Rs 156.50 from Rs 159.00 last Friday when markets closed for that week. Vijayakumar shed a couple of rupees of its value at Rs 138. A few Buckingham shares were bought at an improved rate of Rs 205.00, a rupee higher than last week's rate. Bangalore Woollen remained, however, at Rs 200. Anglo-French maintained at Rs 105. Cambodia was available at Rs 10.10, Coimbatore Cotton (Rs 100 paid) at Rs 150, Coimbatore Spinning (at Rs 64.00) Kothari was offered at Rs 12.55 and Lakshmi was the same as last week's at Rs 158.50. Madura too did not change at Rs 33.10.

Miscellaneous: Aluminium Industries did not sustain its tendency to go higher in value being quoted

today at Rs 23.98 from Rs 26.75. Andhra Cement with taxable dividend was quoted only at Rs 10.40. Ashok Leyland continued to be bought at Rs 885. This had encouraging support and is proven by its improved value on the opening day today better than Rs 8.80 last week. Dalmia Cement, however, continued to be value at lower levels and today's rate of Rs 12.20 was certainly poorer than its last week's outlook. India Cement, however, reflected the popular favour for this cement shares and today it was available only at a higher rate of Rs 6.65, an increase of five nP. F.A.C.T.s also was fancied at Rs 11.05. Marikar did not improve beyond Rs 51. Mysore Chemical and Fertilisers was below par at Rs 9.90. Mettur Chemical was steady at Rs 12.35. Orissa Cement could be had only at Rs 13.80. Panyam Cement was stable at Rs 85. Spencer was sought after at a slightly increased quotation of Rs 20.37. This investment gained another three rupees at Rs 305. Standard Motor improved to Rs 16.70. Western India Plywoods was quoted at Rs 300.

Now York
PRICES on Wall Street displayed a firmer tendency with a good distribution of gains up to almost two points. As a matter of fact, the Dow Jones Industrial Average broke through the closing high of last April and rose to its best level since early February. The improvement in sentiment reflected short-covering and re-investment demand, attracted by such factors as progress toward the settlement of rail labour disputes, an expected recovery in steel output, higher heavy fuel oil prices in the mid-continent area, brisk car sales in the last ten days of May and some expressions of confidence concerning business prospects in the second half of the year. The advance in prices was led by Assorted Steels, Oils, Motors, Electronics and Rails.

In Briefs
The United Industrial Bank Limited has reported a loss of Rs 92,965 for 1959 as against a loss of Rs 44,810 in the previous year. The loss is primarily due to the fact that interest amounting to Rs 2 lakhs and odd from certain advances could not be applied to Profit & Loss Account, as the amount was not covered by the relative securities held.
Alemic Chemical Works Company Limited has shown a rise in net earnings from Rs 32.35 lakhs to Rs 38.55 lakhs for 1959. A dividend of 16 per cent, subject to tax, is payable on an Ordinary capital increased by Rs 20 lakhs.
The net profit of the Binod Mills Company Limited has risen from Rs 1.17 lakhs to Rs 1.54 lakhs. The directors have recommended a taxable dividend of Rs 7.50 per share.
The net profit of the Udayasiri Rubber Company Limited has risen from Rs 35,252 to Rs 72,926. A taxable dividend of 15 per cent is recommended against a tax-free dividend of 7 1/2 per cent.



Encouraging Results of Indian Standard Wagon

Balance-Sheet Reviews

THE working results of the Indian Standard Wagon Company Limited for the year ended 31 March 1960, are encouraging. Although production has been hampered due to shortage of steel and sales are lower at Rs 5.51 crores against Rs 5.80 crores, the net profit for the year, after providing for Depreciation and Taxation, is higher at Rs 23.68 lakhs against Rs 19.73 lakhs in the previous year, thanks to a cut in the value of purchase of raw materials from Rs 3.35 crores to Rs 2.61 crores. The Depreciation amount is raised to Rs 4.68 lakhs from Rs 3.33 lakhs, while Plant Replacement Reserve is maintained at Rs 5.00 lakhs and General Reserve at Rs 1.00 lakhs. The sum provided for Development, Rebate, Statutory Reserve is higher at Rs 2.41 lakhs against Rs 1.25 lakhs. Taxation provision is, however, reduced to Rs 22.88 lakhs from Rs 24.64 lakhs and General Development Reserve to Rs 2.68 lakhs from Rs 3.38 lakhs. The directors have recommended a dividend of 28 1/2 per cent on the Ordinary shares. This works out to a net dividend of 19.94 per cent against 20 per cent.

The directors look forward to the time which, it is hoped, will be soon when the increase in the production of steel results in a steady flow of supplies to fabricators. When this position does obtain and an increased quantity of work can be undertaken, it may be possible to improve the output.

With an increase in the number of wagon manufacturers and a possible falling oil in demand for wagons from the Government of India in a few years' time, the directors are turning their attention to the creation of a wagon export market.

The balance-sheet shows a paid-up capital of Rs 58.65 lakhs dividend into 1,55,940 Ordinary shares of 25 each and 19,665 Preference shares of Rs 100 each. Against this, reserves are shown at Rs 76.82 lakhs. The gross block at Rs 1.25 crores is depreciated by Rs 72.85 lakhs to show a net block value of Rs 51.88 lakhs.

	1958	1959	1960
Year ended March			
Sales	55,050,477	58,040,663	63,167,400
Depreciation	2,432,902	3,085,032	2,823,388
Stocks of Raw Materials	13,681,914	22,153,793	14,542,556
Work in Progress	15,788,640	16,268,992	28,972,068
Net Profit	5,122,868	4,775,184	5,214,065
Taxation	2,268,000	2,464,000	2,600,000
Depreciation	466,886	338,552	318,825
Reserve Fund	100,000	100,000	100,000
Development, Rebate	568,496	460,803	658,778
Other Funds	500,000	500,000	500,000
Div. Amount Ord.	1,111,073	779,700	779,800
Div. Amount Pref.	137,655	137,655	137,655
Carry Forward	48,705	37,450	42,976
Div. Ord.	281(T)	20	7
Div. Pref.	(1(T))	7	7

	1958	1959	1960
Assets			
G. Block	12,374,955	11,172,454	10,040,689
Depreciation	7,285,332	8,834,127	6,495,575
Block (net)	5,089,623	4,338,327	3,545,114
Cap. Exp. in Progress	98,315	933,696	866,506
Stores	1,218,189	1,419,961	1,739,863
Work in Progress	15,788,640	16,268,992	28,972,068
Raw Materials and Stock	13,681,914	22,153,793	14,542,556
Outstandings	2,976,332	5,193,645	5,711,505
Do. More than 3 months	3,208,211	3,749,287	3,450,323
Mis. Deposits and Advances	2,238,317	2,940,876	3,472,591
Investments	303,262	303,262	303,262
Deposits in Banks	3,000,000	1,000,000	
Cash	710,203	1,451,329	1,089,736
Total	48,315,008	59,753,168	64,193,524

	1958	1959	1960
Liabilities			
Capital Paid-up:			
Ordinary	5,000,000	5,000,000	5,000,000
Reserve Fund	2,800,000	2,800,000	2,800,000
Other Funds	1,635,414	1,488,414	1,488,414
Loans Secured	2,500,939	2,369,756	2,233,765
Loans Unsecured	688,052	96,368	
Taxation Provision	49,080	58,029	31,829
Debt	893,799	1,088,642	655,026
Carry Forward	18,524	6,792	4,243
Total	8,400,786	9,096,051	7,716,277

Dividend Raised by Delta Jute

Thanks to increased profits, the Delta Jute Mills Company Limited has recommended a taxable dividend of Rs 14 (including the final dividend of Rs 8) per share for the year ended 30 November, 1959. This works out to a net dividend of Rs 9.80 against Rs 6.00 per share previously.

Although sales are lower at Rs 12.91 crores against Rs 13.34 crores, the net profit, after providing for Depreciation and Taxation, amounts to Rs 7.21 lakhs as against Rs 4.24 lakhs in the previous year, mainly due to a cut in the value of jute consumed from Rs 74.36 lakhs to Rs 65.09 lakhs. Apart from providing a sum of Rs 1.50 lakhs, the Depreciation amount is raised to Rs 3.81 lakhs from Rs 1.95 lakhs. Taxation provision is reduced to Rs 40,000 from Rs 57,843 and Development Rebate Reserve to Rs 1.31 lakhs from Rs 2.83 lakhs. The sum provided for Development, Rebate, Statutory Reserve is higher at Rs 2.41 lakhs against Rs 1.25 lakhs. Taxation provision is, however, reduced to Rs 22.88 lakhs from Rs 24.64 lakhs and General Development Reserve to Rs 2.68 lakhs from Rs 3.38 lakhs. The directors have recommended a dividend of 28 1/2 per cent on the Ordinary shares. This works out to a net dividend of 19.94 per cent against 20 per cent.

The directors state that, in view of the parity between the prices of raw jute and finished goods and the probability of production being curtailed, the results for the current year are likely to be less favourable.

During the year, orders were placed for the remainder of the modern slip draft machinery required to supply the light yarns for 87 1/2 per cent of the mill's complement of looms and orders have subsequently been placed for modern machinery for the sacking wefts yarns also.

Against the paid-up capital of Rs 33 lakhs, General Reserve stands at Rs 16.38 lakhs; Dividend Equalisation Reserve at Rs 4.40 lakhs; Emergency Reserve at Rs 13.75 lakhs and Superannuation Reserve at Rs 2.40 lakhs. The gross block is shown at Rs 1.03 crores; total depreciation at Rs 54.62 lakhs and the net block at Rs 48.13 lakhs.

	1958	1959	1960
Assets			
G. Block	12,374,955	11,172,454	10,040,689
Depreciation	7,285,332	8,834,127	6,495,575
Block (net)	5,089,623	4,338,327	3,545,114
Cap. Exp. in Progress	98,315	933,696	866,506
Stores	1,218,189	1,419,961	1,739,863
Work in Progress	15,788,640	16,268,992	28,972,068
Raw Materials and Stock	13,681,914	22,153,793	14,542,556
Outstandings	2,976,332	5,193,645	5,711,505
Do. More than 3 months	3,208,211	3,749,287	3,450,323
Mis. Deposits and Advances	2,238,317	2,940,876	3,472,591
Investments	303,262	303,262	303,262
Deposits in Banks	3,000,000	1,000,000	
Cash	710,203	1,451,329	1,089,736
Total	48,315,008	59,753,168	64,193,524

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

	1958	1959	1960
Liabilities			
Capital Paid-up:			
Ordinary	5,000,000	5,000,000	5,000,000
Reserve Fund	2,800,000	2,800,000	2,800,000
Other Funds	1,635,414	1,488,414	1,488,414
Loans Secured	2,500,939	2,369,756	2,233,765
Loans Unsecured	688,052	96,368	
Taxation Provision	49,080	58,029	31,829
Debt	893,799	1,088,642	655,026
Carry Forward	18,524	6,792	4,243
Total	8,400,786	9,096,051	7,716,277

Raymond Maintains Distribution

The expansion and modernisation schemes of the Raymond Woollen Mills Limited were successfully implemented during 1959. This resulted in greater efficiency and steady improvement in the quality and quantity of production.

Sales have risen to Rs 24.4 crores from Rs 22.01 crores, while the net profit after providing for Depreciation and Taxation, amounts to Rs 16.48 lakhs against Rs 15.24 lakhs in the previous year. The directors have provided Rs 6.85 lakhs (Rs 4.60 lakhs) for Depreciation; Rs 2.20 lakhs (Rs 2.25 lakhs) for Rebate; Rs 2.40 lakhs (Rs 2.40 lakhs) for Development; Rs 60,000 (Rs 40,000) for Investment; Depreciation Reserve and Rs 25.50 lakhs (Rs 6.50 lakhs) for General Reserve. A taxable dividend of Rs 11.50 is recommended. This works out to a net dividend of Rs 8.00 per share, same as in the previous year.

The company's factory for the manufacture of Engineers' Steel Files worked satisfactorily during the year under review. The expansion programme of this branch side, doubling the capacity of the factory at a total cost of about Rs 1.50 lakhs is expected to be completed during the current year.

The paid-up capital, is shown at Rs 3 crores divided into 75,000 Ordinary and 25,000 5 per cent Cumulative Preference shares, both of Rs 100 each. Against this, reserves and surplus are shown at Rs 20.27 lakhs. The gross block at Rs 1.70 crores is depreciated by Rs 81.75 lakhs to show a net block of Rs 87.86 lakhs.

	1958	1959	1960
Assets			
G. Block	12,374,955	11,172,454	10,040,689
Depreciation	7,285,332	8,834,127	6,495,575
Block (net)	5,089,623	4,338,327	3,545,114
Cap. Exp. in Progress	98,315	933,696	866,506
Stores	1,218,189	1,419,961	1,739,863
Work in Progress	15,788,640	16,268,992	28,972,068
Raw Materials and Stock	13,681,914	22,153,793	14,542,556
Outstandings	2,976,332	5,193,645	5,711,505
Do. More than 3 months	3,208,211	3,749,287	3,450,323
Mis. Deposits and Advances	2,238,317	2,940,876	3,472,591
Investments	303,262	303,262	303,262
Deposits in Banks	3,000,000	1,000,000	
Cash	710,203	1,451,329	1,089,736
Total	48,315,008	59,753,168	64,193,524

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

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
5% C. Pref.	2,500,000	2,500,000	2,500,000
Ordinary	7,500,000	7,500,000	7,500,000
Reserve Fd. No. 1	330,000	330,000	330,000
Reserve Fd. No. 2	900,000	650,000	355,000
Other Funds	740,000	440,000	1,269,113
Loans Secured	9,263,167	10,360,411	9,214,180
Loans unsecured	597,531	544,043	71,327
Taxation Provision	1,034,151	947,000	71,327
Debits	4,149,935	3,806,198	3,320,138
Carry Forward	57,378	2,70,627	11,792
Total	27,702,212	26,598,119	25,481,550

Cambodia Mills Incur Loss

The difficult conditions experienced generally by the textile industry are fully reflected in the working results of the Cambodia Mills Limited for the year 1959. Although sales are higher at Rs 1.13 crores against Rs 68.75 lakhs, the accounts reveal a loss of Rs 3.19 lakhs against a loss of Rs 14.84 lakhs in the previous year. No depreciation has been provided for the year. In the previous year, a sum of Rs 5,543 was set apart for Wealth Tax and Rs 18,500 for Development Reserve. For obvious reasons, the dividend has been again passed over.

The directors state that, as a result of allotments of foreign cotton for which the company became eligible by its expanding yarn exports and which are hitherto denied to the company and a coarse count spinning mill, they have been able to operate on a more balanced spin plan.

The subscribed capital is shown at Rs 21 lakhs divided into 2 lakhs ordinary shares of Rs 10 each and 1,000-7 per cent Cumulative Preference shares of Rs 100 each. Against this, Reserves and surplus are shown at only Rs 18,500. Gross block amounts to Rs 41.24 lakhs; total depreciation to Rs 28.08 lakhs and the net block to Rs 25.18 lakhs.

Mg. Agents:—Petre Leslie & Co., Ltd.

Year ended Decr.	1959 Rs.	1958 Rs.	1957 Rs.
Sales	11,264,364	6,875,344	12,610,081
Stocks	460,622	854,282	745,029
Works in progress	115,413	103,048	99,222
Net profit	—318,567	—1,464,376	—50,341*
Taxation	—	15,543	16,983
Depreciation	—	—	241,275
Development Reserve	—	18,500	—
Carry Forward	—2,179,050	—1,860,493	—362,065
Div. % Ord.	nil	nil	5
Div. % Pref.	nil	nil	7

(Annual General Meeting on 24-6-60 at 4 p.m.).
*After transferring Rs 100,000 from General Reserve.

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

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
7% C. Pref.	100,000	100,000	100,000
Ordinary	2,000,000	2,000,000	2,000,000
Reserve Fund	1,900,000	1,900,000	600,000
Other Funds	18,500	18,500	140,000
Loans Secured	3,184,622	3,172,635	470,745
Taxation Provision	—	—	16,083
Debits	552,970	435,441	481,553
Total	7,728,092	7,628,578	4,969,081

Decline in Profits of Mysore Sugar

Although sales are higher at Rs 3.92 crores against Rs 3.80 crores, the net profit of the company, before providing for Depreciation and Taxation, has shown a substantial decline to Rs 27.60 lakhs for the year ended 30 June, 1959 from Rs 34.58 lakhs in the previous year. The directors have set apart Rs 7.79 lakhs (7.22 lakhs) for Depreciation; Rs 8.00 lakhs (Rs 19 lakhs) for Taxation; Rs 1.27 lakhs (Rs 49,065) for Development Rebate Reserve and Rs 5 lakhs (Rs 6 lakhs) for Plant Rehabilitation Reserve. A taxable dividend of 30 per cent is recommended against a tax-free dividend of 30 per cent paid for 1957-58.

The paid-up capital is Rs 21,79,280 divided into 2,17,928 shares of Rs 10 each. Against this, reserves and surplus are shown at Rs 99.45 lakhs. The gross block of Rs 1.62 crores is depreciated by Rs 1.02 lakhs to show a net block of Rs 60.45 lakhs.

The quantity of cane crushed is lower at 3.53 lakhs tons against 3.84 lakh tons and the sugar manufactured at 35,771 tons against 39,520 tons. There is a slight setback in alcohol production consequent on the fall in demand.

Mg. Director and Chairman:—Sri B. M. Krishnan.

Year ended June	1959 Rs.	1958 Rs.	1957 Rs.
Cane Crushed (tons)	354,742	383,614	224,228
Sugar (tons)	35,771	39,520	21,631
Sales	38,211,903	38,006,734	24,122,869
Stocks	4,949,498	5,032,626	3,244,734
Net profit	2,760,477	3,458,351	1,094,727
Taxation	800,000	1,600,000	—
Depreciation	778,697	721,711	711,512
Development Rebate Reserve	127,081	49,065	—
Other Funds	600,000	600,000	—
Div. Amount Ord.	553,784	553,784	435,856
Carry Forward	45,172	144,257	210,466
Div. % Ord.	30(1)	30	20

(Annual General Meeting on 28-6-60 at 2-30 p.m.).

Synopsis of balance sheet as on the last day of June

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up	2,179,280	2,179,280	2,179,280
Reserve Fund	6,250,000	6,250,000	6,250,000
Other Funds	3,650,189	3,023,108	2,374,043
Staff Gratuity and Provident Fund	3,358,478	2,811,724	2,419,466
Loans Secured	2,321,282	1,642,231	2,652,567
Taxation Provision	3,847,446	3,047,446	1,534,165
Debits	7,211,282	5,811,902	4,982,023
Carry Forward	45,172	144,257	210,466
Total	28,663,129	24,909,948	22,583,950

Assets

G. Block	1959 Rs.	1958 Rs.	1957 Rs.
Depreciation	16,210,219	15,731,189	15,213,930
Total	10,173,932	9,178,759	8,925,546

Block (net)	1959 Rs.	1958 Rs.	1957 Rs.
Cap. Exp. in Progress	6,045,287	6,113,316	6,288,385
Stores	125,967	203,732	275,282
Stocks	4,107,766	4,236,197	3,626,076
Raw Materials	572,174	521,001	473,349
Outstandings	4,949,498	5,032,626	3,244,734
Do. More than 3 months	196,895	228,905	586,191
Mis. Deposits and Advances	274,287	203,124	213,843
Investments	4,782,303	3,717,172	4,131,985
Investments	4,888,473	4,017,567	3,496,607
Cash	2,922,379	636,306	247,518
Total	28,663,129	24,909,948	22,583,950

Kamani Engineering Records Highest Production

The Kamani Engineering Corporation Limited has recorded the highest production for the year ended 30 September 1959, being 10,030 tons of galvanized and painted steel structures as against 9,374 tons in the previous year. The sale value of the manufactured products and erection work undertaken amounted to Rs 1.32 crores out of a total turnover of Rs 1.68 crores. This figure, in spite of the higher production, may appear to be lower than that of the previous year; because some of the projects supplied their own steel free of cost and its value does not figure in the value of the turnover as only the engineering and manufacturing costs were charged.

In response to the country's call for earning foreign exchange, an Export Sales Department was set up, which did considerable groundwork in introducing the company and its various productions throughout the world. The results of the first few overseas tenders in which the company participated was encouraging.

Most of the plans for development were finalised. The company has achieved further improvement in the already high standard of the quality of products. In spite of acute shortage of foreign exchange, the company was able to secure total orders worth Rs 2.90 crores during the year.

The net profit for the year, before providing for Depreciation and Taxation, is higher at Rs 14.23 lakhs as against Rs 13.92 lakhs for the previous year. The directors have provided Rs 4.41 lakhs (Rs 7.01 lakhs) for Depreciation; Rs 4.85 lakhs (Rs 4.05 lakhs) for Taxation and Rs 92,128 (Rs 24,603) for Development Rebate Reserve. A taxable dividend of 71 per cent is recommended on the Ordinary shares. This works out to a net dividend of 4.25 per cent against 5 per cent for the previous year.

Mg. Agents:—Kamani Brothers Private Ltd.

Year ended Sept.	1959 Rs.	1958 Rs.	1957 Rs.
Sales	16,761,325	28,475,728	16,818,804
Stocks	3,768,789	1,029,645	1,709,086
Works in Progress	831,121	613,220	597,150
Net profit	1,423,233	1,312,175	553,399
Taxation	485,627	406,000	25,000
Depreciation	440,555	701,009	949,037
Reserve Fund	—	25,000	—
Development Rebate Reserve	92,128	24,603	—
Div. Amount Ord.	348,459	294,813	—
Div. Amount Pref.	66,000	66,513	165,000
Carry Forward	2,467	11,374	68,226
Div. % Ord.	(71T)	5	Nil
Div. % Pref.	(81T)	54	11(A)

(Annual General Meeting on 24-6-60 at 4 p.m.).
(a) Pref. dividend for the years ended 30-6-59 and 30-9-57.

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

Liabilities	1959 Rs.	1958 Rs.	1957 Rs.
Capital Paid-up:			
5% C. Pref.	1,500,000	1,500,000	1,500,000
Ordinary	4,496,250	4,496,250	4,496,250
Forfeited Shares	1,875	1,875	1,875
Reserve Fund	275,000	275,000	250,000
Other Funds	130,633	38,291	7,957
Loans Secured	7,324,261	5,807,582	6,141,130
Taxation Provision	899,190	440,332	37,715
Debits	7,095,270	8,107,812	4,996,463
Carry Forward	2,467	11,374	68,226
Total	21,724,966	20,678,410	17,487,604

Assets

G. Block	1959 Rs.	1958 Rs.	1957 Rs.
Depreciation	6,246,798	5,691,406	5,550,741
Total	2,713,547	2,332,632	1,671,411

Block (net)	1959 Rs.	1958 Rs.	1957 Rs.
Lahore Account	3,532,251	3,358,774	3,388,330
Stores	288,195	703,743	832,742
Stocks	947,991	665,009	645,527
Raw Materials	831,124	673,229	627,190
Stocks	3,066,412	2,468,727	2,229,789
Outstandings	3,768,789	1,029,645	1,709,086
Do. More than 3 months	2,933,010	6,069,370	4,336,125
Mis. Deposits and Advances	4,708,160	3,221,553	2,178,450
Investments	1,004,718	940,373	389,472
Investments	193,128	168,128	184,380
Cash	433,209	1,291,063	436,515
Total	21,724,966	20,678,410	17,487,604

11 June 1960

RESERVE BANK OF INDIA
ISSUE DEPARTMENT:
(In 000's of Rupees).

	3-6-60	27-5-60	5-5-59
LIABILITIES:			
Notes in Banking Dept.	23,86,53	32,10,96	13,93,25
Notes in Circulation	1867,88,42	1860,98,96	1755,42,97
	1891,74,95	1893,09,92	1769,36,22
ASSETS:			
A Gold Coin & Bullion:			
(a) In India	117,76,03	117,76,03	117,76,03
(b) Outside India	—	—	—
Sterling Securities	158,00,09	163,00,89	178,00,89
Total A	275,76,92	280,76,92	295,76,92
(B) Rupee Coin	124,58,17	125,93,01	127,82,68
Rupee Securities	1491,39,86	1486,39,99	1345,76,62
	1891,74,95	1893,09,92	1769,36,22

BANKING DEPARTMENT:

	5,00,00	5,00,00	5,00,00
LIABILITIES:			
Capital Paid-up	80,00,00	80,00,00	80,00,00
Reserve Fund	—	—	—
National Agricultural Credit (Long-term Operations) Fund	30,00,00	30,00,00	25,00,00
National Agricultural Credit (Stabilisation) Fund	4,00,00	4,00,00	3,00,00
Deposits:			
(a) Central Govt.	66,96,56	52,01,26	53,04,36
(b) Other Govt.	16,79,48	34,49,10	13,17,32
(c) Banks	97,68,28	103,64,41	74,01,71
(d) Others	98,68,54	97,82,99	119,91,86
Bills Payable	16,19,48	16,61,65	16,10,26
Other Liabilities	59,09,63	57,74,08	52,57,97
	473,54,97	481,32,89	441,83,48
ASSETS:			
Notes	23,86,53	32,10,96	13,93,25
Rupee Coin	1,75	1,80	1,99
Subsidiary Coin	5,17	5,13	2,86
Bills Discounted:			
Internal	—	—	—
External	—	—	—
Govt. Treasury Bills	18,07,55	18,10,55	19,91,38
Balances held abroad	10,51,14	9,54,47	32,22,34
Loans & adv. to Govt.	44,42,49	42,08,07	32,22,34
Other Loans & Adv.	120,23,38	108,44,95	63,20,45
Investments	240,58,55	255,62,09	298,32,34
Other Assets	15,78,41	15,34,87	13,43,88
	473,54,97	481,32,89	441,83,48

(1) The item 'Other Loans and Advances' included Rs 12,40,00,000 advanced to scheduled banks against usance bills under Section 17(4) (c) of the Reserve Bank of India Act.

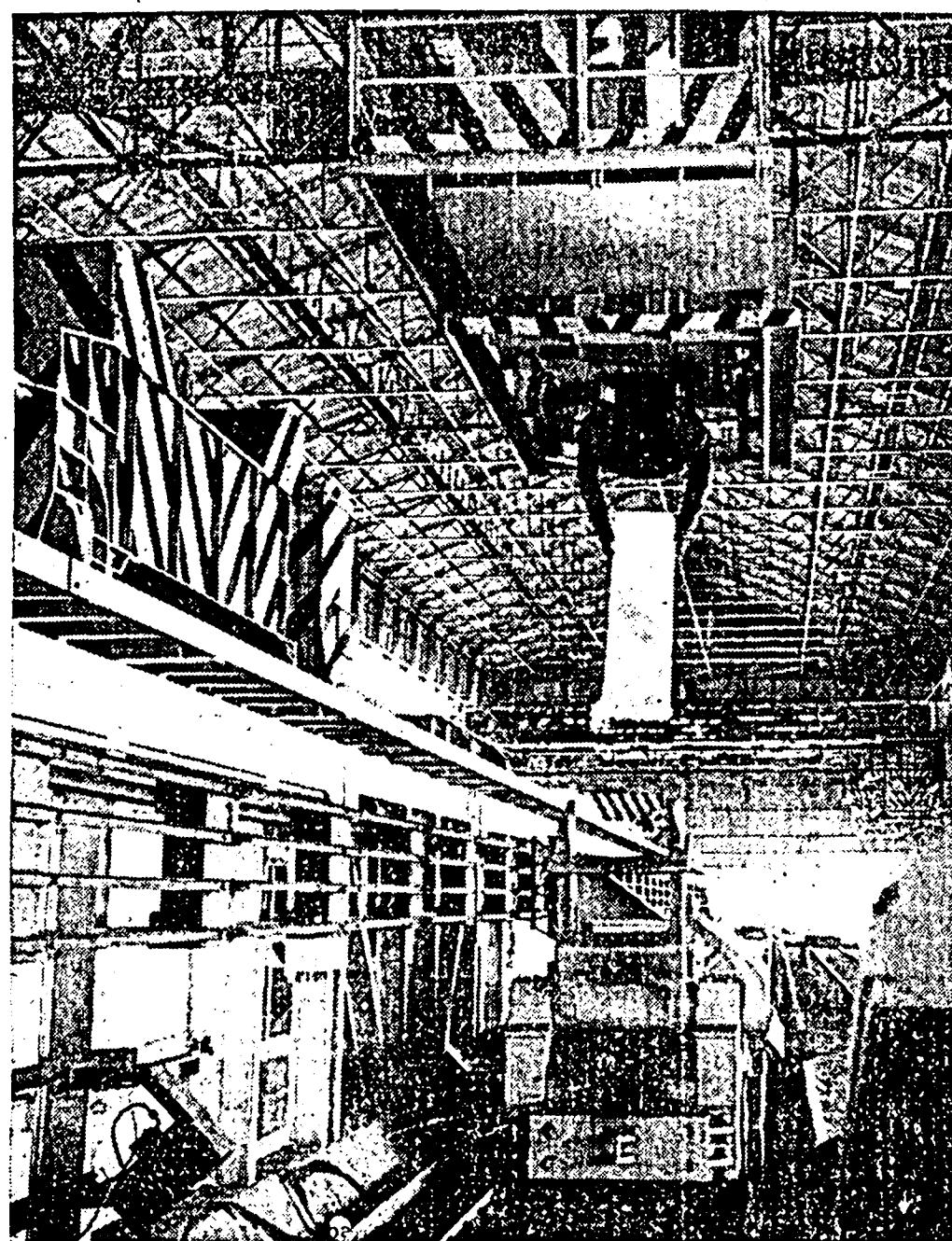
SCHEDULED BANKS IN INDIA
(In 000's of Rupees).

	29-5-59	20-5-60*	27-5-60*
Demand Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	27,88,94	15,14,68	18,35,75
(ii) Other demand liabilities	719,48,91	763,94,44	769,43,10
Time Liabilities in India			
(i) Borrowings from banks other than the State bank & a notified Bank (A)...	26,53,30	24,36,55	24,22,47
(ii) Other time liabilities	986,91,23	1176,04,06	1174,54,42
Borrowings in India from the State Bank and/or a notified Bank			
(i) Demand Liabilities	8,16,00	12,36,95	12,30,92
(ii) Time Liabilities	55,00	1,66,00	1,64,00
Borrowings in India from the R. B. I.	10,51,74	45,17,01	36,52,75
Cash in India	44,22,16	47,70,58	47,66,14
Balances with the Reserve Bank of India	69,25,71	90,03,73	95,17,34
Balances with other banks in current account in India	13,61,89	15,48,12	15,30,27
Money at call and short notice in India	39,14,86	27,94,89	30,72,64
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposits Receipts	635,01,83	746,24,31	745,68,04
Advances in India	865,36,94	962,49,64	962,43,90
Inland Bills Purchased and Discounted in India	109,96,14	119,59,43	117,69,44
Foreign Bills Purchased and Discounted in India	34,52,54	45,61,78	45,03,69

*Figures are provisional since complete returns have not been received from Banks.
A—Excluding borrowings from R.B.I. also.

STATE BANK OF INDIA
(In 000's of Rupees).

	3-6-60	27-5-60	5-5-59
LIABILITIES:			
Capital Paid-up	5,62,50	5,62,50	5,62,50
Reserve Funds	7,20,00	7,20,00	7,00,00
Deposits and other Accounts	613,83,73	628,87,62	523,32,62
Borrowings from other Banks, Agents, etc.	31	—	—
Bills Payable	10,74,48	12,28,62	10,14,05
Bills for Collection as per contra	1,39,02	1,41,13	1,61,22
Acceptances etc. for constituents as per contra	2,18,53	1,58,50	1,43,29
Other Liabilities Including Inter-office Adjustments	6,75,92	9,31,61	5,90,72
Total	667,74,49	666,29,98	555,04,40
ASSETS:			
Cash in hand and with R. B. I.	22,12,77	36,82,16	25,61,41
Balances with other Banks	3,86,23	2,86,63	2,55,70
Money at call and short notice	86,67	1,10,00	2,60,00
Government and other Trustee Securities	394,10,52	384,21,98	3



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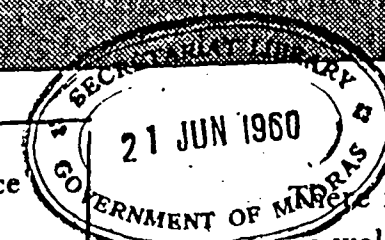
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Indian Finance



Indian Finance
Saturday
18 June 1960
Volume LXV No 24
Price: Rs 1.50

HIGHLIGHTS OF THIS ISSUE

There is a Consensus in India that Capital from whatever source is welcome.

But it is also recognised that there are limits to the rate of inflow of foreign Capital.

The First Leading Article, however, contends that the channel of flow can be both widened and deepened.

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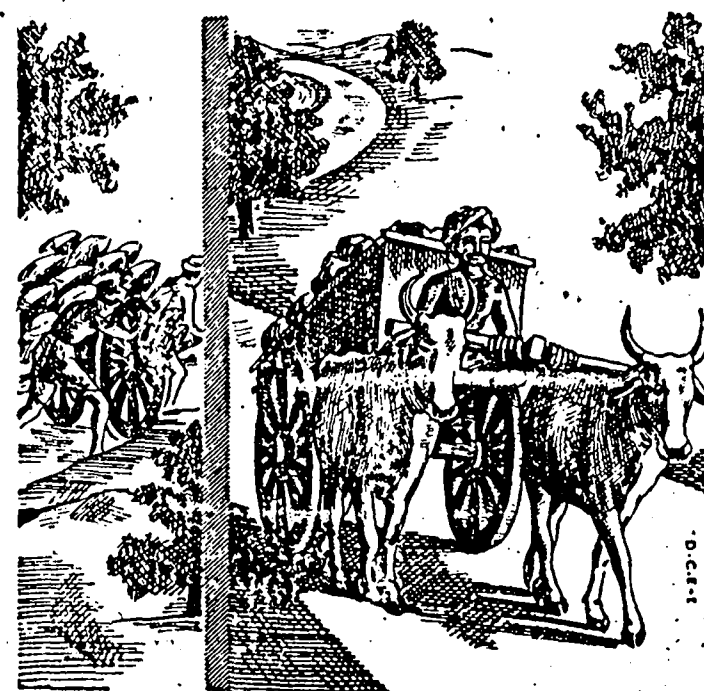
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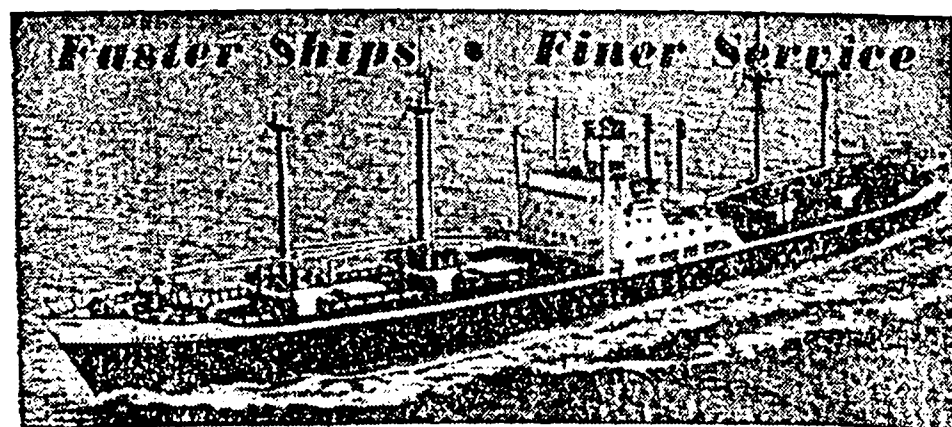
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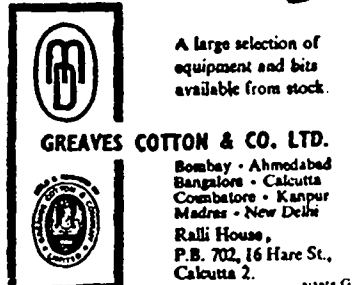
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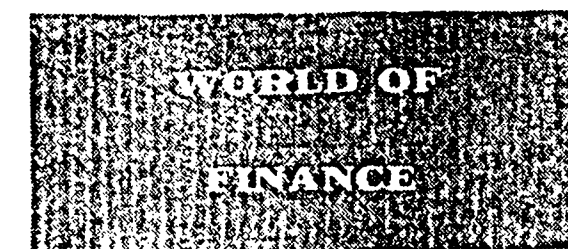
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Rs 110 Crores Target for Credit Contraction

FOR the third year in succession, Mr H. V. R. Iengar has seen it fit, on the threshold of the slack season, to address a letter to Scheduled Banks in calling upon them to seek a certain minimum of contraction in Advances as the target they should set themselves. In each of the previous two years, the decline in Advances that the Governor of the Reserve Bank thought desirable was Rs 100 crores. This year, he has suggested that the magnitude of reduction should be somewhat higher at Rs 110 crores. We may point out here that we had anticipated, in the issue of 30 April, that there would be a call for a larger quantum of credit contraction; however, we had felt that the target should be set even higher at Rs 125 crores. In the same article we had argued that, "this time, the motive, both implicit and explicit, will not be desirability in such wise of freeing resources with the banking system, so that the financing of the next busy season would not present a too serious problem; it will presumably be frankly admitted that the price trends necessitate recourse to various measures of selective monetary control". That is to say, both in 1958 and in 1959, it was the lesson learnt from the monetary stringency experienced during the 1956-57 busy season which impelled the Reserve Bank Governor to persuade the banks to bring about a certain minimum contraction in Advances, so that the financing of the succeeding busy season would present less difficulty than might otherwise have been faced. Here, too, our anticipation has been confirmed. The text of Mr Iengar's letter to the Scheduled Banks begins as follows:—

"I have from time to time expressed, both publicly and in private communications to bankers, the concern felt by the Reserve Bank at the movement of the price level. This has been continuously on the increase since the commencement of the Second Five Year Plan. Notwithstanding two good harvests of foodgrains and a substantial rise in industrial production in 1959, the current index of wholesale prices is about 9 per cent higher than a year ago. It seems all too probable that the uptrend will continue in the slack season, if effective steps are not taken in the meantime."

Mr Iengar goes on to admit that monetary measures as such have only a somewhat limited effect. He adds: "Nevertheless, it is essential that these steps are taken." What are these measures and why is it essential that they should be instituted?

It is not at all implied, in the letter or elsewhere, that the Reserve Bank or the monetary authorities in this country are against dear money. It is not even an inference that we may safely make. True, there have been stray instances whereat the monetary authorities in their individual persons have tried to stress the inutility of bank rate weapon in Indian conditions. So, there are the other measures which have to be taken, and their essentiality is for quite another reason.

At this stage, it is also proper that we should clarify our stand on the kind of monetary policy that we believe would be best suited

to Indian conditions. We have, particularly since the planning era began, been consistently against dear money. In successive stages, in years past, we have been gratified to find that, with a re-ordering of the structure of interest rates, despite the recurrent pressures on money, interest rates have tended to soften. We do not believe that it is either necessary or desirable that bank rate—or de facto bank rate—should be lower than 3½ per cent. Indeed, we see no reason why we can competently or justifiably or reasonably suggest that bank rate needs to be brought down from its present level of 4 per cent. There is nothing unharmonious about bank rate at 4 per cent and the yield on short dateds being rather lower at, say, 3½ per cent. The whole structure of monetary interest rates needs to have a tenuous link with the primary rate, or the lending rate of the Government, which is 4 per cent. This does not mean that, as was the case spectacularly during 1956, the rate of interest offered by Scheduled Banks for their Deposits should considerably exceed bank rate. And now, that link between Deposit rates and bank rate is being sought to be forged through inter-bank agreements, instead of through conventions as happens in the United Kingdom. The disparity between the term money rates and bank rate has been far too small, and the future of banking earnings will decide whether the rates charged for Advances are to go up. In either case, because they are faced with such a situation for the first time, India's bankers are being left with no alternative than to subject the whole matter of interest rates to the closest possible scrutiny, since otherwise banking profits are being threatened to be squeezed out of existence.

So, we are not here trying to be apologists for cheap money. But we have always maintained that chaos existed in the structure of interest rates in India, and our suggestions from time to time have been with a view to ridding the Indian economy of such evidence of chaos. We now believe that there is now greater hope than ever before of being able to achieve this re-ordering of interest rates.

Selective monetary control, which may be said to have been instituted with the beginning of the Second Plan, took on a new aspect from March this year when, for the first time, the Reserve Bank utilised its powers of varying the reserve ratios. In other respects, directives from time to time have been issued limiting the quantum of Advances which banks might extend against particular commodities which happened to be in short supply. The Reserve Bank Governor has himself admitted that measures taken in the organised sector of the money market are of but limited avail in checking trends in prices. Why, then, their essentiality? It seems to us that, for foreign consumption, the Reserve Bank must be able to prove that the Indian monetary authorities are making every possible effort to hold the price line and thereby to make it clear that, if bank rate weapon is being scrupulously avoided, it is because that weapon is futile in the context of the kind of money market that India possesses. Action there must be, and, if, in the event of spectacular increase in bank Deposits, an attempt is made to reason that these Deposits are being allowed to aggravate inflationary tendencies, the Reserve Bank can turn round and say: India is exercising the strictest vigilance as to the availability of banking finance for commodities in short supply, the Reserve Bank has been anxious about the excessive liquidity of the banking system and the Reserve Bank has consequently deactivated fully half of the newly accruing resources.

But the measures taken by the Reserve Bank will somewhat affect Government's borrowing programme. In the 1959 slack season, the Deposits of the banking system rose by Rs 115 crores; and, moreover, as between the last Friday of April and the last Friday of October of the year, Advances contracted by Rs 81 crores. Thus, of the Rs 196 crores comprising new resources or released resources, banks used as much as Rs 178 crores to add to their investment portfolio. What is likely to be the experience in the 1960 slack season?

We may be sure that the growth in Deposits will be maintained, if it does not quicken. Our view is the rise in Deposit resources may amount to Rs 125 crores, and we are of the view that contraction in Advances may also rise to Rs 125 crores. But this does not mean that banks will be in a position to utilise the bulk of such new or released resources for purchase of gilt-edged.

This is because, in the first place, half of the new Deposits, or Rs 62 crores, will go to swell the statutory balances with the Reserve Bank. Then, as on the last Friday in April 1960, borrowings from the Reserve Bank and State Bank totalled Rs 58 crores; and since this will be an indebtedness which in the first instance will have to be paid off, a further sum of roughly Rs 60 crores becomes unavailable for investment in gilt-edged. All that would remain would be around Rs 128 crores. We may add that it is unlikely that the full amount of Rs 128 crores will in fact be invested in marketable securities. For, with the lesson learned from the 1959-60 busy season, we would not be surprised if banks used their accruing or released resources in September and October this year for purchase of Treasury Bills, either at auctions or of the Intermediate type. This reluctance to invest in Government securities would be aggravated by the fear that, whether owing to pressure from international monetary agencies or for any other reason, the Indian monetary authorities might be compelled to raise bank rate. So, unless there is more categorical assertion than we have so far known that this country believes the bank rate weapon to be inapplicable to Indian conditions, the outlook is for but feeble support for the Government's borrowing programme this year.

In a sense, then, Mr Iengar's letter to the Scheduled Banks was fully to be expected. While every confidence can be placed in the Scheduled Banks co-operating fully with the Reserve Bank in this matter, we would like to urge at this juncture that a statement of policy on interest rates generally and the bank rate in particular needs to be made by the central banking authority.

Foreign Balances Decline Again

THE returns of the Reserve Bank for 10 June show that there has been spill-over of month-early disbursements into the second week. Active notes have been marked up by Rs 12.84 crores to Rs 1880.72 crores. There has been outflow of rupee coin for Rs 0.74 crores. Cash in the till has been drawn down by Rs 13.57 crores.

For replenishing Balances Held Abroad, a transfer of Rs 10 crores has been made from Foreign Securities in the Issue Department. Against this, a countervailing transfer of Rs 10 crores has been made from Investments in the Banking Department to Rupee Securities.

The Central Government have received some payment from the State Governments, since the latter's balances are lower by Rs 8.05 crores while the former's Deposits have im-

proved by Rs 4.38 crores. Reserve Balances of member banks are higher by Rs 14.03 crores, mainly on account of the State Bank. The decline of Rs 11.25 crores to Rs 86.23 crores in Other Deposits may be linked with the further fall of Rs 5 crores in Balances Held Abroad, and may conceivably relate to repurchase of currency from the International Monetary Fund.

Investments are lower by Rs 20 crores, of which only Rs 10 crores is accountable by transfer to the Issue Department. Moreover, the Reserve Bank is known to have purchased securities for Rs 15 crores from the State Bank. There would therefore appear to have been reverse ad hoc for an amount of Rs 25 crores. The strain on the banking system as a result of month-early disbursements is indicated by the rise of Rs 6.23 crores to Rs 126.47 crores in the Other Loans and Advances of the Reserve Bank.

The return of the State Bank for 10 June shows that Deposits are lower by Rs 2.23 crores at Rs 630.61 crores. There has been disinvestment in gilt-edged for Rs 15 crores, which has gone immediately to benefit cash in hand and with Reserve Bank, which is marked higher by Rs 13.55 crores at Rs 35.67 crores. Advances have risen by Rs 2 crores to Rs 217.56 crores, and, with Other Assets also showing a rise of Rs 5 crores, the State Bank figures as a borrower of Rs 6.50 crores.

The return of the Scheduled banks for 3 June shows the impact of month-early disbursements, with the total of Advances rising Rs 7.48 crores to Rs 1132.65 crores. Gross Deposits are higher by almost exactly Rs 2 crores at 1988.42 crores. Cash balances seem to have declined by Rs 1.90 crores to Rs 185.96 crores, but, since the State Bank, in the relevant week, drew down its cash by Rs 15 crores, it would appear that other Scheduled Banks added to their cash balances by Rs 13 crores.

Exhortation, Compulsion, or Bank Rate?

By Paul Enzig

SINCE the beginning of the Government's disinflationary drive in January, there has been no lack in the variety of devices employed. We had increases in the Bank rate, manipulation of the Gilt-edge market, restriction on hire-purchase, special deposits, budgetary standstill, and to discourage excessive wage increase credit expansion or expenditure. All these and various other measures may be classified into three categories. At the one extreme there are the measures bordering on physical controls—hire purchase restrictions, special deposits. At the other extreme there are the efforts to achieve voluntary action by peaceful persuasion.

Halfway between them there is the time-honoured orthodox system of running the country with the aid of the Bank rate.

The first category is very much against Conservative political philosophy and is therefore unpopular in the City. Yet it is remarkable how the adoption of hire-purchase restrictions and of special deposits has been allowed to pass without any violent protests on the part of the business community and the Conservative Party. When Mr Butler as Chancellor of the Exchequer removed the last remaining hire-purchase restrictions the business world assumed that we had seen the last of them. That this Government of all Governments, after its recent victory at the general election, should depart from Tory principles to such extent as to adopt measures amounting to planning is indeed remarkable.

When special deposits were first adopted during the early part of the War I heard a Liberal M. P. remark: "This is not Socialism in our time—it is Socialism in no time." It was a Government controlled by a Conservative majority that resorted to the system of commandeering the resources of the banks, amounting to forced loans. And it was a purely Conservative Government that revived the device after its abandonment was decided by the Labour Government, even if it was completed by the Conservative Government that succeeded it.

The almost complete absence of protests shows the extent to which departures from the Conservative-Liberal creed of laissez-faire have come to be accepted. On the other hand there is still much resentment against the opposite extreme of governing by exhortation. No section of the community is prepared to submit to it, and the Government's appeals for lower prices, for checking credit expansion, for moderation in wage demands or dividends, for curtailment of consumer spending, have fallen on deaf ears.

Almost all bankers take the view that the Bank rate is the proper means for regulating the economy. If the Government thinks there is too rapid expansion the remedy is in its own hand. It is true interest rates are already very high and their further increase would inflict much hardship all round. If only the banks listened to the official exhortations there would be no need to inflict on the community even higher interest rates that would hit not only industries guilty of over-expansion but also struggling industries.

For reasons best known to themselves, the British banks, while disliking measures of compulsion, are equally averse to peaceful persuasion. They want the Bank rate and nothing but the Bank rate to serve as the main if not only instrument of economic policy. The general public disagrees with this view, but the general public is not so articulate as the banks, and its voice is not heard. At any rate not until the next general election which is far away. —(Copyright).

Indian Finance

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Inflow of Foreign Private Capital

THE report on the International flow of private capital recently published under UN auspices, extracts from which have appeared in the daily press, is factually somewhat behind times. This does not, however, invalidate its major findings, though the period under review mainly 1956-58, makes the overtones more sombre than they seem now. In the case of India, the period was particularly bad on the foreign exchange front, but since then things have generally looked up, though the flow of private foreign capital is not anywhere the rate it should be. The general economic weather during the period too was such as to make the picture gloomier. The main events of the period are listed by the report itself as "the short-lived but sharp recession in the United States economy with its international repercussions, the strong performance of the West European economy, oversupply in the oil industry, deterioration in the external position of the United States, and the related shift in relative liquidity and capital market conditions in the United States and Western Europe." From the point of view of the under-developed countries, the effect of even the brighter patches in this picture, like West European recovery was factually and figuratively to throw them into the shade. In fact, this paradox gives greater sharpness to the point made by the main conclusion of the report.

This conclusion is simply stated: private capital has tended to flow more readily into areas where there was less need for them. As the report puts it, "a major proportion of the total annual outflow of long term private capital from the main capital exporting countries goes to other advanced industrialised countries and to a small group of relatively high-income countries which are undergoing rapid development". And as between the advanced industrialised countries and the rapidly developing countries, the scales are weighted in favour of the former. This finding is not particularly new: in fact, it falls into the general pattern of "the rich getting richer and the poor poorer", which has been a postulate of international economies of post war years and which poses the most important challenge to our conscience and ingenuity. But in the context of flow of private capital, as distinguished from general flow of capital from Governments and other international agencies, some facts have to be borne in mind if excessive expectations and corresponding excessive despondency are to be avoided. No responsible person doubts that for the capital hungry under-developed nations capital from whatever source, is welcome. If therefore, an underdeveloped nation this side of the Iron Curtain is serious about development it will do everything in its power consistent with its general pattern of planning to attract private foreign capital. This means that suitable incentives and assurances must be given and certain climate of opinion created. As far as India is concerned all responsible quarters and successive investigators, especially from the US have expressed the opinion that opportunities for fresh capital are great and that the incentive and assurances are adequate if

not generous. But having said this it would be as well to recognise that there are limits to the rate of inflow of foreign capital that have nothing to do with incentives. Under the best auspices it cannot ever be at the rate at which capital flows into developed countries. Given a certain basic level of development two countries thrive symbiotically on each other. But in such cases capital flow has nothing to do with priorities. In the case of under-developed countries, priorities are unevadable. And the ability of private capital to provide what these countries put high in the list has steadily shrunk in the present century. Except for certain highly specialised industries like Oil with international ramifications, the capacity for providing the capital on the requisite scale is not available any longer to what might be called the 'private sector.' And significantly, these are the industries in which there is a greater readiness to export capital without water-tight prior assurances and incentives.

Thirdly, it is important to recognise that there can be no indiscriminate welcome to foreign private capital in an undeveloped country trying to impart to its economy a self-sustaining capacity for growth. What such an economy needs is strength in its foundations and not frills at the top. It is therefore likely, it will put down fairly low in the list the kind of enterprise that is merely seeking fresh markets but for which the country itself has no immediate use. (Significantly, these are the kind of enterprises which ask for assurances and incentives more shrilly than entrepreneurs in basic industries who have had wide international experience already.) If Indian incentives are studied, it will be found that it does work on this hypothesis of a strict order of priority in our needs. The concessions embodied in section 15 (c) and section 56A of the Income Tax Act, for instance are highly selective and the industries specifically listed therein are those that we would wish to have and for which alone we are willing to provide the incentives.

There is another aspect of the matter. Though there is a limit to domestic capital resources available for investment in the private sector, it is possible that an indiscriminate invitation to foreign capital may actually act detrimentally to domestic initiative. Indeed, there is a limit to the specific incentives for foreign capital. Some would say that the proper length to go would be to place foreign private capital at roughly the same position as domestic private capital. Others, a little more generous and making allowance for the extra enticement needed to one who comes to strange shores, would put it slightly higher and no more. Indian incentives are based on the second principle.

In practice, the chances of grievances on the score of discrimination can be reduced to a minimum by collaborate efforts between Indian and foreign private interests in particular lines. This is what is in fact happening today and it is in this particular channel that private foreign capital can find the readiest flow. This arrangement makes possible the supply of special technical knowledge to the

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

Indian partnership, of which there is as much need in underdeveloped countries as of capital as such. It is in the fitness of things that Indian entrepreneurs rather than government should actively work for the inflow of foreign private capital, especially in the secondary and tertiary sectors of the economy. As far as India is concerned, the process has been fairly rapid: for there were already selling organisations which had merely to convert themselves into manufacturing units and in some cases, take in Indian capital. A certain amount of fresh capital has also flown in, but there is a great deal more that could probably be done.

Another channel through which private capital flows is subterranean or at any rate not readily noticed. It is the extended credits that foreign firms give to underdeveloped countries. These do not enter into the calculations made by the report, though it recognises its existence. It is true that such disguised use of capital cannot be, in the nature of things, on a very large scale. But considerable ingenuity has gone into the devising of it and certain tax concessions have been extended to such arrangements and its practical use cannot be underestimated.

In the ultimate analysis, private foreign capital flows for much the same reason that any capital flows: a spirit of enterprise, a reasonable assurance of a fair return on investment over a period and of its immunity from expropriation in that order. In the case of under-developed countries, there are historical and contemporary economic reasons (as distinguished from political reasons, which alone get widely publicised) that make the even flow of such capital difficult. Though comparisons with the mutual relations between developed countries are bound to make things look hopeless for under-developed countries, there is no need to write off the possibility of usefulness of private capital. For on a parity of reasoning, the task of economic development itself would seem forlorn. Within limits, there is much that can be done in widening and deepening the channel of flow and remove particular constructions, and it is a job worth doing.

Financial Trends in Asian Countries

(Contributed)

A STUDY of the financial position of the Asian countries will be interesting and instructive. Most of them have won their independence recently and are now trying vigorously to improve the living standards of their people. But in this task they are confronted with serious difficulties which are largely due to historical factors. Countries like India have been fortunate in having political stability, an efficient administration and well-developed financial institutions. But many other countries of Asia and the Far East do not have these advantages. Ministerial instability, absence of an organised banking system and lack of effective administrative machinery—all these factors have stood in

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MAJOR COMPONENTS OF TAX REVENUE

Country.	Type of account.	Total revenue.	Tax revenue.	Tax on income and wealth.	Land Tax.	Customs duties			Transaction and consumption taxes.	Millions.		
						Total.	Import duties.	Export duties.		Licences, stamp duties, registration fees, etc.	Other Tax Revenue.	
Burma (Kyats):												
1954/55	...	1,093	847	243	24	255	238	17	104	13	208	
1955/56	A	723	654	224	22	214	197	17	115	16	63	
1956/57	A	1,049	909	264	25	298	279	19	147	19	156	
1957/58	A	1,006	834	228	28	270	256	23	171	21	107	
1958/59	RE	952	769	235	28	250	226	24	173	21	62	
1959/60	DE	971	785	222	30	256	237	19	178	22	77	
Ceylon (Rupees):												
1953/54	...	946	835	231	—	503	244	259	67	19	15	
1954/55	A	1,075	944	220	—	629	258	371	57	19	19	
1955/56	A	1,166	1,034	314	—	608	286	322	70	23	19	
1956/57	A	1,160	1,042	283	—	628	304	324	81	25	25	
1957/58	A	1,171	1,044	279	—	617	292	325	93	19	36	
1958/59	E	1,207	1,078	238	—	684	328	356	95	29	32	
1959/60	E	1,251	1,109	232	—	678	349	329	128	33	38	
Fed. of Malaya (Malayan dollars):												
1954	...	646	523	136	—	318	206	112	20	35	14	
1955	A	822	677	117	—	486	251	235	22	34	18	
1956	A	893	722	148	—	493	278	217	24	39	18	
1957	A	874	695	132	—	475	295	180	27	44	17	
1958	RE	810	626	123	—	419	282	137	25	46	13	
1959	DE	824	637	136	—	412	288	124	25	50	14	
India (Rupees):												
1955/56	...	6,608	4,113	1,140	—	1,667	1,280	387	.....	.....	1,306	
1956/57	A	7,658	4,938	1,444	—	1,732	1,405	327	.....	.....	1,762	
1957/58	A	9,219	5,754	1,538	—	1,800	1,509	291	.....	.....	2,416	
1958/59	RE	9,554	5,302	1,556	—	1,360	1,126	234	.....	.....	2,386	
1959/60	DE	9,881	5,583	1,622	—	1,328	1,106	222	.....	.....	2,633	
Japan (thousand million yen):												
1954/55	...	1,007	934	496	—	24	.....	.....	414	—	—	
1955/56	A	1,033	936	481	—	27	.....	.....	428	—	—	
1956/57	A	1,188	1,087	577	—	46	.....	.....	464	—	—	
1957/58	A	1,332	1,249	628	—	51	.....	.....	570	—	—	
1958/59	RE	1,286	1,174	588	—	44	.....	.....	542	—	—	
1959/60	DE	1,422	1,274	625	—	79	.....	.....	570	—	—	
Pakistan (Rupees):												
1954/55	...	1,209	908	227	3	416	.....	.....	227	5	30	
1955/56	A	1,343	968	198	—	509	.....	.....	222	6	33	
1956/57	A	1,371	983	208	6	471	.....	.....	263	7	28	
1957/58	A	1,555	1,033	250	1	421	.....	.....	319	7	35	
April 1958/June 1959	RE	2,075	1,395	403	2	529	.....	.....	403	10	48	
1959/60	DE	1,672	1,152	264	2	441	.....	.....	390	8	47	

A=Accounts. E=Estimates.
DE=Draft estimates. RE=Revised estimates.
PR=Provisional results.

MAJOR COMPONENTS OF GOVERNMENT EXPENDITURE

Country.	Type of account.	Total expenditure.	Defence.	Subsidies.	Economic services.	Social services.	Contributions to provincial local govts.	Other current expenditure.	Millions.	
									Investment.	Loans and advances (net).
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Burma (kyats):										
1954/55	A	1,148	333	—	50	119	32	249	141	225
1955/56	A	1,006	353	—	48	128	27	251	77	122
1956/57	A	1,137	368	—	56	144	29	288	79	173
1957/58	A	1,276	408	—	65	160	39	310	114	180
1958/59	RE	1,375	407	—	58	154	40	324	115	277
1959/60	DE	1,268	409	—	63	155	26	313	126	176
Ceylon (rupees):										
1953/54	A	941	31	12	113	239	23	246	219	58
1954/55	A	984	26	—	142	249	23	195	352	3
1955/56	A	1,232	30	80	133	282	24	260	344	79
1956/57	A	1,405	34	105	138	321	26	393	224	164
1957/58	E	1,444	64	112	149	360	32	249	465	13
1958/59	E	1,682	79	108	189	428	36	328	514	...
Fed of Malaya (Malayan dollars):										
1954	A	868	184	—	62	137	—	317	168	...
1955	A	897	160	—	61	158	—	325	193	...
1956	A	1,014	148	—	77	166	—	331	292	...
1957	A	989	161	—	90	172	—	347	219	...
1958	RE	1,098	177	—	91	230	—	373	227	...
1959	DE	1,112	155	—	98	250	—	370	239	...
India (rupees) Central Government:										
1955/56	A	10,061	1,916	—	...	...	875	2,267	2,023	2,930
1956/57	A	11,678	2,174	13	...	...	657	2,872	3,162	2,800
1957/58	A	16,032	2,828	258	...	...	1,009	3,047	5,219	3,671
1958/59	RE	18,121	2,960	244	...	...	1,329	3,533	5,670	4,385
1959/60	DE	19,162	2,796	121	...	...	1,565	4,082	5,460	5,138
Japan (thousand million yen):										
1954/55	A	1,052	161	7	...	371	149	201	163	...
1955/56	A	1,044	148	7	...	359	182	185	163	...
1956/57	A	1,099	150	3	...	376	191	191	188	...
1957/58	A	1,221	176	32	...	408	233	198	174	...
1958/59	RE	1,353	176	1	...	429	257	256	234	...
1959/60	DE	1,499	189	1	...	487	283	251	288	...
Pakistan (rupees):										
1954/55	A	1,662	683	—	...	28	57	478	253	163
1955/56	A	1,972	821	—	...	30	32	471	297	321
1956/57	A	1,998	784	—	...	29	42	515	354	274
1957/58	A	2,730	696	—	...	37	41	638	711	607
April 1958/June 1959	RE	3,423	1,167	—	...	51	50	670	737	748
1959/60	DE	2,928	966	—	...	55	34	500	714	659

A=Accounts. E=Estimates.
DE=Draft estimates. RE=Revised estimates.
PR=Provisional results.

A=Accounts. E=Estimates.
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the way of the efficient utilisation of their resources.

Chronic deficit is a common feature of the budgets of most countries of this region. According to a Survey issued by the United Nations, in Malaya the budgetary deficit rose from M\$75 million in 1955 to M\$288 million in 1959; in Indonesia from Rp 2,090 million in 1955 to Rp 12,040 million in 1958; in Pakistan from Rs 629 million in 1955-56 to Rs 1256 million in 1959-60 and in Thailand from 658 million baht in 1955 to 1,180 million baht in 1960. The deficits obviously are due to the fact that expenditure increases at a faster rate than revenue.

The main taxes levied in these countries are the taxes on income and wealth, land tax, import and export duties, taxes on consumption and stamp duties. The chief items of expenditure are defence, economic development and social services. Defence absorbs a considerable amount of the expenditure in most countries. It varies from about 5 per cent in Ceylon and 10 per cent of total (current and capital) expenditure in Japan, the Federation of Malaya and the Philippines to over 40 per cent for Afghanistan, Formosa and Southern Viet Nam.

As it often happens in India, in other Asian countries revenue is sometimes underestimated and the expenditure over-estimated. But the reverse is also true in many countries. In Burma, for example, the draft estimate for 1958-59 placed the revenue at 1025 million Kyats and expenditure at 1317 million Kyats but, according to the revised estimates, the revenue and the expenditure stood at 952 million Kyats and 1375 million Kyats respectively. Consequently the deficit increased from 292 million kyats to 423 million kyats.

The gap between revenue and expenditure is made up in many countries by resorting to monetary expansion, usually in the form of central bank credit. As the United Nations' analysis points out "avoidance of central bank financing is difficult for countries without adequately developed financial institutions and even for countries that have acquired some financial sophistication, since most Governments prefer the ease with which they can extract finance from central banks to the difficulties involved in going to the money market for funds. Thus management of the public debt as an effective tool of fiscal policy hardly exists in many countries of the region."

In this connection it is worth referring to the technique of borrowing adopted by the Government of Formosa. In June 1959 the Government offered two types of short-term government bonds to the public—A Bonds, amounting to NT\$300 million (New Taiwan Dollar) and meant for the non-banking sector with a 30-month maturity and with 18 per cent interest per annum payable quarterly; and B Bonds, amounting to NT\$100 million and meant for banks with a 14-month maturity carrying 9 per cent interest for the whole period payable at maturity. All bonds were freely negotiable and could be used as collateral but not as reserve against bank deposits. The high interest rates were considered "realistic" because of the need to encourage savings "in a setting of continuous currency depreciation". The offerings, of course, were successful.

Credit policies in Asia generally cannot be as successful as in advanced countries because of the lack of financial institutions. As a result, the bulk of the money supply with the public takes the form of currency in circulation rather than bank deposits. The United

Nations' Survey points out that in the ECAFE region, excluding industrial Japan and entrepot Hong Kong, net active currency typically forms between a half and three-quarters of the money supply in the hands of the public. It is over 70 per cent in China, Iran and Malaya including Singapore, over 60 per cent in Burma, Cambodia, India, Indonesia, Pakistan, Thailand and Southern Viet Nam and over 50 per cent in Formosa and Southern Korea. Only in the Philippines and Ceylon, does the amount of currency in circulation fall a little below deposit money.

However, it is encouraging to note that efforts are being made to accelerate the economic development of the countries of this region. Stock exchanges are proposed to be set up in Bangkok and Singapore. At present these exist only in Hong Kong, India, Japan, Pakistan and the Philippines. The number of commercial banks in various countries is increasing and special institutions are being set up to provide finance for large scale and small scale industries. Foreign aid is being received in increasing quantities by the countries of this region from the USA, from World Bank and from Communist countries. At the same time, attempts are also being made to encourage the flow of private capital from the advanced countries.

It can therefore be expected that in the near future the countries of Asia and the Far East will be able to improve steadily their financial position and to increase the living standards of their population.

The tables on page 1142 give the trend in the revenue and expenditure of some important countries of the ECAFE region.

The Slippery Summit

By N. C. M.

THE lady protests too much, so the pose of chastity hardly deceives. Did not the Swiss Government very recently order two officials of the Soviet Embassy out of Switzerland for espionage? And was not the 400-ton Soviet auxiliary warship repeatedly observed in Greek waters engaged in espionage? To say nothing of the less recent, countless instances of Soviet's violation of international sanctities.

It is true perhaps that Khrushchev caught the States bathing and ran away with their clothes. So also in his threat to sign a separate peace treaty with East Germany (on the analogy of USA's peace treaty with Japan) like Petruchio's, to tame the shrew with her own weapon. But of the consequences, the precipice just below the Summit, Khrushchev cannot possibly be unaware. In his Baku speech, he himself pointed out that after the separate peace treaty with East Germany, the Western allies "will naturally not be able to reach Berlin by land, water or air" and if they try to use force for the purpose, "this force will be opposed by force from the other side based on law and right". It is certainly not due to Khrushchev's love for peace that the fall from the slippery summit does not already set an avalanche in motion.

Observers as far intellectually removed from each other as Gaitskell and Walter Lippman have said the U-2 flight before the Summit meeting was a blunder. To that major blunder, there was also a minor one, viz., first, the State Department denial of U.S. overflights of Russia and then the forced admission. Whatever, however, the size of the blunder might have been, Khrushchev made the most of it. He not only made the Summit

meeting fail, but made America look foolish, and he did it the rustic or proletarian way, or rather the Khrushchev way. He might just as well have kept away, at least, he might have spared himself the trouble of heaping insults on America and her President. But that was not to be. He wanted to rub it in and did it.

The issue is no longer really between Capitalism and Communism. The Capitalism of 1960 is not that of Marx, it is 'passe', already undergoing changes before our eyes. Since there now remains only a veneer of Communism as the residuary remnant in Russia, Communism has been turned into Russian Nationalism or Russianism. America leads the democracies of the world in the cold war. So the issue might be re-stated as one between Americanism and Russianism. And by the unexpected, large-scale irritation Khrushchev has so deliberately caused, the issue will be, if anything, accentuated.

But what could be the reason for this volcanic indignation on the part of Khrushchev? As a seasoned politician, one should have thought that he would take the U-2 incident in his stride. Why, on the other hand, first the denial and, later on, the admission from US? As an adult State, with all the diplomatic acumen an adult State is supposed to have, one should have thought that the U.S. also would take the incident in her stride. Then again, why the vain boasts? Time owns up to "a week of confusion" in U.S. diplomacy. Perhaps not a week only.

No Summit meeting would be worth calling, if Russia were out of it. The Washington Naval Conference of 1921 would have been meaningless, with Japan out. For, as that Conference had to limit the naval armaments of economically unexhausted Japan, the present Summit meetings have to limit and control the newest ones which Russia has been making.

There are suggestions that Red China might have contrived the break-up of the Summit meeting and Red China's record so far tends to make the suggestions acceptable. Her simultaneous intervention in Korea and rape of Tibet, the frequent shelling of Quemoy and Matsu, her brusque treatment of Indonesia and India converge on the assumption that Red China is spoiling for a fight to an even greater extent than Khrushchev. Red China's publicists prate a lot more of war than Russia's.

from Russia, on Summit meetings (written by Bulganin on the 8th January, 1958) proposed a meeting of 20 nations. Since then, the number has been whittled down and Russia has been edging away. Not too long ago, Gromyko insisted on parity between the two sides by the inclusion of Poland and Czechoslovakia. It would seem that the spectre of parity haunts the Conference still; and Russia, obviously at a disadvantage, cannot afford to contribute to its success. The Conference's success would be Russia's failure.

The capitally important question now is—after the Summit, what? Is another Pearl Harbour in the offing? The Russo-Japanese War also began like that, only the first casualties were only two. But of the two, Artist Verestchagin was one.

With militarists so obviously in control in both Russia and America, nothing is impossible. Those who ride tigers cannot dismount.

Role of the Police in the Welfare State

M. SUR

THE Report of the Kerala Police Reorganisation Committee, under the chairmanship of Mr N. C. Chatterjee, Senior Advocate of the Supreme Court, makes interesting reading. This committee* was set up in January, 1959, by the Communist Government of Kerala largely as a result of the protests voiced by both employers and labour against the action of the police in the preceding period of industrial unrest, and it completed its work under the present Government of the State early this year. Its principal terms of reference were to enquire into the role of the police in the Welfare State, and whether existing provisions of law were adequate to secure fulfilment of the objectives of the Constitution, particularly in the sphere of employer-employee, landlord-tenant, and capital-labour relations. The committee was also to consider the duties of the police in relation to the exercise of civil liberties, communal and linguistic tensions, demonstrations and property disputes, and whether in view of public criticism the use of fire arms by the police should be totally excluded.

In its main conclusions the committee stress that the objectives of the police organisation in free India must undergo a radical change, and that the police must be looked upon as the first servants of the public, laying more emphasis on their constructive role than on the negative and coercive aspect. For this purpose the police should be trained in social welfare work and encouraged to participate in social welfare activities; in fact the whole pattern of instruction should be changed in order to impart a spirit of service in the force. It is suggested that to prevent damage to the reputation of the police by improper news coverage, police-public relations should be developed under a full-time Public Relations Officer. These two measures, if carried out, should help to change the whole attitude of the public towards the police. Their present attitude of suspicion and criticism is not surprising when one reads that the pattern of instruction in police training institutions has not radically changed from

*Its other members were a Senior Advocate of Madras, the President of the All India Railway Men's Federation, Madras, a Personnel Manager, and the Inspector-General of Police, Trivandrum.

the days of British rule. Is this so in other States also, one wonders?

The chapter in the report on the role of the police in the context of employer-employee relations is of particular interest because it boldly tackles the problem of rival unions as the root cause of the present embittered labour-management relations, and the resulting threat to law and order. Only one representative union should be recognised as the sole bargaining agent in a bargaining unit, it declares, and where there is only one union claiming representation in a unit, that union should be compulsorily recognised. Where more than one union claim recognition, the one with the majority following should be certified as the bargaining agent, and rival claims should be settled, if necessary, by secret ballot of all permanent workers with service of one year or more, a minimum of 25 per cent of the votes being required for the certified bargaining agent. This would be to follow the American pattern of labour relations, but it has sometimes been objected that recognition of only one union in a unit would offend the provision of the Constitution giving citizens the right to form organisations of their own choosing. The committee, however, make a clear distinction between the right of association and the right of recognition. Only the former is assured by the Constitution. "Conferring the right of recognition only on the most representative union in order to secure orderly industrial relations does not constitute the denial of the right of association to any section of the workers. Under the legislation we are recommending there will be provision for even a minority union to achieve the position of the majority union, thus securing recognition at a future date by effective constructive organisational work." Weak unions, say the committee, have been encouraged by the failure to legislate for recognition of the most representative union and compulsory collective bargaining with it. Stronger unions will become more realistic, and where there is no rival union to confuse the issue, employers will learn to develop faith in mutual negotiation.

Though the committee's recommendation seems the democratic solution of the problem of rival unions, it is strange how strong and illogical is the opposition to it. The INTUC, for instance, will not give its support to the idea of the compulsory recognition of the most representative union in the unit, although its President at its last annual session deplored Government's present policy of recognising at the centre trade union organisations representing only a small minority. "By recognising even such minority organisations," he said, "government is simply delaying and even obstructing the early solidarity of the trade union movement. Once the government decides to honour the democratic principle of recognising the majority organisation alone, the minority organisations will be compelled to choose and merge with some larger organisations." The same argument surely applies with equal force at the factory as at the national level.

Dealing with complaints that the police in Kerala had interfered in industrial disputes, the committee found no evidence to support allegations made by workers and unions. When the matter became one of law and order, naturally the police were bound to intervene. Another question raised was whether the right of owners of factories to remove goods during a strike should be restricted, but the committee saw no need to modify existing law in this respect. On the problem of

whether the police should give protection to those who continued to work during a strike, the committee commented that willing workers had the right to work just as striking workers had the right to abstain from work. While peaceful persuasion to remain away from work was allowable, picketing with violence, in the opinion of the committee, was to put a "premium on inefficient trade unionism". A strike should succeed or fail on the organisational strength of the men and their loyalty to the union. Whilst there was no need, in the opinion of the committee, to charge the law which gave protection to willing workers, a Code of Conduct should be evolved by which employment during a strike could be restricted to the necessary minimum, such as maintenance of essential services, protection of lives and property.

Dealing with the ethics of the use of force by the police, the committee points out that law without the sanction of force would be ineffective, but recommends that armed police be kept in reserve instead of being displayed at political meetings and assemblies. If it becomes necessary to disperse a mob then the police should first use tear smoke or canes; lathis should only be used if canes prove ineffective. Use of firearms should only be resorted to where serious damage to public or private property is anticipated, where a crowd is armed with deadly weapons, or where riot seems inevitable through the aggressive attitude of contending groups. It should be made very clear to the police that firing is only a last resort and "that responsible police officers should be in a position to intervene at an earlier stage and avoid the necessity to resort to the use of firearms."

This report should have a wider application than to the State of Kerala alone.

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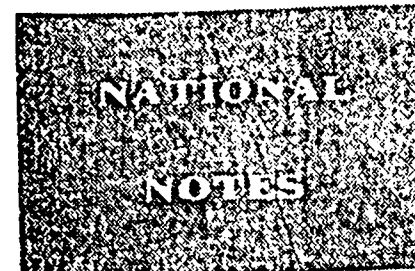
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Water for Industry

A note on the irrigation needs prepared by the Madras Government highlights the extent to which the water resources of the State have been utilised for purposes of irrigation and the very little scope that exists for further extension of the irrigated area, unless it is possible to secure water from outside the State. The report of the National Council of Applied Economic Research on the techno-economic survey of the State also underlines the same point when it notes that agriculture being already very well developed offers very little scope for increasing productivity or for providing more employment. The Report, therefore, has recommended a programme of industrial development with the emphasis on engineering and chemical industries. One point which requires further examination is whether the shortage of water which has set a severe limit to the further growth of agriculture will not itself stand in the way of industrial development also.

The need of large quantities of water for agriculture and food raising is widely understood. But it is not equally well known that industrial needs of water are also of the same order. Most manufacturing and other industrial processes require larger quantities of

water than of any of the other raw materials consumed. In advanced industrial countries the competing uses have posed the problem of rational utilisation. According to a United Nations Survey, the industrial use of water is steadily increasing. In 1955, industries in the United States are estimated to have used a daily average of 119.8 billion gallons of water, the same quantity used for irrigation. In 1965 industrial use would have increased to 180 billion gallons and irrigation to 148 billion, while by 1975 industries would be using 246 billion gallons against irrigation requirement of 170 billion gallons. It may be pointed out that most of the water used in industry is used several times over as in mining, manufacturing and steam power plants. It is also estimated that manufacture of paper (in the United States) requires 163,000 litres of water per ton; synthetic fuel 265,000 litres per kilolitre; acetic acid 417,000 to 1,000,000 litres per ton; ammonium sulphate 835,000 litres per ton; calcium carbide 125,000 litres per ton; potassium chloride 167,000 to 209,000 litres per ton and rayon 835,000 litres per ton of yarn. These figures will give an indication of the quantities of water that will be required to sustain steady growth of industry.

It may, however, be pointed out that, unlike agriculture, all the water used in industry is not totally consumed, but is returned to the watercourses and may be available for other uses. In the United States irrigation is estimated to account for 80 per cent of the total consumption. Even so the margin of availability of water for industrial purposes in Madras is not encouraging. According to the Madras Government's note on irrigation needs, out of the 16 million acre feet of water carried by the rivers of the State 14.5 million acre feet have already been utilised for irrigation purposes. It is evident that in the selection of industries and industrial processes the availability of adequate supply of water will have to be taken into consideration. Inter-State collaboration for ensuring optimum use of water resources will be clearly in the national interest.

Combined Operation

In his inaugural address to the Tamilnad Sarvodaya Sammelan, Mr Jaya Prakash Narayan made the interesting suggestion that the political parties in the country should start combined operations to increase agricultural production. The problem of stepping up agricultural output is undoubtedly of national importance, but it is difficult to see what positive contribution political parties could make to its solution. An agreement to keep food outside the range of party political controversies will no doubt facilitate administration in times of shortage, when it is necessary to enforce a system of controls and procurement. Where in any

particular area, production is hampered by political factors, a truce among the parties may also help to eliminate these difficulties. But Mr Narayan has evidently over-rated the influence of politicians when he suggested that all parties could unite in going round the villages and mobilising the ryots to work for increased agricultural production. There may be reasons why ryots do not evince as much interest as they should in their principal source of livelihood. But a combined appeal from politicians is hardly likely to transform apathy into enthusiasm.

The achievement of increased agricultural output is essentially a problem of administrative organisation designed to create the conditions for the adoption of the particular combination of techniques suited to each locality. The wide range of variation in the local conditions and the economic status of the cultivators add to the complexity of the problem. This is further aggravated by the differences of opinion among agricultural economists and technicians on the proper choice of objectives and techniques. The entry of politicians into the scene will be hardly conducive to the emergency of consensus at the technical level.

National Service

With a determination that could have been reserved with advantage for a better purpose, Dr Shrimali has again come forward with the ill-conceived proposal for compulsory national service, this time at the conference of Vice-Chancellors held in Poona last week. The proposal bears on its face the stamp of amateurish dabbling which has been the bane of education in this country. It is not, therefore, surprising that the fairly full reports of the speech in which Dr Shrimali attempted to justify the proposal do not contain a single valid argument in its support. Dr Shrimali has declared that the main justification of the scheme must be in terms of its educational character and value; but he has nowhere explained what these are.

What conceivable educational advantage could there be in introducing a break in the educational career of those who intend to pursue higher studies and that, too, at the critical age of seventeen? As for the others, who wish to seek employment after leaving school the purpose in view has nothing to do with education. The object, as Dr Shrimali has explained the position, is not to complete their education, but to keep them out of the employment market for at least one year. The Union Minister has referred in this connection to the growing volume of unemployment. The existence of a heavy backlog of unemployment is undeniable. But it has to be met by the creation of new job opportunities and not by forcibly keeping back new entrants to the work force. A large number of the stu-

dents leaving school, as Dr Shrimali has stated, may not be able to secure jobs immediately. But that does not alter the fact that every one of them hopes to get a job. In fact, the heavy incidence of unemployment only accentuates the anxiety to get an early start in the race for jobs. To force them to spend one year in camps after leaving school will only breed a dangerous sense of collective frustration which will manifest itself in forms which will not be comfortable for the authorities.

And what will be the sort of service which these groups of frustrated young men will be able to render the villagers and what is the contribution that they can make to the solution of rural problems? Most of these have their origin in the poverty of the villages of which the massive structural unemployment is the virulent symptom. What the villagers require is not advice, or directions on better ways of living, but the wherewithal to sustain an improved standard of living. Is it seriously claimed that the national service by high school students will improve the economic status of the countryside? To the extent that they replace paid workers, that will only help to aggravate unemployment and depress standards still further.

Much is made of the character-building potentialities of the national service scheme. Whether these potentialities are actually realised depends on the sort of leadership that it is possible to provide for the national service camps. The Minister's speech itself says enough about the inadequacies of the general run of teachers to raise grave doubts whether they can be depended upon to provide suitable camp leadership.

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FOREIGN NOTES

Railroad Mergers

The zoning of Indian railways was completed ten years ago and the results of integration have not been doubted. But in a country where railroads are owned by jointstock companies, subject yet to Government regulation, the zonal idea is gaining ground. The failure of most US railways to earn profits, repay debt and even to escape receivership is known. Competition has not prevented a fall in operating efficiency on minor roads, though the Pennsylvania RR. and N. Y. Central may show fine results. If combination in the UK had produced little after nationalisation in the USA combination is taken as the key to success in future and the bigger railroads are joining together. Anti-trust rules will not stand in the way of sanction is got by application to the federal government.

Consolidation is approved and in 1959 the Norfolk and Western and the Virginia formed forces. Mergers of airlines are also canvassed at present. The Baltimore and Ohio and the Chesapeake and Ohio are combining to operate over 11,000 miles of track and the New York Central also is now thinking of joining. The bulk of the coal traffic will go to the new system which will cover Michigan as well as Maryland. The new mergers are not pulled out by financiers, from their hats but, continued to restore earnings to a depressed industry, facing airline competition for passengers and trucks for carriages of goods. The trading of shares by exchange has already stimulated investors' interest. In depressed rail stocks and eighteen railroads are looking at mergers hopefully after the B & O and C & O arrangement.

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The small New England railways also are moving fast towards amalgamation. The US government is expected to bless the merger schemes and the railway unions too will not be displeased by the discreet promise of prosperity. The success of fast freight trains on the C & O may bring more traffic to the Atlantic ports from places like Detroit and St. Louis and the rail route to Canada will get more traffic because of the new St. Lawrence Seaway. Uniform rates and better service are on the cards and diesel traction may become universal, if the railroads get the green light from the Inter-State Commerce Commission which sees that in this century railroads must combine to survive.

Crime About Law

The forcible removal of a notorious anti-Semite from the Argentine to Israel has provoked controversy, not about the antecedents of Eichmann but about the propriety of violating the political asylum afforded already. The theory that Argentina has no extradition laws and lucky embezzlers can get away is not well-founded. Those who leave the USA hurriedly for Mexico or Brazil in fear of prosecution for fraud have found that the local police are ready, able and willing to help in their capture and removal. The case of Eichmann is different from that of Jabez Balfour, the man who decamped with the funds of the Liberator Building Society. Balfour was a precursor of Horatio Bottomley, another M.P. who went to prison after conviction for fraud. The whole issue really turns on Argentina accepting the verdict of the Court held at Nuremberg to try war criminals. If Goering and Co. could be punished the case against Eichmann is a decidedly strong one. But Israel was not in the picture in 1945 and her claim to deal in her own way with Eichmann rests both on the restitution in cash made by Bonn and the proceedings in Israel against those who dealt badly with Jewish refugees. The appeal to a higher law is made confidently by Mr Ben Gurion who will find that only the Arab States are ready to plead for Eichmann. Liberal lawyers who intervene in South African treason trials will perhaps be reluctant to take up the case of Eichmann for the charge is genocide and the USA, Britain and France have treated culpability (even under Government orders, as sufficient reason for condemnation. The episode proves that espionage has its own successes and, the disaster to the U-2 mission has been offset by a ringing victory for the canny kidnappers, in this case, of a healthy adult. There is little chance of an appeal to the Hague Court for the German Government will not accept Eichmann as a protégé entitled to legal protection and a determined Israel may prove that it can yet make an example of Eichmann even after his years of concealment.

There is no question of jurisdiction or competence, only of punishment to fit the crime.

Germany's Part

Dr Hermann Abs writing in a special supplement of the FINANCIAL TIMES of London refers to the Federal Republic's increasing investment abroad. This is calculated to strengthen faith in Indian missions undertaken to attract outside capital. The export trade surplus is, of course, the basis of capital export, but a good deal was patently of a non-recurring nature. Liberalisation of imports might reduce the outflow of capital in future, according to Dr Abs and large shipments of capital goods may even provoke a fresh complaint of German dumping.

The plea for extra investment abroad is qualified by an argument that profits must be earned on any investment and German private capital must be afforded guarantees against political risks. The European Investment Bank to sustain the Common Market must have some freedom. Repatriation of foreign investments in Germany is bound to take place gradually. But alongside this process private capital must be free to move and a convention is required for guaranteeing fair treatment. The legal framework must be ensured by adequate agreements with the countries seeking capital from Germany.

The revival of German investment in Africa supports the hope that Germany will help. Reference is made to projects for starting manufacture of paper in Ethiopia, extraction of minerals in West Africa and rubber in Liberia. Free entry for African products like cocoa and cotton into the German market will be viewed as a consequence of aid offered by West Germany.

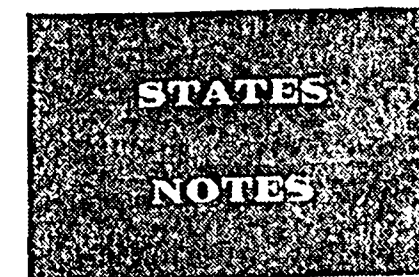
Latin America is viewed as a more promising outlet and 750 million DM. has been invested in the area already. The Argentine and other countries are moving from economic nationalism in order to secure foreign capital. Both Brazil and Argentina are equipped with new steel plants and Germany is now interested in getting Canadian iron ore from Labrador. Germany is trying also to invest in Canada. This is rendered easy by the trend towards concentration at home and the ECM scheme has stimulated mergers and the whole postwar trend is being reversed quietly, for instance, in the Ruhr steel industry. The revival of the Mannesmann tube interests is attested by acquisition of new interests in Brazil and Canada and opening of new sheet steel mills in Bremen. Leasing of facilities by agreement is part of the pattern of co-operation which links heavy industry with chemicals. The return of State assets to private enterprise by people's shares has stimulated the consolidation of the metal-using industries including motorcars. The

anxiety to give private enterprise more scope and opportunity is derived from the existence of the East German Republic under Russian protection. The really significant change (from the Indian angle) is the rise in Germany's imports (since 1956) especially of food materials and semi-manufactures. The German imports of leather goods, textiles and ready-made clothing are up and Franco-German trade registered a sharp rise in 1958-59. But the biggest trading partner at present is the USA and this was attested by Germany's large sales of cars, machinery and chemicals.

Company Towns

Prince Philip's observations on Company towns—his comparison between Jamshedpur and Kitimat in British Columbia—are likely to create a new interest in the value of planning places for employees. The lack of popular appeal noted in the case of Gary, Indiana, may be one reason for Prince Philip's avowed distaste for company towns. But Jamshedpur raised on Sakchi came into being in the days of State laissez-faire and private paternalism, when J. N. Tata had to look after everything from raising capital to providing sanitation. Whether private enterprise did its planning well then is hardly the issue. The company towns make the worker, even after his working hours, feel that the employer is watching him and he has no place in local self-government.

The absence of democracy is the point of the Prince's critical remarks and it is possible that TISCO may try to rectify the defects to which an eminent outsider is alive. Industrialisation need not debar the worker from now acting as a free citizen, like the suburban householder working in a City office. The claims of civic freedom must be reconciled with efficient administration and the trade unionists too must be given a voice in the management of the town. This is hardly revolutionary doctrine at present and what Aluminium Ltd. has done in Canada must be yet distinguished, for BC is a new country and Bihar is a very old region in many ways. The arrangements suited to a boom town or mining town dependent on coal may be unsuited to an era of adult suffrage. What the English mining companies did in Kolar may have no relevance and what Kipling wrote about Jamalpur, a rail-road town run by a company to the exclusion of democracy. The new freedom postulates a change and the planned community like Tyrone, N. M. built by the Phelps Dodge Corporation for copper miners, can give attention to the other elements of a good life besides modern plumbing which, as some say, is not the only ingredient of civilisation.



Kerala's Industrial Policy

The Kerala State Congress-P.S.P. coalition Ministry has recognised the vital role the private sector in industry can play in the economic progress of the State and has issued open invitations to entrepreneurs to invest in the State with a number of concessions.

A press note issued in Trivandrum on the subject this week said that it was determined to "create a climate for industrial peace, the lack of which in the recent past, was presumably one of the reasons why promoters of large-scale industries were hesitant to choose Kerala as their venue even in cases where the natural advantages in the State are otherwise attractive".

Undoubtedly the reference is to the fear of investors about the Communist regime's attitude towards private investment in Kerala.

The Press note recognised large-scale industries were absolutely essential as nuclei around which many small-scale industries could grow. Every effort, therefore, should be made for the establishment of as many large industries as possible whether in the private or in the public sector, the Note stressed.

Of course the Kerala Government conceded the principle that in a socialist democracy labour should be enthusiastic partner in the common task of development. While upholding the legitimate claims of labour, the Government of Kerala wanted to stress the importance of discipline and the supreme need for the maintenance of high productivity standards at present.

The following incentives are proposed to be given by the Kerala State for private entrepreneurs in the realm of large-scale industries. Provision of land by acquisition if necessary; supply of cheap power; assistance to obtain licence for the establishment of industry and import of machinery and to obtain raw materials and in suitable cases, and subject to the overall policy of the India Government in this regard financial participation, either directly by investment in shares or by way of loans and guarantees etc.

Additionally to the above forms of assistance medium industries would be given sites of setting up "industrial townships" for a group of medium industries and these would be fully developed like industrial estates except buildings.

For small-scale industries the Kerala State proposes to accord Provision of built-up factory accommodation at concessional rates in

Industrial Estates, supply of machinery on easy hire-purchase terms, provision of special credit facilities at low interest rates, assistance in securing raw materials such as iron, steel, brass copper and other metals, concessions according to the stores purchase programme, marketing assistance through chain stores and technical assistance and training facilities through industrial extension service.

For Village and cottage industries and industrial co-operatives, in addition to the usual help rendered by such bodies as the All-India Handloom Board, Handicrafts Board, the Fair Board etc., the State Government would set up more dye houses for handlooms and render assistance in securing quality dyes and chemicals.

All coir industries units would be brought under the cooperative fold. The Government would assist the manufacturing sector of this coir industry to introduce modern machinery and new techniques of production to compete with foreign manufacturers.

The Press Note stressed the need to find what it believes the "lasting solution for the chronic unemployment" in the Kerala State.

In the light of the above programme of State assistance, the Kerala State hopes that a large number of entrepreneurs would come forward to establish industries in the State.

Hydraulic Research

At the four-day research session of the Central Board of Irrigation and Power in Trivandrum last week important conclusions are expected to have been reached on various subjects such as model and prototype studies of hydraulic structures, design of hydraulic structures, problems pertaining to river training and flood protection, canals design, hydrology, soil technology and foundation engineering, irrigation practices, navigation, rural electrification and construction materials.

Chief Engineers from All-Indian States and researchers from all over the country have submitted over three scores of research papers on the above subjects. Other participants in the important technological research on hydraulics included Ceylon Engineers, members from the Technical Cooperation Mission, and representatives from Unesco and other specialised International agencies concerned with the subject of hydraulics.

Dr K. L. Rao, who is President of the Central Board of Water and Power Commission for this year, presided.

An announcement was made by him that the Government of India were considering the institution of a Special Board of Direction for Research in Hydraulics and Power Engineering.

Dr Rao said that rivers being the greatest assets for the nation, their economic exploitation was certainly of utmost importance for

the country's development. Hydraulic science, therefore, had to be mastered by our Engineers.

Engineers should have to be familiarized with hydraulics. Dr Rao suggested that the Central Board of Irrigation and Power should gather all information concerned in the development of research on hydraulic science, and conduct experiments, in what he called, hydraulic museums by experts on the line. Concentrated research was possible only in a few research laboratories that should be developed for this specific purpose. Basic and fundamental research work should have to be undertaken by Indian Universities. Hydro-dynamics Institute would be most helpful for tackling, what he thought to be some of the basic problems of hydraulics.

Special units for observing field data useful for application to vast works, structural research about which nothing is being done in India, vibration and seismic proof structures researches were all necessary to the country, Dr Rao stressed.

In his inaugural address to the session, Mr Pattom A. Thanu Pillai, Chief Minister, Kerala State, said that Kerala engineers held the hope that the state could use up to the last drop of water received by Kerala soil by rains and it was a mistaken notion that Kerala was not in a position to use all the waters it received as rains.

He wanted the experts to help in achieving that aim. In Kerala they had peculiar problems like sea erosion, water salinity, food shortage and high population. No part of the State's 350 mile coast line was ever free from attacks of any of these problems, he stated. Mr Pillai laid stress on methods of higher production of food for his State's growing population, and toward this, it was pointed out methods should be discovered for successfully utilising the waters that quickly assume salinity due to sea erosion. He was happy that problems such as the ones facing the Kerala State have also become the subject of outside engineering studies. "We are practically at the beginning of things so far as national development is concerned," Mr Pillai bluntly told the experts.

Nobody would agree that everything has been done to exhaust the hydel resources of the country, nor, for that matter, the hydro-electric resources. In Kerala, in particular, scores of small hydel schemes could come into being with proper investigation and application of the results of researches, without politics interfering in the work that waits to be executed with patience. Such a type of work has become pressing, as Mr A. O. Oommen Technical Member, Kerala State Electricity Board, pointed out to the convention. In contrast to Kerala, there is Andhra with very vast river projects needing concerted research and execution patiently for benefit of not only the sprawling Andhra State

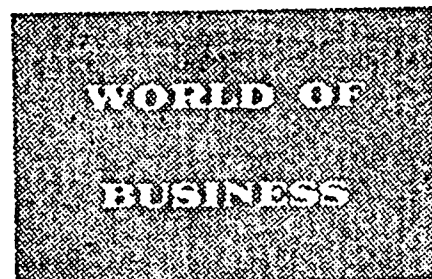
but also quite big chunks of adjoining territories of Bombay, Mysore, Madras and even Kerala if it comes to that. Kerala's hydro-electric potentiality was said to be 2,100 mega watts, but about 5 per cent alone of this had so far been exploited. Only about 10 per cent of this would have been exploited after the completion of the 2nd Plan. The total capacity waiting for exploitation, however indicates the magnitude of the problem. The Hydraulic Research convention should devise economic ways and methods for expediting progress with the least dependence upon foreign resources.

MP Third Plan

The planning sub-committee constituted by the Madhya Pradesh Congress to suggest 'social and economic objectives' to be achieved during the Third Plan has found that it would be quite feasible to finance a plan outlay of Rs 400 crores from resources that could be raised during the Third Plan period. In this light the Committee has indicated scope for raising revenue from practically all sources. Additional taxation recommended by the committee at Rs 50 crores will be shared by the rural sector and urban sectors. In the urban sector, the committee has suggested fresh levies by way of revision of motor vehicles tax, health and education cess, sales tax on presently exempted items, tax on incomes accruing out of house rent, cess on minerals and export of forest produce lying within the competence of the State Government, and tax on enhanced evaluation of non-agricultural lands.

The rural levies include standardisation of land revenue betterment levy and introduction of uniform irrigation rates and agricultural income tax. The betterment levy and irrigation rates are expected to fetch in nearly Rs 10 crores during the Third Plan. In respect of rural taxation, the committee points out that since under the second Plan the rural sector has escaped lightly from taxation, the prospective levies during the Third Plan should not bear on them heavily.

For raising non-tax revenue the committee has suggested two special schemes namely, nationalisation of the State's road transport and formation of mineral trading corporation. It is further stated that the State's income could be increased from current revenues at current levels of taxation, loans from public share of small savings, grants and loans from Central Government and miscellaneous capital receipts by effecting economies in expenditure and keeping the non-developmental expenditure firmly under control. As steps for economising expenditure, the committee recommends coordination of Government departments, and discouragement of further increase in Government personnel.



Monetary & Credit Control

Bank shares are depressed, in spite of the steady progress made by Indian banking. The rise in deposits in 1959 was certainly followed by larger advances and the bigger banks benefited naturally. There is more money in the banks, but credit curbs are also there and the banks, as in other countries, have been called upon to apply selective restrictions. Advice to help industry with long-term loans has been offered but banks must be careful in this matter, having regard to past experience, especially, in Bengal. The freezing of interest rates has not helped to prevent a rise in operating costs, and the Bank Commission has got its work cut out to deal with employees' claims. This is not a real problem, as service charges have been raised already, and clients have been quickly told to foot the bill. The competition of chit funds, and the PO savings banks is mainly with non-scheduled banks at present and that is why the latter cannot show the same satisfactory results as the big banks. The improvement in results may be due to legislation, but it looks as if the British exchange banks can still show better results than the Indian banks.

The performance of the foreign sector is a point to consider in evaluating even the results of the State Bank's expansion, though that rests on the diversion of US rupee funds. It is known that the cash ratio is much higher than in the UK and if advances are to rise soon, the ratio must be lowered. This is one of the lessons brought home by a reading of 1959 balance sheets. The chance of a reduction of rates paid on deposits are cautiously canvassed. Even with less assistance from the Reserve Bank in the busy season, by the variation of interest rates, the banks can meet the demand for funds. And South Africa exceptionally may offer some guidance to India about monetary and credit control, though one point about South Africa is that mining finance houses always loom larger than banks. The stagnation of some institutions strengthens the case for mergers and both American and British postwar experience is clearly in favour of mergers. The same may be said of mergers in the insurance field. How the Bank of Baroda has gained and how British insurers have become more stable and efficient through mergers in 1959 are widely known, but no conscious effort has been

made apparently to stimulate amalgamations in India.

A Fragile Industry

A technical survey of the Indian glass industry undertaken with US experts' aid has revealed the existence of surplus capacity. The progress of the best known factory, Hindusthan Pilkington in 1959 confers extra importance on the assessment of growth and the restricted supply of raw materials like soda ash. The findings are not quite favourable to the small and scattered units whose equipment is poor and obsolete. The concentration of manufacture in large modern factories is advisable. Working results of Ogale Glass and Travancore Ogale for 1959, showing a rise in profit leading to higher dividends, suggest that the bigger units alone can benefit from the fall in imports, produce soda bottles, etc. for which the demand is up. The old units in some States must certainly go out and the new units helped by foreign enterprise, Japanese, Belgium etc must get extra consideration, if only because of the experts' conclusions about fuel used, supply of refractories and utilisation of research facilities.

The decline of the glass bangles industry, for which tariff protection was devised makes it unnecessary to think of cottage industry at present. The manufacture of beads can also be ignored. The factories are to be advised about improving their output and it is certain that the industry will cease to be fragile, if there is a big demand for sheet glass and glass bricks for construction as now expected. The most important indication is that postwar progress has been patchy and the glass industry needs rehabilitation.

STC and Fruit Export

The State Trading Corporation is currently engaged in a drive to promoting the export of fruit products to the neighbouring countries of West Asia and Europe in collaboration with the established fruit manufacturers and exporters. The Corporation has already appointed a food and plantation division and now they are finalising a list of manufacturers who will be included in the contemplated scheme for stepping up the export of processed fruit.

Mr K. Rangaswami, the Regional Manager of the Corporation, who recently toured South India, is fully convinced of the immense scope for the export of pineapple juice and slices, provided the products are of good quality and are offered at competitive prices in the foreign markets.

The Corporation is fully conscious of the innumerable difficulties in pushing through the proposal. It may be noted that the present scheme is designed in such a way as to obviate the hardship of exporters and make the drive more effective. It is gathered that the Corporation will provide all the

necessary incentives to the manufacturers to step up exports. These will include the supply of adequate sugar of good quality, cheap tin containers, concessional freight charges and the relevant technical "know-how". Besides, the individuality of the manufacturers will be maintained even though the Corporation alone will deal with the export.

At present a large part of the fruits grown in the country goes to waste because of the lack of adequate facilities for fruit preservation. The export promotion drive launched by the STC should encourage the development of the fruit preservation industry. Mere patchwork at some points will not alone solve the problem. Proper storage and processing facilities are essential prerequisites.

An Aluminium Factory for the South

The rupee thirteen crore aluminium plant at Salem will be an accomplished fact according to a decision taken at a high level conference in Madras. There are definite advantages in making this plant an integrated one, making ingots and fabricated materials alike. If it was intended only for ingot making the cost of the mill would be only Rs 10.9 crores. But the new decision had raised the outlay by Rs 2.1 crores.

Global tenders would be invited for the supply of machinery and its erection. Messrs Monte Catini, the Italian firm, will execute the scheme also participating in its shares structure. The Madras Government will invest a substantial amount, most likely 51 per cent, but a final decision is yet to be made on this. As the system in vogue since some time, a substantial portion of the scheme would have to be in deferred payment. The sponsor of the scheme will visit Italy in connection with the scheme's implementation. Central Government's license has been obtained already. The installed capacity of the plant is 10,000 metric tons of aluminium ingots annually capable of doubling this output after sometime.

Ashok Leyland

Representing the South Indian enterprise in the field of automobile manufacture, the firm of Ashok Leyland has been making remarkable contribution to the development of the automobile industry in the country. Specialising in the production of the heavy type of Leyland vehicles with the collaboration of Messrs Leyland Motors Ltd of England, the company has been engaged in a two-pronged programme intended to increase the proportion of indigenous components as well as the scale of production. The company has achieved an increase of nearly 250 per cent in the output of vehicles between 1956 and 1959. As per the agreement with the Government of India, the company is also under

obligation to maintain steady progress in the development of indigenous manufacture.

The company completed the first phase of the building programme in 1958 and embarked on installation of additional plant and machinery during 1959. This was done to complete the machining of engine components and to provide for the early production of the rear axle and gear box. A further expansion programme to reach a target of at least 5,000 Comet Chassis per annum and to provide for a production of 1,000 heavy duty Leyland Engines of the 0.800 and 0.680 types, is being chalked out. Dealing with the implications of this scheme, Sir A. Ramaswami Mudaliar, Chairman of the Company observed in the course of his speech at the eleventh annual general meeting of the company that the programme involves arduous efforts in raising the capital funds needed and in training the technical personnel. The additional capital expenditure, it was observed, would be met through increase in the authorised capital of the company and by calling for full subscription of the partly paid up shares. Foreign exchange has been arranged to be secured by obtaining the sanction of the Centre to raise the share capital of the collaborating firm of Leyland Motors to 60 per cent. The company, as forecast by Sir Henry Spurrier, Managing Director of Leyland Motors, bids fair to become, in the not distant future, the largest producer of Leyland vehicles.

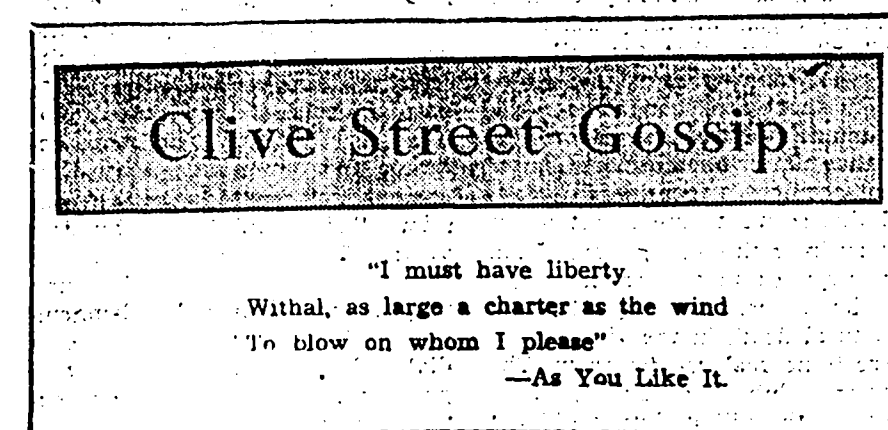
Sir Ramaswami Mudaliar has in his speech, also referred to the adverse impact of the recent levies on motor cars of a certain horse power, on tyres and on various other auxiliaries. This, as he has pointed out militates against the development of road transport.

New Cable Factory

The plans for a new cable factory to be located near Avadi have made substantial progress and the Omega Insulated Cable Co intends to set up a plant that will produce underground cables in addition to copper wires and VIR cables. The association of Delhi interests with this Madras venture calls for notice, as also the assurance of technical aid by Antony Gibbs and Sons. The paid-up capital of Rs 2 crores is to be raised by an approach to the market and it is known that the site has been secured and arrangements completed for erecting a new factory that will employ 1,600 persons. The recent techno-economic survey of Madras foresees a substantial increase in the output of electric equipment and it may be added that large new enterprises have been set up by Crompton and the English Electric Co in recent years. The advent of a new cable manufacturer will certainly interest local investors who have found that the record of cable companies including Aluminium Industries of Kundra is distinctly encouraging.

THE National Conference on Community Development in Srinagar has recommended that a special committee should be set up by the Government of India to examine the adequacy of the Programme Evaluation Organisation to meet the current needs of evaluation of this vital programme. There is a certain piquancy in the circumstance: it is as though an examinee were to suggest that the examiner must himself take a stiff paper first to prove his credentials. Part of the reason for this suggestion is pique, for the PEO has just published a not too flattering report. Not that there is not a certain amount of justification for the Community Development administration's complaints about the way evaluation is being done. I shall deal with this matter presently, but it does occur to me that a watchman to watch the watchman and an evaluator to evaluate the evaluator are a pointless waste of manhours. It shows a bureaucratic approach to a problem from which, it was hoped, that those who deal with community development would free themselves first and set an example to the rest of the country. It is no doubt true that as official evaluators of their work, the PEO has certainly to prove that its approach and modes of audit of achievement are as objective as possible. But defects in evaluation are best removed by mutual discussion between the CDA and the PEO and by coming to certain agreed norms and methods of judgment of achievement. In fact, if a committee is appointed, help may have to come from those who are responsible for community development. This would merely lead to a lot of washing of dirty linen and recrimination whereas a quiet session together may resolve most of the difficulties.

Indeed, the principal difficulties are unavowed and psychological with which committees can hardly grapple. There appears to be an impression among the CD workers that the PEO approaches its job in a spirit of condescension toward those who are actually engaged in the work. It is the old story of the Inspector General from the Capital coming down on the local yokels and finding them wanting. The field workers also feel that these chaps with their well-pressed suit and sola topi superciliously mouthing a lot of city jargon have no clue either to rural psychology or the actual physical problems involved in the work. To the instinctive antagonism that any auditor arouses in the 'audited' is added these further obstacles to a meeting of minds. The Programme Evaluator, on the other hand, feels and often says that figures are being cooked and window dressed



for his benefit; that often the villagers have no conception and much less any enthusiasm of the fundamental implications of the programme; that his necessary and essentially serious job is being resented for no other reason than the inadequacies it exposes.

Now these are familiar difficulties and the answer to them is not a committee to evaluate the methods used but a realisation on both sides that the really important thing is the community: therefore they should pull together instead of in different directions. It must be remembered that PEO was conceived in a spirit of a high-minded readiness to submit oneself to continuous and searching scrutiny of achievement. The Evaluators too must remember that theirs is a complex reckoning in which statistical measures of tangible results can be misleading. The profound changes in the mental attitudes of the people are difficult to detect and measure quantitatively. Above all, the most important thing in endeavours of this sort is 'morale'. Obviously there can be white-washing or smoke-screening, but if the people and the administration get the idea that they are being officially faulted, or worse, damned with faint praise, the will to succeed may get sapped. In any event en rapport between the CDA and PEO is absolutely necessary if the programme is to succeed.

The particular grievance of the CDA is that the PEO should have attempted to evaluate Community Development Programme which now extends to over three thousand blocks by a study of as few as eighteen of them. It also feels that even as 'sample survey', no attempt has been made to verify that the evaluation is representative of the whole programme, for according to the Srinagar Conference, the selection of blocks for investigation has been determined by its nearness to the headquarters of the evaluator. It is rather difficult to form any opinion about the justice of these complaints in the absence of the actual report. (I am relying for my purposes on press reports.) But it would seem that the general impression given by the language of the conclusions is that the evaluators do consider their study representative enough for them to be stridently generalised. "There are lights and shades

in the picture of the Community Development Programme in actual operation. The shades, however, predominate and one gathers the impression of an inadequately co-ordinated endeavour, governmental, rather than popular in character, and, sustained more by hope than by achievement." Again, "People's attitudes and reactions in most of CD blocks are not yet generally favourable to the success and growth of the CD programme. The majority of the villagers do not regard it as their own programme and seem to rely mainly on the government for effecting the development of rural areas. The basic philosophy and approach of CD programme, are therefore, inadequately subscribed to by the people."

These conclusions are perhaps stated a little too broadly to be supported by a study of only 18 blocks, but it would be the height of complacency for the CDA to think that they are for that reason completely unfounded. For they accord to some extent with the impressions formed by other observers. But the kind of basic revolution in attitudes that is being attempted by the community projects is not achieved easily and without sliding off into former habits of thinking and feeling. The trouble seems to have been that too much has been attempted, quantitatively speaking, in the early years of the community development idea.

It is true that so much needs to be done all over the country that it would be invidious to have made distinctions between areas. But it seems to me that certain comparatively developed rural areas, where the population has achieved a certain amount of 'sophistication' should have been chosen more or less as 'demonstration blocks'. The ground would already have been prepared and the kind of suggestion and help that the community development authority can give will find a ready soil. Even now, there are blocks which have done comparatively well and these would in all probability be those which have had a progressive agricultural community with some tradition of communal and cooperative endeavour. These are the places that should form the nursery of the idea. The package deal programme which is now being tried in select areas all over the country is a recognition of the soundness of this argument. Of course, in the original distinction between the Community Development Block and the National Extension Block some kind of distinction was kept in mind, but when the so called 'post-intensive blocks' came into being the distinction got blurred and there was only a dull grey of mediocrity of achievement.

There is yet another thought that strikes me as I read the dismal catalogue of activities started by the Community Project authorities which were subsequently abandoned. The reasons why these do not strike roots are various. One of them, the fairly common one, explains the heavy mortality among new clubs and social organisations that are started anywhere in the world. There are clubs with which all of us are familiar

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which are started with trumpets and fanfares and within a few months are frequented only by the secretary who finds the club premises a home away from home. But there is another more important reason obliquely revealed by the rather highfalutin way in which the evaluation report phrases the purpose of such activities: "The central purpose of social education programme is to inculcate in the rural people community sense, corporate outlook and social consciousness. This is done through the organisation of social institu-

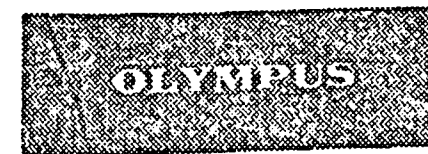
tions such as community centres, women's organisations, youth clubs etc." It seems that the villagers have not much use for the newspapers that are bought for the community centres and so on, nor for that matter for the sports equipment acquired at considerable cost. All this seems to me to set about the business the wrong way. I am not surprised that "women's organisation as conceived by CDA die a natural death in the villages, for there is no real use for them. The women's club has always been there in the village but it did not

meet at the community centre with tables and chairs and possibly addressed condescendingly by a city socialite doing social service'. The natural venue of the women's club was the river ghat and more cohesion and community sense were created than would be by self-conscious 'ladies clubs' in a hundred years. Take again the Radio. I have listened to the so-called rural programmes. The folksy bonhomie, self-conscious illiteracies of dialectal speech affected by these programmes and the tedious explaining in words of one syllable

some quite elementary point in agriculture which the listener probably knows ten times over is enough to make any self-respecting villager rush out in sheer exasperation. No wonder the Radio is out of order at the community centre. And all the time there are traditional institutions of getting together—the temple festival and the Jathra or the Harikatha—dying of inanition and neglect. The essence of the community development idea is that the innovations should harmonise with the existing pattern and by a process of slow transformation all that is best in modern science and technology will get absorbed in the tradition making what is a half dead community into a vital one. This can be done only by entering sympathetically at the thought processes of the rural folk and taking them along with you. Dependence on government is no particular rural vice and considering how many things a villager lacks, it is amazing he is not as shrill in his demands as his urban counter-part. In current jargon, community development is yet to reach its take off stage, both socially and economically. The 'lights and shades' therein are very much the same intensity as in the rest of our endeavour. And considering that it is in some respects most difficult of all our tasks, the temptation to yield to the comfort of despair should be strenuously resisted.

Well, they have started making portable typewriters, too, in India. It is fantastic the way, week by week, that you hear of new products being manufactured. I have, of course, a more immediate interest in the typewriter; not for me any worry, if the stenographer, for whatever the reason, takes French leave. For, I am quite fond of typing, and though mistakes do creep in, they are not so many that I feel disgusted with my lack of prowess. Indeed, for a writer—much more so for a reporter—the ability to type is an important asset, almost a prerequisite. I remember reading somewhere that the reporter usually favours the hunt and peck system; there is nothing like touch, and if the typewriter should hum beneath your fingers, you do find both satisfaction and inspiration. The news to hand is that Blackwoods India Limited, a JK organisation, has commenced production of the Jaykay typewriter, a portable model. The installed capacity is said to be 1,000 units a month. I presume that only English typewriters will be turned out. Does this mean that JK have considerable faith in the continuance of English in this country? Godrej were the first to produce, as they claimed, an "all-Indian" typewriter. JK's enterprise in arranging for the indigenous production of the Jaykay typewriter, with a preponderant proportion of the parts being found indigenously, deserves as much to be commended.

EAVESDROPPER.



The Controversy Over Textile Wages

IN a rejoinder to the AICC Research Department's criticism of the reactions of the cotton mill industry to the recommendations of the Textile Wage Board, Mr Ramanath A. Podar, Chairman of the Bombay Millowners' Association, has just stated that the wage increases recommended by the Board would not have been in their present form if its members (including the millowner representatives) had not wrongly persuaded themselves about the 'mandatory' character of the 15th Labour Conference's resolution according to which "the lowest wage should not go below a 'need-based' wage". Mr Podar is, of course, right in this contention because the 'recommendatory' character of the 15th Labour Conference's resolution has, in a way, been confirmed by the refusal of the Central Pay Commission to apply the 'need-based' wage formula of that resolution to Government employees "at the present level of our economic development." This has also been explicitly confirmed by the Finance Minister's statement, during the Parliamentary debate on the Pay Commission's Report, that "the Labour Conference's recommendations have not been accepted by the Government and cannot, therefore, be binding on it". If one of the parties to the tripartite resolution has thus disputed its 'mandatory' character, the employers who constitute another party cannot be logically accused of flouting the resolution. Still, it may be noted in this connection that while the Pay Commission has explicitly recognised the 'theoretical soundness' of the wage formula, it is by no means clear from Mr Podar's rejoinder if the Bombay Millowners' Association has also so recognised it.

The second contention in Mr Podar's rejoinder is that it would not be right to take 1949, a particularly bad year for the industry, to establish the point that productivity in the industry has increased since then. As production depends on such factors as the quantity and the type of cotton available, the volume of cloth turned out in different categories and the reed and pick used, Mr Podar seems to be right in his contention that productivity should not be assessed merely by relating the total output to the number of workers employed. In this connection, he has quoted the instance of 1955 when, with the employment of 7.52 lakh workers, the industry produced

5,094 million yards whereas in 1958, with a slightly bigger labour complement of 7.76 lakhs, the industry produced only 4,927 million yards. Mr Podar's logical conclusion is that it would not be right to assert, merely on the basis of these figures, that since 1955 the level of productivity has fallen.

Mr Podar, however, does not dispute the fact that there has been some increase in productivity. His own views thereon would need to be quoted in extenso:

"Comparison of productivity in different years is thus a complicated matter and no satisfactory basis has yet been established to make a reliable assessment in this regard. Nevertheless, after taking into account several variable factors, some efforts have been made to estimate the increase in productivity which is believed to be approximately 10 per cent. But this increase is partly due to labour's work effort and partly to the use of modern equipment. In these circumstances, there is no warrant for the assertion that whatever increase has taken place in productivity is entirely due to labour's exertions. In any case, the workers are already reaping the reward for the increased productivity as the level of wages in the corresponding period has risen by 18 per cent."

Incidentally, it has been estimated by Mr P. K. Bhaumik in a recent study published in the official organ ('Economic Review') of the AICC Research Department that the productivity of capital (that is, value added as percentage of productive capital), as of 1957, is as high as 46 per cent which ranks the cotton textile industry as the second highest from that point of view as against the 52 per cent in the case of the general and electrical engineering industry. According to the same study, labour productivity, measured as an overall figure of value added per worker employed, is as low as Rs 1,920 which ranks the cotton textile industry as the fifth, the first four in the order of ranking being iron and steel, general engineering and electrical engineering, woollen textiles and sugar. But a composite index which represents the product values of capital and labour productivities in inverse relation shows that the cotton textile industry (with its 88.3) occupies the fourth rank after the iron and steel industry (with its 249.5), the general and electrical engineering industry (143.3) and the woollen textile industry (93.2). Mr Bhaumik, however, has constructed this index only for 1957. It is a matter for examination whether a composite index of the kind, if constructed for different years, will provide a more reliable assessment of the trends in productivity in the cotton textile industry.

Adverting to Mr Podar's rejoinder, it may be further stated that the industry's contention is that its wage costs per unit of production

are abnormally high. If it is true, as Mr Podar has argued, that the industry's wage cost for every yard of cloth produced is the highest in the world, it may have partly accounted for the rather low volume of exports of Indian cotton textiles in recent years (69,000 metric tons in 1958 and 72,000 tons in 1959) as against 91,000 tons, 82,000 tons and 100,000 tons respectively in the years 1955, 1956 and 1957. Mr Podar, however, has not referred to this question of wage cost in the context of export promotion; a reference to it here does not also imply that the wage cost should be reduced by cutting down wages or by increasing workloads. What is worthy of note here is that unless productivity in the cotton textile industry is increased, its wage cost per unit of production is bound to be high.

In this connection, Mr Podar has quoted the figures of a "competent authority" in India, according to whom the wage cost per unit of production in India on different ranges of counts is higher by 30 to 55 per cent than in the Japanese textile industry. While this is the position, there seems to be no alternative to rapid modernisation of cotton mill machinery. Unless this is done, productivity in the industry cannot increase at a faster rate than the increase in wage costs resulting from the Textile Wage Board's recommendations.

Markets of the Sixties

What is believed to be a pioneering study has just been taken on hand jointly by two non-official research organisations in New Delhi—the Indian Institute of Public Opinion and the Marketing Research Corporation of India. This research enterprise, which will combine economic projects' techniques with an elaborate all-India interviewing of anything from 3,000 to 5,000 sampled households, is intended to study the growth of income over the next ten years and the development of consumption patterns by States, by towns and by villages. The inspiration for this enterprise has been provided by that excellent study—"The Markets of the Sixties"—produced by the Editors of "Fortune" and by particular studies of such institutions as the Stanford Research Institute in the United States. The work already being done in the Planning Commission's Perspective Planning Division headed by Mr Pitamber Pant, whose able studies of the detailed pattern of growth are being studied by leading authorities abroad, is also believed to have provided further inspiration for this pioneering study by the Indian Institute of Public Opinion and the Marketing Research Corporation.

The significance of this study lies in this that it will fill up some crucial gaps in Indian economics. These gaps pertain to the

structure of distribution of incomes in both urban and rural areas and to the manner in which the rupee is currently spent and is most likely to be spent as income grows under the Plans. The first step in this regard is to determine whether income is going before one knows what people are going to do with their increased incomes and what are likely to be marketed. A concerted effort is certainly called for to measure market growth in this manner in the sixties. The Managing Director of both research institutions in New Delhi is therefore inviting leading industrialists and firms to cooperate with this project with the object of bringing out the kind of detail which businessmen will need in order to obtain more information on the growth patterns of their particular markets, say, for cloth, for soap, for consumer durables such as radio receivers and sewing machines and for a hundred and one other household appliances. It is stated that it will take a year to complete the study.

GATEWAY GOSSIP

Growth of Small Industry

ADDRESSING a conference of small industrialists in Poona recently, Prime Minister Nehru said that the time has come for undertaking the development of small industries in right earnest, as some of the basic requirements such as steel and electricity are now available in adequate measure. Although the problems of the development of the small industries have been engaging the attention of the authorities ever since planned progress has been embarked upon, a major portion of the nation's resources has had necessarily to be applied toward the construction of major projects. The position at the threshold of the Third Plan has considerably changed as during the past ten years some of the major tasks have either been completed or fast nearing completion. It is expected that the outlay on small industries under the Third Plan will be sizably larger than in the Second Plan.

Indigenous steel production has considerably increased with the commissioning of the three public sector steel factories and the expansion of the units in the private sectors. The end of steel shortage is in sight and the small industries will be enabled to grow rapidly as there will be no need to depend on imports which require foreign exchange. Power is another essential prerequisite for small industry if it is to be efficient. During the first two Plan periods, production of electric

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energy has taken big strides and rural electrification has been an important item in development programmes of the States.

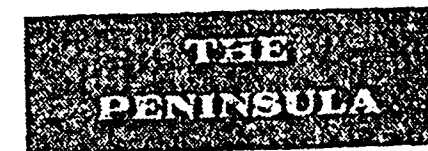
The report of the Small Industries Board published toward the end of January this year has revealed that the growth of small industry has been rather slow so far. One of the main impediments noted by the report is the shortage of raw materials such as iron and steel, copper, zinc and basic and heavy chemicals. Another point that emerges from this report is that the growth of small industry is not uniform throughout the country. It would appear that most of the States have yet to show active interest in fostering the growth of small industries.

A number of expert bodies have studied the problems facing small industry in India from time to time. The Ford Foundation Team has attributed this sector's slow growth to a number of disabilities such as lack of initiative on the part of the private sector, too much reliance on Government, outdated modes of production and marketing, lack of credit facilities etc. The Japanese Team of Experts who submitted their report to Government a few months back has pointed to the need for taking effective steps for providing adequate finance to small industries. The team has noted that in the prevailing conditions in India, small industries require the special care of Government if they have to grow to their full stature.

The success of the small industries in the final analysis depends on their ability to stand on their own feet. Government guidance and assistance will, of course, have to be given, but these can go only upto a point. It is, therefore, essential that the plans for the development of small industries are drawn with a view to making them self-reliant. The Planning Commission have indicated how this sector has to be developed. They have pointed out that it should be "a progressive and efficient decentralised sector which is duly integrated, on the one hand with agriculture and, on the other, with large scale industry. It is therefore wrong to argue that small industry is sought to be developed at the expense of the large scale industry. Mr Nehru has emphatically stated that the large and medium industries and small industries will be able to develop side by side. By accepting the principle of common production programmes for large and small industries, Government have ensured the proper growth of both. Most of the main recommendations of the expert bodies are being implemented and there is no gain-saying the fact that the small entrepreneur will now find it quite easy to start new enterprises.

It is, however, to be noted that the main problem of the development of small industries will continue to be the provision of adequate finance. It is undeniable that there are now several Govern-

ment sponsored institutions routing State Aid loans to small entrepreneurs but it is generally felt that the assistance is still encumbered by involved procedures which tend to discourage the small entrepreneur.



Irrigation in Madras

It is the earnest hope of the Madras Government that sooner or later, the Andhra State would be willing to share the surplus waters of the Krishna and the Godavari rivers with Madras. In this, the Madras Ministry certainly reflects more than the combined will of population.

Once in a way, the Madras Government used to discuss the problem of irrigation in the presence of the region's members of Parliament, local legislators business and industrial representatives and the departmental specialists. Last week one such conference was held at the site of the progressing North Arcot District's Sathanur Project when the future needs of the State's water supply for irrigation for feeding the rapidly growing population of Madras were assessed and reexamined.

Even with the implementation of the Third Plan Projects, a Government Note circulated on the site to attending members reported, "it may not be possible to meet the enormous food demand and further expansion could come about only by importing water from outside, and ways and means for securing a reasonable share of the surplus waters of the neighbouring States are being examined." It mentioned also that the question of diversion of the Andhra State's Godavari and Krishna river waters was under consideration of the Southern Zonal Council. The Note also mentioned the Government of India's proposal to revive "the allotment of the surplus waters to various States." This proposal by the Central Government to allot "the surplus river waters" to needy neighbouring States is being mentioned for the first time by Madras, whereas no indication about this proposal has ever been given by any of India Government's spokesmen on the subject.

Conforming to the recent technoeconomic survey of this State's agriculture, the Government Note stated that, in this State over 15,000,000 acres are under "fairly stable cultivation." The acreage of cultivation has been growing steadily from 1953 to 1958. The total irrigated area in 1953-54 by canals, tanks and other sources was 53.92 lakh acres. In 1954-55 it was 53.61 lakh acres, in 1955-56

it was 53.06 lakh acres, in 1956-57 it was 54.27 lakh acres and in 1957-58 it rose to 55.71 lakh acres. Figures for the next year were not given.

With the present 5.6 million acres under irrigation, the Madras State finds it difficult to feed its 34,000,000 population.

The State has exploited all its thirteen river waters. The Cauvery, the most exploited river in the world, irrigates 15.12 lakhs acres, the Vaigai and Periyar 2.50 Palar 1.73, Thambraparani 1.16, Vellar 1.06, Ponnai 0.75, Kade, yar 0.60, Kortaliyar 0.26, Araniar 0.24, Cooum and Adyar 0.14 and Varahanadhi 0.07 lakh acres. The tanks also irrigate vast tracts and the total number of tanks in the State with irrigating water sources is 33,500. Along with these sources, the State has fostered and is anxious to foster irrigation through underground pumping and also through lifts.

Madras State rivers are estimated to carry about 16,000,000 acre feet of water of which 14.5 million acre feet have already been utilised. The remaining could not be utilised as this quantity is from occasional floods. The biggest State river, the Cauvery, gets its waters from 31,000 square miles, covering a deltaic area of over 3,000 miles, entirely in Tanjore district.

Regarding new reservoirs, the Government Note pointed out that existing irrigation areas would be the first charge and only surplus waters are to be compounded.

In this conference, the Parambikulam Aliyar Project taken up for execution during the Second Five Year Plan was also referred to. This is said to be a multi-purpose project. These are of course inter-State rivers flowing through Kerala and emptying themselves into the Arabian Sea. According to the agreement arrived at on the sharing of the waters with the Kerala State, the Note said that the waters of the Nira river fully, a maximum of 16,500 MCft from Parambikulam river and the surplus Sholiar water after meeting the Sholiar Power House requirements in Kerala will be diverted to the Madras State. An integrated development of these rivers would irrigate 240,000 acres in the famine areas of Coimbatore and Madras districts and also enable generation of 75,000 kw of power. This project is described 'mammoth' by the Note which adds that it requires the construction of seven reservoirs, 12½ miles of tunnels, two weirs, 30 miles of contour canal, mostly in hilly region, and 128 miles of lined canals. The estimated cost of this project is Rs 30.34 crores.

Preliminary work of laying roads at project area, and staff quarters in different dam sites has already started, the Government of Madras having spent Rs 134.69 lakhs so far.

The object of the lengthy note describing in minute details the

State's irrigation resources is to emphasise that the Madras State has almost reached the tether end and would have to look out elsewhere for water. Very little scope would remain after the next plan in so far as exploitation of river and other water sources of the State is concerned.

Better control through storage of upland flows of waters is also not left in the existing Cauvery, Vaigai and Tambraparani uplands. A reservoir across Marudayar drawing part of the flood flows from the Coleroon may help a bit of the water-hungry Coleroon margins. The minor irrigation schemes like formation of new tanks, anicut construction, supply channels, excavation to existing irrigation sources and other local small sources capable of yielding quick results are also given proper attention.

The Second Five Year Plan's targeted amount of Rs 308 lakhs for irrigation expenditure would have been exceeded by Rs 116 lakhs programmed to be spent during 1960-61. Up to the end of 1959-60, the Madras State Irrigation Department has completed 3,816 works and another 320 works would be completed during 1960-61.

There are twentytwo irrigation schemes for the Third Plan period. The total cost of these is estimated at Rs 2,721.72 lakhs. All these works would stabilise water supply over 86,000 acres of already irrigated lands which have uncertain water supplies. Over 37,000 acres of new lands would be brought under plough. The additional foodgrains output by these has not yet been computed.

For diversion of west flowing rivers a sum of Rs 500 lakhs has been allotted in the Third Plan. For a reservoir across Ayyar in the Kolli Hills of Salem district another sum of Rs 442 lakhs has been budgeted.

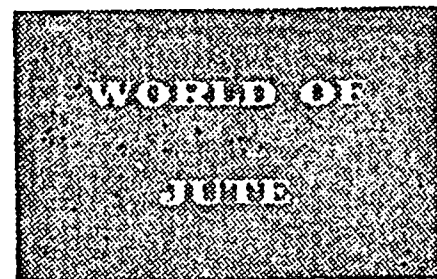
The Note circulated at this Conference also referred to the State's Power Grid and said that the total installed capacity of this grid would be more than doubled during the Second Five Year Plan. From production of 256,000 KW the capacity would have grown to 571,000 KW. Power generated from the stations would be transmitted to load centres by 5,500 miles of HT lines.

Regarding the outlay the Note stated that originally the provision was Rs 5,325 lakhs. But the first three years' expenditure during the Second Plan amounted to Rs 4,163 lakhs. The fourth year's grant was Rs 2,322 lakhs including Rs 934 lakhs of the Canadian aid to the Kundah scheme. Another amount of Rs 1,199 lakhs has been envisaged for the next year and thus the outlay would be of the order of Rs 7,695 lakhs compared to the original provision of Rs 5,325 lakhs. The Canadian aid of Rs 934 lakhs should have also to be noted in this connection.

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at Palam airport

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Extract from a Burmah-Shell publication



Rise in US Burlap Consumption Steadies Market

CONDITIONS in the jute markets have continued to be comparatively stable during the week ended Wednesday. During the early sessions, sentiment was easier with prices conceding further ground. Following the publication of the figures for US burlap consumption in May, there has been a moderate recovery all along the line. Heavy

goods too have benefited as there have been reports of fresh enquiries both from the Government of India and foreign interests.

The raw jute market has been generally easier and this is largely due to the belief that the scarcity period may not last long. Authoritative assessment of the state of the new jute crop has confirmed trade indications that, now that the drought has ended, the crop would be as big as that of the current season. The fact that imports from Pakistan in recent months have sizably increased may also have contributed to the slackening of the speculative fervour. The latest weekly crop report shows that sowings completed so far are only slightly lower than those of last year at the corresponding time. Moreover, the demand for the raw material, if anything, has diminished, what with the sealing of looms effective 6 June by a large number of mills and the indication that more mills

may be obliged to take a similar step in the near future.

It would appear that the slightly higher production of jute goods during May has been partly responsible for the rise in May-end stocks. Output during May totalled 91,700 tons as compared with 91,000 tons the previous month. It is evident that the slightly higher output in May is due to the unsealing of 1 per cent looms as the hours worked in May and April are the same at 208. The May total is made up of 37,700 tons of hessian 44,500 tons sacking and 9,500 tons of other varieties. These compare with April output of 37,000 tons hessian, 44,400 tons of sacking and 9,600 tons of other varieties. From the two sets of figures pertaining to stocks and production, it may be deduced that despatches of gunnies during the last month are slightly on a higher level than during April.

The report from the USA regarding burlap consumption dur-

ing last month is even more encouraging. The news that burlap consumption in US in May amounted to 73.7 million yards should have come as a pleasant surprise to the trade. That a rise in consumption would be recorded during last month was rather unexpected because buyers usually do not evince much interest during the summer months. The May figure compares with the 72.1 million yards in April and 70.5 million yards in the corresponding month of the previous year. The fact that May-end stocks in US are placed at 262.9 million yards comprising 145.1 million yards of spot and 117.8 million yards afloat as against the total April-end stocks of 262.0 million yards contains the cheering indication that the increased consumption in May has been taken care of by increased import as stocks have been maintained at more or less the previous month's level. It is gratifying to note that despite the wide fluctuations in the price in hessian that had prevailed in recent months, burlap has continued to be popular with US consumers. The decline in prices during the past few weeks should help hessian maintain its position in this important market. It is, however, to be remembered that frequent instability of the jute goods market will, sooner or later, result in foreign consumers steadily turning their attention in favour of substitutes.

The jute goods market remained weak with prices displaying a sagging tendency most of the time last week but toward close sentiment steadied up following news of higher burlap consumption in May coupled with fresh inquiries in heavy goods. The market opened last Thursday on a quiet note in the absence of fresh business. The only activity discernible was in near delivery heavygoods. Hessian 40"x10 oz June delivery closed at Rs 48.10 with B Twills at Rs 133.50. The next two sessions witnessed further deterioration and at close on Monday hessian 40"x10 oz June was marked at Rs 47.35 with B Twills at Rs 132.25. From Tuesday, however, there was a revival of interest consequent on encouraging US burlap consumption figures. Hessian 40"x10 oz June improved to Rs 47.90. Following reports of fresh interest from Burma and a Government of India tender for 6000 bales, heavy goods too recovered to close higher at Rs 133.60.

In the raw jute section the first half of the week witnessed a declining tendency in the absence of mill interest. It would appear that the talk of more mills sealing looms, improved imports from Pakistan and encouraging new crop reports have all combined to depress speculative interests. Assam Bottoms which was quoting at Rs 44.50 last Friday came back to a low of Rs 41 before slightly recovering to close at Rs 42.50 on Wednesday.

PRODUCTION OF JUTE GOODS: MAY 1960.

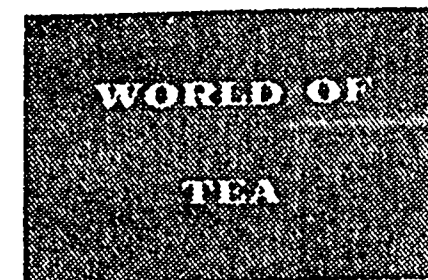
	(000 Tons & Metric Tons)		
	May 60	April 60	May 59
Hessian	37.7 (38.3)	37.0 (37.6)	39.7 (40.4)
Sacking	44.5 (45.2)	44.4 (45.1)	37.9 (38.5)
Others	9.5 (9.6)	9.6 (9.7)	9.2 (9.3)
Grand Total	91.7 (93.1)	91.0 (92.4)	86.8 (88.2)
Hours worked	208.0	208.0	208.0

	As on June 9 Rs.	Low-est Rs.	As on June 15 Rs.
Hessian:			
45"x11 ozs.	53.00	51.75	52.60
40"x10 ozs.			
Ready	48.25	47.00	47.90
July-Sept.	48.35	47.00	48.15
Oct.-Dec.	46.25	45.00	46.50
40"x8 ozs.	39.25	38.15	33.25
40"x7 ozs.	36.35	35.65	36.10

Sackings:			
B Twills—			
Ready	134.50	133.75	133.50
July-Sept.	134.65	133.75	133.85
Oct.-Dec.	127.75	125.00	129.00
Hy. Coes (Green)	138.00	136.00	137.60
Cornsacks	139.00	137.25	138.00
Cubans	157.00	157.00	159.00
A Twills	161.50	159.00	162.50
L Twills	149.50	147.00	149.00
D. W. Flours	153.00	150.50	152.50
Sugar Twills	153.00	151.00	152.50

Ready Raw Jute:			
Assam Bottoms	41.50	41.00	42.50
Northern Bottoms	43.50	40.00	41.50

Futures:			
Hessian Novr.	45.40	45.12	45.98
Sacking Novr.	125.25	124.00	126.40
Raw Jute—Decr.	34.34	33.70	35.42
Raw Jute—Sept.	37.68	37.68	38.50



New Season Starts Well

THE first Export Sale of the New Season's teas has started well. Although the sale had a somewhat hesitant start, the later improvement in demand was good enough to produce a distinctly better tone in the market when compared with the first sale of last year. There was a good domestic demand, while enquiries for plain grades were maintained at a reasonable level.

An important factor contributing to the improvement is probably a sharp fall in North Indian output during May. Production has fallen to 20.8 million pounds from 34.2 million pounds in the same month last year. The total output in the current season, up to the end of May, is also substantially lower at 37.2 million pounds than the last year's corresponding figure of 54.1 million pounds. This short setback is attributed to the prolonged drought in the tea-producing areas of the North during the past few months. Latest indications are that the crop prospects have brightened.

Anxiety is, however, shown with regard to the disappointing trend of quality production. The recent drought has not only reduced the size of the second flush harvest, but also drastically affected its quality. It is, therefore, feared that, in order to make the shortfall in production, the producers will try to raise their output later in the year. If they do so and if Ceylon at the same time maintains her large excess in production, there may be a big surplus of Common teas.

Meanwhile, in the export sale held this week, offerings were 23,024 packages. Whole Leaf grades and Broken were sold readily; but the Orange Fannings were a weak feature. Other Fannings met with only a fair demand. There was a selective and limited enquiry for CTC Assams, while non-with Legg-cut teas were neglected. There was a limited demand for Darjeeling teas at generally easier rates. Clean Black Pekoe Rs 4.80 to Rs 4.90; Plain BP Rs 4.24 to Rs 4.44 and Plain Fannings Rs 4.20 to Rs 4.30. Owing to the lack of suitable teas, no other rates are given.

In the Colombo market, offerings were 5,683,407 pounds. The demand was strong for the restricted quantity on offer. The better liquoring Dimbula type Broken improved, while Mediums showed lesser rises. Black Leaf Broken were irregularly easier.

Tea shares were resumed in London this week after the Whit-sun break and 20,376 packages of North Indian and other miscellaneous growths were on offer. In view of the fact that a good part of the offerings were of end-of-the season character, a fairly satisfactory demand prevailed. Any good liquoring invoices were sold well; but other sorts met with an indifferent market.

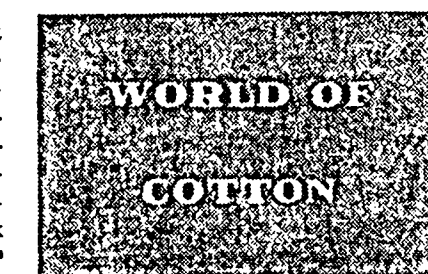
Tea stocks in London, as on 4 June, were 139.43 million pounds as compared to 142.55 million pounds in the previous week. Total amount to be landed, on the same date, was 8.15 million pounds. Total afloat was 9.35 million pounds including from Calcutta 894,000 pounds; from Chittagong nil; from Cochin 1.84 million pounds; from Ceylon 4.20 million pounds and from other Ports 2.42 million pounds.

According to the figures released this week, output of tea in the major producing countries of the world, amounted to 1,376.1 million pounds in 1959 as against 1,366.5 million pounds in the previous year. Consumption has, however, declined sharply to 1,473.6 million pounds from the record high level of 1,683.5 million pounds in the previous year. This was very close to the absorption of 1,469.2 million pounds in 1955.

While tea consumption in non-producing countries fell from 1,180.4 million pounds in 1958 to 998.6 million pounds last year, that in the producing countries at 475 million pounds showed a fall of 28.1 million pounds. With the

exception of the USA and Irish Republic, tea consumption in all non-producing tea countries recorded a decline, with the UK off-take falling from 555.9 million pounds in 1958 to 498.4 million pounds last year.

Among the producing countries, India absorbed 238 million pounds; Pakistan 39 million pounds and Ceylon 21 million pounds in 1959 against 245 million; 44.8 million and 24.8 million pounds respectively in 1958. Consumption also declined in Indonesia from 19.8 million pounds to 18 million pounds and in East Africa from 10.4 million to 9.0 million pounds.



Trading Still Suspended

TRADING in the cotton futures market in Bombay continued to remain suspended during the last week also as the Jarilla August contract tended to ride above the ceiling level of Rs 790. Despite the fact that there was no reported official trading, the contract was quoted unofficially around Rs 807. Expectation of the fixation of a higher ceiling price for raw cotton during the pendency of this contract allured the traders to bid high.

Shipment of raw cotton from the country during the first nine months of the current season totalled about 1.57 lakh bales. Japan, as usual, turned out to be the largest single consumer of our cotton and accounted for nearly 1.3 lakh bales. The traders who were expecting the announcement of a higher ceiling rate from the Government of India have to wait for an indefinite period, like hornbills waiting for a shower to quench their thirst. However it is anticipated that the much awaited day will not be far off, for the issue is under the consideration of the authorities.

SPOT MARKET:

Active conditions were witnessed in the spot market at Sewri. The mill demand for long staple varieties of cotton staged a smart rally during the period under review. Good buying interest was reported among indigenous styles, particularly in Vijay, Digvijay Co 2 and L 147, Kalyan, Wagad, Laxmi and Jaydhar.

Among the imported varieties, renewed interest from local and other mills was reported in African styles, and higher grades of Sudan Cotton. American cotton met with moderate demand.

The consumption trend also favoured bulls. The consumption of indigenous growths by mills during the month of April was estimated to be at 3.40 lakh bales and of imported stuff at 60,481 bales.

FOREIGN COTTON:

Trading in Liverpool futures market was less active when compared to the previous week's transactions. But the lack of any weight of hedge selling to offset the occasional trade covering and American buying of the forward position, helped the price lines to hold firm. Trading in actual cotton was considerably restricted due to the intervention of the Whitsuntide holidays. The week's total sale accounted for 13,000 bales. Renewed eastern buying of the Egyptian medium and long stapled Karnak and Menoufi pushed up the price slightly high. East African price registered a slight decline. Registered export sales against 1960-61 programme have pierced the 6.5 million mark and are, as is quite evident, heading to total 7 million bales.

PIECE-GOODS:

Activity in the market for cotton piece goods showed a pronounced improvement during the week under review. Fair inquiries were reported to have been made by local and overseas dealers for a variety of goods but the aggregate offtake was not in any way encouraging.

In the home market, the activity hovered around forward deals. The shortage of funds had its repercussions in the purchasing front, where the offtake was rather small. Good enquiry was reported for sarees and dhoties in the medium section. Even shirtings and poplins were able to attract a premium of three to six pice a yard. Business done in superfine goods proved to be insignificant.

Singapore accounted for a moderate business for both dyed and bleached mercerised shoe canvas. Restricted booking was reported in bleached long cloth and mulls. Bangkok booked small quantities of long cloth, bleached mulls, poplins, and grey canvas. There were fairly a good deal of enquiries from Australia for flannels, drills, and grey canvas and calendered shirtings. The United Kingdom also evinced keen interest in the usual qualities, but the disparity in the prices prevented the buyers from making any appreciable off-take.

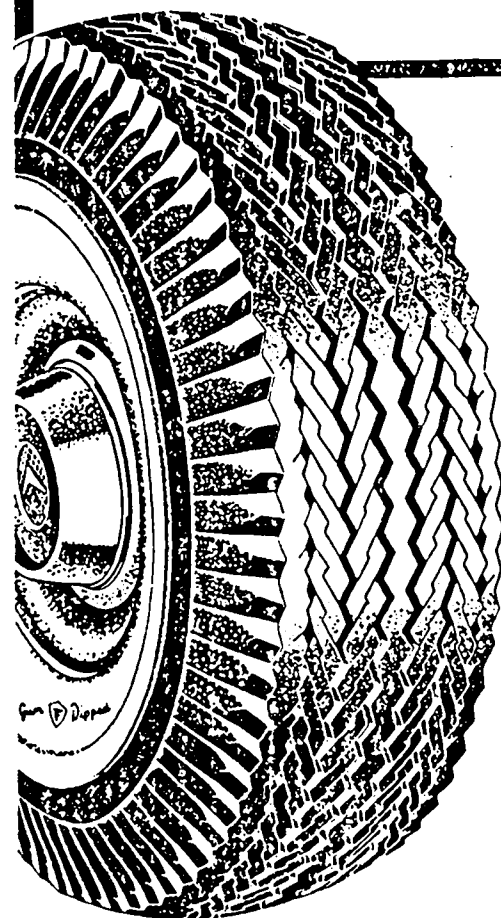
Business on a small scale was done with East Africa in grey drills, and Sassoon sheetings, while West Africa accounted for a moderate quantity of domestic and grey bafts. Good demand was reported for poplins, from Sudan. Eritrea and Ethiopia booked small quantities of bleached mulls and sheetings and grey calendered sheetings.

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Easier Tendency in Sugar Prices

SUGAR prices have declined sharply during the past few weeks. In the Hapur market, prices have tended to go down further and are quoted at Rs 111.50 per bag in the open market against the controlled rate of Rs 108.50. A section of the industry fears that the offtake of the commodity in the country will shrink further in the coming months. It is felt that the market rates will drop to the level of controlled prices in the near future.

Although confronted with heavy stocks, the industry is not likely to urge the Government to decontrol the commodity at the present juncture. The industry is of the view that consideration of the issue should be deferred till a clear picture of the production trend for 1960-61 season is available. It is pointed out that it is essential to build a buffer stock of 5 lakh tons, apart from the normal carryover, before the commodity is decontrolled.

The question of decontrol was discussed at the meeting of the Indian Sugar Mills Association in Delhi toward the end of last week. The members were said to be of the view that the present was not the opportune time for removing the control on the commodity. Although the production was higher by about five lakh tons during the current season, it was pointed out that a further increase in the next season should depend on the supply of cane, which is an uncertain factor in the sugar economy of the country.

Gur

In the Hapur market, ready Gur prices have recorded modest gains on good demand, which was confined to superior dry quality. Loading was, however, very much restricted. Daily arrivals, out of stocks retained by cultivators, were about 250 maunds.

Khandsari

The Khandsari market ruled quiet due to slack demand. Stockists and producers were reported to be anxious sellers in view of the marked increase in crystal sugar production and expectations of early decontrol of sugar. Superior quality was quoted at Rs 36 to Rs 38 per maund.

Foodgrains

Conditions in the Hapur Foodgrains market remained generally

steady. While Wheat recovered early losses on poor daily arrivals, Gram and other coarse grains were steady. In the Pulses section, Peas and Arhar improved fractionally on better outside demand and stockists' support.

The latest reports from North India indicate that the wheat procurement drive in the Punjab may be suspended, as the target for the buffer stock has already been attained. This possibility has imparted an easy tone to wheat prices in the Punjab State. With the arrivals of the new crop rising to 10,000 maunds per day in several important mandies, the pressure of supplies has increased. In the Bikaner division of Rajasthan, too, the inflow has risen to 20,000 maunds per day. Meanwhile, the Punjab Government have removed the ban on the production of maida and sooji from indigenous wheat.

The world wheat surplus of recent years are expected to continue for at least a considerable time to come. This is one of the main conclusions of a review of the world wheat situation just published by the International Wheat Council. Although preliminary estimates of the total 1959 crop put it at 5.6 per cent lower than in 1958, at 212 million metric tons, output is still as much as 11 per cent above the 1954-58 average. However, a better balance emerged last year in so far as the distribution of the world's crop among the main growing areas was concerned.

The market for Gram continues to rule steady. The all-India final estimate of Maize for 1959-60 puts the area and production at 10,457,000 acres and 3,615,000 tons respectively as against the partially-revised estimate of 10,457,000 acres and 3,381,000 tons for 1958-59. This shows a substantial increase of 234,000 tons in production, though area remains at the same level. It should be added that the production during 1959-60 is the highest on record.

Coffee

The Coffee Board has put down the revised estimates for Coffee for the year 1959-60 at 47,465 tonnes, made up of 25,150 tonnes of Plantation; 6,800 tonnes of Arabica Cherry and 15,515 tonnes of Robusta varieties. The Board have decided to set apart a total of 20,200 tons of coffee (13,000 tonnes of Plantation; 2,800 tonnes of Arabica Cherry and 4,400 tonnes of Robusta) for export out of the 1959-60 crop. It is stated that this is the highest quantity set apart for export in any year so far.

The estimate for 1960-61 is placed at 53,000 tonnes, made up of 32,000 tonnes of Arabica and 21,000 tonnes of Robusta. If this figure is realised, it will be the highest production on record.

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Rubber

The consumption of Rubber by the manufacturers in India has now reached the 5000-ton mark. At this rate, the total annual consumption will be over 60,000 tons. It is understood that the tyre-manufacturers have submitted a memorandum to the Government of India for an upward revision of tyre prices on the ground that their cost of production has risen and that there must be a compensatory increase in prices.

A point on which there is considerable anxiety among the manu-

facturers is the payment they are called upon to make to the Rubber Board's Pool the difference between the imported price of rubber and its internal price, if the imported price is lower than the Indian controlled price. This matter is likely to be considered when the Tariff Commission's report is before the Government of India.

Meanwhile, the Rubber Study Group believes that there will be a surplus of 185,000 tons. The trade generally expects a range up to 200,000 tons in natural rub-

18 June 1960

ber. The year 1957 created a record in natural rubber consumption at over 2,100,000 tons or 7 per cent more than the 1958 level of consumption. The world price of rubber has dropped from the recent high level of over Rs 240 per 100 pounds to about Rs 190.

*

Shellac

Conditions in the Calcutta Shellac market remained practically unchanged. Pure TN was quoted at Rs 72 per maund with sellers at Rs 75. Shipments, during the current month till the 7th, were 15,043 packages comprising 10,063 packages of shellac; 4,294 packages of seedlac; 335 packages of button-lac and 351 packages of other varieties.

According to the Indian Lac Cess Committee, total production of Baisakhi crop, for 1960, in the Indian Union is estimated at 8 lakh maunds. The normal annual yield, based on the average of final estimates for ten years preceding 1959, was 7.30 lakh maunds.

Bihar tops the list in production with an estimated output of 3.98 lakh maunds against 3.34 lakh maunds in the preceding year. The Baisakhi crop is reported to have suffered, this year, for want of rain during April and May last. The arrivals of the lac crop in the markets have dropped and the quality of the lac, coming in the markets, is reported to be poor.

*

Bangalore Silk

Bangalore Silk market continued to reflect the same trend of prices during the week ended 10 June, as that of previous week. There were no signs of change in the prices of flature silk which were quoted between Rs 40.00 to 42.00 per lb. Domestic basin silk was quoted between Rs 36.00 to 37.50 per lb as in previous week. Rates of different grades of charka silk ruled between Rs 24.50 to Rs 32.00 per lb.

There was no change in the prices of reeling cocoons during this week, when compared to the previous week rates of Rs 1.90 to Rs 2.56 per lb.

Prices of Mysore Seed cocoons, however gained appreciably to be quoted between Rs 10.50 to Rs 14.50 per lb when compared to the previous rates of Rs 7.50 to Rs 8.50 per 1000 seed cocoons. Rates of Foreign race seed cocoons reflected an opposite trend being quoted lower by about Rs 2.00 per 1000 seed cocoons.

*

Gold & Silver

Despite the absence of demand from the Calcutta, Madras and Delhi operators, conditions on the Bombay Bullion Exchange remained generally steady, thanks to local support.

The Silver section displayed a fairly steady tendency, being supported by disquieting reports about the political situation in Tibet.

Arrivals amounted to 20 bars as against an offtake of 10 bars. Unrefined metal receipts amounted to 19 bars. Ready rates moved between Rs 211.31 and Rs 211.87, to finish at Rs 211.81.

Prices in the Gold section staged a moderate recovery, being influenced by the buying from Akola, Madras and other centres. Arrivals totalled 4,000 tolas as against an offtake of 3,000 tolas. Ready rates moved between Rs 125 and Rs 125.50, to finish at Rs 125.47. Sovereign ruled very steady at Rs 85.50.

Oils & Oilseeds

Prices on the Bombay Oilseeds Exchange displayed generally a firmer tendency, thanks to better advices from Saurashtra and other centres and covering by dealers after the declaration of options in castor. Hopes were also entertained that the offers, sent by the local shippers, would be accepted.

In the Groundnut section, a majority of the operators felt that the sustained shortage of supplies would enable the market to withstand the seasonal decline in

prices. The fact, that the country would have to manage with the existing supplies till the new crop became available in November, instilled fresh confidence among the buyers. Groundnut Bold was quoted at Rs 45 and Groundnut Oil at Rs 23.37.

The behaviour of the Castorseed section reflected a measure of uncertainty. A section of the shippers claimed steady business in castor oil with the UK and the Continent at £119½ per ton for the commercial quality and £126½ for the BSS quality. Ready rate was

Home for the hols

What's the good of holidays if you can't be together—if Junior languishes in longing loneliness while you mope in maternal misery?

Let us fill up the vacancy on your verandah this vacation...

by flying your offspring to India aboard our Children's Special—this year, a mighty Boeing 707 Intercontinental!

Our hostesses and crew take charge of our young passengers from the moment they arrive at Victoria Terminus (or London Airport, if you prefer) until the happy moment, when they rush into your waiting arms.

And remember, there's a Children's Special on Monday, 12th September, 1960 to 'jet' them back when their happy holiday is over!

CHILDREN'S SPECIAL London - Bombay - Calcutta: Sunday, 24th July 1960
Calcutta - Bombay - London: Monday, 12th September 1960



AIR-INDIA

quoted at Rs 33.50 and Castor Oil, commercial quality, at Rs 17.75.

Trading in the Linseed section was largely of a speculative nature in the absence of important influences. Although some ship-pers claimed Canadian enquiries, export business was almost negligible. Ready Linseed was quoted at Rs 32.50 and Linseed Oil at Rs 16.19.

Trading in the Cottonseed section continued to remain dull.

The recent New Delhi announcement on the compounded levy on larger groundnut oil crushers has been adversely interpreted in the groundnut oil market in Madras which predicts no chances of the oil prices coming down. While groundnut oil quotations seemed to be either steady or slightly on the downgrade during middle of last week, there was a slow tendency for them to look up and they have firmed up at the higher levels on Wednesday.

Groundnut kernel prices, too, for both superior coromandel and summer peanuts, have been going up with little basis for the belief they would come down.

Arrivals of groundnut kernels in the local market has been on the average of 55/60 tons daily. The position in Southern market centres of groundnut inflow seems to be tight. On the whole, these centres are receiving only about 200/225 tons daily.

United Kingdom price of groundnut oil too has not gone down with

the present position for spot oil being £121/- per ton. Burma is keeping its figures crossed for the moment. Even Groundnut cake spot price at London has gone up to £34 to £34/5 per ton. Groundnut kernels per ton for spot is quoted at U.K. at £74/10.

The following are Wednesday's closing prices:

Groundnut oil per candy of 500 lbs. ex-Madras godown expeller Ready 3% F.F.A Rs 397.50; June: Rs 400; July: Rs 396; August: Rs 394.

Kernels per candy of 531 lbs. Coromandel 217/218; Peanut Rs 208/209.

Castor oil per candy of 500 lbs. Tirupattur Rs 305.

Coconut oil per tin Rs 40/-.

Alleppey: Ready Rs 670 (Ready); Rs 670 (June); Rs 676 (July) All are buyers' rate.

Cochin Pepper: Per Cwt Ready Rs 320.50; July Rs 317.50; August: Rs 325; Ungarbled Rs 1,750 per ton.

As it would have been from the rising prices of both groundnut oil and groundnut, it was the latter which firmed up very considerably during the past week. Small scale crushers indulged in hectic buying and naturally this led to increase in prices far in excess of oil parities. On the other hand, groundnut oil did not mark any suitable increase and one major contributing factor was the small prices quoted by major centres like Calcutta. Shippers did not interest themselves also. Madras

and Calcutta vanaspathi interests had to come in for fresh stocks of oil daily. It was anticipated that due to the commencement of the South-West monsoon bear selling from professionals may have to be faced and consequently lower prices of groundnuts. But stocks having dwindled locally, this anticipation did not materialise. Oil which was lying low for some weeks recorded a gain of about Rs 33/35 per ton. Groundnuts made greater gain of Rs 40 or so per ton.

Arrivals locally of groundnut kernels were in both varieties. North Arcot Chittoor districts had released winter crop. Buyers went in for superior varieties from Kalahasti in the beginning even at the price of Rs 220 per candy. But on the whole the price for both varieties per candy did not alter. If at all, they had a tendency to look up as the price-trend indicated herein from Thursday 9 June upto Tuesday 14 June would show:

	G. Kernels.	per 531 lb candy.
	Coromandel.	Peanut.
	Rs	Rs
June 9	215/216	202/208
June 10	216	208
June 11	216/217	208
June 13	217/218	207/208
June 14	217	208

As for groundnut oil, local interests went in for oil supplies sources rather than for groundnuts which are ruling very high both locally and in the interior. It was why even Calcutta was keen on day-to-day oil

offerings for their vanaspathi manufacture from the oil bought here.

It was futile to think of having the supplies of oil at a rate lower than Rs 392 during the latter part of last week. At a higher rate of Rs 394 per candy nearly 1,000 candies of oil were bought by local interest. This was on the compounded sales tax levy basis. Local bazar interests had to go in from the bigger suppliers also due to lack of stock from their usual sources.

Forward positions were not active. June vaida had only a small volume of business. Equally so was the position in August position. July had some early transactions. The price offered was around Rs 392/396 but steadied to Rs 395 latterly. August was taken up at Rs 392/393 though on last week's closing a small deal took place at Rs 394.

The following price line, was seen from Thursday 9 June to Tuesday 14 June:

	G. Nut oil Per 500 lbs candy.	Ready June	July	August
	Rs	Rs	Rs	Rs
June 9	392	395	392	390
June 10	393	396	393	391.50
June 11	396	400	396	394
June 13	395	399	395	392
June 14	396	400	394	393

In groundnut oil cake closing price, on 15 June was 27.75 per bag of 160 lbs. The cake market maintained a firm undertone.

Gingelly oil was quoted on 15 June at Rs 23.50 per maund. Local gingelly seed was priced at Rs 77/78 per bag.

	Per bag
Chanda/Warora quality	Rs 85/80
Rajasthan	Rs 80
Tuni/Rajahmundry	Rs 77/78

The following prices ruled in Southern centres for groundnut oil and kernels:

	(1)	(2)
Guntur/Bezawada	213	400
Vridhachalam	212	392
Nandyal	208	395
Villipuram	210	392
Cuddappah/Verragantla	205	390
Pollachi nominal	210	395
Tanjore	212	395
Tiruvannamalai	208	392
Salem	212	395

(1) Groundnut kernels per 531 lb candy.
(2) Groundnut oil per 500 lb candy.

Hides and Skins

Bakrid holidays interrupted regular inflow of tanned cow or buffalo hides into the market centres. In certain higher grade weights the prices were less than last week, but other quotations for lower grades remained steady and firm.

In c.i.f. section, business reported has been small. Light weights were available at reduced quotations from one to two pence per lb. Even this reduction did not evoke response. Fifths continued to be in demand at firm price level. Inferior fifths could be had lower by 1 to 2d per lb.

In buffalo tanned hides with small arrivals and less local demand prices declined by 2 to 3 nP per lb. In both tanned cow and buff calf no business was done.

Even tanned goatskins marketed

amounted to about 1,000 but market quality sheepskins marketed went to about 64,000 pieces. Bazar continued to have sizeable stocks in tanned goatskins at over 12,000 and 69,000 in tanned sheepskins.

Due to Russian enquiries for raw skin prices this week's quotation for

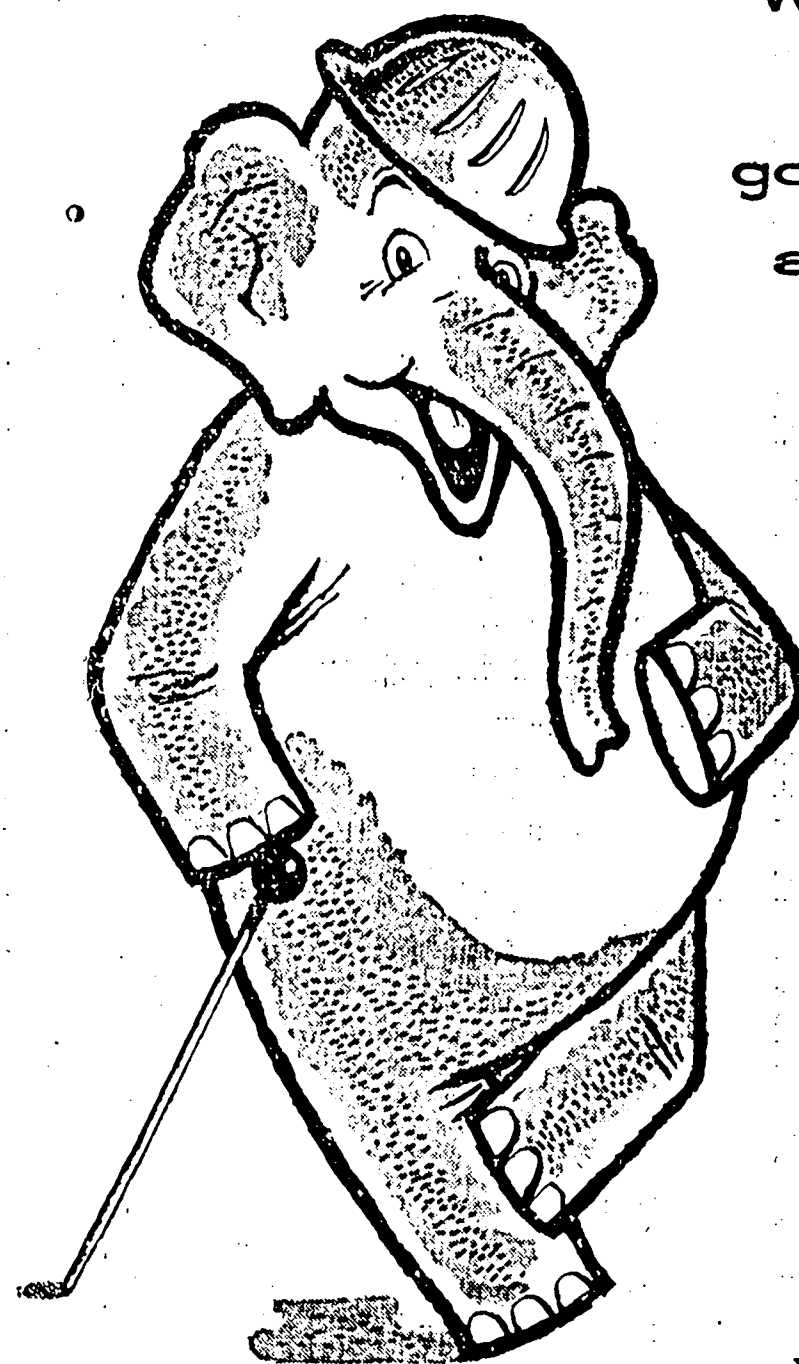
these per 100 was better than last week's prices shown in brackets: Bangalore raw goatskins Rs 440/525 (Rs 430/470); Whitewool sheep Rs 540/590 (Rs 520/590); Blackwool sheep last week's price Rs 400/450 and this week's price unquoted. Bezawada raw goatskins Rs 430/440

(Rs 415); He sheep Rs 530 (Rs 550); She sheep Rs 380 (Rs 400).

The following prices were quoted for tanned skins per lb: Tanned cow prime (5/5½ lb) Rs 3.12 to 3.37; (8/8½ lbs) Rs 2.37 to 2.44 (10/12 lb) Rs 2 to Rs 2.12; Tanned buffalo (12/13 lb) Rs 1.62 to Rs 1.75; Tanned

cow calf (21½ lb) Rs 4.62 to Rs 5.00; Tanned buff calf (1½/2 lb) Rs 3.37; Tanned goat prime (5½/6 lbs): Rs 9 to Rs 9.50; (8/9 lbs) Rs 9.50 to Rs 10; Tanned sheep ordinary: (6/7 lb): Rs 7.25 to Rs 7.50; Tanned sheep prime: (6/7 lb) Rs 10 to Rs 10.25 market quality—

Memoirs of an Elephant—I



"When I was very young... good-looking and adventurous..."

It was the 1880s—the place was Assam.

At that time these strange creatures, human beings, were all over the place here busily unearthing some black stone they called "coal". They started putting mile after mile of iron rails on the ground just to carry these ugly looking rocks. Left to me, I would have carried them on my back—that's self reliance! All the same, I used to help them build the railway.

One day, on my day off from work I took a stroll into the forest. I remember splashing through some dark sticky fluid during my walk and when I got back I got quite a reception!

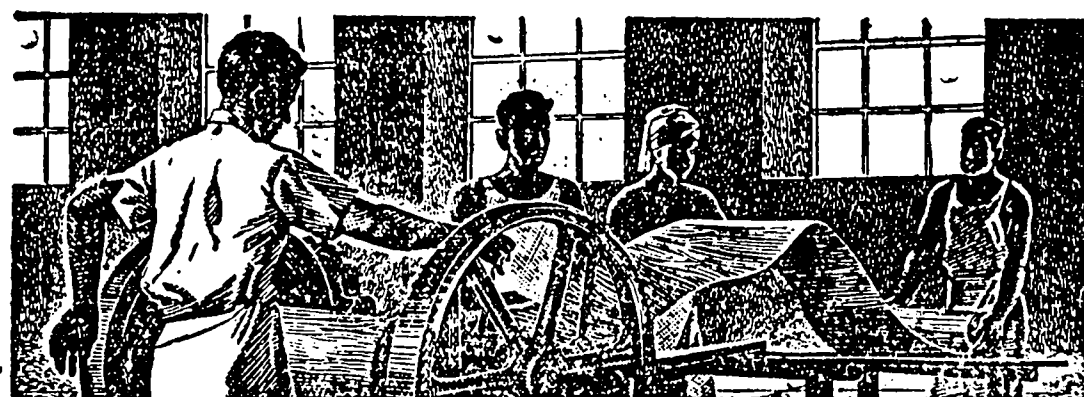
It seems that I had discovered something they called OIL. From that minute on there was no peace, and for the past 70 years the pace has been hectic here at Digboi: they have drilled about 1,000 oil wells in this time.

I casually asked one of the AOC workers why they are so interested in oil. He told me that oil is vital to Indian Industries, and that Digboi is the first commercially producing oil field in the country.

ASSAM OIL

Serves the nation

Inserted by Assam Oil Company Limited



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A LEADING BANK IN SOUTH INDIA

HERCULES INSURANCE COMPANY LIMITED

(INCORPORATED IN INDIA)

The Liability of Members is Limited.

NOTICE IS HEREBY GIVEN that the TWENTY FIFTH ANNUAL GENERAL MEETING of the Hercules Insurance Company Limited will be held at the Registered Office, 16, Hare Street, Calcutta on Friday, the 29th July, 1960 at 3 P.M. for the purpose of:

1. Considering the Accounts, Balance Sheet and the reports of the Board of Directors and Auditors for the year ended 31st December, 1959.
2. Declaring a Dividend.
3. Appointing Directors in the place of those retiring.
4. Appointing Auditors and fixing their remuneration.

AS SPECIAL BUSINESS

5. Sanctioning the payment of Rs. 31,400 to the Directors as their fees for services rendered during the year ended 31st December, 1959.
6. To consider and, if thought fit, to pass, with or without modification the following resolution which will be proposed as a Special Resolution, namely:

"That the Articles of Association of the Company be altered in manner following:—

- (a) Articles 17 to 21 shall be deleted and the following new Articles numbered 17, 18, 19 and 20 substituted therefor:

CERTIFICATES.

17. The certificates of title to shares and duplicates thereof when necessary shall be issued under the Seal of the Company which shall be affixed in the presence of (i) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney; and (ii) the Secretary or some other person appointed by the Board for the purpose and two Directors and their attorneys and the Secretary or other person shall sign such share certificate; provided that, if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director.

MEMBERS RIGHT TO CERTIFICATE.

18. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name or, to several certificates each for one or more of such shares, but in respect of each certificate for less than ten shares, the Directors shall be entitled to charge a fee of Re. 1/- or such less sum as they may determine. Unless the con-

ditions of issue of any shares otherwise provide, the Company shall, within three months after the date of either allotment and on surrender to the Company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares) as the case may be, complete and have ready for delivery the certificates of such shares. In the case of transfers of shares, the Company shall within one month of receipt of the application for registration of transfer of any of its shares issue the certificates of such shares or shall issue within fifteen days of such receipt, Pucca transfer receipts autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Board or that no such approval is necessary. Every certificate of shares shall specify the name of the person in whose favour the certificate is issued, the shares to which it relates and the amount paid up thereon. Particulars of every certificate issued shall be entered in the Register of Members maintained in the form set out in the Act or, in a form as near thereto as circumstances admit, against the name of the person to whom it has been issued, indicating the date of issue. In respect of any share registered in the joint names of several members the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several members registered jointly in respect thereof shall be sufficient delivery to all such members.

AS TO ISSUE OF NEW CERTIFICATES.

19. If any certificate of any share or shares be surrendered to the Company for subdivision or consolidation or if any certificate be defaced, torn or old, decrepit, worn-out or where the cages in the reverse for recording transfers have been duly utilised, then, upon surrender thereof to the Company, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof; and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board, and on such indemnity as the Board thinks fit being given, a new certificate in lieu thereof shall be given to the party entitled to the shares to which such lost or destroyed

certificate shall relate. In the case of loss the new certificate shall be given within six weeks from the receipt of notification of the loss. Where a certificate has been issued in place of a certificate which has been defaced, etc., lost or destroyed it shall state on the face of it and against the stub or counterfoil that it is issued in lieu of a share certificate or is a duplicate issued for the one so defaced, etc., lost or destroyed, as the case may be, and, in the case of a certificate issued in place of one which has been lost or destroyed, the word "duplicate" shall be stamped or punched in bold letters across the face thereof. For every certificate issued under this Article, except "or a certificate issued in place of an old, decrepit or worn-out certificate or in place of a certificate the cages in the reverse whereof for recording transfers have been duly utilised, there shall be paid to the Company the sum of Rs. 2/- or such smaller sum together with such out of pocket expenses incurred by the Company in investigating evidence as the Board may determine.

PARTICULARS OF NEW CERTIFICATE TO BE ENTERED IN THE REGISTER.

20. Where a new share certificate has been issued in pursuance of the last preceding Article, particulars of every such certificate shall also be entered in a Register of Renewed and Duplicate Certificates indicating against the name of the person to whom the certificate is issued the number and date of issue of the certificate in lieu of which the new certificate is issued and the necessary changes indicated in the Register of Members by suitable cross-references in the "Remarks" Column. All entries made in the Register of Members or in Register of Renewed and Duplicate Certificates shall be authenticated by the Secretary or such other person as may be appointed by the Board for purposes of sealing and signing the share certificate under Article 17 hereof.

- (b) In Article 28, the words "or confer a right to participate in profits" shall be added at the end of the Article.

- (c) In Article 50, the words "his debts, liabilities and engagements solely or jointly with any other person to or with the Company whether the period for the payment, fulfilment or discharge thereof" shall be deleted and the words "moneys called or payable at a fixed time in respect of such shares whether

the time for payment thereof" substituted therefor.

- (d) In Article 51, the words "fulfilment or discharge of such debts, liabilities or engagements" shall be deleted and the words "of the moneys called or payable at a fixed time in respect of such shares" substituted therefor.

- (e) In Article 52, the words "satisfaction of the debts, liabilities or engagements of such member" shall be deleted and the words "payment of such part of the amount in respect of which the lien exists and is presently payable" substituted therefor.

- (f) Article 77 shall be deleted.

- (g) In Article 152, after the words "whilst carrying interest" the words "rank for dividend or" shall be inserted.

- (h) Article 158 shall be deleted and the following new Article substituted therefor:

"158. The Directors may deduct from any dividend payable to any member sums of money, if any, presently payable by him to the Company on account of calls made on shares in the Company held by him".

- (i) In Article 167, the word "three" shall be deleted and the word "six" substituted therefor.

The Share Transfer Books will be closed from the 22nd July to the 29th July, 1960, both days inclusive.

By order of the Board

E. K. SRINIVASAN

Managing Director.
Calcutta, 7th June, 1960

Note—1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

2. The dividend when declared will be paid only to those shareholders whose names appear in the Company's Register as on the 29th July, 1960.

The explanatory statement as required under Sec. 173 of the Companies Act, 1956, has been sent to the shareholders.

As the above notice appearing in our last issue contained an error, the corrected version is published.

Manager.

This Weekly is Printed

By

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116, LOWER CIRCULAR ROAD,
CALCUTTA 14.



Subdued Trend

Investment Gossip:

AFTER the late revival last week, stock markets have relapsed into a mood of caution. The more speculative counters have suffered a setback although some selected industrials have continued to remain steady.

The prevailing situation would appear to be still one of a tussle between the bulls and bears, but both have been told at least by one important stock exchange that neither will be allowed to have their own way. The Bombay Stock Exchange authorities have made it difficult for speculators of either kind to dominate proceedings for any length of time by tightening of margins and what amounts to fixing of "floor" and "ceiling" to the scrip in the cleared list. Tightening of margins has also been imposed by other stock exchanges except Calcutta. It is evident that the Calcutta Stock Exchange authorities are confident that after the measures taken by the other exchanges, a similar action by them would not be necessary.

It would appear that Authorities concerned with the healthy working of the stock markets in the country are, for the time being, content to let the matter be tackled by the various stock exchanges. This is not to say that one need not expect any further official measures to curb speculation. As a matter of fact it is not improbable that the steep rise in the prices of shares of some of the new issues even before allotments have been made, would be engaging the attention of Authorities even now.

The fact that speculators are unable to maintain their high levels for long during the past two or three weeks clearly shows that the widely held opinion that share values have become unrealistic is being taken serious notice of by operators. The warning is being repeatedly given that share prices have touched unjustifiably high levels even on the basis of the most optimistic dividend or growth prospects. Investors are naturally reluctant to extend their commitments in the face of such warnings. With investors out, trading on the stock markets will lose their significance and it is idle to expect the authorities to allow such a state of affairs to continue for long.

LR\$

New Issue Notes

Subject to the Government sanction, Shree Niwas Cotton Mills Limited has decided to raise the

Ordinary capital from Rs 80 lakhs to Rs 96 lakhs. The fresh capital will be issued at par to the existing shareholders in the ratio of one share for every five shares held.

Polychem Limited has proposed, subject to the Government sanction, to raise additional capital of Rs 40 lakhs by issuing, at par, 80,000 Ordinary shares of Rs 50 each, to the existing shareholders in the ratio of one for one. This issue will double the present equity capital to Rs 1.20 crores. The additional capital is needed for the company's expansion programme.

Adarsh Chemicals and Fertilizers Limited has started posting allotment letters in respect of its recent issue. The company has applied to the Bombay Stock Exchange for the listing of its shares, both ordinary and preference.

The managing agents of Selected Satgram Collieries Limited have offered for sale, to the public, 3,000 equity shares of Rs 100 each at Rs 112 per share cum-dividend. The company has recommended a gross dividend of 16 per cent for 1959. The application list will be kept open from 21 June to 24 June, 1960.

Parrys Confectionery Limited has obtained the Government sanction to capitalise the Share Premium Account for the issue of 2.50 lakh equity shares of Re 1 each as bonus in the ratio of one bonus share for every three shares held.

We understand that Messrs Raymon Engineering Works Limited, manufacturers of railway wagons, rolling stocks and components, etc, have obtained the necessary sanction from the Government of India for issuing to the public, at par, 3,99,400 equity shares of Rs 10 each and 20,000-6½ per cent tax-free Redeemable Cumulative Preference shares of Rs 100 each. Payments will have to be made on the following basis—Rs 5 per share on application and Rs 5 on allotment in the case of equity-shares; and Rs 50 per share on application and Rs 50 on allotment in the case of Preference shares. We also understand that further details with regard to the issue will be announced before the end of the month.

LR\$

Investment Notes:

Messrs Blackwoods India Limited, member of the J. K. Organisation, have completed production of Jaykay Portable Typewriters, containing only 9 per cent foreign components, within a short period of less than six months from the date of installation of the plant without any foreign collaboration—technical, financial or otherwise. The anticipated capacity of the plant is 12,000 machines per year. The necessary plant and machinery were acquired from Germany in the middle of 1959 and the erection and installation were completed within a very short period. Messrs Blackwoods India Ltd. were given an industrial licence by the Government of India in 1958 for the manufacture of portable typewriters in the country. There has been an acute shortage of portable typewriters in India for the last three years, and the Jaykay portable Typewriter—India's first portable—would be a boon to the general public. It is learnt that Blackwoods have further lines of development under consideration and are negotiating for foreign collaboration for the manufacture of various other office appliances.

LR\$

Investment Briefs:

Cauvery Spinning has recommended a taxable dividend of 13 per cent for the year ended 31 March, 1960 against a tax-free dividend of 9 per cent for the previous year.

India United Mills Limited has passed over the dividend for 1959.

Mahindra and Mahindra have announced that the dividend has been revised from 87½ nP to 97½ nP per share for the year 31 October, 1959.

New India Assurance has declared a dividend of Rs 4.50 and a bonus of Rs 1.20 per share for 1959, subject to tax. These work out to a dividend of Rs 3.99 against Rs 4.00 per share paid for 1958.

Andhra Cement has recommended a taxable dividend of 10 per cent for 1959 against a tax-free dividend of 7½ per cent for 1958.

Balance-Sheet Briefs:

The net profit of the Metal Box Company (India) Limited has risen from Rs 97.59 lakhs to Rs 108.29 lakhs for the year ended 31 March, 1960. The final dividend of Rs 1.60 per share, subject to tax, is payable on a capital increased by the new shares. The interim dividend of 90 nP per share was paid on the old capital. A dividend of Rs 1.75, free of tax, was paid for 1958-59.

Shree Gopal Paper Mills Limited has reported a higher profit of Rs 89.33 lakhs for 1959 as against Rs 78.41 lakhs for the previous year. A taxable dividend of Rs 17.67 per share is recommended against a tax-free dividend of 12½ per cent.

The working of the Travancore Cements Limited for 1959 has resulted in a loss of Rs 88,787 against a profit of Rs 5.83 lakhs. A taxable dividend of 6 per cent is proposed. The net dividend works out to 4.2 per cent against 6 per cent in the preceding year.

The Coimbatore Pioneer Mills Limited has reported an increase in the net profit from Rs 17.36 lakhs to Rs 22.89 lakhs for 1959. A taxable dividend of 25 per cent is recommended against a tax-free dividend of 20 per cent.

The Bihari Mills Limited, Ahmedabad, has shown a profit of Rs 1.98 lakhs against Rs 1.21 lakhs. The directors have recommended a dividend of Rs 16 and a bonus of Rs 9, making a total of Rs 25 per share for 1959. The net dividend works out to Rs 17.5 against Rs 21 previously.

The net profit of the Nenmeny Rubber & Produce Company, Limited is slightly lower at Rs 1.87 lakhs against Rs 2.00 lakhs. A taxable dividend of 15 per cent is proposed against a tax-free dividend of 15 per cent.

THE HOWRAH-AMTA LIGHT RAILWAY COMPANY LIMITED.

NOTICE is hereby given that the Board of Directors has sanctioned payment of dividend on the 5% Cumulative Preference Shares in the Company for the half year ending 30th June, 1960.

The Preference Share Register and Transfer Books of the Company will be closed from the 23rd June to the 29th June, 1960 both days inclusive. Payment will be made on or after 1st July, 1960 to those Preference Shareholders whose names appear on the Company's Register on the 29th June, 1960 or to their mandatories.

By order of the Board,

MARTIN BURN LTD.

P. G. Liversedge,

Managing Director,

Managing Agents.

12, Mission Row,
Calcutta
The 13th June, 1960.

MEETINGS AND DIVIDENDS PROPOSED

Company	Meeting Date	Dividend Proposed (Rs Per Share)	Transfer Books Closed
CALCUTTA:			
Bisra Stone	June 20	1.25 (int)	22/5/60 to 5/6/60
Sen Raleigh	June 23	0.80	9/6/60 to 23/6/60
I. S. Wagon	June 24	28½%	15/6/60 to 24/6/60
Indian Copper	June 27	0.36	18/6/60 to 9/7/60
Churulia Coal	June 28	0.12	14/6/60 to 28/6/60
Caledonian Jute	June 29	12.00	15/6/60 to 29/6/60
Murphulani Tea	June 28	2.00	22/6/60 to 28/6/60
Bowreah Cotton	June 28	Nil	20/6/60 to 28/6/60
Dunbar Mills	June 29	10.00	20/6/60 to 28/6/60
Mim Tea	June 24	0.85	13/6/60 to 2/7/60
National Rubber	June 24	1.50	17/6/60 to 4/7/60
New Beerboom Coal	July 4	1.00	
BOMBAY:			
Bombay Gas	June 18	61%	11/6/60 to 18/6/60
National Rayon	June 23	22.00	20/5/60 to 15/6/60
Kamani Engineering	June 24	7½%	4/6/60 to 24/6/60
Raymond's Woollen	July 1	11.50	22/6/60 to 1/7/60
MADRAS:			
India Sugars	June 20	12½%	7/6/60 to 20/6/60
Cambodia Mills	June 24	Nil	3/6/60 to 24/6/60
Mysore Sugar	June 28	30%	22/6/60 to 28/6/60

*Rs 21.27 on new ordinary shares and proportionate dividend for 1958.

ROHTAS INDUSTRIES LIMITED

Dalmianagar (Bihar)

NOTICE is hereby given that an Extraordinary General Meeting of the shareholders of Rohtas Industries Ltd. will be held at the Registered Office of the Company at Dalmianagar (Bihar) on Thursday, the 14th July, 1960 at 11 A.M. for the purpose of considering and, if thought fit, for passing, with or without modification, the following resolution which will be proposed as an Ordinary Resolution:—

(To be proposed as an Ordinary Resolution):

"RESOLVED that the appointment of Messrs. Ganga Corporation (Private) Ltd., Allahabad as sole selling agents for the sale of Asbestos Cement products for Punjab, Himachal Pradesh, Rajasthan, Uttar Pradesh, Madhya Pradesh, Bihar and Delhi on the terms and conditions enumerated in the agreement, submitted to this meeting and approved by the Board of Directors of the Company, be and is hereby approved and confirmed."

By Order of the Board
For ROHTAS INDUSTRIES LIMITED,

For SAHU JAIN LIMITED,
A. K. JAIN
Managing Director,
Managing Agents.

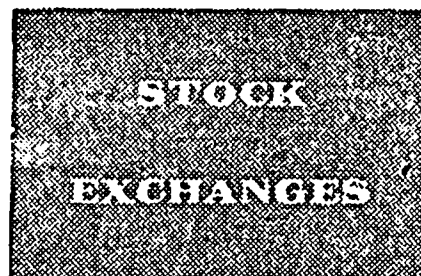
Calcutta,
15th June, 1960.

N.B. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxy in order to be effective must be received by the company not less than 48 hours before the meeting.

Explanatory Note:

Under Section 294 of the companies Act, 1956, appointment of sole selling agents is required to be approved by the company in General Meeting within a period of six months of the date of appointment. Messrs. Ganga Corporation (Private) Ltd. had been working as sole selling agents of the Company in respect of Asbestos Cement products, previously also. Their last agreement, however, expired on 29th February, 1960. A fresh agreement for their appointment in the said capacity and effective from 1st March, 1960 has been approved by the Board of Directors on the terms and conditions enumerated in the said agreement which is available for inspection of the shareholders on all working days during business hours at the Registered Office of the company and the same will be placed before the shareholders at the above meeting.

The Directors of the Company or the Managing Agents have no interest in the said agreement.



Conflicting Trends

Watch-Dog Writes:

STOCK markets have again witnessed a quiet session this week and the trend of prices is somewhat conflicting. While the speculative issues have registered a sizable fall in prices due to sustained bull liquidation on lower Bombay advices, a few other scrips have looked up on growth prospects. The undertone, however, remains fully steady.

Sentiment on the Calcutta Stock Exchange remained generally subdued. The only relieving feature of trading was the sustained support lent to a few selected miscellaneous issues.

Although the Bombay Stock Exchange gave a cheerful performance in early dealings, values displayed a slightly reactionary tendency toward the close under pressure of liquidation.

Prices on the Madras Stock Exchange showed a mixed trend.

Calcutta

Calcutta, Friday Evening.

THE impressive recovery in prices, that was noticed on the local Stock Exchange toward the previous week-end, proved to be shortlived. The market witnessed again a sharp recession in values, especially of the speculative issues, due to sustained liquidation, although a few firm features developed in the Miscellaneous section, thanks to encouraging corporate results.

In general, all the happenings in Bombay had their reflection in the local market where the equities moved in tune with their counterparts in Bombay. With the adoption of new measures to regulate prices of the speculative issues in Bombay, some of the local operators were wondering whether the Calcutta Stock Exchange authorities would follow suit. Others had, however, the feeling that there would not be any necessity for the authorities to impose any restriction, especially when the present sluggish trend in the speculative issue continued. Their feeling was based on the fact that the pace of movements of values would be ultimately decided by the prospects of dividends and growths of the companies concerned. This might probably be the reason that the undertone of the market remained fully steady.

The Giltedged section continued to remain dull with business reduced to small dimensions. Enquiry

from institutional investors was conspicuous by its absence, while that from other sources remained meagre in the extreme. Only a few short-dated loans met with some business. 3 per cent 1986 Conversion after opening lower at Rs 72.90, improved at one time to Rs 73.30, to recede again toward the close to Rs 73.05 on profit-taking.

Bank shares were featureless with price movements confined to a narrow range. Punjab National changed hands at Rs 19.12 to Rs 19.25 and United Commercial at Rs 68 to Rs 68.50.

Jute shares remained depressed. Operators seemed to be worried about the prospects of a further cut in mill production in view of the shortage of raw jute. Howrah were marked down at one time to as low as Rs 22 from Rs 22.25; National to Rs 26.50 from Rs 27 and new Central to Rs 29.44 from Rs 30.44, to finish better at Rs 22.50; Rs 26.75 and Rs 30.75 respectively. Kinnison were offered at Rs 161 against Rs 169; Kelvin at Rs 151 against Rs 160 and Kamahatty at Rs 145 against Rs 161. Champdany were, however, nearly maintained at Rs 114.50.

Coal shares displayed, on the whole, a steady trend on the general feeling that all the restrictions on the industry might be removed soon in order to enable the private collieries to augment their production for meeting the rising demand for the commodity. Amalgamated had buyers upto Rs 24 from Rs 23.81; Bengal upto Rs 328 from Rs 325; Central India upto Rs 12.44 from Rs 12.19 and Western Bengal up to Rs 8.44 from Rs 8.31. Equitable were a shade quieter at Rs 29.62 against Rs 29.81. Burrakur, after opening lower, firmed upto Rs 19.75, to close at Rs 19.56.

Although dealings were few, Tea shares were fully steady on reports of the first export sale of the new season having a fairly good start and the prices of plain grades being maintained at a reasonable level. There was, however, a general disposition to book profits at bulges in view of the obscure outlook for Common grades. Bismuth changed hands at Rs 22.25 to Rs 22.44; Grob at Rs 14.19 to Rs 14.31; Hantapara at Rs 148 to Rs 151; and Jayshree at Rs 18.67 to Rs 19.31.

Quieter advices from the commodity market had a depressing effect on the Sugar section where only a few selected issues came in for good support. Prominent amongst these were Ramnugger Cane having buyers at Rs 26 to Rs 26.37; SKG at Rs 14.37 to Rs 14.59; Cawnpore at Rs 15.44 to Rs 15.50 and Raza/Buland at Rs 14.06 to Rs 14.12. Dyer Meakin were, however, on offer at Rs 20.9 against Rs 20.50.

The Textile section gave a better performance, aided mostly by reports of higher consumption in cotton piecegoods recently. The

best levels, however, were not maintained due to profit-taking. Jayshree m.c. with business at Rs 15.44 to Rs 15.75 (Rs 15.62); Cawnpore at Rs 6.76 to Rs 6.87 (Rs 6.87); Elgins at Rs 19.50 to Rs 19.75 (Rs 19.65) and Kesoram at Rs 31.50 to Rs 32.31 (Rs 31.87). Figures shown within brackets were the week's closing rates.

In the week's dealings, the worst affected were the speculative issues under the lead of Indian Irons which, in turn, were subjected to settlement adjustments till Wednesday. Against the previous week-end closing of Rs 25.04, Indian Irons opened lower at Rs 24.81 and receded further to Rs 24.44 at which level some short-covering induced a smart recovery to Rs 24.85, to finish the week at Rs 24.78. In sympathy, TEXMACO were marked down at one time to Rs 26.65 from a high of Rs 27.20; GK Williams to Rs 46.69 from Rs 49.75 and Jessop to Rs 23.56 from Rs 24.12, to close finally better at Rs 26.75; Rs 47.25 and Rs 23.75 respectively. Burn were keenly sought after upto Rs 538 from Rs 519 on prospects of a right issue, while Indian Galvanizing were supported upto Rs 25.12 from Rs 24.69 on reports of good working. Britannia were slightly lower at Rs 13.37 against Rs 13.56, while Braithwaite improved to Rs 32.75 from the recent low of Rs 31.56.

Of all the sections, the Miscellaneous was fairly active and provided a few bright spots on various considerations. Prospects of increase in shipbuilding imparted strength to India Steamship which were in demand upto Rs 11.50 from a low of Rs 11.22. Indian Aluminium were wanted up to Rs 29.56 from Rs 27.50 due to excellent growth prospects. Following

THE MODERN MILLS LIMITED.

NOTICE OF 19TH DIVIDEND.

NOTICE IS HEREBY GIVEN THAT a Dividend of Rs. 5/- (less tax) per share of Rs. 50/- for the year ended 31st October, 1959, sanctioned by the Shareholders at the Twenty-sixth Annual General Meeting held on the 7th June, 1960, is made payable at the State Bank of India, Bombay, on and after Monday, the 20th June 1960 to those Shareholders whose names stood on the Register of Members on the 28th May 1960. The dividend warrants are made negotiable at par at the State Bank of India, Bangalore.

By Order of the Board,
N. SIRUR & CO. (Private Ltd.)
Managing Agents,
N. D. SIRUR
Managing Director.

Registered Offices:

Temple Bar Building,
70, Forbes Street, Fort,
Bombay.
7th June 1960.

were the price trends of a few other selected scrips:

	Week's High	Week's Low	Week's Closing
Orient Paper	46.70	45.70	45.70
Elior Gopal	22.25	22.37	22.25
Sirpur	18.25	17.87	18.12
Bengal	105.50	103.00	105.50
Titaghar	39.87	39.50	39.62
Rohtas	38.81	36.94	38.60
Dunlop	42.62	41.56	42.62
H. Motor	21.00	20.37	20.58
I. Aluminium	29.50	27.50	29.56
I. Cable	34.61	34.00	34.56
I. Copper	5.14	4.99	5.14
I. Oxygen	38.75	38.12	37.75
A. Chemical	30.25	29.87	30.25
B I C	7.78	7.50	7.75
Asso. Battery	37.75	36.25	37.25
Union Carbide	39.12	38.50	39.12

Madras

Industrial shares proved strong with continued buying fervour in the Stock Exchange here on Tuesday. The notable scrip that advanced on good enquiries was Spencers which spurted to Rs 5.25 from the week's beginning quotation of Rs 4.75. Textiles were as usual firm. Bank shares were also steady on the expectation of better half-yearly results by the month end. Teas were subdued and rubber commanded continued support.

Government Securities: No change was observable in Government Securities which continued at the marked prices. 4 per cent 1963 Madras Loan had sellers at Rs 100.35. The 4½ per cent 1970 Madras Loan was offered at Rs 101.80. The 4 per cent 1964 Madras Loan had been bought at Rs 100.45, while 4 per cent 1968 Andhra State were selling at Rs 100.05. Mysore Government 4½ per cent 1970 Loan was continuing at the listed price of Rs 102.00 as also the 4 per cent 1971 Kerala State Government loan at Rs 99.70.

Banks: The Canara Banking Rs 10 paid share receded to Rs 17.75 while trading was made in the fully paid Indian Bank shares at the improved price of Rs 174.00. This was a couple of rupees higher than the last week's ruling price. Indian Overseas Bank shares too improved on speculative interest to Rs 169.00. The week's rate for this opened a rupee less yesterday. Indo-Commercial Bank "A" Rs 100 paid shares receded to Rs 39.00. Pandyan and the Punjab National continued at Rs 39.25 and Rs 19.15 respectively.

Electric: There has been no improvement in these public utilities. All of them continued at the listed quotations. Interest was next to nothing in this counter. Berhampur was still below par at Rs 6.50. Karaikkal too was like that at Rs 9.75. Negapatam was another to continue at Rs 9.60. Tirunelveli-Tuticorin was at Rs 12.37 and West Coast at Rs 12.35.

Sugar and Breweries: In the expectation of a declaration of rights by the Deccan Sugars, following E.I.D., its shares began to appreciate. It was at Rs 14.10 Monday from Rs 13.95 last. Friday and today's buying rate was Rs 14.70. E.I.D. was however, in the background. Last weekend it closed strong at Rs 55.25. Monday's quotation was lower at Rs 54.90 and today it was quoted another fifteen nP lower at Rs 54.75. K.C.P. went up, however, by another

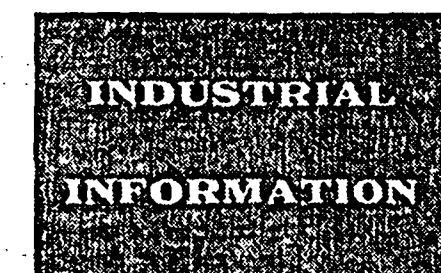
rupee to Rs 24.00. Kirlampudi remained at Rs 74.00, stronger today than last week's Rs 72.00. India Sugars maintained this week its improved tone at Rs 13.10 with 12½% t.c.d. Others remained the same as last week's prices.

Plantings: Tea shares had good support. Cochin Malabar which was strong last weekend at Rs 8.20, improved at the week's opening to Rs 8.25. It went up again today on buying support to Rs 8.27. Coffee Lands had enquiries at the better rate of Rs 24.25 and Consolidated Coffee shares were quoted 20 nP higher at Rs 24.70. Coonoor Tea was bought at Rs 27.50, higher by 30 nP than last weekend's closing. Attikan was enquired after at Rs 2.98. Coorg remained at Rs 5.60. Anandam was bought unchanged at Rs 14.75. Kailas was in demand at Rs 5.35. Karikode was steady without change below par at Rs 9.45. Kil Kotagiri lost value at Rs 5.26 this week, but picked up to be quoted at Rs 5.34. Kurchimala also softened to Rs 8.60. Mamallay improved to Rs 42.00. Ouchterlony valley was fancied at lower rate of Rs 4.95. Peernade improved to Rs 22.30 adding 10 nP to its value this week. Periakaramal was unchanged at Rs 3.73. Pullan-gode has buyers at Rs 1.94 though it was available only at a higher rate of Rs 1.98 with 5 per cent taxable dividend. Stanes, Amalgamated was the same at Rs 15.25. Swintons were sold at Rs 2.90, following better enquiries. Nonsuch too had buyers at Rs 26.50. Talayar was lower fractionally at Rs 1.82. Twyford's improvement was due to persistent enquiries at Rs 13.15. United Nilgiri was ten nP lower at Rs 22.00. Waterfall lost only 5 nP at Rs 4.00 today.

Textiles: Firm conditions prevailed in textiles this week. Adoni had been quoted and bought at Rs 8.50. Anglo-French was firm at Rs 105.00. Bangalore Woollen were needed at Rs 195.00, though the value was lower by Rs 2 than last week-end quotation. No change was noticed in the Coimbatore group of mills. Dhanalakshmi was available at Rs 223.00. Buckingham was unchanged at Rs 205.00. Lakshmi was the same at Rs 157.00. Madura was also bought at Rs 32.80 ten nP lower than yesterday's rate. Kannapiran with exdividend was available at Rs 7.65. Mettur Industries had some buyers at Rs 432.00. From last week-end quotation of Rs 35.90, Travancore Rayon went upto Rs 37.10 on Monday and was today 10 nP lower at which shares changed hands. South India Viscose advanced impressively from Rs 147.50 last weekend to Rs 151.00 this week. Venkatesa Mills also registered improvement at Rs 146.00.

Miscellaneous: Aluminium Industries which was hovering between smaller margins in the rate of Rs 23.20, today was quoted at Rs 22.20. Ashok Leyland did not alter at Rs 8.75. Enfield was quoted at Rs 13.15. F.A.C.T.s was offered at Rs 10.80, which was lower than last week's rate of Rs 10.90. India Cement went upto Rs 6.65. Kiloskar Electricals remained unaltered at Rs 13.20. Mettur Chemicals was the same at Rs 12.25. Mysore Lamp was priced at Rs 24.50 and Mysore Machinery

Manufacture was on par at Rs 10.00. Parry's Confectionery was the best fancied shares today at Rs 5.75. Spencer was attractive at Rs 20.37 while Standard Motors remained firm at Rs 16.70. Textool maintained its position at Rs 171.50. Tube Investments jumped upto Rs 312.00 from Rs 305.00 on good buying. Western India Plywoods was unaltered at Rs 303.00.



NEED OF CO-OPERATIVE EFFORT FOR COMMUNITY'S UPLIFT

The importance of voluntary and co-operative effort in the upliftment of the community was emphasised by the Defence Minister, Shri V. K. Krishna Menon, speaking yesterday afternoon on the occasion of the foundation-stone laying of the Kasturba Nagar Colony to be built under the low-income group scheme in the Jullundur Cantonment.

On arrival at the Cantonment Board Office, the Minister was introduced to the Board members and later accorded a rousing and affectionate welcome by the residents of the cantonment as he drove in a jeep loaded with garlands through the streets decorated with festoons, bunting and arches to the site of the colony.

In a welcome address, Shri T. R. Jain, Vice-President of the Cantonment Board, said that the scheme, primarily intended for Board employees and defence personnel, was designed ultimately to provide living accommodation to 200 low-income group families in two and three tenements. In the first phase, construction of 40 three-roomed and 68 two-roomed tenements was being undertaken to be completed during the current financial year. This was the second project of its kind, the first having been inaugurated by the Defence Minister at Meerut last month.

The achievement of independence, the Minister said, meant to the common man improved living conditions, including better amenities, more food, schools for his children's education, proper accommodation and adequate hospital facilities. It was necessary that accommodation should be provided for servicemen in the cantonments under hygienic conditions so that they could remain fighting fit and keep up high morale. He hoped that after the establishment of a new cantonment at Chandigarh, it would be possible to release some accommodation in the existing cantonments for civilians.

The Minister was the guest of honour at a garden party given by members of the Cantonment Board.

Earlier, the Defence Minister, accompanied by Lt-Gen. Daulat Singh, Corps Commander, paid a visit to a cavalry regiment in the Kapurthala area, where he was received by Lieut.-Col. J. B. Rodgers, Commandant of the regiment.

Addressing the officers, jawans of the regiment, the Defence Minister assured them that Government always had the interests of servicemen at heart. He said that Government decision on the recommendations of the Raghuramiah Committee on the improvement of their service conditions would be announced shortly.

While it was the responsibility of the armed forces to defend the country against any external aggression, the Defence Minister said, India, as a peace-loving nation, was also committed to avoid a war, but if it became inevitable, the country would be prepared to face it. He said that Government were doing their best to open up areas near the country's northern borders, hitherto inaccessible, through a road construction programme which was now in the process of being implemented.

Referring to Kashmir, Shri Krishna Menon expressed gratification at the rapid strides made by the State in the economic field.

The Minister went round the unit lines, and when, before taking leave, he met the jawans, he was greeted with shouts of "Long live Krishna Menon".

The Minister, who arrived at the Adampur airfield by an IAF Viscount shortly after noon today, returned to Delhi at 8 p.m. He was seen off at the airport by Lt-Gen. Daulat Singh, Shri R. S. Randhawa, Commissioner of Jullundur Division and Brig. Udharn Singh, Station Commander.

RESEARCH ON SUITABLE COLOUR FOR VANASPATI

The Government of India have appointed a committee to intensify and co-ordinate the researches in selected institutions for finding a suitable visible colour for vanaspati.

The Committee will survey the available colours and the extent to which they satisfy the specifications prescribed for the purpose; initiate systematic research in respect of such of these colours as appear to be promising particularly with reference to their non-toxicity and stability to simple methods of removal; consider suggestions received in this connection from members of the Committee and refer them for further examination to laboratories and maintain a continuous watch over the progress of these researches.

Members of the Committee include Dr K. Venkataraman, Director, National Chemical Laboratory, Poona; Dr B. Mukerjee, Director, Central Drug Research Institute, Lucknow; Dr R. S. Thakur, Deputy Chief Scientific Officer (Army), Research and Development Organisation, New Delhi; Dr V. Subrahmanyam, Director, Central Food Technological Research Institute, Mysore; and Dr N. N. Dastur, Principal, Dairy Science College, Karnal. The Chief Director, Sugar and Vanaspati, of the Government of India will be the convenor.



Dunbar Mills Pay Dividend After 1956

Balance-Sheet Reviews:

THE Dunbar Mills Limited has produced excellent working results for 1959, thanks to the export incentive given by the Government. Sales are higher at Rs 1.94 crores against Rs 1.84 crores, while the net profit, before providing for Depreciation and Taxation, amounts to as much as Rs 19.82 lakhs against only Rs 2.81 lakhs in the previous year. Apart from raising Development Rebate Reserve to Rs 2.00 lakhs from Rs 82,700, a sum of Rs 10.06 lakhs is provided for Depreciation and Rs 1.00 lakh for General Reserve. The directors have recommended a taxable dividend of Rs 10 per share on the equity capital including the 9,500 Right shares issued by the company. The previous dividend paid was Rs 6 per share for 1956.

With a view to modernise the mills, most of the Spinning Ring Frames were converted into High Draft System and the conversion of the remaining Ring Frames is expected to be completed during this year.

The balance-sheet, as at 31 December 1959, shows a paid-up capital of Rs 28.50 lakhs against which General Reserve is shown at Rs 26.38 lakhs and Development Rebate Reserve at Rs 2.83 lakhs. The gross block at Rs 1.50 crores is depreciated by Rs 80.62 lakhs to show a net block value of Rs 68.67 lakhs.

Mg. Agents:—Kettlewell Bullen & Co., Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	19,446,749	18,399,289	17,382,003
Stocks	3,258,979	3,648,962	4,282,673
Raw Materials	3,648,785	1,630,093	1,636,486
Works in progress	456,951	512,389	530,540
Net profit	1,981,555	280,944	—536,744
Depreciation	1,006,440	...	...
Reserve Fund	100,000	...	...
Development Rebate Reserve	200,000	62,700	...
Div. Amount Ord.	285,000	...	...
Carry Forward	401,950	11,835	—188,409
Div. % Ord.	10	nil	...

(Annual General Meeting on 28-6-60 at 3 p.m.).

Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	2,850,000	1,900,000	1,900,000
6% Debentures	2,500,000	2,500,000	2,500,000
Reserve Fund	2,638,146	2,537,116	2,617,116
Other Funds	282,700	82,700	...
Loans Secured	7,877,676	7,251,854	8,040,467
Loans unsecured	856,681	1,628,765	1,240,817
Debits	1,645,719	828,825	914,196
Carry Forward	401,950	11,835	...
Total	19,052,872	16,739,095	17,212,596

Assets			
G. Block	15,029,025	14,294,130	13,978,961
Depreciation	8,061,726	7,089,172	7,314,165
Block (net)	6,967,299	7,204,958	6,664,796
Cap. Exp. in progress	...	39,609	...
Deb. Issue Exp.	46,479	50,352	54,225
Stores	1,408,130	1,626,231	1,563,592
Stocks in Progress	456,951	512,389	530,540
Raw Materials	3,895,572	1,630,093	1,636,487
Stocks	3,258,979	3,648,961	4,282,672
Outstandings	2,167,001	1,358,873	1,170,020
Do. More than 3 months	95,422	53,505	58,306
Mis. Deposits and Advances	566,575	467,987	799,374
Investments	57,578	57,578	55,603
Cash	134,888	89,101	210,572
Debit Balance	...	...	186,409
Total	19,052,872	16,739,095	17,212,596

Bowreach Cotton Passes Ordinary Dividend

The Bowreach Cotton Mills Company Limited has also reported encouraging results for the same year. While sales have risen to Rs 2.17 crores from Rs 1.78 crores, the net profit amounts to Rs 17.63 lakhs against a loss of Rs 1.53 lakhs incurred in the previous year. A sum of Rs 9.66 lakhs is provided for Depreciation; Rs 1.00 lakh for General Reserve and Rs 2.65 lakhs for Development Rebate Reserve for 1958 and 1959. The directors have recommended only the arrears of dividend on the 8 per cent Cumulative Preference shares for the period from 1 January 1952 to 31 December 1958.

Under the modernisation scheme of the mill, the New Blow Room Plant has been started and installation of the machineries is under progress. To meet the consumers' changing taste, a Mercerising unit has also been ordered.

The paid-up capital is Rs 36 lakhs divided into 24,000 Ordinary; 6,000-7 per cent Non-Cumulative Preference shares and 6,000-8 per cent Cumulative Preference shares, all of Rs 100 each. General Reserve amounts to Rs 2.50 lakhs and Development Rebate Reserve to Rs 2.65 lakhs. Total gross block amounts to Rs 1.26 crores; total depreciation to Rs 56.02 lakhs and the net block to Rs 70.21 lakhs.

Mg. Agents:—Kettlewell Bullen & Co., Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	21,719,319	47,764,338	18,106,551
Stocks	2,590,430	5,209,433	4,179,852
Raw Materials	1,815,518	1,062,929	1,046,901
Works in progress	432,757	421,569	428,762
Net profit	1,762,825	—152,652	116,501
Depreciation	966,007	...	...
Reserve Fund	100,000	...	...
Development Rebate Reserve	265,000	...	...
Div. Amount Pref.	338,000	...	...
Carry Forward	60,410	—35,408	117,244
Div. % Ord.	nil	...	...
Div. % Pref. A	8	...	...
Div. % Pref. B	nil	...	...

(Annual General Meeting on 28-6-60 at 3-30 p.m.).

*The loss on account of the sale of Fixed Assets Rs 184,835.

†Preference dividend from 1-1-1952 to 31-12-1958 at 8 per cent per annum.

Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
8% C. Pref. A	600,000	600,000	600,000
7% C. Pref. B	600,000	600,000	600,000
Ordinary	2,400,000	2,400,000	2,400,000
6 1/2% Debentures	494,500	...	...
Reserve Fund	249,800	149,937	150,000
Other Funds	265,000	...	...
Loans Secured	6,767,950	9,634,756	7,441,609
Loans unsecured	3,478,345	3,923,154	4,018,199
Debits	1,694,396	779,698	1,520,536
Carry Forward	60,410	...	...
Total	16,610,401	18,077,545	16,847,588

Assets			
G. Block	12,622,986	12,017,489	12,071,237
Depreciation	5,602,346	4,702,846	4,968,051
Block (net)	7,020,640	7,314,642	7,103,186
Cap. Exp. in progress	675,021	...	...
Deb. Issue Exp.	31,643	22,812	...
Stores	1,353,251	1,662,707	1,605,332
Stocks in Progress	432,757	421,569	428,762
Raw Materials	1,901,320	1,422,135	1,333,750
Stocks	2,590,430	5,209,433	4,179,852
Outstandings	1,475,182	958,611	966,617
Do. More than 3 months	53,714	39,427	67,126
Mis. Deposits and Advances	853,139	771,889	879,816
Investments	52,903	52,903	52,603
Cash	170,701	166,309	130,642
Debit Balance	...	35,408	...
Total	16,610,401	18,077,545	16,847,588

Lower Profits for Caledonian Jute

The present managing agents of the company have tendered their resignation from the close of business on 29 February 1960. From 1 March, 1960, the company has been managed by the Board of Directors.

The accounts for the year 30 November 1959 reveal a net profit of Rs 8.75 lakhs as against Rs 8.41 lakhs for the previous year with sales shown at Rs 95.06 lakhs against Rs 1.07 crores. A sum of Rs 2.64 lakhs (Rs 2.87 lakhs) is set apart for Depreciation; Rs 2.25 lakhs (Rs 27,000) for Taxation; Rs 407 (Rs 1,889) for Development Rebate Reserve; Rs 75,000 (Rs 1,50 lakhs) for General Reserve and Rs 30,000 (nil) for Contingency Reserve. The directors have recommended final dividend of Rs 5, making a total of Rs 12 per share, subject to tax, as against a tax-free dividend of Rs 15 in the previous year.

Against a paid-up capital of Rs 23 lakhs, reserves and surplus are shown at Rs 27.52 lakhs. The gross block stands at Rs 84.60 lakhs; total depreciation at Rs 49.12 lakhs and the net block at Rs 35.48 lakhs.

Constituted Attorney:—Sri J. M. Goenka.			
Year ended Novr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	9,503,390	10,740,840	9,964,736
Stocks	621,779	592,480	763,262
Net profit	874,768	840,722	386,949
Taxation	225,000	27,000	25,800
Depreciation	263,920	288,640	312,000
Reserve Fund	75,000	150,000	...
Development Rebate Reserve	...	...	...
Other Funds	407	1,889	...
Div. Amount Ord.	30,000	...	...
Div. Amount Pref.	218,000	270,000	...
Carry Forward	70,010	70,000	...
Div. % Ord.	30,163	35,722	70,000
Div. % Pref.	12	15	...
Div. % Pref.	11	...	...

(Annual General Meeting on 29-6-60 at 5 p.m.).
*After transferring Rs 10,000 from General Reserve and including Rs 25,000 being surplus of Investment Realisation.

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

Liabilities			
1959	1958	1957	
	Rs.	Rs.	Rs.
Capital Paid-up:			
7% C. Pref.	1,000,000	1,000,000	1,000,000
Ordinary	1,800,000	1,800,000	1,800,000
Reserve Fund	2,444,871	2,369,071	2,219,071
Other Funds	307,459	277,052	302,163
Loans Secured	569,631	839,415	839,415
Loans unsecured	3,238	115,024	290,771
Taxation Provision	224,858	27,485	25,000
Debits	644,865	637,947	486,048
Carry Forward	30,163	35,722	...
Total	6,454,754	7,031,922	6,993,597

Assets			
G. Block	8,460,059	8,440,054	8,777,057
Depreciation	4,911,878	4,652,038	4,640,856
Block (net)	3,548,181	3,788,016	4,136,201
Stores	578,104	622,905	750,646
Stocks in Progress	162,226	182,145	239,206
Raw Materials	1,028,214	1,436,323	812,935
Stocks	621,779	592,480	763,262
Outstandings	277,905	262,214	148,990
Mis. Deposits and Advances	155,874	94,637	65,406
Investments	70,340	63,142	63,142
Cash	11,831	...	13,759
Total	6,454,754	7,031,922	6,993,597

Andrew Yule & Co. Ltd. ceased to act as Managing Agents with effect from 1st March, 1960.

Mim Tea Produces A Record Crop

The Mim Tea Company Limited has produced a record crop of 2,493 maunds for 1959 against 1,978 maunds in the previous year. The average price realised is, however, lower at Rs 3.46 against Rs 3.93 per pound. Estimates for the current year have been framed for a crop of 2,500 maunds.

The net profit for the year, before providing for depreciation and taxation, is lower at Rs 39,511 against Rs 46,058 in the previous year. The depreciation amount is raised to Rs 16,471 from

Rs 12,492, while Development Rebate Reserve is reduced to Rs 372 from Rs 761. The directors have recommended a taxable dividend of Rs 10 per share as against nil for the previous two years.

Andrew Yule & Company, Limited will cease to act as Managing Agents of the company with effect from 15th August, 1960. The proposal to appoint them as Secretaries and Treasurers for a period of five years from date has been approved by the Central Government.

The paid-up capital is Rs 1.59 lakhs, divided into 1,590 shares of Rs 100 each. General Reserve amounts to Rs 3.35 lakhs; Investment Realisation Surplus to Rs 15,239 and Development Rebate Reserve to Rs 1,133. The gross block at Rs 5.41 lakhs is depreciated by Rs 2.26 lakhs, to show a net block of Rs 3.16 lakhs.

Mg. Agents:—Andrew Yule & Co., Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Outturn (mds.)	2,493	1,978	2,062
Av. Price per lb.	3.46	3.93	3.45
Sales	519,363	432,841	458,235
Stocks	170,348	185,518	111,269
Net profit	39,511	46,058	—20,388
Depreciation	16,471	12,492	23,442
Development Rebate Reserve	372	761	...
Div. Amount Ord.	15,900	...	...
Carry Forward	12,425	5,657	—27,148
Div. % Ord.	10	...	...

(Annual General Meeting on 29-6-60 at 3-55 p.m.).

*After writing back Rs 15,000 from provision for taxation.

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

Liabilities			
1959	1958	1957	
	Rs.	Rs.	Rs.
Capital Paid-up	159,000	159,000	159,000
Reserve Fund	335,000	335,000	335,000
Other Funds	16,372	16,000	15,239
Loans Secured	3,696	...	...
Loans unsecured	424	31,551	...
Taxation Provision	468	1,087	1,276
Debits	294,485	203,145	102,348
Carry Forward	12,425	5,657	...
Total	821,446	720,313	644,514

Assets			
G. Block	541,385	497,719	456,947
Depreciation	225,788	219,852	207,385
Block (net)	315,597	277,867	249,561
Stores	90,058	66,225	73,807
Stocks	170,348	185,518	111,269
Outstandings	104,729	882	87,228
Mis. Deposits and Advances	75,962	99,998	76,382
Investments	2,094	1,094	1,094
Debits	62,658	88,729	13,025
Cash	...	...	27,148
Debit Balance	...	...	...
Total	821,446	720,313	644,514

Murphulani Tea Earns Less

In view of the decline in the net profit from Rs 1.69 lakhs to Rs 1.39 lakhs, the Murphulani (Assam) Tea Company, Limited has recommended only a taxable dividend on the Ordinary shares at Rs 2.00 per share and on the Preferred Ordinary shares at Rs 2.50 per share. The previous dividends were the same but free of tax. A sum of Rs 38,540 (Rs 22,560) is set apart for Depreciation; Rs 85,000 (Rs 1.38 lakhs) for Taxation; and Rs 55,000 (Rs 85,000) for General Reserve and Rs 492 (Rs 371) for Development Rebate Reserve.

The crop harvested is lower at 4,982 maunds against 5,171 maunds and also the average price realised at Rs 2.52 per pound against Rs 2.75 per pound.

Andrew Yule & Company, Limited will cease to act as Managing Agents of the company with effect from 15 August, 1960 and the proposal to appoint them as Secretaries and Treasurers for a period of five years from that date has been approved by the Central Government.

The paid-up capital is Rs 3.75 lakhs divided into 17,500 Ordinary shares and 20,000 Preferred Ordinary shares, both of Rs 10 each. Against this, General Reserve amounts to Rs 8.38 lakhs.

The gross block amounts to Rs 16.59 lakhs; total depreciation to Rs 6.60 lakhs and the net block to Rs 9.99 lakhs.

Mg. Agents:—Andrew Yule & Co., Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Outturn (mds.) ..	4,982	5,171	5,544
Av. Price per lb. ...	2.52	2.75	2.45
Sales ...	633,603	769,285	750,218
Stocks ...	352,140	371,280	338,255
Net profit ...	262,327*	330,633	275,147*
Taxation ...	85,000	138,225	116,691
Depreciation ...	38,540	22,560	31,997
Reserve Fund ...	55,000	85,000	50,000
Development Rebate Reserve ...	492.	371	..
Div. Amount Ordry. ...	35,000	35,000	30,625
Div. Amount Prefd. Ordry. ...	50,000	50,000	45,000
Carry Forward ...	37,858	39,563	40,086
Div. % Ordry. ...	20T	20	17T
Div. % Prefd. Ordry. ...	25T	25	22T
(Annual General Meeting on 29-6-60 at 3-05 p.m.)			
*After writing back Rs 20,000 being Excess tax provision.			
†After transferring Rs 6,691 from General Reserve.			
Synopsis of balance sheet as on the last day of Decr.			
Liabilities	1959	1958	1957
Capital Paid-up:	Rs.	Rs.	Rs.
Pref. Ordry. ...	200,000	200,000	200,000
Ordinary ...	175,000	175,000	175,000
Reserve Fund ...	836,064	781,084	698,308
Other Funds ...	863	371	..
Taxation Provision ...	106,931	147,898	165,809
Debit ...	341,611	529,774	443,264
Carry Forward ...	37,858	39,563	40,086
Total ...	1,698,347	1,873,657	1,722,466
Assets			
G. Block ...	1,659,105	1,243,977	1,096,671
Depreciation ...	659,981	621,441	608,121
Block (net) ...	999,124	622,536	488,550
Stores ...	91,509	266,867	176,407
Stocks ...	352,140	371,280	338,255
Outstandings ...	12,804	104,635	265,964
Mis. Deposits and Advances ...	62,821	90,406	61,771
Investments ...	3,010	2,210	2,221
Deposits in Banks ...	50,000	300,000	250,000
Cash ...	126,939	116,722	139,333
Total ...	1,698,347	1,873,657	1,722,466

Indian Finance

LIST OF QUOTED SHARES

Reference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs NP	10-6-59 Rs NP
Banks			
Allahabad 6%	100	101.90	115.00
Behar 5%	50	10.00	19.75
Coal			
Asso. K'pura 4 1/2%	100	50.50	50.50
Bharat 5 1/2%	100	48.50	48.00
Borree 6 1/2%	100	83.60	83.50
Burrakur 7%	100	89.00	106.00
Burrakur 6%	10	6.50	7.00
Equitable 6%	100	78.00	100.00
Obhuck 5 1/2% Musila	100	100.00	100.00
Gourangdi 5%	100	40.00	40.00
K'pura 5 1/2%	100	58.00	55.50
Khas Kajora 5%	10	7.94	7.75
J. Beerboom 7%	10	11.82	10.00
N. Churulia 5%	10	2.56	2.50
N. Huntodih 5%	100	45.00	45.00
Ondal 5 1/2%	100	61.00	91.50
Parasea 5 1/2%	100	50.00	50.00
Unl. Colliery 5%	100	78.00	83.00

Cotton			
Basanti 5 1/2%	10	8.56	8.38
B-Nagpur 7%	100	75.00	75.00
Bowreah 8%	100	152.00	128.00
Bowreah 7%	100	65.00	65.00
Elgin 8%	100	108.00	115.75
Elgin 5%	10	7.50	8.25
Jagatjit 5%	100	38.75	43.75
Jijajee 5 1/2%	100	84.50	81.50
J. K. Cotton 6%	100	93.00	93.00
Kesaram 7%	100	108.00	105.00
Kesaram 5 1/2%	100	90.00	...
Muir 6%	100	83.00	61.00
N. Victoria 6%	5	3.00	3.00
Orissa 5%	100	64.50	...
Shee Madhusudan 4 1/2%	100	85.00	...
S. Niwas 4%	100	54.00	54.00
Three Bhawanis 5%	100	105.00	100.00
Swadeshi 6%	100	61.00	75.00

Jute			
Agarpara 7%	100	93.00	106.00
Alexandra 7%	100	90.00	97.00
Alliance 6%	100	76.00	92.00
Anglo-India 7%	100	96.00	110.00
Auckland 5 1/2%	100	70.00	83.50
Auckland 4 1/2%	100	60.00	70.00
Bally 7%	100	98.00	106.00
Barnagore 5%	100	82.00	99.25
Belvedere 7%	100	97.00	94.50
Bengal 5 1/2%	100	63.50	77.00
Birla 7 1/2%	100	91.00	87.00
Birla 7 1/2%	100	90.25	...
Budge-Budge 7%	100	100.00	108.00
Calcutta 6 1/2%	100	77.00	78.00
Caledonian 7%	100	83.50	70.50
Cheviot 7%	100	97.50	95.00
Chitavalah 7%	100	82.00	99.50
Clive 6%	100	68.00	70.50
Olive 7%	100	84.00	78.00
Dalhousie 7%	100	91.00	97.00
Delta 5%	100	68.00	73.50
Empire 7%	100	76.00	105.00
F. Gloster 7%	100	114.00	115.00
F. Gloster 5%	100	71.00	78.00
F. William 7%	100	111.50	115.00
Ganges Mfg. 8%	100	125.00	120.00
Gourepore 6%	100	81.00	95.00
Hastings 6%	100	90.00	97.00
Hooghly 1%	10	10.50	10.50
Howrah A. Pref. 100	100	101.00	107.00
Howrah 7%	100	104.00	107.00
H'chanced 7%	100	99.00	105.00
K'hatty 6%	100	86.00	90.00
K'narrah 6%	100	96.00	90.00
Kedarnath 6%	110	68.00	68.00
Kedarnath 7%	100	88.00	85.00
Kedarnath 7 1/2%	100	89.50	105.00
Kelvin 7%	100	85.00	89.50
Kinnison 7%	100	88.50	105.00
Lansdowne 7%	100	104.50	108.00
Lawrence 7%	100	88.00	95.00
Lawrence 5 1/2%	100	70.00	81.00
Nalhathi 7%	100	101.00	96.00
Nalhathi 4 1/2%	100	66.00	65.50

Asso. K'pura 4 1/2%
Borree 6 1/2%
Burrakur 7%
Burrakur 6%
Equitable 6%
Obhuck 5 1/2% Musila
Gourangdi 5%
K'pura 5 1/2%
Khas Kajora 5%
J. Beerboom 7%
N. Churulia 5%
N. Huntodih 5%
Ondal 5 1/2%
Parasea 5 1/2%
Unl. Colliery 5%

Agarpara 7%
Alexandra 7%
Alliance 6%
Anglo-India 7%
Auckland 5 1/2%
Auckland 4 1/2%
Bally 7%
Barnagore 5%
Belvedere 7%
Bengal 5 1/2%
Birla 7 1/2%
Birla 7 1/2%
Budge-Budge 7%
Calcutta 6 1/2%
Caledonian 7%
Cheviot 7%
Chitavalah 7%
Clive 6%
Olive 7%
Dalhousie 7%
Delta 5%
Empire 7%
F. Gloster 7%
F. Gloster 5%
F. William 7%
Ganges Mfg. 8%
Gourepore 6%
Hastings 6%
Hooghly 1%
Howrah A. Pref. 100
Howrah 7%
H'chanced 7%
K'hatty 6%
K'narrah 6%
Kedarnath 6%
Kedarnath 7%
Kedarnath 7 1/2%
Kelvin 7%
Kinnison 7%
Lansdowne 7%
Lawrence 7%
Lawrence 5 1/2%
Nalhathi 7%
Nalhathi 4 1/2%

Asso. K'pura 4 1/2%
Borree 6 1/2%
Burrakur 7%
Burrakur 6%
Equitable 6%
Obhuck 5 1/2% Musila
Gourangdi 5%
K'pura 5 1/2%
Khas Kajora 5%
J. Beerboom 7%
N. Churulia 5%
N. Huntodih 5%
Ondal 5 1/2%
Parasea 5 1/2%
Unl. Colliery 5%

Agarpara 7%
Alexandra 7%
Alliance 6%
Anglo-India 7%
Auckland 5 1/2%
Auckland 4 1/2%
Bally 7%
Barnagore 5%
Belvedere 7%
Bengal 5 1/2%
Birla 7 1/2%
Birla 7 1/2%
Budge-Budge 7%
Calcutta 6 1/2%
Caledonian 7%
Cheviot 7%
Chitavalah 7%
Clive 6%
Olive 7%
Dalhousie 7%
Delta 5%
Empire 7%
F. Gloster 7%
F. Gloster 5%
F. William 7%
Ganges Mfg. 8%
Gourepore 6%
Hastings 6%
Hooghly 1%
Howrah A. Pref. 100
Howrah 7%
H'chanced 7%
K'hatty 6%
K'narrah 6%
Kedarnath 6%
Kedarnath 7%
Kedarnath 7 1/2%
Kelvin 7%
Kinnison 7%
Lansdowne 7%
Lawrence 7%
Lawrence 5 1/2%
Nalhathi 7%
Nalhathi 4 1/2%

Asso. K'pura 4 1/2%
Borree 6 1/2%
Burrakur 7%
Burrakur 6%
Equitable 6%
Obhuck 5 1/2% Musila
Gourangdi 5%
K'pura 5 1/2%
Khas Kajora 5%
J. Beerboom 7%
N. Churulia 5%
N. Huntodih 5%
Ondal 5 1/2%
Parasea 5 1/2%
Unl. Colliery 5%

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs NP	10-6-59 Rs NP
National 7%	100	100.00	107.00
Nellimaria 6%	100	86.00	92.00
N. Central 7%	100	100.00	100.00
Northbrook 5 1/2%	100	77.75	81.00
Rameshwara 6%	10	12.37	10.87
Reliance 7%	100	79.00	82.00
S. Ambica 7 1/2%	100	66.00	90.50
Soorah 7%	100	88.00	88.00
Union 7%	100	87.50	98.00
Waverley 5%	50	40.12	41.50

Asso. Mining 5%	50	36.00	27.25
Ch. Mica 5 1/2%	100	49.50	52.75
Metal Corp. 5%	100	88.00	101.50

Dalmia Bharat 6%	10	8.56	9.25
Jalpur Udyog 3%	100	37.00	37.00
K'pura Lime 6%	100	80.00	80.00
K'pura Lime 6% cp	100	100.50	100.50
K'dhubi Fire 7%	100	80.00	101.00
K'dhubi Fire 5 1/2%	100	54.50	54.50
Orissa Cement 4%	100	35.06	35.06

Alkali 5%	100	101.00	102.00
Batgate 4 1/2%	10	28.00	21.00
Beng. Chem. 7 1/2%	10	13.25	13.12
Beng. Chem. 4 1/2%	100	72.00	76.00
Frank Ross 4 1/2%	100	60.00	50.00
Smith Stand 10%	50	69.62	71.00

Calcutta 5%	21	9.72	9.81
Dishergarh 5%	100	78.50	82.00
Dishergarh 4 1/2%	100	75.00	79.50

Arthur Butler 7%	10	10.75	10.75
Br. Bldg. 6%	100	60.00	67.00
Br. Engg. 7%	100	100.00	100.00
Burn & Co. 7%	100	123.50	125.00
Burn & Co. 7%	100	113.00	119.00
I. Iron 5%	100	90.00	102.75
I. Machinery 7%	100	23.00	23.00
Ind. St. Wagon 7%	100	128.00	124.50
Jessop & Co. 5%	100	90.50	93.50
J. K. Steel 7%	100	95.00	102.00
K'dhubi 5%	100	90.00	94.50
R. Cruddas 5 1/2%	100	84.00	84.00
S. Products 5%	10	8.00	2.19
Texmaco 5 1/2%	100	91.50	93.00
Texmaco 5 1/2%	100	61.00	63.50
Texmaco 6 1/2%	100	100.00	...

Albion Plywood 5 1/2%	100	100.00	...
Alum. Corp. 6%	100	100.50	98.00
Alum. Corp. 5%	100	75.00	74.00
Amal. Dev. 5%	100	42.00	42.00
Asso. Hotel 7%	100	50.25	54.00
Bharat Nidhi 6%	100	52.50	59.50
Birds Inv. 5 1/2%	100	53.50	56.00
Br. Biscuits 8% cp	10	9.30	9.70
Cawnpore 8%	100	108.00	105.00
Cal. Cr. Corp 6%	100	42.50	51.00
Cal. Cr. Corp 5 1/2%	100	29.00	34.50
Cal. Gas 5 1/2% rept	100	63.00	65.00
Cal. Silk 6% cp	100	49.12	49.00
Cal. Ttams 5% cp	1	8.22	8.75
Duncan Bros. 4%	100	55.75	63.50
Dunlop 6%	100	115.00	116.00
Dunlop 6%	100	84.50	84.00
Eastern Inv. 5%	100	69.94	72.50
Gillanders 5%	100	52.50	57.25
Godfrey Phil. 5 1/2%	100	56.00	60.00
Greaves Cot. 5%	100	40.00	45.00
Greaves Cot. 6%	100	57.00	43.00
Hindustan Motors 6%	100	192.00	...
Hindustan Nat. Glass 4% cpt	100	98.00	101.00
Ind. Alum. 5%	100	67.50	66.00
Indian Cables 6%	10	33.25	25.75
Ind. Plastics 5 1/2%	100	46.00	51.50
I. Rubber 5%	100	73.00	75.00
James Wright 5 1/2%	100	25.25	32.00
J. Henderson 5 1/2%	100	56.57	60.00
K. Bullen 5 1/2%	100	58.25	62.75
K. Bullen 4 1/2%	100	56.00	63.00
Kusum 5 1/2%	100	64.00	69.50

Albion Plywood 5 1/2%
Alum. Corp. 6%
Alum. Corp. 5%
Amal. Dev. 5%
Asso. Hotel 7%
Bharat Nidhi 6%
Birds Inv. 5 1/2%
Br. Biscuits 8% cp
Cawnpore 8%
Cal. Cr. Corp 6%
Cal. Cr. Corp 5 1/2%
Cal. Gas 5 1/2% rept
Cal. Silk 6% cp
Cal. Ttams 5% cp
Duncan Bros. 4%
Dunlop 6%
Dunlop 6%
Eastern Inv. 5%
Gillanders 5%
Godfrey Phil. 5 1/2%
Greaves Cot. 5%
Greaves Cot. 6%
Hindustan Motors 6%
Hindustan Nat. Glass 4% cpt
Ind. Alum. 5%
Indian Cables 6%
Ind. Plastics 5 1/2%
I. Rubber 5%
James Wright 5 1/2%
J. Henderson 5 1/2%
K. Bullen 5 1/2%
K. Bullen 4 1/2%
Kusum 5 1/2%

Albion Plywood 5 1/2%
Alum. Corp. 6%
Alum. Corp. 5%
Amal. Dev. 5%
Asso. Hotel 7%
Bharat Nidhi 6%
Birds Inv. 5 1/2%
Br. Biscuits 8% cp
Cawnpore 8%
Cal. Cr. Corp 6%
Cal. Cr. Corp 5 1/2%
Cal. Gas 5 1/2% rept
Cal. Silk 6% cp
Cal. Ttams 5% cp

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Sisaluk	10	12.06	8.25
Union Co.	100	30.00	75.00
Union Carbide	10	38.12	33.81
Union Tobacco	10	0.87	1.94
Deid.	5	2.00	2.00
Walfords	1	3.62	2.00
Walfords (Po)	1	3.12	1.62
W. Stockholder	1sh	1.56	1.56

OILS

I. B. Petrol	10	27.31	25.19
Northern India Oil	10	2.00	1.12
Tide Water Oil	10	16.00	16.65

PAPER MILLS

Ballarpur	25	61.50	31.12
Bengal Paper	25	104.00	94.50
India Paper	10	21.75	21.87
Mysoore Paper	10	24.70	17.75
Ortent Paper	10	46.80	36.80
Shree Gopal	10	29.60	17.94
Shree Paper	10	18.00	12.87
Star Paper	10	13.25	11.50
Titagarh P.O.	21	4.25	4.25
Titagarh Ordry.	10	39.81	42.25
U. I. Couper	100	40.00	80.00
West Coast	100	185.00	...

PRESSING

Bhagwati	10	6.00	4.80
Camperdown	100	103.00	110.00
Hooghly Ganges	10	10.25	5.44

REAL PROPERTY

Bengal Bonded A	500	545.00	593.00
Bengal Bonded B	500	60.80	79.30
Bengal Bonded C	100	99.00	137.00
Bengal Bonded D	124	12.51	12.37
Clive Bldg.	100	150.00	...
Glendeth Bldg.	10	5.00	4.81
Humayun Prop.	10	10.35	10.19
Humayun Defd.	1	3.12	2.93
Midnapore Estate	92	21.25	...
Regent Estate	10	1.00	1.00

SAW MILLS AND TIMBER

Assam Saws	5	3.50	2.25
Bengal Timber	100	15.25	15.25

SHIPPING

B. A. Steam	100	29.00	103.00
Cal. Landing	10	11.81	15.06
Cal. Steam	10	16.25	11.62
Cal. Steam	10	13.25	14.31
Fraser & Co.	100	70.00	59.50
I. C. Navigation	10	10.97	14.00
India Steam	10	10.81	13.15
Port Shipping	10	10.81	13.15

SUGAR

Balrampur	5	3.69	7.12
Belaund	7	14.56	12.69
Bharat	10	16.62	13.50
Basti	100	120.50	120.50
Qasw	10	11.81	8.94
Cawapore	10	15.50	11.25
Champanan	10	21.12	16.00
Darbanga	10	18.00	17.56
Deerda	10	8.31	9.06
Dyer Meakins	6	20.50	17.00
Ganesh Sugar	19	19.87	19.87
Jaswant	10	5.25	5.25
Mohini	10	4.50	3.00
Nawabganj	100	60.00	60.00
New India	19	23.00	27.37
New Savan	10	7.00	5.08
Punjab	100	65.00	80.00
Purbapore	10	14.50	12.12
Ramnugger Oase	10	26.00	12.87
Ratna	10	1.45	2.65
Raza	10	14.00	14.00
Rayam	10	15.94	16.50
Samaipur	10	13.12	13.75
Shree Anand	10	11.00	11.00
Sitalpur	10	7.00	3.25
South Behar	10	1.00	1.37
S. Behar Defd.	24	0.25	0.28
Sri Hanuman	10	10.00	14.65
S. K. Gran.	10	14.50	10.00
Shree Sitaram	10	11.10	8.50
Tulsiapur	5	8.00	...

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Upper India 'A'	100	102.00	127.00
Upper India 'B'	25	8.75	13.00
Upper Ganges	10	68.00	55.00
United Province	10	18.31	16.25

TEA

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Assam Gardens			
Amluckie	10	26.25	27.12
Ananda	10	19.00	20.00
Anandabag	10	24.37	25.00
Baghmari	10	25.37	26.12
Barduar Tea	6	6.62	5.00
Basmatia	10	30.50	27.25
Batali	5	23.37	19.25
Bejjan	10	24.56	25.87
Bishnauth	10	22.56	20.31
Bokakhat	10	14.50	15.12
Bornahjan	10	18.37	18.00
Borpukhuri	10	18.05	18.81
Brooke Bond	10	18.25	20.37
Dejoo Valley	10	69.00	72.00
Dessal & Purbat	100	150.00	152.00
Dhelahtat	10	23.56	24.19
Dhumsari	20	18.50	15.54
Dibrugarh	10	31.50	33.56
Dimakul	10	30.50	33.00
Dufflaghur	10	43.75	38.00
East India	10	23.00	26.87
Gillapukri	10	26.25	30.25
Gohpur	10	19.94	20.50
Grob	5	14.25	17.75
Hajjan Purbat	10	14.00	14.00
Hoograjuli	10	25.37	29.25
Hoolungoorie	100	199.00	200.00
Joonkollie	10	22.87	20.12
Jutlibari	10	24.44	24.56
Kyang Tea Seeds	10	5.25	4.62
Kingaley Golaghat	100	160.00	160.00
Krishnabehari	10	10.22	10.82
Ledo	10	19.25	19.50
Maud	10	11.94	14.75
Mathoni	10	24.50	24.75
Moheema	10	13.31	13.31
Mothola	100	510.00	395.00
Murphulani	10	25.87	27.87
Murphulani P.O.	10	27.62	28.50
Naga Hills	10	22.50	23.50
Namburnadi	10	14.44	13.50
N. Cinnatollah	100	114.00	114.00
New Monkhoochi	71	23.75	...
Rajgarh	10	40.75	47.31
Sapot	10	23.50	22.25
Seajuli	10	28.62	30.12
Teloljan	10	28.69	32.13
Tengpani	10	35.87	37.37
Tezpore	10	19.31	18.50
Tongani	10	8.00	8.56
Tycoon	10	38.12	44.50

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Darjeeling Gardens			
Bloomfield	10	2.25	3.00
Chamong	10	10.31	11.00
Darjeeling	100	149.00	156.00
Dilaram	100	102.00	95.00
Glelie	10	11.81	11.69
Jayashree	10	19.25	12.56
Lingia	10	21.56	24.50
Longview	10	12.50	6.94
Margaret's Hope	10	13.87	19.12
Mim	100	221.00	226.00
Nagri Farm	10	25.75	26.25
Okayiti	100	601.00	500.00
Pashok	10	20.00	18.62
Poobong	10	6.94	9.00
Pussimking	10	10.50	10.12
Runglee Bunglot	100	360.00	410.00
Seeyok	10	10.50	12.50
Singlet	100	29.37	22.00
Singram	10	6.37	6.12
Soom	10	39.50	40.00
Sungma	10	14.56	19.25
Testa Valley	10	15.06	20.00
Tukvar	10	8.25	10.94

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Deans Garden			
Banarhat	100	335.00	310.00
Baradighi	10	29.75	23.12
Bhatkora	10	21.12	24.87
Birpara	100	204.00	174.00
Carron	100	182.00	127.00
Choonabhatti	100	291.00	268.00
Choonabhatti	100	149.00	155.00
Choonabhatti	100	190.00	400.00
Engo	10	9.87	12.21
Engelhart	100	160.00	154.00
Galkhatta	25	22.62	20.00
Gopalpur	100	155.00	125.00
Hantapara	10	24.75	23.12
Hasmara	10	24.75	23.12

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Hulidbari	10	29.75	24.25
Jaybirpara	10	13.69	15.25
Killcott	10	19.06	20.75
Malhati	10	17.25	14.81
Manabharie	100	66.62	66.50
Nagalsurree	100	179.00	145.00
New Dooars	100	299.00	302.00
Oodlabari	10	14.50	17.06
Phaskowa	100	150.00	133.00
Rajabhat	10	18.00	18.25
Ranicherra	10	20.87	20.06
Rydak	10	37.50	33.00
Sarigaon	10	37.00	28.00

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Cachar Gardens			
Arcuttipore	10	7.00	7.00
Central Cachar	100	82.50	83.00
Eastern Cachar	10	2.94	4.81
Kallinagar	100	102.00	110.00
Kunchanpore	10	8.56	8.50
N.W. Cachar	100	149.00	94.00
Pathemara	10	5.75	7.00
Roopcherra	10	15.31	15.44
Rungamattie	50	75.00	79.50
Soni River	10	9.12	9.12
Tea Producing Co	10	10.37	10.37
Tilak	10	10.00	10.00

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Chittagong Gardens			
Kodala	10	12.12	12.38
Kornafull	10	10.50	10.50
Oodislah	10	12.00	12.00

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Sylhet Gardens			
Baitakhal	10	7.00	8.06
Chundecherra	10	24.94	27.50
Dauracherra	10	9.31	9.25
Hatikhira	10	13.81	13.25
Jutlibari	10	5.37	5.12
Kaliti	10	19.75	18.81
Lacktoorah	10	3.50	3.62
Loobah	10	25.00	20.50
N. Samanbagh	100	182.00	140.00
Patrakola	10	9.56	9.56
Rajnagar	10	9.56	9.56
Tellapara	100	128.00	131.00

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
South Indian Gardens			
Kotamuldi	5	15.44	12.25

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Teral Gardens			
Atal	10	6.12	6.62
Belgachi	10	26.00	30.00
Gungaram	100	153.00	155.00
Hansqua	20	18.25	17.81
New Chumta	10	38.28	38.37
New Teral	10	17.81	18.12
Pahargoomiah	10	27.62	29.00
Putinbarre	10	47.50	49.00
Tirihannah	10	50.00	40.00

Preference Shares

MADRAS

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Banks			
Canara Bank 5%	50	38.25	...
Canara Bkg. 5%	50	47.50	47.50
Canara Bkg 4%	50	45.00	42.75
Canara I. & B. 6%	100	91.00	97.00
Canara I. & B. 6%	10	9.35	9.75

ELECTRICS

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Berhampur 6%	10	8.06	8.65
Kumbakonam 6%	10	9.60	9.50
Nepeattam 6%	10	9.50	9.50
Salem Brode 6%	10	9.24	9.90
S. Madras 5% 1st	10	9.25	10.00
S. Madras 5% 1st	10	9.25	9.25
Tin Tuticorin 6%	10	9.57	9.50
Vallore 6%	10	8.75	7.05
W. Coast 6%	10	6.50	7.10

SUGAR

NAME	Paid-up per Share.	Quotation as on 10-6-60 Rs nP	10-6-59 Rs nP
Cauvery 5%	100	101.12	103.00
Deccan 7%	5	6.25	6.00
E.I.D. 7%	20	30.00	17.25
India 7%	100	88.25	94.00

*Nominal. †Ex-Dividend. ‡Cum-Dividend. §Rs-Rights.

PLANTINGS

(N. India)

Amalgamated 6%	10	7.50	7.55
Anandam 7%	10	8.30	9.00
Arthala 9%	10	9.20	9.20
Attikhan 9%	10	10.00	...
Bababuddin 6%	10	8.14	8.35
Badra Coffee 7 1/2%	10	8.52	9.62
Balanoor 7 1/2%	10	10.30	11.75
Balmadies 6%	10	8.80	9.00
Be Be 6 1/2%	5	2.76	3.03
Be Be 6 1/2% R...	10	6.02	6.44
Chandramallai 7 1/2%	2	2.00	2.15
Cochin Malabar 7%	50	52.50	50.00
Coffee Lands 5%	100	76.50	84.00
Cons. Coffee 6%	25	25.60	26.37
Coonoor Tea 6%	100	91.75	95.86
Coorg Tea 6 1/2%	5	4.72	5.03
Cottanad 7 1/2%	10	10.80	10.78

STATE BANK OF PAKISTAN			
ISSUE DEPARTMENT:			
(In 000's of Rupees).			
	Week Ended		
	3-6-60	27.5-60	5-6-59
LIABILITIES:			
Notes in Banking Dept. ...	8,27.11	13,69.31	7,30.66
Notes in circulation ...	364,26.49	359,12.62	343,77.25
	372,53.60	372,81.93	351,07.91
ASSETS:			
(A) Gold Coin & Bullion	24,66.79	24,66.79	23,37.59
Approved Foreign Exchange	70,99.94	70,99.94	51,43.69
India Notes receivable from Reserve Bank ...	43,01.61	43,01.61	43,01.61
(B) Rupee Coin ...	3,60.35	3,88.72	4,34.38
Govt. of Pak. Securities held with Reserve Bank of India pending transfer	224,34.81	224,34.81	223,00.58
Gold coin & Bullion ...	19.02	19.02	19.02
Sterling Securities ...	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee coin ...	29.51	29.51	29.51
Total ...	372,53.60	372,81.93	351,07.91
BANKING DEPARTMENT:			
LIABILITIES:			
Capital Paid-up ...	3,00.00	3,00.00	3,00.00
Reserve Fund ...	4,15.00	4,15.00	3,00.00
Deposits:			
(a) Central Govt. ...	8,04.62	13,92.57	83,78.19
(b) Provincial Govts. ...	2,37.74	2,33.24	3,60.55
(c) Banks ...	19,46.94	18,25.91	20,25.33
(d) Others ...	84,89.86	90,00.03	4,92.54
Bill payable ...	25.73	38.26	39.83
Other Liabilities ...	14,18.53	15,63.10	13,74.99
	136,38.42	147,68.11	132,71.43
ASSETS:			
Notes ...	8,27.11	13,69.31	7,30.66
Rupee Coin ...	26	22	61
Subsidiary Coin ...	37	29	43
Bills purchased & discount.			
(a) Internal ...	...	...	...
(b) External ...	1.00	1.00	26.89
(c) Govt. Treasury Bills	36,55.15	36,94.55	29,48.57
Balances held outside Pk. Loans & Adv. to Govts. Provincial Governments	8,30.00	11,65.00	9,45.00
Debtor Balances ...	...	1,30.95	4,17.40
Other Loans & Advances	7,70.14	9,29.76	2,47.48
Investments ...	64,43.65	64,44.45	70,16.61
Other Assets ...	10,90.74	10,33.68	9,39.72
Total ...	136,38.42	147,68.11	132,71.43
Ratio of Gold Coin and Bullion, Silver Bullion, Sterling securities and approved Foreign Exchange to Banks' notes issued, 38.73 per cent.			
SCHEDULED BANKS IN PAKISTAN			
(In 000's of Rupees).			
	Week Ended		
	27-5-60	19-5-60	29-5-59
DEMAND LIABILITIES:			
(a) General ...	194,99.34	191,59.46	183,78.48
(b) (i) Deposits from Banks	6,04.06	6,76.11	6,91.07
(ii) Borrowings from Banks	10,67.30	10,42.32	1,66.85
TOTAL LIABILITIES:			
(a) General ...	99,14.93	101,75.60	74,99.43
(b) (i) Deposits from Banks	3,44.32	3,44.34	3,78.48
(ii) Borrowings from Banks	5,14.59	5,24.34	2,79.71
Borrowings from the state Bk			
(a) Against Usance Bills promissory notes ...	5,27.30	6,91.31	81.75
(b) Other Borrowing ...	1,89.54	1,00.14	33.50
CASH IN PAKISTAN:			
(a) Pakistan Notes ...	5,49.29	5,41.60	5,27.57
(b) Pakistan Rupee Coins	35.20	34.01	84.55
(c) Pak. Subsidiary Coins	9.44	9.50	9.35
BALANCE WITH THE STATE BANK:			
(a) Principal Office ...	9,93.71	10,34.46	21,92.66
(b) Other Offices and Branches	7,50.34	6,72.14	5,82.70
Balances with other banks in Current Account in Paktn.	4,48.53	4,66.19	4,76.75
Money at call & short notice in Pakistan ...	14,02.05	14,16.20	4,87.03
INVESTMENT (AT BOOK VALUE):			
(a) In Central Govt. Securities including Treasury Bills ...	102,42.79	102,42.79	94,72.24
(b) In Provincial Govt. Securities including Treasury Bills ...	17,57.31	17,67.31	13,37.92
(c) In Others ...	3,13.85	3,13.85	3,13.15
ADVANCES IN PAKISTAN ...	152,39.99	154,47.13	107,99.36
BILLS DISCOUNTED IN PAK.	3,95.70	4,09.06	2,84.85
FOREIGN BILLS DISC. PK.	11,49.57	11,43.13	13,32.23

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ESTABLISHED 1865

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HEAD OFFICE:
14, India Exchange Place
CALCUTTA

FOREIGN
EXCHANGE
BUSINESS
TRANSACTIONED.

M. J. Maclaren
General Manager.

AB 13

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(Established—December, 1911).

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

Authorised Capital ..	Rs. 6,30,00,000
Subscribed Capital ..	Rs. 5,77,50,000
Paid-up Capital ..	Rs. 3,15,00,000
Reserve Fund & Other Reserves ..	Rs. 4,05,83,129
Deposits as at 31-12-59 ..	Rs. 1,80,63,64,411

DIRECTORS:

Sir Homi Mody, K.B.E. (Chairman).	Framroze J. Gazdar, Esqr.
Cooverji Hormusji Bhabha, Esqr. (Vice-Chairman).	Sir Jamsetjee Jeejeebhoy, Bart.
Dharamsey Mulraj Khatau, Esqr.	H.H. Sir Jiwajirao Madhavrao Scindia, G.C.S.I., G.C.I.E.
C. P. Wadia, Esqr.	Jaykrishna Harivallabhdas, Esqr.
Chimanlal Bapalal Parikh, Esqr.	Shivay Sorabji Khambata, Esqr.
Mr. N. K. KARANJIA, General Manager.	

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Barabazar ... 71, JAMUNALAL BAZAR STREET.	Howrah ... 18-A, GRAND TRUNK ROAD.
Bhowanipore ... 86, SHYAMAPROSDAD MUKHERJEE RD.	Kidderpore ... 3/1, DIAMOND HARBOUR RD.
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Central Office, Madras

M. Ct. Muthiah
Chairman

C. P. Dorakannu
General Manager

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(ESTD. 1907)

Head Office

'Indian Bank Buildings', North Beach Road, Madras-1
24 LOCAL OFFICES

Branches covering the whole of South India

Branches also at Bombay, Calcutta, New Delhi, Poona, Colombo, Penang, Kuala Lumpur, Malacca and Singapore

Authorised Capital ..	Rs. 1,00,00,000
Subscribed Capital ..	Rs. 88,60,000
Paid-up Capital ..	Rs. 82,98,990
Reserve & Other Funds (including share premium) ..	Rs. 83,01,884
Deposits as on 31-12-1959 ..	Rs. 43,92,73,211

All types of banking business including
Foreign Exchange transacted

London Agents: ... Westminster Bank Limited

New York Agents: ... First National City Bank of New York

G. S. SUNDARAM,
Secretary.

Indian Finance

Indian Finance
Saturday
25 June 1960
Volume LXV No 25
Price: Rs 1.50

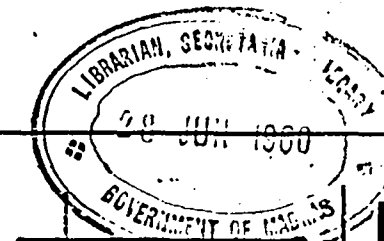
HIGHLIGHTS OF THIS ISSUE

Writing on the postponed visit to Japan of President Eisenhower, Eavesdropper opines:

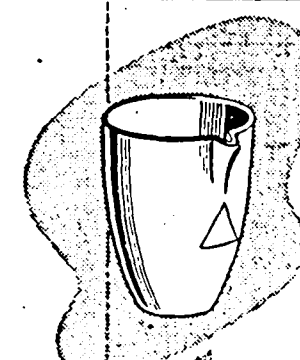
"The dismal consequence has been that at every stage propaganda advantage has been handed on a platter to the other side."

Read Clive Street Gossip.

Indian Finance
Founded in
1928
by
C. S. Rangaswami



MORGANS



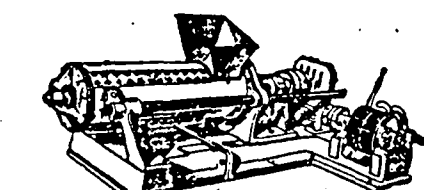
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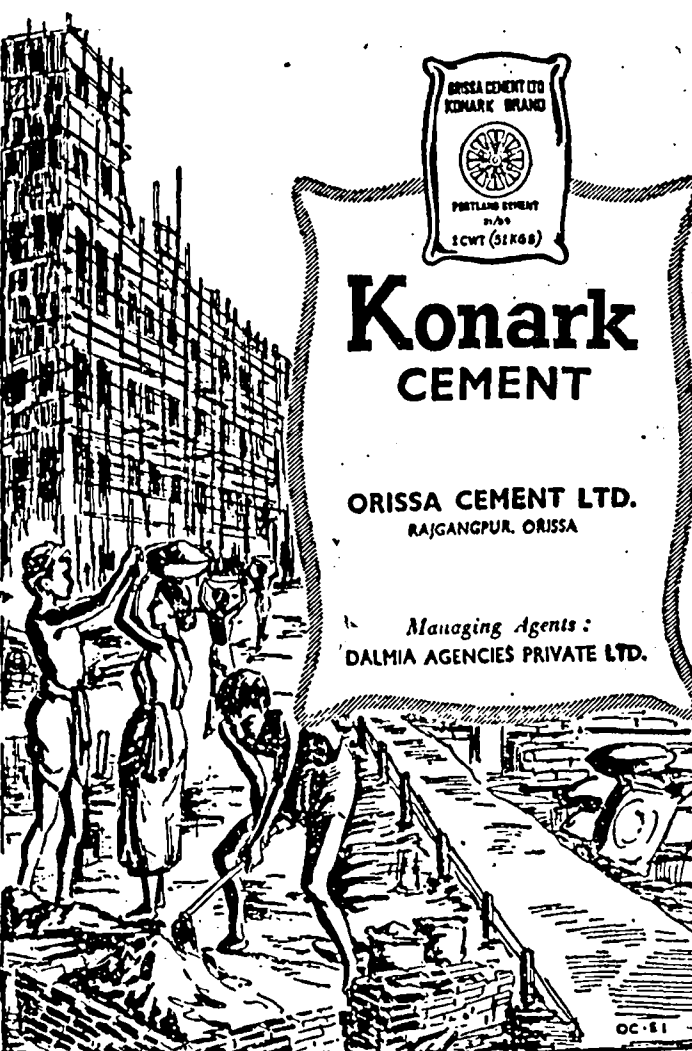
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(N.R.)

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and at
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25 June 1960

WORLD OF FINANCE

Wanted: A Realistic New Loan Programme

IT is nearing the end of June, and, by this time last year, the Central Government new loan had been announced. The new loan last year took the form of a 10 year 3½ per cent issue and a 20 year 4 per cent issue. New loan realisations totalled Rs 184 crores, and, of this, cash subscriptions accounted for Rs 94 crores. As pointed out last week, investments in gilt-edged during the 1959 slack season by Scheduled Banks totalled Rs 174 crores. However, at new loan time itself, there was evidence to show that subscriptions emanating from sources other than Reserve Bank added up, in cash, to around Rs 60 crores. The State Bank presumably put in Rs 25 crores, other Scheduled Banks subscribed between Rs 15 crores and Rs 20 crores, and the balance came from other institutional investors and the public at large. If the 1959 slack season period is taken as a whole, the State Bank is seen to have absorbed a total of Rs 104 crores of gilt-edged. These are the gilt-edged facts of last year, and all that remains to add is that, in October 1959, a second tranche of the Central Government loan was made, in the form of Rs 20 crores worth of 3½ per cent 1974 and Rs 25 crores of 3½ per cent 1969. Against this background, what are the prospects of the Central Government loan this year?

The Budget for 1960-61 assumes market borrowings to the tune of Rs 250 crores. Provision for discharge of debt is shown at Rs 109 crores, of which Rs 60 crores relates to the 4 per cent 1960-70 and Rs 44 crores in respect of 2½ per cent 1960. The earliest date of maturity of the former is 15 September 1960, and the latter matures on 15 July. Both these dates, for reasons we shall be setting out, assume an important significance. Thus, if regard is had for maturities, the net new cash sought is in the regions of Rs 140 crores, which is almost exactly the same as last year, if cash subscriptions during 1959-60 may be said to have comprised: (a) cash subscriptions at the time of the new loan and (b) the second tranche loans amounting to Rs 45 crores. On such a reckoning, and especially since the Budget figure of Rs 250 crores from market loans presumably includes subscriptions to the Prize Bonds, it is indeed a modest borrowing effort that is contemplated for the current year. Unfortunately, modest though the target is as compared to the successful borrowing operations of the last 3 years, there is reason to believe that, unless certain necessary steps are taken in framing the new loan, the current year's borrowing effort may turn out to be a relative failure.

We had shown last week that there was a distinct difference in the position of Scheduled Banks on the eve of the 1960 slack season as compared with the corresponding position last year. There are additional reasons why the capacity of the banking system to support Government borrowings will be further restricted this year. In the first place, we have to revise the figure we had given last week of Rs 125 crores as our anticipation of the magnitude of the rise in the Deposits

of the banking system which was likely to take place during the currency of the 1960 slack season. This is because a significant contributor to growth in banking Deposits will be conspicuously absent. We refer to the fact that Public Law 480 counterpart funds will not, in the current year, accrue with the State Bank, as they had done until recently. Thus, it is possible that the rise in bank Deposits during the 1960 slack season does not exceed Rs 75 crores. Of this, it may be noted, only half represents fresh resources with the banking system. For the moment, we may assume that credit contraction will be around Rs 125 crores. Of this total of Rs 200 crores of new or released resources, fully half will be required:

- a) to reduce indebtedness to the State Bank and the Reserve Bank;
- (b) to make the additional statutory deposit with the Reserve Bank against new Deposits; and
- c) to add slightly to cash in hand.

Thus, it is patent that, as against Rs 174 crores invested in gilt-edged during the 1959 slack season, the very maximum that banks will have on hand this year will be Rs 100 crores. In the light of the anticipation that, with industrial production advancing stridently, every busy season of the future will witness a new record of expansion in Advances, banks will desire to invest perhaps a quarter of such resources in the most liquid possible investment, Treasury bills. We are now left with Rs 75 crores as the maximum which the banks will have on hand for investment in marketable securities.

Our view is that, in the present uncertainty about interest rates generally and the bank rate in particular, banks will be greatly reluctant to put their money into even medium term securities, since there would be a risk of capital depreciation. So, if banks are to be enticed into lending support to the Government borrowing programme, a new loan will have to be so planned as to include an issue which will cater to the needs and preferences of the banking system. It is not, we may urge at this juncture, that we are not confident of the Government being in a position to raise Rs 140 crores from their new loan programme this year—but it is going to be more important than ever before that there should be two tranches of the new loan. The first tranche may be timed so as to have the subscription lists opened, say, one week after the 2½ per cent 1960 matures. The second tranche should be timed with regard for the maturing of the 4 per cent 1960-70 on 15 September 1960. We shall not presume to indicate, at this stage, the form and substance that the second tranche of the new loan should take. There will be time enough to plan that, and the experience of the slack season till then may have considerably changed the picture of prospects. We believe it is necessary here to indicate what the form and substance of the first tranche of the new loan should be.

In the first place, we suggest that the subscription lists should open around 22 July 1960.

In the second place, two loans should be offered. A loan of Rs 60 crores should be directed at the banking system, and a second loan of Rs 65 crores should be meant for other institutional investors.

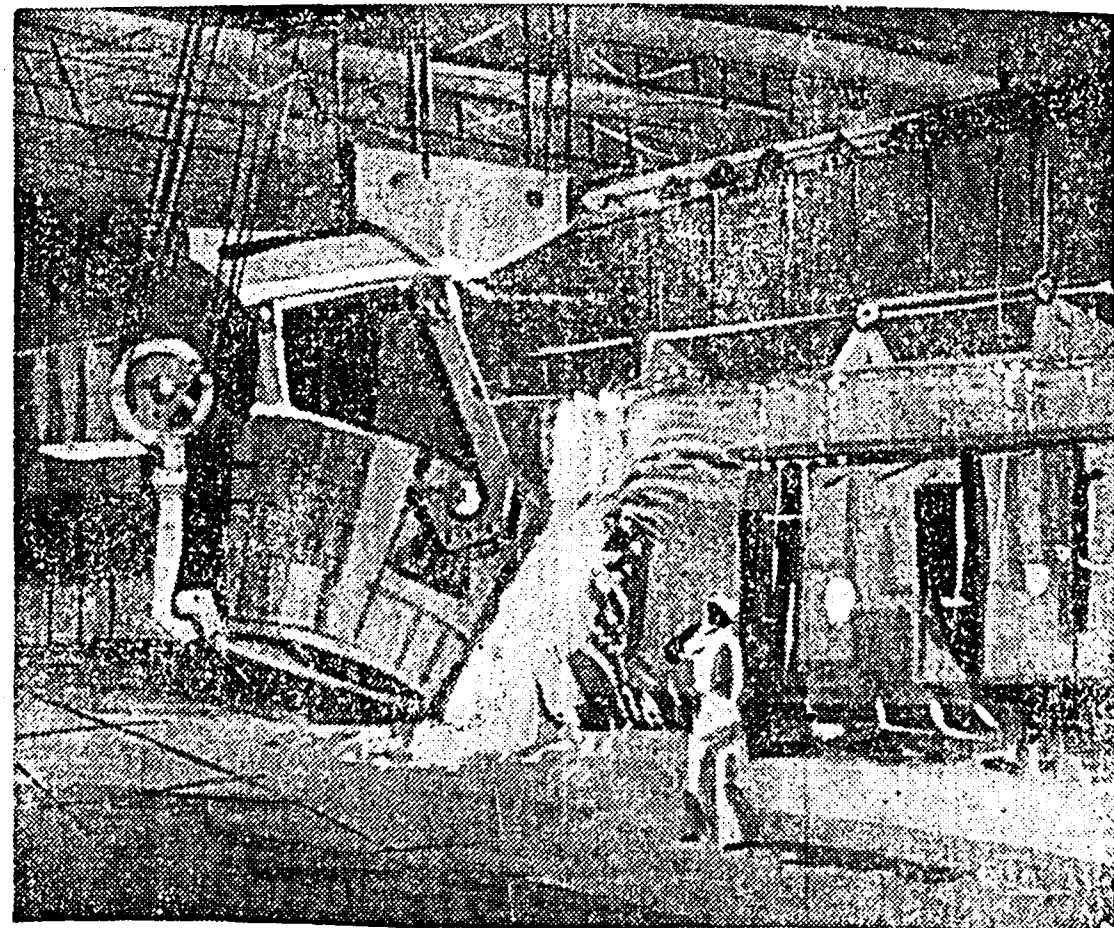
In the third place, the loan meant for the banks should be a 5 year issue. Except as a result of pressure, it is doubtful if banks will be minded of their own accord to put

their money, in the present context of money market conditions, into securities with a longer maturity. As it is, as at the end of 1959, securities with the Scheduled Banks maturing within 5 years had declined to 35.1 per cent of total investments from 40.8 per cent as at the end of 1958. There need be no apprehension that such a shortdated issue will add to maturing obligations during the Third Plan. After all, what it should be important for the Government is to ensure that their funding operations are continuously carried through successfully. The funding operation in respect of the two loans maturing in this year may itself prove difficult, unless the bold step is taken of including in the new loan programme an issue meant specifically for the banking system. After all, the last time that a shortdated issue was offered at new loan time was in 1956, when the 3½ per cent 1962 made its appearance. It is true, there was a re-issue of that loan in 1957, but the fact remains that banks have been compelled, by the mere fact of unavailability of shortdated issues, to go in for longer maturities. A sound banking position requires that the proportion of securities maturing within 5 years does not fall, and for this reason alone if for none other, a 5 year loan to be included in the 1960-61 borrowing programme would not only be desirable but imperative.

In the fourth place, we wish to suggest that an interest coupon of 3½ per cent for a 5 year loan would be far too high, just as a running yield of 3½ per cent would be unattractively low as far as the banks are concerned. Why, therefore, not introduce, as it were, the Metric system into Governmental borrowings? That is to say, the interest coupon to be offered on the 1965 loan should be, in our opinion, 3.4 per cent. The gradations of a quarter and a half per cent that we have had in the foot pound system have been far too steep to take into account the delicate situation in regard to yields available at any given time. In the past, this has been sought to be made good largely by jockeying the issue price, and a larger discount usually goes hand in hand with a lower interest coupon; and this also partly helped to enlarge the size of the redemption yield. We see no reason why, at the time of issue, there should be any difference between the running yield and the redemption yield. That is to say, every new loan could be issued at par, and fractional adjustments could be made in the interest coupon, thanks to the adoption by India of the Metric system.

In the fifth place, the second loan in the first tranche of the borrowing programme should be a re-affirmation of Governmental borrowing from strength. Since the second loan would be mainly addressed to other institutional investors, there is no reason why it should be a medium term, though, at the same time, we see even less reason for such new loan to be an extra-long term. It would be enough if the second loan were to mature in 15 years: and it would be sufficient show of Governmental borrowing from strength if the interest coupon were kept down to 3.75 per cent if the loan is to be issued at a discount, and 3.8 per cent if it is to be issued at par. We would favour a 3.8 per cent 1975 issued at par; but, since there is an already existing 3½ per cent 1974, Government would presumably, if this suggestion were to find favour, prefer a re-issue of that loan.

Thus, we believe that the first tranche of the new loan should comprise, briefly, Rs 60 crores in the form of 3.4 per cent 1965 and Rs 65 crores in the form of 3.8 per cent 1975.



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Slack Season Fall in Note Circulation

The returns of the Reserve Bank for 17 June 1960 show a slack season contraction in currency. Active note circulation has declined by Rs 21.53 crores to Rs 1859.19 crores. Rupee coin has returned from circulation in the considerable amount of Rs 1.60 crores. With both Rupee Securities and Foreign Securities unchanged, the Reserve Bank's cash in the till has improved by Rs 23.09 crores to Rs 33.43 crores.

In the Banking Department, it is to be noted that the balances of the Central Government are, with a rise of Rs 21.34 crores during the week, unusually high at Rs 92.43 crores. There is no indication of deficit financing, just as, in the week ended 10 June, when Central Government balances rose by Rs 4 crores odd to a still unusually high figure of Rs 71 crores, there had been, instead of deficit financing, the cancellation of ad hoc Treasury Bills for Rs 8 crores. What is the cause of buoyancy in Central Governmental revenues in this regard?

A possible hint in this respect is the indication, in the explanatory memorandum for 1960-61, that funds to be re-loaned or granted to India from US counterpart funds that have already accrued under Public Law 480 will total Rs 80 crores during the year. It is barely possible, though by no means certain, that the buoyant receipts on the part of the Central Government may be related to such moneys as have been granted or re-loaned to India from the counterpart funds.

Another possibility is that the buoyancy of Central Government revenues during June is owing to the quarterly instalment due in respect of advance payment of taxes under Section 18 A of the Income-Tax Act. Our own view is that a combination of these two factors possibly accounts for the Central Government balances having risen so considerably in the course of the last three weeks.

However, it is surprising that the Central Government should permit their balances to be Rs 42 crores higher than the traditional minimum of Rs 50 crores. The only possible reason why the Central Government may have desisted from "reverse ad hocs" might be, because, in the next week, they might have a considerable liability in respect of payments to the State Governments.

Indeed, the low level of State Government balances, at Rs 9.23 crores, suggests the prospect of large scale receipts from the Centre. During the week under review, the ways and means borrowings of State Governments from the Reserve Bank have further risen by Rs 4.29 crores to Rs 50.00 crores.

Reserve Balances of member banks are lower by Rs 4.20 crores at Rs 107.51 crores, but this is due wholly to the State Bank. On

the other hand, some small improvement in the position of Scheduled Banks is insinuated by the decline of Rs 4.47 crores to Rs 121.99 crores in the Other Loans and Advances of the Reserve Bank.

Finally, Balances Held Abroad have again declined by Rs 1.79 crores to Rs 13.76 crores.

The return of the State Bank for 17 June 1960 is largely featureless. Indebtedness to the Reserve Bank is lower by Rs 6.50 crores and now stands at a nominal figure. Deposits have improved by Rs 0.50 crores to Rs 632.11 crores. There is an unseasonal rise of Rs 1.12 crores to Rs 218.71 crores in the total of Advances. With gilt-edged holdings unchanged and a drop of over Rs 4 crores in Other Assets, cash in hand and with Reserve Bank has been drawn down by Rs 4.78 crores at Rs 30.90 crores.

According to the return of Scheduled Banks for 10 June 1960, the one interesting change is the further rise of Rs 0.81 crores to Rs 1133.46 crores in Advances. This has been accompanied by a drop of Rs 3.35 crores to Rs 1985.07 crores in gross Deposits. It may be that the decline in Deposits and increase in Advances both reflect the impact of beginning of the month disbursements. The gilt-edged portfolio shows a drop of Rs 14½ crores, wholly on account of the State Bank. Similarly, the rise of Rs 4.11 crores to Rs 51.22 crores in borrowings from the Reserve Bank has been due to the State Bank figuring in that week as a borrower of Rs 6.50 crores from the central banking institution. In the result, cash balances have improved from Rs 185.00 crores to Rs 196.79 crores—again, this rise is ascribable to the State Bank.

Treasury Bills

Tenders for Rs 2,00,00,000, of 91 days' Government of India Treasury Bills were opened on Tuesday, the 21 June 1960. Total amount offered was Rs 2,02,00,000. Tenders at Rs 99.315 and above were accepted in full and these at 99.310 were allotted approximately 99%. Total amount accepted was Rs 2,00,00,000, the average rate of accepted tenders being Rs 2.745 per cent per annum.

Tenders for Rs 2,00,00,000 of 91 days' Government of India Treasury Bills will be received at all centres (Bangalore, Bombay, Calcutta, Kanpur, Madras, Nagpur and New Delhi) up to the close of business on Monday, the 27 June 1960. Successful tenders should make payment on Friday, the 1 July 1960. Other conditions are as usual.

During the week ended the 17 June 1960 Government of India Treasury Bills for Rs 1,75,38,00,000 were sold in favour of Reserve Bank of India.

91 days' Intermediate Treasury Bills will be sold from the 22 to 25 June 1960 at Rs 99.326%. Sales can be stopped at any time without notice if Government think it necessary.

Indian Finance

Founded by:
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India Prizes Creditworthiness

ONCE again, India has proved that, foreign exchange difficulties withal creditworthiness is an attribute to be prized. It may be recalled that, in 1957, India purchased currencies from the International Monetary Fund in a total amount of \$200 million, the equivalent of half of India's quota with the IMF. That transaction consisted of what, in IMF parlance, was the drawing of two tranches. The first tranche was equivalent to one quarter of the quota or \$100 million. This tranche and the gold tranche (which, in India's case, amounted to \$27.5 million and represented India's subscription to the IMF in gold and convertible currencies) are, by IMF practice, normally made available to member countries without much difficulty. In addition to the first tranche and the gold tranche, which we drew upon immediately, India also sought and obtained a standby arrangement in respect of \$72.5 million. During 1957, this was also drawn upon. The IMF expects that members who avail of its resources will complete the repurchase transaction in a period of 3 to 5 years. While there is some degree of flexibility in the completion of re-purchase of the first tranche and the gold tranche, the IMF also expects that the second or any subsequent tranches be re-purchased in 3 years' time. As such, India was committed to honour this transaction and repurchase rupees from the IMF in an amount of \$72.5 million by the end of June 1960. In this context, in his Budget speech, Mr Morarji Desai, the Finance Minister, said:

"....I would like to mention that we had drawn in 1957 from the International Monetary Fund, a credit of \$200 million, including a stand-by-credit of \$72.5 million. Under the Fund rules, a stand-by-credit is repayable within three years. We have, therefore, repaid \$50 million during this month (February 1960) and propose to pay the balance of \$22.5 million in June 1960."

There were, it may be recalled, two separate transactions during February 1960 whereunder repurchase of rupees for \$50 million was completed. In the last week's issue, we had pointed out, in World of Finance, that the decline of Rs 5 crores in the foreign exchange reserves of the Reserve Bank seemed to be linked with further repurchase of currency from the IMF. In the light of the Finance Minister's Budget speech, we may now take it that, in fact, the changes under Other Deposits and in foreign balances in the Reserve Bank returns for 10 June 1960 related to the completion of the repurchase of rupees in regard to the second or standby tranche of \$72.5 million.

There remains, therefore, 127.5 million dollars worth of rupees with the IMF which we are under commitment to repurchase at the latest by 1962. For our part, we had hoped that it might become possible for India to effect repurchase of currencies in respect of the first and gold tranches as well even before the Third Plan started. However, recent trends in the balance of trade negate any such hope. On the other hand, by virtue of the repurchase just completed, as also because India's quota with the IMF has increased by

\$200 million, we can still reasonably expect to be able to draw upon the IMF in case of urgent need. On the basis of the old quota, it may be noted, the standby arrangement could be for an amount that was the difference between half the quota and the amount represented by the first tranche and the gold tranche in the aggregate. In the light of the new quota, inclusive of the standby arrangement, India could hope to purchase a total of \$300 million of currencies. The increased subscription in the form of gold would apparently become immediately available, amounting to \$50 million. So, any prospective standby arrangement would be for \$122.5 million. In other words, there is a nest-egg of \$172.5 million available with the International Monetary Fund for overcoming balance of payment difficulties during the Third Plan.

We would nevertheless urge that, before any standby arrangements are concluded, it would be proper if we made an effort at the repurchase of currencies relating at least to the gold tranche under the old quota of \$27.5 million.

India's scrupulous habit of honouring commitments was proved, it may be recalled, by the return of silver obtained on Lend-Lease from America during the Second World War; and, in the latest instance, there has been similar desire to keep our creditworthiness above reproach. However, the foreign exchange difficulties that are likely to be encountered during the Third Plan will be such as will entail either request for deferment of maturing liabilities or foreign aid that is not limited by being for "specific" projects. It should be, we suggest, part of Third Plan foreign exchange planning to start negotiating as soon as possible for deferment of payment of instalments due to overseas creditors.

Thus, planning in the realm of foreign exchange will, in respect of the Third Plan, have three aspects. In the first place, the generous assistance of friendly foreign countries must be sought. In the second place, all possible steps must be taken to promote exports. Lastly, negotiations must be conducted with a view to securing postponement of liabilities to repay loans which will mature during the Third Plan period. Now that India's creditworthiness has been proved time and again, there should not be much difficulty in thus resolving, or seeking to resolve, the foreign exchange problem appertaining to the Third Plan.

Inner Cleanliness

THE repetition of vague charges, and some introspection too, have forced the Congress Party to deal with the issue of inner cleanliness. The disclosure of assets by Ministers and legislators have been suggested after the Swatantra Party made an issue of corruption in the party and Mr C. D. Deshmukh's name was mentioned as the first originator of complaints about the fall in public morality. The Congress President's action is presumably meant to create a private, voluntary tribunal to deal with matters that cannot

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

be aired in open court. Up to a point, a court of honour, is satisfactory, but it will be agreed that the Congress Party has now decided to keep the money power away from politics. This may be attuned to Mr Sanjeeva Reddi's desire to draw in poorer persons into the party to run for election and to seek office on the score of merit, not money. The A.I.C.C. Session at Poona has evidently made the Congress Working Committee realise that the party's purity is a matter of more importance than putting in elected men into the executive.

The procedure of commissions of inquiry has made it easy for a panel of politicians to look into what may be dangerous connections for Ministers and others. No longer will Chief Ministers have to appoint persons to hear complaints and to clear their colleagues, as in the Punjab. The 'personal' files of Ministers will help in the issue of election tickets, reappointment to office or the bestowal of the usual consolation prizes. While the President of the Congress can put cases before the panel, it is perhaps the private inquiry agent who will deal with it before a case is stated. The Special Police Establishment now deals with officials; for the non-officials some other agency is wanted and it has to be unofficial, though the procedure may well savour of imitation of the Communists who evince a striking zeal for the good name of their party in order to make it appear to the uninspired a fellowship of the dedicated.

It is perhaps a consequence of the Congress losing Gandhiji suddenly that the issue of inner cleanliness has cropped up. But it is all to the good that the 'party leadership attaches real value to a good name. This may be the result of election reverses, the fissures in the Punjab organisation as well as the belief in 'dual' leadership. The P.C.C. presidents will certainly not lose moral authority if legislators' record is to be scrutinised and the discreet rewards drawn from patrons in the business world appraised critically. The exact value of Swaraj for Swadeshi businessmen cannot be indicated readily but the monetary value of patriotism has been apparent over a long period to the faithful in the rank and file also. After Mr Kamaraj's rejection of the idea of free land for the elect who had made sacrifices in the past for the party the Congress President's plan for a panel is logical. The Madras Government set its face against Bhoodan for the benefit of its own partisans when more eligible and deserving applicants were not helped and the conflict of interests produced complaints of partiality. This too is derived from the current preference for purity in the party, reflected in the plan for a panel to examine charges. Perhaps the panel will also help to protect party funds gathered for the election and introduce strict audit in the place of gentleman's agreements now in vogue.

But the major issue raised is whether the party office records will go before the income-tax department whether publicity will be given in case of complaints or default and whether the party will care to prescribe penalties. That Mr Nehru has tacitly approved

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the new procedure for enforcing purity is inferred from the outline given. There will be embarrassment if liabilities are declared by politicians and the absence of savings made clear, along with the need for extra remuneration. There is perhaps a real case for increments for State Ministers but the Congress High Command is concerned only with the immediate issue, namely, protection of the party's reputation.

Some will say that the reforms come late, with rather poor grace and the feathering of many nests is almost complete in most places. But the Congress is thinking of the elections of 1962, the acid comments of the Swatantra party and the rules of the game now being applied to the Congress party. The theory that Congress is far more than a party is more or less renounced by Mr Sanjeeva Reddi's plan for a panel. It is accepted that the tax and other laws apply to the Ministers and others in a privileged position and the 'peddling of influence' for a cash consideration would also be strictly limited. The Lynskey Tribunal's work is not forgotten nor the fate of Mr Belcher and Mr Gibson though the Labour Party was in power in 1948.

The Congress has come to see that the best practice obtaining abroad retains its value for India today, because the application of strict rules will be better than a party purge, provoking both protests and appeals. That the procedure applies already to officials (though their returns are not punctual or complete, as has been said) is perhaps the main merit of the Congress President's plan for a panel. The fact is that factions in many States render a party tribunal to deal with special complaints necessary and the improvement of internal discipline may be expected to follow the creation of machinery devised to promote purity. There is perhaps an admission that the party in the rough and tumble of political life has not escaped damage, but that is to be repaired now, and the Congress accepts that (as the advertisements put it) inner cleanliness comes first always.

Finance for the Private Sector

(Contributed)

THE letter addressed recently by the President of the Federation of Indian Chambers of Commerce & Industry to the Prime Minister regarding the sources of funds for the private sector deserves wider publicity than it has received. The occasion for this letter was the speech delivered by the Prime Minister some time back in the course of which he had said that the private sector depended too much for finance on the Government. The Federation has attempted to refute this argument and to show that actually the amount of finance received by the private sector from Government is relatively negligible.

"The impression that the private sector is far too dependent on financial assistance from Government cannot, in our humble opinion, be substantiated" says the Federation's President. He adds, "In the first place, I would like to point out that there is hardly any industry in India which receives subsidy from Government, either State or Central. There are, however, cases where Government, through some of its institutions, have rendered financial assistance either to the starting of new industries or to the rehabilitation and modernization of some industrial units. In this manner, the growth and development of some Indian industries has been encouraged by Government and we believe this encourage-

ment is due to the conviction of the authorities that for various reasons, some not directly connected with the promotion of these industries, such assistance is found necessary. Considerations of regional development or of maintaining in employment workers who would otherwise have been out of such employment and similar reasons have led to some units receiving financial assistance from Government".

Quoting the estimates given by the Planning Commission, the Federation's President points out that in the Second Plan the amount of money provided by the Government institutions to the private sector has not been appreciable. According to the Planning Commission's estimate, the overall gross fixed capital investment in the private sector was expected to be Rs 825 crores to be financed as follows:—

Loans from Institutional Agencies:	(Rs crores)
Industrial Finance Corporation of India	40
State Finance Corporations	17
National Industrial Development Corporation	10
Industrial Credit and Investment Corporation	14
Refinance Corporation	6 say 85
Direct Loans participation by Central and State Governments	20
Foreign Capital	200
New Issues	120
International and other resources:—(Depreciation Reserves, Retained Profits, Borrowings from Banks, Advances from Managing Agents, etc.)	400
Total	825

It will be seen that apart from foreign capital which was expected to provide Rs 200 crores, the bulk of the finance for the private sector was to come from internal sources like depreciation reserves, retained profits, borrowings from banks, advances from managing agents etc. It cannot be argued, therefore, that the Government has been the main source of finance for the private sector. Even in regard to the sum of Rs 85 crores which has been provided by the various financial institutions, it should be remembered that the amount is given to a sector which it is the official policy to assist by all possible means. The Federation stresses the fact that in terms of total investments made in the private sector, the assistance extended by these institutions is a small percentage and though such assistance may be vital to some of the units, taking the private sector as a whole, the total assistance is not of any serious magnitude. Moreover, the difficulty in obtaining foreign exchange has also been responsible to some extent in making the private sector resort to government for financial help.

The most important point made by the President of the Federation is that it is the Government's own financial policy which makes it difficult for the private sector to obtain the necessary resources for development purposes. As the President observes, "even the small dependence on the financial institutions sponsored by Government would not be there if the fiscal policy of Government left adequate savings in the hands of the individuals". Moreover, the banking system in India has not been enabled to play its part in providing term loans for industrial development as in the case of Germany, Japan and elsewhere.

The Prime Minister's reply merely says that he has passed on the Federation's data to the Planning Commission. He has also added that the controversy going on about the private and public sectors is "wholly unnecessary and

is rather harmful". But so long as Congress is wedded to the Socialist ideology and official economic policies are influenced largely by political considerations, the controversy between the two sectors cannot be entirely avoided. What is, however, essential is to ensure that the controversy, wherever it becomes unavoidable, should be kept at a high level and should be based on facts rather than on unfounded allegations. In the coming years, investment in the public sector is bound to take place on a massive scale. In fact, profits from the public sector are estimated to yield Rs 470 crores (excluding railways) during the next Plan. Therefore, care should be taken to see that the public sector is subjected to strict scrutiny so that waste and extravagance are avoided. Equally important is the need to ensure that the private sector which is being assigned a vital role in the Third Plan conducts itself with the maximum efficiency.

So far as the controversy regarding finance for the private sector is concerned, there is no doubt that the Federation's case is strong. If the fiscal policy is suitably altered and greater incentives are given to the people to increase their savings and invest them in productive undertakings, there will be less dependence of the private sector on Government. There should be a greater recognition on the part of the Government of the fact that a flourishing private sector is essential to our rapid economic progress. If the private sector is enabled to function more efficiently, it will be possible for the Government to obtain more revenues in the form of taxes which in turn will help the authorities to undertake multifarious activities for the benefit of the people.

Socio-Economic Survey of Calcutta: A Critical Analysis

CALCUTTA occupies a strategic place in the Indian economy. It is the second largest Indian city and is the eleventh among the largest cities in the world. In the last few years particularly the city has been confronted with a host of problems which have defied solution. Unemployment, housing shortage, slums, traffic congestion, defiance of law and order—these are some of the problems which have been causing considerable concern not merely to the State Government but to the country at large. It is obvious that unless these difficulties are tackled speedily and effectively, the economy of West Bengal and that of the eastern region cannot be developed rapidly. But before schemes are drawn up for improving the conditions in Calcutta, it is necessary to have some precise information regarding the nature of the problems facing this city. The Socio-Economic Survey of Calcutta city, sponsored by the Research Programme Committee of the Planning Commission and conducted by the Departments of Economics and Statistics of the Calcutta University, provides us with valuable and interesting information about the various aspects of the social and economic conditions of this city. Its publication on the eve of the commencement of the Third Five Year Plan is, therefore, opportune. The Survey has stretched over a period of five years, 1954-59. Data relating to 18,533 households were collected, a household having been defined as consisting of one or more persons who live together and have a common kitchen from which they take their meals.

An outstanding fact brought out by the Survey is that about a quarter of the population of the city live a single life without

their families, and they form more than half of the households. The vast majority of these people are males and married; and are educationally backward. Over 85 per cent of these people are concentrated in three groups of occupations—unskilled manual work, skilled labour and trading; about 87 per cent earn less than Rs 100 per month, their average earnings being Rs 73 per month. In 1957-58, Calcutta's population consisted of about 35 per cent women and 65 per cent men.

As regards occupational distribution, the Survey reveals that a little less than 40 per cent of all earners are engaged in the various distributive trades while about 16 per cent are in the manufacturing operations. About 14 per cent are employed in public utility concerns, 12 per cent in domestic services and another 12 per cent in the public and private services, and a little more than 2 per cent in construction. About 57 per cent of all earners work under single proprietorships or private households, about 25 per cent work in limited liability concerns and a little more than 10 per cent in Government offices. The corporate sector is increasing in importance as provider of jobs, the proportion of earners in this sector rising from 20 per cent of the total in 1955-56 to 26 per cent in 1957-58. About one-third of all earners are doing purely unskilled manual work.

Dealing with the trend of incomes, it is pointed out that the per capita money income in the city is higher as compared to the all-India average. The level of money earnings has risen between 1954-55 to 1957-58 at least by as much as 30 per cent in four years. In 1954-55 the annual per capita income amounted to Rs 492 which increased to Rs 560 in 1957-58 that is, by about 13.7 per cent. The Survey comments as follows: "Thus while money incomes have risen, real incomes have actually declined on account of the greater rate of increase in the general price level. Per capita real income has actually declined by 4 per cent in 3 years. But one encouraging aspect is that during these four years the distribution of the total family income among the population of the city has not become more unequal in spite of the inflationary rise in prices. The rich are getting richer, while the poor seem to be improving their position at least in terms of money".

On the subject of unemployment, the Survey says that it is heavily concentrated in the younger age-groups. Most of the unemployed, that is, 70 to 75 per cent do not possess any skill or special qualification. Unemployment is also found to some extent among persons with engineering and technical diplomas or certificates as well as among typists and stenographers.

Conditions of housing are, of course, very unsatisfactory. Only about 7.5 per cent of the households surveyed lived in separate flats or complete houses which possessed amenities like bathroom, water tap, kitchen and separate toilet. It is estimated that schemes of slum clearance would involve an expenditure of about Rs 300 crores. The Survey throws some light on the social habits of the people such as reading, tea drinking, visit to cinema and visit to relatives. Data relating to social habits have been collected from the people of the age group 20 to 54. It is stated that only out of every six adults read any kind of books. Among persons with comparatively low educational qualifications (that is, below school final standard) only about 31 per cent read newspapers, 12 per cent read books and only 6 per cent read journals. Tea drinking is more popular among the adult population of the city than the reading of books. Nearly 81 per cent or

nine out of every eleven adults are addicted to tea-drinking. The popularity of the cinema is increasing steadily as well will be clear from the rising number of cinema halls and the "mile-long serpentine queues" seen in front of almost every such hall. Another fact revealed by the Survey is that of the adults in the age-group, 20 to 54, nearly 63 per cent do not pay any visit to their relatives while less than one-third are in the habit of doing so.

These, then, are the broad conclusions of the Survey. The Departments of Economics and Statistics of the Calcutta University have done a good job in assembling and analysing a lot of useful data. But the Survey is open to criticism. In the first place, it is not clear why so much importance is given to linguistic factors in analysing economic problems. An unemployed person has been defined as one who has no gainful occupation on the date of investigation but who is actively seeking jobs at current rates of remuneration. Having given this definition it was wholly unnecessary to find out how much unemployment exists among the various groups like those of Bengali, Hindi, Urdu, Oriya etc. One could as well analyse this problem in terms of the religious beliefs of the population or their political affiliation! In an economic Survey of this type considerations of linguistics appear to be entirely out of place particularly at a time when petty parochial feelings are being whipped up by unscrupulous politicians.

Secondly, the Departments need not have spent their time in investigating what appear to be rather trivial affairs. For instance, one of the topics examined was: "How close are the ties of relationship as seen in the monthly visits paid by adults to their relatives?" One fails to appreciate what useful purpose would be served by gathering data regarding the visits paid by citizens to their relatives.

However, the Survey has done a service by focussing attention on some of the grave issues confronting the Calcutta city. It is now for the authorities concerned to tackle these problems with speed and efficiency. This is a task in which the Central Government, the State Government and the Calcutta Corporation should act together effectively. The Central Government's responsibility is by no means small, considering the fact that about 45 per cent of the country's foreign trade is passing through the Calcutta port. There are about 1400 industrial units in the city, including a number of jute mills, cotton mills, shipbuilding and repairing firms, engineering industries etc. It has the largest number of companies registered under the Companies Act, and the tempo of business activities is faster here than in Bombay. The Central Government, therefore, should see to it the difficulties facing Calcutta are tackled with sympathy, understanding and urgency. The State Government also should be more alert. It should create suitable conditions so as to encourage industrialists to expand employment opportunities. In this connection, the attempt in the private sector to employ only local people is to be deeply deplored. Employers should be free to choose the right men for their jobs irrespective of linguistic and regional considerations. If Government try to bring pressure in this matter, the problem of unemployment, far from improving, may get worse.

The State Government should also see to it that the Calcutta Corporation conducts its affairs with a sense of responsibility. Hitherto, the Corporation has unfortunately allowed itself to be dominated by petty politics with the result that it has not paid proper

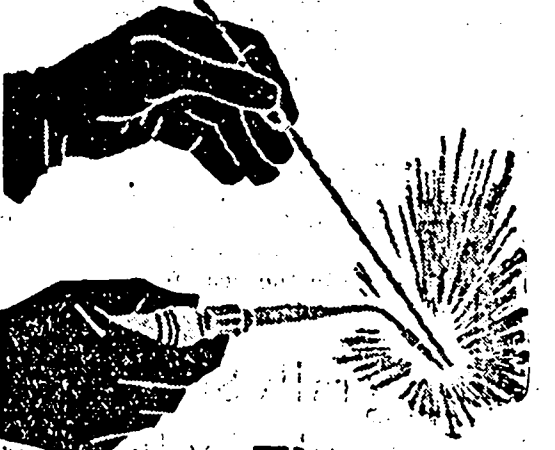
attention to civic problems. It is necessary, therefore that in the interests of West Bengal and the country at large the various authorities—Central, State and local,—should cooperate together and tackle the problems of Calcutta in a spirit of determination.

Demand for D-Marks

By Paul Enzig

THE foreign exchange market is seldom uneventful for any great length of time. Its main feature at present is a strong demand for West German currency. For the last ten years or so D-Marks had a very firm undertone most of the time. This was one of the results of the "West German miracle"—the economic recovery brought about by Dr Erhard's sound policies. The D-Mark was for years stronger than sterling, and for some time even stronger than the dollar. This conclusively proves that in matters of currencies it is present position and future prospects that count and not past history. The D-Mark commands confidence in spite of the checkered career of the German currency between the two Wars.

The German gold reserve, which underwent a decline during 1959, has once more reached the record figures attained at the end of 1958. The firmness of the D-Mark and the influx of gold has been largely due to the influx of foreign funds. Even though German banks are not permitted to allow interest on foreign balances and deposits, and the sale of German Treasury Bills to foreign buyers has been stopped, it is possible to earn a yield of more than 7 per cent on high class fixed interest bearing securities. Foreign holders also benefit by the premium on forward D-Marks if they choose to cover the exchange risk in preference to speculating on an appreciation of the D-Mark.



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The revival of the firm trend of the D-Mark is both the cause and the effect of a revival of revaluation talk. Once more as in 1957 there is much speculation on the possibility of a revaluation or at any rate of a widening of the margin between the upper and lower limits of its fluctuations which would entail a rise to its upper limit. While in 1957 the German authorities allowed revaluation talk to proceed largely uncontradicted, this time official statements have emphatically disclaimed any intentions to revalue. Nevertheless, as is usual on such occasions, many people take the official disclaimer with a grain of salt.

Yet if a Government is determined not to resort to revaluation it cannot be forced to revalue. What might happen is that the influx of funds might frustrate the effort of the official monetary policy to restrain inflation by means of tight money and high interest rates. So far there are no indications that this would happen.

The firmness of the D-Mark is all the more remarkable since West Germany is at last beginning to feel the world-wide pressure making for wage inflation. For a long time wage inflation in West Germany has been restrained by an influx of refugees from East Germany. It seems, however, that that influx cannot keep pace with the increased demand for labour. The trade unions have come into their own and are pressing forward with their wage demands. In this respect Germany is no longer in a better position than Britain or other industrial countries.

In face of the situation a leading German banker suggested in an article higher taxation and investment in underdeveloped countries. Whether it would be practicable to adopt these remedies on a sufficient scale to make an appreciable difference remains to be seen. Meanwhile the German gold drain threatens to lead to a new maldistribution of gold. This time the American gold reserve is more or less static, while the German gold reserve has increased far beyond the requirements of West Germany. The Sterling Area gold reserve, which is nearly large enough for the immense requirements it is supposed to cover, has been increasing only to a very moderate extent lately. In the circumstances the demand for D-Mark is most inopportune, yet there are no signs to indicate that it is likely to subside in the near future.

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Sterling rally Stresses the Reserve of Confidence

By W. T. C. KING

STERLING showed a heartening degree of resistance during the testing-time associated with the breakdown of the Summit conference in Paris during May. It came through this phase with much less strain than had generally been apparent on previous occasions of heightened tension in international politics, which is a testimony to the underlying reserve of confidence in sterling that has built up since the exchange crisis of 1957, and since the granting of formal "external" convertibility at the end of the following year. In the past fortnight, however, the exchange has come under some pressure. On June 2, the sterling-dollar rate, which had stood at around 2.81 dollars beginning of the month dipped slightly below its parity of 2.80 dollars, for the first time since the raising of the Bank of England discount rate from 4 per cent to 5 per cent last January.

The principal factor in this pressure appears to have been the pull of tight money condi-

tions on the European Continent, especially the stringency produced in West Germany by the efforts of the monetary authorities there to contain a threatening excess of demand in an economy already fully employed.

Spasm Of Pessimism:

A variety of factors, however, have evidently been acting in the exchange market. The initial pressure on sterling was accompanied by a spasm of pessimism in the City about Britain's own economic problem, and this mood seems to have been both an effect, and a partial cause, of the weakening of sterling.

Market psychology, however, is all too prone to swing to extremes and the City on this occasion had begun to fear that pressures on capital account might be obliterating, or even reversing, the further rise in the gold and convertible currency reserves that was to be expected from seasonal factors. In fact, the reserves rose in May by £10,000,000, after providing the regular £5,000,000 repayment to the International Monetary Fund, bringing their total to £1,021,000,000, or £62,000,000 above the low point reached at end January. The publication of these reassuring figures caused a marked rebound in market sentiment, and a rallying of the sterling-dollar rate to the right side of parity again.

Two significant international developments played a part in this process. On the one hand, the Federal Reserve Board authorised a reduction in rediscount rates, the first downward move since the authorities were trying to coax the American economy out of its recession a couple of years or so ago; and the Federal Reserve Banks of Philadelphia and San Francisco came down on June 2, from 4 per cent to 3½ per cent.

This move was expected to extend shortly to other Federal Reserve districts, and thus had an immediate effect on the rate for United States Government three-month Treasury bills, which dropped by more than ½ per cent to 2½ per cent. The margin below the London Treasury bill rate has thus widened to more than 1½ per cent, whereas at the beginning of this year there was a substantial margin the other way round. Any fear that sterling and London money rates might this year have to face a renewed strain from New York rates, has thus reached.

West German Position:

On the same day that these reductions in American rates were announced, steps in the opposite direction were taken in West Germany. A distinctive characteristic of the incipient inflationary strain in Germany is that it has not been accompanied by pressure upon the German balance of payments, or upon the exchange rate and the external reserves. On the contrary, both the export surplus and the reserves have been mounting strongly.

The German monetary authorities were thus facing in more acute form, a dilemma that has become familiar to them in recent years. If measures of domestic disinflation took the conventional course, and included a general increase in interest rates, they would be liable to pull in still more mobile funds from overseas, to the probable embarrassment of other monetary authorities, not to mention the resultant undesired injection of liquidity into the German money market. In consequence, in the disinflationary steps taken earlier this year, the German authorities had been concentrating upon making money scarce, rather than dear; but it had seemed evident that if these measures did not achieve a sufficient effect, they would sooner or later have to be flanked by higher interest rates. This, indeed, was one of the possibilities that had been troubling some observers in London.

Novel Precaution:

But when the German authorities launched their new drive against inflation, and duly accompanied it by a further rise in rates, they took novel precautions with the object of confining the effects of the rise in rates to the domestic economy.

The rediscount rate of the Bundesbank was raised from 4 per cent to 5 per cent, and its loan rate went up to 6 per cent while minimum reserve requirements were stiffened further. But it was decreed that deposits held in West German banks on account of non-residents should no longer carry interest, and that Treasury bills and bonds would no longer be saleable to non-residents. It remains to be seen whether these unusual measures will succeed in fully insulating overseas markets from the pressure of the German disinflationary drive. Attempts to discriminate between different categories of funds, and to set up artificial barriers, are apt to create stresses of their own; and in the end ways of circumvention are devised. Indeed, from the outset it was reported that non-resident funds were being withdrawn from German banks for employment in German equities. For the time being, however, this experiment has lifted one of the potential strains from sterling, and may even be lending it a little positive support by inducing some reflux of funds.

Changing Needs Overseas:

In spite of these two reassuring developments on the international front, and of the satisfactory performance of the sterling area's central reserves in the past few months, banking circles in London are prepared for some increase in strain later in the year, notably because of the changing needs of the overseas sterling area. Britain's own balance of payments in the calendar year 1959, the latest period for which detailed estimates are available, was in surplus to the extent of £145,000,000 on current transactions as a whole. But this was not sufficient to finance Britain's net long-term lending overseas, and its other commitments on capital account (such as repayment of indebtedness).

Substantial drafts on the gold and exchange reserves were avoided only because Britain was, in effect, borrowing on short-term to finance a considerable part of its lendings at long-term. These short-term borrowings were last year achieved almost automatically, without the necessity of offering differentially high interest rates, because the majority of the independent territories of the overseas sterling area were building up their London funds again, after a phase of depletion.

The experience in 1960 is likely to be different from this. It is to be hoped, indeed, that Britain's own current surplus may be larger than that for 1959. The disinflationary measures recently taken are, of course, intended to ensure that it will be so. But it cannot be expected that the surplus will be large enough to cover all the long-term capital commitments.

A Gap To Be Filled:

Once again, there is likely to be a gap that has to be filled, either by a net intake of short-term funds, or by drafts on reserves. But this year many of the territories of the outer-sterling area are stepping up their imports and relaxing import restrictions, and are unlikely to have a surplus of floating funds that will come to rest in London.

On the contrary, it will be surprising if there is not, over the year as a whole, a net reduction in their London funds. During the first quarter, the independent territories ran

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down their sterling balances from £1,830,000,000 to £1,774,000,000; but these demands were approximately balanced by net new deposits by dependent territories (their total rose from £873,000,000 to £900,000,000), and by Western Europe (up by £21,000,000 at £408,000,000) and Latin America (up by £13,000,000). The grand total of sterling balances held by countries, as distinct from the international organisations, was virtually unchanged over the quarter, at £3,496,000,000. A year previously, it stood at £3,337,000,000.

On the home front, Britain awaits definite evidence of the effects of the several measures of restraint. It is too soon to be able to ascertain whether these will, or will not, suffice to prevent an undue build-up of demand. The first effects, so far as they can be discerned, are moderately reassuring. The pace of increase of bank advances has slackened significantly, there has been some decline in sales of motor vehicles on hire-purchase, and a fairly sharp fall in values of second-hand cars. On the other hand, the total level of activity in the economy apparently continues to rise.

"Sons of the Soil"

M. SUR

THE Central Government's Act for the compulsory notification of vacancies to the Employment Exchanges was gazetted to come into force in West Bengal from 1st June. This has sparked off quite a controversy on the question of whether preference in the matter of employment should be given to "sons of the soil". Actually the Employment Exchange (Compulsory Notification of Vacancies) Act does not touch on this question at all. It is aimed at providing the Employment Exchanges with reliable information and statistics regarding vacancies in any establishment (which covers offices or any place where industry, trade, business or occupation is carried on, except those that come under the Union or State Public Service Commissions, or those carrying remuneration of less than Rs 60 per month). Employers are required to notify all vacancies, but the manner in which the vacancies shall be filled is left open. The Employment Exchange may send candidates for interview, but there is no obligation on the employer to recruit only from persons sent by the Exchange.

However some persons see in this Act the "thin edge of the wedge", alleging that once the Employment Exchanges are informed of vacancies they will start interfering with the employer's right to select his own men, or they will use the Act to press for the employment of "sons of the soil". The fact that it is a Central Act should make clear that no restrictions are intended as to the employment of persons of one State or another. The Indian Constitution ensures not only equality of citizenship, but of opportunity also, and this should make discrimination between persons of one State and another illegal. Nevertheless feelings are strong both for and against a policy of preference for "sons of the soil".

A reference to the Directorate of the National Employment Service in Calcutta elicited the information that the policy of that Service was that where possible preference in employment should be given to those with some years' residence in the State, since it was felt that migration of more persons to Calcutta to increase the multitude of the city's unemployed should be discouraged. This seems reasonable enough. Calcutta is already burdened with a population which it can neither house nor employ.

This, however, is not the view of those who seized the opportunity for an outcry

against employment of non-Bengalis in Bengal, and who sponsored an unofficial "Employment Week", demanding "reservation of all avenues of employment for the next twenty years to raise the percentage of Bengali employment in industries in the State." A public meeting at the end of this week was presided over by a judge.

Almost simultaneously the West Bengal Labour Minister was reported in the press to have told the Employment Advisory Committee that the State Government had been pressing for an Act not only for compulsory notification of vacancies, but for compulsory recruitment, because it wanted to ensure a fair deal for "children of the soil" in the matter of employment opportunities in the State. Did this mean that the Labour Minister was taking a different line from the Employment Service? What did he mean by "children of the soil"? Many correspondents in the newspapers had no doubt about it and declared roundly that the Minister meant those whose mother tongue was Bengali. Certain trade unions which had been pressing for more employment for Bengalis began demanding that at least 80% of vacancies should be filled by people recommended by the Employment Exchange. Non-Bengalis domiciled in the State began to be alarmed. One wrote "if non-Bengalis domiciled for long in West Bengal are not sons of the soil, who are they? Are they to be considered as aliens in the land of their birth?"

To those who deplore the dissipated tendencies already too evident in the Indian Union, and the exacerbation of these tendencies caused by linguistic controversy, this further evidence of exclusiveness is very alarming. It must be added, in fairness to West Bengal, that the demand for restriction of employment opportunities did not first arise in that State. Other States have been loud in claiming jobs for their linguistic groups—Bihar for the Biharis, Assam for the Assamese and so on. The writer knows of cases where not only trade unions but State Government officials have opposed the employment by private firms of persons from other States, and even gone so far as to object to an employee whose family had been resident for generations in the State but had its origins outside.

It is obvious that general unemployment is a powerful factor in this exclusiveness, but it should not be allowed to put the problem right out of perspective. Mobility of labour is an asset in any country with an expanding economy. How could new steel works like Durgapur be staffed by local people? What would be the sense in saying employment at Durgapur should be limited to Bengalis because it lies in Bengal. The Bihar border is not far away and surely the region rather than the State should be considered when it comes to economic development?

If Bihar, for example, were to refuse jobs to non-Biharis and West Bengal were to retaliate, what would happen? Thousands of Bihari labourers engaged on loading and unloading and transport in Calcutta would be thrown out of employment and would not be able to find re-employment in Bihar, and it is even doubtful if they could be replaced adequately by Bengalis.

Bengal is one of the most advanced industrial regions in India, and Calcutta is certainly the country's largest industrial centre. Figures of new companies started in the Eastern region for the half year ending March, 1960, show 204 in W Bengal, as against 6 in Bihar, 5 in Assam and 19 in Orissa. The capital represented is over 20 crores in W. Bengal as compared with under 4 crores in the other three States put together. Obvi-

ously a large proportion of this capital has been put up by non-Bengalis. Is it reasonable to demand that these enterprises should employ only Bengalis? Many companies with their head offices in Calcutta have branches and units scattered over the country. It does make sense to argue that only Bengalis should be employed in these head offices. Those who interpret "sons of the soil" in its most restricted sense are being carried away by their emotions.

Many companies have agreements with their trade unions to give preference in employment for lower grade jobs to the sons of existing or retiring employees. Shortage of employment has made this an urgent demand with many unions, but in some cases it has the effect of drawing more migrants into the big cities while the residents remain unemployed. However it is a demand hard to resist. It may in certain circumstances be advisable to discourage migration into areas where unemployment is already heavy, but this is a matter to be decided on economic and not on emotional grounds. On the other hand, when the need for qualified men is urgent, if they are to be tied down to the State of their origin, the country will be the loser. Companies operating on a national scale must also have freedom to transfer their higher staff according to the exigencies of their business and the qualifications of their employees.

This is overall a problem which should be studied by the Planning Commission, and the Union Government should give some guidance on it, so that it can be viewed in its proper economic perspective. It is discouraging to those who believe in unity to find these matters being approached almost entirely on a narrow, emotional basis, which can only result in further division and rivalry.

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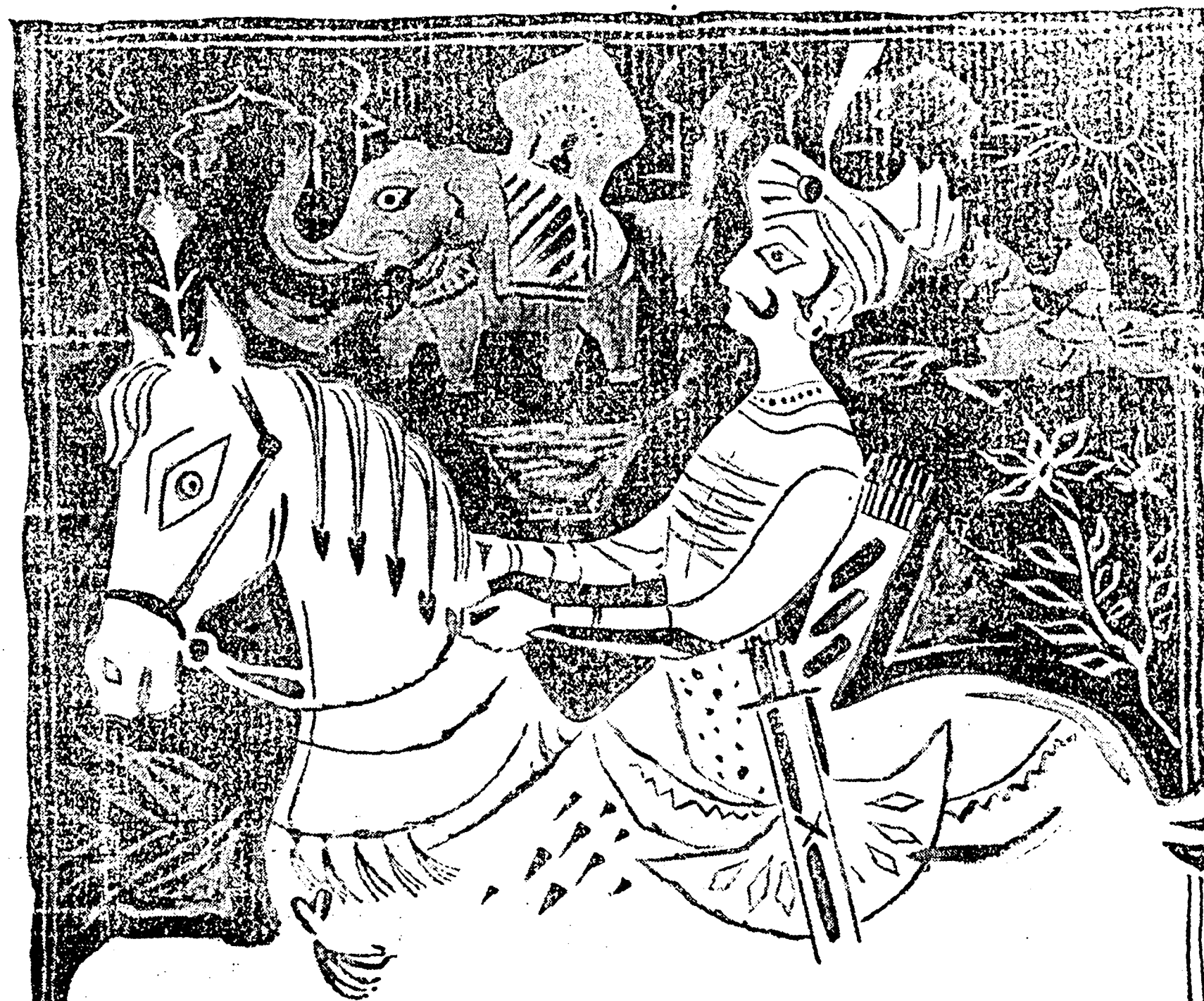
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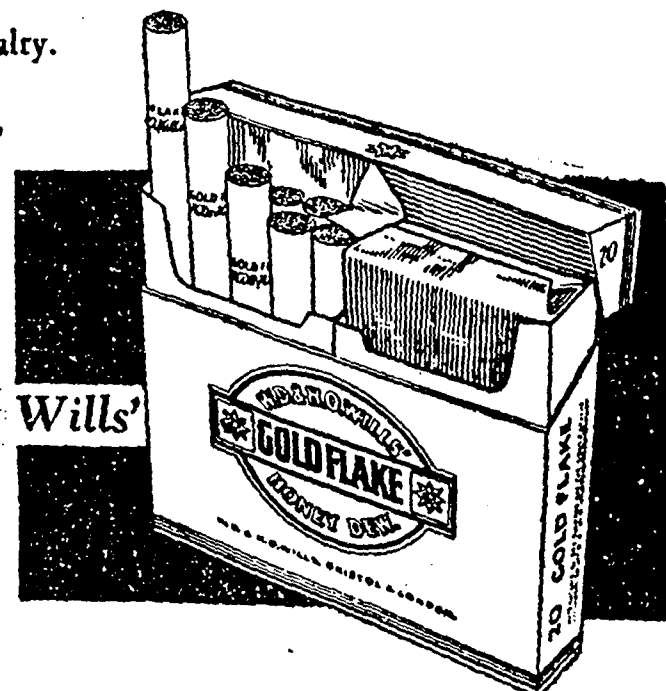


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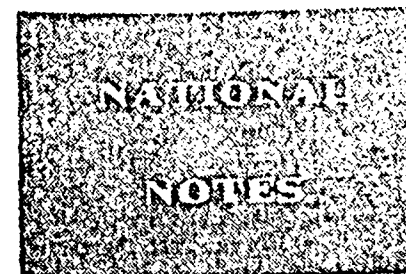
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Village Housing

Government of India's decision to increase the quantum of assistance under the village housing scheme is belated recognition of the importance of rural housing to any programme of balanced national reconstruction. While the Second Plan recognised that a large number of the 54 million houses in the rural areas needed rebuilding or reconditioning, policy was based on the assumption that, with a little guidance and some measure of assistance, village communities could provide themselves with improved housing through their own efforts. A Village Housing Scheme of limited scope was introduced in October 1957. The Scheme, based on the principle of "aided self-help," envisaged development of housing projects in about 5,000 selected villages all over the country during the Second Plan period. The Government of India agreed to provide financial assistance in the shape of long-term, interest bearing loans not exceeding 50 per cent of the cost of construction (subject to a maximum loan of Rs 1,500 per house) repayable in annual instalments over a period of twenty years. The scheme itself got off to a late start and it was only in 1959 that a beginning could be made toward its implementation. By the end of 1959, only about Rs 100 lakhs had been sanctioned as loans to the villagers in different States.

The difficulties in implementing the Scheme as it stood were con-

sidered at the Housing Ministers' Conference held in Hyderabad last November, when it was pointed out that the average villager found it difficult to contribute fifty per cent of the cost of construction nor could he make it up by labour contribution which normally did not amount to more than 30 per cent of the cost. The Government have now decided to increase the quantum of loan assistance from 50 per cent to 66 per cent and the maximum of the loan from Rs 1,500 to Rs 2,000. The change should accelerate the pace of house construction in the villages and should be welcomed as an earnest of a more adequate programme under the Third Five-Year Plan.

House construction in the villages, to the extent it provides a steady volume of employment to local labour, will help to check the blind migration to the cities that has aggravated the problems of overcrowding, unemployment and destitution which urban authorities have been attempting to tackle with little success. The programme of slum clearance will make little headway so long as a continuous stream of villagers lured by "city lights" creates new slums faster than old ones are cleared. A comprehensive rural housing programme which helps to keep the villagers at home will indirectly relieve the acute housing shortage in urban areas.

An adequate rural housing programme will have to cover a wider field than the mere provision of houses. May be, of improved design. As much attention should be paid to improvement of the environment as to the construction of the buildings, if the villages are to become attractive residential areas. The villages should be provided with easy approach roads and communications as well as satisfactory arrangements for the disposal of domestic refuse. Due to increase in population and the limited area available for housing sites, disposal of refuse cannot be left to natural agencies. The house plots generally are too small to have sufficient space for compost pits in each backyard. Centralised arrangements will have to be made for composting. The introduction of bio-gas plants if practicable, will mean a great step forward. The programme of rural housing offers a field for fruitful co-ordination of activities of the different Ministries of Housing, Health, Communications and Agriculture.

Persisting Disparity

The disparity in the scale of emoluments of employees of the Central and State Governments has been a chronic source of discontent among the employees of the worst affected States. The wide range of remuneration of people doing the same sort of work under different Government agencies is an unfortunate relic of the past for which there is no present justification under a regime of centralised planning for the establishment of a socialist pattern of society. The recommendations of the Madras Pay Commission which have been accepted by the State Government reduce the gap to some extent, but the persisting difference will continue to be a source of heartburning which

will react on the efficiency of the administration. Even after the recommendations have been implemented, the minimum remuneration of a clerk in Madras will be only Rs 100 including allowances, against Rs 115 under the Central Government, Rs 120 in Bombay and Rs 126 in West Bengal. The N.G.O. in Madras can, however, have the poor comfort that he is comparatively better off than his compeer in Mysore, where the total minimum remuneration of clerks is as low as Rs 60 per month.

The reasons advanced by the Commission for accepting the inevitability of disparity deserve careful scrutiny. The argument from limited resources has little validity when State resources are being progressively centralised and development expenditure is largely underwritten by the Centre. When uniformity is being zealously pursued in other fields, there is no justification for retaining an incongruous disparity in the salary scales of Government employees. The Commission have pointed to average earnings of factory workers in Madras which was only Rs 978.9 per annum against the all-India average of Rs 1,233.9, in justification of a lower salary scale for Government servants in Madras as compared with those in Central Government service. On the other hand, it can be argued that the lower level of salaries in Government service has, over the years, depressed wages all along the line. When wage rates are negotiated between workers and managements in industry, the earnings of Government servants are taken as standards.

The Commission have also argued that the State service offers advantages which mitigate the difference in emoluments. State employees, it is pointed out, enjoy educational concessions, more liberal house rent allowances and better prospects of promotion. But it seems that the Pay Commission themselves are not convinced by their own elaborate arguments. Immediately after setting out the comparative advantages of the State Government Service, the report gives away the show by urging the acceptance by the Governments, both at the Centre and in the State, of the suggestion of the Central Pay Commission that a scheme of recruitment to the Central Services, particularly Class III and Class IV, from among the employees of the State Government should be worked out in detail and accepted.

Timely Facts

A wealth of information regarding two important sectors of workers in India has been brought together in the latest publication of the India Branch of the ILO, in the series, "Recent Developments in Certain Aspects of Indian Economy". The first part covers all aspects of the Plantation Industry in a short compass, while the second deals with the conditions of employment of white collar workers, in Government offices, Life Insurance Corporation, banks, shops and commercial establishments.

*Recent Developments in Certain Aspects of Indian Economy—V. Published by the International Labour Office, India Branch, New Delhi, 1960. Price Rs. 2-50. Pp. 159.

as also journalists, teachers and nurses.

The first part traces the story from the beginning, from the time a century ago when the Plantation Industry was built up by workers in conditions approaching slavery, the reforms effected by awakening of conscience among the administrators, and brings it up to the present stage when plantation labour has been assured of a fair deal. The year 1947, the year of Independence, marked a turning point in the fortunes of workers in Plantations and was followed by a decade of steady progress, as indicated by rise in wages. To take an instance, during this period the monthly cash earnings of male workers in Assam plantations increased from Rs 17-13-11 in 1947-48 to Rs 47-48 nP in 1955-56. The study provides the factual basis for the stabilisation of employer-employee relations in an industry which is of vital importance to the nation, both on account of its employment potential and as earner of foreign exchange.

The study of non-manual workers covers untrodden ground, and underlines the emergence of this category of workers as a class conscious entity. The growth in numbers of non-manual workers has been accompanied by growing volume of unemployment among the educated.

Expansion of industry, which is suggested as the only sure remedy, is a time consuming process; in the meantime, the repercussions of the tensions building up in this sector are being progressively felt over wider fields. The study highlights the wide range of disparity in the wages of Government servants under the Centre and in the different States, as well as the very low prevailing level of salaries of teachers and nurses whose obvious effect would be to keep away, suitable persons from these professions.

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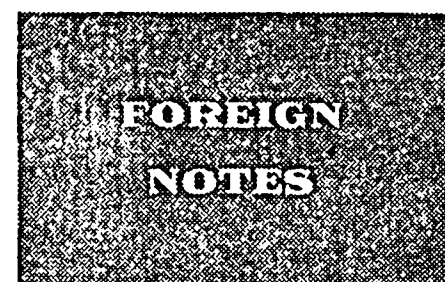
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US Trade Policies

If recent developments are any criterion, the US Tariff Commission is in the process of building a kind of legal fence around the 25-year-old US Trade Agreements Act, one that is fully in keeping with the long-standing liberal trade policies of the United States Government.

This is apparent from the nature of a recent commission ruling, which was far more significant than the case it involved. The ruling was concerned on the surface only with the question of lamb and mutton imports—hardly an exciting or major trade problem. But in rendering its decision, the commission went beyond the facts in this case to state, in effect, just how far a domestic producer must go in demonstrating that he has suffered or is threatened by "serious injury" from imports, and thus qualify for tariff or quota relief under the Act's "escape clause."

In rejecting the move for restrictions on imported lamb and mutton, the Commission made this point: Any finding of serious injury "must be imminent, and not remote, conjectural or based on mere suspicion, fear or possibility."

This means that if domestic producers claim they have been injured economically by an inordinate increase in imports resulting from a US tariff cut, the burden of proof rests with them, and it must be based on solid, factual evidence. They must, first of all, prove that the injury is real. And if they claim a threat of future injury, they must demonstrate it clearly on the basis of current developments rather than apprehensions about what possibly could happen at some later date.

This kind of reasoning should be welcome news indeed to both American importers and foreign exporters. For there is little doubt about the escape clause has been that one of the lingering complaints the alleged uncertainty of its application.

The right of a nation of safeguard its own commercial interests can hardly be questioned, of course. And this is doubly so in the case of the United States, which has always acted with moderation in this regard while pursuing an essentially liberal and open trade policy.

The view sometimes has been expressed, however, that American producers did not know just what safeguards they could count on in hardpressed by imports, while foreign producers could not always be sure that their success-

ful selling efforts to the vast and receptive American market would not be endangered by an escape clause action.

Nor is this merely a matter of domestic versus foreign interests. As the New York newspaper *Journal of Commerce* has pointed out, "where an escape clause action achieves a curb on imports, the American producers winning the action win only at the expense of other (and usually more efficient) American producers."

The fact that very few escape clause actions are initiated and even fewer ever win final approval does not detract from the significance of the principle the Tariff Commission has laid down. The record shows that over the last 18 months the Commission has rejected 18 of 22 applications for import relief filed by American companies. And it is demonstrable fact that the President who must approve each Commission recommendation before it becomes final, has been even less disposed to authorize any upward modifications of US tariff concessions.

This record could incite either that the complaints of the American companies had little validity or that the Commission has undeniably been following a policy in keeping with the liberal US trade traditions, or both. But, praiseworthy as the record has been, it still could not be expected to dissipate completely the charge of uncertainty—no matter how tenuous or little justified—that surrounded its activities.

The prime virtue of this latest ruling, then, is that with it the Commission has delineated and effectively limited the field of escape clause relief. And in the words of Commission Chairman Joseph, E. Talbot, this is "more important than lamb or mutton."

Party in Peril

The British Labour Party is again swept by a crisis that is due mainly to the retreat staged this year by the Executive in regard to the goal of nationalisation. The maintenance of unity in a political party that is now in opposition is now as difficult as co-operation with Socialist political parties abroad or adopting a new attitude towards nuclear weapons. Since State control of industry is accepted by the Conservatives like the grant of aid to undeveloped regions or the precise preservation of individual freedom, the Labour Party is now in difficulties over policy, accentuated by the challenge to Mr Gaitskell by the big trade unions. Some discontent has been occasioned by Mr Alfred Robens' acceptance of the post of Chairman of the Coal Board in the place of Sir James Bowman to carry out reorganisation. The dilution of labour and the freezing of wages are held inevitable and the miners may become restive as in 1925 and the democratic tradition may be threatened by the rise of militant groups. The har-

dening of the arteries in the party has led to complaints already from the unions about middleclass leadership and the intellectuals too are not agreed on ultimate aims.

The election reverse last year has led to a defeatist mood and that, even more than the weak argument over the Suez debacle, has made for a cleavage of opinion which may not help the liberal party but will help the Conservatives who scored a decisive victory in the municipal elections this year. The Labour Party's post war achievement is dimmed by the Conservatives' adoption of a new policy for Africa and the persistence of trade and currency troubles for which Labour can offer no lasting remedy. The decline of both the French and German socialist parties perhaps has a bearing on the altered position of British labour. The wind of change is obviously unkind to the party that is hampered also by the decline of the caucus. The parliamentary party naturally overshadows the trade union wing today and it is the former that is faced with the task of reappraisal, made difficult by the renewal of contacts with Russia and the revival of European nationalism. The disappearance of differences over relations with the USA is of some importance in the light of election prospects in the USA and it is fairly obvious that if the party really got over Ramsay MacDonald's defection in 1931, it has now less scope for manoeuvre over disarmament to which it is pledged formally.

Tourism in Europe

In spite of a rise in prices and the higher cost of travel, compared with 1950, Europe expects a larger number of US tourists this year. Plans to get more foreign customers for hotels and airlines appear quite legitimate in view of the record number of tourists in the UK in 1959 especially the rise of 10 per cent in US tourists. Tourism as a regular source of foreign exchange is appreciated and the North Americans spent more than European and Commonwealth visitors to Britain. Their free spending habits are based on the absence of curbs on travel abroad, though it is clear that tourist traffic flows strongly to countries nearest for instance from Australia to New Zealand, through the similarity of living conditions and currency in use. The tradition of pilgrimages is a factor that compels many to take the road to Rome and summer vacations exert a powerful influence on many who choose to take time off.

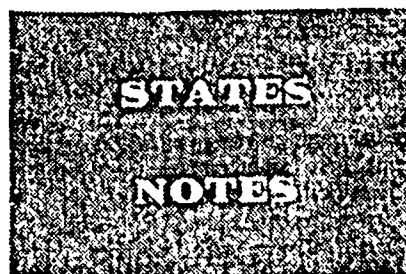
The extensive use of rented cars is a new development meant to attract American custom and petrol is available at a discount for Americans moving by road in Italy and France. The excellence of guidebooks and the availability of couriers for innocents abroad require mention and the vivid night life also casts a spell on

Americans in Paris. Travellers' cheques help foreigners to buy quality goods cheaper and Scandinavia too offers cut prices for Americans buying useful articles or mere souvenirs of a trip abroad taken for pleasure, not business. Hiking and camping are of very limited interest, except to Germans. But there is now a new rival to Austria since the Russian Intourist is trying to get US visitors and special exchange rates are offered to incoming tourists by Hungary also. The Indian Government cannot get summer visitors to try India but the cold weather crowd may get larger if plans are formed to improve hotels, relax rules and to make the best impression on foreign visitors by stilling the clamour for presents or alms.

Signs of Secession

The elections in the Belgian Congo viewed as a prelude to independence have attracted favourable comment up to a point. The chances of a coalition regime headed by M. Lumumba are canvassed but tribal rivalry is an element that the leaders have to take into account. The contiguity of the Katanga province to Rhodesia has created a separatist sentiment and it was clear even in February that big mining interests, mixed up inextricably through Tanganyika Concessions' connection with Union Miniere have their own views or plans for the Congo of the future. Rhodesia is not unwilling to promote secession. There is the classic case of Panama detached from Colombia under American inspiration.

The Congo is very large and the stakes very great so cutting off the upper Katanga can be thought of more readily than tackling on Ruanda-Urundi to Uganda. If the provincial assembly by a simple plurality votes itself out of the new Congo federation, the link-up with Rhodesia will be facilitated and Katanga, as a new State, will be endowed by foreign capital. The Rhodesian military precautions reported last week were perhaps undertaken in order to make sure of successful secession. There is big US capital also interested in the Belgian Congo through the Rhodesian copper companies (sterling) and, of course, South African mining enterprise is a participant in most Rhodesian ventures through the Chartered Company of South Africa. If North Rhodesia were still under Company rule, the arrangements with Katanga would be far easier to make. The Colonial Office would not come in the way and Katanga could be absorbed more easily into North Rhodesia itself after the largescale, sudden withdrawal of Belgian officials and technicians. Sir Roy Welensky's frank views about the Belgian Congo's accession to freedom do not preclude a take-over without any bid.



Mysore's Third Plan Projects

The Mysore State's Third Plan projects had undergone some alterations. Emphasis has been laid on the establishment of fertilizer plants in view of the fact that plenty of power supply would be available from the Sharavati Hydel Power scheme which will be commissioned in 1962 December. The State Government has already appointed a retired Chief Electrical Engineer, Madras State, as Administrator for the Sharavati Hydel Project.

The Government of India project to develop Mangalore as an all-weather West Coast Port would be of a great advantage to Mysore and possibilities of exploring the hinterland of the area have been opened up. On the basis of a fertilizer factory in the State and the consequent development of the States steel works, the minimum traffic which Mysore alone would offer to Mangalore port is estimated at one lakh tons of coal and 165,000 tons of rock phosphate annually. The import of rock phosphate will be from North Africa and these are intended for the proposed fertilizer project. A railway line connecting the project site with Mangalore would be only about 30 miles.

Whether this fertilizer plant would be in the private or public sector is not yet decided, but Mysore State is prepared for an allotment of Rs 2.5 crores.

"Indian Finance" had already reported that the draft Third Five-Year Plan of Mysore would be of the order of Rs 279 crores out of which Rs 100 crores would be from public loans, small savings additional levies and other small contributions from local bodies.

The World Bank Mission had received a detailed report from Mysore State for utilisation of the rich iron ore deposit in Bellary. It is believed that Bellary offers a big chance for smelting of iron ore and the export of pig iron.

Bijapur district in Mysore would be taken up for intensive development since this district is very backward.

The forest and mineral resources of the State would also be exploited. The Third Plan schemes may thus be considered as the beginning for the big exploitation because much remains to be done in this field and poor progress was due to lack of communications and port availability. The final draft of the State's Third Five-Year Plan now under scrutiny by the Planning Commission would be available by early July.

South Food Zone

After a phase of mistrust, the Southern Food Zone, according to

Mr A. N. Thomas, Union Deputy Food Minister, is having a smooth run. With a good crop during the current year which is expected to exceed production during the last year by more than 2,00,000 tons, anxiety about adequacy of supplies for the requirements of the South Food Zone has lifted. For the first time since the creation of the zone, mill-owners of Andhra Pradesh are reporting considerable accumulations with them. Increased production has not been the only cause for this. Tightening of measures against smuggling of foodgrains to areas outside the zone has had the same effect. The millowners have made representations to the Government for permission to export their stock to areas such as Bombay which are outside the zone. Purchase by the Union Government would also relieve millers of their burdensome stock. But delayed payment for stocks supplied following the closure of the "Pay and Account offices" in Vijayawada has deterred such sale by millers to the Union Government. Since the Government have expressed willingness to reopen these offices on condition that substantial quantities were supplied, clearance of stock with millers should not prove difficult.

Keeping Kerala adequately supplied with its requirements is the most important element in the successful working of the South Food Zone. It was on this account that difficulties developed during the last year. The Communist Government then in power in Kerala were accused by the Madras Government of illegitimately drawing off its supplies. However the present supplies position should permit of a flow of supplies that should meet Kerala's needs. Mr Thomas has also assured that the Government are making substantial supply of rice to the deficit Kerala State from Andhra Pradesh. Inadequacy of railway wagon for movement of rice to Kerala poses a problem which has to be overcome. A vigilant watch has also to be maintained over the price for rice which has not shown any fall corresponding to the increase in production particularly in Andhra Pradesh.

Industrialisation in UP

The decision of the UP Government to launch a programme for starting more industrial institutes in the State during the Third Five Year Plan will be widely acclaimed. According to the new scheme, which will entail an expenditure of more than Rs 8 crores, about 32 new industrial institutes will be inaugurated in the State for imparting technical instructions to 8,000 girls and boys in various trades and vocations. The implementation of the scheme has become a certainty, for, the Craftsmen Training Committee has accorded its approval to the proposal. The Committee also agreed to the proposal for conducting

evening classes for the benefit of the workers who are presently employed in the industrial units and other centres, and the reorganisation of the training wing of the Directorate of Training and Employment at the cost of Rs 4 crores.

More than 1000 candidates will be provided technical instructions in the initial stages under the apprentice training scheme. These classes will be held in selected centres to suit the convenience of the workers where they will be taught workshop mathematics, reading of blue prints, elementary trade theory and the use of precision instruments.

The contemplated reorganisation of the training wing of the Directorate of Training and Employment envisages an addition of about 1500 seats to the industrial units. In addition to this, provision has also been made to provide accommodation to the trainees as well as the instructors.

Besides, the Committee also sanctioned a sum of Rs 94.54 lakhs in order to finance the training schemes in the Industries, Agriculture, Community Development, Education and Social Welfare Departments. The private institutions will also receive financial assistance to the tune of Rs 18.67 lakhs.

It is to be admitted that the endeavour of the UP Government will provide only a slim chance for bridging the yawning gap between the demand and supply of technicians in the country. Similar efforts on the part of other State Governments are also eminently desired.

Rajasthan Plan

The Rajasthan Government have slashed the outlay on the Third Plan from Rs 279 crores as fixed in the original draft prepared six months ago to Rs 207 crores. The downward revision of the plan outlay was rendered necessary by a smaller Central Plan than was expected a year ago.

The State's contribution to the Rs 207 crores Plan has been tentatively fixed at Rs 98 crores. The balance of Rs 109 crores is expected to be provided by the Centre. Central assistance during the Second Plan was of the order of Rs 66 crores.

The important allocations for the various departments as stated in the revised frame are as follows: Agriculture Rs 10 crores, Minor Irrigation Rs 8 crores, Animal Husbandry Rs 7 crores, Cooperation Rs 5 crores, Community Development Rs 14 crores, Irrigation Rs 23 crores, Power Rs 40 crores, Industries and Mines Rs 12 crores, Roads Rs 18 crores, Education Rs 30.60 crores, Rural Water Supply Rs 4 crores, Democratic Decentralisation Rs 7.70 crores, and Welfare of Backward Classes Rs 4 crores.

The allocations for roads, education irrigation and power sections have been considerably

affected by the cut in the original plan outlay. But those for agricultural objects have remained more or less unchanged. In respect of industries there has been a slight increase and the allocation includes an amount of Rs 2 crores for the State's participation in the share capital of industries.

The new estimates of outlay excludes the cost of the Rajasthan Canal and the development of its command area which may be Rs 45 crores and Rs 8 crores respectively. No provision has been made for the dam across the Beas river at Pang which is now definitely to be taken in the next plan.

Railways in Kerala

With the Railway Minister's tacit declaration that the Railway Board had committed themselves to the construction of only 1,200 miles of new lines in the Third Five Year Plan and that nothing more could be done without extra allotment from the Planning Commission's Rs 1,225 crores, the Kerala Railway Users' Association has hit upon a new plan by which they hope to persuade the authorities to concede the suggestion of laying four lines in Kerala State.

If the Union Government says there are no funds for the construction of the lines asked for by the Association, then it suggests permission be given for formation of a corporation with limited liability to take up the work. It had also suggested that provision might be made in the articles of association of the corporation enabling it to surrender the lines to the India Government after 25 years of working on payment of compensation.

The railway lines asked for by the Association in Kerala are: Ernakulam-Alleppey, Kayamkulam, Ernakulam-Bodinaicknur, Trichur-Kollengode and Tellicherry-Mysore. About the economic necessity for these lines it is a hard fact these lines would provide the badly needed communication for trade and commerce between the State of Mysore, Madras and Kerala.

But the suggestion of the Association would not be in conformity with the policy of the Government who had nationalised railways long ago. When the general tendency is towards nationalising even road transport, it is hardly likely that the Government of India would ever accede to the request of the Kerala Railway Users' Association. Certainly privately managed railway communication would be careful about the returns over the capital outlay. Furthermore the present difficulty will be with regard to steel and other equipment shortage and therefore this suggestion born out of bad necessity for railway communication in the above areas for trade development is not likely to meet with any response. But it is worthwhile the Railway administration examines closely the desirability to open up these lines as early as possible.

WORLD OF BUSINESS

Steel in Plenty

The Australian steel industry generally, regarded as a war baby has rapidly grown to maturity and the rising steel output is the base of further economic development. Western Australia also with its iron ore reserves expects to start steel-making. It is the increase of 50 per cent in three years that calls for notice, even more than the cheapness of Australian steel compared with US or British-made steel at present. High wages do not raise costs and Broken Hill Proprietary, the largest industrial unit in Australia, is investing £26 million on its current development programme. The mineral extraction industry provides a stable domestic market for Australian steel. With a rated output of four million tons, Australia may become an exporter of steel to S. E. Asia and this prospect may cause some concern to India whose steel plants must have export outlets in picture. The manufacture of steel tubes is firmly established already and vehicle manufacturers abroad are buyers of welded tubing which finds use also in the manufacture of condenser coils, refrigerators, stoves, etc.

The export of steel alloys and products has expanded and Malayan mining enterprises are among the regular customers. The making of machine tools has grown apace and a new export line is found in the despatch of boilers. The base metal producers are among the steadiest customers for Australian metal-making firms at present and the steel industry is no longer limited to one State. The manufacture of road-making machinery locally is among the developments reported lately. Lighter engineering items like diesel engines are offered for export and Burma has placed an order for 600 pump-sets needed for irrigation and Malaya is getting steel rail-cars under the aid scheme. This falls under Colombo Plan aid. Orders from India for windmills for use in dry regions are also part of the industrial expansion which has resulted in the conversion of Australia, a primary producer relying on wheat and wool exports, into a new industrial rival for Japan too. One may add that Australia at present makes more steel than India and might command a market abroad for motor-cars as well as steel pipes in future.

Textile Impasse

A strike threat in the textile industry over the implementation of the Textile Wage Board's recom-

mendations is looming large in UP. The Suti Mill Mazdoor Sabha has given a call for a token strike in the local mills on June 27. Political parties including the Jan Sangh have extended their support to the proposed strike and a campaign is now in full swing to ensure the success of the strike.

The State Government have already apprehended trouble between labour and textile mill interests over the implementation of the Wage Board recommendations and are striving hard to avert a showdown between labour and management in the textile industry. A tripartite conference has been convened in the first week of July to settle the disputed points between labour and employers. The Conference will be presided over by Dr. Sampurnanand and will be attended by eleven employers' representatives and as many of workers.

So far as the imminent strike of June 27 is concerned, any move to avert it seems futile. For, the strike is being launched as a bargaining move to wring concessions from employers at the tripartite conference. Agreement at the tripartite meeting may however prevent a prolongation of the present deadlock. Such agreement does not seem impossible. For it has been learnt that the textile mill-owners are agreeable to recognise workers' claim for a wage increase as recommended by the Wage Board. This, however, is contingent on the willingness of workers to accept rationalisation. This suggestion for rationalisation is viewed with suspicion by trade unions for fear of possible increase in workload unrelated to increase in wages. It is this issue that has to be resolved at the tripartite conference. Since the recommendations of the Textile Wage Board have no statutory validity, it is on the good counsel offered by the State Government that hopes have to be pinned for a settlement of the dispute. Instances of agreement arrived in Bombay and Calcutta over the same troubled question may prove valuable.

Production of Fertilisers

The plea that the private sector should do more for increased fertiliser output has been certainly anticipated by many companies which have drawn up production programmes for making acids and heavy chemicals on which future fertiliser output is based. The new coke ovens will make their own contributions but it is now found that FACTS expansion programme at Alwaye like the diversification of interests by Blue Mountain Estates and the Cuddalore fertiliser project dovetail into the current agricultural development programme in India. Fertilisers are indispensable for intensive cultivation. The creation of a large fertiliser plant at Kothagudem is derived from the Singa-

reni Collieries' expansion programme and the A. P. Fertilisers—Government-sponsored undertaking turning out 60,000 tons of urea in addition to other fertilisers, will perhaps be in commission before the Neyveli fertiliser plant is in operation. The idea that private interests exploit users of fertilisers has been disposed of by an official inquiry into the conduct of ICI in the UK. There is no risk of monopoly, though home prices will perhaps be higher in India than that of imports secured from Japan. The advantage held by India, the availability of organic manure to supplement synthetic manure, calls for notice though any fall in oil-cake exports might have consequences for the strained balance of payments.

But a larger supply of plantation products might be looked for and a contraction in food imports predicted on the score of improved yields secured by application of fertilisers. The ICAR too thinks of fertilisers as the key to successful farming and the success of new floatations for production of fertilisers inspires a hope that investment in this branch of industry will increase especially after it is known that small scale farming in Germany is a success mainly because of an ample and assured supply of fertilisers. The Fertiliser Association of India for many years has prepared a handbook of great interest relating to needs and possibilities and the handbook has made it clear how much the existing establishments, for instance, EID & SF have achieved to extend tobacco and sugarcane cultivation. The strict regulation of the trade to prevent adulteration or other evils is inevitable and the country's needs may be said to justify strict control in this case.

Rubber Cultivation

The extension of rubber cultivation, and that too through the nucleus of public sector in Kanyakumari may compel one to ask why the existing estates in the district are not allowed to expand as expected. The experimental plantation may be due to a desire to make up on rubber the losses sustained on cinchona or the State Government's desire to give the Forest Department something to do in addition to cashew growing on the east coast. The experiment will, however, help other rubber-growers to explain what it takes to bring an estate into actual bearing, what is the capital cost per acre and what is the cost of production. However, the experiment will not help the growers who have been waiting for a revision of prices after the Tariff Commission's inquiry into costs by a check on actual expenditure incurred on selected estates.

The high price of rubber abroad, the shortfall in South Indian production and the high cost of synthetic have reinforced the case presented by rubber growers who point to the rise in taxes, wages and bonus as also the need to get extra capital to make use of reserve areas for cul-

vation of rubber. The wisdom of avoiding imports and helping home production to rapidly expand has been stressed often and yet no decision regarding rubber prices has come though strong rumours were current last month that the plantation companies' main demand for a rise in price had been accepted by the Tariff Commission. Apart from the small investor's stake in the estates, there is the need to get more rubber in the near future to find growing industries and if the Madras Government plantation shows what it costs to bring an estate into bearing, many will see that Indian rubber estates are not heavily capitalised as feared at one time and the steady rise in yield per acre is a satisfying feature of some company reports. For instance, Travancore Rubber and Tea, managed by Aspinwall & Co., Alleppey.

Palm Gur in Madras

In order to develop the Madras State Palm-gur and sugar industry which is carried on with obsolete machinery, a Rs 10 crore five-year scheme was outlined at Madurai last week by Mr. Gajanan Naik, Union Government Adviser on Palm gur production.

Long term loans would be made available for the purchase of equipment and machinery for provision of working capital for the industry.

Production and sale of palm jaggery would be reorganised on scientific lines through cooperatives at an estimated cost of Rs 4 crores. Twenty thousand film evaporators, a new method of closed neera boiling for jaggery, would be supplied to cooperatives in the State, a hundred godowns would be constructed in important production and marketing centres and provision would be made for fuel and raw material supply and for short term off-season loans for artisans.

Mr. Gajanan Naik further pointed out that one hundred neera selling units would be started in urban areas of the State at a cost of Rs 60 lakhs. From these units, pre-cooled and attractively bottled Neera could be made available for consumers.

White palm sugar producing units would cost Rs 1 crore. There would be a cooperatively-owned institution for production and marketing of palm leaf, fibre and timber products at a cost of Rs 2 crores. Waste lands would be utilised for palm tree plantations.

In Madras State, Mr. Naik stated about 3,00,000 depended upon palm gur and palm products industries for their livelihood. During the season they earned an average of one rupee daily. If the industry was organised on scientific and co-operative lines according to Mr. Naik's idea, he was sure the daily income of the persons would go up to Rs 3.

Palm products exported to thirty countries by India were valued at Rs 3 crores worth of foreign exchange. Forty-two varieties of brushes were made out of the fibre and exported, he said.

OWING to the combined ineptitude of the Kishi government and the State Department in Washington, Mr. Eisenhower has been subjected to needless embarrassment. At the best of times, this trip had its difficulties: There was widespread feeling in Japan that the centennial courtesy—diplomatic relations between Japan and the US were established in 1860—was gratuitously marred by being made to synchronise with the satisfaction of the security treaty between the two countries. During the last six months, long before the summit fiasco was even considered remotely possible in the form it took, there have been violent demonstrations against it. And about the time of the collapse of the Paris meeting, the pact was ratified by the Lower House only after the police removed the opposition members. And the week before last when Mr. Hagerty was mobbed and had to be rescued by a helicopter, surely the time had come to tell the President that the trip must await a more propitious hour. For some inexplicable reason, it was thought necessary that the visit must go through as scheduled but when the violence did not abate and when there was possibility of personal danger, the Japanese government asked Mr. Eisenhower to postpone the trip and the President had to agree. Though, considering everything, this was a wise decision, coming as it did after a whole series of bungling, it had given precisely the handle that the earlier decision to go through with the visit professedly sought to avoid. In fact, things have been made worse by the kind of briefing he had been given earlier and the kind of words put into his mouth. For instance, in a statement before take-off, the President said, as quoted by Time, "As you know, there have been public warnings that I should not visit the Far East at this time. If the trip now ahead of me were concerned principally with the support of a regime or a treaty or a disputed policy, if it were intended merely to bolster a particular programme, or to achieve a limited objective, such a journey would have no real justification. But this trip represents an important phase of a programme whose paramount objective was and is, to improve the climate of international understanding. We should not permit unpleasant incidents and sporadic turmoil inspired by misled or hostile agents to dim for us the concrete and gratifying results." I do not know why the Presidential advisers thought it necessary for the President to protest so much and so explicitly about not wanting to bolster a particular regime, with Formosa on the itinerary; or gratuitously to refer to a treaty,

Clive Street Gossip

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

with one setting off a series of riots. And above all, what a hopeless misreading of the situation to put such brave words into his mouth when it was plain that when it came to the sticking point, the trip may have to be cancelled! Even the bare possibility—let alone the near certainty of it, after the rough handling of Hagerty: after all it is rare for a press secretary to find himself in a situation to be rescued by helicopters after his car has been made immobile—should have made them choose your words, or better still, keep your own counsel.

The reason for this is the incredible obtuseness of the President's advisers. Any agitation is, in their eyes, a communist agitation and they triumphantly point to the singing of the Internationale as conclusive evidence of the fact. We who are used to processions, led even by congressmen shouting 'Inquilab Zindabad' know that it is no war cry of the proletariat but a slogan hallowed by use and affection. Again, for some reason, it seems to these people inconceivable that there may be valid reasons for Japanese with no communist axes to grind to object to an involvement which puts them in danger of a brush with a truculent and increasingly powerful neighbour. Neutralism is a dirty word with many people in the State Department, but is it inconceivable that a people who have been humiliated and defeated in a war only fifteen years ago and have experienced first-hand the horrors of nuclear weapons, should desire to be left alone? One can understand uninformed and wishfully thinking men-in-the-street making mistakes of the 'moods of the people'; but when people whose job it is to inform themselves and the President about these things delude themselves, and the President, it is inexplicable. And when Mr. Hagerty who was, as things turned out, on a sort of reconnaissance mission implied at a press conference after his 'rescue' that only a handful of communist professional agitators are against the treaty, one does not know whether to laugh or cry. Curiously, Americans on the spot have been pertinaciously trying to keep the boys back home informed about the true state of affairs. Robert Trumbull of the New York Times, for instance, wrote on the 13th of this

war. As it turned out, submitted hope turned to ashes in the mouth and international relations have become embittered and suspicious as at no time since the death of Stalin. The communists have naturally turned their propaganda guns full blast and neutralist opinion is, to put it mildly, not inclined to absolve the US of clumsiness, if not something worse, in the events that led to the collapse of the summit. It can hardly be denied that the most severe blow to Mr. Eisenhower's personal and Presidential prestige has been dealt by recent events. The hopes of bringing to a close his Presidency in a blaze of glory have been dismally shattered. The subsequent events have only made matters worse for him personally.

The impact of all these on the American Presidential election is largely a matter of speculation. The American politicians themselves are in several minds. Even in normal times, an election year is hardly one in which one can expect some clarity in party positions. This year, the summit fiasco has added to the confusion. Republicans, trying to live down the summit and U-2 disasters, and acting on the principle that attack is the best form of defence, try to traduce critics of the administration as, in effect, fifth columnists. Though nothing like a revival of McCarthyism is in evidence, it is clear that, if necessary some Republicans would certainly be willing to call criticism of the way the summit was 'botched' as Un-American. All kinds of meanings have been read into Khrushchev's desire to deal with the next President and the fear hinted that the next president, if democratic, will sell

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CALCUTTA BOMBAY MADRAS NEW DELHI

the pass at the next summit. Some Democrats morbidly afraid of being labelled as not tough enough to communists, have fallen over backwards in professing their anti-communism. One of them has repudiated Stevenson's reasoned criticism of the administration over the summit and called him what no republican would have dared call him—'an apostle of appeasement.' Others, as reported, by Mr Robert Bendiner in the New Statesman, are trying 'a reverse twist' and accusing the Republicans as too soft to the Russians.'

All this, of course, may be the lunatic fringe, though in an election year you never can tell. But politicians of both parties are ready enough to concede the legitimacy of criticism and to set the limits thereof. Thus Mr Bendiner reports that Kennedy promptly repudiated the contemptible insinuations about Stevenson. Indeed he went to the extent of saying that the President could have with no loss of face, expressed regret.

Will the next President be a Democrat? This, of course, is the

64,000 dollar question. The chances are, he will, unless some overwhelming domestic issue, suddenly emerging, upsets all calculations. The series of disasters starting with the U-2 flight has undoubtedly left the administration's reputation at its nadir. This is a piece of luck for the Democrats, though as I showed above, its use has its dangers. The big question mark may yet be the personality of the contestants. Stevenson is still undecided, if not actually out of it. I personally think it a safe bet

that if he stands, he will be the next American President. (In this, of course, I may merely be unconsciously indicating my preference, which need not coincide with the American electorate's.) On the Republican side Mr Rockefeller's plans too, are not clear. There is perhaps a slightly better chance of his entering the fray at the last moment than Stevenson's. Whoever gets elected, he will have his hands full with the Russians. And this is a thought that may well deter many another intrepid spirit. EAVESDROPPER.

Long, long ago, mathematicians in India hit upon the idea of using the zero. This led to the use of numerals—a revolution in the art of calculation. To live, man must count, weigh and measure. Governments must draw up their budgets, business concerns must assess their performance and even individuals must keep a close watch on their earnings and expenditure. All this is done with the language of numbers based on the zero. For, without it, it would be difficult, if not impossible, to transact business on a national or a global scale, or work out the ambitious plans for economic regeneration.



Thanks to the use of numerals, it is possible to calculate that the consolidated after-tax profit from Standard-Vacuum's Marketing and Refining Operations during 1959 amounted to Rs.120 lakhs, representing a 3.0 per cent return on the capital employed; or that Stanvac paid Rs. 2,687 lakhs as taxes and duties—an amount which was almost 22 times Stanvac's net income; or that Stanvac worked on a margin of profit of roughly 1.4 naye paise for every gallon of product sold.

Again, it is the language of numbers based on the zero that enables us to convey the fact that, during the year, Standard-Vacuum expended Rs. 89 lakhs in new additions to plants and equipment of its Marketing Operations, Rs.102 lakhs on its Refining Operations and Rs.106 lakhs for search of oil in West Bengal.



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GATEWAY GOSSIP

Planning in the States

WAYS and means of accelerating the pace of industrialisation of Maharashtra were discussed at the two day Maharashtra Commercial and Industrial Conference held in Bombay last week. This is the second meet of its kind and is sponsored by the Maharashtra Economic Development Council which itself has its origin in the first Maharashtra Development and Industrial Conference held in December 1956. With a view to giving a fillip to industrial activity to the Maharashtra region of the former bilingual Bombay State, the Maharashtra Chamber of Commerce brought together in a conference all Maharashtra interests to discuss matters of industrialisation. The conference was inaugurated by Mr Y. B. Chavan, and evoked spontaneous response from a number of Chambers of Commerce in the region. The underlying idea of the conference is to present to the authorities the needs of the State both in agricultural and industrial development as the representative of the various commercial and industrial interests in the region. Prof. D. R. Gadgil who is the President of the Maharashtra Economic Development Council, in a special note prepared for the conference, has outlined the main principles that should govern the formulation of the development plan for the Maharashtra State. Any future plan must have as one of its main objectives the uniform development of the whole State. Prof. Gadgil has given as an example of past lopsided development, the growth of the railway transport system in the country. The development of the railways followed largely the needs of export and import of an alien Government not much interested in the economic development of the country; and that explained the comparative slow growth of the interior regions. Economic activity in general was also confined to the main port towns. The planned development programme undertaken during the past 10 years has somewhat reduced this concentration. In order to remedy this defect, it is essential that the areas that have not received the requisite notice are now given special attention. Industrially backward regions are those that do not provide the basic industrial facilities in such measure as the favoured regions. Industries tend to concentrate in regions where transport, power, water etc., are readily available. It will be evident, therefore, that if backward areas are to attract entrepreneurs they should also provide the requisite facilities without undue

difficulty. Prof. Gadgil has further suggested that since one of the drawbacks of these regions is the lack of knowledge in industry and finance, it will be necessary to bring into these areas active elements well-versed in such technique.

Another important direction in which the State Plan must direct its concerted effort, according to Prof. Gadgil, is the utilisation of the large available man-power. This is to be done on the acceptance of the principle that no one in the country should go hungry. From this it will be easy to require something in return from those who get their food from the Government. Prof. Gadgil concludes his note with a plea for bringing the State Plan to the remotest corner of the State. That is to say, the people must be enabled to take active interest in the development programme and this is possible only if the State Government retain in their hands sufficient freedom in drawing up their plans. The present practice of abdication all initiative in favour of

the Planning Commission, Prof. Gadgil avers, has stood in the way of real progress in the States.

The need for ensuring uniform development of the State has also been stressed by Dr. C. D. Deshmukh, in his presidential address to the conference. He has pointed out that the desire to develop the State as a whole should not be taken as a step to reduce the importance of the city of Bombay. On the contrary, the fuller development of the backward areas will only further enhance the importance of the city. In any event it is only proper to view Bombay city as the natural centre of activity for the whole of the State. One of the misconceptions that Dr. Deshmukh rightly wants to be removed is the notion that only certain sections of the people can make good businessmen. Such a notion was perhaps valid in ancient times but not in these days of vast technological developments. It may be true that a new managerial class is emerging in the modern industrial society but what is to be noted is that this class has

nothing to do with class or caste in its origin. It is primarily based on a particular kind of talent that has come to characterise modern managerial class.

As Governor Sri Prakasa has noted at the annual meeting of the Productivity Council, one of the main tasks of the planners in our country is to ensure that the migration from rural to urban areas is put an end to. Even with all that has been done to rehabilitate the rural population, the urban area continues to attract people from the villages. This is a phenomenon that requires to be thoroughly enquired into because the success of all our development programmes depends to a large extent on effectively arresting this continued migration. The obvious reason for the attraction of the urban areas is the increased facilities available in the latter for a better living. So long as the rural areas are lacking in some of the essential requisites like medical and educational facilities it will be difficult to reduce sizably the attraction of the urban areas.

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OLYMPUS

Rehabilitation Problems

DR B. C. ROY, Chief Minister of West Bengal, and Mr P. C. Sen, Rehabilitation Minister, were in New Delhi last week to discuss with the Prime Minister, Mr Nehru, the continuing problem of rehabilitation of displaced persons with particular reference to the Dandakaranya scheme. According to a press note issued by the Prime Minister's Secretariat, there was "general" agreement as to the steps to be taken to expedite rehabilitation of displaced persons and the proper functioning of the Dandakaranya Authority. The Central Government's "hope" is that the major part of the work of the Ministry of Rehabilitation will be over within a period of twelve to fifteen months. It is thought that such part of the work as may still remain can be distributed to other Ministries of the Government of India or to the West Bengal Government so that the Ministry of Rehabilitation as such could be closed.

As far as the Dandakaranya Authority is concerned, it has been agreed that it should be given a considerable measure of autonomy and be asked to prepare a general five-year plan and a more specific plan for the year. It will prepare its own budget which will then have to be approved by the Government of India. According to the press note, it is expected that the Dandakaranya scheme will continue to develop in a big way for many years to come. To begin with, however, its chief function will be to rehabilitate displaced persons from East Pakistan. For this purpose the first priority will be given to the displaced persons at present in camps in West Bengal. Later, other displaced persons will also be considered for further rehabilitation. The attempt will be to build up integrated communities which means not only agri-

culturists but skilled workers and artisans. Displaced families sent to Dandakaranya will be provided with shelter, certain facilities and work pending full rehabilitation. During the initial period their work may be subsidised. All those who are sent to Dandakaranya, the press note concludes, will have the assurance of being rehabilitated there.

This "general" agreement between the Central Government and the West Bengal Government has held out the "hope" that the problem of refugee rehabilitation may be fully solved after 14 years from the time of Partition. The anxiety of the Central Government to wash its hands of this vexed problem as early as possible is understandable, all the more so because the Bengali rehabilitation problem, unlike the Punjabi rehabilitation problem, has been unduly protracted in point of time and been unduly taxing to the patience of the Government here. But the dimensions of the problem, as revealed by the minutes, just available of the sittings of the Estimates Committee relating to its 96th and 97th reports, are such that the "hope" may not have an early or easy fulfilment.

One crucial aspect of the problem is that the Bengali refugees, unlike the Punjabi refugees, have been generally reluctant to be rehabilitated anywhere outside West Bengal. That this attitude still continues could be easily seen from the recorded evidence of the representatives of the United Central Refugee Council, Calcutta. These representatives were of the view that "if the Government had seriously and honestly pursued the problem on the lines suggested by the Committee of Ministers (in 1954), they could have found sufficient land in West Bengal itself for rehabilitating even the additional 40,000 families who had migrated during that period (1954-58) and who were primarily agriculturists." They suggested that the Bainanama scheme which had since been stopped should be kept open for some more time because it provided scope for displaced persons to get some land from the landlords and to resettle

by themselves on that land. They also pointed out that a Committee set up by the West Bengal Government had reported on the availability of two lakh acres of dry land in Midnapur, Bankura, etc., but that its proposal in this regard was not pursued. According to another witness, Mr Aurobindo Ghosal, M.P., there was a feeling that no proper assessment had been made as to whether there was scope for settlement of displaced persons in West Bengal itself. He added that in a district like Purulia there was sufficient space which could be reclaimed and where displaced persons could be settled.

An official witness, however, stated before the Committee that in West Bengal, due to the very large land hunger among people, not enough land was available for resettlement of displaced persons within the State. Even then the West Bengal Government had tried to reclaim land at Bagjola, Sonarpur and Arapanch with the loans given by the Agriculture Ministry of the Centre and settle agriculturist displaced families there. A large number of displaced families were actually taken down to rehabilitation sites after land had been reclaimed with their help through spending lakhs of rupees. As soon as the land had been reclaimed, the local landless people put forth their claims of title to that land although their names did not appear anywhere in the revenue records. The Government, the official witness continued, did not want to use force to throw the local landless out of that land because that would have resulted in bloodshed.

Evidence on the availability of land outside West Bengal for rehabilitation purposes was equally conflicting. According to Mr Tridib Kumar Choudhuri, M.P., in 1956 there were 1.02 million acres of land available outside Bengal for the displaced persons from East Pakistan. Up to 1958, the Government could prepare schemes for rehabilitation on such land to the extent of about 50,000 acres only. In terms of the number of displaced persons settled, the schemes were ready for taking 40,000 people in 1958, out of whom rehabilitation was actually afforded to 17,000 people only. The official witness, on the other hand, stated that the total amount of land estimated to have been available outside West Bengal included forests, banjars and water-logged areas and that, if such uncultivable land was excluded, the extent of land available for settlement of displaced persons was certainly not one million acres or so. Even the Bainanama scheme could not be kept open by the Central Government as it led to land speculation and trouble in West Bengal and in the neighbouring States where there was great shortage of land.

It would appear that the official witness had made out a case for greater reliance on the Dandakar-

anya scheme for rehabilitating 20,000 families (out of the existing 32,000 camp families) by the end of its first phase upto 1961. Other schemes in Uttar Pradesh, Madhya Pradesh, Rajasthan and West Bengal were also expected to absorb a certain number of camp families. Leaving aside the possibilities of these schemes, the question, arises whether 20,000 families can be rehabilitated in Dandakaranya by the end of 1961. Not more than 400 or 500 families seem to have been settled there so far. According to the United Central Refugee Council, displaced persons have been reluctant to move to Dandakaranya because of their bitter experience in the past. The policy of the Government in offering the Dandakaranya scheme as the sole avenue of rehabilitation to displaced persons under the threat of stoppage of doles would not persuade them to go there. In the Refugee Council's view, certain non-camp displaced families who are ready to go to Dandakaranya but who have not been selected by Government for rehabilitation there should be first settled so that they might set an example for camp families and encourage them to move in.

It seems to be pretty clear that in the context of the officially-confirmed scarcity of land for rehabilitation purposes in West Bengal and in other States, there is no alternative to the Dandakaranya scheme for settling the larger part of the refugee population. But the problem of persuading (or compelling) the camp families to go to Dandakaranya will still be there. Whether the assurance contained in the press note of the Prime Minister's Secretariat to the effect that "displaced families sent to Dandakaranya will be provided with shelter, certain facilities and work pending full rehabilitation" will induce the camp families to go willingly and cheerfully to Dandakaranya is by no means clear. Much will depend on the attitude of the United Central Refugee Council and of the opposition parties in West Bengal. If they do not cooperate with the West Bengal Government in the matter of persuading the camp families to go to Dandakaranya, compulsion as such may not solve the problem which, then, may well come back to the Centre. It may be a wise thing to send the families to Dandakaranya only after the facilities for permanent rehabilitation have been fully created there. After all, the Government of India have been holding the baby for so many years. It should not mind holding it for some more years. Against the expectation of "fullest cooperation between the Central Government and the West Bengal Government in all matters concerning rehabilitation of displaced persons and the Dandakaranya scheme" may have to be set the unpredictable attitudes of the opposition parties and of the refugee families themselves in West Bengal.

Indian Finance

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Pay Commission's recommendations

There is a general agreement that the Madras Pay Commission, whose recommendations were announced here early this week, has done an exceedingly good job in revising the salaries of the Government servants. The new scales would at present add Rs 5 crores to the Rs 26 crores of salary bill and the increase is expected to go to over Rs 7 crores considering the involvement of pensionary contribution.

The Pay Commission's recommendation of a minimum wage of Rs 60 for a peon under the Government (last grade employee) was accepted by the Government. For the 'white collar' jobs, the Government have accepted the Commission's recommendation of the minimum of Rs 100 per month.

Generally the Madras Pay Commission had taken the line of the Central Pay Commission in fixing the D.A. and merging the bulk of it with the basic pay. The revised dearness allowances in line with the Central Pay Commission are: Rs 10 up to a basic pay of Rs 150, Rs 20 upto a basic pay of 150 and below Rs 300. There will be no dearness allowance for employees drawing more than Rs 300 as basic pay though there will be marginal adjustments in the case of those drawing pay between Rs 300 and Rs 320.

Thus the revised pay scales have to be understood as representing firstly a formal increase due to the absorption of the bulk of dearness allowance with pay and secondly, as a real increase representing the improvement of the revised scales over the existing scales. A like-for-like comparison can, therefore be made only between total emoluments in both cases.

It is interesting to note that the Pay Commission has drastically cut the existing 500 grades into one hundred. This is indeed a simplified process which removes confusion lending itself to various kinds of interpretation of the departmental heads. Unduly long scales have been considerably abridged. Employees at various levels would hereafter reach their maximum emoluments much sooner in their career and will have the benefit of the higher maximum in the revised scales for longer periods. Retirement prospects are thus improved. Higher rates of increment have been generally provided in later stages in keeping with the increased domestic commitments of the employees at that stage. Overlapping of scales between promotion posts and feeder posts have been reduced to the minimum thereby ensuring real monetary increase on promotion.

Technical staff serving in the various development departments of Government have been given a substantial order of increase. This was a long standing complaint against the Government. The Pay Commission's recommendations in respect of these categories of staff have been accepted in toto.

For example a Junior Engineer who was getting Rs 150-10-250 would, in the revised scale get Rs 225-15-375.

Assistant Engineers getting hitherto Rs 253-30-2/380/40/2/560 would get Rs 350-25-650. Biannual increments have been scrapped and there would be only annual increments.

Lower Division clerks in the present scale of Rs 45-3-60-2-90 would get Rs 90-4-110-3-140. Upper division clerks would get according to the new recommendation Rs 125-5-175 against the present scale of Rs 80-5-110-3-125.

The substantial beneficiaries are the teachers, employed all over the State, whether under Government, local board or aided institutions.

There are about 1.73 lakhs of Government servants in the whole State of whom about 40,000 are gazetted officers. There is no appreciable increase in the pay of non-technical gazetted officers.

Explaining the recommendations to Pressmen at the Secretariat Mr C. Subramaniam, State Finance Minister, stated that there are 1.13 lakh teachers in the State under all agencies.

The Wage increase for the last grade government servants would total Rs 15.26 lakhs, Rs 28.74 lakhs for lower division clerks, Rs 9.27 lakhs for the upper division clerks, Rs 28.56 lakhs for police constables, Rs 16.85 lakhs for head constables and Rs 5.12 lakhs for sub-inspectors.

But the teachers getting Rs 237 lakhs account for about 43% of the whole expenditure involved in these recommendations, Mr Subramaniam said.

As for industrial workers the Government have accepted the revised scales of comparable staff.

Weightage is also given in the formula of pay fixation. The Government have accepted the Commission's recommendation of giving one increment for every three completed year of service for non-Gazetted staff in addition to the fixation at the next stage.

Even temporary contingent and work-charged establishments of the Government get the benefits of the pay revision.

Computed on the basis of percentage, the new scales represent for lower grade teachers in Government schools 239 per cent of present basic pay, for police constables and higher grade teachers 217 per cent, for lower division clerks and secondary grade teachers 200 per cent and for upper division clerks 156 per cent.

For pensioners drawing Rs 100 or less there is an additional increase of Rs 4.

There is also the house rent allowance of Rs 10 below the basic pay of Rs 90, Rs 15 between basic pay of Rs 90 and Rs 300 and Rs 20 between basic pay of Rs 300 to Rs 500.

The Government do not feel hopeful of attaining parity with Central Government's pay scales since the resources of the State are not enough for this.

There is one interesting recommendation of the Commission in respect of the 17000 Government em-

ployed peons whose annual wage bill is about Rs 1.2 crores. The Commission has observed that the new recommendation would involve an additional amount of Rs 15 lakhs annually. The institution of peons is largely a relic of the past when labour was cheap and a man's position in society indirectly depended on the number of retainers he had. These notions have to be radically revised, the Commission has said, and recommended that in large offices such as the Secretariat there should be a reception room with adequate telephone arrangements and a small pool of peons from which officers could draw instead of a peon being attached to each office.

The Government of Madras have also fallen in line with Central Government's decision on cutting the annual festival holidays to 15 a year instead of 26 as at present. The second Saturday of the month will be observed a holiday instead of the penultimate Saturday.

The Finance Minister claimed that the new scales of pay reflected the goal towards a welfare state and provided a transition from what was merely a police state.

The Commission consisted of Mr K. Ramunni Menon, I.C.S. (Retired Chief Secretary, Madras), Mr P. Ramakrishna Iyer, I.C.S., and Mr G. Ramachandran, I.A.S.

The Commission was appointed in February last year and the report consisting of 500 printed pages was submitted to Government on April 5, 1960.

What matters in the Commission's recommendations is the grouping of comparable kinds of work. The reduction of the grades into a hundred was made possible only by this grouping. Also the scope for injustice has been considerably narrowed down. It would be obviously not proper to compare the present recommended scales with the Central Government's.

Thus the Madras Government have boldly committed themselves to the additional involvement. Compared to the Central Government's attitude which would accept a commitment upto only Rs 18 crores, Madras Government's decision has been hailed by the Press as a good example setter. State Government servants have other facilities in the present set up like school fees abolition for their children, free medical aid and others.

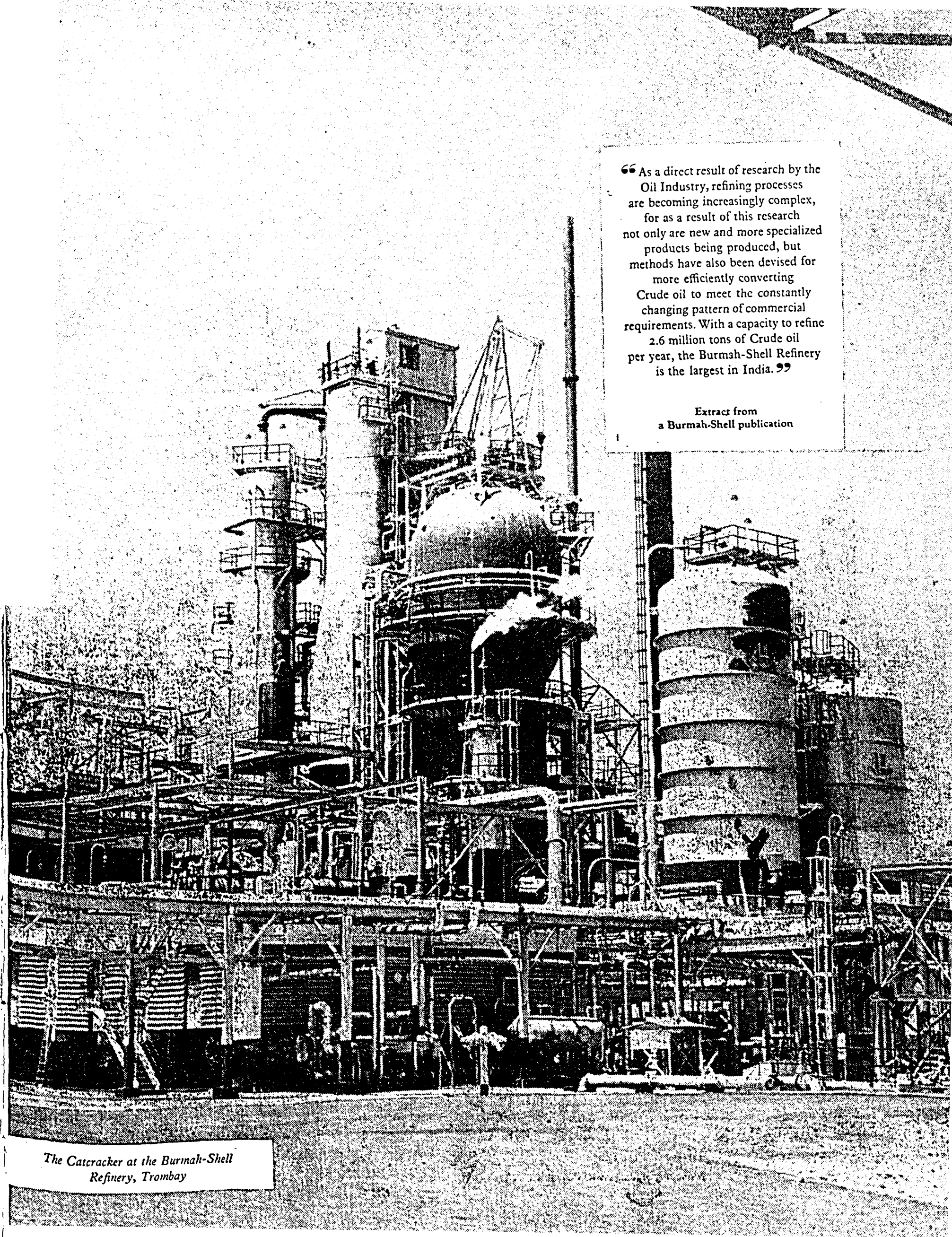
These represent additional benefits and all told the Madras Government servants' increased salaries should be deemed to be a good beginning towards, if one may hope, reaching the Central pay level.

Thus by and large, the Commission's report has been well met by the public. It is only the reaction of the employees is yet to be gauged.

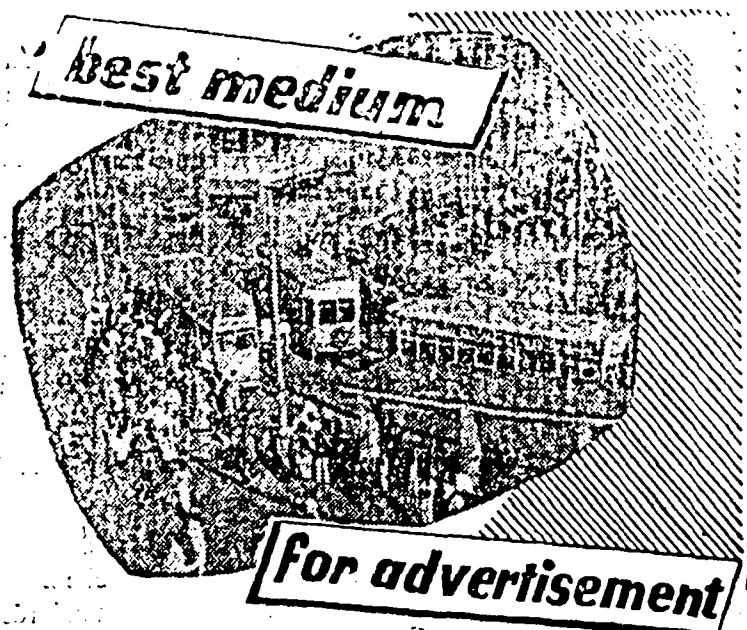
Finally, the acceptance of the Commission's recommendations only go to show how anxious the Government were in meeting the demand of their employees who have been caught in the vortex of rising prices which the concerted efforts of the States and Centre have failed to bring down.

“As a direct result of research by the Oil Industry, refining processes are becoming increasingly complex, for as a result of this research not only are new and more specialized products being produced, but methods have also been devised for more efficiently converting Crude oil to meet the constantly changing pattern of commercial requirements. With a capacity to refine 2.6 million tons of Crude oil per year, the Burmah-Shell Refinery is the largest in India.”

Extract from
a Burmah-Shell publication



The Cracker at the Burmah-Shell Refinery, Trombay



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WORLD OF JUTE

Early Steadiness Not Maintained

JUTE markets which displayed a hardening tendency earlier in the week closed on Wednesday on a quiet note. Last Week's news of a rise in US burlap consumption during May has been followed by reports of fresh business in both the principal categories of goods. US and Argentine have been showing increasing interest in hessian while Australia has been making sustained inquiries in cornsacks. Toward the close of

the week, substantial business has been reported done with Cuba and this news has somewhat helped to arrest the downtrend in prices. In the meantime the Government of India are reported to have invited tenders for the supply of near delivery B Twills. It is no surprise, therefore, that prices were marked up. As regards the near and distant deliveries of raw jute there have been fresh doubts: raw jute arrivals last month have fallen to very low levels and there have been reports of heavy rains in the growing areas. But these bullish factors soon lost their influence in the absence of fresh business coupled with the weakness of the raw jute section.

Although the trend of raw jute arrivals during May has confirmed the belief that old crop supplies will dwindle to meagre proportions at the far end of the current season, the fact that mills have continued to evince little interest in old crop jute has rendered higher price levels untenable.

Mills, however, have been showing some interest in new crop but here too sellers could conclude business only at discounted rates. It would appear that so far the paucity of old crop supplies and reports of excessive rainfall in the growing areas seemed to have had little effect on the rate of mill purchases. Presumably sellers have realised that mills are determined to cut down consumption rather than pay high prices for their raw material requirements. Despite unfavourable weather reports from the growing areas there has been nothing so far to show that the outturn would be adversely affected. News from Pakistan is quite encouraging and indications are that the setback due to the drought would be fully offset by increased sowings. Indicative of the return of realistic trading conditions is the decision of the East India Jute and Hessian Exchange to remove the margins effective 1 July on transactions up to 300 bales of B Twills, 300,000

yards of hessian and 1500 maunds of raw jute.

The jute goods market opened the week on Thursday on a rather subdued note but soon the trend tended to be upward. The improvement in sentiment largely stemmed from the reported purchase of 10,000 bales of B Twills for near delivery by the Government of India against their earlier tender. Hessian 40" x 10 oz June steadied up to close at Rs 48.40 on Friday with B Twills at Rs 134.75. Saturday witnessed a further substantial improvement in rates following covering business in both hessian and sacking. The uptrend in prices was also helped by reports of sizable business done in hessian with US and the Argentine. Hessian 40" x 10 oz June gained 20 nP to be placed finally on Saturday at Rs 49. B Twills added another Rs 1.75 to stand at Rs 136.50. The firmness, however, proved short-lived as when the market reopened on Monday prices began to yield ground on selling pressure. The reactionary tendency stemmed from the futures section which ruled easier presumably following lower advices from the fibre market. By close of the day, hessian 40" x 10 oz June came back to Rs 48 with B Twills marked down by Rs 2.50 at Rs 134. Sellers dominated proceedings on Tuesday and although there was some covering business in heavy goods, sentiment continued to be weak. Hessian 40" x 10 oz June dropped another 50 nP to close the day at Rs 47.50 while the loss in B Twills was 85 nP at Rs 133.15. Prices yielded further ground on Wednesday also following selling pressure in the futures market. Reports of business in cornsacks with Australia and in Heavy Coes with Cuba had little effect on sentiment and Hessian 40" x 10 oz June lost another 50 nP to be placed at Rs 47 while B Twills dropped Rs 1.15 to quote at Rs 132.

The raw jute market ruled steady in early dealings and sellers in new crop were rather reserved while mills showed some interest. Assam Bottoms old crop June-July delivery was quoted at Rs 43.50 on Friday and improved further to Rs 44 the next day following continued mill interest in near delivery new crop. Presumably sellers were influenced by the fact that arrivals of raw jute during the eleven months ending May 1960 were substantially lower 5,480,000 bales as compared with 6,199,800 bales in the corresponding period of last year. The low level of arrivals seemed to have had little effect on mills who continued to ignore old crop. It may be noted that such a development has been anticipated by the industry and the recent IJMA decision to allow mills freedom to seal looms is intended to tide over the crisis in raw material supply till the new crop moves into the markets in quantity. From Monday sentiment in raw jute became easier and Assam Bottoms old crop June-July declined to Rs 41.50.

WORLD OF TEA

Crop Prospects

THE drought, which prevailed in the North Indian tea districts, during the early months of this year, was broken by welcome rain in the latter part of May, although some districts still remained very short of rain at the end of the month. The drought has naturally varied in its intensity in different districts. According to the existing records, the drought, in virtually all areas, has been unprecedented.

According to the monthly review, issued by Messrs Carrut Moran & Company Private Limited

for May, the warm winter in Darjeeling led to an early and large first flush; but hot dry winds in April and early May encouraged red spider and affected new growth. It seems certain that these conditions, followed by heavy rain when the drought broke, will limit the quantity of second flush tea. Nevertheless, from the few teas seen so far of this growth, it seems that a few invoices of good quality may be offered.

In the Dooars, most areas received useful rain in March, which gave an abundant early flush and put many gardens ahead of the previous season in crop until the middle of April. Nevertheless, good rain has fallen during the latter part of May and favourable conditions from now onwards may well result in little or no over-all loss of the crop over the whole of the year.

Cachar has suffered possibly more than any other district as, with favourable climatic conditions, estates in this area can

make a sizable proportion of their whole crop in April and May. It seems doubtful if any higher level of prices, which might reasonably be anticipated, can compensate this district for its losses. A few estates had not even made a pound of tea by the middle of last month.

The various districts of Assam have experienced widely varying fortune. While Upper Assam has generally suffered from a shortage of rain, this has not been so severe and the drought is unlikely to have such lasting effect. In many estates, it seems reasonable to hope that any loss in crop will be fully recovered by the end of the season, given favourable weather conditions from now onward. From this district, there may be a short, but possibly a good second flush. Some attractive tip has been seen from some gardens, making orthodox grades.

While some estates seem likely to be very short in crop this year, it is still too early to anticipate any

substantial decline in the total North Indian crop over the whole season. Much will depend on the climatic conditions over the remaining months of the season. Producers will, however, naturally look to a rather higher level of prices, particularly for their lower grades if their losses are to be offset.

At this stage of the season, there seems some reason to hope that the market for Common teas will open on a rather higher basis than last year. But, the large crops, being manufactured in Ceylon and South India since the beginning of April, must be viewed with some anxiety by North Indian producers.

Meanwhile, stocks of tea in Calcutta warehouses, at the end of May, were lower at 184,235 chests as against 216,889 chests on the corresponding date of last year. Teas afloat were also lower at 1,937 chests as compared to 8,559 chests. The decline in both spot and afloat stocks of tea is attri-

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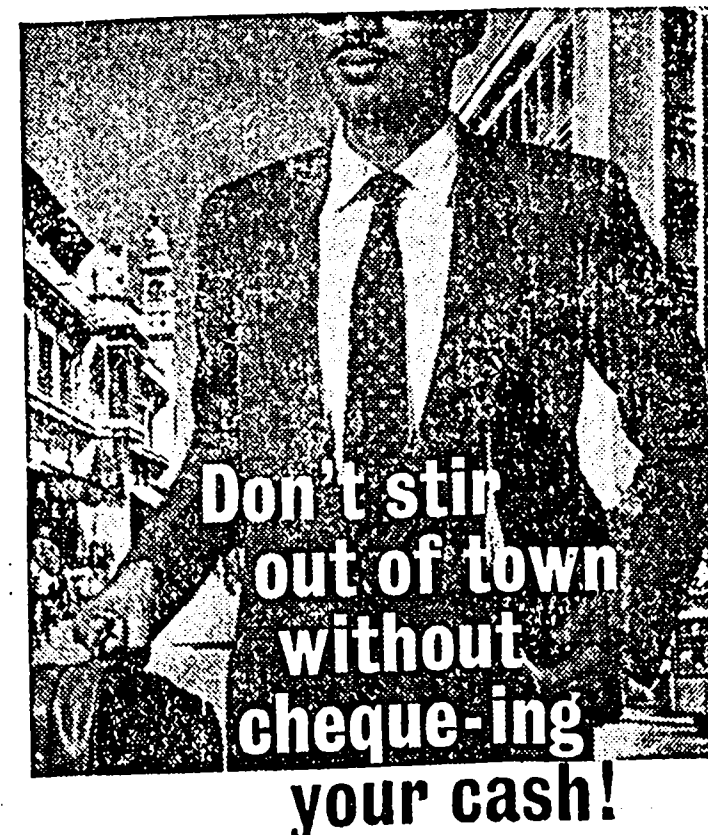
Yet, another item included in this list is the manufacture of Printing Machinery on a phased schedule in collaboration with a U.K. firm.



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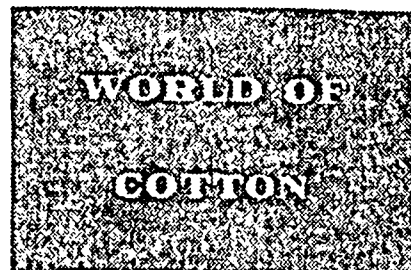
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buted to lower outturn in North-East India where 37.2 million pounds were produced up to the end of May as against 54.1 million pounds in the corresponding period of last year.

Although there is a fall in the quality of tea on offer, the market for good teas remains firm in London. Dealers are saying that they expect considerably higher prices later in the year when the "second flush" North Indian teas begin to come on to the market. The large Ceylon crop (158 million pounds), in the first quarter of this year as compared to 140 million pounds in the same period of last year, may do something to alleviate the shortage. But, the heavy rain in Ceylon, while increasing the quantity, has rather

spoilt the quality of the crop, so that, in spite of Ceylon, a fairly severe shortage of fine teas is to be expected later in the summer.

Tea stocks in London, as on 10 June, totalled 134.99 million pounds as compared to 139.43 million pounds in the previous week. Total amount to be landed on the same date was 8.60 million pounds. Total afloat was 18.80 million pounds including from Calcutta 2.22 million pounds; from Chittagong nil; from Cochin 5.02 million pounds; from Ceylon 9.16 million pounds and from other Ports 2.41 million pounds. The average price realised at the auction held during the week ended 40 June was 46.73d per pound as compared to 48.38d in the previous week and 55.69d a year ago.



Stalemate Lingers

THE stalemate in the Bombay cotton futures market continued during the past week also and the official trading was rendered impossible as the contract tended to rule above the effective ceiling. Unofficially, the price of the contract fluctuated between Rs 801.50 and Rs 808. The brokers and dealers were, therefore, left inactive, and no silver lining can be expected in the gloomy horizon unless the ceiling rates are enhanced substantially and the weather conditions also continue to be propitious throughout the season. Meanwhile, the trade is eagerly waiting for the announcement from the authorities regarding the higher ceilings and the delay in enunciating the Government of India's policy for the ensuing season has left the trade gasping.

STOCK MARKET:

In striking contrast to the phlegmatic conditions that prevailed in the futures market, the spot market at Sevri continued to be cheerful with broadening mill demand for indigenous cotton. The mills were eager to cover their requirements fearing that scarcity of cotton may occur at any time. Hectic buying was reported by mills from Ahmedabad, South India, and other upcountry centres. Keen interest was reported in Kalyan, Jayadhar, Laxmi Co 2, L 147, Digvijay and Vijay.

Among the imported styles, Mwanza cotton continued to be in the limelight. It is stated that the Ahmedabad interests purchased more than 7,000 bales of this growth alone. Sudan, Busoga BP, 52 and some varieties of American cotton were also in moderate demand.

Advices received from the shippers divulge the information that Washington has issued an authorisation to enable India to purchase 320,000 bales (500 lbs each) of American cotton under the PL 480. Although the staple length of the new authorisation is not specified, it is understood from reliable centres that the entire quantity will consist of staple 1" and below. The information of the new allocation to the Textile industry was like a shower for a thirsty land, for, apart from relieving considerably the present shortage of medium staple domestic cotton, it can, to a great extent, help to check the rise in prices of cotton of this grade. From the beginning of the current season, the Government of India have so far issued import licence for foreign cotton to the tune of 12.10 lakh bales (400 lbs each)

Indian Finance

and by the time the current season ends import allocations are expected to approximate 16 lakh bales.

This would, as is anticipated, help to start the coming season in a more confident and comfortable manner.

The estimates of mill production for the month of May indicate an improvement of 7 million yards of cloth to 414 million yards. Yarn production also shot up to 138 million pounds. The cloth stock with the mills also rose to 2.75 lakh bales from 2.74 lakh bales in the previous month.

The quantity of cotton licensed for import and actual arrivals thereof from the beginning of the current season till the beginning of June are as under:—

	(from 1.9.59 to 4.6.60)	(in bales of 400 lbs)
Variety	(a)	(b)
American	394,744	137,298
Egyptian	180,184	176,618
Sudan	87,231	72,464
East African	131,662	109,928
Peru, Pakistan & Others	118,338	52,810
Total	912,159	549,118

(a) Qnty. licensed.

(b) Actual Arrivals*

*Arrivals include quantity licensed during the previous season too.

NEW YORK COTTON MARKET

Trading in the New York cotton futures market continued to be light and the net changes in the prices were rather insignificant. Cotton owned by the United States Government, sold for unrestricted use during this month totalled 53,429 bales. This has pushed the aggregate sales under this programme to 3,509,096 bales.

The total entries into the 1959 cotton loan during the week ended 10 June remained unchanged at 334,946 bales. Repossessions for the above period were to the tune of 5,172 bales taking the total to 186,177 bales.

LIVERPOOL COTTON MARKET

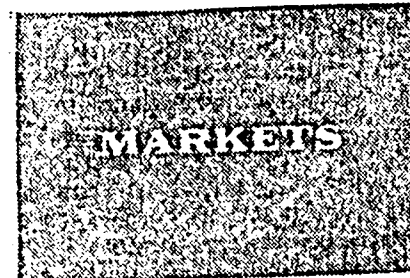
Activities in the Liverpool cotton futures market have been practically nil. Occasional trade covering orders failed to hold prices against light hedge selling and the new crop position was reported to be a shade easier. Demand for ready and shipment cotton is gradually recovering. Sales during the last week in all the available growths amounted to 11,600 bales.

Trading in the yarn and cloth market has been well maintained and the general inquiry continued to be on the increase.

ALEXANDRIA:

Reports from Alexandria reveal that during the week under review prices for all contracts registered some improvements. However, the week witnessed dull sessions with routine dealings for the major part. The spot market was also reported to be calm.

Export sales from the beginning of the current season till the end of May amounted to 1,106,325 bales.



Squeeze in Rubber?

ACCORDING to reports from London, there is a good deal of confusion in the London market on just what are the basic facts behind the recent developments in natural rubber. It is generally accepted, however, that the recent sharp rise in top grade rubber for immediate delivery was a consequence of some dealers finding themselves forced to buy at any price to meet commitments entered into previously.

The price for top grade rubber, which rose to 42½d per pound last month, has now fallen back by almost 3d pound and the immediate pressure on supplies is reported to have eased considerably. But, the current level is still above the previous peak of last November and the price is still very sensitive to market developments.

With the market in this mood, dealers in London say that there is still the possibility of a new squeeze. The latest figures for commercial stocks of natural rubber in Britain show that, although the total stocks at the end of April were seven per cent higher than at the end of March, they are still one-sixth below the level of the comparable figure of last year. Furthermore, some of these stocks are believed to include rubber earmarked for re-export to the Soviet Union. If this is correct, commercial stocks of rubber in Britain, at the end of April, were sufficient only for a week's supply for the whole country.

Meanwhile, the Keraia Government's scheme to bring, under rubber cultivation, three to four lakh acres within the next five to six years is receiving enthusiastic support of the people. According to the bare outline approved by the Government, it is proposed to make available, for rubber cultivation, 20,000 acres of forest lands next year. Of this, 4,000 acres will be given to landless peasants in 7-acre plots. Another 4,000 acres will be divided into 10-acre plots, which will be sold at a tariff price to middle-income group of cultivators. No financial assistance is contemplated for them. Another 2,000 acres divided into plots of about 500 acres will be sold in auctions and they are intended for planting companies. The rest will be cultivated directly by the Government.

Pepper

The Pepper market is still extremely sensitive to any rumours that may happen to appear. Price movements in the Cochin market are erratic, being influenced by alternate buying and selling in both ready and forward positions. If Russia stands for some time, there are chances of Malabar going down, since growers and holders who are holding high-priced goods are likely to get tired. It is within the bounds of possibility that those growers, who are stiff at present, may become easy sellers when prices fail to improve and

is the possibility of getting a remunerative price for natural rubber. It is not known how long the present insulated price policy will continue and how long the Government will be prepared to concede the demand of rubber growers to provide an economic price. The natural rubber industry in South, which has had no occasion so far to compete with synthetic rubber, will have to do in the near future when the synthetic rubber industry is established in this country.

Coffee

According to the Coffee Board, receipts of coffee seeds from the 1959-60 crop, up to the end of May 1960, amounted to 47,833 tonnes against 44,885 tonnes in the corresponding period of last year. Receipts of the Plantation variety were the highest on record totalling 25,045 tonnes in the season under review against 17,697 tonnes in the 1958-59 season. Though the arrivals were slow, the bulk of the coffee has been cured and made available for release. The next crop is estimated at the peak figure of 53,000 tonnes comprising 31,000 tonnes of 1958-59.

The release of coffee, in the internal market during May, amounted to 2,407 tonnes against 2,338 tonnes in the corresponding month of last year. Total offtake by the internal market, in the first five months of the current year was, however, lower at 11,551 tonnes as compared to 12,384 tonnes in the corresponding period of last year.

The coffee sold for export, out of the 1959-60 crop, up to 6 June this year totalled 8,271 tonnes comprising 7,256 tonnes of Plantation variety; 684 tonnes of Arabica Cherry and 331 tonnes of Robusta. Tenders have been invited for the sale of 720 tonnes and are due on June 23, 1960.

The total export allocation, out of the 1959-60 crop, as now recommended by the Board, stands at 20,000 tonnes, made up of 13,000 tonnes of Plantation variety; 2,750 tonnes of Arabica Cherry and 4,250 tonnes of Robusta. This is a peak figure for exports of Indian coffee, the previous best being 16,400 tonnes shipped out of the 1958-59 crop.

Foodgrains

In the absence of any marked rise in "rabi" grain arrivals, Foodgrains prices are ruling steady in the Hapur market. Wheat, Gam and other coarse grains have remained almost stationary, while Peas and Arhar prices have improved slightly due to brisk support from East Uttar Pradesh

the time for the new crop comes nearer. The rate is presently quoted around Rs 315 per cwt.

Although stocks in London are still at their highest for several years, it appears that a very large part of the total (700 tons) is held by a single firm. In any event, the market is still extremely sensitive to rumours from the East.

The Singapore market is ruling steady with an uncertain undertone. Most of the holders there are reported to be making time to sell out at higher prices before the arrivals of new crops of Sarawak, Lampong and Muntok. White pepper appears to be giving way under pressure of selling from Sarawak and Singapore, as the Continental demand has so far proved thin. On the whole, the future of the pepper market appears uncertain. Unless New York puts in an aggressive buying at Singapore, prices are likely to go down.

Sugar

Sugar markets have continued to rule quiet, thanks to the easy supply position. In the Hapur market, the rate is quoted at Rs 112.50 per bag.

Figures furnished by the Indian Sugar Mills Association show that production during May was 72,000 tons against 33,000 tons in the corresponding month of last year. This brings the total production, for the season up to 31 May, to 23.94 lakh tons as against 19.04 lakh tons that was produced last season by this date.

The offtake from the factories, during last month, was 2,000 tons more than during the same month last year. Total despatches, up to May-end this year, was 11.23 lakh tons as against 12.20 lakh tons by the same date last season.

Khandsari

Khandsari prices have been moving in sympathy with those of crystal sugar. There has been a good demand from the consuming areas of Gujarat and Rajasthan; but loading facilities are restricted.

Gur

After an early fall of Re 1 per maund to Rs 14 for the dry quality, ready Gur prices, in the Hapur market, have improved to Rs 14.37 due to loading restrictions. Demand is, however, modest from the consuming areas. Stocks are put at 21,000 maunds as against 65,000 maunds on the corresponding date of last year.

Oilseeds

Narrow price movements were noticed in the Bombay Oilseeds market. Hopes of a seasonal setback in Groundnut failed to materialise in view of the sustained strength in the spot section. The fact, that the country had to manage with the existing stocks for at least five months more, lent strength to the section. Reports of steady export business in

and Bihar following the availability of better loading facilities.

The Rice section continues to rule quiet with prices hovering within a narrow range. Talks are expected to take place soon with Burma on rice purchases from that country. The food purchases from the USA are in the nature of stock-piling, which do not prevent the Government from purchasing their normal supplies from the overseas market. The 2-lakh ton Burmese deal is now practically over. To ensure fresh supplies, negotiations are expected to begin in a few weeks' time with the representatives of the Burmese Government.

Yarn

Irregular price movements characterised trading the Bombay Yarn market. While Staple-fibre yarn was easy, bamberg yarn showed a marked improvement due to fresh support from the up-country centres. Rayon and cotton yarns remained mostly unchanged.

Poor export enquiries and local demand had a bullish effect on the market. Some manufacturers were reported to have effected a cut of 5 to 10 per cent in the prices of their cloth.

Gold & Silver

Sentiment on the Bombay Bullion Exchange remained generally subdued due to the onset of the monsoon and increased arrivals. Moreover, advices from Calcutta were not conducive to a rise and prices moved to and fro aimlessly.

In the Gold section, trading in Shravan delivery started at Rs 126.69 and, after registering a high of Rs 126.81, dropped down to Rs 126.53, to finish at Rs 126.60. Arrivals amounted to 5,000 tolas against an offtake of only 2,500 tolas. Ready rates moved between Rs 126.19 and Rs 125.84, to finish at Rs 125.90. Sovereign ruled very steady with small business done at Rs 85.50.

Silver arrivals were heavy at 60 bars against an offtake of only 12 bars. Unrefined metal receipts amounted to 55 bars. Ashad delivery began at Rs 212.94 and moved up to Rs 213.12, only to recede later to Rs 212.81, closing finally, better at Rs 212.87. Ready rates (.916) moved between Rs 212.69 and Rs 212.37 to close finally at Rs 212.44.

Oil & Oilseeds

Narrow price movements were noticed in the Bombay Oilseeds market. Hopes of a seasonal setback in Groundnut failed to materialise in view of the sustained strength in the spot section. The fact, that the country had to manage with the existing stocks for at least five months more, lent strength to the section. Reports of steady export business in

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groundnut oilcake and meal also encouraged the buyers. Groundnut Bold quality was quoted at Rs 45.50 and Groundnut Oil at Rs 23.69.

The West Coast India, Pakistan and the US Conference is reported to have increased freight rates for castor oil shipments to America by \$5 to \$30 per ton. The revised rates will take effect from 1 July. This proposed increase has been received by the exporters with a sigh of relief in the context of the recent rumours that

the Conference would restore the original level of \$45 per ton.

It is claimed that a substantial business has recently put through with some of the Communist countries and that more deals are likely to be concluded shortly. The overall outlook is considered to be encouraging in the absence of selling by Brazil due to the record business done so far. But, the market's main concern is over the floating supplies, which are placed around 25,000 candelas. Meanwhile,

Castor ready was quoted at Rs 34 and Castor Oil, commercial quality, at Rs 18.06.

In the Linseed section, business was largely of a routine nature. Operators were not inclined to enter into commitments on reports of higher crop estimate in Argentina. The outturn in Argentina, during 1959-60 season, appears to be 8.25 lakh tons against 6.20 lakh tons in 1958-59. Linseed ready was quoted at Rs 33 and Linseed Oil at Rs 16.69.

Hides and Skins

Better than the previous weeks, the tanned cow hides section showed an improvement in both clearances and arrivals. There had not been any increase in prices in the popular selections of 8/8½ and 10/12 lbs. In other varieties sellers noted a decline ranging from 4 to 8 nP per lb.

In the c.i.f. section despite outside India enquiries, particularly from the United Kingdom, dealings were restricted. Prices for the fifths and Run and fourths were erratic and quite unsettled. Inferior fifths were dealt with at 46d to 47½d, for 5/5½ lbs and 40½d to 41d for 8/8½ lbs. The 10/12 lbs were at a price of 39d per lb. According to reports outside India importers desire still further decline to make sizeable offers.

Tanned buffalo hides this week showed scarcity with prices remaining unaltered.

Cow calf tanned skins were cheaper this week particularly for export varieties at 2d to 3d lower than last week. A good volume of business was transacted with United States of America in tanned buffalo calf. With other Continental Ports and U.K. showing interest in buffalo calf, the good stocks still available in this may be cleared soon. On account of export inquiries prices of buffalo calf skins remained tight.

Only 2,000 tanned goat skins and 35,000 tanned sheepskins were traded in the local market. Bazar stocks were counted at 10,000 tanned goat and 70,000 tanned sheep skins. These sheep skins took an easter trend at 50 to 65 nP lower.

Raw Skins:

(Last week's prices in brackets)
Per Hundred: Bangalore raw goat skins Rs 435/540 (Rs 440/525); Bangalore raw white wood sheep Rs 500/630 (Rs 540/590); Bangalore Raw Black Wool sheep Rs 380/420; Bezwada raw goat Rs 440/450 (Rs 430/440); Bezwada raw he sheep Rs 535 (Rs 530); Bezwada raw she sheep Rs 385 (Rs 380).

The following are the prices of tanned skins per lb: Tanned cow prime (5/5½ lb): Rs 2.62 to 2.75; (8/8½ lb) Rs 2.31 to Rs 2.44; (10/12 lbs): Rs 2 to Rs 2.12; Tanned Buffalo (12/13 lbs) Rs 1.62 to Rs 1.69; Tanned cow calf (1½/2 lbs) Rs 4.37 to Rs 4.75; Tanned buff calf (1½/2 lbs) Rs 3 to Rs 3.12; Tanned goat prime (5½ to 6 lbs) Rs 8 to Rs 9; (8/9 lbs) Rs 9 to Rs 9.25; Tanned sheep ordinary (6/7 lbs) Rs 7.25 to Rs 7.50.

Buff calfskins 6 bales, tanned goatskins 86 bales.

Japan imported one bale of tanned goatskins and 61 bales of tanned sheepskins; Rijeka imported 48 bales of tanned cow hides. Aden bought 10 bales of cowhides; Dundedin 20 bales of tanned goatskins and Lytle ton got tanned goatskins 4 bales and two bales of sheepskins. And Sydney got 11 bales of dry salted goatskins.

The first fortnight's June export totalled 2,878 bales.

Sen-Raleigh Industries Of India Limited

Chairman's Review

The 13th Annual General Meeting of the Sen-Raleigh Industries of India Ltd., was held in Calcutta on the 23 June, 1960. Mr. Abhijit Sen, Chairman of the Company, said:

It is with pleasure tinged with sorrow that I welcome you to the 10th Annual General Meeting of the Company. It gives me pleasure to report that the Company's operations once again show a satisfactory trend but it is with the deepest regret that I have to record that the hand that guided the destinies of the Company to this stage is no longer at the helm of our affairs. The sudden loss of the Chairman and founder of this Company has removed from the scene an almost legendary figure in the annals of the Bicycle trade and industry in the Indian Sub-continent. He entered the Bicycle trade at the turn of the century when the Bicycle was considered a luxury and after devoting his whole life to the pursuit of popularising the Bicycle as the only means of personal transport for the people of this country, he left the world satisfied in the knowledge that his efforts had not been in vain and independent India had recognised the need for bringing cycling to the masses. It was not for nothing that he was acclaimed as the father of the Indian Bicycle Trade & Industry by the admiring trade of the country.

The Directors' Report and Accounts of the Company for the period ending 30th September, 1959 have been circulated and with your approval, I shall take these as read. You will find that with an improvement in the level of production—largely of complete Bicycles—there has been a corresponding improvement in the trading results of the Company and this has allowed your Directors to recommend a higher rate of dividends for Ordinary Shares.

A matter, I am sure, that has been engaging the minds of all members is the effect on this Company of the merger in the U.K. of the Bicycle and Moped interests of our Associates—Raleigh Industries Ltd. and Tube Investments Ltd. The merger does not affect the separate identity of this Company and your Company will continue to manufacture and market Bicycles and Freewheels under the Raleigh concessions granted to them exactly as it has been doing in the past.

Once again the year 1959 was a record year for the Bicycle Industry in India, and it is a happy thought that whilst the overall increase in production of the Industry, over the previous year (including the performance of the

Small Scale Sector) was of the order of 30% for Bicycles, your Company was able to achieve an expansion of approximately 50% in its production and sales of Bicycles over its 1958 figures although the import level of materials was not substantially in excess of 1957 levels.

No little part in the improved working was played by a more consistent import licensing policy—a consequence of the assurance held out by the Minister for Industries to the Cycle Manufacturers' Association of India in March 1959 that simpler and more effective import licensing procedures were on the way. We are grateful to the Commerce & Industries Ministry for moving with the times and introducing a rational import licensing policy which has remained with us now for over a year and has helped considerably in fostering expansion of industries.

The demand for bicycles and particularly for the products of your company shows no sign of slackening. If retail margins are any guide to consumer preferences, the past financial year must have seen an unprecedented demand for our products for in spite of the fact that much larger deliveries were effected during the period, the retail margins maintained a uniformly high average throughout the year. This demand has continued into the present year which also opened on a note of high optimism and not even the imposition of an excise duty on various bicycle components—notably Rs. 2/- per Freewheel and Rs. 4/- per Rim with an overall impact of Rs. 10/- on a complete bicycle has resulted in a slackening of demand for bicycles in spite of the fact that most manufacturers took this opportunity to adjust their prices to counter rising costs as well as excise levies. In line with other manufacturers' prices of our products were also adjusted.

Your Company's future activities are necessarily linked partly with the present industrial policy followed by the Government of India, and partly with the development of the Third Five-Year Plan which is now gradually taking shape. Very recently the Government have issued various notifications on the revised procedures relating to industrial licensing which for the first time in many years give a fairly clear picture of what industries Government feel would require immediate development and what industries are now considered by the Government to be so developed that issue of industrial licences should be restricted. The

Bicycle industry falls within the latter category where applications for expansions or for new capacity may be rejected for the time being without reference to the Licensing Committee.

In view of this, it is time to think along lines of branching out into such allied lines of Light Engineering manufacture as are considered more essential to the development of the country by the Government of India at the moment, and where capacities are granted more easily and fed to the fullest extent by release of raw materials. Our reputation for quality and for technical ability in developing Light Engineering production would stand us in good stead to obtain Industrial licences and capacities in such lines and would allow a fuller utilisation of our resources.

Diversification into new lines of manufacture is expected to help turnover considerably and reduce overheads as there is better scope of obtaining material requirements in these lines and production could grow. Diversification would not mean a shift from our main line of activity which is and will remain the manufacture of Bicycles and its components and accessories—and first call on the resources of the Company would always be for expansion in the Bicycle industry provided capacities were available and could be fed adequately with material.

Whilst the immediate prospects of Bicycle expansions are clouded, it is only right to mention that the long term prospects of obtaining further capacities in this industry appear brighter. From information available the targets for the Third Five-Year Plan period for bicycles are expected to be double of those of the present Plan period. In planning for our future full consideration is being given to doubling our own capacities wherever practicable should industrial sanctions for such capacities be forthcoming.

A new development in the Indian bicycle scene has been the successful operation of a Bicycle export pool organized by the Cycle Manufacturers' Association of India which in its first year of operation came very near to reaching a self-imposed target of export for complete Bicycles. It is a pleasure to be able to report that your Company played a prominent part in helping to achieve the export target and its share of India's Bicycle export business in 1959 was nearly 70%. In general, there was appreciation of the quality of your Company's products in the markets where these were introduced.

On the labour front, a three-year agreement was concluded with the recognized Union in August, 1959 and the effects of this agreement will be evident in the next few years. Whilst the Company's own relations with its workers were generally satisfactory, intra-Union and inter-Union strife for leadership continued and on more than one occasion in the year under review and even as recently as last month smooth operation of the factory was marred by violent clashes and unbridled rowdism. It is unfortunate that different shades of political opinion or different views on trade unionism can so far affect workers that forgetting the basic tenet of the solidarity of the workers there are these outbursts of violence which can neither benefit the worker individually or collectively nor the Company where they serve. It is hoped that good sense will prevail amongst the different sections of workers and that the quieter conditions that have followed the immediate disturbances at Asansol have come to stay with us for good. Workers should realise that violence cannot effect a reconciliation between divergent shades of opinion—far less can violence ever completely annihilate a divergent point of view.

I have to report the retirement of Mr. L. C. Clarkson who as Works Director of Raleigh Industries Ltd., had been one of first people concerned with the planning of the Indian factory. His place is filled on our Board by Mr. L. L. Roberts who is the present Works Director of Raleigh Industries Ltd., in-charge of Home and Overseas factories.

With the expansion of activities of the Company, it has been considered necessary by your Board to appoint a whole-time Director, and the Company has been very fortunate in obtaining the consent of Mr. D. Chakraverti to join its Board. He joins this firm after a distinguished career in Civil Aviation both in India and abroad. He brings to the Company an administrative and technical experience which will benefit the Company greatly in its development schemes.

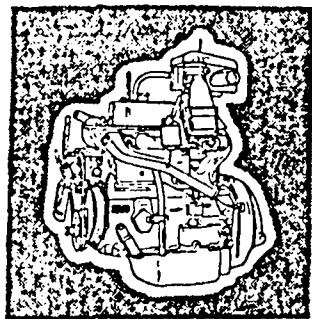
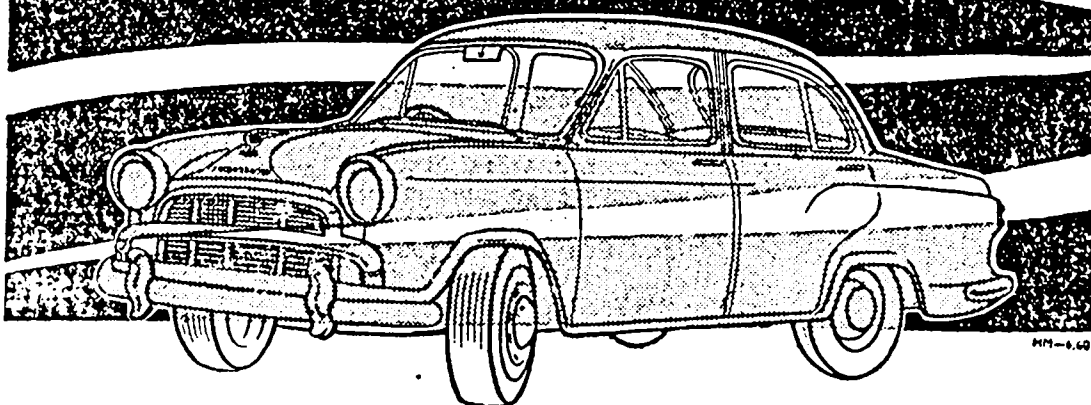
Before I close it is my pleasant duty to thank my colleagues, the staff and the workers of the Company, our foreign associates and our dealers for another year of unfailing support to the Company.

NOTE: This does not purport to be a record of the proceedings of the annual general meeting.

Power

to

Please



The Ambassador, with the new Over-Head Valve Engine, is charged with 25% added power—power for more rapid acceleration, power for safer overtaking, for effortless hill climbing, and for smoother

cruising at higher speeds. Elegantly designed, spacious for its size, excellent in performance, and with 25% more economy, the powerful new Ambassador gives full value for your money.

HINDUSTAN Ambassador
the car with plenty of drive

HINDUSTAN MOTORS LTD., CALCUTTA-1

Dealers at:

Agra; Ambala Cantt.; Ajmer; Ahmedabad; Ahmednagar; Allahabad; Baroda; Bangalore; Bhopal; Bikaner; Bombay; Bareilly; Calcutta; Cuttack; Coimbatore; Colombo; Dibrugarh; Dhanbad; Gwalior; Guwahati; Imphal; Indore; Jaipur; Jabalpur; Jodhpur; Jorhat; Jammu; Kanpur; Kharagpur; Kharagpur; Lucknow; Madras; Madurai; Mangalore; Meerut; Nagpur; New Delhi; Nepal; Patna; Poona; Pondicherry; Palayamcottai; Rajkot; Ranchi; Sambalpur; Shillong; Secunderabad; Silchar; Srinagar; Satna; Tezpur; Tiruchirappalli; Tiruvandrum; Varanasi Cantt.; Vijayawada; Vizianagaram.

Chairman's Speech

NATIONAL RUBBER MANUFACTURERS LTD.

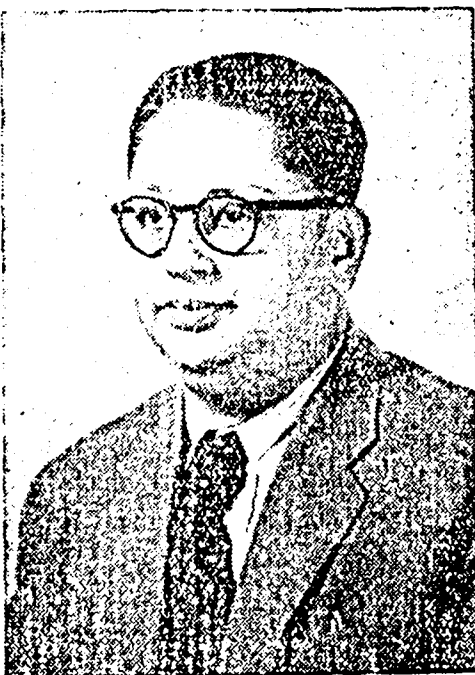
23 Per Cent Increase in Sales

Mr K. N. Mookerjee outlines project for Automobile Tyre and Tubes Manufacture

Chairman's address by Mr. K. N. Mookerjee at the 14th Annual General Meeting of the Company, held on 24th June, 1960.

Gentlemen,

It is my pleasant duty to extend to you all a hearty welcome to the 14th Annual General Meeting of your Company. The Directors' Report and Audited Accounts for the year ended 31 December, 1959 have been in your hands for some time now and with your permission I take them as read.



CHANGES IN THE BOARD

You have already learnt from the Directors' Report that during the year under review a void was created by the death of two senior members of your Board of Directors, namely, A. V. George and S. K. Sen. It was also a great misfortune of the Company to have lost during the year K. G. Mookerjee, who was the Founder-Chairman of the Company upto 1956. Let us place on record our sincerest appreciation of the services rendered and the valuable contribution made by them towards the growth and progress of this concern.

Mr. K. Kheshvala, a partner of a leading firm of Stock-Brokers in Bombay, who was appointed to fill one of the casual vacancies in the Board, retires and under the provisions of the Articles of Association of the Company offers himself for re-appointment.

ACCOUNTS

The Accounts for the year 1959 indicated that the rising trend of

sales was fully maintained during the year and that the turnover exceeded Rs. 2 crores, registering an increase of 23% over that of 1958. To cope with the higher demand for the Company's products and to render better services to their customers, two new Sales Offices were opened during the year under review, one at Kanpur (U. P.) and the other at Kottayam (Kerala). You will have noticed from the Directors' Report that inspite of certain major hurdles, including rise in the cost of raw materials, the margin of net profit recorded a satisfactory improvement over that of the previous year.

DIVIDEND

I have pleasure to say that it has been possible for your Directors to recommend payment of a higher rate of dividend on the Ordinary Shares and that they intend to honour the contractual obligation of the Company in the matter of payment of Preference Dividend, free of tax, so long as there is no insurmountable bar to the same. Instead of leaving the question of preference dividend to be settled as between a Company and its shareholders, it would have been better if the Government had laid down clear statutory provisions so as to eliminate the present uncertainty, which might cause genuine hardship to the Preference Shareholders as well as any embarrassment or onerous difficulties to a company in honouring their commitments to shareholders.

INDUSTRIAL GROWTH AND RUBBER INDUSTRY

Satisfactory progress was achieved in 1959 in the sphere of industrial production in India resulted in greater demand for the products of the rubber industry, including some of the items manufactured by your Company. This was reflected in higher sales achieved by your Company during the year under review. With the improvement and expansion of roads, bicycles have established their popularity as a means of personal transport of the common people in India. Demand for bicycle tyres and tubes must in consequence considerably increase in the coming years.

The rubber manufacturing industry in India forged ahead during the year under review. A number of new units entered the field of rubber manufactures, three for Bicycle Tyres, three for Auto-

mobile Tyres, two for Bicycle Tubes and one for Industrial V-Belts and Fan Belts. Besides, some of the existing units effected substantial expansion of manufacturing capacity. Quantitatively there was an appreciable rise in the production of major items of Tyres and Tubes and Industrial Products in 1959 over that of 1958.

PROGRESS OF EXPANSION

It gives me great pleasure to inform you that your Company have been playing a significant part in the planned development of the rubber industry. You will have noticed from the Directors' Report that your Company recorded a substantial increase in production of all items and that the sanctioned expansion of capacity in respect of Cycle Tyres and Tubes, V-Belts and Fan Belts was fully achieved. While the overall progress can be taken to be satisfactory, some items of production recorded lack of support.

Steps have been taken for further expansion of manufacturing capacity, in respect of Transmission and Conveyor Belting and Cycle Tubes to meet the growing demand in the country. The second Belt Press for manufacture of beltings and some additional Cycle Tube manufacturing machines have already arrived and are under installation. They are expected to go into production during the second half of 1960. If conditions continue to be as satisfactory as now, your Company expect to complete their present expansion programme by the end of 1960.

You will be glad to know that your Board of Directors in pursuance of their policy of progressive expansion of the industry in larger spheres decided to sponsor a project for the manufacture of Automobile Tyres and Tubes. Sanction for setting up a factory in West Bengal with an annual capacity of 1,80,000 numbers each of Tyres and Tubes in the first stage has been obtained. Negotiations are in progress and it will be the privilege of the promoters of this project to make available to you an opportunity of participating in the issue of share capital of the

Particulars	1958	1959	Percentage of variation
Consumption (Natural & Synthetic)	38,052 tons	43,003 tons	+13%
Production (Natural)	24,330 "	23,996 "	-4%
Deficit	13,722 "	19,007 "	+43%
Import:—			
Natural	11,900 tons	14,500 tons	+22%
Synthetic	3,500 "	4,500 "	+29%

new Company on mutually agreeable terms and conditions.

EXPORT PROMOTION

It is encouraging to note that the total export earning of India in 1959 reached a level of Rs. 626 crores resulting in an increase of 10.2% over that of 1958. The rubber manufacturing industry took its due share in the export drive, the value of exports of Tyres and Tubes and other rubber products (excluding Footwear) having risen from Rs. 26.72 lakhs in 1958 to Rs. 29.98 lakhs (estimated) in 1959 representing an increase of 12.2%. As I pointed out last year, your Company has adopted a policy of progressively increasing the export of their products and it gives me much pleasure to inform you that the value of exports made by your Company in 1959 was 75% higher than that of 1958. It goes without saying that this performance compares very favourably with the export achievement of rubber manufacturers as a whole as also with the total export earnings of India during the year under review. Your Directors are confident that your Company's products command bright prospects for export, provided the cost of production thereof, particularly in respect of raw material and labour, do not prevent export prices from being remunerative in competition and necessary assistance including fiscal encouragement is forthcoming from the Government of India.

I am glad to say that the Chemicals and Allied Products Export Promotion Council has been doing some useful work in promoting export of rubber products. As I mentioned in my last year's speech, the rubber manufacturing industry has great potentials for export and I am sure all units of the said industry would earnestly take up export programmes taking advantage of the various facilities. Much would, however, depend on the maintenance of quality and competitive prices for export.

RAW MATERIALS

The general supply position in respect of raw materials and stores, with the exception of raw rubber, was on the whole satisfactory in 1959. A disquieting feature during the year under review was rising prices of major raw materials e.g., raw rubber and textiles, particularly in the later part of the year, the full effect of which would be reflected in the cost of production in 1960.

The situation with regard to raw rubber supply has been particularly disconcerting throughout 1959 and also in recent months. This would be evident from the following data:—

According to the Rubber Board's estimate the overall gap in 1960-61 would be 35,000 tons, to be met by imports which at current prices would cost approximately fourteen crores of rupees in foreign exchange. The rising trend of the deficit is sure to be accentuated in coming years with the progressive expansion of the rubber manufacturing industry.

The unsatisfactory position indicated above has been further aggravated by two significant factors. Supply of local rubber has been adversely affected in respect of both quantity and price, due to the elements of uncertainty about new prices, if any to be recommended by the Tariff Commission. Secondly, the world price of rubber sharply rose above the Indian price and prevailed at this higher level over a major part of 1959. On top of this there is an import duty of 5% which further enhances the cost of imported rubber. The validity of import licences being only for 3 months, the licence-holders are obliged either to import at a very high price with unduly heavy drainage of foreign exchange or to procure rubber from Indian sources causing unhealthy pressure on the limited indigenous supply.

In my opinion, fixation of some new statutory price on the recommendation of the Tariff Commission would by itself be ineffective and meaningless as long as there is so large a deficit in indigenous production to be met by imports, particularly when the world rubber price continues to be higher than the statutory Indian price. It is, therefore, essential that a suitable scheme should be formulated by the Government and requisite machinery set up in consultation with both planters and manufacturers to ensure supply of the entire consumption requirement from indigenous and overseas sources at the same price. I do hope that the Government would consider this significant aspect of the problem in all seriousness.

I would now refer to certain other specific measures that may be adopted to check the unsatisfactory situation regarding rubber supply:—

(a) Governments' decision on Tariff Commission's recommendation regarding new prices, if any, should be announced immediately to prevent speculative holding of stocks and selling at premium, (b) some judicious control over distribution should be introduced along with price control to ensure regular supply of indigenous rubber, (c) import licences should be issued with longer validity, (d) some reasonable relief in respect of the higher import prices including abolition of import duty should be extended to encourage larger imports and (e) the area under rubber cultivation should be extended and higher yield per acre should be secured by means of a vigorous programme of replanting.

and better tapping methods etc., progress in respect of which has not so far been satisfactory.

In my last year's speech I pointed out the need for developing rubber plantations in the Andaman & Nicobar Islands. It is gratifying to learn that suitable land for cultivation of rubber on a commercial scale in these Islands is being surveyed and that planting is likely to commence shortly.

It is a happy augury that in course of the next five years or so India is likely to be largely self-supporting in regard to important raw materials for the rubber industry which have hitherto been exclusively imported as would be indicated by the annual production capacity sanctioned for each vis-a-vis estimated annual requirement by 1965-66 (in parenthesis): Synthetic Rubber: 20,000 tons (26,000); Reclaimed Rubber: 7,000 tons (13,500); Sulphur: 200/300 tons (per day) (4,000); Accelerators, Anti-oxidants, Retarders, etc: 2,250 tons (2,500); Carbon Black: 22 million lbs. (90); Rayon Tyre Cord: 4,000 tons (12,000).

Arrangements should also be made for adequate indigenous production of Bead Wire and Tube Valves for Tyres and Tubes, the estimated consumption of which are likely to be 4,000 tons and 30 million numbers per annum by 1965-66.

IMPORT POLICY

Till such time as full production is achieved by the various projects mentioned above, imports of the respective materials should be liberally allowed. It is indeed gratifying to note that the Government of India have appreciated this point and have further liberalised their import policy during the current licencing period including introduction of licencing on an annual basis in respect of raw materials for the entire rubber industry, as suggested by me last year. This would undoubtedly facilitate better production planning by the various constituent units of the rapidly expanding rubber goods industry in India, particularly the newer ones. I repeat that the validity of import licences for raw rubber should be for a longer period of at least six months if not for one year.

RESEARCH

It is encouraging to note that the Indian Rubber Manufacturers' Research Association, which came into existence last year, has recorded satisfactory progress since then, thanks to the active support and co-operation of the Ministry of Commerce & Industry, the Council of Scientific and Industrial Research, the National Chemical Laboratory and the Industry itself. It is understood that the Technical Committee set up by the Council of the Association has drawn up a scheme of research covering problems of rubber-science and technology and that the scheme

has already been put into operation with the active assistance of the National Chemical Laboratory. I do hope that the Association would render useful service to the industry and thereby make outstanding contribution to the latter's development and expansion.

LABOUR RELATIONS

It gives me much pleasure to say that the tradition of cordial relations between all categories of employees and the management of the Company was fully maintained throughout the year under review and contributed to larger production.

ACKNOWLEDGMENTS

Before starting the formal business of the meeting I heartily thank you all for coming here today and also other Shareholders, the Officers, Staff and Workers as well as the Dealers, Customers, and Suppliers of the Company for their valued co-operation and active support readily extended to your Company during 1959. I shall be failing in my duty if I do not make a special reference in this connection to the continued assistance received from Messrs. Goodyear Tyre & Rubber Company of India Private Limited.

Note:—This does not purport to be a record of proceedings of the Annual General Meeting.

INDIA NOW IMPORTS LESS OF IRON AND STEEL

With the commissioning of the steel plants in the public sector in the beginning of 1959, the imports of iron and steel during the year declined to 750,000 tons. In 1958 India had imported 1.17 million tons.

The production of steel during the year was 1.77 million tons against 1.3 million tons in the preceding year. The increase came mainly from Tatas and Indian Iron. Likewise the production of salable pig iron recorded a sharp increase from 441,000 tons in 1958 to 752,403 tons in 1959—largely as a result of the contribution from Bhilai and Rourkela.

The prospects in 1960-61 in regard to iron and steel are brighter still. There will be more pig iron for sale as compared to 1959. The supply position of many items of steel like structurals and bars and rods and plates is likely to improve as a result of the commissioning of further units at the new plants.

The shortage is, however, expected to continue in respect of items like sheets, tinplates, wire and tool and alloy steels. Of these, tool and alloy steels and wire are being licensed both to the actual users and the trade.

In regard to the other scarce items, imports are being arranged in exchange for the export of scrap, pig iron and semis from the new steel works.

THE METAL BOX COMPANY OF INDIA LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twentyseventh Annual General Meeting of the Company will be held at the Registered Office, 59C Chowringhee Road, Calcutta on Wednesday, the 20th day of July 1960 at 12-30 p.m. for the following purposes:

1. To receive and consider the Statement of Accounts for the year ended 31st March 1960 and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To elect Directors.

Special Notice of intention to propose the re-election of Mr. Kasturbhai Lalbhai and Sardar H. S. Malik, C.I.E., O.B.E., who are both 55 years of age, has been received.

4. To appoint and fix the remuneration of the Auditors.
5. To transact any other ordinary business of the Company.

Special Business
1. The consideration of the following Resolution which will be proposed as a Special Resolution: "That the consent of the Company be accorded by this Special Resolution with effect from the 1st April 1960 to the holding by the following Directors of their offices or places of profit under the Company, namely:

Mr. P. M. Desai—Branch Manager
Mr. R. Lawford—Chief Engineer and Head of Production Department"

2. The approval of the appointment by the Board of Sole Selling Agents in Ceylon.

Explanatory Statement and Note

1. The consent of the Company by Special Resolution is requisite to the holding of their offices or places of profit by certain Directors of the Company.

2. The approval of the Company is necessary to the Board's appointment of a Sole Selling Agent.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting.

NOTICE is hereby also given that the Ordinary Share Register of the Company will be closed from the 1st to the 20th July 1960, both days inclusive.

By Order of the Board,
F. P. GILBERT
Secretary.

59C Chowringhee Road,
Calcutta,
24th June, 1960.

THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS

Consent of the Central Government has been obtained to this issue by three orders of which complete copies are open to public inspection at the Registered Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed with regard to them.

A licence has been obtained from the Central Government for the establishment of this new industrial undertaking at Santargachi, District Howrah, of which a copy is open to public inspection at the Registered and Head Office of the Company. It must be distinctly understood that in granting this licence the Government of India do not undertake any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed with regard to it.

A licence has been obtained from the Central Government for the manufacture of new articles, namely, Pressed Steel Tanks, Points and Crossings, Cranes, etc., in the existing industrial undertaking at P. O. Jagacha, Santargachi, District Howrah, West Bengal, of which a copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting this licence the Government of India do not undertake any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed with regard to it.

A copy of this Prospectus having attached thereto the documents required by Section 50, of the Companies Act, 1956, has been delivered for registration to the Registrar of Companies West Bengal.

An application has been made to the Calcutta Stock Exchange for permission to deal in and for official quotations of the shares of the Company.

The subscription list will open at the commencement of banking hours on 27th June, 1960, and will close at the close of banking hours on 4th July, 1960, or earlier at the discretion of the Directors.

RAYMON ENGINEERING WORKS LIMITED

(Incorporated on 13th November, 1954, at Calcutta under the Indian Companies Act, 1913).

AUTHORISED SHARE CAPITAL

divided into:		Rs. 1,00,00,000/-
(1) 8,00,000 Equity Shares of Rs. 10/- each	Rs. 80,00,000/-	
(2) 20,000 6½% Redeemable Cumulative Preference Shares of Rs. 100/- each	Rs. 20,00,000/-	Rs. 1,00,00,000/-

ISSUED SHARE CAPITAL

Subscribed & Paid Up Share Capital—		Rs. 1,00,00,000/-
4,00,600 Equity Shares of Rs. 10/- each	Rs. 40,06,000/-	Rs. 40,06,000/-

NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION—

(1) 3,99,400 Equity Shares of Rs. 10/- each	Rs. 39,94,000/-	
(2) 20,000 6½% Redeemable Cumulative Preference Shares of Rs. 100/- each	Rs. 20,00,000/-	Rs. 59,94,000/-

*The Preference Shares will confer upon the holders thereof the right to a fixed cumulative preferential dividend of an amount which after deduction therefrom of an amount calculated at the lowest rate for deduction of tax (including super-tax, if any) at source prescribed by the Income-tax Act in force at the time will leave a net amount equivalent to 6½% per annum on the capital for the time being paid up thereon.

OPTION

No share or loan capital is under option or agreed to be put under option.

DIRECTORS:

- Sri M. C. RAY**, 2, Brabourne Road, Calcutta. Managing Director: Raymon & Co. (India) Private Ltd., Raymon Minerals Private Ltd., Raymon Constructions Private Ltd. Director: General Pharmaceuticals Private Ltd.
- Mr. H. J. SILVERSTON**, 29, Netaji Subhas Road, Calcutta. Solicitor. Partner, Orr, Dignam & Co., Solicitors & Attorneys-at-Law, 29, Netaji Subhas Road, Calcutta. Director: McLeod & Co. Ltd., Kumar-dhubi Fireclay & Silica Works Ltd., Lodna Colliery Co. (1920) Ltd., The India Jute Co. Ltd., English Electric Co. of India Private Ltd., etc.
- Sri R. N. BANERJEE**, C.S.I. C.I.E. I.C.S. (Retd.), 17 Friends Colony, Mathura Road, New Delhi. Ex-Secretary Commonwealth Affairs India. Ex-Secretary, Ministry of Home Affairs Government of India. Ex-Chairman, Union Public Service Commission.
- Sri C. N. CHANDRA**, C.I.E., I.C.S. (Retd.), Friends Colony, Mathura Road, New Delhi. Ex-Secretary Ministry of Finance, Govt. of Punjab. Ex-Secretary, Ministry of Rehabilitation, Govt. of India.
- Sm. MANASI RAY**, 2, Brabourne Road, Calcutta. Director: Raymon & Co. (India) Private Ltd., Raymon Minerals Private Ltd., Raymon Constructions Private Ltd.
- Sri D. M. NETERWALA**, Liberty Building, Marine Lines, Bombay. Director: General Pharmaceuticals Private Ltd., Cambata Ferromanganese Private Ltd., Raymon Minerals Private Ltd., etc.

REGISTERED OFFICE:

2, Brabourne Road, Calcutta-1.

MANAGING AGENTS:

Messrs. Raymon & Co. (India) Private Limited.
2, Brabourne Road, Calcutta-1.

BANKERS TO THE ISSUE:

State Bank of India, Strand Road, Calcutta.
Punjab National Bank Ltd., Canning Street, Calcutta.

SOLICITORS:

Messrs. Orr, Dignam & Co.,
29, Netaji Subhas Road, Calcutta.

AUDITORS:

Messrs. Price Waterhouse Peat & Co.,
B-4, Gillander House, Calcutta.

BROKERS TO THE ISSUE:

Managing Brokers:

Messrs. Place Siddons & Gough (Private) Ltd.,
6, Lyons Range, Calcutta-1.

Brokers:

Messrs. Bativala & Karani,
Union Bank Building,
Dalal Street, Bombay.

Messrs. Lewis & Jones,
Bank of Baroda Building,
Apollo Street,
Bombay-1.

Messrs. Paterson & Co.,
22, Errabalu Chetty Street,
Madras-1.

Messrs. Harbans Singh Mehta & Co.
33, Regal Buildings,
Parliament Street,
New Delhi.

CONSENTS

The consent in writing of the Bankers, Solicitors, Auditors and Brokers to act in their respective capacities have been filed with the Registrar of Companies. The Auditors of the Company have given and have not up to the date of delivery to the Registrar of Companies, West Bengal, of this Prospectus for registration, withdrawn their written consent to the issue of this Prospectus with the inclusion therein of their Report, set out below, in the form and context in which it appears.

1. TERMS OF PAYMENT OF THE ABOVE SHARES

EQUITY SHARES

- (a) On application: ... Rs. 5-00 per share
(b) Balance: ... Rs. 5-00 per share on allotment

PREFERENCE SHARES

- (a) On application: ... Rs. 50-00 per share
(b) Balance: ... Rs. 50-00 per share on allotment

2. DIVIDEND AND CAPITAL

The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits of the Company and may, subject to the provisions of Section 207 of the Companies Act, 1956, fix the time for payment.

No dividend shall be payable except out of the profits of the Company during the year or any other undistributed profits and no dividend shall carry interest as against the Company.

Preference Shares: The Preference Shares will confer upon the holders thereof the right to a fixed cumulative preferential dividend of an amount which after deduction therefrom of an amount calculated at the lowest rate for deduction of tax (including super-tax, if any) at source prescribed by the Income-tax Act in force at the time will leave a net amount equivalent to 6½% per annum on the capital for the time being paid up thereon. Under the Indian Income-tax Act as recently amended by the Finance Act 1960 the lowest rate for deduction of tax at source is 30% so that the dividend payable in respect of the Preference Shares will in fact be 9 2/7% from which tax at source will have to be deducted by the Company at the rates prescribed by the Act, that is to say for instance (a) in the case of an individual resident in India the prescribed rate for deduction at source is 30% for income-tax and nil per cent for super-tax so that in fact such person will receive 6½% on each Preference Share, and (b) in the case of a body corporate resident in India (including an Indian Company) the prescribed rate for deduction is 20% for income-tax and 10% for super-tax so that it will also receive 6½% on each Preference Share. The Preference Shares shall also confer on the holder thereof the right on winding up to payment off of capital and areas of dividend in priority to the equity shares but shall not confer any further right to participate any profits or assets.

(2) Subject to the provisions of the Companies Act, 1956, the Company shall have the option to redeem the whole or any part of the said Redeemable Preference Shares at par at any time or times after the expiry of 10 years from the date of issue on giving not less than six months previous notice in

RAYMON ENGINEERING WORKS LIMITED

writing specifying the date of redemption and, in the case of partial redemption, the number of shares to be redeemed.

2. OBJECTS OF THE COMPANY

The Company was incorporated on the 30th November, 1954, with the objects mentioned in the Memorandum of Association of the Company and in particular to undertake the manufacture of locomotives and engines of all kinds, of railway wagons and all other rolling stock and components and the sale thereof.

The Company obtained a certificate of entitlement to commence business on the 10th December, 1955.

4. MANUFACTURING LICENCES

(1) The Government of India issued under the Industries (Development and Regulation) Rules, 1952, a licence No. L/17A/4/55 dated 5th August, 1955, for manufacture of 312 covered broad gauge railway wagons and 26 broad gauge bogey underframes per month.

(2) The Government of India subsequently issued under the Industries (Development and Regulation) Rules, 1952, a licence No. 7(4) (59) 1A(LI11)/58, dated 5th May, 1959, for the manufacture of the following items, the installed capacities of which it is stated will be fixed after the Company goes into production:

- Components for Rolling Stock.
- Points and Crossings.
- Railway Steel Sleepers and Pressed Steel Tanks.
- Structural Steel Work Fabrication of all descriptions.
- Cranes of all descriptions.

5. PLANT SITE, CONSTRUCTION OF WORKSHOPS, POWER, ETC.

The Company constructed workshop sheds and other buildings and facilities for the manufacture of railway wagons at Santargachi, District Howrah, West Bengal, which is six miles away from the business centre of Calcutta and has a private railway siding through which raw materials required for the manufacture of the products can be delivered at site and the finished products can be conveniently delivered to the railways direct from the work siding.

24 bighas of land together with existing structures such as workshop building, office building, stores and other buildings were acquired and modernised by the Company. Another 141 bighas of land for the purposes of putting up workshops and factory buildings for the manufacture of the items such as cranes, points and crossings, rolling stock, etc., and extension of the works and sheds for railway wagons has been acquired and delivered to the Company by the Government of West Bengal (on behalf of the Company) under the Land Acquisition and Development Act, 1948. An agreement is shortly expected to be finalised and entered into with the Government of West Bengal for the land acquired and delivered to the Company and the terms of the agreement are being prepared by the Government which it is expected will include among others the following terms.

- The Company will have to deposit the entire cost of the acquisition with the Collector, Howrah, on demand.
- Employment of displaced persons as far as possible in the unskilled and semi-skilled category of labour to be employed at the Company's works.

The acquisition cost of this land will be calculated at the 1946 rate and will be met from out of the proceeds of this issue. It is not expected to exceed Rs. 2,91,000.

Supply of power has been arranged with the Calcutta Electricity Supply Corporation Ltd., Calcutta, and the necessary equipment, namely, transformers, switches, etc., have already been imported from the United Kingdom for this purpose. Cable-laying work is in progress for the supply of 6 k.v. 2000 k.w. power which is considered adequate for the requirements of the undertaking.

Satisfactory arrangements for the supply of water have been made by the Company.

6. WORKSHOP BUILDING, PLANT, MACHINERY & EQUIPMENT

Buildings and sheds of the total value of Rs. 16,22,000 have already been erected and/or remodelled and plant and machinery for the workshops of a total value of Rs. 9,60,000 have already been installed. Further plant and machinery of a total value of Rs. 20 lakhs have been imported and are at present against advances given by the Banks (vide paragraph 13) and are at present pledged to the Bank and are to be paid for partly out of the proceeds of this issue and partly from the loan from the Industrial Finance Corporation of India. Plant and machinery of the value of Rs. 14,97,000 (approx.) remains to be purchased and it is proposed to purchase them in consultation with the Company's Technical Consultants. The Company has submitted an application for an import licence in respect of the said plant and machinery to the Chief Controller of Imports, Governments of India.

About 2,000 tons of structural steel have already been imported from Japan and West Germany to be utilised to erect the shops under the expansion programme of the undertaking.

7. RAW MATERIALS

The principal raw materials required by the Company are semi-finished and finished steel, steel castings and pig iron. These are indigenous materials and with the establishment of the different Steel Plants in India, an adequate supply of raw materials are readily available. The location of the Company's Works at Santargachi, West Bengal, places it in close proximity with the principal sources of raw materials.

3. PRESENT PRODUCTION

The Company has obtained an Educational Order from the Railways for the manufacture of 250 railway freight wagons at Rs. 11,539 per wagon making a total order of Rs. 28 lakhs to be delivered by 30th September, 1960; the Company has already manufactured and delivered to the Railways 21 freight wagons against this Order and because production was initially delayed due to non-availability of matching steel, the allocation of which is under Government control, it is reasonably expected that an extension of the delivery period can be negotiated with the Railways should such be necessary. Steel structural fabrication capacity of 100 tons per month has already been established.

9. TECHNICAL COLLABORATION

The Company has entered into arrangements with Messrs. Hoesch Export G.m.b.H., Dortmund, West Germany, and appointed them the Technical Advisors of the Company for an initial period of five years. Messrs. Hoesch Export G.m.b.H. is the export organisation for the vast Hoesch Industrial Combine in West Germany, who are world famous in the steel, iron, machinery, locomotive and rolling stock manufacturing industries. The technical assistance to be given by Hoesch will be through their parent and various associate concerns as follows:—

- | | |
|--|--|
| 1. Messrs. Hoesch Werke A.G., Dortmund, West Germany. | Rolled steel, tubes, wire and wire products, high quality steel, special steel, forgings, spring steel, steel castings, etc. |
| 2. Messrs. Orenstein-Koppel Und Lubeker Maschinenbau Aktiengesellschaft, Dortmund, West Germany. | Wagons of different description, cranes of different description, coaches of different description, Locomotives, etc. |
| 3. Messrs. Maschinen Fabrik Deutschland, Dortmund, West Germany. | Machine tools of different description, points and crossings, etc. |

An Agreement has been reached with Messrs. Hoesch Export G.m.b.H. under which provision is made (inter alia) for:

- Technical assistance in the selection, purchasing and procuring on behalf of the Company of all engineering stores, steel and other industrial raw materials, tools, equipment and machinery.
- Hoesch will collaborate with the Company in respect of contracts undertaken for the designing, manufacture and erection of various engineering chemical and other industrial plants and factories for the public and private sector and Hoesch will undertake the preparation of designs, project reports, manufacturing drawings and specifications and will assist and advise the Company in the fabrication and erection part of such contracts on such terms as will be mutually arranged from time to time.
- Hoesch, through its associated concerns, will undertake the designing and supply of jigs tools and fixtures and dies as required by the Company and will design and advise on all steel structural and other steel fabrication work undertaken by the Company in India.
- Hoesch will provide the Company with the best possible knowledge and technical know-how with particular reference to modern developments in welded structures and designing.
- From time to time as and when required by the Company Hoesch will render to the Company technical services and know-how and engineering data and advise the Company on the best and most economical methods of production of the various items manufactured or to be manufactured by the Company under its production plans including any expansion programme of the Company. For such purposes Hoesch will send to the Company's Works specialised foreign technical personnel on short visits as and when required to advise the Company so as to put it into optimum production according to the best modern methods. The cost of journey to and fro by plane + Rs. 100/- per day on account of the boarding and lodging will be borne by the Company.
- Hoesch will afford training facilities to the engineers of the Company sent to their Works in Germany as may be mutually arranged.
- In consideration for the rendering of the technical services the Company will pay Hoesch an annual fee of £2,500/- Sterling payable either in Sterling or in equivalent Deutsch Marks for the duration of the Agreement and reimbursement of expenses.

The above Agreement has been approved by the Government of India in terms of its letter No. M. E. Ind. 2088/G/60 of the 15th June, 1960.

Messrs. Hoesch Export G.m.b.H. have agreed that a member of their Company will shortly join the Board of Directors of the Company.

10. MANAGEMENT AND TECHNICAL STAFF

The Company is managed by Raymon & Company (India) Private Limited, the Managing Agents of the Company, who will under the advice and assistance of the Company's Technical Collaborators, Messrs. Hoesch Export G.m.b.H., be responsible for implementing the Production Plans of the Company. The Works are staffed with qualified and experienced engineers and technicians, many of whom have long experience in Railway and engineering workshops in India. Through the collaboration arrangements with the Technical Collaborators of the Company, qualified foreign technical personnel will be sent to India to occupy key positions in the different divisions of the Works. The Company has also arranged with its Technical Collaborators for specialised training of its selected qualified Indian engineers at the Works of the associated Hoesch concerns at Germany.

11. MARKET AVAILABILITY & PROSPECTS

With the progress of industrial development and materialisation of various agricultural and industrial programmes under the different Five Year Plans, the entire pattern of railway transport system has been undergoing gradual changes. Adequate transport facilities are being planned and developed to cope with the movement of raw materials and finished products to and from the Steel Projects at Durgapur, Rourkela and Bhilai, and Chemical Fertilizers, Coal, Sugar, Jute, Heavy Machineries, and various other industries throughout the country. In years to come, as India proceeds towards the fulfilment of its various programmes towards industrial and agricultural self-sufficiency, there will be a growing increase in the volume of railway traffic. New routes, growth of new towns and ports and healthy industrial and commercial activities all over India will constitute a heavy traffic programme. Each ton of finished steel requires the movement of about six tons of raw materials and other ancillary stores. All these represent a substantial increase in railway transportation required for the haulage of raw materials to factory sites, and of the finished products to the centres of consumption and ports of export.

The Indian Railway Equipment Advisory Committee at its Fifth Meeting held in Bombay on 24th April, 1959, has concurred as follows:—

"The capacity of wagon building has progressively increased and the target of 36,000 numbers of 4-wheeled wagons per year would remain."

RAYMON ENGINEERING WORKS LIMITED

The total production of wagons in India are as follows:—			
1936	...	...	16,109 wagons.
1937	...	...	16,954 "
1938	...	...	13,597 "
1939	...	...	10,150 "

In the Programme of Industrial Development, 1960-61, the Planning Commission has observed that the demand for fabrication of structural including wagon manufacture would be estimated at 5,00,000 tons by 1960-61. If the tonnage of 36,000 numbers wagons at 4½ ton average per wagon (which will work out to 2,50,000 tons) is taken out from 5,00,000 tons, the balance has also been stated in the said Programme that the present capacity of production for fabrication of structural items is estimated at 1,26,000 tons. The structural fabrication items are therefore short in supply by 1,24,000 tons, i.e., the demand is by far greater than the present supply. The demands are expected to considerable increase under the successive Five Year Plans of the Government of India. The Company expects to receive from the Railway Board large orders for wagon manufacture on completion of the Educational order in hand.

The other items in the manufacturing programme are components and equipments of rolling stock and are used by the Railways principally; correspondingly the demand for such items will progressively increase with the development of the Railways and other industries.

On the basis of the existing trends the Directors are of the opinion that in the absence of any unforeseen circumstances the Company should be in a position to declare its first dividend on the Equity Shares in about 1962.

12. PRODUCTION PLANS

The production plans are as follows:—
Rolling Stock: Wagons.

The Wagon Section has commenced production and is the parent unit which controls and administers all other units. For the present, the Works will produce 1,000 wagons per annum. For the expansion proposed, sheds, buildings, machinery etc., have been designed and selected in such a way that they can be switched over to welded type wagon manufacture. The licensed capacity granted to the Company by the Government of India is 14 wagons production per day, in terms of 4 wheelers approximately 35,000 tons per year, which is the second largest licensed capacity sanctioned by the Government of India.

Rolling Stock: Components.

Production in this Section has already commenced and shall be stepped up within the next few months with the addition of machinery and equipments already imported. The tooling up of machinery and equipment for the department has been so planned that the Works besides being self-sufficient for component for wagon production will be able to cater to Government requirements and requirements of other Wagon, Locomotive and Automobile manufacturers.

In the Rolling Stock Section, there is provision for a wagon assembly shop, wagon paint shop, forge and smithy shop, and general machine and tool shop. The Rolling Stock Section has been laid out on modern lines on a belt system which would involve feeding of raw material at one end of the manufacturing process and the delivery at the other end of the finished product.

Structural Steel Shop including Manufacture of Cranes:

In view of the enormous quantity of structural steel work expected to be required under the future Five-Year Plans, the Company's factory is being tooling up to undertake such work on a large scale.

The Structural Steel Fabrication Shop will be developed concurrently with the development of the wagon manufacturing unit and a fair portion of equipment installed in the Rolling Stock Section will serve the dual purpose of assisting in the support of the structural unit. The installed capacity in this section will be 4,500 tons per year. The present capacity is 1,200 tons per year.

The manufacture of Cranes is being taken up in the proposed expansion programme. It will be a subsidiary unit of the Structural Department. At present it is proposed to import and also procure from local suppliers all electric motors, hoisting equipment and mechanical gear, chains, hooks, drums, etc. Complete structure with end carriages, trolleys, etc., will be fabricated in our works. Manufacture of the Crane will be undertaken in technical collaboration with Messrs. Orenstein-Koppel und Luebecker, Maschinenbau A.G. (an associate concern of the Technical Consultants of the Company), the world-famous manufacturers of the O & K Cranes, Wagons, Coaches, Locomotives, etc. The target of production is 90 five-ton cranes annually, commencing from the early part of 1961.

Points & Crossings:

This Shop has been planned to turn out for the first two years of production 900 tons per year of Railway Points and Crossings for 90-lb. rails, production commencing from early part of 1961. The plant and machinery for this Shop have been selected by Messrs. Hoesch Export G.m.b.H. in consultation with Maschinen Fabrik Deutschland—one of the foremost manufacturers in West Europe of this item and one of the associate concerns of the Company's foreign collaborators.

Pressed Steel Shop:

The Shop will not only produce all Pressed Fittings for Rolling Stock such as axle guards, body brackets, end ventilators, etc., but also pressed steel sleepers. The target of production is 5,000 tons per year. Production will commence within the next six months—machinery and equipments have been imported. It is also proposed to commence manufacture by end of 1961. Pressed Steel 'Tanks' in consultation with M/s. Hoesch Export G.m.b.H. (Technical Department), Dortmund, West Germany.

Crey Iron Foundry:

This Unit which is in the Company's expansion programme will be entirely a separate unit. The Foundry will mainly produce Cast Iron Sleepers (broad gauge) for 90, 75, 60 and 50 lb. rails with reverse jaws as the basic unit, and the target of production will be 5,000 tons of Cast Iron Sleepers per annum. It will be gradually increased to meet the Railway and market demands. The present demand of the Railway is 2,50,000 tons approx. of Sleepers per annum and the market demand is about 1,00,000 tons approx. per annum. Our Company has been asked by the Railway Board to set up capacity to take on orders for cast iron sleepers.

Other smaller castings for Rolling Stock such as brake blocks, standard plates, buffer washers, etc., will also be manufactured in the Foundry.

13. FINANCIAL ACCOMMODATION WITH BANKERS

The Company has credit facilities with its Bankers, Punjab National Bank Ltd., Canning Street, Calcutta, up to an aggregate of Rs. 32 lakhs outstanding at any one time and the facilities were arranged for the purpose of purchasing raw materials for the manufacturing of railway wagons and for purchase of structural steel for the construction of the workshops against pledge to the Bank. As at the 30th day of April, 1960, an amount of Rs. 22,62,135.27 nP. is outstanding on this account.

The Company has imported machine tools from Noble & Lund, U.K., WMW Export, East Germany, and China National Machinery Import Corporation, Shanghai, of an amount of Rs. 17,90,741.00 through credit facilities extended by the Bank of China, Calcutta, against pledge of the machine tools. As at the 30th April, 1960, an amount of Rs. 20,72,863.04 nP. is outstanding on this account, which is inclusive of customs duty, port, clearing, warehousing and Bank interest charges.

The amount outstanding with the Banks will be reduced (except as regards working capital) partly out of the public issue and partly out of the loan to be taken from the Industrial Finance Corporation of India so as to release all the materials and machinery presently held by the Banks as security.

LOAN CAPITAL

(1) The Industrial Finance Corporation of India, Reserve Bank Building, Parliament Street, New Delhi—1, has sanctioned a loan to the Company of the sum of Rs. 30,00,000/- on their usual conditions some of which have been indicated in their Memorandum of terms which has been accepted by the Company and others which will be laid down by the Corporation before the payment of the loan is made. This loan is to be secured by a fixed charge on the existing and future assets of the Company, viz., land, building, engines, machinery, plant, electric and other installations, railway siding, car, implements, equipments, furniture and fixtures, tools, accessories, articles, etc., and also a floating charge on machinery stores and machinery spares, both present and future. Interest will be payable on the loan at such rate as is fixed by the Corporation in this behalf from time to time with the prior approval of the Central Government, subject nevertheless, to a minimum rate of 7½ per annum with a rebate of ½ provided instalments of principal and interest are paid on due dates. The amount of loan is repayable in 10 annual instalments from 1st April, 1962, and ending on 1st April, 1971. Interest is payable half-yearly on 20th June, and 20th December each year. In addition, the Corporation will have the right to appoint two ex-officio directors and will as is usual in respect of its loan also exercise certain controls over the Directors and the Managing Agents of the Company so long as any portion of the loan remains outstanding and for which purpose the Articles of Association will have to be approximately amended.

(2) The Company has no debentures or debenture-stock outstanding.

14. CAPITAL OUTLAY AND MINIMUM SUBSCRIPTION

The capital outlay required to implement the production plan in respect of all manufactures is Rs. 1,30,00,000/- of which Rs. 1,00,00,000/- will be met by the share capital and Rs. 30,00,000/- by the loan sanctioned by the Industrial Finance Corporation of India. Of the share capital of Rs. 40,06,000/- consisting of 4,00,600/- ordinary shares of Rs. 10/- each have already been subscribed by the Managing Agents and the Directors and their friends. Part of the additional capital to be raised will be utilised towards reducing the loan account with the Punjab National Bank Ltd. and the Bank of China against which the plant and machinery and structural steels already imported are pledged.

In respect of the public issue under this Prospectus, the minimum subscription by which the Directors will proceed to allot is Rs. 40,00,000. Any short of the amount to be raised from the public will be as required met by borrowings from the Company's Bankers and/or the Managing Agents of the Company who have given a letter of undertaking in this regard or from other sources.

The capital outlay envisaged is as follows:—

ASSETS		CAPITAL OUTLAY				To be spent from		REMARKS
		Total outlay as per scheme.	Amount (approx.) already spent as at 31st March 1960		Balance (approx.)	I.F.C. Loan	Share Capital to be raised	
	Rs.	Out of Share Capital	Out of Borrowings	Rs.	Rs.	Rs.	Rs.	
Land	5,00,000	2,09,000	...	2,91,000	...	2,91,000	...	
Buildings including offices, roads, Railway tracks, walls, and misc installations	31,19,000	16,72,000	12,18,000	2,79,000	12,00,000	2,97,000	...	
General Office Equipment	1,43,000	62,000	...	81,000	...	81,000	...	
Capital plant and Machinery including vehicles and material handling equipment	45,15,000	9,60,000	*20,38,000	14,97,000	16,68,000	18,93,000	...	
Power and Electrical Installations	6,10,000	1,19,000	...	4,91,000	1,40,000	3,51,000	...	
Tools and Shop Equipments	1,77,000	25,000	...	1,52,000	...	1,52,000	...	
Stores and Working Capital	36,86,000	...	*15,34,000	6,42,000	...	26,77,000	...	
Development Expenses	...	10,09,000	*5,01,000	...	...	...	...	
Expenses for the Issue-Brokerage	1,35,000	...	...	...	...	...	...	
General Expenses	1,15,000	...	...	2,50,000	...	2,50,000	...	
	1,30,00,000	40,06,000	53,11,000	36,83,000	30,00,000	59,94,000	...	

Note: Out of the capital to be raised by the present issue and the loan of the Industrial Finance Corporation of India, the borrowings mentioned in the Table above will be reduced and the rest will be utilised towards capital requirements.

25 June 1960

RAYMON ENGINEERING WORKS LIMITED

15. DIRECTORS

The Articles of Association provide that the qualification of a Director, other than an ex-officio Director, shall be the holding in his own name or jointly with any other person, whether beneficially or as a trustee or otherwise, of Equity Shares in the Capital of the Company of the nominal value of Rs. 1,000/-.

Article 95 provides inter alia that unless otherwise determined by the Company in general meeting, each Director shall be entitled to receive out of the funds of the Company for his services in attending meetings of the Board, a fee of Rs. 100/- per meeting of the Board attended by him. The Board, a fee of Rs. 100/- per meeting of the Board attended by him. The Directors shall also be entitled to receive a commission (to be divided between them in such manner as they shall from time to time determine and, in default of determination, equally) of 1 per cent to the net profits of the Company (computed in the manner laid down in Sub-section (1) of Section 198 of the Act) in any financial year. Other remuneration, if any, payable to a Director is to be determined in accordance with and subject to the provisions of the Articles of Association and of the Companies Act, 1956.

Any Director who serves on any Committee or who devotes special attention to the business of the Company or performs other services outside the ordinary scope of his duties may, subject to the provisions of Section 310 of the Companies Act, 1956, be paid such extra remuneration as the Board may determine. The Directors are entitled to be paid their reasonable travelling and hotel and other expenses incurred in the execution of their duties as Directors.

The number of Directors of the Company is fixed by the Articles of Association at not less than three nor more than nine. Provision is also made in Article 112 for the appointment of an alternate for an absent director.

Raymon & Company (India), Private Limited, the Managing Agents of the Company, are at liberty to appoint one-third of the total number of Directors and to remove from office any person so appointed at any time and whenever any person so appointed ceases to be a Director to appoint another in his place. Such Director are ex-officio Directors within the meaning of the Articles of Association of the Company and such one of them as from time to time and at any time is named by the Managing Agents is entitled to be the Chairman of the Board.

Subject to the provisions of Section 255 of the Companies Act, 1956, an ex-officio Director shall not be liable to retirement by rotation.

16. INTEREST OF DIRECTORS

1. Sri M. C. Ray is a Director and member of Rayman & Co. (India), Private Limited, Managing Agents of the Company.

2. Sm. Manasi Ray is a Director and member of Rayman & Co. (India), Private Limited, Managing Agents of the Company.

3. Mr. H. J. Silverston is a Partner in the firm of Messrs. Orr, Diggam & Co., the Solicitors of the Company who will be paid their professional charges for services rendered to the Company.

4. Mr. C. N. Chandra has been appointed the Business Adviser of the Company on a salary of Rs. 2,540/- per mensem with an allowance of Rs. 250/- monthly for entertainment and a conveyance allowance. As a Director Mr. Chandra has waived the sitting fees and the 1% commission payable to Directors pursuant to Article 95 of the Articles of Association.

All the Directors are interested to the extent of the shares in the Capital of the Company subscribed for and allotted to them and to the Companies in which they are interested.

17. MODIFICATION OF RIGHTS

Rights attached to Equity shares, preference shares and any other class of shares in the capital of the Company may be modified under the provisions of Section 106 of the Companies Act, 1956, as permitted by Article 59 of the Articles of Association.

18. RESTRICTIONS AS TO ATTENDANCE, PARTICIPATION AND VOTING AT GENERAL MEETINGS

So far as Equity shares are concerned, every member present in person or if a body corporate, through a representative or by proxy, is entitled to have one vote. On a poll the voting right of such member, whether present in person or by representative or by proxy, is to be in proportion to his share of the paid-up Equity Share Capital of the Company.

So far as Preference Shares are concerned, every member of the Company having such Preference Share Capital has a right to vote only on resolutions or questions placed before the Company which directly affect the right attached to the Preference Shares. A resolution for winding up of the Company or for repayment or reduction of its Share Capital is to be deemed directly or indirectly to affect the rights attached to the Preference Shares. Every member of the Company holding any Preference Share Capital is only entitled to vote on every resolution on question placed before the Company at any meeting if the dividend due on such capital or any part of such dividend has remained unpaid in the case of Cumulative Preference Shares in respect of an aggregate period of not less than two years preceding the date of commencement of the meeting.

Where the holder of a Preference Share has a right to vote, he shall, if present in person, have one vote upon a show of hands and upon a poll, he shall, whether present in person or proxy, have a voting right in the same proportion as the capital paid-up in respect of the Preference Shares bear to the total paid-up Equity Share Capital of the Company.

No member is entitled to exercise any voting rights either personally or by proxy at any meeting in respect of any share on which any calls or other sums have not been paid in regard to which the Company has exercised any right of lien.

The voting rights are in all respect in accordance with the provisions of Section 87 of the Companies Act, 1956.

19. BORROWING POWERS

The Articles of Association provide that the Board may, on behalf of the Company from time to time, raise or borrow and secure the repayment of any sum or sums of money in such manner and upon such terms and conditions in all respects as it may think fit provided that the amount borrowed and outstanding (apart from temporary Bank Loans) shall not, without the sanction of the Company in General Meeting, exceed the aggregate of the

Company's paid-up Capital and free reserves, that is, reserves not set aside for any specific purpose.

20. RESTRICTIONS ON THE RIGHT TO TRANSFER SHARES

Subject to the provisions of Section 111 of the Companies Act, 1956, the Directors may, without assigning any reason, decline to register any transfer of partly paid-up shares to a transferee of whom they do not approve or any transfer of shares on which the Company has lien.

No transfer will be registered unless a proper instrument of transfer duly stamped and executed by and on behalf of the transferor for the transferee in accordance with Article 39 of the Company's Articles of Association is delivered to the Company along with the certificate or if no certificate is in existence the Letter of Allotment in respect of the shares.

No transfer shall be made to a minor or person of unsound mind.

21. ISSUES OTHERWISE THAN IN CASH

65,000 Equity Shares of Rs. 10/- each have been issued to Raymon & Co. (India), Private Ltd. in consideration for the acquisition of 24 Bighas of land with buildings and steel structures at Santragachi, Howrah District West Bengal for which the Controller of Capital Issues gave his consent by his letter No. R348-001/58 dated 5th January, 1959. Save as aforesaid no shares or debentures have, within the two preceding years, been issued or agreed to be issued as fully or partly paid-up otherwise than for cash.

22. BROKERAGE

(1) Brokerage will be paid by the Company to members of any recognised Stock Exchange and to Banks @ 0.75 nP. per Share in respect of the 20,000 Preference Shares and @ 0.18 nP. per Share in respect of 3,99,400 Equity Shares allotted in respect of applications bearing their stamps.

(2) A Commission will also be paid by the Company to the Managing Brokers referred to in this Prospectus at the rate of 0.25 nP. per Share on all the 20,000 Preference Shares and at the rate of 0.7 nP. per share on all the 3,99,400 Equity Shares offered and actually allotted to the public.

23. EXPENSES OF THE ISSUE

The Expenses of the issue including brokerage, commission and general expenses will not exceed Rs. 2,50,000/- and are payable by the Company.

24. AUDITOR'S REPORT

The Directors,
Raymon Engineering Works Ltd.,
2, Brabourne Road,
Calcutta-1.

Dear Sirs,

We have examined the books of Account of Raymon Engineering Works Ltd., which we have audited for the two years ended 31st March, 1959, and those from the date of incorporation of the Company on 30th November, 1954 to March, 1957 audited by Messrs. Ray & Ray, Chartered Accountants of Calcutta. The accounts for the period ended 31st March, 1960 have been made up and the books and accounts are at the date of this report under audit by us.

PROFITS AND LOSSES:

The Company has not carried on any major Trading Operation during the periods mentioned above. The gross proceeds of Trading subsequent to 31st March, 1959 being in respect of Test and Educational Orders has been applied against the balance of Development Expenses in which account the relative costs are included.

ASSETS AND LIABILITIES:

We also report that the Assets and Liabilities of Raymon Engineering Works Ltd., as at 31st March, 1960 according to the Accounts, which are in Agreement with the Company's books, are set out below:—

Fixed Assets—			
At Original Cost (less Depreciation up to 31st March, 1959)	Rs. nP.	Rs. nP.	
...	...	50,29,504.47	
Current Assets—			
Stores	At Cost	23,72,314.97	
Tools and Implements	...	25,119.85	
Production Work-in-Progress	...	1,07,760.13	
Proto-Type Wagon	...	22,654.27	
Sundry Debtors	...	22,976.85	
Advances and Deposits recoverable in cash or in kind or for value to be received	...	2,26,313.17	
Cash in hand and at Banks on Current Account	...	834.71	27,77,973.95
TOTAL Rs.	...	...	78,07,478.42
LESS			
Liabilities and Other Provisions—			
Secured Loans	...	42,92,324.81	
Unsecured Loans	...	8,17,017.53	
Sundry Creditors	...	2,01,068.33	53,11,010.67
Net Assets as at 31st March, 1960	...	...	24,96,467.75
ADD			
Balance of Development Expenses—			
Being expenditure during construction period including items not yet allocated to Fixed Assets Accounts	...	16,81,776.50	
Less—Amount billed	...	2,57,642.84	
...	...	14,24,133.66	
Less—Depreciation included therein	...	84,731.27	13,39,402.39
...	...	...	38,35,870.14

RAYMON ENGINEERING WORKS LIMITED

Represented by—

3,35,600 Equity Shares of Rs. 10/- each fully paid in cash ...	33,56,000.00	
65,000 Equity Shares of Rs. 10/- each fully paid for a consideration other than cash ...	6,50,000.00	40,06,000.00
Less—Preliminary Expenses ...	85,398.59	
Depreciation ...	84,731.27	1,70,129.86
		38,35,870.14

No dividend has been declared by the Company since the date of incorporation.

Yours faithfully,

Sd/- PRICE, WATERHOUSE, PEAT & CO.,
Chartered Accountants.

B-4, Gillander House,
Calcutta, 8th June, 1960.

25. MANAGING AGENTS

Raymon & Co. (India), Private Limited are the Managing Agents of the Company on the terms of an Agreement dated the 10th day of May, 1960, and their appointment was from 7th February, 1956 for a period of ten years. Such appointment received the approval of the Government of India under the Indian Companies Act, 1913, and approval was confirmed later by the Government of India by their letter No. 41(19)-CL/55 of 7th February, 1956.

The Managing Agents receive as remuneration in respect of their services as Managing Agents a sum of the net profits of the Company for each financial year or part thereof determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956, with a minimum remuneration of Rs. 12,000/- per annum. They are also entitled subject to the provisions of the Act to the reimbursement of all expenses incurred either wholly or proportionately on behalf of the Company and are entitled to charge the Company rent for office premises leased to the Company. The Managing Agents are entitled to payment of compensation for loss of office the limit of which will be determined by mutual agreement but will not exceed five times the average annual remuneration earned during the three preceding years.

By virtue of Section 330 of the Companies Act, 1956, all managing agency agreements are to terminate on the 15th August, 1960. The Central Government by its letter No. 9 (129)—C. 111/59 of the 18th June, 1960, has approved the reappointment of the Managing Agents on the terms of a draft Agreement the principal terms of which provide as follows:—

The Managing Agents will hold office up to the 14th day of August, 1965. The remuneration proposed to be paid to them in respect of their services as Managing Agents for each financial year or part thereof of the Company the following remuneration is based on the net profits of the Company determined in accordance with the provisions of the Companies Act, 1956:

- 10 per cent on the first 10 lacs net profits or fraction thereof;
- 9 per cent on the next 10 lacs net profits or fraction thereof;
- 8 per cent on the next 10 lacs net profits or fraction thereof;
- 7 per cent on the next 10 lacs net profits or fraction thereof;
- 6 per cent on the next 10 lacs net profits or fraction thereof;
- 5 per cent on the next 10 lacs net profits or fraction thereof;
- 4 per cent on any sum over one crore of rupees net profits.

In the event of loss or inadequacy of profits in any financial year, the Managing Agents shall be entitled to receive by way of minimum remuneration the sum of Rs. 12,000/- for such financial year.

The Managing Agents are entitled to be reimbursed by the Company and expenses incurred by them on behalf of the Company as may be determined by the Board of Directors of the Company subject to the provisions of the Companies Act, 1956. The Managing Agents are to provide the Company with office accommodation at Calcutta and at such other places in India which they may be able to provide such accommodation and the Company will pay to the Managing Agents such rent and outgoings as the Board may from time to time determine. In the event of the Managing Agents being entitled to compensation for loss of office, the limit of such compensation will be governed by Section 366 of the Companies Act, 1956.

Authorised Capital of Raymon & Co. (India) Private Ltd. is Rs. 30,00,000/- divided into 10,00,000 Equity Shares of Rs. 3/- each. The Subscribed and Paid-up Capital is Rs. 15,12,000/- divided into Equity Shares of Rs. 3/- each.

26. MATERIAL CONTRACTS

The following contracts, not being contracts in the ordinary course of business which are or may be considered material, have been entered into by the Company during the two years preceding the date of this Prospectus:

(1) Agreement dated 15th July, 1957, with the Export Corporation WMW Export Deutscher Innen Und Aussenhandel of Berlin for the purchase of plant and machinery of a total approximate value of Rs. 13,09,120/- and the Company's cable dated 3rd January, 1958, amending the terms of payment and acceptance of the party with modification dated 24th March, 1958, and acceptance dated 6th August, 1958, with the Export Corporation WMW Export Deutscher Innen Und Aussenhandel of Berlin for the purchase of machinery of approximate value of Rs. 1,26,889/-. (3) Five Agreements dated 4th July, 1958, 29th August, 1958, 6th November, 1958, 6th November, 1958 and 12th November, 1958, with China National Machinery Import Corporation, Shanghai China for the supply of machine tools of approximate value of Rs. 7,34,120/- (Note: Part of the Agreement, dated 6th November, 1958, for purchase of cranes of a total value of Rs. 2,37,040/- has since been cancelled). (4) Agreement dated 10th May, 1960, with Messrs. Raymon & Company (India) Private Limited, appointing the latter as the Managing Agents for a period of 10 years with effect from the 7th day of February, 1956. (5) Agreement dated 24th July, 1957, with Messrs. Raymon & Company (India) Private Limited, for the purchase of land, structures thereon, machinery, generating sets, etc., for a consideration of Rs. 6,50,000/- which was paid by the issue of 65,000 fully paid Equity Shares of Rs. 10/- each in the Share Capital of the Company. (6) Letter dated 7th June, 1960, recording the terms on which Messrs. Hoesch Export G.m.b.H. of Dortmund, West

Germany, are to be Technical Consultants to the Company and the nature of the technical assistance and cable dated 8th June, 1960, accepting the same, letter dated 10th June, 1960, to Hoesch supplementary to the letter of the 7th June, 1960 and accepted by cable dated 20th June, 1960, (7) Agreement with Sri M. C. Ray on behalf of the Ordinary Shareholders dated 8th June, 1960 for modification of rights of Preference Shareholders, (8) An order not in writing for 6 mobile cranes valued at Rs. 41,658/- purchased by Messrs. Raymon & Co. (India) Private Limited on behalf of the Company and transferred to the Company at the purchase price on 29th November, 1958, (9) An order not in writing for electric cables valued at Rs. 25,681.95 nP. purchased by Messrs. Raymon & Co. (India), Private Limited on behalf of the Company and transferred to the Company at the purchase price on 29th September, 1958, (10) Agreements dated 12th March, 1959, 28th November, 1958, and 17th October, 1958, with the Bank of China, Calcutta, for loan/advances account for Rs. 4 lakhs, Rs. 6.50 lakhs and Rs. 8.80 lakhs respectively at interest of 6% p.a. or 1% over Bank rate whichever is higher against the purchase of machine tools which are pledged to the Bank, (11) Order on the Calcutta Electric Supply Corporation Ltd., dated 2nd July, 1959, for the supply of power of 6 KV for a reserved load of 2000 KW at Rs. 2,26,000/-, (12) Agreement dated 28th April, 1960, with Messrs. Northern India Steel Industries, Bombay, for the sale of used power generating set for a consideration of Rs. 67,000/-, (13) Agreement dated 31st May, 1960, with set at Rs. 55,000/-, (14) Agreement not in writing for the sale of second-hand motors to M/s. Nimai Bros. on 18th June, 1958 for Rs. 1,600/-, (15) Agreement not in writing for the sale of second-hand motors sold to M/s. Banvarilal Dhan on 24th June, 1958 for Rs. 5,270/-, (16) Agreement not in writing for the sale of second-hand boiler sold to M/s. Balnichi Rice Mills, Hooghly, on 29th September, 1959 for Rs. 8,500/-, (17) Agreement not in writing for the sale of second-hand motor sold to Biharilal Saha on 3rd December, 1959, for Rs. 11,401/-, (18) M/s. Philips India Ltd.'s offer of 2,170 ft. P.L.C. cables dated 20th April, 1960, and our acceptance dated 29th April, 1960, (19) Loans without interest made by Mr. M. C. Ray from time to time between 1st April, 1959 to 31st May, 1960 to the Company amounted to (as at 31st May, 1960) Rs. 4,18,100/-, (20) Letter dated 28th May, 1960, to Sri C. N. Chandra recording terms of his appointment as Business Adviser of the Company, (21) An Agreement to sanction a loan of Rs. 30,00,000 by the Industrial Finance Corporation of India, New Delhi, on the terms set out in the letter LA. 534-30/264 dated 6th January, 1960, from the Industrial Finance Corporation of India enclosing their Memorandum of terms on which the loan of Rs. 30,00,000 will be made, letter LA. 534-391 dated 8th January, 1960, from the Industrial Finance Corporation of India clarifying the purpose for which the loan may be utilised by the Company and letter dated 15th January, 1960, addressed to the Industrial Finance Corporation of India accepting the terms on which the loan will be made, (22) An Agreement evidenced by its letter dated 21st January, 1959, entered into with the Punjab National Bank Ltd., for cash credit facilities as follows:—

- Rs. 12,00,000 cash credit against stocks of rolled steel, etc., hypothecated or pledged to the Bank—Interest 2% above Bank Rate with a minimum of 6% per annum—margin 10%.
- Rs. 5,00,000 cash credit against Government supply bills on a margin of 20%—Interest 2% over Bank Rate with a minimum of 6% per annum.
- Rs. 15,00,000 letter of credit limit for import of iron and steel materials—margin 5%.

All the above credit facilities have been guaranteed by Sri M. C. Ray and Sm. M. Ray. The Bank has subsequently been given by way of collateral security an equitable mortgage on the land and the structures thereon by the deposit of title deeds on 6th November, 1959, registered with the Registrar of Companies, West Bengal, on 13th November, 1959.

(23) Letter of undertaking of the Managing Agents RC/321 dated 16th June, 1960, undertaking to loan to the Company such amount not exceeding Rs. 20,00,000 as may be required by the Company in the event that there is a shortfall in the capital to be raised out of the proposed public issue of Rs. 59,94,000.

27. APPLICATION FOR SHARES AND ALLOTMENT

Applications for Equity Shares must be for a minimum of 50 shares or multiple of 50 shares, and for Preference Shares, 10 shares or multiples of 10 shares, and must be made on the form accompanying the Prospectus which can be had from the Company's Bankers or Brokers to the Issue.

All application forms duly completed must be lodged together with the amount of Rs. 5 per share in respect of Equity Shares and Rs. 50 per share in respect of Preference Shares, with either of the following Banks, namely:—

- State Bank of India,
Strand Road, Calcutta
- Punjab National Bank Ltd.,
Canning Street, Calcutta

or with any of their Local Head Offices at Bombay, Madras, Delhi and Branch Offices at Bangalore and Kanpur.

or with any of their Branch Offices at the following places, namely, Brabourne Road, Calcutta, Karimjee House, Bombay, Armenian Street, Madras, Minto Road, Delhi, Nayagunge Kanpur and Bangalore City.

The remittance should be made by cheque or draft which, if it is desired to avoid payment of Bank charges, must be drawn either upon one of the above Banks to which the application form or cheque or draft is being sent, said towns (or upon a Branch of any of the above Banks situated in any of the above towns) or upon a Branch of any Bank situated in the centre to which the application is being forwarded.

All cheques or drafts drawn on Banks situated at places other than those mentioned above should include a sum at the rate of 0.25 nP. per cent (minimum 0.62 nP.) of the amount remitted to cover all the commission and Bank charges; otherwise the application is liable to be rejected.

Cheques or drafts should be drawn in favour of "State Bank of India or Punjab National Bank Ltd. a/c Raymon Engineering Works Ltd. Equity of "State Bank of India or Punjab National Bank Ltd. a/c Raymon Engineering Works Ltd., Preference Issue" in the case of applications for Preference Shares. For the applicants' protection, cheques or drafts should be crossed "A/c Payee only." A separate cheque or draft must accompany each application.

25 June 1960

RAYMON ENGINEERING WORKS LIMITED

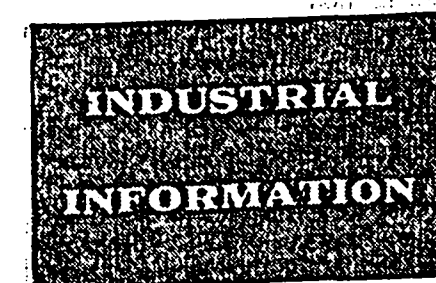
Allotment will be notified by despatch of an allotment letter but the Directors reserve the full and uncontrolled right of accepting or rejecting any application in whole or in part, in either case without assigning any reason. Where an application is rejected or not accepted in full, the whole or any balance of the application money received will be refunded to the applicant in which event, Bank commission, if any, will be payable by the applicant.

28. SHARE CERTIFICATES

Share Certificates will be issued in exchange for Letters of Allotment within 9 months.

29. INSPECTION OF DOCUMENTS

A print copy of the Memorandum and Articles of Association of the Company, copies of the Material Contracts listed in this Prospectus, the three consent orders of the Controller of Capital Issues, the two Manufacturing Licences, the letter No. M. E. Ind. 2088/G/60 of the 15th June, 1959,



Record Production of

Maize

According to the Directorate of Economics & Statistics, Ministry of Food & Agriculture, the All-India Final Estimate of maize for 1959-60 puts the area and production at 10,457,000 acres and 3,615,000 tons respectively as against the Partially Revised Estimate of 10,457,000 acres and 3,381,000 tons for 1958-59 indicating a substantial increase of 234,000 tons or 6.9 percent in production of maize during 1959-60 over the previous year, though the area remains at the same level. Production of maize during 1959-60 is the highest on record.

SHAW WALLACE & COMPANY LIMITED

Dividend on Preference Shares

The Directors have declared an Interim Dividend of 3%, subject to deduction of Tax under Section 18(3)(D) of the Income Tax Act, 1922, on the Company's Preference Shares in respect of the year 1960, payable to Members whose names appear in the Preference Share Register on the 15th July 1960. Warrants will be posted on or after that date to the addresses or in accordance with the instructions, recorded in the Company's books.

The Transfer Register of the Preference Shares will be closed from the 8th to the 15th July, 1960, both days inclusive.

By Order of the Board

SHAW WALLACE & COMPANY LIMITED

D. F. R. MALLOWS

Director.

4, Bankshall, Street, Calcutta. 1
22nd June 1960.

The average yield per acre of maize during 1959-60 works out to 774 lbs. which is 6.9 per cent higher than 724 lbs. for 1958-59 and 11.1 per cent higher than the average of 698 lbs. for the five years ending 1958-59. The per acre output during 1959-60 is the highest on record.

Increase in area during the current year has occurred mainly in Punjab, Rajasthan and Bombay States and is attributed generally to favourable weather conditions at the time of sowing. This increase has, however, been offset by the decrease in area reported mainly in respect of Jammu and Kashmir and Bihar.

The increase in production during the current year is accounted for mainly by Uttar Pradesh and Punjab and to a lesser extent by Bihar and is ascribed generally to favourable climate conditions during the period of growth. The large increase in the case of Uttar Pradesh is also reported to be due partly to intensive kharif campaign. The increase in the above States has been offset considerably by decrease in production mainly in Madhya Pradesh, Bombay and Andhra Pradesh. The decrease in outturn in these States is due largely to adverse seasonal conditions during the period of growth. The crop sustained heavy damage due to continuous and heavy rains in Bombay and Madhya Pradesh during August-September-October.

All-India Final Estimate of Dry Chillies, 1959-60

The All-India Final Estimate of dry chillies, 1959-60, puts the current year's area and production at 1,499,000 acres and 339,000 tons respectively, according to the Directorate of Economic and Statistics, Ministry of Food and Agriculture. As compared with the Partially Revised Estimates of 1,471,000 acres and 326,000 tons for 1958-59, the estimates for 1959-60 shows an increase of 28,000 acres or 1.9 per cent in area and 13,000 tons or 4.0 per cent in production.

The increase in area during the current year has been shared mainly by Rajasthan, Andhra Pradesh, Bihar and Madras and is attributed generally to favourable

referred to in paragraph 9 of the Prospectus, the Report of the Auditors on the Accounts of the Company for the last five financial years, may be inspected at the Registered Office of the Company during usual business hours (Saturdays excepted) until fourteen days after the opening of the subscription list.

Dated the Twenty-second day of June, 1960.

M. C. RAY
MANASI RAY
C. N. CHANDRA
H. J. SILVERSTON
R. N. BANERJEE
(by his Authorised Agent)

M. C. RAY
D. M. NETERWALA
(by his Authorised Agent)
M. C. RAY

Extraordinary of the 10th June, 1960, and will have immediate effect.

THE INDIAN GALVANIZING CO. (1925) LTD.

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting (being the thirty-fourth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Wednesday, the 13th July, 1960, at noon, to consider the Accounts of the Company for the year ended 31st December, 1959, to transact other ordinary business and the undernoted special business:—

SPECIAL BUSINESS:

NOTICE is also hereby given of the following resolution:—

(To be proposed as a Special Resolution)

"That in compliance with the provisions of Section 360 of the Companies Act, 1956, consent be and is hereby accorded to the sale by the Company to its Managing Agents, Balmer Lawrie & Co. Ltd. of the following assets at the prices stated:—

Cycle	Rs. 50
Motor Car	8500
Refrigerator	300
Electric Cooker	150

payment being due within one month of the date of completion of the said sale."

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 6th July, 1960 to 13th July, 1960, both days inclusive.

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

21, Netaji Subhas Road,
Calcutta.
3rd June, 1960.

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



Pivotal Shares Lose Ground

Investment Gossip:

EXCEPT for the continued steadiness of selected miscellaneous industrials and the lively interest in new issues, there is not much activity in the stock markets. The more speculative counters are subdued presumably because of indications of further credit curb measures.

Although the increase in the British Bank Rate to 6 per cent and the raising of special deposit rate of banks to 2 per cent cannot be expected to influence stock-market operators in India, these credit measures imposed by the British authorities will serve as a reminder that authority in this country may also be considering similar, if not identical, measures.

There are also other restraining influences in the investment situation. It would appear that Government announcement as regards the steel retention prices may be delayed in view of the greater time required by authority to examine fully the claims of the steel companies. This perhaps explains the weakness of speculatives in general and Indian Irons in particular. The fact that a large parcel of Indian Irons has changed hands has also contributed to the subdued tone of this scrip.

The proximity of the Government loan programme—it is expected to be launched next month—is also having its impact on market sentiment. Depletion of funds to the tune of about Rs 200 crores representing the approximate total amount of the Central and States loans cannot be easily ignored by operators.

It is not improbable that the international situation has something to do with the present general tendency to proceed cautiously at the higher levels. Above all, the fact that investors have continued to keep out of the market seems to have been mainly responsible for the decline in activity. The new issues, however, have been uniformly successful with almost all of them several times oversubscribed.

The interest of the investor in new issues, rather than in blue chips at current prices, seems to suggest that, in his view, and from the standpoint of yields, prices of blue chips are too high. Such a state of affairs arises because investors for "growth" are today stronger than the investors for yields.

Raymon Engineering

Investment Special:

One more new issue For the Investor which, undoubtedly, will attract considerable over-subscription has been announced this week by Raymon Engineering Works Limited.

First, as to the details of the issue. The public is offered Rs 39.94 lakhs of equity shares of Rs 10 each, and Rs 20 lakhs of 6½ per cent Redeemable Cumulative Preference shares of Rs 100 each. In each case, half of the face value of the share is payable with the application, the other half being due on allotment. Also, it has been made clear that the preferential dividend will be so calculated as "will leave a nett amount equivalent to 6½ per cent per annum on the capital for the time being paid up thereon." Thus, in terms of the Finance Act 1960, "the dividend payable in respect of the Preference Shares will in fact be 9-2/7 per cent from which tax at source will have to be deducted by the Company at the rates prescribed by the Act". The subscription list is to open on 27 June 1960 and will close on 4 July 1960 or earlier at the discretion of the Directors.

Next, as to why the investor should find this new issue particularly attractive. There can be no doubt that, today, the shareholder is more interested in the growth prospects of his investment than in the running yield that he is able to get from it. From this point of view, the expansion of Raymon Engineering is so certain, the prospect of increased earnings so encouraging, that the investor in "growth" scrip will, especially in view of the commanding premia which recent new issues have attained to, be anxious to get for himself a parcel of Raymon Engineering.

What does Raymon Engineering do? The objects of the company, as mentioned in the Memorandum of Association, envisage in particular the "manufacture of locomotives and engines of all kinds, of railway wagons and all other rolling stock and components and sale thereof." A license has already been obtained from Government, in 1955, for the manufacture of 312 covered broad gauge railway wagons and 26 broad gauge bogey under-frames a month. A subsequent license has also been obtained, whereunder manufacture of the following has been approved:

- (1) Components for Rolling Stock;
- (2) Points and Crossings;
- (3) Railway Steel Sleepers and Pressed Steel Tanks;
- (4) Structural Steel Work Fabrication of all descriptions; and
- (5) Cranes of all descriptions.

The company's works are situated in Santragachi, about six miles from Calcutta. The Wagon and rolling stock sections have already commenced production and the

factory is being tooling up to undertake structural steel work on a large scale for which a big demand is expected in the next few years. The company has arrangements with Messrs. Hoessch Export G.m.b.H for technical collaboration for implementing its production plans. These arrangements include the appointment of foreign technical personnel to key positions in the different divisions of the works and the training of its selected Indian engineers at the works of the associated Hoessch concerns in Germany.

After manufacture commences, Government are to determine the capacities to be sanctioned in respect of these items.

So: Take an engineering company; let it have a strong and respected Board of Directors; let it have, moreover, profitable lines of manufacture assured; that it will be a growth scrip is therefore implicit, and all that remains to be seen is not whether the Raymon Engineering new issue will be a success, but to know the magnitude of over-subscription that will greet this highly desirable public offering For the Investor.

£R\$

Sen Raleigh

The fact that the bicycle industry now finds a place in the list of industries which may not readily get Government sanction for expansion at least in the near future, shows the rapid strides this industry has taken in recent years. In 1959 the overall increase in production over the previous year was about 30 per cent and Indian bicycles are now participating in the export trade as well. The record of Sen Raleigh has been impressive last year as it has been able to achieve an expansion of nearly 50 per cent in its production and sale of bicycles over 1958. It is significant to note that this has been achieved with imports of materials standing almost at the same level as in 1957.

Sen Raleigh's share in the country's bicycle export is also quite substantial at 70 per cent. Mr Abhijit Sen, the Chairman, has told the annual general meeting of the company on Thursday that, in view of the possibility of Government not sanctioning additional capacity for the cycle industry, the time had come to think in terms of diversification of its production. Mr Sen has mentioned light engineering manufacture as the possible direction for branching out. In this regard, he has rightly pointed out that the chosen lines of expansion should be such as are likely to get ready Government sanction.

The demand for bicycles continues to be quite good in the country and as pointed out by Mr Sen the levy of an excise duty of Rs 10 on a complete cycle in the last budget has not, as feared, resulted in a slackening of demand.

Goodyear's New Tyre Factory

Goodyear's 6-crore Indian tyre and rubber manufacturing plant is steadily taking shape at Ballabgarh, near Delhi, with the commencement of construction work from last week. It is understood that the factory will be the most modern tyre factory in India and will operate the very latest equipment. A special feature is that it will introduce in this country, 3T, described as a revolutionary new processing of tyre fabric. The factory is expected to be completed early in 1961.

£R\$

New Issue Notes

The public issue of equity shares by the East Anglia Plastics (India) Limited has been about 18 times over-subscribed. The directors have decided to allot shares to each and every applicant and there will be no ballot. Applicants for 100 to 300 shares will get 10 shares per application; for 400 to 900 shares will get 20 shares; for 1000 to 1,200 shares will get 35 shares and for 1,400 to 10,000 shares will get 5 per cent. Allotment letters and refund pay orders will be despatched from 16 July, 1960.

A new company under the name of the National Oxygen Corporation Limited is proposed to be formed shortly to undertake the manufacture of Oxygen, acetylene, calcium carbide and urea. The authorised capital will be Rs 3 crores and the issued capital Rs 1 crore in the form of one lakh equity shares of Rs 100 each. The factory will be located near Bombay.

Subject to Government sanction, the Structural Engineering Works Limited has, it is learnt, decided to raise the ordinary capital from Rs 30 lakhs to Rs 45 lakhs, by making a right issue, at par. The new shares will be issued to the existing shareholders in the ratio of one share for every two shares held.

To carry out its programme of replantation of rubber, the Devona Tea & Produce Company limited has proposed to issue 25,000 equity shares of Rs 10 each, at par, to the existing shareholders in the ratio of one for every two shares held.

£R\$

Investment Notes:

THE shares of the West Coast Paper Mills have been ruling very firm during the past few days, having buyers up to Rs 217 from Rs 191.50. The main inspiration is derived from the reports that the company has applied to the Government for permission to double the capacity of its plant. There is a belief in certain circles that the company will be obliged to make a right issue after the receipt of the necessary sanction.

The Ordinary shares of the New Standard Engineering Company Limited have also moved up to Rs 142 from Rs 124 on sustained support. It is reported that the company has, under contemplation, an ambitious expansion programme, aimed at diversifying its activities.

The heavy engineering project, undertaken by the Associated Cement Companies Limited, is reported to be making satisfactory progress. The company has already received licences of a total value of about Rs 199 lakhs for importing machine tools, equipment and structural steel.

The Calico Mills, Ahmedabad, have obtained permission to issue Debentures of the second series for Rs 1.48 crores. These will rank pari passu in point of security with the Debentures of the first series.

£R\$

Investment Briefs:

THE Associated Industries & Engineering Corporation Limited has recommended an interim dividend of 4 per cent, subject to tax, for the year ended 31st March 1960.

Mettur Industries have announced a taxable dividend of 30 per

BRITISH INDIA ELECTRIC CONSTRUCTION CO. LTD.

The Board of Directors of the above Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a Dividend of 25 per cent for the year ended 31st December, 1959.

BALMER LAWRIE & CO. LTD.
D. MANSON,
Secretary,
Managing Agents.

21, Netaji Subhas Road,
Calcutta.
20th June, 1960.

BURN & COMPANY LTD.

NOTICE is hereby given that the Board of Directors has sanctioned payment of dividends on the 6½ and 7% Cumulative Preference Shares in the Company for the half-year from 1st January to 30th June, 1960. Payment will be made on or after the 11th July, 1960 to those Preference Shareholders whose names appear on the Company's respective Preference Registers on the 11th July, 1960.

The Preference Share Registers and Transfer Books of the Company will be closed from the 7th July to the 11th July, 1960, both days inclusive.

By Order of the Board,
MARTIN BURN LTD.,
F. G. LIVERSEDEGE,
Managing Director,
Managing Agents.

12, Mission Row
Calcutta.
23rd June, 1960.

cent for the year ended 31 March 1960 against a tax-free dividend of 25 per cent for the previous year.

Balasubramania Mills Limited has recommended a taxable dividend of 15 per cent for 1959 against a tax-free dividend of 10 per cent for 1958.

Cauvery Spinning has proposed a taxable dividend of 13 per cent against 9 per cent.

New Great Insurance has recommended a taxable dividend of Rs 2.50 against Rs 2.00 per share.

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Balance-Sheet Briefs:

SHAW Wallace & Company Limited has reported a net profit of Rs 65.22 lakhs for 1959 as against Rs 51.49 lakhs in the previous year. A dividend of 15 per cent, taxable, is recommended against a tax-free dividend of 10 per cent for 1958.

The working of the Saran Engineering Company Limited has resulted in a profit of Rs 2.65 lakhs for the year ended 31 March, 1960 as against Rs 98,852. A taxable dividend of 35 nP against a tax-free dividend of 25 nP per share is recommended.

The profit of the Tezpur Tea Company Limited has risen from Rs 6.19 lakhs to Rs 10.76 lakhs for 1959. A dividend of 25 per cent, taxable, is recommended against a tax-free 12½ per cent.

Larsen & Toubro Limited has reported a substantial increase in the gross profit from Rs 35.73 lakhs to Rs 49.04 lakhs for the year ended 31 March, 1960. The directors have recommended a taxable dividend of Rs 1.80 per share. This works out to a net dividend of Rs 1.26 against Rs 1.25 per share.

The gross profit of Shree Digvijay Cement Company Limited has increased from Rs 42.64 lakhs to Rs 48.09 lakhs for 1959. A taxable dividend of Rs 9 per share is recommended. This works out

to a net dividend of Rs 6.30 against Rs 9.00 paid for the preceding year.

The working of the Andhra Cement Company Limited has resulted in a profit of Rs 8.56 lakhs for 1959 against Rs 5.07 lakhs. The directors have recommended a taxable dividend of 10 per cent.

The net profit of the Travancore Cements Limited is slightly lower at Rs 8.58 lakhs against Rs 9.36 lakhs. A taxable dividend of 6 per cent is proposed against a tax-free dividend of 6 per cent.

The Vikram Mills Limited, Ahmedabad, has earned a profit of Rs 3.77 lakhs for 1959 against Rs 11,630. The directors have recommended a taxable dividend of Rs 50 per share.

The working of the Raja Bahadur Motilal Poonam Mills Limited has resulted in a profit of Rs 5.21 lakhs against Rs 2.38 lakhs. The dividend is passed over.

The Ajit Mills Limited has earned a profit of Rs 2.36 lakhs against Rs 1.72 lakhs. A taxable dividend of Rs 32 per share is recommended. The net dividend works out to Rs 22.40 against Rs 25 per share.

The net profit of the Coimbatore Pioneer Mills Limited is higher at Rs 22.90 lakhs against Rs 17.36 lakhs. A taxable dividend of 25 per cent against a tax-free dividend of 20 per cent is recommended.

The Sivananda Mills Limited has been able to report an increase in the net profit from Rs 11.13 lakhs to Rs 15.93 lakhs. An Ordinary dividend of 22 per cent (taxable) is recommended against a tax-free 15 per cent.

The Cannanore Spinning & Weaving Mills Limited has shown a slight rise in the net profit from Rs 7.54 lakhs to Rs 10.34 lakhs for the year ended 31 March 1960. The directors have paid a final dividend of 8½ per cent, making a total of 17 per cent (taxable) against a tax-free dividend of 15 per cent.

MEETINGS AND DIVIDENDS PROPOSED

Companies	Meeting Date	Dividend Proposed	Previous Dividend (Rs Per Share)	Transfer Books Closed
CALCUTTA:				
Indian Copper	... June 27	0.36	0.24	18/6/60 to 9/7/60
Churulia Coal	... June 28	0.12	0.20	11/6/60 to 28/6/60
Caledonian Jute	... June 29	12.00	15.00	15/6/60 to 29/6/60
Murphulani Tea	... June 28	2.00	2.00	22/6/60 to 28/6/60
Bowreah Cotton	... June 28	Nil	Nil	20/6/60 to 28/6/60
Dunbar Mills	... June 28	10.00	Nil	20/6/60 to 28/6/60
Mim Tea	... June 29	10.00	Nil	.....
Shree Gopal Paper	... June 29	17-6/7%	12½	16/6/60 to 29/6/60
Tezpur Tea	... June 29	2.00	1.25	20/6/60 to 29/6/60
Bharat Carbon	... June 29	10½	9½	16/6/60 to 29/6/60
New Beerboom Coal	... July 4	1.50	1.00	17/6/60 to 4/7/60
Tide Water Oil	... July 6	2.20	1.50	28/6/60 to 6/7/60
Belvedere Jute	... July 7	13.50	7.50	22/6/60 to 7/7/60
Indian Galvanizing	... July 13	Nil	Nil	6/7/60 to 13/7/60
Sendra Coal	... July 15	3½	Nil	.....
BOMBAY:				
Indore Malwa	... June 27	7.00	5.00	3/6/60 to 27/6/60
Raymond's Woollen	... July 1	11.50	8.00	22/6/60 to 1/7/60
Larsen and Toubro	... July 22	1.80	1.25	20/6/60 to 14/7/60
MADRAS:				
Mysore Sugar	... June 28	30%	30%	22/6/60 to 28/6/60



Selective Support

Watch-Dog Writes:

TRADING in stock markets has been devoid of liveliness and, except for a few selected shares which have moved up on influential support, fluctuations in other shares are confined to a narrow range.

Although activity on the Calcutta Stock Exchange remained restricted, prices in the Miscellaneous section responded to selective support.

After a steady start, popular counters on the Bombay Stock Exchange gave way on scattered selling due to settlement considerations.

There was moderate activity on the Madras Stock Exchange.

Unsettled conditions prevailed on the London Stock Exchange.

Price movements on Wall Street were irregular with losses ranging up to one dollar.

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Calcutta

Calcutta, Friday Evening.

IRREGULAR trends in prices characterised trading on the local Stock Exchange where attention was mostly directed toward selected Miscellaneous issues. In general, the market was highly erratic, indicative of a keen tussle between the bulls and the bears. Some of the bulls found it difficult to sustain the market in their favour in view of the heavy financial outlay involved due to the heavy carry-forward charges fixed at the last settlement.

Bear operators were, however, trying to depress the market at the opportune times. Apart from the inordinate delay in the announcement of the increase in steel retention price, the news of the rise in UK Bank Rate from 5 to 6 per cent was regarded as a strengthening of the prospect of a rise in the Bank Rate in India as a measure to curb the inflationary tendencies. With the result, prices showed an indecisive trend till the end of the week. But, in the confusing atmosphere, a few of the miscellaneous share came in for sustained support at enhanced levels, thanks to growth prospects.

The Gilt-edged section remained dull. The long-dated loans continued to be on offer, while the medium-dated ones were out of favour. There was a general disposition to await the terms and size of the Central Government loans, to be floated in the middle of next month. Meanwhile, 3 per

cent 1986 Conversion Loan opened lower, but improved steadily toward the close to Rs 75.65.

Bank shares remained steady although price movements were confined to a narrow range. Punjab National changed hands at Rs 19.19 to Rs 19.25 and United Commercial at Rs 68 to Rs 68.25.

Sellers continued to predominate in the Jute section in view of the prospects of a further cut in production following shortage of raw material supplies. There was also a general reluctance to enter into any commitments before the uncertainty concerning the outlook was relieved. Howrah were offered at as low as Rs 22.19 against Rs 22.50; Ganges at Rs 11.69 against Rs 12; National at Rs 25.94 against Rs 26.75 and New Central at Rs 29.31 against Rs 30.81. Among higher-priced scrips, Kamarhatty were well maintained at Rs 145; Kankarrah at Rs 81 and Kinnison at Rs 161. Thanks to the diversification of activities, Birlas had buyers at Rs 30.50 to Rs 30.87.

Coal shares were generally steady. Bengal were boosted upto Rs 343 from Rs 323 on reports of the company's proposal to make a right issue. Amalgamated changed hands at Rs 24.37 to Rs 25; Central India at Rs 12.97 to Rs 13.19; Western Bengal at Rs 8.31 to Rs 8.44 and South Karanpura at Rs 11.94 to Rs 12.12. Burrakur were at one time pushed up to Rs 20.12 from Rs 19.56 on speculative buying, to close finally at Rs 19.81 on profit-taking.

There was little doing in the Tea section. Operators were at a loss to interpret the prospect of the industry for the current season. Some brokers entertained an optimistic idea, while others had the foreboding of a period of gloom. It was feared that the loss in production for certain gardens might be too big to be compensated for by a rise in the price of the commodity. Bhatkawa changed hands at Rs 18.81 to Rs 19; Brooke Bond at Rs 17.25 to Rs 17.69; Bishnauth at Rs 22.37 to Rs 22.50; Dhela-khat at Rs 23.56 to Rs 23.76; Grob at Rs 14.12 to Rs 14.31; Jayshree at Rs 19.31 to Rs 19.69 and Jullibari at Rs 24.44 to Rs 24.62.

Sugar shares came in only for selective enquiry on reports that the Government was not likely to de-control sugar until a clear picture with regard to production was available. Belsund and Cawnpore were well maintained at Rs 13.62 and Rs 15.44 respectively, while Champarum turned quiet at Rs 20.75 against Rs 21.12. SKG moved narrowly between Rs 14.56 and Rs 14.75.

The textile industry's willingness now to implement the Wage Board's recommendations and the possibility of a settlement of the labour dispute invited some attention to the Textile scrips. Jayshree were taken up to Rs 15.87 from Rs 16.00 (Rs 16.00); Dunbar up to Rs 225 from Rs 209 (Rs 218); Elgins up to Rs 20.25 from Rs 19.62 (Rs 20.25) and Kesoram up to Rs 31.50 from Rs 31.25 (Rs 31.37). Figures shown within brackets were the week's closing rates. Cawnpore were a narrow market around Rs 6.75.

In the Engineering section, price movements were mostly influenced

by the speculative activity in Indian Irons which, in turn, were subjected to alternate buying and selling. Against the previous week-end closing of Rs 24.80, Indian Irons opened lower at Rs 24.68 and, after improving at the time to Rs 24.71, receded gradually to Rs 24.42 due to selling pressure on reports of a possible delay in the announcement of the steel retention price and fears of a possible rise in Bank Rate as in the UK, to finish the week at Rs 24.53. In sympathy, TEXMACO were marked down to Rs 26.55 from a high of Rs 26.80; G. K. Williams to Rs 47.62 from Rs 48.25 and Jessop to Rs 23.75 from Rs 24.19, to finish better at Rs 26.60; Rs 47.75 and Rs 24.12 respectively. Britannia were, however, enquired up to Rs 14.87 from Rs 13.62. Indian Galvanizing, after being taken upto Rs 26.19 from Rs 25.12, receded at the close to Rs 25.50 on reports of the dividend being again passed over for last year. Kumardhubi were quiet at Rs 7.06 against Rs 7.25 with Marshalls well maintained at Rs 5.85.

The Miscellaneous section provided a few firm spots due to sustained support from influential quarters. Dealings were very prominent in Alkali Chemicals which were taken upto Rs 31.87 from Rs 29.25; in Dunlop Rubber upto Rs 45.06 from Rs 42.50; in Hindustan Motor upto Rs 21.22 from Rs 20.31. Indian Copper, after hardening to Rs 5.31 from low of Rs 5.18 on rumours of the company's proposal to convert the present two-shilling into rupee shares, receded at the close to Rs 5.18 on lack of confirmation. Orient Paper changed hands at Rs 45.55 to Rs 45.70; Indian Cable at Rs 34.12 to Rs 34.50; Shree Gopal at Rs 29 to Rs 29.50; Indian Aluminium at Rs 28.81 to Rs 29.31; Rohtas at Rs 38.44 to Rs 38.75; Indian Steamship at Rs 11.25 to Rs 11.41; Aluminium Corporation at Rs 18.31 to Rs 19.06; Indian Oxygen at Rs 38.50 to Rs 39.12; Sirpur Paper at Rs 17.56 to Rs 18.37; Union Carbide at Rs 39.25 to Rs 39.62; BIC at Rs 7.62 to Rs 7.69 and National Rubber at Rs 14.12 to Rs 14.62.

Madras

There has been a fair tendency since the past fortnight in the stock market to be cautious. What was once feared an overbought position seems to have been liquidated and a sound position has returned. The gilt edged section still continues to be poorly patronised. A few of these are sought even lower than the below-par levels. Mysore Loans alone were somewhat active with other State Loans left untouched. There was not much activity in Bank shares this week, and public utilities, continued featureless. Sugars were slightly easier. Teas were better and due to profit-taking decline on Tuesday. Good absorption was seen in cement and industrial shares. Textiles, were unchanged.

GOVERNMENT SECURITIES: Short-dated loans continued at the same rate. The Madras Gov-

ernment 3 per cent 1968 Development was quoted below par at Rs 99.40. The 1968 4 per cent of the same State loan was the same at Rs 109.40. The 4 per cent Mysore State Loan 1967 and 1968 were each sold at Rs 100.15. Kerala's 1970 4½ per cent Loan continued at Rs 100.97. Andhra's 1970 4½ per cent Loan was available at Rs 101.90.

BANKS: Banks did not note any change this week. The Rs 10 paid share of the Canara I & B Syndicate gained its last week's loss to be priced at Rs 17.75 on Tuesday. Pandyan remained the same at Rs 39.00 as well as Punjab National at Rs 19.15.

ELECTRICS: Nothing was so desolate as this counter. South Madras was offered at Rs 10.05 and Berhampur went further down to Rs 6.25, 25 nP lower than all these weeks. Vellore was marked, at Rs 11.50, Negapatam at Rs 9.50, Salem-Erode at Rs 12.50 and West-Coast at Rs 12.35.

SUGARS & BREWERIES: Sugars were slightly easier on Tuesday, Cauvery proved sellers at Rs 139.00. Deccan which gained 50 nP by the beginning of this week lost three nP only and was quoted at Rs 15.47. Mysore Sugar went into selling at Rs 57.12, ruling better than last week's Rs 56.90. EID was bought at Rs 55.25. Travancore too was placed higher at Rs 11.70, having gone up by five nP only. KCP continued at Rs 23.00. United Breweries at Rs 101.50. This scrip was quoted only at Rs 97.50 last week-end and it maintained its strong position after two days' operations in the Stock Exchange.

PLANTINGS: Stray Tea shares commanded some business while Coffee was unaffected. Attikhan improved to Rs 2.90, but Blue Mountain continued at Rs 4.90 this week, better by 6 nP than the previous week. Cochin Malabar attracted attention at Rs 6.65 having registered an increase of 10 nP this week. On Monday it was better at Rs 8.70. Coffee Lands gained another ten nP at Rs 24.71, while Consolidated Coffee was better this week at Rs 25.80. Coorg Tea shared the popularity with the rest at the higher rate of Rs 5.40 jumping up by 10 nP this week. Haileyburia shed value at Rs 15.65. Highland went up to Rs 15.25. Kil Kotagiri was unaffected at Rs 5.35. Nelliampathy, after losing a couple of nP this week beginning regained its old value of Rs 2.75. Nonsuch was bought at a better price of Rs 26.75. In this share the increase this week was as much as 25 nP above Rs 26.50 of last week's quotation. Ossoor slid to Rs 3.60 and Oucen-terloni was fractionally below last week's price at Rs 4.92. Parkside was better at Rs 26.75 and Peer-made went up to Rs 22.85 from Rs 22.65. Periakaramalai was bought at a slightly higher price of Rs 3.77. Other rubber shares continued at the marked levels, Vellimalai being quoted lower at Rs

6.15 and Wartyhully at Rs 3.45. Waterfall was slightly better at Rs 4.07.

Textiles: These were not very much altered since last week. Cambodia gained slightly at Rs 10.12 as also Cauvery spinning at Rs 14.50. Coimbatore Cotton and others of this group had not bettered their value after this week's business though last week's prices of these shares were slightly lower. Both Bangalore Woollen and Buckingham continued at the same price of Rs 195.00 and Rs 205.50 respectively. Lakshmi ruling at Rs 158.00 at last closing, opened at Rs 159.00, Monday and today it closed at Rs 161.50. The Rs 25 paid share of the same Mill did not change at Rs 77.50. Loyal had support at Rs 33.77 better by 22 nP today. Madura continued its last week's quotation of Rs 32.50. Mettur too was the same this week at Rs 432.00. Radhakrishna was quoted higher by 25 nP at Rs 28.75. Rajalakshmi declined by Rs 1.50 to Rs 77.00. South India Viscose lost a rupee today from its Rs 148.00 from last weekend. Travancore Rayon was unchanged at Rs 37.50 which was Monday's closing rate. It had improved to this level from Rs 36.99 of last week's closing.

Miscellaneous: Aluminium Industries ruled steady although Tuesdays demand was only 10 nP lower than the ruling price of Rs 23.25. Andhra Cement went upto Rs 14.25, a good increase from Rs 10.50 of last week's closing and also Rs 11.00 ruling Monday. Ashok Leyland declined at the beginning of this week to Rs 8.42 and improved today by 3 nP at Rs 8.45. Binny's Engineering shares spurted to Rs 185.00 from Rs 178.00. Dalmia was good at slightly lower level of Rs 12.15 today though it opened higher Monday by 20 nP. FACTS registered a better tone at Rs 10.50. India Cement improving to Rs 7.00 yesterday declined to Rs 6.90, but should be considered higher than Monday price. Krilokar Electrics receded to Rs 13.10. Mettur Chemicals had gained ten nP at Rs 12.35. Parry's Confectionery went down to Rs 5.90 from Rs 6.10 of last weekend's quotation and it lost another 28 nP at today's transactions being quoted at Rs 5.62. T. Stanes also improved to Rs 30.00. W. I. Plywoods remained the same at Rs 303.00.

London

UNSETTLED conditions prevailed on the London Stock Exchange. The announcement of the rise in the Bank Rate from 5 to 6 per cent made buyers very cautious and, under small selling, jobbers quickly lowered prices. The outstanding feature was a sharp decline in gilt-edged securities as a result of the higher Bank Rate.

New York

ALTHOUGH there was a slight turn for the better in the business news background, prices on Wall Street continued to ease. The pattern was one of mostly fractional changes either way with losses eventually outnumbering gains. A recovery, however, developed toward the close under the lead of Steels, Rails and Electronics.



Excellent Results of Shree Gopal Paper

Balance-Sheet Reviews:

THANKS to the high level of working efficiency, the Shree Gopal Paper Mills Limited has produced excellent working results for the year 1959. Production is higher at 19,011 tons against 17,182 tons and this is possible due to the increased quantities of pulp becoming available from the new pulp mills.

Sales of paper have risen to Rs 4.27 crores from Rs 3.69 crores, while the net profit, before providing for Depreciation and Taxation, is substantially higher at Rs 1.02 crores against Rs 86.03 lakhs in the previous year. Apart from providing Rs 8 lakhs for General Reserve, the Depreciation amount is raised to Rs 12.54 lakhs from Rs 9.07 lakhs and Development Rebate Reserve to Rs 24.75 lakhs from Rs 2.48 lakhs. Taxation provision is reduced to Rs 25.20 lakhs from Rs 43.50 lakhs. The directors have recommended a taxable dividend of 17 6/7 per cent against a tax-free dividend of 12½ per cent on the Ordinary shares.

According to the directors' report, the lower paper prices, which came into effect early this year, are bound to affect the results of the company. The impact of the revised prices on the profits will be actually reflected in the working of the company during the current year; but the directors hope that the loss in profit will be made up to a great extent by the increased production expected from the New Mill.

The paid-up capital is shown at Rs 2,07,99,775 and Share Premium Account at Rs 11.35 lakhs. Capital Reserve stands at Rs 21,250; General Reserve at Rs 45.75 lakhs; Raw Materials Reserve at Rs 3.00 lakhs; Contingency Reserve at Rs 2.50 lakhs and Dividend Equalisation Fund at Rs 19.50 lakhs. The gross block at Rs 3.41 crores is depreciated by Rs 1.27 crores to show a net block value of Rs 2.14 crores.

Mg. Agents—Karam Chand Thapar & Bros. Private Ltd.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales, Paper & Sty.	42,685,839	36,947,519	27,138,640	
Sales, Hydro Oil	4,975,689	2,836,023	3,602,894	
Stocks	725,901	682,233	1,363,110	
Works in Progress	49,362	76,261	46,552	
Net profit	10,186,937	8,603,086	5,494,218	
Taxation	2,520,000	4,350,000	2,275,000	
Depreciation	1,253,937	907,091	1,078,208	
Reserve Fund	800,000	...	...	
Development Rebate Reserve	2,475,000	247,645	626,523	
Other Funds	...	950,000	...	
Div. Amount Ord.	2,241,325	1,568,834	1,556,147	
Div. Amount Pref.	835,264	525,049	261,818	
Carry Forward	136,712	75,301	20,834	
Div. % Ord.	17-6/7(T)	12½	12½	
Div. % Pref.	11-3/7(T)	8	8	
Div. % 2nd Pref.	10(T)	7	7	

(Annual General Meeting on 29-6-60 at 10-30 a.m.)
Synopsis of balance sheet as on the last day of Decr.

Liabilities.				
1959	1958	1957		
	Rs.	Rs.	Rs.	
Capital-Paid-up:				
7½ C. Pref. Part.	750,000	750,000	750,000	
7½ R.C. Pref. Ordinary	7,497,750	7,496,000	5,214,000	
Ordinary	12,551,420	12,550,670	12,549,570	
Share Suspense	1,140	1,578	68,183	
Forfeited Shares	605	605	605	
5½ Debentures	1,000,000	1,000,000	1,000,000	
6½ Debentures	3,000,000	3,000,000	3,000,000	
6½ Debentures	1,135,080	1,135,080	1,135,080	
Share Premium	21,250	21,250	21,250	
Capital Reserve	4,575,458	3,775,458	3,775,458	
Reserve Fund	6,164,133	3,689,133	2,491,488	
Other Funds	4,896,349	4,365,151	1,847,553	
Loans Secured	2,498,514	1,252,090	3,924,172	
Loans Unsecured	5,409,044	4,110,185	559,393	
Taxation Provision	15,544,935	9,733,556	6,171,889	
Debits	136,712	75,301	20,477	
Carry Forward	...	...	...	
Total	65,182,390	52,956,057	42,529,123	

Assets.				
G. Block	34,089,056	19,116,399	18,524,077	
Depreciation	12,674,532	11,473,940	11,141,634	
Block (net)	21,405,524	7,642,459	7,382,443	
Cap. Exp. in progress	19,155,651	22,208,704	13,148,585	
Share & Deb. Issue Exp.	...	7,185	106,903	
Stores	8,459,460	10,303,221	8,950,632	
Stocks in Progress	49,362	76,261	46,552	
Raw Materials	3,015,684	...	...	
Stocks	725,901	882,233	1,363,110	
Outstandings	1,126,476	935,883	1,081,261	
Mis. Deposits and Advances	3,547,661	3,364,836	2,708,676	
Investments	4,910,096	4,912,596	5,031,996	
Cash	2,674,372	2,322,729	2,708,965	
Total	65,182,390	52,956,057	42,529,123	

Belvedere Jute Pays More

Despite a decline in sales from Rs 1.27 crores to Rs 1.24 crores, the Belvedere Jute Mills Company Limited has reported a higher profit, after providing for Depreciation and Taxation, of Rs 6.32 lakhs for 1959 as against Rs 5.40 lakhs in the preceding year. A sum of Rs 1.85 lakhs (Rs 1.74 lakhs) is set apart for Depreciation; Rs 5.80 lakhs (Rs 89,000) for Taxation; Rs 1,782 (Rs 2,285) for Development Rebate Reserve; Rs 1.50 lakhs (Rs 3.00 lakhs) for General Reserve and Rs 21,000 (nil) for Contingency Reserve. The directors have recommended a final dividend of Rs 8.50, making a total of Rs 13.50 per share, subject to tax. This works out to a net dividend of Rs 9.45 per share against Rs 7.50 previously.

In view of the disparity between the prices of raw jute and finished goods and the probability of production having to be curtailed until the new crop arrives, results for the current year are likely to be less favourable.

The balance-sheet, as at 31 December 1959, shows a paid-up capital of Rs 35 lakhs, divided into 28 lakh Ordinary shares and 7,000=7 per cent Cumulative Preference shares, both of Rs 100 each. Against this, reserves and surplus are shown at Rs 30.71 lakhs. Total gross block amounts to Rs 98.02 lakhs; total depreciation to Rs 56.64 lakhs and the net block to Rs 41.38 lakhs.

Mg. Agents—Andrew Yule & Co., Ltd.				
Year ended Decr.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	12,406,940	12,671,407	11,860,408	
Stocks	687,578	679,223	893,827	
Net profit	1,396,650	834,879	322,781	
Taxation	580,000	89,000	29,000	
Depreciation	184,580	174,465	170,000	
Reserve Fund	150,000	300,000	...	
Development Rebate Reserve	1,782	2,285	...	
Other Funds	21,000	...	...	
Div. Amount Ord.	378,000	210,000	70,000	
Div. Amount Pref.	49,000	49,000	49,000	
Carry Forward	48,528	16,240	6,111	
Div. % Ord.	131(T)	7½	2½	
Div. % Pref.	7(T)	7	7	

(Annual General Meeting on 7-7-60 at 10-45 a.m.)
*After transferring Rs 31,000 from General Reserve.
*After transferring Rs 29,000 from General Reserve and Rs 64,393 from provision against anticipated loss on jute contracted for.

Synopsis of balance sheet as on the last day of Decr.				
Liabilities.	1959	1958	1957	
	Rs.	Rs.	Rs.	
Capital-Paid-up:				
7½ C. Pref.	700,000	700,000	700,000	
Ordinary	2,800,000	2,800,000	2,800,000	
Reserve Fund	1,399,373	1,249,373	980,373	
Other Funds	1,671,817	1,619,035	1,646,750	
Loans Secured	156,096	1,467,900	936,756	
Loans Unsecured	1,846	6,538	303,468	
Taxation Provision	635,549	86,546	29,053	
Debits	920,104	1,005,904	672,953	
Carry Forward	48,528	16,240	6,111	
Total	6,333,303	8,977,656	8,075,466	

Assets.				
G. Block	9,801,914	9,777,435	9,766,495	
Depreciation	5,663,641	5,482,559	5,310,419	
Block (net)	4,138,273	4,294,876	4,456,080	
Stores	881,998	1,070,467	980,658	
Stocks in Progress	214,000	252,717	292,311	
Raw Materials	1,602,628	1,692,106	817,783	
Stocks	687,578	679,223	893,827	
Outstandings	595,849	411,515	439,010	
Mis. Deposits and Advances	117,913	275,471	121,858	
Investments	81,756	72,858	72,858	
Cash	13,308	23,423	1,081	
Total	8,333,303	8,977,656	8,075,466	

Satisfactory Results of Tide Water Oil

The Tide Water Oil Company (India) Limited has reported satisfactory results for the year ended 31 October 1959 despite the fact that the market conditions toward the end of the year were becoming increasingly competitive. Sales have risen to Rs 66.84 lakhs from Rs 62.35 lakhs, while the net profit, before providing for Depreciation and Taxation, amounts to Rs 2.92 lakhs against Rs 2.39 lakhs in the previous year. A sum of Rs 13,363 lakhs (Rs 13,761) is provided for Depreciation; Rs 1.31 lakhs (same) for Taxation and Rs 3,193 (Rs 2,504) for Development Rebate Reserve. The directors have recommended a final dividend of Rs 1.50, making a total of Rs 2.20 per share for the year, subject to deduction of tax. A tax-free dividend of Rs 1.50 per share was paid previously.

The Central Government have approved the appointment of Messrs Andrew Yule & Company Limited as Secretaries and Treasurers for a period of five year from 15th August, 1960. In this connection, an extraordinary general meeting will be on tht 21 June, 1960.

Against the paid-up capital of Rs 6.00 lakhs, reserves and surplus amount to Rs 9.39 lakhs. The gross block at Rs 2.56 lakhs is depreciated by Rs 1.73 lakhs to show a net block value of Rs 82.745.

Mg. Agents—Andrew Yule & Co., Ltd.				
Year ended October	1959	1958	1957	
	Rs.	Rs.	Rs.	
Sales	6,683,708	6,234,685	5,749,012	
Stocks	1,911,012	3,064,183	2,547,776	
Net profit	291,943	239,311	280,930	

Rise in Sales of Bharat Carbon

Although there is enhanced demand for the company's goods in the stationery line and the sales from Rs 45.31 lakhs to Rs 50.98 lakhs in 1959, lower rates due to competition had to be quoted in tenders, specially for Government business, which resulted in fall in the ratio of gross profits.

The net profit for the year, before providing Depreciation and Taxation is only slightly higher at Rs 3.13 lakhs against Rs 2.85 lakhs previously. Apart from providing Rs 10.691 for Depreciation, the Depreciation amount is raised to Rs 68,217 from Rs 57,817 and Taxation provision to Rs 1.27 lakhs from Rs 1.20 lakhs. The directors have recommended a taxable dividend of 10½ per cent for the year against a tax-free dividend of 9 per cent.

During the year, the company purchased another printing press at Calcutta to which is attached Calcutta Exchange Gazettee and Daily Advertiser.

The paper mill could not go into operation earlier, as electric power was not made available in time. However, the paper mill is now running satisfactorily and there seems to be a bright future for the company.

Against a paid-up capital of Rs 16.50 lakhs, reserves and surplus are shown at Rs 3.04 lakhs. The gross block stands at Rs 20.12 lakhs, which is depreciated by Rs 5.04 lakhs to show a net block of Rs 15.08 lakhs.

Mg. Agents:—Murari Lal Batra & Co.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	5,097,989	4,531,173	3,720,144
Net profit	312,648	284,849	209,866
Taxation	127,269	120,000	75,000
Depreciation	68,217	57,817	49,658
Development Rebate Reserve	10,691	...	...
Other Funds	...	35,000	20,000
Div. Amount Ord.	57,794	44,085	38,292
Div. Amount Pref.	47,571	30,242	24,455
Carry Forward	4,379	3,273	5,568
Div. % Ord.	10.5T	9	9
Div. % Pref. 'A'	6.5T	6½	6½
Div. % 'B' Pref.	7.5T	7½	...

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
6½% C. Pref. A	379,900	379,900	378,100
7½% C. Pref. B	379,000	200,000	...
Ordinary	899,900	589,800	427,100
Forfeited shares	150	5,150	5,150
Reserve Fund	300,000	200,000	200,000
Other Funds	100,098	101,962	67,000
Loans Secured	2,005,461	1,270,622	1,254,840
Loans unsecured	1,539,077	1,277,810	1,102,804
Taxation Provision	280,686	163,487	129,003
Debts	669,915	599,788	349,032
Carry Forward	4,379	3,273	5,568
Total	6,449,466	4,791,792	3,918,697

Assets.			
G. Block	2,012,165	1,266,741	907,469
Depreciation	503,890	444,536	390,929
Block (net)	1,508,275	822,205	516,540
Good will	5,000	...	7,593
Stores	7,616	7,278	281,354
Stocks in Progress	445,235	353,922	281,354
Raw Materials	2,453,327	1,482,902	1,334,584
Stocks	278,546	235,069	227,795
Outstandings	840,580	1,327,783	986,640
Do. More than 3 months	309,632	210,661	311,698
Mis. Deposits and Advances	471,326	253,184	144,519
Investments	86,500	83,070	62,500
Cash	43,429	15,788	45,534
Total	6,449,466	4,791,792	3,918,697

Indore Malwa Pays out of Reserves

The difficult conditions generally experienced by the textile industry are fully reflected in the working results of the Indore Malwa United Mills Limited. The net profit for 1959 is shown at Rs 67,574 against Rs 34,109 for the previous year. The sum provided for Development Rebate Reserve is reduced to Rs 41,000 from Rs 1.10 lakhs. After transferring a sum of Rs 3.23 lakhs from General Reserve, the directors have recommended a taxable dividend of Rs 7 per share against a tax-free dividend of Rs 5 per share in the previous year when a sum of Rs 2.50 lakhs was transferred from General Reserve. The debit balance brought forward from the previous year's account remains at Rs 12.53 lakhs.

Against a paid-up capital of Rs 50 lakhs, General Reserve stands at only Rs 45,680 and Development Rebate Reserve at Rs 1.51 lakhs. The gross amounts to Rs 1.65 crores, total depreciation to Rs 1.21 crores and the net block to Rs 43.47 lakhs.

Chairman:—Sri Kudlal G. Sekaria.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	28,771,119	24,664,884	25,920,425
Stocks	3,165,708	5,441,687	6,752,469
Raw Materials	2,678,463	5,602,716	1,839,048
Works in progress	688,471	521,844	565,258
Net profit	390,692	128,410	288,552
Depreciation	...	...	551,148
Development Rebate Reserve	41,000	110,000	44,250
Div. Amount Ord.	349,692	250,000	300,000
Carry Forward	1,253,125	1,253,125	1,177,234
Div. % Ord.	7T	5	6

(Annual General Meeting on 27-6-60 at 4 p.m.).
*After transferring Rs 323,018 from General Reserve.
†After transferring Rs 250,000 from General Reserve.
‡After transferring Rs 300,000 from Dividend Equalisation Reserve.

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up	5,000,000	5,000,000	5,000,000
Reserve Fund	1,298,805	1,621,823	116,447
Other Funds	151,000	110,000	1,755,377
Loans Secured	9,089,577	7,853,820	8,889,189
Loans unsecured	1,175,967	1,593,633	2,264,788
Taxation Provision	46,318	127,803	2,431,682
Debts	2,664,372	3,444,796	3,405,061
Total	19,426,039	19,756,875	23,862,544

Assets.			
G. Block	16,452,347	16,445,371	15,976,049
Depreciation	12,105,123	12,108,699	12,132,273
Block (net)	4,347,224	4,336,472	3,843,776
Stores	1,815,493	1,707,675	1,947,942
Stocks in Progress	688,471	521,844	565,258
Raw Materials	2,678,463	5,602,716	1,839,048
Stocks	3,165,708	5,441,687	6,752,469
Outstandings	1,023,113	1,014,839	1,723,472
Do. More than 3 months	159,286	317,984	506,593
Mis. Deposits and Advances	942,408	606,010	2,438,246
Investments	2,605,822	2,605,732	2,605,482
Cash	334,918	330,781	403,024
Debit Balance	1,253,125	1,253,125	1,177,234
Total	19,426,039	19,756,875	23,862,544

Elphinstone Spinning Resumes Dividend After 1956

Thanks to a marked improvement in the conditions of the cloth and yarn markets during the second half of the year, the Elphinstone Spinning and Weaving Mills Company, Limited has been able to report a net profit of as much as Rs 18.39 lakhs for 1959 as against a loss of Rs 4.53 lakhs incurred in the previous year. A sum of Rs 3.19 lakhs is set apart for Development Rebate Reserve. The directors have recommended a taxable dividend of Rs 7 per share for the year. The previous dividend recommended was Rs 5 per share, tax-free, for 1956.

Against a paid-up capital of Rs 55 lakhs, General Reserve stands at Rs 10 lakhs; Taxation Reserve at Rs 7.52 lakhs; Development Rebate Reserve at Rs 3.19 lakhs and surplus realised on acquisition of land at Rs 1.31 lakhs. The gross block amounts to Rs 1.51 crores; total depreciation to Rs 80.85 lakhs and the net block to Rs 70.40 lakhs.

Chairman:—Shri B. L. Jalan.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Sales	24,039,945	17,738,604	17,291,175
Stocks	2,803,632	6,652,770	6,947,443
Works in progress	886,887	919,100	724,674
Net profit	1,838,722	452,598	150,073
Taxation	...	...	46,614
Depreciation	...	...	298,335
Development Rebate Reserve	318,717	...	...
Div. Amount Ord.	419,727	...	...
Div. Amount Pref.	525,000*	...	...
Carry Forward	23,591	551,687	99,089
Div. % Ord.	14T	nil	nil
Div. % Pref.	7T	nil	nil

(Annual General Meeting held on 17-6-60).
*Pref. dividend for three years 1957, 1958 and 1959 at 7 per cent per annum.

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up:			
7½% C. Pref.	2,500,000	2,500,000	2,500,000
Ordinary	3,000,000	3,000,000	3,000,000
Reserve Fund	1,000,000	1,000,000	1,000,000
Other Funds	1,757,616	671,233	671,233
Loans Secured	3,323,038	5,911,997	6,054,816
Loans unsecured	60,398	206,768	15,828
Taxation Provision	...	735,828	1,280,255
Debts	3,138,355	3,047,548	2,443,109
Carry Forward	23,591	...	...
Total	14,800,058	17,073,374	16,945,241

Assets.			
G. Block	15,125,544	14,332,618	13,176,951
Depreciation	8,085,174	8,120,935	8,120,935
Block (net)	7,040,370	6,211,683	5,056,016
Cap. Exp. in progress	29,872	11,675	138,250
Stores	1,338,790	1,146,789	1,117,171
Stocks in Progress	899,887	919,100	724,674
Raw Materials	1,120,900	380,536	1,000,944
Stocks	2,803,632	6,652,770	6,947,443
Outstandings	867,739	514,555	606,964
Do. More than 3 months	103,401	94,153	166,553
Mis. Deposits and Advances	491,170	492,274	906,035
Investments	54,520	53,520	49,845
Cash	65,807	35,632	71,894
Debit Balance	...	551,687	99,089
Total	14,800,058	17,073,374	16,945,241

Jagatjit Cotton Results

Despite a rise in sales from Rs 2.34 crores to Rs 2.67 crores, the Jagatjit Cotton Textile Mills Limited has reported a net profit, after providing for Depreciation and Taxation, of Rs 13.12 lakhs for the year ended 31 January, 1960 as against Rs 11.12 lakhs for the preceding year. A sum of Rs 9.99 lakhs (Rs 8.74 lakhs) is provided for Depreciation; Rs 6.75 lakhs (Rs 10.50 lakhs) for Taxation; Rs 3.50 lakhs (Rs 2.80 lakhs) for Development Rebate Reserve and Rs 4.00 lakhs (Rs 2.50 lakhs) for General Reserve. A dividend of 14-2/7 per cent, subject to tax, is proposed on the Ordinary shares. This will give a dividend of 10 per cent net as in the previous year.

Mg. Agents:—Karam Chand Thapar & Bros. Private Ltd.			
Year ended January	1960	1959	1958
	Rs.	Rs.	Rs.
Sales	26,710,298	23,391,967	24,927,102
Stocks	1,755,083	3,188,524	2,045,242
Works in progress	638,687	495,683	551,209
Net profit	2,985,785	3,035,960	4,449,559
Taxation	675,000	1,050,000	1,325,970
Depreciation	999,038	873,675	1,573,970
Reserve Fund	400,000	250,000	250,000
Development Rebate Reserve	349,583	280,422	689,518
Div. Amount Ord.	552,591	386,814	435,105
Div. Amount Pref.	110,486	77,313	96,550
Carry Forward	102,502	203,435	85,699
Div. % Ord.	14 2/7T	10	11½
Div. % Pref.	7 1/7T	5	6½

(Annual General Meeting on 29-6-60 at 11 a.m.).

25 June 1960

Synopsis of balance sheet as on the last day of Jan.			
Liabilities.	1960	1959	1958
	Rs.	Rs.	Rs.
Capital Paid-up:			
5% C.P. Pref.	1,546,800	1,546,800	1,544,800
Ordinary	3,668,140	3,668,140	3,855,540
Capital Accretion	3,500	3,500	...
Forfeited shares	252,650	252,650	259,650
Share Suspense	10,268	10,268	16,768
6% Debentures	2,500,000	2,500,000	2,500,000
6½% Debentures	500,000	500,000	500,000
Reserve Fund	900,000	600,000	250,000
Other Funds	2,243,205	1,893,622	1,613,200
Staff Welfare and Security Deposit	104,329	53,145	...
Loans Secured	6,795,663	5,413,348	6,012,665
Loans unsecured	1,855,150	1,415,956	808,432
Taxation Provision	1,143,882	1,988,816	2,150,000
Debts	9,405,589	4,605,572	6,096,033
Carry Forward	102,502	203,435	86,668
Total	31,231,678	24,755,252	25,693,856

Assets.			
G. Block	22,441,388	19,611,932	17,815,209
Depreciation	12,777,166	11,788,863	10,919,238
Block (net)	9,664,222	7,823,069	6,895,971
Cap. Exp. in progress	3,277,391	3,070,294	798,703
Adv. against Machinery	825,212	520,554	...
Stores and Raw Materials	12,357,101	6,163,214	9,054,618
Stocks in Progress	638,687	495,683	551,209
Stocks	1,755,083	3,188,524	2,045,242
Outstandings	75,669	450,978	614,870
Do. More than 3 months	29,080	4,620	45,111
Mis. Deposits and Advances	793,462	916,813	3,074,494
Investments	1,817,390	1,817,300	1,723,500
Cash	98,461	304,203	890,138
Total	31,231,678	24,755,252	25,693,856

Sendra Coal Reports Better Results

The Sendra Coal Company, Limited has shown better working results for 1959. The accounts reveal a net profit of Rs 33,129 against a loss of Rs 5,273 incurred in the previous year. Taxation provision is raised to Rs 68,055 from Rs 20,725. The directors have recommended a taxable dividend of 3½ per cent against nil in the preceding year.

The company has changed its business to that of an Investment Company and the managing agents have resigned with effect from 15 March, 1960.

Against a paid-up capital of Rs 8 lakhs, General Reserve is shown at Rs 4.55 lakhs. The gross block amounts to Rs 35,740; total depreciation to Rs 28,867 and the net block to Rs 6,873.

Secretaries:—F. W. Helligers & Co. (Private) Ltd.			
Year ended Decr.	1959	1958	1957
	Rs.	Rs.	Rs.
Net profit	91,151*	20,456†	52,944‡
Taxation	58,055	20,729	37,482
Div. Amount Ord.	28,000	...	20,000
Carry Forward	5,451	355	628
Div. % Ord.	2½T	nil	2½

Synopsis of balance sheet as on the last day of Decr.			
Liabilities.	1959	1958	1957
	Rs.	Rs.	Rs.
Capital Paid-up ...	800,000	800,000	800,000
Capital Reserve ...		16,751	16,751
Reserve Fund ...	454,665	467,555	472,555
Other Funds ...		1,983	1,775
Taxation Provision ...	65,888	29,296	28,256
Debts	44,914	25,314	88,556
Carry Forward	5,451	355	628

Indian Finance

LIST OF QUOTED SHARES

Reference Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on 17-6-60	Quotation as on 17-6-59
Banks			
Allahabad	100	101.90	114.00
Behar	50	16.00†	21.00
Coal			
Asso. K'pura	41	50.50	50.50
Bharat	51	49.50	48.50
Borree	6	83.50	83.50
Burrakur	7	89.00	108.00
Burrakur	6	10	6.50
Burrakur	6	10	6.50
Equitable	6	100.00	100.00
Ghugick & Musilla	100	100.00	40.00
Gourangdi	5	100.00	40.00
K'pura	51	58.00	55.50
Khas Kajora	5	10	8.50
K. Beerbhoom	7	10	11.62
N. Churulia	5	10	2.56
N. Huntodih	5	10	45.00
Orissa	51	100	81.00
Parasce	51	100	60.00
Unl. Colliery	5	100	78.00
Cotton			
Basanti	61	10	8.56
B-Nagpur	7	100	75.00
Borree	8	100	152.00
Borree	8	100	65.00
Elgin	8	100	108.00
Elgin	8	100	7.50
Jagatjit	5	100	38.75
Jijajee	5	100	84.50
J. K. Cotton	6	100	93.60
Kesoram	7	100	106.00
Kesoram	51	100	90.00
Muir	6	100	83.00
N. Victoria	6	5	2.50
Orissa	5	100	64.50
Shree Madhusudan	41	100	85.00
S. Niwas	4	100	54.00
Shree Bhawan	5	100	105.00
Swadeshi	6	100	61.00
Jute			
Agarpara	7	100	93.00
Alexandra	7	100	90.00
Alliance	6	100	70.00
Anglo-India	7	100	98.00
Auckland	51	100	60.00
Auckland	41	100	60.00
Bally	7	100	38.00
Barnagore	5	100	97.00
Belvedere	7	100	63.50
Bengal	51	100	91.00
Birla	71	100	90.25
Birla	51	100	100.00
Budge-Budge	7	100	77.00
Calcutta	61	100	83.50
Caledonian	7	100	98.50
Cheviot	7	100	82.00
Chitavalasah	7	100	68.00
Clive	6	100	81.00
Clive	6	100	91.00
Dalhousie	7	100	68.00
Delta	5	100	78.00
Empire	7	100	114.00
F. Gloster	7	100	71.00
F. Gloster	5	100	111.50
F. William	7	100	120.00
Ganges Mfg.	6	100	125.00
Gourepore	6	100	81.00
Hastings	6	100	90.00
Hooghly	1	10	10.50
Howrah	A. Pref.	100	93.00
Howrah	7	100	104.00
H'chand	7	100	99.00
K'hatty	6	100	88.00
K'narrab	6	100	96.00
Kedarnath	6	100	68.00
Kedarnath	7	100	85.00
Kelvin	7	100	89.50
Khardah	6	100	85.00
Kinnison	7	100	86.50
Lansdowne	7	100	104.50
Lawrence	7	100	88.00
Lawrence	51	100	70.00
Naihati	7	100	101.00
Naihati	41	100	65.00

NAME	Paid-up per Share.	Quotation as on 17-6-60	Quotation as on 17-6-59
National			
National	7	100	100.00
Nellimaria	6	100	86.00
N. Central	7	100	100.00
Northbrook	51	100	77.75
Rameshwara	6	100	12.37
Reliance	7	100	79.00
S. Ambica	71	100	68.00
Soorah	7	100	88.00
Union	7	100	87.50
Waverley	5	100	40.12
Minings			
Asso. Mining	5	50	38.00
Ch. Mica	51	100	49.50
Metal Corp.	5	100	88.00
Cement			
Dalmia Bharat	6	10	8.56
Jaipur Udyog	3	100	37.00
K'pura Lime	6	100	80.00
K'pura Lime	6	100	100.50
K'hubi Fire	51	100	54.50
Orissa Cement	4	100	35.06
Chemicals			
Alkali	5	100	101.00
Bathgate	41	100	28.00
Beng. Chem.	71	100	13.25
Beng. Chem.	41	100	72.00
Frank Ross	41	100	60.00
Smith Stanl	10	50	69.62
Electrics			
Calcutta	5	100	9.59
Dishergarh	5	100	78.50
Dishergarh	41	100	79.50
Engineering			
Arthur Butler	7	100	10.75
Br. Bldg.	6	100	60.00
Br. Engg.	7	100	100.00
Burn & Co.	7	100	123.50
Burn & Co.	7	100	113.00
L. Iron	5	100	94.00
L. Machinery	7	100	23.00
Ind. St. Wagon	7	100	128.00
Jessop & Co.	5	100	95.00
J. K. Steel	7	100	95.00
K'hubi	6	100	90.00
R. Cruddas	51	100	54.00
S. Products	5	10	7.87
Texmaco	51	100	91.80
Texmaco	61	100	63.50
Texmaco	61	100	100.00
Miscellaneous			
Albion Plywood	51	100	100.00
Alum. Corp.	6	100	100.50
Alum. Corp.	5	100	75.00
Amal. Dev.	5	100	42.00
Asso. Hotel	7	100	48.00
Bharat Nidhi	6	100	52.50
Birds Inv.	51	100	53.50
Br. Biscuits	6	100	9.30
B. I. Corp.	8	100	109.00
Cal. Cr. Corp	6	100	42.50
Cal. Cr. Corp	51	100	29.00
Cal. Gas	51	100	63.00
Cal. Silk	6	100	49.12
Cal. Urama	5	100	8.22
Duncan Bros.	4	100	58.00
Dunlop	6	100	115.00
Dunlop	6	100	84.50
Eastern Inv.	5	100	69.94
Gillanders	5	100	52.50
Godfrey Phil.	51	100	56.00
Greaves Cot.	5	100	40.00
Greaves Cot.	6	100	57.00
Hindustan Motors	6	100	183.50
Hindustan Nat.	6	100	100.00
Ind. Alum.	5	100	67.50
Indian Cables	6	100	33.25
Ind. Plastics	51	100	46.00
L. Rubber	5	100	73.00
James Wright	6	100	55.75
J. Henderson	51	100	58.25
K. Bullen	51	100	56.00
K. Bullen	4	100	63.00
Kurum	51	100	64.00

NAME	Paid-up per Share.	Quotation as on 17-6-60	Quotation as on 17-6-59
Macneill & Barry			
51	100	55.50	62.50
Madhya Pradesh			
Ind. 6	100	100.00	100.00
Martin-Burn	6	100	97.50
McLeod & Co	5	100	51.50
1st Pref.	100	51.50	54.00
McLeod & Co	5	100	66.00
2nd Pref.	100	66.00	74.00
Metal Box	6	100	84.00
Nat. Rubber	6	100	77.00
Nat. Tannery	5	100	3.00
Nat. Tobacco	5	100	79.00
N. Bhrt. Vanijya	100	90.00	65.00
Rallis	6	100	88.00
Rohas Indus.	7	100	118.00
Rohas 41 B	100	59.00	62.00
Sen Raleigh	5	100	163.00
Shaw Wallace	5	100	70.25
Spencer	81 A	100	6.87
Spencer	81 B	100	8.64
Standard	100	92.50	22.00
Vacuum	6	100	22.00
Union Tobacco	6	100	22.00
Oil			
I. B. Petrol	7	100	89.00
N. I. Oil	5	100	49.99
Paper			
Ballarpur	5	100	117.00
Beng. Paper	7	100	43.25
Beng. Paper	7	100	96.50
Beng. Paper	6	100	66.00
Orient	51	100	83.00
Orient	51	100	62.50
S. Gopal	8	100	103.00
S. Gopal	71	100	102.50
Sirpur Paper	5	100	85.25
Star Paper	5	100	78.50
Star Paper	61	100	94.00
Star	7	100	96.00
Star	71	100	102.00
Titagur	8	100	116.00
Titagur	41	100	81.50
Pressing			
Bhagwati	5	100	35.00
Real Property			
Humayan	6	100	7.45
Reg. Estate	5	100	33.50
Saw Mills			
Ben. Timber	8	100	30.00
Shipping			
B-A Steam	7	100	60.00
I.G.N.	6	100	80.00
I. Steam	5	100	81.50
SUGAR			
Carew	61	100	85.50
Cawnpore	8	100	107.00
Jaswant	51	100	85.00
Mohini	5	100	70.00
New India	71	100	150.00
Purab	10	10	13.75
Rannugger	6	100	85.50
Ryam	6	100	8.40
S. Behar	9	100	20.50
S. Hanuman	5	100	55.00
S. K. Gyan	6	100	85.00
S. K. Gyan	5	100	72.00
Upper Ganges	5	100	79.00
TEA			
Amluckie	7	100	37.00
Bormah Jan	6	100	82.00
Brooke Bond	6	100	66.50
Dunsmuir	7	100	3.00
Dunsmuir	8	100	3.90
Kingsley Gola	5	100	80.00
Moheema	6	100	9.50
Tezpore	2	100	11.19

*Nominal. †Ex-Dividend. ‡Cum-Dividend. §Ex-Rights.

NAME	Paid-up per Share.	Quotation as on	
		17-6-60 Rs nP	17-6-59 Rs nP
Darjeeling.			
Gielle 8%	100	70.00	64.00
Lingla 6%	100	64.00	...
Okayit 7%	100	79.00	100.00
Pussimbing 7%	100	93.00	100.00
Singtom 5%	10	5.19	6.23
Dooars			
Banarhat 61%	100	105.00	110.00
Birpara 9% (Pref.)	100	109.00	114.00
C'bhutti 61%	100	104.50	105.50
Hantapara 8%	100	109.00	100.00
Hasimara 7%	100	106.00	111.00
N. Dooars 61%	100	102.50	109.00
Cachar.			
Sonal River 5%	100	93.00	93.00
Sylhet			
N. Samanbagh 8%	100	83.50†	101.50
S. Indian			
Kotamulal 6%	25	15.06	16.00
Tera			
Atal 41% cp	10	5.30	6.12
Tiribunah 0%	10	14.00	13.00

Ordinary Shares

CALCUTTA

NAME	Paid-up per Share.	Quotation as on	
		17-6-60 Rs nP	17-6-59 Rs nP
GOVERNMENT OF INDIA LOANS			
(Non-Terminal Loans).			
3% Govt. Paper	100	71.50	73.35
(Terminal Loans).			
3% Loan (1980)	100	73.05	73.70
2½% Loan (1981)	100	68.50	67.70
2½% Loan (1982)	100	68.00	66.95
2½% Loan (1983)	100	63.30	63.00
2½% Loan (1984)	100	67.97	67.25
3% Loan (1985-88)	100	98.00	96.90
3% Loan (1986-88)	100	93.85	94.30
3% Loan (1970-75)	100	90.85	91.67
3½% Loan (1982)	100	99.65	99.25
3½% Loan (1981)	100	100.00	100.10
3½% Loan (1983)	100	100.00	100.05
3½% Loan (1984)	100	100.00	100.00
3½% Loan (1985)	100	100.00	99.70
3½% Loan (1987)	100	99.55	99.20
3½% Loan (1988)	100	99.35	99.33
3½% Loan (1989)	100	99.20	99.20
3½% Loan (1987)	100	100.75	100.83
3½% Loan (1988)	100	100.65	100.60
4% Loan (1980-70)	100	99.75	99.95
4% Loan (1972)	100	100.30	100.70
4% Loan (1973)	100	101.23	101.75
4% Loan 1979	100	100.30	100.30

BANKS

Allahabad	100	332.00	353.00
Allahabad	50	172.00	177.00
Bank of Bihar	100	31.00	30.00
Bank of Baroda	23	46.25	48.50
Bank of India	50	118.00	121.00
Hindust. Comm.	50	19.87	13.50
Hindust. Mercan.	50	17.00	13.75
Punjab National	10	19.19	22.25
United D	10	5.87	4.69
United Comm.	50	68.50	62.50

RAILWAYS

Ahmedpur-Kutwa	100	33.00	47.50
Atrah-Sasaram	100	35.00	47.98
Bankura-Damodar	100	42.50	47.00
Hurdwan-Cutwa	100	38.81	49.53
Chapar-Siligat	100	33.00	35.80
Dehri-Rohas	10	20.00	14.73
Futwah-Lalampur	100	34.70	37.30
Howrah-Amta	100	60.00	48.00

NAME	Paid-up per Share.	Quotation as on 17-6-60	17-6-59	NAME	Paid-up per Share.	Quotation as on 17-6-60	17-6-59
Sirsluk ...	10	12.06	8.25	Upper India 'A' ...	100	102.00	127.00
Union Co. ...	100	80.00	75.00	Upper India 'B' ...	25	8.75	16.00
Union Carbide ...	10	39.12	36.50	Upper Ganges ...	10	68.00	55.00
Union Tobacco ...	10	0.87	1.94	United Province ...	10	18.31	16.25
Union Tobacco Delf. ...	5	2.00	2.00				
Walfords ...	1	3.50	2.12				
Walfords (Po) ...	1	3.12	1.75				
W. Stockholder ...	10	1.60	1.62				

OILS

I. B. Petrol ...	10	26.25	24.50†
Northern India Oil ...	10	2.00	1.12
Tide Water Oil ...	10	16.00	16.65

PAPER MILLS

Ballarpur ...	25	64.00	32.00
Bengal Paper ...	25	105.00	96.00
India Paper ...	10	21.44	22.06
Mysore Paper ...	10	24.70	17.75
Orient Paper ...	10	45.70	36.70
Shree Gopal ...	10	29.25	18.06
Sirpur Paper ...	10	18.12	13.12
Star Paper ...	10	13.25	11.00
Straw Products ...	10	13.00	...
Straw Products ...	5	5.00	...
Titagur P.O. ...	21	4.25	4.25
Titagur Ordry. ...	10	39.62	45.25
U. I. Couper ...	100	60.00	60.00
West Coast ...	100	190.50	185.00

PRESSING

Bhagwati ...	10	6.00	4.80
Camperdown ...	100	103.00	110.00
Hooghly Ganges ...	10	10.25	5.44

REAL PROPERTY

Bengal Bonded A ...	500	545.00†	593.00†
Bengal Bonded B ...	621	60.80†	79.30†
Bengal Bonded C ...	100	99.00†	137.00†
Bengal Bonded D ...	121	12.51†	12.37†
Clive Bldgs. ...	100	150.00	...
Hindustan Bldg. ...	10	5.00	4.81
Humayun Prop. ...	10	10.35	10.19
Humayun Delf. ...	1	3.12	2.25
Midnapore Estate ...	271	19.75	...
Regent Estate ...	10	1.00	1.00

SAW MILLS AND TIMBER

Assam Saws ...	3	3.28	2.31
Bengal Timber ...	100	15.25	15.25

SHIPPING

B. A. Steam ...	100	80.00	103.00
Cal. Landing ...	10	11.00	15.31
Cal. Steam ...	10	16.25	11.62
Fraser & Co. ...	10	10.00	14.31
L. G. Navigation ...	10	70.00	59.00
India Steam ...	10	11.25	14.31
Port Shipping ...	10	10.81	12.50

SUGAR

Balrampur ...	5	3.53	7.12
Beland ...	71	13.62†	13.00
Bharat ...	10	16.62	13.50
Basil ...	100	120.50	120.50
Carew ...	10	11.81	10.69
Cawnpore ...	10	15.37	11.25
Champanan ...	10	21.12	16.00
Darbhangha ...	10	18.00†	17.56
Deoria ...	10	6.31†	9.06
Dyer Meakins ...	5	20.19	17.00
Ganesh Sugar ...	10	19.87	19.87
Jaswant ...	10	5.25	5.25
Mohini ...	10	4.50	3.00
Nawabganj ...	100	60.00	60.00
New India ...	10	23.00	27.37
New Savan ...	10	7.00	5.06
Punjab ...	100	65.00	80.00
Purbapore ...	10	15.00	12.25
Ramnugger Cane ...	10	26.25	18.87
Ratna ...	10	1.45	2.65
Raza ...	10	14.08	13.69
Rayan ...	10	14.00	16.50
Samastipur ...	10	13.12	13.25
Shree Anand ...	10	11.00	11.00
Sitalpur ...	10	7.00	5.94
South Behar ...	10	1.00	1.37
S. Behar Delf. ...	1	0.25	0.25
Sri Hanuman ...	10	16.00	14.65
S. K. Gyan ...	10	14.50	10.00
Shree Sitaram ...	10	11.10†	8.50
Tulsipur ...	5	8.00	...

TEA

Assam Gardens			
Amuluckie ...	10	26.25	27.12
Ananda ...	10	19.00	20.00
Anandatatag ...	10	24.37	25.00
Baghmari ...	10	25.37	26.12
Barduar Tea ...	6	6.62	5.00
Basmatia ...	10	30.00	27.25
Batelli ...	5	23.37	19.25
Benjan ...	10	24.56	25.87
Bishnauth ...	10	22.31	20.00
Bokahat ...	10	14.50	15.12
Bornahajan ...	10	18.37	18.00
Borpukhuri ...	10	18.06	18.81
Brooke Bond ...	10	18.25	19.78
Dejoo Valley ...	10	69.00	72.00
Dessai & Purbat ...	100	146.00	152.00
Dhahakhat ...	10	23.56	24.25
Dhunerri ...	20	17.62	15.54
Dibrugarh ...	10	31.50	33.56
Dinakusai ...	10	30.50	33.37
Dufflaghur ...	10	43.75	39.00
East India ...	10	23.00	20.87
Gillapukri ...	10	26.25	30.25
Gohpur ...	10	19.94	25.00
Grob ...	5	14.31	17.87
Hapjan Purbat ...	10	14.00	14.00
Hoograjuli ...	10	25.37	29.25
Hoongoorie ...	100	199.00	202.00
Joonkollie ...	10	22.87	20.12
Jutibari ...	10	24.44	24.56
Kingey Tea Seeds ...	10	5.25	4.22†
Kingsley Golaghat ...	100	160.00	130.00
Krishnabehari ...	10	10.22	10.82
Ledo ...	10	19.25	19.50
Maud ...	10	11.94	14.75
Methoni ...	10	24.50	24.75
Moheema ...	10	13.31	13.31
Mothola ...	100	810.00	895.00
Murphulani ...	10	25.87	27.87
Murphulani P.O. ...	10	27.62	28.50
Naga Hills ...	10	22.50	23.00
Namburnadi ...	10	14.44	13.50
N. Cinnatollah ...	100	114.00	114.00
New Monkhooah ...	71	23.75	...
Rajgarh ...	10	40.75	47.31
Sapoi ...	10	23.50	22.25
Seajuli ...	10	28.62	30.12
Telajan ...	10	28.69	32.12
Tengapani ...	10	35.87	37.37
Tezpore ...	10	19.31	18.50
Tongani ...	10	8.00	8.56
Tytoon ...	10	38.12	44.50

Darjeeling Gardens

Bloomfield ...	10	2.25	3.00
Chamang ...	10	10.31	11.00
Darjeeling ...	100	149.00	156.00
Dillaram ...	100	102.00	95.00
Giele ...	10	11.81	11.69
Jayshree ...	10	19.19	12.69
Linga ...	10	21.56	24.50
Longview ...	10	12.50	6.94
Margaret's Hope ...	10	13.87	19.12
Mim ...	100	221.00	226.00
Nagri Farm ...	10	25.75	26.25
Okayti ...	100	601.00	609.00
Pashok ...	10	20.00	18.62
Poobong ...	10	6.94	9.00
Pussimbing ...	10	10.50	10.12
Runglee Rungliot ...	100	360.00	410.00
Seeyok ...	10	10.50	12.50
Singell ...	100	29.37	22.00
Singtom ...	10	6.37	6.12
Soom ...	10	39.50	40.00
Sungma ...	10	14.12	19.12
Teesta Valley ...	10	14.75	20.00
Tukvar ...	10	8.25	10.94

Doors Garden

Banarhat ...	100	334.00	305.00
Baradighi ...	10	29.75	23.12
Bhatkora ...	10	21.12	23.25
Birpara ...	100	204.00	174.00
Carron ...	100	182.00	127.00
Chooabhatti ...	100	291.00	268.00
Ellenbarrie ...	100	149.00	155.00
Engelbari ...	100	196.00	400.00
Garkhatta ...	10	9.87	12.21
Gopalpur ...	28	22.62	20.00
Hantapara ...	100	155.00	126.00
Hasmara ...	10	24.59	23.00

PLANTINGS

Amalgamated 6% ...	10	7.50†	7.55
Anandam 7% ...	10	8.30†	9.00†
Artibala 6% ...	10	9.20	9.20
Attikhan 9% ...	10	10.00	...
Bababuddin 6% ...	10	8.14	8.35
Badra Coffee 7% ...	10	8.52†	9.65
Balanoor 71% ...	10	10.30	11.75†
Balmadies 6% ...	10	8.80	9.00
Be Be 61% R. ...	5	2.76	3.03
Be Be 61% R. ...	10	6.02	6.44
Chandramalal 71% ...	2	2.00	2.15
Cochin Malabar 7% ...	50	52.50†	53.00†
Coffee Lands 5% ...	10	76.50	84.00†
Cons. Coffee 6% ...	25	25.50	26.37†
Coonoor Tea 6% ...	100	91.75	95.96
Coorg Tea 6% ...	5	4.72	5.03†
Cottanad 71% ...	10	10.80	10.75
Devon 71% ...	100	97.50	106.00†
Heileyburia 6% ...	100	72.50	75.00
Highland 6% ...	10	8.45	8.75†
Kadur Coffee 61% ...	10	6.15†	7.17
Karikode 6% ...	10	7.50†	7.33
Kil Kotagiri 6% ...	10	9.50†	9.80†
Kurchimala 61% ...	10	6.50	7.00
Malabar Agri. 6% ...	20	16.88	16.88
Manimala 5% ...	10	9.00	9.00
Mer. Rubber 6% ...	10	7.65	8.12
Midlands 6% ...	10	8.30	8.20
Mamallay 71% ...	25	26.25	26.25
Mysore Amal. 6% ...	10	7.00	6.40
Mysore Plan. 6% ...	10	7.00	6.65
Neelamalai 5% ...	10	7.06	7.18
Neelampathy 1% ...	10	8.10	8.40†
Nemmeny 6% ...	10	9.70†	10.35†
Nilambur 6% ...	10	6.90	7.50
Nilgiri Tea 61% ...	5	4.25	6.08
Peernade 6% ...	100	92.00	98.00
Ponmudi 61% ...	10	9.70	9.25
Pullangode 6% ...	10	8.05	8.65
Rajagiri 1% ...	10	6.65	8.20†
Rajendra 6% ...	10	7.75	8.05
Rajendra 51% ...	10	7.00	7.20
Sangameswar 7% ...	10	9.95	9.90
Talayar Tea 6% ...	10	7.50	8.15
Teekoy 6% ...	10	7.50	7.15
Thamarapally 61% ...	5	4.40†	4.76†
T. R. & T. Co. 6% ...	10	8.00	8.18†
Udayagiri 7% ...	10	9.60†	10.30†
Velimalai 7% ...	10	9.10	8.00
Waterfalls 6% ...	10	9.60	9.00
Woodcote 61% ...	5	3.14	2.46
Woodlands 61% ...	10	7.50	7.50
Woodlands 61% ...	10	7.67	7.97

Chittagong Gardens

Kodala ...	10	12.12	12.38
Kornafuli ...	10	10.50	10.12
Oodslah ...	10	12.00	12.00

South Indian Gardens

Kotamulal ...	5	15.44	12.25
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Teral Gardens

Atal ...	10	6.12	6.62
Belgachi ...	10	26.00	30.00
Gungaram ...	100	153.00	155.00
Hansqua ...	20	18.25	17.81
New Chumta ...	10	36.25	38.37
New Teral ...	10	17.75	18.12
Pahargomlah ...	10	27.62†	29.00
Puntitarea ...	10	47.50	49.00
Tirribannab ...	10	50.00	40.00

Preference Shares

NAME	Paid-up per Share.	Quotation as on 17-6-60	17-6-59
		Rs nP	Rs nP

BANKS

Canara Bank 5% ...	50	38.25	...
Canara Bkg. 6% ...	50	47.50	47.50
Canara B'ing 41% ...	50	45.50	42.75
Canara I. & B. 6% ...	100	91.00	97.00
Canara I. & B. 6% ...	10	9.35	9.75

ELECTRICS

Berhampur 6% ...	10	8.05	8.65
Kumbakonam 6% ...	10	9.60	9.50
Nepapatam 6% ...	10	9.50	9.50
Salem Erode 61% ...	10	9.24†	9.80†
S. Madras 51% let ...	10	9.25	10.25
Tin Tuticorin 61% ...	10	9.25	9.25
Valiore 6% ...	10	9.57†	9.50†
W. Coast 51% ...	10	6.75	7.05

*Nominal. †Ex-Dividend. ‡Cum-Dividend.
§R-Right.

SUGAR

Cauvery 5% ...	100	101.25	103.00
Deccan 7% ...	5	6.23	8.00
E.I.D. 7% ...	20	30.00	17.25

NAME	Paid-up per Share	Quotation as on 17-6-60 Rs NP	17-6-59 Rs NP
Digvijay Woollen	100	134.00	70.00
East India Hotels	100	100.00	100.00
Estrela 5%	50	38.00	31.00
Vero Alloy 6%	100	100.00	100.00
Gwalior Rayon 6%	100	99.50	77.00
Hind. Const.	100	65.00	65.00
Hind. Cycles 5%	100	75.00	75.00
Hind. Cycles 5 1/2%	25	25.00	25.00
Hind. Cycles 6%	100	100.00	82.00
Hindus. Elec. 6%	100	82.00	75.00
Hindus. Motor 6%	50	185.00	32.00
Hingir Rampur	50	32.00	128.50
India Dye 6%	100	105.00	61.80
I. Hume Pipe 5%	100	55.00	33.00
Indian Rayon	37 1/2	33.00	58.00
Jalpur Metals 6%	100	57.30	60.00
Kamini Eng. 5 1/2%	100	55.50	48.00
Khandelwal Ferro	50	48.00	...
Alloys 7 1/2%	...	...	...
Khadiyar Pottery	100	100.00	...
L. & Toubro 5%	100	38.80	97.00
Madhusudan 4%	12 1/2	6.00	7.50

NAME	Paid-up per Share	Quotation as on 17-6-60 Rs NP	17-6-59 Rs NP
Madhya Pradesh	100	108.00	101.00
Ind. 6%	100	102.50	103.00
Mahindra 6%	100	102.50	103.00
Mahendra 6 1/2%	100	102.50	103.00
Mackenzie 5 1/2% 1st	100	100.00	...
Mackenzie 5 1/2% 2nd	100	100.00	...
Motor & G. Fin.	25	36.00	36.00
Nat. Elec. 4 1/2%	100	80.00	80.00
Nat. Rayon 5%	100	71.50	80.70
Nat. Rubber 5%	100	82.00	100.00
N. Cen. Jute 7%	100	103.00	100.00
N. L. Fisheries 6%	100	101.00	101.00
Orient Paper 1st	100	86.00	91.00
Orient Paper 2nd	100	61.00	58.50
Parshuram Port	50	25.00	...
Farshuram Port	25	16.00	...
Poly Chem. 8 1/2%	50	46.00	52.50
Palm 6%	100	76.20	80.00
Prem. Const. 1st	100	90.00	87.00
Prem. Const. 2nd	100	83.40	85.00
Prem. Const. 3rd	100	5.36	5.68
Premier Tyre 6 1/2%	50	49.00	...
Radio Lamp 5%	100	74.00	72.50
Robtas 7 to 9%	100	110.00	110.00
Robtas 4 1/2%	100	60.50	61.00
Sathe Biscuits 7%	100	94.20	94.20
Sen Raleigh 5%	100	145.00	125.00
Shirpur Paper 6%	100	87.00	100.00
Standard Motor	100	109.00	...
Standard Motor	100	109.00	...
Stanvac 6%	100	94.00	101.50
Star Paper 5%	100	78.00	70.00
Star Paper 6 1/2%	100	100.00	92.00
Structural Eng.	100	105.50	105.50
Structural Eng.	100	107.00	...
Sundatta Foods 8%	50	50.10	50.10
Supreme Ind.	100	68.50	71.50
Tata Chem. 5%	100	95.00	97.50
Tata Oil 4 1/2%	100	55.50	62.00
Termaco 1st 6 1/2%	100	88.00	88.00
Termaco 2nd 6 1/2%	100	82.00	82.00
Termaco 6 1/2%	100	101.00	100.00
W. Coast Paper	100	110.00	120.00
W. I. Plywood 6%	100	90.00	90.00

NAME	Paid-up per Share	Quotation as on 17-6-60 Rs NP	17-6-59 Rs NP
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00

NAME	Paid-up per Share	Quotation as on 17-6-60 Rs NP	17-6-59 Rs NP
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00

NAME	Paid-up per Share	Quotation as on 17-6-60 Rs NP	17-6-59 Rs NP
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00
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W. I. Plywood 6%	100	90.00	90.00
W. I. Plywood 6%	100	90.00	90.00

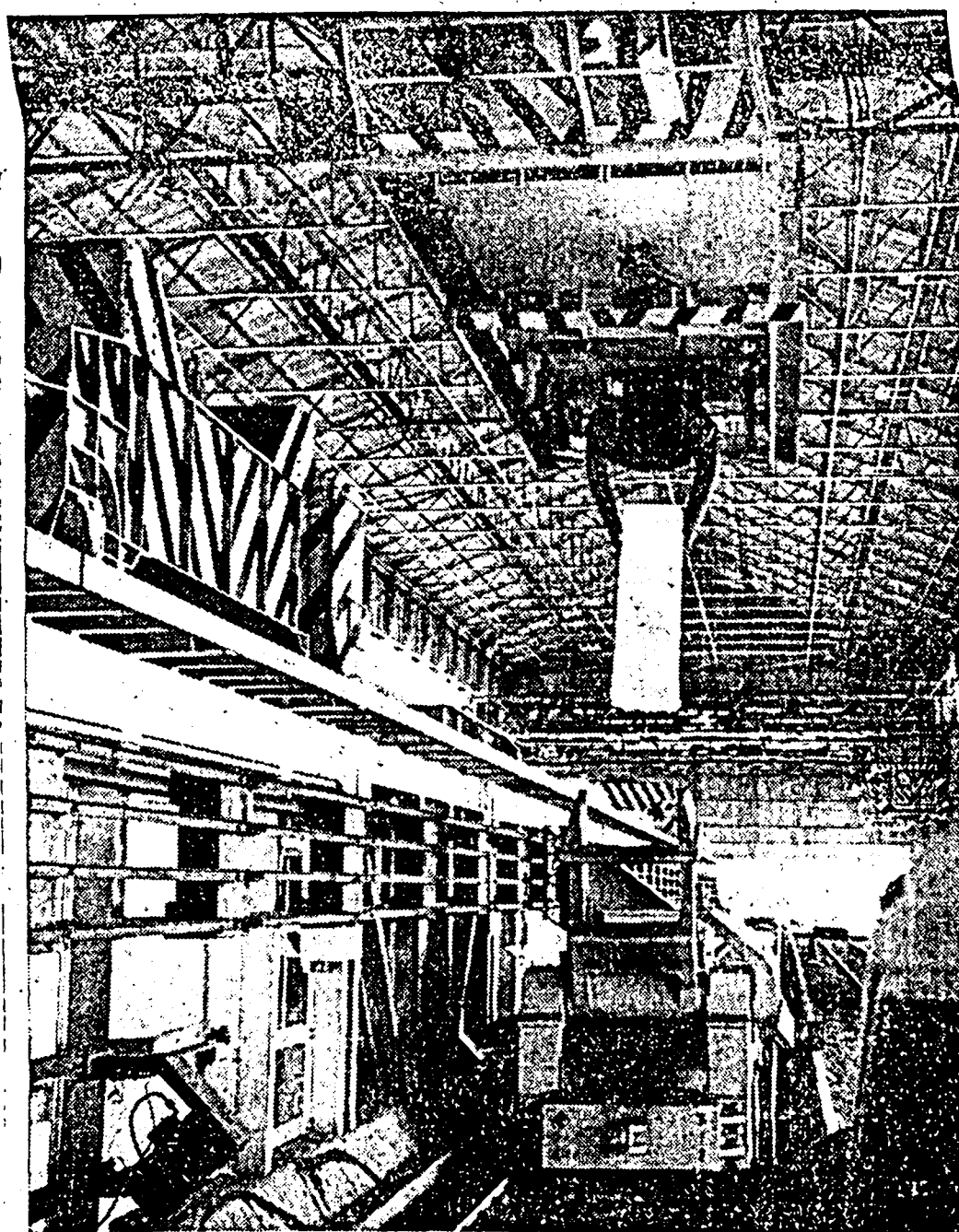
NAME	Paid-up per Share	Quotation as on 17-6-60 Rs NP	17-6-59 Rs NP
Kalpeta ...	10	12.52	13.44
Midland ...	10	12.32	12.78
Nellompathy ...	2	2.88	3.28
Rajagiri ...	10	21.78	18.78
Twyford ...	10	13.24	15.64
Waterfalls ...	2	4.16	3.70

NAME	Paid-up per Share	Quotation as on 17-6-60 Rs NP	17-6-59 Rs NP
MISCELLANEOUS			
Alemic ...	100	227.00	208.00
Alumna Corp. ...	10	16.36	14.60
Amar Dye ...	100	420.00	178.00
Ambika Silk ...	100	155.00	...
Anil Hardboards ...	100	380.00	175.00
Asian Cables ...	50	66.00	...
Asso. Rubber ...	100	105.00	101.00
Associated Stone ...	10	21.28	20.24
Baroda Rayon ...	50	137.00	...
Bom. Burma (P.P.) ...	50	200.00	165.00
Bombay Cycle ...	20	24.36	15.00
Bombay Pottery ...	100	161.00	140.00
Bombay Safe ...	200	405.00	400.00
Bombay Silk ...	50	5.00	5.00
Bom. Swadeshi			
Stores ...	5	6.24	...
Bom. Uganda ...	80	49.00	49.00
Brady Eng. ...	80	67.00	60.00
B. I. Corp. ...	5	7.64	4.70
Brunton Eng. ...	10	4.00	5.00
C. I. Tyres ...	100	265.00	155.00
C. I. Machinery ...	10	10.00	10.00
C. P. Railway ...	100	48.00	62.50
Chem. Pharma ...	25	27.50	20.00
Chase Bright Steel ...	5	8.12	...
Colour Chem. ...	100	420.00	...
Commerce (1935) ...	10	22.00	18.52
Dehri-Rohas Ry. ...	10	22.68	13.88
Dena Inv. ...	25	11.08	11.20
Delhi Safe ...	10	10.00	10.00
Delhi Safe ...	7	7.00	...
Dharami Chem. ...	50	240.00	90.50
Dharami Chem. ...	100	154.00	113.00
Dharami Chem. ...	100	94.00	90.00
Dharami Chem. ...	100	14.36	5.76
East India Hotel ...	5	10.00	10.00
Empire Dyeing ...	15	40.00	43.80
Estrella ...	50	57.00	40.00
Ferro Alloy ...	100	117.50	100.00
G. Claridge ...	100	190.00	155.00
Greaves Cotton ...	100	151.00	132.00
Gujarat Inv. ...	50	11.06	28.00
Gujarat Safe ...	75	120.00	120.00
Gwalior Rayon ...	10	43.00	20.68
Har & Satpathy ...	500	385.00	400.00
Hind Cycles ...	100	117.50	105.00
Hindustan Elec. ...	100	119.00	107.00
Hindustan Housing ...	25	25.00	25.00
Hindustan Lever ...	10	39.50	30.00
Hingir Rampur ...	50	23.00	19.20
Indian Dyeing ...	100	725.00	850.00
Indian Hume Pipe ...	100	188.00	...
Indian Rayon ...	25	64.00	...
Indian Tool ...	100	112.00	112.50
Indian Veg. ...	100	153.00	160.00
Ind. Cr. & Inv. ...	100	73.50	82.50
Ind & Prudential ...	10	28.00	...
Inv. Corp. ...	100	138.00	114.00
Jalpur Metals ...	100	115.00	93.00
Jalpur Metal Dtd. ...	10	27.00	12.00
Jost Eng. ...	50	65.00	71.00
Jyoti (Old) ...	100	177.00	174.00
Kamani Eng. ...	10	15.24	9.32
Kemp ...	200	310.00	228.75
Killick Indus. ...	100	112.50	139.50
Kirloskar Bros. ...	25	65.00	...
Kirloskar Oil Eng. ...	10	16.52	19.78
Khandelwal Ferro			
Alloys ...	50	77.00	...
Laxmi Starch ...	100	154.00	...
Madhusudan A ...	100	75.00	65.00
Madhusudan B ...	20	14.00	13.00
Madhya Pradesh			
Ind. ...	10	16.00	...
Mahindra ...	10	22.48	20.84
Man Indus. Corp. ...	100	100.00	95.00
McKenzie ...	100	142.00	78.00
Motor & Gen. Fin. ...	10	40.00	40.00
Mys. Kirloskar ...	100	123.50	132.50
Nat. Elec. Indus. ...	50	76.00	75.00
National Rubber ...	100	13.00	18.32
N. Central Jute ...	10	30.40	16.72
N. L. Fisheries ...	100	80.00	100.00
N. L. Industries ...	100	480.00	325.00
New Standard			
Eng. ...	100	108.00	...
Orient Paper ...	10	37.10	33.60
Purshuram Pottery ...	25	65.00	...
Polychem ...	50	309.00	98.00
Premier Tyres ...	50	82.00	...
Radio Lamp ...	100	109.00	126.50
Raymond Woollen ...	100	109.00	...
Rohas Indus. ...	10	35.90	22.88
Sarda Carbonic ...	100	320.00	330.00
Sathe Biscuits ...	100	100.00	100.00

Digvijay Tiles	100	94.00	90.00	Morarjee	... 100	61.00	61.00
Digvijay Woollen	10	14.36	5.76	Mysore	... 100	335.00	256.00
East India Hotel	8	10.00	10.00	New Great	... 50	68.00	82.00
Empire Dyeing	... 15	40.00	43.50	Oomannahali	... 100	173.00	172.00
Estrella	.. 50	57.00	40.00	Podar	... 100	40.00	38.00
Ferro Alloys	... 100	117.50	100.00*	Srinivas	... 100	150.00	172.00
G. Claridge	... 100	190.00	155.00	Simplex	... 100	272.00	175.00
Greaves Cotton	100	151.00	131.00	Standard	... 50	177.00	173.00
Gujarat Invt.	... 50	11.00	25.00	Tata	... 100	1695.00	518.00
Gujarat Safe	... 75	120.00	120.00	Swan	... 100	240.00	243.50
Gwalior Rayon	10	43.00	20.58	Tata	... 100	437.50	380.00
Har & Satapathy	500	365.00	600.00		... 25	45.50	34.50
Hind Cycles	... 100	117.50	103.00	ELECTRICS			
Hindustan Elec.	100	119.00	107.00	Ahmedabad	... 100	83.40	92.20
Hindustan Housing	25	25.00	25.00*	A. Valley	... 1000	995.00	1132.50
Hindustan Lever	10	39.50	30.00	Bom. Suburban	100	85.50	103.75
Hingir Rampur	50	23.00	19.20	Tata Hydro	...		

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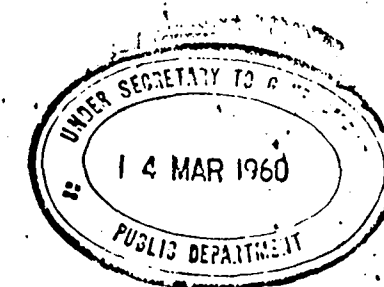
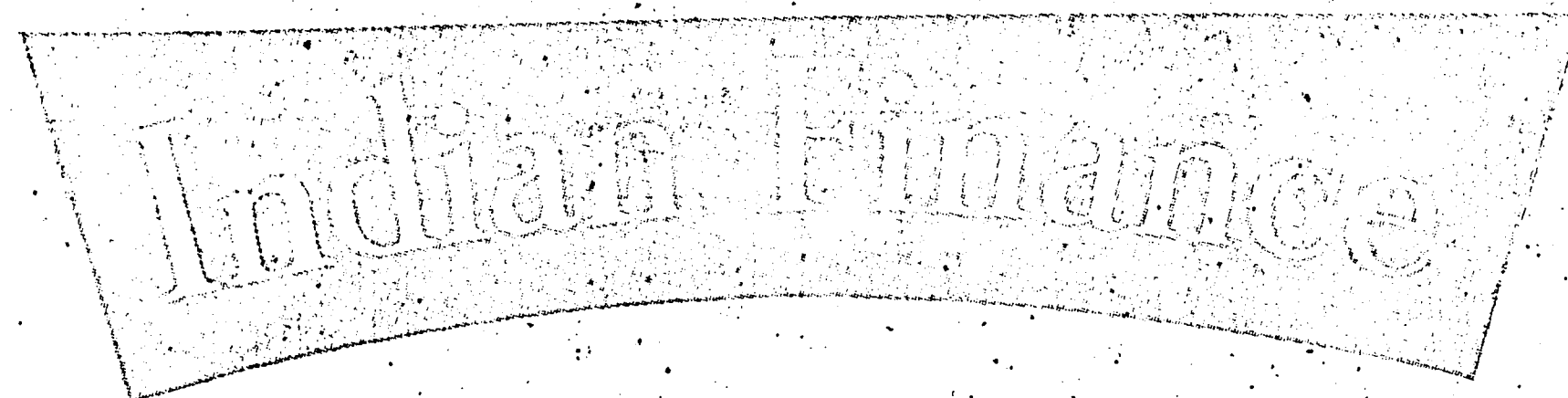
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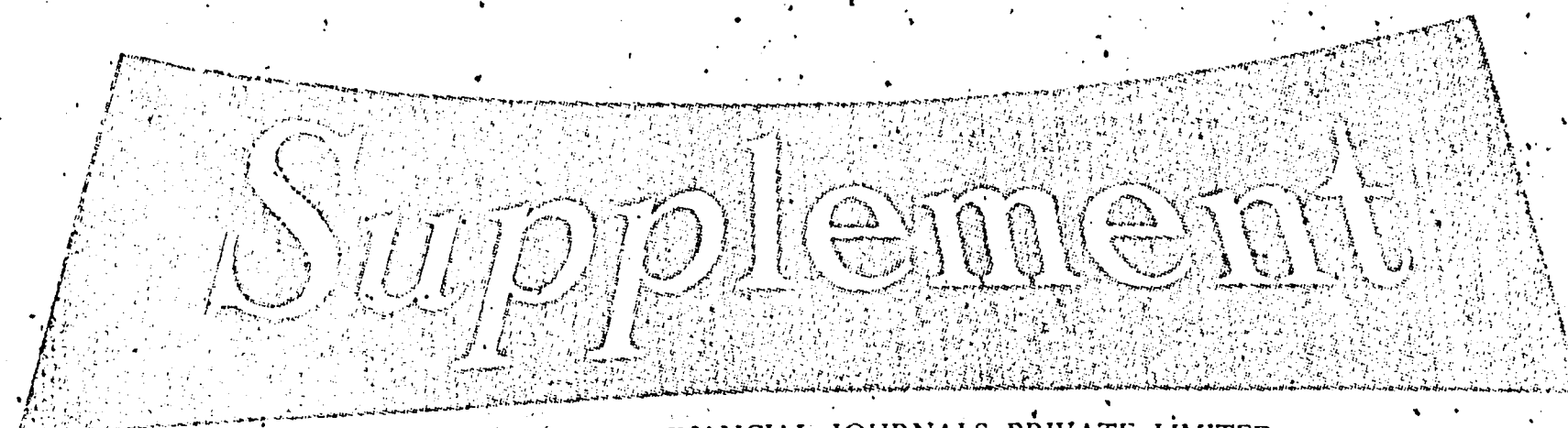
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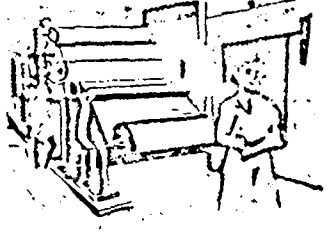


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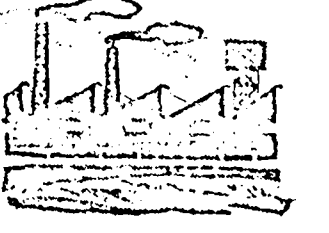
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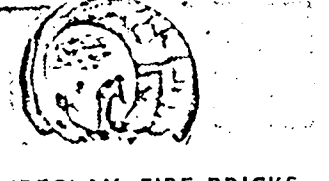
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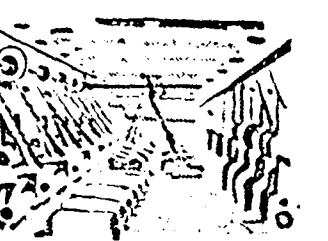
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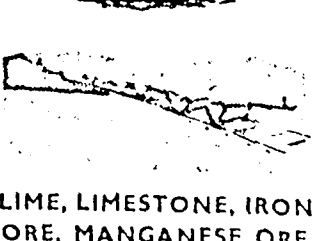
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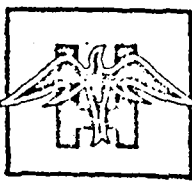
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Editorial Adviser:
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Editor:
C. SWAMINATHA RANGASWAMI JR.

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Note: The article on the Budget and the Money Market has had to be held over.

Budget for Last Year of 2nd Plan

THE last of the Budgets for the Second Plan period has the heartening news to give us that the revised expenditure target of Rs 4,500 crores, set in May 1958, is likely to be exceeded by over Rs 100 crores. Meantime, also, it is known that investment in the private sector will be considerably higher than the original target of Rs 2,400 crores. It therefore seems certain that, from the point of view of investment, the Second Plan will be more fully a success than was the First Plan, whereunder there was a shortfall in expenditure of the order of 15 per cent. However, due mainly to higher costs and a certain quantum of underestimation, there will, in respect of the Second Plan, be a shortfall as to some physical targets. But what is of significance is that difficulties of different kinds have been surmounted and that rather more than the so-called "core" of the Plan will be completed by the allotted time. This should give the country the confidence necessary to proceed with what will undoubtedly prove to be a much larger undertaking in the form of the Third Plan.

Mr Morarji Desai has been the steward of India's finances during the critical part of the Second Plan. As he took over the Finance portfolio, there was depression on every side. A "make-do" Budget had been presented by Mr Nehru, before Mr Desai formally assumed office. Drastic import restrictions had already been imposed, but the drain on foreign exchange reserves was something fierce. The higher cost of civil administration had already eaten away into a good part of the new taxes raised. Government's borrowing programme was fitful, and signs were only then emerging of the prospect of the target from market loans being attained over the Plan period. The price situation was not only unsettled, there was the real threat that, if unchecked, creeping inflation would gather momentum. The discernible turning point in India's—and in the Second Plan's—fortunes came in August 1958 when, under the aegis of the World Bank, a meeting of India's creditor countries was arranged in Washington to consider how our crisis could be met and overcome.

The revised estimates for 1959-60 indicate how magnificently the picture has changed since the dark and gloomy days of mid-1958. This, partly, is of course due to the emphasis that Mr T. T. Krishnamachari placed on excise duties as a source of governmental revenue. But, partly, also, Mr Desai can take credit for the improved collections arising from his reorganisation of the corporate tax structure. In the final analysis, however, the most important contributory factor has been the reality of the beginnings of a dynamic economy in action. Even in 1958, when production was thought to be lagging, and which was responsible for a modicum of bleakness about implementing the Second Plan, it is now clear, in retrospect, that the very poor performance of the cotton textile industry obscured the real gains in output and served to distort the index of industrial production. In 1959, the textile industry, thanks to a good foodgrains crop, recovered, and a sharp rise has been registered in industrial output. But the full magnitude of the progress achieved in industrialisation is not reflected in the index of industrial production, because a great number of new industries have been set up which are not included in that index. As output rose, and as the range of articles manufactured widened, the scope for excise duties as well as the size of collections greatly increased. This, indeed, is the central point about the 1960-61 Budget presented by Mr Desai last week, bearing testimony as it does to larger collections in the current year and to the extension of the excise duties net in the Budget year. We may note here that, if past experience is any guide, the figures given by Mr Desai as the revised estimate for 1959-60 and the Budget estimate for 1960-61 in respect of excise duty yields are likely to prove to be underestimates. It is in this light that there is just a glimmer of hope that even the public sector investment on the Plan, at Rs 4,800 crores, will be achieved by March next year. However, this last will depend also on Government's ability fruitfully to spend on the Plan the improved revenues that may accrue.

A comparison of the Actuals for 1958-59 with the Budget and revised estimates for that year proves to be extremely interesting, and serves to show the expansionary trend already evident in the

economy as also to confirm that Indian Finance Ministers have got into the habit of regularly underestimating receipts.

Main	(In Rs Crores)		
	1958-59	1958-59	1958-59
	Budget	Revised	Actuals
Heads of Revenue	Estimates	Estimates	
Customs	170.00	136.00	138.29
Union Excise Duties	304.76	301.15	312.94
Corporation Tax	55.50	56.00	54.33
Taxes on Income	161.50	162.50	172.01
Total Revenue	767.99	728.20	757.89

There has similarly been a tendency to overestimate expenditure.

Main	(In Rs Crores)		
	1958-59	1958-59	1958-59
	Budget	Revised	Actuals
Heads of Expenditure	Estimates	Estimates	
Direct Demands on Revenue	94.45	99.63	98.52
Debt Services	40.00	42.06	48.63
Civil Administration	290.44	197.72	193.49
Miscellaneous	80.21	92.09	86.14
Defence Services (net)	278.14	266.87	250.93
Total Expenditure	796.01	788.15	763.14

In the result, the deficit on revenue account, placed at Rs 28.02 crores in the Budget, increased to Rs 59.95 crores in the revised estimates, but, in the Actuals, turned out to be no more than Rs 5.25 crores. Particular attention may be drawn to the rises recorded in the revenue from excise duties, and from Taxes on Income. Equally interesting are the trends for 1959-60 as between the Budget and the revised estimates.

Main	(In Rs Crores)		
	1959-60	1959-60	1959-60
	Budget	Revised	Actuals
Head of Revenue	Estimates	Estimates	
Customs	132.77	160.00	
Union Excise Duties	324.32	350.82	
Corporation Tax	58.75	78.00	
Taxes on Income	166.25	152.00	

In the light of the experience of past years, therefore, it is a reasonable assumption that the Actuals will exceed the revised estimates. And so, the revenue deficit for 1959-60, which has been reduced from Rs 59.08 crores in the Budget to Rs 15.30 crores in the revised estimates, may be converted in the Actuals into a surplus.

Mr Morarji Desai's expectations of revenue for the coming year are Rs 866.45 crores at existing levels of taxation as against the revised estimate for the current year of Rs 838.66 crores, which itself is about Rs 58 crores more than the original expectations. The expenditure on revenue account is put down by him at Rs 980.35 crores as against the revised estimate for the current year of Rs 854.05 crores (which was about Rs 15 crores more than the original estimate). The deficit anticipated (taking into account receipts from new taxation) is of the order of Rs 60 crores, which is roughly the same amount as the original deficit estimate for the current year.

On the revenue side, the expectations for the coming year are higher under almost every head. Wealth tax receipts are put at a lower figure, presumably because of the loss from this source by the abolition of wealth tax on companies. The increase in corporation tax and the fall in the head "income tax other than corporation tax" is probably due to the new system of taxation under which, among other things, certain sums which were shown as deductions from dividends will not have to be paid directly as advance tax under Section 18A by the companies. (Advance taxes are treated as current receipts under government accounting). It is difficult to say without further analysis whether the increase in corporate tax receipts (Rs 57 crores) and the decrease in other income tax receipts (about Rs 20 crores) anticipated for the coming year would by themselves justify the inference that the new system leaves the tax payers worse off than before. It may be that the increase envisaged in the receipts of corporation tax is no more than the rise due to higher earnings anticipated. It may be that there is an element of adjustment which is not quite apparent at first sight. In any event, the proposition that the new scheme of taxation is fiscally more onerous has other data to support it, though the Finance Minister has chosen to take the view that it is far too early for him to make up his mind. He has, however, met partially influential representations on the question by making some concessions to small companies and by giving some relief on dividends paid out of profits of earlier years under the old system. Certain other procedural changes (like abolition of differential rates of

deduction of tax from dividends) have also been made, though the net amount of tax receipts are ensured to be the same as before.

On the expenditure side, the biggest increases are under civil administration, "social services" and defence. The administrative cost increase is due to the implementation of the Pay Commission's recommendations, which is expected to cost annually Rs 53 crores. This figure apparently includes the railways' share also, for, the actual increase estimated is slightly over Rs 34 crores. And even this increase somewhat exaggerates the Government's "extravagance", for, this includes the provision for more than one year's expenditure, since no provision was made in the current year's Budget for the increased payments due from July 1959. The Finance Minister gave the usual assurance about efforts at economy but it is doubtful whether any significant reduction will take place.

As regards defence, the increase envisaged was far below the expectations of the most sanguine, and therefore came as a distinctly agreeable surprise. It is only about Rs 31 crores more than the current year's revised estimate, which itself is only about a crore of rupees more than the original estimate. In terms of the percentage of total expenditure, there has even been a slight reduction. As Mr Desai rightly anticipated, no one will grudge this particular extra burden in view of what is at stake. We have also no doubt that the estimates framed will have taken fully into account the needs of the situation. Since the estimates were framed, before the latest note for Mr. Chou En-lai, there would have been no complacent underestimate of the threats to our security. While it would be too much to hope that the coming meeting of the two Prime Ministers would miraculously resolve the border disputes, it may well turn out that Mr Desai's fear that he may have to come again before Parliament for fresh authorisations for defence expenditure may prove unfounded.

Mr Desai's new taxation proposals have understandably leaned heavily on indirect taxes. That the Finance Minister has not increased direct taxes, has been noted with satisfaction and even glee, and this is evident from the reaction of the Stock markets to his proposals. And, even among the indirect taxes, Mr Desai has spared items that can be considered articles essential to the common man. Cotton textiles, rayon, yarn, vanaspathi, sugar and tobacco (confounding, incidentally, as regards the last, the local hoarders) have all got off scot-free. That his levies fall heavily on light engineering industry and road transport is unfortunately true. But a Finance Minister who is to find fresh revenue and, at the same time, avoid increase in direct taxes (because of its adverse effect on capital formation); eschew increase in indirect taxes on essentials (because of their adverse effect on the cost of living); reduce to the minimum the Budgetary deficit (because of its inflationary characteristic), cannot but lay his hands on sources like the one Mr Desai has in fact done. There is no doubt a case for reconsidering the extent of such levies, especially those connected with road transport and the automobile industry, but that would really be a case of marginal adjustment. The case for rationalisation of the taxation of road transport is, however, strong and one on which some kind of inquiry (and, what is more important, effective action) is urgent.

In the understandable preoccupation with new taxes, some of the real concessions that the Finance Minister has announced have not received the notice they deserve. For instance, owners of real property (constructed before 1950) will have a reduction in respect of the entire tax levied by any local authority, as against only half of such levy as at present. Secondly, concern for promotion of scientific research is practically demonstrated by the liberalisation of conditions of allowance made therefor in computation of business income. Development rebate is still there without any further "strings" (as was widely feared) and Section 15C of the Income Tax Act has been given a fresh lease of life so that new undertakings may be encouraged.

The overall budgetary position for the next year shows a deficit on revenue account (without taking into account from new taxes) of Rs 84 crores. Capital outlay will amount to Rs 371 crores, loans to States and others to Rs 531 crores and debt repayment to Rs 140 crores. The total disbursement of Rs 1126 crores will be met by market borrowing to the extent of Rs 250 crores; Rs 90 crores from small savings; Rs 362 crores (or nearly a crore a day) from foreign assistance; Rs 239 crores from loan recoveries and other miscellaneous receipts, leaving a deficit of Rs 177 crores to be met by expansion of treasury bills. The overall deficit financing for the entire Plan period is expected to be slightly over the estimated Rs 1200 crores. The estimate of Plan outlay was put by the Finance Minister at Rs 4600 crores.

MR MORARJI DESAI has not seen fit to make the readjustment in the corporate tax structure that he had promised last year, when he fixed the rate for advance payment of tax at 45 per cent; and his plea is that there is not enough experience to go on to justify any tinkering with that rate. This surely is weak and not very convincing reason for his decision apparently to defer a reconsideration of what the proper rate of tax should be, so that the effective revenues to the Central Government are unchanged. Having made this reservation, I might suggest that the Finance Minister can justly be said to have done the impossible—although he has received not a little help from the fact that revenues are beginning, for the first time since the planning era started, to reflect the impact of a dynamic economy in action. For, it was widely apprehended that the three factors on the basis of which the Finance Minister would necessarily be required to draw up his Budget would entail substantial new tax proposal. But the revised estimates for the current year show how Mr Desai's task in this regard was minimised. On the one hand, the rise in defence expenditure has been negligible; few could have hoped that the Budget figure would be exceeded by a mere crore of rupees. On the other hand, the improvement on the receipts side of the Revenue Budget amounts to the considerable figure of Rs 58 crores. It is now expected that customs revenue will fetch more than Rs 17 crores over the Budget figure; that excise duties will show an improvement of Rs 26 crores; and that realisations from Corporation Tax will be better than the Budgeted figure by Rs 11 crores. So, for the current year, the revenue deficit stands reduced by Rs 44 crores at Rs 15 crores. (It may be noted that the revised expects a decline of Rs 14 crores in the taxes on income; my own view is that such decline may not materialise in full, and that with further improvement in the actuals, 1959-60 may not prove to have a revenue deficit at all).

I wonder who slipped up about the taxation of bonus shares. For, if there was one concession that the Finance Minister could have given, with profit and not loss to the central exchequer, it was a reduction in the rate of tax on bonus shares; no useful purpose is served by the impost as it exists today. So long as the excess dividends tax was on the statute books, companies might have considered four or five years "purchase" of the dividends tax, by opting for the bonus tax in the intention that, thereby the liability as to dividends tax would be minimised. But, today, no company would be anxious to incur the tax burden implied by a capitalisation of reserves; and the shareholder for his part is likely to be satisfied with such increase in dividend as comes his way. On the other hand, had the rate of bonus taxation been reduced, some companies there are which, anxious to restore balance between capital and assets, would have been prepared to undertake a small liability; and their reasoning would also have been that on the ex-rights basis, the share prices would have readjusted downward, thereby enabling new small investors to be attracted.

A Not "Exacting" Budget

By
Eavesdropper

crores, already reduced in the revised estimate to Rs 15 crores, has every chance of being converted into a small surplus. I presume that there has been such deliberate under-statement of revenues, because the Finance Minister, possibly for political rather than any other sort of reason, could find no way of convincing his colleagues in the Cabinet that a reduction in the corporate tax rate was not only desirable but even mandatory. Fortunately, this is not so great a pity as it might have been. The expansionary economy implies that companies, too will be able to take in their stride one year of unfairly high taxation. But it will be incumbent on the Finance Minister, in the Budget for 1961-62, to "rectify" the corporate tax rate. It cannot at that time be claimed that there is an insufficiency of data; and the clincher to the argument will be the necessity to enable companies to find internally the resources for the expansion and development that they will have to take on hand for the Third Plan. But, for a year, I am afraid, and in respect of advance tax for a year besides, companies will be liable to bear the higher rate of taxation.

The bonus tax, I am afraid, does nobody any good. And it is still not too late to reduce the rate.

It is good, however, that the Finance Minister has resisted the temptation to secure larger immediate revenues from readjusting the requirements in respect of Development Rebate. While, from the point of view of the companies, a "spread" would have "equalised" surpluses available for distribution, Government perhaps are not anxious that current revenues should be buoyant; for, in that event, tax reliefs would be in order. Nevertheless, I think that the "spread" idea is still a good one, because, with the requirement of tax deduction at source on dividends, and the "grossing" element on reserves built up in the past all too meagre, the effective return to the shareholder in a dynamic, progressive company is likely to be affected. This, again, is a notion worth considering in the next Budget.

The borrowing effort is commendable; this is one aspect of the Budget in which Mr Desai has been helped by circumstances, but also one where the Finance Minister has taken full advantage of such favourable situation. There is, firstly, the innovation of the Prize Bonds; not quite an innovation, because it was tried, though without much success, during the wartime. However, Mr Desai can hope for a greater attractiveness in the present context of high rates of personal taxation. For, a tax-free windfall is bound to be attractive, and the disadvantage of there being no interest offered on the Bonds will be quite offset by the fact that no loss (except for depreciation of currency over the five year period) can accrue, while the gain can be considerable. Secondly, the target for market borrowings has been fixed reasonably at Rs 250 crores. While I personally believe that much more can be secured, we have to take cognisance of the complaint that a large governmental borrowing programme allegedly "drains" the market of funds for the private sector. I disagree violently with this view. Money meant for ordinary shares will never find refuge in gilt-edged. On the other hand, quite a bit of money ordained for gilt-edged quite often finds sanctuary in ordinary shares nowadays. But much will depend on how the banking situation develops over

the 1960 slack season. In the current fiscal year, the budgeted figure has been more than attained; but, because conversion subscriptions were so considerable, net borrowings were less than in the previous year. Today, there is a much greater expansion of demand from industrial users of money. To such extent, it may happen that the surplus with banks available for investment in gilt-edged will be affected. Again, however, evidence there is already of a record rise in the Deposit liabilities of Scheduled Banks. To such extent, the capacity of the banking system to absorb gilt-edged will improve. My hunch is that, the Prize Bonds apart, the target for market borrowings will be easily achieved; and what the Prize Bonds will attract will be pure "profit".

Not that the Budget is devoid of concessions, I might point out at this stage. The most important of these is the credit given for the full, instead of half of, the amount of local taxes payable on property built before 1950. This may conceivably set off a boom in old houses. For, capital gains is always there, land and buildings still constitute one of the best hedges against inflation—and where else is taxation so just? Then, there is the extension of concessions for new industrial undertakings. Small but significant reliefs have been announced in the sphere of expenditure tax. Companies with small profits will attract a lower rate of tax than the 45 per cent for the generality of the corporate sector. Some relief is also given to investment companies attracting Section 23A of the Income-tax Act. Even the excise duties have been so devised as to touch the "luxury" articles rather than consumer goods. (However, in this last respect, it seems to me that road transport has again been penalised, and this might, though indirectly, affect consumer goods prices. I am not against the levy of the tax on passenger cars, though I suppose I will have to cough up a bit more if I should buy a car! but road transport of goods has to be encouraged and fostered, and Government seem bent on doing just the opposite. I think a rationalisation of the whole complex of motor vehicles taxation, in every one of its aspects, is urgently called for).

We can, I suppose, also hope for inflationary tendencies to be kept better in check during the Budget year. If production is the answer to inflation, both agricultural and industrial output are satisfactory enough. If deficit financing imperils the economy, the threat will be minimised by the lesser reliance on created money in the Budget year. (Indeed, it may happen that deficit financing in 1960-61 will amount to no more than a nominal Rs 50 crores). To sum it up, Mr Morarji Desai's Budget for 1960-61 is a better and less exacting Budget than anybody could have hoped for.

IF the stock markets have reacted to Mr Morarji Desai's second Budget bullishly, it is because he has largely fulfilled the expectation that he would not ignore the need for accelerating capital formation if the main objective of rapid economic development in the country is to be achieved. It was generally anticipated that, were the Union Finance Minister to present his Budget for 1960-61 without any addition to direct taxation, buyers would abandon the reserve that they had been exercising ever since the turn of the year and begin to lend active support to equities. That is what has been happening during the past few days and, although some may think that the rise has been rather overdone, the fact remains that the Budget has undoubtedly improved the investment climate in the country.

The post-Budget behaviour of the market can be better appreciated if one will note the hopes and apprehensions that were apparent before the Budget proposals were made public. The need for increased outlay on defence and the additional funds required for implementing the Central Pay Commission's recommendations, not to speak of the continued large funds that had to be found for Plan efforts in the final year of the Second Five Year Plan, were inescapable factors facing the Finance Minister in his task of formulating the Budget for the next fiscal year. Most calculations as regards the amount of additional revenue to be raised agreed that fresh effort would have to fetch something like Rs 80 crores. Speculation, therefore, centred round the question as to how this amount could be mobilised. Assuming that Mr Morarji Desai would realise that direct taxation had already reached its peak in the country, it was believed that he would try to get his requirements only through indirect taxation.

The Budget has shown that the market guess about the mode of collecting additional revenue was correct. Mr Desai, however, had a pleasant surprise up his sleeve for the market, as he announced that new tax proposals would net only about Rs 23 crores. He has left the balance of the revenue deficit of about Rs 60 crores uncovered. It is true, it is debatable that some of the new excise duties may, in their effect, retard progress in particular industries; but it is undeniable that, by and large, the comparatively smaller additional indirect tax burden will have little repercussion on industry in general.

It is significant to note that the revised estimates for the current year have disclosed a greatly reduced deficit of only Rs 15 crores as against the original estimated deficit of Rs 59 crores. Excise revenue has proved to be much more than anticipated by the Finance Minister, and this is steadily rising and, will net in a sizably large income in the next year in view of the fact that most plan projects are

Bullish Reaction to Budget

By Watch-dog

either come to fruition only recently or will soon come into fruition. Mr Desai has no doubt taken into account the rising trend of excise revenue, but it would appear his estimates are still on a conservative basis. It may, therefore, be expected that the uncovered deficit will be more than covered by increased revenues next year. There will thus be a strong case for some relief in direct taxation in the next Budget. The Committee of the Federation of the Indian Chambers of Commerce and Industry, however, thinks that there is already a case for a reduction of the direct tax burden.

Coming to the Budget proposals for 1960-61, the position may be briefly put as follows: There is no fresh direct taxation, and indirect taxation is much less than generally anticipated. Mr Desai has demonstrated further his concern for the private sector industries by giving small but significant concessions. These may be listed as follows:

- (1) Extension of tax holiday by another five years to new companies.
- (2) Wealth tax on companies has been abolished.
- (3) Excess Dividend tax has been abolished.
- (4) Indian companies to be given credit for a sum equal to 10 per cent of dividend distributed out of past taxed profits.

It is to be remembered that the present schemes of depreciation allowances and development rebate reserves for tax saving by companies have been left unchanged. These are big concessions and will contribute to the growth of the corporate sector.

Extension of tax holiday for new companies by another five years will go a long way toward fostering the establishment of new industries.

The tax credit of 10 per cent on past taxed profits may perhaps be considered as too meagre, but its significance lies in the fact that it shows that the Finance Minister has given recognition to the principle that profits once taxed should not be taxed again.

The Budget has its disappointing features, too. These are:

- (1) Continuance of the high rate of tax on bonus shares.
- (2) The adoption of the provisional rate of 45 per cent for company taxation as final.

Of these, it is rather difficult to understand why no change was

made with regard to the former. It should have been evident to the Finance Minister that a reduction in the tax would help both the corporate sector and the Exchequer. A lower bonus tax will enable the companies to capitalise their reserves and thereby pay the bonus tax to Government.

The adoption of the rate of 45 per cent on company taxation has caused bitter disappointment. But Mr Desai has this to say about his decision. "We have not had sufficient experience of the effect of this rate. I do not therefore propose to make any change in this rate but to adopt it as the final figure." Although this seems to indicate that a change in the rate may still be effected, the feeling has gained ground that the rate of 45 per cent has come to stay. This inference seems to have been derived from the Finance Minister's reported reference to corporate taxation at a meeting of the Congress Parliamentary Board.

More than by the small mercies shown by the Finance Minister in the shape of the absence of proposals for direct taxation and the smaller than expected indirect taxation, the stock markets seem to have been influenced by psychological factors. In the first place, Government revenue is buoyant and they are bound to be increasingly so with the progress of industrialisation. Consequently, Government's hunger for funds in coming years may not be as acute as in the past years. Another big dose of deficit financing promised by the Budget is taken as a bullish factor for the stock market; for, it is argued that, if other prices appreciate, equities, too, should move with the general trend or that part of the created money will seek investment in equities.

It is also probable that both operators and investors have derived the inference from Mr Desai's modus operandi that, within the freedom allowed to him by the socialistic pattern, he has proved to be a friend of private enterprise. It is true, he seems to be second to none in Government in advancing socialism, but he has not ignored the fact that the same policy that has put socialism as the ultimate aim has also declared that that socialism is to be achieved through a mixed economy. Private enterprise is not merely to be allowed to continue as long as it can last under continuous Government pressure but to be fostered as it is responsible for a goodly portion of national production.

1960-61 Budget Supplement

A word about the present bullish fervour. One can hardly quarrel with the operators for their unbounded enthusiasm in the immediate post-Budget sessions. Mr Desai's second Budget no doubt deserved such exuberance, for he had more than fulfilled expectations as regards new levies. Perhaps, it is also true to some extent that this is no occasion for sticking strictly to yield considerations. Most industrial concerns, whose equities are quoted on the stock markets, are rapidly expanding; and, if anything, this process will be further intensified in the coming five year plan period. So, investors are somewhat justified if they look more to growth considerations than to yield prospects. But it will be imprudent to ignore completely the return on the investment in equities.

There are also other reasons to temper the present enthusiasm with caution. It must be remembered that company chairman after company, chairman has declared that the new dispensation in company taxation, while it has undoubtedly simplified the procedure, nevertheless has proved to be heavier in its incidence than the previous tax system. Contrary to expectations, Mr Desai has not chosen to revise the rate of 45 per cent. Secondly, it must be remembered that, after the last year of the current five year plan, there will begin the first year of the Third Plan with its massive outlay. The Third Plan is supposed to constitute the "take off" stage for our economy which will then become self-sustaining. It follows therefore, that tax efforts have to be further intensified in order to mobilise the larger resources that will be required to implement a plan of about Rs 10,000 crores. It is not pessimism to remind investors about the big task ahead of the nation in the next five year plan period. This is not, again, to minimise the great strides that the economy will have taken by the beginning of the Third Plan and consequently the much higher rate of investment it can sustain. But this is only to caution that, if enthusiasm is allowed to run ahead of the realities of the situation, there may be trouble ahead for the investor.

The Finance Minister has himself spoken about the need for holding the price level. It is generally believed that, as a result of the 1960-61 Budget, there will be further impetus to the price spiral. So, it may be expected that Government will take concerted measures to curb inflationary tendencies. Appropriate fiscal measures may be necessary; and, already, rumour has it that the Bank rate may be raised. Even though one week has elapsed without any move in this direction by the Authorities, the possibility cannot be ruled out. Investors may also do well to remember that big brother LIC is there always in the background, capable of bringing about corrective changes in equity price levels both ways.

1960-61 Budget Supplement

The New Union Budget

By B. L. Jalan

MR MORARJI DESAI'S second Budget was, as I had predicted a few hours earlier, a birthday Budget. It is indeed a very happy coincidence that the Finance Minister's birthday falls on the Budget day. This Budget, on the whole, would seem to continue the policy incorporated in his first Budget, introduced a year ago. The underlying objective of this policy would appear to be two-fold. In the first place, it seeks to cry a halt to the previous policy of substantially enhancing the burden of direct taxation year to year, both by raising the rates of the traditional taxes, such as, the Income-tax and the Corporation Tax and by introducing new taxes like Wealth Tax, Expenditure Tax. These new taxes were no doubt spectacular in the general impression they produced on the minds of the common people as heralding the definite advent of an ultra-socialistic fiscal policy, but their actual effect on industry was disastrous. They acted as strong disincentives to private investment and production. They also acted as strong deterrents to the participation of foreign enterprise and capital in the industrial development of this country. Besides, the great complexities of all of those measures and the utter novelty of at least one of them, namely the Expenditure Tax, not only produced dismay and uncertainty in the minds of business people, but also imposed terrible strain on the tax-assessing and tax-collecting machinery of the Government. Mr Morarji Desai, who is justly famous for his grasp of the problems of administration in the fast-changing socio-political conditions of India and for his appreciation of the significant role of private enterprise in the rapid and many-sided expansion of the Indian economy, no doubt realised the need for crying a halt to the pre-nod policy and making at least some adjustments in the system of direct taxes so as to mitigate their evil effects to some extent. In the second place, the new policy seeks to tap new and expanding sources of revenue by extending the system of excise duties to certain important new commodities that were being thrown out by the process of economic development. There can definitely be no doubt that this is a policy of extending the coverage of taxation so as to reach the many hundreds of millions of people—workers, small traders, etc.—who are no doubt sharing in the expanding national income, but who cannot be effectively reached by direct taxes. It may be mentioned, in this connection, that in 1957-58, in the whole of India, the number of persons assessed to Income-tax was only about 6 lakhs.

Before Mr Desai came to the Centre, he had already become famous as an outstandingly successful administrator who had led

the State of Bombay through a very difficult and, sometimes, critical period to remarkable stability and progress. His two years as the Union Minister of Finance shows him also to be an outstandingly capable Minister of Finance. He is no believer in set doctrines or cheap, popular, slogans. As a veteran statesman, he can easily penetrate to the heart of a problem and can hit upon the best practicable measures in a given situation, however difficult and complex it might be. Thus, for instance, he carefully weighs the disadvantage of a fairly substantial deficit against that of going too far in the imposition of new taxes and decides that he would rather leave uncovered three-fourths of the revenue deficit than impose taxes which would prove unduly deterrent to production and investment or even consumption. He fully appreciates that the possible evil effect of an overall deficit of over Rs 150 crores, as proposed in his Budget, may be more than counter-balanced by the good effect of an accelerated rate of investment and production. This certainly is an eloquent testimony to his great insight into the practical working of economic and financial forces in the modern world with special reference to the context of the Indian situation.

While it is fit and proper that the wholesome features of the fiscal measures, introduced by Mr Desai in his two Budgets, should be fully appreciated, it is equally necessary to point out that these measures would be of somewhat limited value in so far as the national objective of a rapid and well-balanced development of the economy is concerned. It is time that the Government realised that a modern nation cannot achieve greatness if the activities of its citizens are to be largely regulated by a network of restrictions. To obtain what would be the optimum economic development in terms of speed and progress, it is necessary that the resources of enterprise, leadership and organizing ability, that have been acquired by the business community over these many decades of economic growth, should be fully harnessed side by side with all the resources of the Government to the task of rapidly developing economy to the self-sustaining, take-off, stage. For this purpose, it is necessary that the new fiscal policy should be carried further so as to remove completely the deterrents and disincentives generated by the previous policy and create adequate new incentives for investment and production and also, further, for the participation of foreign enterprise and capital on a large scale, which is absolutely necessary to achieve the objective of rapid and well-balanced economic development.

The Planning Commission seems to have assessed the foreign exchange gap for the Third Five Year Plan at Rs 2,500 crores. This could be effectively bridged by increasing inflow of foreign capital. Foreign capital, however, will remain shy so long as deterrents like Wealth and Expenditure Taxes continue to awe the potential investors and assurance is not given that fair and adequate compensation would be paid in case of nationalisation. The Constitution, as amended, does not hold out such a promise.

A positive approach could be pursued by putting a stop to further increases in civil expenditure, which has been mounting at a very fast rate, by scrutinizing and rationalising development expenditure and by concentrating on those sectors of the economy only which remain untapped by private enterprise. This requires, indeed, a change in our ideological outlook in the interest of larger needs of the country, namely, more speedier economic growth and removal of unemployment. It is hoped that the Finance Minister will carry his policy initiated last year to achieve its logical end in that direction.

Levy on Motors

The new excise on electric motors is a graded one. The rate of 15 per cent ad valorem applies to motors used for circuits of less than 10 amperes and pressure not exceeding 250 volts and for motors using over 400 volts the rate is fixed at 10 per cent. For motors over 10 H.P. also the rate is 10 per cent but for others, it is 15 per cent. The 15 per cent rate applies to parts also. This may be well taken to mean that starters are exempt. But manufacturers wonder if pumps that are fitted to motors will be subject to the excise and whether rural buyers taking pumpsets will be called upon to pay the new tax. In the past S.T. on motors and starters was high—that on pumps was low. But the new excise may lead to a mark-up in the prices of pump too. The dynamo and ignition systems also may be subject to tax like motors. The Finance Bill is not clear on that point, and the manufacturers hope to get clear rulings about the definition of electric motors and parts.

That Indian-made motors are dearer than British and it is important control that has led to an expanding market. This may be remembered even in setting out the official case for the levy. But manufacturers who can be trusted to pass on the new tax to buyers are aware that manufacturing costs will be raised soon by the new duty on iron and steel, the rise in railway rates. Further, the textile and other industries will have to buy new electrical equipment at enhanced prices, so that the probable increase in price may exceed the 15 per cent prescribed.

The outlook for exports even on a small scale is dimmed by the prospective rise in prices. Subsidies at the expense of the Indian consumer cannot be thought of, and the rise in power tariffs in the Southern States may limit the expansion of demand for motors. This section of the engineering industry is not very well placed and it is also feared that rural electrification may be affected by the sudden levy. There is also a risk that agriculturists will try to secure compensation by asking for higher prices for produce and the inflationary aspect of the new levy cannot be ignored at present.

The Central Excise staff is now trying to get on to the new item films. Data about sales and stocks is being gathered to get revenue under 50 nP per metre rules imposed by the Finance Bill. The new levy distinguishes between newsreels and shorts subject to 15 nP per metre and advertising shorts subject to 50 nP per metre. And it may be asked why metre, when the usual accepted trade term is footage and Hollywood is still on its feet (not metres). The Finance Minister's reference to the probable yield as Rs 75 lakhs in a year has led to some queries about the tax procedure. It looks as if all prints and copies of films will come within the scope of the excise. And there is the query as to raw film wasted in shooting. A lot of film is shot, viewed, and promptly rejected. And films, more than newspapers, are exposed to rigorous editing before exhibition.

This means a bigger rise in cost of film production than supposed, but producers, notably independents, will not be deterred, because the Indian Film Federation takes the tax in its stride and the picture business in recent years has been on the upgrade. It is assumed the new tax will not lead to a cut in the length of films as desired by audience and the trade will not go in for 16mm films on the score of the rate of excise being only 35 nP per metre.

The S. I. Film Chamber expects that budgets for new productions will not be inflated very much and the producers may only enter a formal protest. Film stars' salaries may not be pruned as widely suggested, and the renters alone may be called upon to foot the bill. The fact that imported films bear a tax does not impress the Indian industry which is content to point out that foreign studios, with vast resources and a global income, can afford to pay, if a local outlet for foreign films is secured. The Indian film industry—in spite of age and number of films—cannot compare with US companies which are troubled only by quotas, not by codes. Even the Television menace has passed away suddenly. There is, however, a chance that entertainment tax will be stabilised and the industry will be probably more careful in using raw film as a result of the excise.

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IN the field of direct taxation, the Finance Minister's budget for 1960-61 is significant, more for what it has omitted to do rather than for what it has done. Some concessions have no doubt been given under the Finance Bill in regard to income tax, wealth tax, and expenditure tax: but the significant omission is that it has not given the much needed relief in respect of direct personal taxation. It was hoped that this year's Finance Bill would include suitable provisions for amending the Income Tax Act so as to eliminate the deterrent effect on investment arising from the present heavy burden of personal taxation. It is well-known that the combined incidence of the taxes on income and wealth of individuals is so high in India as to be expropriatory in character. It has been estimated that on income, the incidence of the wealth tax in individuals ranges between twenty-five and forty per cent of the income. Since on unearned incomes exceeding Rs 70,000 the income-tax and super-tax aggregate to eighty-four per cent, we have the result that in the higher income brackets the income tax and the wealth tax alone take away more than the entirety of the income. Such a tax structure is not consistent with the requirements of a developing economy, which call for greater and greater production of the various kinds of goods required by the people. For production to increase in this manner, there should be greater investment in productive enterprises. In order that investment may take place there should first be an investible surplus left in the hands of the people. If those income groups which invest their savings in productive enterprises are subjected to regressive taxation of the kind mentioned above, the question arises as to how there can be expansion of economic activity. It has to be mentioned here that if investment in productive enterprises is to increase, the capacity to 'save' should be made larger among the middle and high income groups; otherwise what is gained by any tax reliefs will merely go into consumption expenditure. It is note-worthy that in the highly industrialised countries it is the high income groups on whom the personal income tax rates are lower. For instance, for an income of Rs 333,333, the personal income tax rates are 53.4 per cent in West Germany, 44.7 per cent in the USA, and 40.2 per cent in France, (all highly industrialised countries), while in India the rate for that income is almost 70 per cent! Since we want economic development to take place speedily, we could usefully draw from the experience of these countries and see that direct personal taxation is not as regressive as it is now on the high income brackets. The failure to effect this very necessary reform is the most significant omission in the present budget proposals.

There appears to be an under-estimation of the revenue from Income and Corporation Taxes for

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1960-61. The Budget for 1959-60 estimated the Corporation Tax at Rs 58.75 crores; in the Revised Estimates for 1959-60 the figure is Rs 78 crores—an increase of Rs 19.25 crores; perhaps the actuals may show it to be even larger. Such being the case, the Finance Minister's statement in his budget speech that for 1960-61 the receipts from Income Tax and Corporation Tax are likely to improve by Rs 10 crores only needs some explaining. The following Table shows the receipts from the Income and Corporation Taxes during the last five years:—

1955-56	Rs	118	crores
1956-57	"	135	"
1957-58	"	133	"
1958-59	"	143	"
1959-60	"	151	"

For 1960-61, the Finance Minister has estimated the Corporation Tax at Rs 135 crores and the income Tax at Rs 52.94 crores, which makes a total of Rs 187.94 crores. The Finance Minister has however stated that as a result of the merger of company income-tax in the Corporation Tax there is a decline of Rs 27.28 crores in the share of Income Tax payable to the States and that it is proposed to make good this loss to the States by a specific grant. If this amount is deducted from Rs 187.94 crores, the balance is Rs 159.66 crores, which is only about Rs 8 crores more than the figure of Rs 151 crores given in the above Table for 1959-60. The Revised Estimates for 1959-60 place Income Tax at Rs 72.68 crores, while for 1960-61 it is taken as Rs 52.94 crores. This is probably due to the company income tax being fixed, under the Finance Bill at 20 per cent instead of the 31½ per cent of last year. Even so it is highly doubtful whether income tax receipts during 1960-61 will be so low as to be only Rs 53 crores. There appears to be a considerable under-estimation of the receipts from Income Tax during 1960-61. The economy continues to be buoyant, and there is no reason to apprehend any fall in incomes, so, as to result in reduced income-tax receipts. On the other hand, with the progress of industrialisation, the indications are that incomes will increase, yielding greater revenue. Incomes will increase further if direct personal taxation were reduced for the middle and high income groups. For the savings effected thereby will get invested in productive channels, which will generate more income, and this in turn will bring forth more tax revenue: the case for relief in direct personal taxation is thus clear, and it is much to be regretted that this relief has not been given in the Finance Bill 1960. It is difficult to understand why this relief has not been given, when Government themselves are admitting the need for encouraging investment, as can be seen from the

following passage in the 'Economic Survey' for 1959-60 released with the current budget papers on 29th February: "The domestic resources available for investment have not shown any marked rise. . . . A developing economy has necessarily to move forward progressively to higher levels of investment. The task of policy is, therefore, the difficult one of promoting and fostering the growth of investment on sound lines" etc. Without appearing to be overcritical we would like to ask what the present budget has done to foster the growth of investment.

We would like to point out here that the budgetary position is not such as to leave no room for adopting measures to foster the growth of investment. According to some authoritative quarters, by fixing company taxation at 45 per cent the Revenue is gaining by several crores of rupees, and so there is considerable scope for relief in personal taxation so as to encourage investment in productive enterprises. This point may be explained a little further by referring to the available figures of revenue from company taxation. In 1957-58 which is the latest year for which classified revenue statistics are available, the total income of companies was Rs 220 crores. Out of this, company tax including the excess dividends tax, tax on issue of bonus shares, and the wealth tax on companies amounted to Rs 117 crores. That year the income-tax on dividend income was Rs 12½ crores; deducting this from the above sum of Rs 117 crores, the net yield to Government was Rs 104½ crores. Under the new system of company taxation at 45 per cent, the position in respect of the above total company income of Rs 220 crores would be that the companies would be paying Rs 99 crores, and in addition the shareholders will be paying Rs 12½ crores, which aggregates to Rs 111½ crores: thus there is a clear gain of Rs 7 crores to the Revenue. Seven crores out of Rs 220 crores represents 3½ per cent. This means that if company tax were fixed at 41.75 per cent, Government would be realising the same net revenue which they used to get. Said the Finance Minister in 1959: "As part of the scheme of simplification of company taxation, I propose to combine in the income tax and super tax rates of companies, the net incidence of the present taxes on income, excess dividends and wealth. . . . I propose a rate of 20 per cent for income tax and 25 per cent for super tax, that is to say, a total of 45 per cent. This rate will secure the same revenue as is at present derived from the taxes on the wealth and profits of companies" etc. We have already seen that this rate of 45 per cent secures more than that amount of revenue, and that in point of fact, the rate should not have been higher than

41.75 per cent. According to a news item which has appeared in the dailies on March 1st this year, when some members of the Congress Parliamentary Party's Committee on Finance pleaded for an abatement on corporate taxation below the 45 per cent level as this rate had shown yields in excess of anticipation, the Finance Minister said that he would not lower this level even if collections were considerably higher. He is reported to have not only ruled out any reduction in the company taxation but to have stated that if at all any change was necessary in the future the case was for increasing it! The case, however, as pointed out by us herein, is for a reduction in the company tax by at least 3.25 per cent. In the budget estimates for 1960-61 the Finance Minister has estimated the Corporation Tax at Rs 135 crores, which, on the basis of the 45 per cent rate, means that he expects company profits to be Rs 300 crores. Since by fixing the company tax at 45 per cent the Revenue is gaining by 3.25 per cent, the additional accretion to the Revenue, in absolute terms, will be Rs 9½ crores. If we add on to this a further sum of Rs 10 crores which represents the possible extent to which the receipts from income tax are under estimated in the 1960 budget, the resultant position is that from income tax and company tax alone the Revenue is obtaining an additional Rs 20 crores under the new dispensation! In support of this we would point out that for 1958-59 while the budget estimates placed the income tax receipts at Rs 84.5 crores, the actuals are now seen to be Rs 96.2 crores—an underestimation to the extent of Rs 11.7 crores in the 1958 Budget! When Government themselves admit the need for encouraging investment (as mentioned earlier in the quotation from the Economic Survey) one cannot help feeling that the 1960 budget could very well have taken credit for the above sum of Rs 20 crores, and given the much needed relief in personal income tax.

We may now proceed to take note of the various changes in regard to direct taxation of personal incomes, wealth, expenditure etc., introduced under the Finance Bill 1960. In doing so, it needs hardly to be stated that the rates of income tax and super tax for individuals, Hindu Undivided Families and Firms remain unchanged. It is only in regard to company taxation that there are major changes. In keeping with the reform of corporate taxation declared under the 1959 budget, the wealth tax on companies is abolished by Section 13 of the Finance Bill which provides that no wealth tax shall be levied on any company for any financial year commencing on or after the 1st April 1960. The declaration to abolish the Excess Dividend Tax has also been implemented by necessary changes in the rate Schedule relating to company taxation: the provisions relating to

reduction in the rebate in the event of excess dividends have even omitted. The effective rates of company taxation are fixed with reference to three categories into which company incomes are classified, i.e. (i) dividend income derived from a subsidiary Indian company; (ii) dividend income derived from an Indian company, which is not a subsidiary and which was formed and registered on or after 1st April 1959; and (iii) the rest of the income, which will include also dividend income from non-subsidiary Indian companies, formed and registered on or before 31st March 1959. For incomes falling under category (i), the rate of tax is 30% in the case of all companies, be they big or small, public or private, or Indian or Foreign. By big or small we mean companies with income exceeding Rs 25,000/-. For incomes falling under category (ii) the rate is 35% for small public companies, 40% for private companies and big public companies, and 53% for foreign companies. For incomes falling under category (iii) the rate is 40% for small public companies, 45% for private companies and big public companies, and 63% for foreign companies. Here it has to be mentioned that the tax at the rate of 30% on the face value of any bonus shares or the amount of any bonus issued to shareholders is retained in the Finance Bill. The retention of the tax on issue of bonus shares surpasses comprehension. Both in the United

Kingdom and in India high-power Commissions have given a finding to the effect that bonus shares are not income in any sense of the term. The bonus tax was introduced as a check to the avoidance of the excess dividends tax; so, with the abolition of the excess dividends tax, the bonus tax has lost what little justification it had for retention in the revenue code. The failure to abolish the bonus tax is another significant omission in the 1960 budget.

Section 18 of the Income Tax Act throws, inter alia, an obligation on the principal officers of companies, before paying any dividends, to deduct therefrom (and also to credit to Government's account the amount so deducted) income tax and super tax at the rates prescribed in the Finance Act of each year. The provisions in this regard in the Finance Bill of 1960, in so far as they relate to recipient companies may therefore be taken note of as it is part of new system of company taxation. These provisions are contained in Part II of the First Schedule to the Finance Bill. Stating it briefly and without attempting to be too precise, the rates at which deduction is to be made are as follows:

- on debenture interest, the rate is 30% where the recipient is an Indian company, and 63% where the recipient is a foreign company.
- On dividends distributed by Indian companies engaged in

any of the industries specified in Section 56A of the Income Tax Act, the rate is 20% irrespective of the recipient company being Indian or foreign;

- on dividends from any subsidiary Indian company not engaged in the Section 56A industries, the rate is 30% irrespective of the recipient company being Indian or foreign; and
- on dividends from non-subsidiary Indian companies formed and registered on or after 1st April 1959, and not engaged in the Section 56A industries, the rate is 30% where the recipient is an Indian company and 53% where the recipient is a foreign company.

For Indian companies the rate of company tax as fixed in the Finance Bill is 45%; but in respect of dividend income and income by way of debenture interest, the rate of company tax as fixed in the Finance Bill is 45%; but in respect of dividend income and income by way of debenture interest, the rate at which tax is to be deducted at source is only 30%. As this will affect the revenue receipts, the Finance Bill makes a change in Section 18A also which relates to the advance payment of tax. Before the amendment, Section 18A did not apply to incomes in respect of which provision is made for deduction of tax at source. After the amendment, Section 18A applies to all incomes other than salary incomes. The effect of this is that in the case of Indian companies advance tax at the rate of 15% is recoverable in respect of their dividend income and income by way of debenture interest.

Here, it is appropriate to take note of the position in regard to the deduction of tax on the dividends in respect of tax-free preference shares. Under the Finance Bill 1959, the position was that the dividend in such cases had to be grossed up in such a manner as to leave, after deducting 30% from the grossed up amount, an amount equal to the guaranteed dividend. For instance a tax-free dividend amount of 7% will have to be grossed up to Rs 10 from which tax will be deducted at Rs 3 and the balance of Rs 7 paid to the shareholder. This meant that though the tax on Rs 7 was only Rs 2.1 (@ 30%), the company had to pay Rs 3, thus suffering a loss of 0.9 rupees to the detriment of the ordinary shareholders. In the case of some companies the relevant provision of the Finance Act 1959 (i.e. Section 18 (3E) read with Section 18 (3D) was interpreted to mean that tax at 30% was to be deducted from guaranteed dividend amount. For example, the amount payable to the shareholder in the above instance was stated to be Rs 7 minus Rs 2.1, i.e. Rs 4.9. In order to resolve these difficulties, the Finance Bill 1960 drops sub-section (3E) from Section 18, and makes sub-section

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(3D) applicable to all dividends. The effect of this is that it is left open to companies to declare whatever dividends they please; but from the dividend so declared they should deduct tax at 30% and pay the balance only to the shareholder. That is to say, what is paid to the shareholder should only be 'the dividend amount minus tax thereon at 30%'. Therefore, if the shareholder is to receive Rs 7, the dividend amount will be Rs 10, and the tax element will be Rs 3. Clearly this does not help matters. A better provision would therefore be for the statute to say that it shall be permissible for the company to pay the tax payable by the shareholder on his dividend without treating it as part of the shareholders' income. If such an amendment were made, then where the company gives a dividend of Rs 7 to the shareholder, it will pay from its own funds Rs 2.1 as tax to Government. This is probably more in conformity with the real intention of the Statute.

Before leaving the subject of company taxation, three concessions relating to it, which have been given by the Finance Minister, deserve to be mentioned. These are:—

(a) Since tax has to be deducted at 30% when distributing dividends, in cases where dividends are distributed out of past taxed profits, there is double taxation of the profits. A new Section 49BB proposed in the Finance Bill provides some relief to the company in such cases. The company will be given credit equal to 10% of the dividends distributed out of the past taxed profits. For this purpose dividends will be deemed to have come out of the distributable income of the year to which the dividend relates and only to the extent of the insufficiency thereof will the dividend be deemed to have come out of past profits. While the concession is sound in principle, it is not understood why the relief should have been limited to 10% of the dividend amount coming out of past profits. Unless the relief is increased to 30% (i.e. the amount by which tax is required to be deducted at source now) double taxation is not avoided. All the same, despite its inadequacy, the concession now given should be welcomed.

(b) Under Section 15C of the Income Tax Act, profits, up to 6% of the capital employed, of new industrial undertakings which begin to produce or manufacture goods in any part of India within thirteen years from 1st April 1948, have been specifically exempted from payment of both income tax and super tax. The concession thus will not apply to industrial undertakings which commence production on or after 1st April 1961. The concession now given under the Finance Bill 1960 is to extend this time limit for commencement of production up to 31st March 1966.

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(c) The third concession with regard to company taxation is in respect of Section 23A. It may be recalled that this Section prescribes a minimum distribution of profits by closely controlled corporations. Among other things, the Section requires investment companies to distribute ten per cent of their profits. This is now changed to 90% by the Finance Bill 1960. This is a welcome change since investment companies are a source of capital supply, and any plough-back of their profits will therefore be of advantage to the corporate sector. Section 23A further requires companies whose accumulated profits and reserves exceed their capital or cost of fixed assets, to distribute 90% of their profits. This is now reduced to 80% by the Finance Bill 1960. These two concessions in Section 23A will, we believe, be widely welcomed.

Next we may take note of three concessions which have been given in regard to 'Property Income', 'Business Income' and 'Donations for charitable purposes'. These are:—

(a) Section 9 of the Income Tax Act relates to the assessment of 'Property Income'. Income under this head is a notional figure based on the bona fide annual value of the house property consisting of any building and lands appurtenant to it, belonging to the assessee. This annual value is determined with reference to the rental which the property might reasonably be expected to fetch. From this figure, as the law stands at present, half of the tax levied by any local authority is deemed to be the tenants' burden and deducted if it is paid by the landlord. What the amendment under the Finance Bill 1960 provides is that in the case of property the construction of which was completed before 1st April 1950, the full amount of such local taxes, if borne by the owner, will be allowed to be deducted in computing the taxable income from the property.

(b) Section 10 of the Income Tax Act relates to the assessment of the profits and gains of business, profession or vocation. In computing such profits the Section provides that certain allowances shall be made. One such allowance is any sum paid for scientific research related to the business. The amendment now made by the Finance Bill 1960 is that any sum paid for scientific research will be allowed whether or not such scientific research is related to the class of business carried on by the assessee.

(c) Section 15B of the Income Tax Act gives an exemption from tax in respect of donations for charitable purposes; the aggregate of such donations however should not be less than Rs 250/- or more than 5% of the assessee's total income or Rs 100,000/-, whichever is less. The amendment made by

the Finance Bill 1960 is that such donations may be upto 7½% of the total income or Rs 150,000/-, whichever is less.

So far for the changes made in regard to Income Tax. We may now conclude this article after taking note of the changes made by the Finance Bill in regard to the Wealth and Expenditure Taxes, as also the Gift Tax. In regard to the Wealth Tax there is only change, i.e. the abolition of the Wealth Tax on companies, which we have already mentioned in detail earlier.

In regard to the Expenditure Tax, there are four changes made by the Finance Bill 1960. These are:—(i) the exemption given

under clause (d) of Section 5 of the Expenditure Tax Act is henceforth restricted to passage concessions enjoyed by foreigners employed in India; (ii) a deduction upto Rs 1,500/- will henceforth be allowed in respect of expenditure incurred on leave travel in India; (iii) a deduction upto an aggregate maximum of Rs 3,000/- will henceforth be allowed in respect of education of children in India; (by aggregate maximum we mean for all children together; the limit of Rs 8,000/- for foreign education, however, continues); and (iv) taxes paid by the assessee to foreign Government, will henceforth be allowed in full: (under the existing law only a part thereof is allowed).

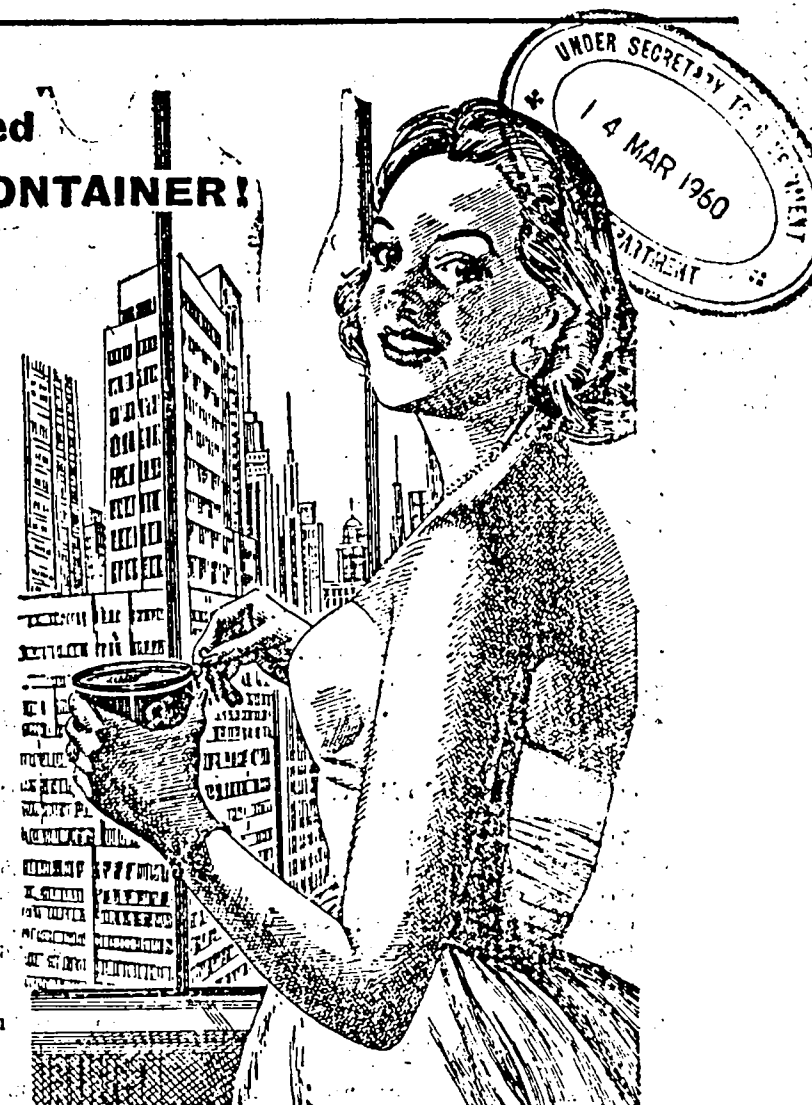
Finally, in regard to the Gift Tax, only one change is made by the Finance Bill 1960, and that relates to the advance payment of Gift Tax. Under Section 18 of the Gift Tax Act, if, within fifteen days of making a gift, an assessee pays by way of advance tax such percentage of the value of the gift as is specified in the section, he is eligible for a credit equal to ten per cent of the amount so paid as advance tax. The amendment now made is that in order to be eligible to this rebate the full gift tax leviable on the gift should be paid as advance tax. The amount of the ten per cent credit can therefore be obtained only by way of a refund after the completion of the assessment.

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Excise and the Exchequer

EXCISE duties are becoming increasingly significant as a source of revenue to the Central Exchequer. In fact, among all taxes, direct and indirect, excise today constitutes the largest single source of revenue to the Government of India. The revenue from excise as a percentage to the total tax revenue of the Union Government has recorded an impressive increase in recent years. From only 14 per cent in 1948-49 there has been an increase to as much as 45.17 per cent in 1959-60. The trend is shown in the following table:

TABLE.
(Revenue in Rs. crores).

Year.	Total tax revenue of the Union Government.	Revenue from Excise.	Excise as a percentage to total revenue.
1949-50	357.28	67.85	18.99
1950-51	404.52	67.54	16.70
1951-52	512.85	85.78	16.73
1952-53	444.03	83.03	18.70
1953-54	420.58	94.98	22.98
1954-55	455.78	108.22	23.74
1955-56	485.06	145.25	29.94
1956-57	573.14	190.43	33.23
1957-58	695.77	273.62	39.33
1958-59	692.20	301.15	43.51
1959-60	725.73	327.80	45.17

In the budget for 1960-61, excise duties have been extended to a number of new commodities and adjustments have been made in existing duties on certain items. The yield from excise duties in the next fiscal year is estimated at Rs 379.94 crores—an all-time record—out of the total revenue of Rs 919.98 crores.

It will be worthwhile to refer briefly to the evolution of excise duties in the Indian fiscal system. The Taxation Enquiry Commission has pointed out that of the present excises, the earliest was the levy on motor spirit introduced in 1917. The object was to curtail the consumption of petrol in India and to conserve it for war purposes. The next item to be subject to excise was kerosene in 1922. In the subsequent years other commodities such as steel ingots, tyres, tobacco, mill cloth, art silk, cement, soap and footwear. In 1920-21 excise revenue as percentage of total tax revenue was only 4.7. By the beginning of the Second Five Year Plan this percentage had increased to 30.

Excise duties are now levied on nearly 40 commodities. These include necessities like kerosene, sugar, matches, footwear, soap and cloth as well as luxuries such as rayon, woollen fabrics, motor cars, fans and bulbs. Excise is also applicable to several industrial materials like steel, cement, coal, tyres, diesel oils, plants, aluminium etc.

The following table shows the trend in revenue from excise on certain important commodities:

	(In lakhs of Rs)	1958-59	1959-60
Basic duties	Accounts Revised		
Motor spirit	...	32.52	36.00
Kerosene	...	4.15	6.10
Sugar	...	52.27	47.36
Matches	...	19.21	18.00
Steel ingots	...	7.29	10.00
Tyres and tubes	...	7.16	10.50
Tobacco	...	49.09	43.74
Vegetable product	...	3.86	5.00
Cotton cloth	...	57.40	43.00
Artificial silk	...	1.96	1.53
Cement	...	13.91	16.50
Footwear	...	1.05	1.10
Paints & Varnishes	...	1.27	1.30
Vegetable non-essential oils	...	10.02	13.09
Refined diesel oils & vaporizing oils	...	9.60	24.00
Industrial fuel oil	...	4.77	8.00
Rayon and synthetic fibres & yarns	...	86	2.20
Motor cars	...	20	3

The additional excise duties levied on sugar, textiles and tobacco in lieu of sales tax are estimated to yield Rs 12.90 crores, Rs 20.49 crores and Rs 7.30 crores in 1959-60 as compared to Rs 6.79 crores, Rs 5.22 crores and Rs 4.11 crores respectively in 1958-59.

Excise duties are sought to be justified on the ground that indigenous industries which have developed under tariff protection should be made to replace the loss of customs revenue on imports. Besides excise duties help to widen the base of the tax structure.

It is now generally agreed that we have already reached the saturation point so far as direct taxation is concerned and that, in the coming years, the emphasis has to be mainly on indirect taxation. This in effect means that increasing reliance has to be placed on excise since the other indirect taxes like import duties, export duties and the taxes on passenger fares yield comparatively only a negligible amount and, moreover, these are not capable of yielding a steadily increasing amount of revenue. Excise alone has this advantage and hence its growing importance in the fiscal system. As Mr Morarji Desai said in his budget speech on the 29th February:

"In the context of planned development, it is essential in dealing with the budgetary needs of each year, to think in terms of broadening and adjusting the bases of taxation so that the revenue raised continues to expand with the years. The proposals for the coming year, particularly those widening the base of taxation, have been formulated with the needs of the Third Plan in view. While direct taxation will be kept under constant and continuous review so as to make it yield the maximum resources, the bulk of the expansion in taxation will have to come from indirect taxation".

In resorting to excise duties, however, it is essential to ensure that it

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does not result in adverse effects on industries or on other sections of the economy. It is well known that a few years ago, the Indian cotton textile industry was confronted with a very difficult situation because of excessive taxation. It is particularly necessary to see that the excise on industrial raw materials does not affect production costs. In the last few years the revenue from excise duties levied on industrial raw materials and intermediates (such as steel, cement, etc.) has gone up from Rs 3.46 crores in 1948-49 to Rs 80.07 crores in 1959-60 and in the budget for 1960-61, many more such commodities have been brought within the scope of excise. It is not possible to say at this stage to what extent these duties will raise the costs of production. But it is essential to see that the trend in production is carefully watched and if genuine difficulties are brought to the notice of the Government they should be looked into promptly and sympathetically. This is particularly important in view of the need to step up exports. The Government, of course, have evolved a procedure for giving relief in excise duties to commodities which are exported. But it is pointed out that the procedure is rather cumbersome and moreover, the rebate does not in all cases fully compensate for the extra burden incurred on account of excise duties.

Coming to the specific proposals of the next year's budget it will be seen that the new imports on road transport amount almost to 50 per cent of the total tax proposals. This, it is feared, is likely to retard the rapid expansion of the automobile industry. A higher excise on cars may perhaps have some justification, but it is difficult to appreciate the levy on commercial transport. Similarly the enhancement of the duty on diesel oil also appears to be rather excessive. It will be recalled that diesel oil was subject to excise duty first at 25 nP. In 1956 and later it was raised to 80 nP. It has now been decided to increase the duty by another 25 nP. This is sought to be justified in view of the "growing imbalance between the internal production and consumption of this commodity" which is stated to be causing a considerable drain on the foreign exchange resources. But the fact remains that these imports will have an adverse impact on road transport. The need to relieve the pressure on railways and to expand road transport vigorously has never been felt more acutely than now and, at this stage, such heavy taxation would appear to be hardly appropriate.

In the circumstances of today, what we need is a steady and substantial increase in production. This alone will enable us to check the inflationary tendencies and to execute our plans smoothly. But output can increase only when there is a growing demand for the various products. Excise duties, if they prove excessive, may retard consumption and this in turn will have an adverse impact on production and employment. It is necessary therefore to see that the excise duties are levied and administered in such a way as will help the economy to expand at a more rapid rate than hitherto.

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IT redounds greatly to the credit of the Railway Board that it has done, for the first time, a critical appraisal of the performance of Indian Railways during the Second Plan period in the background of the prevailing economic conditions. That this appraisal has been made by the Railway Board itself, instead of by a relatively independent body like the Programme Evaluation Organisation of the Planning Commission, does not detract from its value, for, the Board has brought to bear on its study the utmost possible objectivity. The happy idea informing this well-come addition to the usual Railway Budget papers suggests, incidentally, that the springs of creative thinking do not necessarily get dried up in the care-worn ranks of the permanent administration. It is to be hoped that this appraisal brochure will become a regular annual feature like the Economic Classification of the Central Government Budget issued for the first time in 1957-58. If, thus, the new feature is continued next year, by the time the Second Plan formally ends the country will have a nearly complete "success story" of the Railway Plan which accounts for a fourth of the entire public sector outlay of the Second Plan—a picture that will be available much earlier than the Planning Commission's own review of the whole Plan.

Even in the first appraisal, which is the subject of this article, the success story covering the first three years of the Railway Plan in some lines and four years in some others is most heartening because there is now every cer-

The Railway Plan's Success Story

tainty that the staggered financial performance will be more than matched by physical achievement as much in relation to the targets of the industrial and agricultural sectors of the economy as in relation to the Railway Plan's own targets. The most significant fact emerging in the first context is that the use of rail transport in terms of ton miles has outpaced by 2.0 times the rate of industrial growth in the first three years of the Second Plan. This ratio is derived from the increase of 14.1 per cent in industrial production between 1955 and 1958 and the increase of 28.2 per cent in rail traffic in terms of ton miles between 1955-56 and 1958-59. The Indian Railways can take just pride in the fact that their performance has been distinctly better than in the United States and the Soviet Union where in the early years of development the use of rail transport in terms of ton mileage tended to vary between 1.5 and 1.8 times the rate of increase in commodity production.

That is not all, for, in absolute terms also the Indian Railways have, by and large, fulfilled the increased demands made on them in the wake of expansion commodity production. This is seen from a comparison of rail movement with production of selected commodities which account for 60 per cent of the total originating traffic on the Railways. The following table, specially constructed out of the figures given in the Railway Board's brochure, provides in a nutshell the relevant comparison:

Serial No.	Commodity	1955-56		1958-59	
		Production in '000 tons	Rail movement in '000 tons	Production in '000 tons	Rail movement in '000 tons
1.	Coal	38,226	35,337	45,300	43,253
2.	Cement	4,487	3,956	6,062	5,012
3.	Iron & Steel	2,661*	3,655†	2,971*	5,595†
4.	Manganese ores	1,584	1,378	1,200	974
5.	Other Metallic ores	5,404	4,373	6,723	5,807
6.	Foodgrains	68,494*	9,044	76,673*	11,946
7.	Raw Jute	712	512	925	727
8.	Tea	284	258	316	285
9.	Paper & Paper Products	324*	256	81	332*
10.	Jute Manufactures	1,027	290	1,062	261
11.	Raw Cotton	818*	739	892*	541
12.	Cotton Textiles	715	548	727	430
13.	Oilseeds	5,843	1,768	8,919	1,497
14.	Sugarcane	59,587	3,408	70,915	N.A.
15.	Sugar	1,615	1,336	1,918	1,383
16.	Salt	2,979	1,858	4,135	1,781

(a) Includes imports; (b) Includes machinery, etc.

A closer look at the above figures will show that rail movement has increased, more or less, pari passu with the increase in production of such commodities as coal, cement, iron and steel, metallic ores other than manganese ore, foodgrains, raw jute, tea and paper and paper products. In the case of manganese ore, the movement of which is substantially influenced by export demand, rail transport has followed a pattern similar to that of production and export. In the case of the remaining commodities there has been no increase in

and is being played by the Indian Railways in the economic and industrial development of the country is seen as all the more remarkable.

So much about railway performance in organic relation to the needs of other sectors, although that by no means exhausts the story. As for the performance in relation to the Railways' own physical targets, it is even more heartening to be told that the tempo of construction and reconstruction activity and the progress of financial expenditure (with only 22 per cent remaining to be incurred in the fifth and final year of the plan) are such that the end-year targets of 162 million tons of goods traffic and 15 per

Year	Broad Gauge		Metre Gauge	
	Lbs. of coal consumed per 1,000 gross ton miles	Passenger Goods	Lbs. of coal consumed per 1,000 gross ton miles	Passenger Goods
1950-51	192	164	234	203
1955-56	182	154	221	187
1956-57	185	152	219	179
1957-58	183	149	208	178
1958-59	184	147	216	190

As for operational efficiency, the position may be summed up in the following figures of equated net ton miles per wagon day:

Year	B.G.	M.G.
1955-56	538	171
1956-57	567	180
1957-58	593	192
1958-59	568	134

The Railways have achieved this high level of efficiency by reducing

cent increase (over 1955-56) in passenger traffic will have been reached. When this anticipated success is considered along with the already achieved success by way of self-sufficiency in the indigenous production of wagons, steam locomotives and coaches and with the fact that indigenous production of railway stores and equipment has been at a faster rate than what was originally expected, the physical achievement of the Railway Plan are brought into their proper focus.

What is no less remarkable is that the efficiency with which the Railways have executed their plan has been matched by efficiency in two other directions, namely, fuel consumption and operation. As regards fuel consumption, the year-to-year position is presented by the following efficiency index:—

empty haulage as well as by increasing the quantity loaded in each wagon. In highlighting this fact, the Railway Board has rightly emphasised, in the light of comparative figures, that the performance of the Indian Railways in regard to the utilisation of the wagon stock compares quite favourably with that of the advanced countries like Canada and the United States.

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Major Developments in Indian Economy

Production Trends Satisfactory

Rise in Prices

Part A of Mr Morarji Desai's Budget Speech

Sir,

I beg to present the statement of the estimated receipts and expenditure of the Government of India for the year 1960-61.

2. The usual Economic Survey reviewing the major developments in the economy during the current year and indicating broadly the outlook for the coming year has been circulated along with the budget papers. I propose here to dwell only on such aspects of the economic situation as have a direct bearing on the budget for the coming year.

3. Agricultural production recorded a large increase in 1958-59 and there has been a marked recovery in industrial production in recent months. Despite these encouraging trends in production, both wholesale prices and the cost of living have shown a significant rise. The foreign exchange reserves held by the Reserve Bank have maintained a measure of stability during the year. There has been some improvement in export earnings and some reduction in imports, but the major factor in the stability of our foreign exchange position has been the larger availability of external assistance. The trends in money supply and credit indicate that the expansionary impulse in the economy has been fairly strong. The stock markets have been buoyant practically throughout the year. These pointers, taken together, indicate the need in the coming year for active vigilance in regard to domestic price trends and continued austerity in imports backed by accelerated effort to step up exports.

4. The investments undertaken in the last few years are beginning to yield results and we should expect substantial increases in output in the coming year. At the same time the demands for domestic consumption and investment are increasing while the urgent need to build up exports remains. It is essential in this situation to ensure to the maximum extent possible that aggregate demand does not outstrip the supplies available. 1960-61 is the last year of the Second Five-Year Plan, and care must be taken to see that the economy is in a state of healthy balance when the year ends and the Third Plan commences.

PRODUCTION

5. The prospects for agricultural production in the current year

are good. Despite floods in some parts of the country and drought in some others, the Khariff crop is expected to be about as good as last year, and the Rabi sowings so far have been satisfactory. Food production in 1959-60 will, it is hoped, be around the same high level as last year, although some reduction in the output of raw cotton and jute is likely.

6. Industrial production has shown an increase of about 7.4 per cent over the first ten months of 1959. This is a substantial improvement over the rate of increase of 1.7 per cent in 1958 and 3.5 per cent in 1957. A notable feature of the year was the increase in the production of iron, steel and aluminium which together accounted for over a third of the rise in the index of industrial production. Among the other industries which recorded substantial increases in output were automobiles, diesel engines, machine tools, sugar machinery, superphosphates, soda ash, cement and paper and paper board. The output of mill cloth was about the same as in 1958, although the off-take was distinctly larger partly on account of the revival of export demand. The production of handloom and powerloom cloth went up by about 100 million yards. The production of jute manufactures over the year was slightly lower than in 1958, but it has been looking up since September last. Although the foreign exchange position continues to be tight, it has been possible to ensure, by and large, that industrial production is not hampered on that account. Actually, the increase in industrial production has been larger than the index would suggest, as the industries which have come into existence after 1951 are not included in that index.

7. In part, the increase in industrial production mentioned earlier has been on account of fuller utilisation of capacity. But there has also been expansion in installed capacity in a number of industries such as iron and steel, aluminium, paper, basic chemicals, cement, power-driven pumps, sewing machines and bicycles. Progress is being made in the production of finished machinery and equipment as well. The construction of the first phase of the heavy electrical project at Bhopal is nearing completion and it has been decided to accelerate the remaining phases of

the project and to provide for substantial expansion. The capacity of the heavy machinery project at Ranchi is also to be expanded so as to produce 80,000 tons of machinery a year. A number of plants for fertilisers, drugs and pharmaceuticals and intermediates are also being established and will go into production during the Third Plan period. The industrial potential of the country has grown considerably over the last few years, and is becoming rapidly more diversified. Government are anxious to see this process carried through further. Small-scale industries have also continued to receive encouragement and support from Government, and certain steps to assist banks to make larger loans to small industries are under consideration.

8. Indian shipping continued to expand steadily during the year. The total gross tonnage under the Indian flag at the end of 1959 was about 7,40,000 which is expected to reach the Plan target of 9 lakh tons by the end of 1960-61. With the establishment of the Shipping Development Fund in the current year, Indian shipping companies have now a permanent source from which to obtain rupee finance for their development. In the present context of a shortage of foreign exchange, it is important to develop the Merchant Fleet and save the large amount paid as freight in foreign exchange. I hope that in this effort we shall receive cooperation and assistance from foreign ship-owners, who have had an earlier start and that restrictive practices, which hamper the full utilisation of our shipping tonnage will be given up.

MONETARY TRENDS

9. The rate of increase in money supply which had slowed down in 1958 picked up again in 1959, the increase in the course of the year being Rs 170 crores, as compared to Rs 75 crores in the previous year. The increase in bank credit to Government was smaller in 1959 than in the previous year. On the other hand, the contractionist effect of the transactions of the private sector with the banking system was smaller and the foreign exchange reserves which had shown a decline in the previous year went up in 1959.

10. The deposit resources of scheduled banks increased by Rs 254 crores in 1959. The addi-

tion to the investment of these banks in government securities was Rs 151 crores as compared to Rs 204 crores in 1958. The net borrowings of the scheduled banks from the Reserve Bank were small and except during periods of pressure for funds, money rates generally tended to remain at lower levels. The maximum deposit rates fixed in October 1958 under a voluntary agreement among the larger banks were lowered by 1 per cent in September 1959.

11. The stock markets were buoyant for most of the year and the gilt-edged securities maintained a firm trend. Several of the new industrial issues during the year were oversubscribed. The index of variable dividend industrial securities, which had risen by 14 per cent in 1958, rose further by about 17 per cent during 1959. While, in a growing economy the capital markets should reflect confidence and optimism, it is essential to keep a watch on any unhealthy speculative tendencies.

PRICES

12. The general index of wholesale prices has shown a rise of about 4½ per cent over the twelve months ending January 1960. The index for rice came down from 108 in November 1958 to 92 in March 1959, but it rose again to 112 by October. There was a seasonal decline to around 101 by December 1959. The index was 104.3 at the end of January 1960. Wheat prices at the end of last month were about 25 per cent lower than about a year ago. While, on the whole, the indices for cereals and pulses have shown a fall, 'food articles' as a group have gone up, mainly because of the rise in the prices of edible oil, gur and tea. Industrial raw materials went up more sharply and the index for manufactures has also shown an upward trend in recent months. The All-India cost-of-living index for December 1959 was 124 as compared to 122 a year earlier.

BALANCE OF PAYMENTS

13. As I mentioned earlier, the Reserve Bank's sterling assets have been relatively stable, their level on 19th February 1960 being Rs 203 crores, as compared to Rs 211 crores a year earlier. During this period we made the gold payment towards the enlargement of our quota in the International Monetary Fund and repurchased from it

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rupees equivalent to \$20 million. Welcome as this improvement is it must be borne in mind that basically our current earnings are far short of our payments, and the gap is being met by foreign loans and credits.

14. For the year 1958-59 the current account deficit in the balance of payments was Rs. 339 crores as compared to Rs. 476 crores in 1957-58. Imports were lower by Rs. 157 crores; imports on private account showing a fall of Rs. 176 crores while Government imports rose by Rs. 19 crores. Export earnings in 1958-59 were about Rs. 19 crores less than in 1957-58 due mainly to recessionary conditions abroad. Receipts on account of official donations and other invisible items were less in 1958-59 by a crore as compared to 1957-58. The current account deficit of Rs. 339 crores was met by capital inflow of Rs 320 crores and by a drawing down of foreign exchange reserves by Rs. 19 crores. Allowing for a net outflow of Rs. 23 crores on account of miscellaneous transactions the total fall in reserves, however, came to Rs. 42 crores.

15. For the first half of 1959-60 the current account deficit was Rs. 142 crores as compared to a deficit of Rs. 211 crores in the first half of 1958-59. The improvement was accounted for by an increase in export earnings of the order of Rs. 19 crores and a reduction in imports amounting to Rs. 53 crores. The receipts on account of official donations were, however, Rs. 3 crores less. As against a deficit of Rs. 142 crores, foreign exchange reserves were drawn down by Rs. 27 crores, the balance being met mainly by external assistance.

16. While on the subject of the balance of payments and foreign exchange reserves, I would like to mention that we had drawn in 1957 from the International Monetary Fund, a credit of \$200 million, including a stand-by-credit of \$72.5 million. Under the Fund rules, a stand-by-credit is repayable within three years. We have, therefore, repaid \$50 million during this month and propose to pay the balance of \$22.5 million in June 1960.

FOREIGN ASSISTANCE

17. As the House is aware, a Conference of friendly countries was convened by the World Bank in March 1959 to discuss how India could be assisted to meet the foreign exchange requirements of the current Plan. Following this Conference, the United Kingdom Government granted a loan of £19 million, about Rs 25 crores. The United States Government sanctioned a further loan of \$20 million, about Rs 9½ crores, from the Development Loan Fund in July 1959 for the import of steel for projects in the private sector. An agreement under PL 480 was signed with the United States Administration in November 1959 for import of foodgrains, and other agricultural commodities valued at \$257

million, about Rs 122 crores. Canada has authorised grants totalling \$25 million, about Rs 11 crores for import of wheat, raw materials, fertilisers and scientific equipment. During the current financial year the World Bank sanctioned further loans totalling \$85 million, about Rs 40½ crores. Three agreements were signed during the year with the USSR, for loans and credits totalling 1680 million roubles, about Rs 201 crores. The bulk of this assistance is towards the Third Plan. The Governments of Czechoslovakia and Yugoslavia have also agreed to extend credits upto Rs 23 crores and Rs 19 crores respectively during the Third Plan period.

18. As in previous years, we have continued to receive assistance under the Colombo Plan from countries like Australia, Canada and New Zealand. We have received technical assistance from the United Nations Expanded Programme of Technical Assistance, other specialised agencies of the

United Nations and the Indo-French technical cooperation programme. We have on our side, also given assistance to friendly countries. Our economic and technical assistance to Nepal under the Colombo Plan is expected to amount to Rs 1.33 crores during the current year. We have provided scholarships and training facilities for overseas students and sent a large number of experts to help the Governments of these countries.

FINANCIAL YEAR 1959-60

20. I shall now deal with the revised estimate of the current year and the budget estimates of the coming year.

21. The budget for the current year estimated the revenue at Rs 780.10 crores and expenditure met from revenue at Rs 839.18 crores leaving a revenue deficit of Rs 59.08 crores. On the trend of actuals the revenue is now estimated at Rs 838.66 crores and expenditure at Rs 854.05 crores, leaving a deficit of only Rs 15.39 crores.

22. The improvement of Rs 58.56 crores in revenue is due mainly to



better collections under Customs and Union Excises. Customs receipts are now estimated to go up from Rs 132.77 crores to Rs 160 crores; our original estimate, based largely on the trend of actuals for 1957-58, has proved to be too conservative. Union Excises would yield Rs 350.82 crores against the budget estimate of Rs 324.32 crores. With the progressive increase in production the revenue has shown an all round improvement, notably under steel ingots, cement and tyres and tubes. The enhancement in the duty on mineral oils during the year has also contributed to this improvement. The revenue from Income Tax including Corporation Tax, is likely to go up by Rs 5 crores but the yield from Wealth Tax, Expenditure Tax and Gift Tax taken together, will be less by Rs 1.6 crores. The surcharge on iron and steel which is transferred to the Iron and Steel Equalisation Fund, is likely to yield Rs 9 crores more while grants from the US Government under the PL 480 programme will be Rs 13 crores less.

23. Civil Expenditure this year is now estimated at Rs 610.35 crores against the original budget of Rs 596.50 crores and Defence Expenditure at Rs 243.70 crores against the original estimate of Rs 242.68 crores.

24. The increase of Rs 13.35 crores in Civil Expenditure is the net effect of variations over a number of heads. Debt services are now estimated to cost Rs 7.26 crores more due chiefly to larger payments for interest on external loans. Transfer to the Steel Equalisation Fund of the surcharge on iron and steel accounts for an increase of Rs 9 crores. Expenditure on displaced persons is more by Rs 5.48 crores due to the conversion of certain outstanding loans into grants and to larger provision for transfer of sale proceeds of evacuee property, which are taken in reduction of the Capital expenditure on the payment of compensation to displaced persons. Payment of States' share of Union Excise Duties is now expected to exceed the budget provision by 2.30 crores following the expansion of revenue. Production has also been made for payment to the States of a grant of Rs 3.46 crores to compensate them for the loss in their share of income-tax following the change in the company taxation this year. These increases would be partly counterbalanced by a drop of Rs 13 crores in the grants from USA under PL 480 programme to be transferred to the Special Development Fund.

25. The revised estimate of the net Defence expenditure on revenue account during the current year shows an increase of Rs 1.02 crores over the budget. This is made up of an increase of Rs 6 crores under the Air Force, offset by reductions in the Navy and in Non-effective charges and by a slight increase under "Receipts and

Recoveries". The increase in the Air Force budget is mainly due to liabilities carried over from 1958-59 on stores purchased from abroad and new proposals sanctioned during the course of the year. The reduction in expenditure on the Navy is mainly due to less expenditure on stores. The provision made for temporary increases in pensions of Service personnel under "Non-effective Charges" is unlikely to be required this year and has been included in the budget for the next year.

FINANCIAL YEAR 1960-61

26. Before dealing with the estimates for the coming year, I would like to mention one or two matters which affect the estimate of that year. The first relates to a major change in the financial arrangements between General Revenues and Post and Telegraphs. The surplus of the Post & Telegraphs Department, after payment of interest on the capital charge, has so far merged in the General Revenues. Part of the surplus is treated as an outright contribution to General Revenues and the balance is retained *pro forma* by the Department on which an abatement of interest is allowed. These arrangements were recently reviewed, particularly against the background of the need to encourage the Department to build up adequate reserves against its growing capital investment. With rapid expansion and technological advance, the pace of capital investment of the Department has increased considerably in recent years, the total capital at charge having risen from Rs 38 crores in 1948-49 to Rs 121 crores at the end of last year. But the accretions to the Renewals Reserve Fund have not been adequate with the result that replacements have to be partly financed from interest-bearing capital. It has therefore, been decided to place the P & T Department with effect from next year in the same position as the other great commercial department of Government, viz. Railways vis-a-vis General Revenues. The Department would in future pay a dividend to the General Revenues at the rate in force from time to time for the Indian Railways on the mean capital at charge during the year. The balance of the surplus, after payment of the dividend, will be retained by the Department for strengthening its Reserves, particularly the Renewals Reserve Fund.

27. The second matter concerns the Central Pay Commission. The Commission which was appointed in August, 1957, to enquire into the structure of emoluments and conditions of service of Central Government employees submitted its Report in August, 1959. The decisions of Government on some of the major recommendations of the Commission were announced in Parliament on the 30th November, 1959. The other recommendations of the Commission are being examined and Government's decisions thereon will be

announced as early as possible. The annual expenditure for Government as a whole, on the implementation of the recommendations of the Commission, including the interim relief already granted, is of the order of Rs 44 crores, which is likely to rise ultimately to Rs 55 crores roundly per annum. The recommendations of the Commission accepted by Government take effect from the 1st July, 1959, but no provision is being made in the revised estimates for the current year on this account as the payments will all be made in 1960-61. The budget for that year thus includes more than a year's provision for this expenditure.

28. Honourable Members had expressed some concern last year about the growth of Civil expenditure. The question of securing maximum possible economy consistent with efficiency and avoiding wastage in public expenditure has continued to receive close attention. The reports of the various teams of the Committee on Plan Projects and the Special Re-organisation Unit of the Ministry of Finance have been made available to Parliament from time to time. A continuous watch over the growth of expenditure, particularly non-developmental expenditure, is kept by the Central Economy Board and the Internal Economy Committee set up in the various Ministries. Studies of particular sections of activity in each Ministry have been initiated with a view to improve the methods of work and secure economy with efficiency. Government have imposed a ban for one year on the creation of fresh posts and the filling up of vacant posts unless they are related to the Plan or are required for security purposes. Ad hoc cuts have also been made in the provision for travelling allowances.

29. For the next year, on the basis of existing taxation, the revenue is estimated at Rs 896.45 crores and expenditure at Rs 980.35 crores, leaving a deficit of Rs 83.90 crores on revenue account.

30. The revenue from Customs has been assumed at the same level as the current year's revised estimate of Rs 160 crores. Union Excise Duties are estimated at Rs 358.91 crores, an increase of Rs 8.09 crores over the revised estimate, which allows for the progressive increase in production and a full year's revenue from the increases levied during the current year. The receipts from Income-tax and Corporation Tax are likely to improve by Rs 10 crores. Revenue from Wealth Tax will decline by Rs 5.5 crores due to the merger of the tax on companies in their Income tax. Apart from the increase of Rs 1.43 crores in the sale proceeds of opium, the revenue from other principal heads is not expected to differ materially from the current year's revised estimates. Interest receipts would go up by Rs 7.44 crores mainly due to the anticipated receipt from two steel companies and the Khadi and Village Industries Commission. Of the other major variations, mention may be made of an increase of Rs 7 crores in the receipt from the surcharge on iron and steel and Rs 8 crores in grant from the US

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Government under the P. L. 480 programme. But these increases will be partly set off by a drop of Rs 4 crores in the contribution from the Posts and Telegraphs following the revised arrangements mentioned earlier. The share of income-tax payable to the States next year shows a decrease of Rs 27.26 crores as a result of the merger of company income-tax in Corporation Tax, but as I mentioned in my speech last year, it is the intention to make good the loss to the States by a specific grant till the next Finance Commission reports on the allocation of income-tax and necessary provision is being made in the expenditure estimates for this purpose. The profits of the Reserve Bank have been taken at Rs 40 crores, the same as in the current year.

31. Expenditure next year is estimated at Rs 980.35 crores of which Rs 272.26 crores will be on Defence Services and Rs 708.09 crores under the Civil heads.

32. Civil Expenditure next year shows an increase of Rs 97.74 crores over the revised estimates. Expenditure on Debt Services is likely to be Rs 9.45 crores more on account of the progressive increase in the internal and external debt. Development and Social Services, including Community Development, are expected to cost Rs 27 crores more in the terminal year of the current Five-Year Plan. The two self-balancing items of surcharge on iron and steel and grants from the USA under P.L. 480, for which corresponding credits are assumed in the revenue estimates, account for an increase of Rs 15 crores. Ad hoc grants to the States to compensate them for the loss in their share of income-tax next year would be Rs 28 crores more. The rest of the increase is spread over a number of heads. Detailed explanations for these variations have, as usual, been given in the Explanatory Memorandum.

33. Defence expenditure next year is estimated at Rs 272.26 crores against the revised estimate of Rs 243.70 crores, an increase of Rs 28.56 crores. Army estimates show an increase of Rs 26.75 crores and Navy estimates Rs 3.46 crores, while the expenditure on Air Forces will be Rs 2.94 crores less. Non-effective charges show an increase of Rs 1.29 crores. The overall increase in the Defence expenditure is mainly due to the additional commitments of the Armed Forces, the further expansion of the Territorial Army and the National Cadet Corps and the provision for increased payments to Defence personnel on the basis of the recommendations of the last Pay Commission. As I have mentioned elsewhere, the provision included in the current year, under non-effective charges for an increase in the rates of small pensions to Service personnel has been carried over to the coming year. The reduction in the Air Force estimates is mainly due to the inclusion in the current year's revised of substantial amounts on account of liabilities carried over from the previous year.

34. The estimates of the Defence Services have been prepared against

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the background of the present threat to our borders and I am sure the House will not expect me to dilate at any length on the measures which have been taken and are under consideration for safeguarding the territorial integrity of the country. It may be that later in the year, if circumstances necessitate it, I may have to come before this House for additional funds; but I have no doubt that Government will have the support of all sections of this House in taking all the measures necessary for ensuring the security of the country.

CAPITAL EXPENDITURE

35. I shall now give a brief account of the provision made in the

estimates for capital outlay. The current year's budget provided for a total capital outlay of Rs 420.14 crores, excluding the adjustment for the transfer of capital assistance from the United States to the Special Development Fund which is notionally treated as capital expenditure. The revised capital requirements are now estimated at Rs 362.85 crores, a decrease of Rs 57.29 crores. The savings occur mainly under two heads. The Railways now expect to spend only Rs 85.03 crores against the original estimate of Rs 121.81 crores. Net expenditure on purchase of foodgrains shows a fall of Rs 21.01 crores due mostly to larger sale proceeds and recoveries.

36. Against the revised estimate of Rs 362.85 crores for capital outlay this year, the next year's provision stands at Rs 370.84 crores. If the special item of Rs 95.24 crores in the current year for payment of additional subscription to the International Monetary Fund is excluded, the capital requirements next year exceed the current year's revised estimate by Rs 103.23 crores. This increase is spread over a number of heads and reflects the additional allotments to fulfil the Plan targets during the last year of the Plan. Outlay on industrial development, mainly on coal and oil development would cost Rs 30.56 crores more. The Railways and Posts and Tele-

graphs would also be spending Rs 35.78 crores and Rs 3.60 crores more respectively than in the current year. Foodgrains transactions would also involve an increase in the net outlay of Rs 19.41 crores.

37. In addition to the direct capital outlay just mentioned the estimates provide Rs 283.18 crores this year and Rs 331.51 crores next year for loans to States and Rs 221.74 crores this year and Rs 176.74 crores next year for loans to other parties including Port Trusts, Government-owned Corporations and foreign Governments.

38. Next year's estimates include a total provision of Rs 889 crores for

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implementing the Plan, Rs 173 crores in the revenue budget and Rs 716 crores in the Capital budget. Out of this provision, Rs 64 crores in the revenue budget and Rs 175 crores in the capital budget are for assistance to the States. In addition, the Railways will be spending Rs 34 crores from their own resources and the States Rs 251 crores. Thus the total Plan outlay in 1960-61, including interest on loans on river valley projects which are added to capital during the period of construction and short-term loans, will amount to Rs 1,174 crores.

39. During the three years ending 1958-59, the total Plan outlay by the Central and State Governments together was of the order of Rs 2,450 crores. The budget provision on this account for the current year is Rs 1,121 crores and the next year's outlay as mentioned already is estimated at Rs 1,174 crores. After allowing for the usual shortfall in expenditure, the actual outlay in the public sector over the five-year period will be near about Rs 4,600 crores. Investment in the organised private sector is expected to reach the total envisaged in the Plan; it may even slightly exceed this. In irrigation, power, industry, mining and transport as also in the field of social services, the achievements will, I feel sure, be impressive.

WAYS AND MEANS

40. The current year's budget provided for a net expansion of treasury bills of Rs 237 crores of which Rs 15 crores were expected to be issued to the public. On the latest trends, the net expansion is now estimated at Rs 190 crores. The improvement of Rs 47 crores is due to several factors. The revenue deficit is now expected to be Rs 44 crores less than estimated. Capital expenditure, as explained earlier, will show a saving of Rs 57 crores and other debt heads an improvement of Rs 32 crores. This improvement of Rs 133 crores will be partly counterbalanced by a decrease of Rs 71 crores in external loans and additional provision of Rs 15 crores required to raise the closing cash balance to the normal level of Rs 50 crores.

41. The borrowing programme envisaged by the budget was carried through successfully. In the budget I had taken credit for a market loan of Rs 225 crores; the actual receipts amounted to Rs 229 crores. Two loans were floated in July 1959; the 3½ per cent Bonds 1969 at an issue price of Rs 98.85 and the 4 per cent Loan 1979 at par. Conversion facilities were offered to the holders of the 3 per cent Second Victory Loan 1959-61 and the 2½ per cent Hyderabad Loan 1954-59 which were due for repayment during the year. The total subscriptions to these loans amounted to Rs 184 crores, of which Rs 89 crores came by way of conversion. Later, to meet the demand for investment from the market, it was decided to create further issues of 3½ per cent Bonds 1969 for Rs 25 crores at Rs 99.4 and of 3½ per cent Loan 1974 for Rs 20 crores at Rs 99.65. In accordance with the usual practice, these issues were taken over by the

Reserve Bank on its investment portfolio for being sold in the market later.

42. Hon'ble members will recall that in the Budget Speech for 1958-59 mention was made of the proposal for the gradual funding of a part of the Treasury Bills held in the Issue Department of the Reserve Bank. A beginning was made in July 1958, when, in consultation with the Reserve Bank, Treasury Bills of the value of Rs 300 crores were funded. This process was continued during the current year, when a further Rs 150 crores worth of Treasury Bills were funded into dated securities.

43. Small Savings have shown a steady improvement in recent years. The net collections of Rs 78 crores during 1958-59 were the highest reached so far. This year they are expected to go up to Rs 82 crores against the budget estimate of Rs 85 crores. While the response has been encouraging, the collections are still far short of the average of Rs 100 crores a year envisaged in the Plan. The Small Savings movement is more than a routine device for mobilising savings. It has a great psychological appeal in providing an opportunity for the ordinary man and woman to participate in the national effort for development. I would, therefore, appeal to every family in this country to save more and contribute its share in making the movement a greater success.

44. I may mention, at this stage, certain steps taken by Government during the year to popularise the savings movement. The House will remember that in the last session, legislation was promoted to provide the facility of nomination to depositors in the Post Office Savings Bank and holders of Savings Certificates. A new Pay Roll Scheme has been introduced for the benefit of the employees in large establishments and factories, which permits deductions to be made from the wages, with the consent of the employees, for investment in Small Savings. The National Savings Advisory Committees at the Centre and in the States have been merged with the Savings Boards of the Women's Savings Campaign and constituted into composite Boards, one at the Centre and one in each State, with adequate representation of women workers. The various agency system for the sale of Savings Certificates have been reviewed and rationalised and a standardised agency system, both for the urban and rural areas is expected to be introduced shortly. The commission due to the agents is at present claimed and disbursed through the treasuries which are always not easily accessible, particularly in the rural areas. To meet this difficulty, the responsibility for the payment of the commission is proposed to be transferred to the post offices in the coming year.

45. In response to suggestions made from various quarters from time to time, Government have decided to issue Prize Bonds. The

notification setting out the terms will issue tomorrow and the Bonds will be placed on sale from the 1st April next. The issue will be in the form of bearer bonds in two denominations of Rs 100 and Rs 5. The bonds will not carry interest and will be repaid after five years but the holders will participate in quarterly drawal of prizes, which will be free of income tax. The total number of prizes to be awarded every quarter will be 40 in respect of each series of one lakh units of Rs 100 bonds, the prizes ranging between Rs 25,000 and Rs 500. In the case of each series of ten lakh units of Rs 5 bonds, the number of prizes offered every quarter would be 278, the prizes ranging between Rs 7,500 and Rs 50.

46. For the next year's budget, credit has been taken for a market borrowing of Rs 250 crores including the receipts from the prize bonds which I just mentioned. The net credit from small Savings has been taken at Rs 90 crores allowing for a small increase of Rs 8 crores over the likely receipts this year. According to the latest information available, foreign assistance next year is expected to amount to Rs 362 crores.

47. The overall budgetary position next year may now be summarized. At the existing level of taxation, there will be a revenue deficit of Rs 84 crores. Capital outlay will amount to Rs 371 crores, loans to State Governments and others to Rs 531 crores and debt repayments to Rs 140 crores. This total disbursement of Rs 1,126 crores will be met to the extent of Rs 250 crores from market borrowing, Rs 90 crores from Small Savings, Rs 362 crores from foreign assistance, Rs 128 crores from loan recoveries and Rs 119 crores from miscellaneous receipts, leaving a deficit of Rs 177 crores which will be met by the expansion of treasury bills.

DEVELOPMENTAL PLANNING

48. Before I deal with the problem of covering the large revenue deficit in sight, I should like to say a few words on the implications of planning for development, for, it is in relation to these that all our budgets have to be framed. The essential objective of our plans is to lift the economy from stagnation and to get it moving forward to higher levels of production and better standards of living. We embarked on this task some ten years ago, and we shall be completing the Second Plan by the end of the next fiscal year. In this period, our economy has made notable advances in several directions. One has only to look at the major industrial projects which are coming up and see something of the varied programmes of rural development that have been and are being implemented to realise the growing dynamism of the economy. Economic development is not, for us, a vague or remote ideal;

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it has to be part of our daily thought and work. Undoubtedly, we have had our share of difficulties, and, I have no doubt, we shall continue to have some hereafter. These difficulties and stresses and strains are a part of the process of economic and social growth.

49. At the end of the Second Plan the country would have reached a level of development at which it can hardly afford to halt. It is vital that the pace of development is not merely maintained but accelerated. This is the essential task of the Third Five Year Plan. The first pre-requisite of success for this is increased agricultural production. This is axiomatic and we cannot afford, even for a moment, to lose sight of it. But, other sectors of the economy like industry, mining, power, transport and communications have also to be developed rapidly if the economy is to grow at a rapid enough pace over the next 10 or 15 years. The Third Five Year Plan has to keep this perspective in view.

50. It is perhaps a platitude to say that in this country we face all the time a crisis of resources in developing our economy. But I would be failing in my duty if I do not stress the point that mobilising the resources required for this is not going to be easy and will entail progressively harder work and larger sacrifices by all sections of the community. There will be need also for substantial external assistance. We are anxious to make the period of dependence on special external assistance as short as possible. I am not referring here to the normal flow of external capital, this, I hope, will continue. Private capital is apt to flow in more readily when the foundations of development have been well laid out. The scope for foreign investment in India will thus grow. But, our aim is to get as early as possible to a stage where the bulk of our investment programmes is based on the domestic output of capital goods and equipment. How far we can advance in this direction depends upon a number of factors, of which the availability of sufficient foreign exchange in the next few years is the most crucial. I feel I am right in saying that the needs of developing economies are now increasingly appreciated in the more advanced countries, and I am confident that, provided we as a nation put in the best effort we can, the necessary support from abroad will be forthcoming. What is vital, at this stage, is a clear recognition of the urgency of economic development, for preserving and strengthening the democratic values we cherish and the realisation that such development is not possible unless some restraint is kept on consumption and we submit ourselves to a high degree of fiscal and monetary discipline.

51. I now turn to the proposals for dealing with the revenue deficit for the coming year.

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Revenue Deficit Partly Covered By New Proposals

New Revenues from Indirect Taxes

Adjustments in Direct Taxes

Part B of Finance Minister's Budget Speech

52. Honourable Members may recall that while presenting the budget proposals for the current year, I placed before the House certain broad considerations which Government took into account in deciding the extent to which the revenue deficit of a year should be covered by additional taxation. I suggested that the long era of revenue surpluses was perhaps coming to a close; for the first time the actuals for 1958-59 have disclosed a small revenue deficit of Rs. 5 crores. I also suggested that exceptional circumstances affecting the deficit of a year should be taken into account in deciding upon the extent to which the deficit should be covered and that due regard should be given to the amount of additional taxation raised in recent years. I also ventured to underline the need for the continuous mobilisation of resources for financing the increasing needs of planned development. The considerations I placed before the House last year apply with equal force to the budget of the coming year and although the large revenue deficit next year is due, in the main, to larger outlay on development in the last year of the present Plan and the increased requirements of Defence in the interests of national security, I am convinced that a part of the deficit should be covered by additional taxation. As in the current year, I propose that about a fourth of the deficit in sight, may be covered by new taxation.

53. In framing the taxation proposals for the coming year, I have had in mind something more than the immediate needs of that year. I mentioned earlier the continuous need to raise additional resources for development. In the context of planned development, it is essential, in dealing with the budgetary needs of each year, to think in terms of broadening and adjusting the bases of taxation so that the revenue raised continues to expand with the years. The proposals for the coming year, particularly those widening the base of taxation, have been formulated with the needs of the Third Plan in view. While direct taxation will be kept under constant and continuous review so as to make it yield the maximum resources, the bulk of the expansion in taxation will have to come from indirect taxation.

Indirect Taxation

54. In the field of indirect taxation, my proposals cover both the adjustment of rates of existing taxes and the levy of taxes on certain new commodities. The proposals are explained in detail in the memorandum circulated with the budget papers and I propose to mention them only briefly.

55. My first proposal is to levy a duty of Rs. 200 per metric tonne on tin plates and tinned sheets. Suitable adjustments would be made where duty paid steel is used in their manufacture. The yield in a full year is estimated at Rs. 208 lakhs.

56. My second proposal is to impose a small duty of Rs. 10 per metric tonne on pig iron. Pig iron used in the manufacture of steel will be exempted from the duty, which is expected to yield Rs. 60 lakhs a year.

57. My third proposal is to levy a duty of Rs. 500 per metric tonne on aluminium sheets and circles and Rs. 300 per metric tonne on aluminium ingots. Necessary adjustments will be made in the duty on circles, sheets, etc., when duty paid ingots are used in their manufacture. The estimated yield is Rs. 86 lakhs.

58. My next proposal is to levy a duty of 10 per cent *ad valorem* on all types of internal combustion engines used as prime movers for transport vehicles. A lower rate of 5 per cent *ad valorem* will be charged on stationary types of these engines which are generally used in industry and for agricultural purposes. The yield is estimated at Rs. 107 lakhs a year.

59. I also propose to levy a small tax on certain essential cycle parts. A duty of Rs. 2 on each free wheel and Rs. 4 on each rim will be levied. This will ensure the realisation of Rs. 10 of each completed cycle without bringing into the excise net a large number of small assemblers of cycles and manufacturers of cycle parts. The annual yield is estimated at Rs. 100 lakhs.

60. Electric motors and parts thereof are not now subject to tax. It is proposed to levy a duty ranging from 5 per cent to 15 per cent *ad valorem* on various types of motors used for different purposes. The revenue from this is estimated at Rs. 46 lakhs a year.

61. A duty on exposed cinematograph films is also being levied. It will vary from 10 naye paise per metre to 50 naye paise per metre depending on the type of the films. News reels and shorts would be subject to the lower rate of duty. The yield from this is estimated at Rs. 75 lakhs.

62. My last proposal for new excises relates to silk fabrics on which a duty of 30 naye paise per square yard will be levied. The handloom sector will not be affected by this measure which is expected to yield Rs. 30 lakhs.

63. I shall now turn to the adjustments in the existing rates of duty on certain commodities.

64. The House will remember that in 1956 an excise duty was

levied on the larger passenger motor cars while all commercial vehicles and small and medium cars, motor cycles and scooters were not taxed. I now propose to levy a duty ranging up to 15 per cent *ad valorem* on all types of motor vehicles. The total revenue is estimated at Rs. 625 lakhs.

65. Refined diesel oil was made subject to duty in 1956 when a tax at 25 naye paise per imperial gallon was levied. Although the tax has since been raised to 80 naye paise per imperial gallon, the consumption of this commodity has been increasing rather rapidly. The growing imbalance between the internal production and consumption of this commodity is causing a considerable drain on the foreign exchange resources of the country. I, therefore, propose to raise the basic rate of duty by a further 25 naye paise per imperial gallon. This will bring in a revenue of Rs. 504 lakhs a year.

66. Complete footwear manufactured in power operated factories

was subjected to an excise duty in 1955 but a large number of small scale units were kept out of the scope of the taxation. Some of the larger units are reportedly adopting a deliberate policy of decentralisation to evade taxation. Mainly to protect the revenue, I propose to levy an excise duty on machine made soles and heels made of materials other than leather or wood. The rate of duty will be 15 per cent *ad valorem* and will yield a revenue of Rs. 20 lakhs a year.

67. In the field of textiles, I propose to make two changes with some revenue significance. I propose to remove the existing total exemption on fabrics produced from staple fibre yarn and cut pieces of cotton textiles, the so-called fents. The former will now be treated on par with artificial silk fabrics. In the case of cut pieces, the present definition is being revised and small specific duties, at levels substantially below the fabric rates, will be levied. These changes are estimated to yield Rs. 195 lakhs a year of which Rs. 65 lakhs will accrue to the States.



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68. Electric fans, bulbs and batteries were first made subject to excise in 1955 and no change has since been made in the rates of duty on these commodities. The production trends indicate that these lines are expanding and they can bear an increase in taxation. I propose to raise the existing duties by 50 per cent with a suitable increase in the duty on components. These changes will yield a revenue of Rs. 90 lakhs a year.

69. The tea industry has been complaining of the difficulties caused to it by the imposition of a number of taxes at various stages by different agencies. We propose to explore the possibility of removing this hardship by a suitable readjustment of the excise duty, bearing in mind the financial interests of the State Governments concerned, and the need

to secure that their resources are not adversely affected. To enable this to be done, we are raising the permissible maximum limit of the excise duty from 19 naye paise to 30 naye paise per lb. This is merely an enabling measure and does not involve any change in the effective rates of the duty now imposed ranging, as the House is aware, from 2 naye paise to 12 naye paise per lb.

70. A few other minor readjustments are also being made about which I need not weary the House. The total financial effect of these changes is to bring in an additional revenue of Rs. 27 lakhs a year of which Rs. 5 lakhs will accrue to the States.

71. The net effect of the various measures which I have mentioned is to increase the revenue by Rs. 21.73 crores, of which Rs. 70 lakhs will accrue to the States.

72. With regard to customs duties, I propose to make no change except for an increase in the duty on wines and spirits and other alcoholic liquors. Following the changes in excise duties, provision is being made, wherever necessary, for the levy of a countervailing import duty, so that the indigenous producer is not placed at a disadvantage. The changes in the customs levy are estimated to yield a revenue of Rs. 2.5 crores in the coming year.

Direct Taxation

73. I now turn to direct taxation. I do not propose to make any change in the rate structure of personal income tax. With regard to company taxation, steps are being taken to implement in its entirety the new scheme of company taxation introduced in the current

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year's budget. Formal action is being taken to abolish the Wealth Tax on companies and the tax relating to excess dividends with effect from the financial year commencing on the 1st April, 1960.

74. The House will remember that last year, for purposes of advance payment for the assessment year ending the 31st March, 1961, I had provisionally adopted a rate of 45 per cent for company taxation. We have not had sufficient experience of the effect of this rate. I do not, therefore, propose to make any change in this rate but to adopt it as the final figure. Smaller companies with a total income not exceeding Rs. 25,000 will continue to be assessed at a figure 5 per cent less. Last year I had promised to consider certain matters connected with the new system of company taxation, and I am making two provisions in the Finance Bill, one relating to the assessment of dividends paid out of profits taxed in the past and the other relating to taxes on companies holding less than 50 per cent share in the capital of another company, and have taken them into account in my estimates of revenue.

75. I propose to make two changes in regard to the deduction of tax at source. The House will remember that it was decided last year that tax should be deducted at source at a rate of 30 per cent on dividends paid to resident individuals and at 45 per cent on dividends paid to Indian companies. It has been represented that this difference in the rate of deduction at source has given rise to some difficulties. I, therefore, propose to apply a uniform rate of 50 per cent for deduction of tax from both the individuals and companies. In order that this change may not affect the revenue receipts, I propose to amend Section 18A so as to enable Government to collect from Indian companies the remaining 15 per cent as advance tax on the dividends received by them.

76. The existing provision with regard to the deduction at source from dividends paid to preference shareholders also appears to be causing some difficulty. The amount of the dividends which companies are required to pay to the shareholders is governed by the terms of their contract with them and Government would not like, as the current Finance Act implies, to make any assumptions regarding such amounts. I accordingly propose in the Finance Bill to provide for the deduction at source from the payments to these shareholders as in the case of any other dividends, leaving the actual amounts of these dividends for the companies themselves to decide.

77. I would briefly refer to a few other proposals to amend the Income-tax Act. The period for which exemption is available under section 15C to new industrial undertakings is proposed to be extended by a further five years. The limit up to which donations for charitable purposes qualify for exemption from tax is proposed to be increased from 5 per cent of total income or

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Rs. 1,00,000 whichever is less, to 7½ per cent of total income or Rs. 1,50,000 whichever is less. At present, the amounts paid to scientific research associations and educational institutions to be used for scientific research are allowed as deductions in computing the business income of the donor if the scientific research is related to the class of business carried on by him. It is proposed to allow this deduction even if the scientific research is not related to such business. In respect of properties constructed before 1st April, 1950, the full amount of taxes levied by a local authority and borne by the owner, is proposed to be allowed to be deducted in computing the taxable income from the property, as against half the amount of such taxes allowed at present. My next proposal is with regard to the taxation of co-operative societies. At present, the business income of such societies is exempt from tax. This exemption is justified having in view the objective of the Co-operative Societies Act of 1912, namely, to facilitate the formation of co-operative societies for the promotion of thrift and self-help among agriculturists, artisans and persons of limited means. However, as the House is aware, of late, co-operative societies have widened their fields of activity and are carrying on substantial business involving transactions of a large scale with non-members. There is no justification for a complete tax exemption of business profits in their case. It is, therefore, proposed that while the business incomes of co-operative societies connected with agriculture, rural credit and cottage industries should continue to be wholly exempt from tax, the business incomes of other societies should be exempt only up to a sum of Rs. 10,000. These proposals will not materially affect the revenue.

78. A few amendments of a comparatively minor character are proposed to Expenditure Tax and Gift Tax Acts. The amendments to the Expenditure Tax Act provide for allowances for expenditure incurred on leave travel in India as well as education of children in India. It is also proposed to allow in full the taxes paid by an assessee to a foreign government instead of only a portion as at present. The amendment to the Gift Tax Act provides that the advance tax payable will be at the same rate as the tax payable on regular assessment. These changes are not expected to have any significant effect on revenue.

NET EFFECT OF PROPOSALS

79. I may now summarise the net effect of the budget proposals. The changes in the Union Excise duties, exclusive of the revenue accruing to the States, are expected to bring in an additional revenue of Rs. 21.03 crores. Changes in the customs duties, largely consequential on the changes in Union Excise, are expected to bring in Rs. 2.5 crores. The total additional revenue would thus stand at Rs. 23.53 crores, reducing the revenue deficit from Rs. 83.9 crores to Rs. 60.37 crores and the overall deficit from Rs. 177 crores to Rs. 153 crores. I propose to leave the

revenue deficit uncovered; the overall deficit will be met by the expansion of treasury bills.

CONCLUSION

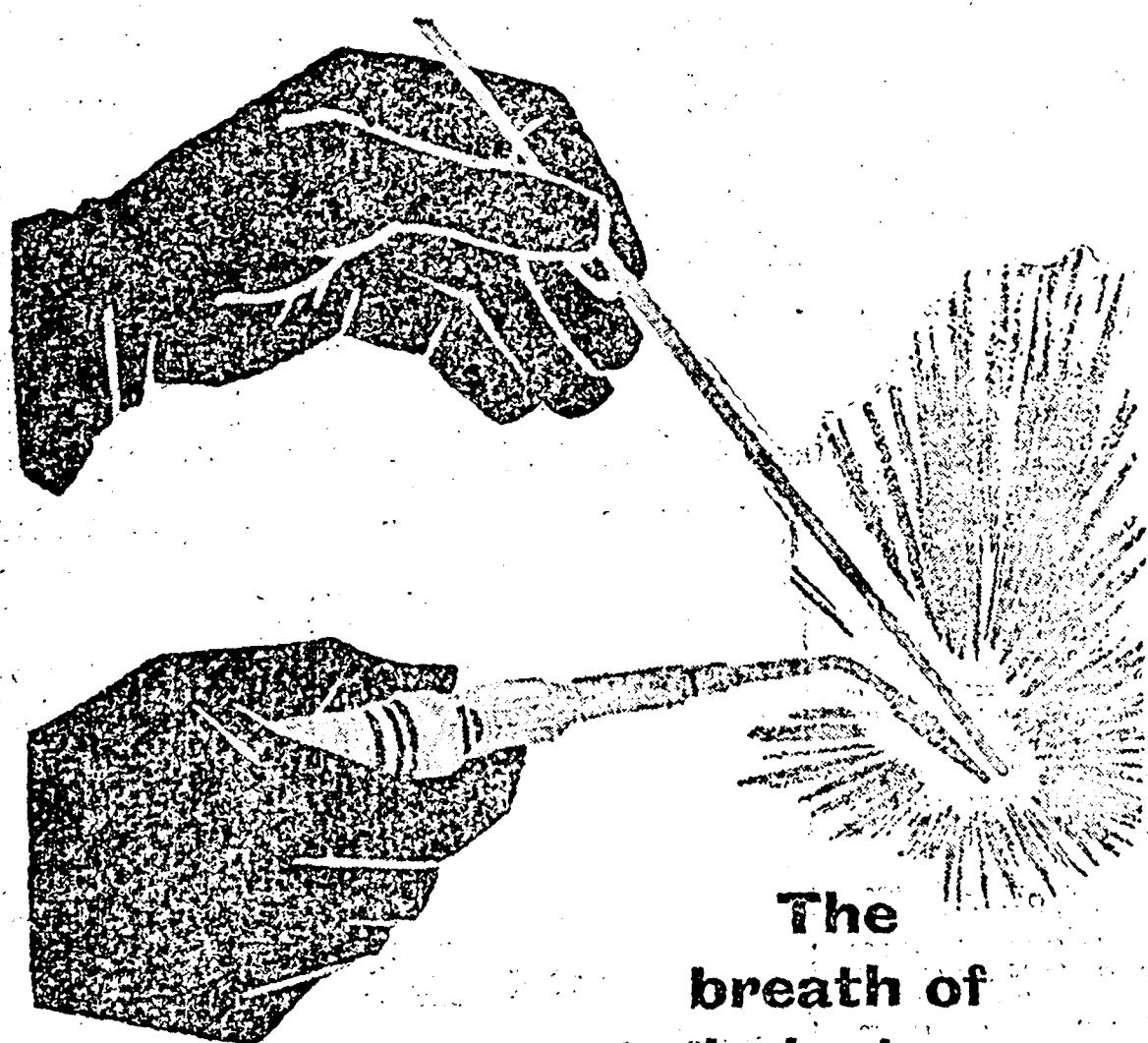
80. Next year's budget would cover the last year of the current Plan and I would like to mention briefly what the position at the end of that year would be so far as the implementation of the present Plan is concerned. In an earlier part of my speech, I mentioned that at the end of the budget year, the total Plan outlay would have reached a figure of about Rs. 4,600 crores. During the current Plan period, we have, at the Centre, raised substantial sums of revenue for meeting our Plan commitments including the assistance provided to the States from the revenue budget. Over the period of five years covered by the Plan, I expect that we would have an accumulated revenue surplus of over Rs. 50 crores, after meeting all our commitments for the Plan and providing very substantial assistance to the States for implementing their Plans. I know that there has been some criticism about the extent to which we have had to resort to deficit for meeting the capital expenditure of the Plan. Even here, I venture to suggest that our record has not been as bad as some of our critics make out. In the first three years of the Plan, the total amount of deficit financing amounted to Rs. 885 crores or so. In the current year, assuming that the State Governments do not contribute to this in any significant measure and they are unlikely to do so, the amount of deficit financing is likely to be Rs. 190 crores. Taking a figure of Rs. 153 crores for the coming year, the total amount of deficit financing during the Plan period would have amounted to only a little over the sum of Rs. 1,200 crores envisaged in the Plan. Although our performance in the matter of savings has not been as good as we could wish, our record in the matter of raising resources and limiting deficit financing to the minimum amount, possible and practicable, has, I think, been quite good.

81. There is, however, no reason to take a complacent view of the situation. The end of the Second Plan merely marks the beginning of the Third Plan, which will require greater efforts and larger sacrifices on the part of the community if the country has to sustain, as it inevitably must, a larger Plan. The path of our progress is bound to be difficult until our economy gets over the hump and becomes self-generating. Until this position is reached, which one might hope may be at the end of the next Plan, we shall have to strain every nerve to mobilise the maximum resources, from both taxation and savings, to enable the country to make the progress that is imperative to our survival. It is perhaps a truism to say that no one, much less an under-developed country like ours, can stand still or stay stagnant. We have to move forward and make whatever sacrifices are necessary for this. I have no doubt that this will be done and I would ask the House to consider the budget, which I am placing before it, against this background.

SUMMARY OF FINAL ESTIMATES

Revenue	(In lakhs of Rupees)		
	Budget 1959-60	Revised 1959-60	Budget 1960-61
Customs	132.77	160.00	160.00
Union Excise Duties	324.32	350.82	358.91
Corporation Tax	58.75	78.00	78.00
Taxes on Income other than Corporation Tax	87.63	72.68	52.94
Estate Duty	14	9	10
Taxes on Wealth	13.00	12.00	7.00
Taxes on Railway Fares	11	(—) 51	11
Tax on Expenditure	1.00	80	80
Tax on Gift	1.20	80	5.89
Opium	3.92	4.26	8.27
Interest	10.75	8.27	15.71
Civil Administration	35.80	47.54	53.19
Currency and Mint	55.60	55.67	57.22
Civil Works	3.00	3.13	5.04
Other Sources of Revenue	41.93	35.00	39.73
Posts and Telegraphs—net contribution to General Revenues	4.20	4.16	4.7
Railways—Net contribution to General Revenues	5.98	5.75	5.64
Total Revenue	780.10	838.66	896.45
Expenditure			
Direct Demands on Revenue	101.65	103.54	107.33
Irrigation	16	14	17
Debt Services	57.88	65.14	74.59
Civil Administration	222.73	233.35	267.16
Currency and Mint	9.83	9.86	10.27
Civil Works and Miscellaneous Public Improvements	19.35	18.94	20.32
Pensions	9.63	10.00	10.11
Miscellaneous	—	—	—
Expenditure on Displaced Persons	19.69	25.17	20.28
Other Expenditure	71.30	73.02	111.70
Grants to States, etc.	49.02	48.98	51.81
Extraordinary Items	35.26	22.21	33.75
Defence Services (Net)	242.68	243.70	272.26
Total Expenditure	839.18	854.05	980.35
Deficit (—)	(—) 59.08	(—) 15.39	(—) 60.37

*Effect of budget proposals.



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Pay Commission's Recommendations to Cost Railways Rs. 13 Crores Annually

Railways to Assume Responsibility as Carriers

Presenting the Railway Budget for 1960-61, the Railway Minister, Shri Jagjivan Ram, said today that the revenue surplus for the coming year, after meeting the large commitments arising from the Pay Commission's recommendations, etc. would be about Rs 4.5 crores on the basis of existing fares and freights.

For the current year, he said, the revised estimate of surplus had been placed at Rs 14.75 crores, as against the Budget figure of Rs 21.19 crores. A provision of about Rs 20 crores had been made in the Budget year for the implementation of Pay Commission's recommendations from 1-7-1959 to 31-3-1961.

"The railways' increasing commitments," he said, "make it imperative that suitable adjustments be made in freight rates."

He announced that with effect from April 1 this year a supplementary charge of five naye paise per rupee would be levied on freight of goods and coal traffic, excluding export ores, military, postal and the railways' own traffic. The anticipated yield would be about Rs 14 crores per year.

The Minister recalled that an increase of only 4 per cent had been made in the freight rates from October 1, 1958 as against an overall increase of about 13 per cent recommended by the Railway Freight Structure Enquiry Committee.

The Railway Minister placed the Budget estimate of passenger earnings for 1960-61 at Rs 125.50 crores, a small increase of Rs 1.42 crores over the current year's revised estimate. The estimate of goods earnings was placed at Rs 291 crores on existing freight rates, Rs 27 crores over the revised estimate for the current year. Gross traffic receipts for 1960-61 were placed at Rs 450.50 crores on existing fares and freights, and at Rs 464.50 crores with the proposed adjustments in freight rates.

The Budget estimate of ordinary working expenses was placed at Rs 326.90 crores, an increase of Rs 34.98 crores over the revised estimate for the current year. This increase included a sum of Rs 20.12 crores for implementation of the Pay Commission's recommendations from July 1, 1959 to March 31, 1961 and Rs one crore for the initial effect of assumption of liability as 'carriers' by the Railways, as recommended by the Railway Freight Structure Enquiry Committee.

FINANCIAL RESULTS FOR 1958-59

The Railway Minister said that the gross traffic receipts during 1958-59 came to Rs 390.21 crores and fell short of the revised estimate by Rs 4.17 crores. The drop was mainly under goods traffic and to a minor

extent under other coaching earnings. Economic factors principally, and road competition partially, were the contributory factors.

The net surplus was about Rs 8.93 crores, as against the revised estimate of Rs 13 crores, the shortfall of Rs 4.07 crores practically corresponding to the drop in earnings. The entire surplus was credited to the Development Fund as in the preceding year.

SECOND PLAN PROGRESS

The Railway Minister disclosed that during the first four years of the Second Plan up to March 1960, the railways would have spent about Rs 872 crores out of the total allotment of Rs 1121.50 crores. "We hope that we would cover the balance by the end of the second Plan period," he added.

Reviewing the achievement of physical targets during the first four years of the Plan, the Minister said that the doubling of nearly 700 miles would have been completed and about 600 miles of new lines opened with similar additional mileages in various stages of execution. In the planning of execution of these works, he said, the priorities given to the requirements of the steel plants had conformed to their varying needs. A number of new lines in the steel and coal belts had been completed in time to feed the raw products into the steel plants.

Final location surveys for nearly 900 miles were in progress, as a preliminary to construction.

PROGRESS OF ELECTRIFICATION

The electrification of the Durgapur-Gaya, Asansol-Sini-Tatanagar-Rourkela sections and the Rajkharwan-Dongoapoli section on the Eastern and South Eastern Railways was expected to be completed during the Second Plan period.

Contracts for the supply and erection of overhead equipment for the Gaya-Moghalsarai and Khargpur-Tatanagar sections were likely to be placed soon. Civil engineering works were in progress on Sealdah-Ranaghat and Dum Dum-Bongaon sections. On the Igatpuri-Bhusawal section also, the civil engineering survey was proceeding. On the Madras-Tambaram-Villupuram section, 80 per cent of the civil engineering works were complete, and the technical details were being worked out to undertake the electrification.

TRAFFIC PROSPECTS

During the third year of the Plan, the Minister said, there was some setback in the economic development in the country. Subsequent trends, however, indicated a revival of vigour in the national economy. "The current and the future outlook

seems much brighter," the Minister stated. He referred in this connection to the progressive development of steel production, the opening of the Rajendra Pul near Mokameh and the setting up of two new refineries at Gauhati and Barauni.

The Minister observed: "Having regard to these prospects, it is anticipated that the railways may be called upon to carry 17 million tons of additional traffic in the ensuing year, thus concluding the Plan by the achievement of the target of 162 million tons."

The increase in passenger traffic at the end of the first three years of the Plan was nearly 12 per cent. During the current year, the increase might be higher than the average for the three earlier years. "It seems evident," the Minister remarked, "that the anticipated increase of 15 per cent by the end of the Plan will be exceeded."

A saving of about Rs 90 crores in foreign exchange in the railways' second Plan allocation was expected.

THIRD RAILWAY PLAN

Developments in the third Five Year Plan of the railways, the Minister said, hinged upon the transport needs which will emerge out of the agricultural and industrial growth. Until a complete picture of these developments had been finalised, the Railways' Plan would remain undefined. The matter was at present under the consideration of the Planning Commission.

The Minister said: "We are aiming at a rapid advance with a view to the development of self-generating economy and in this endeavour the heavy industries will have a prominent share. There is, therefore, little doubt that the dominant role of rail transport in this expanding economy will continue." The railways, he said, would not shrink from added responsibilities or greater burdens.

TRANSPORT POSITION

The Minister reviewed the transportation position and said that, during 1958-59, the depressed economic climate led to a shortfall in the anticipated increase in traffic. The trends in the current year, however, were refreshing and the indications were that the year will end up with an increased tonnage of a little over 10 million tons. This would still be less than the estimated figure of 14 million tons, the difference being mainly due to a drop in the output of coal production.

Considerable churning had been done to improve the turn-round of wagons, and about 10 per cent more traffic than in 1958-59 was now being carried with only 3 per cent increase in wagon supply.

The Minister appealed for the co-operation of trade and industry in ensuring that stocks of minerals, coal and other non-perishable goods are built up at the source during the busy season so that they could be shifted to the consuming centres during the slack season, thus maximising the utilisation of railways rolling stock and obviating a considerable waste for which ultimately trade and industry had to pay.

Train Speeds and Punctuality

The speeds of goods trains, the Minister said, had registered a general improvement on all the Railways. With the improvement in facilities and removal of restrictive factors coupled with the persistent drive which railway administrations had initiated, it was hoped that this important feature of operation would show a significant change for the better in the future.

The problem of punctuality of passenger trains had received the Railway Ministry's constant attention. The results attained for all trains during the period April to October 1959 were 82.9 per cent on broad gauge and 81.8 per cent on metre gauge, as compared to 76.3 per cent and 79 per cent respectively during the corresponding period in the previous year.

The Minister referred to the introduction of longer and heavier freight trains as an effective solution to the railways' problems in the steel and coal belts, and said that with growing industrialisation, this solution would equally apply to some other areas as well.

Revised Estimates For 1959-60

Dealing with the current year's revised estimates, the Minister said that passenger traffic which showed signs of revival towards the end of the last year had maintained this trend. The revised estimate of passenger earnings was now placed at Rs 124.03 crores, an increase of 5.73 crores on the budget figure. An increase of Rs 1.20 crores was anticipated under other coaching earnings, and about Rs 1.60 crores under 'Sundries', partly accountable to an increased turnover in departmental catering.

Goods earnings had been assessed at Rs 264 crores, registering a shortfall of Rs 8.58 crores against the budget amount of Rs 272.58 crores. In view, however, of the anticipated increase under passenger, other coaching and sundries, it was not proposed to alter the overall budget figure of Rs 422.03 crores for gross traffic receipts.

The ordinary working expenses for the current year were estimated in the net to exceed the budget figure of Rs 283.71 crores by about

Rs 8.21 crores. The bulk of this increase amounting to about Rs 6 crores was due to unavoidable or unforeseen items of expenditure, such as expenditure on repairs to track, bridges and other assets damaged by abnormal floods on a number of railways, increase in the price of coal and in the excise duty on coal and fuel, increase in the price of other supplies, increased consumption of coal due to supplies of greater proportion of inferior quality etc. The Minister said that as a result of continued strict control over expenditure increases had been limited largely to unavoidable items.

The contribution to the Depreciation Reserve Fund had been maintained at Rs 45 crores. The surplus was now expected to be Rs 14.75 crores. This would be credited to the Development Fund.

The revised estimate of expenditure on works, machinery and rolling stock during the current year had now been placed at Rs 196.10 crores, or a reduction of about Rs 39.08 crores from the Budget grant. The shortfall was mainly under rolling stock and electrification; difficulty in the availability of matching steel had led to a drop in wagon manufacture, while some delay in the delivery of electric locomotives and in the procurement of overhead equipment was responsible for shortfall of expenditure under electrification. It was expected to overtake these shortfalls in the Budget year.

The Minister said that it was anticipated that the balances at the end of 1960-61 in the Depreciation Reserve Fund and the Revenue Reserve Fund together would be about Rs 71 crores. The Depreciation Reserve Fund opened at the beginning of the second Plan with a balance of Rs 98 crores, but with the extensive rehabilitation programme under way there had been substantial inroads into the Fund which was likely to close with a balance of about Rs 18 crores. The Minister said that he was alive to the need of building up an adequate amount in the Depreciation Reserve Fund. This matter, among others, would be specifically remitted to the next Convention Committee.

The Revenue Reserve Fund remained undisturbed and the balances would stand at about Rs 53 crores.

The Minister said that the temporary loan of Rs 10.88 crores from general revenues for the Development Fund, asked for in the 1959-60 Budget would not be sufficient now because of the lower surplus anticipated in the revised estimate of the current year. Consequently, the loan would have to be stepped up to Rs 14.93 crores. In the ensuing year, a loan would again be necessary, but of a smaller amount.

Convention Committee

The period covered by the 1954 Convention would expire on March 31, 1961, and the Minister announced that he would shortly come up with a request for the setting up of the next Convention Committee to review the working of the present Convention and submit recommendations in advance of the next quinquennial period (1961 to 1966).

Pay Commission Recommendations

The cost of the implementation of the Pay Commission's recommendations, the Railway Minister said, worked out approximately to Rs 13 crores per annum. A total provision of about Rs 20 crores had been made in the 1960-61 Budget to cover payments due both in respect of the Budget year as well as in respect of the current year from July 1, 1959.

Special machinery had been set up to do the work in connection with the implementation of Government's decisions as expeditiously as possible. Nevertheless, it would not be feasible to complete the work and to make the payments in the current year. These would be made in the next year, including also, the amounts due in respect of the current year.

Budget Estimates for 1960-61

Dealing with the budget estimates for 1960-61, the Minister said that the upward trend in passenger traffic during the current year might taper off and the budget estimate of passenger earnings for 1960-61 had been placed at Rs 125.50 crores, providing a small increase of Rs 1.42 crores over the current year's revised estimate. The estimate of other coaching earnings had been placed at Rs 25 crores, or practically at the same level as during the current year. The estimate of goods earnings provided an increase of Rs 27 crores and had been placed at Rs 291 crores at existing freight rates on the basis of anticipation of about 17 million tons of additional goods traffic. Sundry earnings were estimated at Rs 10 crores, at the same level as the revised estimate. After allowing for a small variation in traffic suspense the gross traffic receipts for 1960-61 were estimated at Rs 459.50 crores on the existing fares and freights. The budget estimate of ordinary working expenses for 1960-61 had been placed at Rs 326.90 crores, providing an increase of Rs 34.98 crores over the revised estimate of Rs 291.92 crores for the current year. This increase included a sum of Rs 20.12 crores for implementation of the recommendations of the Pay Commission in respect of the period from July 1, 1959 to March 31, 1961. Rupee one crore was provided to cover the initial effect of the proposed assumption of carrier liability by the railways in the course of 1960-61. The balance of the increase of Rs 13.86 crores had to be viewed in relation to the anticipated additional traffic receipts of Rs 28.47 crores. There would be increase in expenditure necessitated by the requirements of additional traffic as well as by other factors.

The provision for Open Line Works chargeable to Revenue in 1960-61 had been placed at Rs. 14 crores. With further outlay on capital works an increase of about Rs 2.75 crores was anticipated in the dividend payable to the general revenues.

The provision for Open Line Works chargeable to Revenue in 1960-61 had been placed at Rs. 14 crores. With further outlay on capital works an increase of about Rs 2.75 crores was anticipated in the dividend payable to the general revenues.

Allowing for variations, the likely revenue surplus for the budget year for credit to the Development Fund after meeting the large commitments arising from the Pay Commission's recommendations etc.,

would work out to the very small figure of about Rs 5 crores only.

Railways' Responsibility as 'Carriers'

The Minister said that the examination of the Railway Freight Structure Enquiry Committee's recommendations relating to the responsibility of the railways as carriers had been completed, and taking into consideration also the long-standing demand of the trading public in this matter, it was proposed to implement the recommendation and to bring up the necessary legislation for this purpose at an early date.

Adjustments in Freight Rates

"These increasing commitments," the Minister said, "make it imperative that suitable adjustments must be made in freight rates."

While making a statement in connection with the implementation of the Railway Freight Structure Enquiry Committee's recommendations, the Minister said, he had explained that instead of an overall increase of about 13 per cent recommended by the Committee, only an increase of 4 per cent was being made to minimise the incidence on the general price structure. "In the present circumstances, as explained, I propose with effect from April 1 next to levy a supplementary charge of 5 naye paise per rupee on freight of goods and coal traffic excluding export ores, military, postal and railways' own traffic," the Minister announced.

He said that the incidence of this increase on an average would be less than 5 naye paise per maund, or about one-eighth of a naye Paise per seer. The anticipated yield would be about Rs 14 crores a year.

The Minister added: "I have deliberately kept the proposed increase as low as possible."

The Budget estimate for works, machinery and rolling stock had been placed at Rs 222.81 crores, of which rolling stock accounted for Rs 79.08 crores, plant and machinery Rs 4.64 crores, construction of new lines and restoration of dismantled lines Rs 55.86 crores, track renewals Rs 27.20 crores, other open line works, etc. Rs 54.30 crores. Investment in road services Rs 1.75 crores.

The provision for railway users had been kept at about Rs 2.20 crores while that for staff amenities and staff quarters at about Rs 9 crores.

ECONOMY IN FUEL CONSUMPTION

All except 4 of the 41 recommendations made by the Expert Committee on Coal Consumption on Railways made in August 1958 had been accepted and a majority of those requiring action by the railways had been implemented. An inspection organisation was being set up under railway control to ensure that coal loaded by collieries conformed to the specified grades. The procurement of coal would be done under contracts executed by the suppliers with the Railways, so that the Railways themselves might deal with the collieries which did not give satisfaction, instead of leaving this to the Coal Controller. The Railway Minister said that it was imperative that coal washeries should be set up as early as possible, so that

a consistent quality of coal supplied to the railways might be ensured. He also referred to other directions in which efforts to effect fuel economy were being made.

EXTERNAL ASSISTANCE

Dealing with the external assistance, the Railway Minister disclosed that negotiations in respect of a further loan of \$80 million from the US Development Loan Fund had been practically finalised.

The loan of \$85 million from the World Bank received in September 1958 had been fully utilised. In July 1959, a further loan of \$50 million was negotiated with the World Bank.

SELF-SUFFICIENCY ON RAILWAYS

The railway Minister said that self-sufficiency had been the key note of the policy pursued by the Railways. He reviewed the progress made in various directions, and said that a steel foundry of 7,000 tons capacity was being set up at the Chittaranjan Locomotive Works with a provision for expansion to 10,000 tons.

The Chittaranjan Locomotive Works were expected to turn out 173 locomotives during the current year and 168 in the following year. Telco was likely to deliver 100 locomotives in the current year and the same number in the following year. The Minister mentioned that the Arbitrator who was appointed to determine the prices payable to Telco, for locomotives to be supplied from April 1, 1958 to March 31, 1960 had awarded a price of Rs 3,80,917 per locomotive against the price of Rs 3,92,861 claimed by Telco and Rs 3,74,994 offered by the Railway Board.

EXPORT OF ROLLING-STOCK

Dealing with self-sufficiency in steam locomotives, the Minister said: "A stage has been reached when we can enter the export market. The standard of manufacture is high and our costs are competitive. Similarly, in respect of wagons and coaches, we are self-sufficient, and here again we can build for export."

Analysis of purchases made by the railways during 1958-59 showed that, excluding raw materials and basic steel, imports accounted for only 10 per cent of the total purchases. Railway administrations had been instructed to purchase a limited number of specified items exclusively from small scale industries and they had been authorised to give a price preference up to a maximum of 15 per cent to those recognised by the National Small Industries Corporation.

The Railway Minister also stated that a special drive had been instituted for the reclamation and utilisation of the ferrous scrap to the maximum extent possible for railways' own use instead of disposing it off as waste material. A significant effort on the utilisation of scrap by the Railways was the conversion of worn out broad gauge exles and steel sleepers for use on metre gauge. A "Material Economy Display" had been set up at Delhi, where items manufactured in Railway workshops from scrap had been exhibited to demonstrate what could be done.

PRODUCTIVITY CELL.

A Productivity Cell had been set up in the Railway Board's office to improve productivity in railway workshops by the introduction of incentive bonus on the Chittaranjan pattern. This step had been taken in consultation with Labour Federations, and their full support had been assured in this endeavour.

The activities of the Railway Research, design and Standards Organisation had been expanded. It had been decided to set up an advisory committee manned by technical experts and scientists of repute to advise on the programme of research and technical development.

Apart from a number of steps taken to improve freight services, the question of reduction in freight rates for stimulating exports had continued to receive attention. Concessions were extended to 16 additional commodities, raising their number to 25.

For expeditious clearance of export traffic, all such traffic had been up-graded in the preferential traffic schedule.

CHANGE-OVER TO METRIC SYSTEM.

The railways had gone over to the decimal coinage system in the case of passenger fares with effect from September 15, 1957, and in the case of freight with effect from October 1, 1958. A beginning would be made with the metric system of weights and measures by the commercial departments of the railways adopting this system with effect from April 1, 1960.

PASSENGER AMENITIES.

The Minister said that he was glad to be able to say that over-crowding had been appreciably checked.

During 1958-59, 170 new trains were introduced and the run of 85 trains was extended. During the current year, up to December 1, 1959, 178 new trains had been introduced and the run of 118 trains was extended.

With regard to the provision of sleeping accommodation to third class passengers travelling over 500 miles without any additional charge, the Minister said: "The long-term objective is to provide at least one such coach on each long-distance train". He said that the construction of 200 more broad gauge sleeper coaches and an equal number of metre gauge coaches of the new design had been ordered for this purpose.

ACCIDENTS ON RAILWAYS.

The Minister said that it was gratifying that there had been no major accident during the current year. A comprehensive review of accidents on Indian railways, which had been prepared, showed that, in the light of the increasing volume and tempo of traffic, the position was satisfactory, but there was no complacency and sustained attention was being given to tackle the problem as well as the problem of effective liaison with State Governments in the matter of security of railway travel.

"The problem of corruption is no small task", the Minister said. "It

was a reflection of the general standard of morality in the country. It is, therefore, a big national problem. We are, however, pursuing this evil with determination". The assistance and co-operation of various chambers of commerce, trade union officials and railwaymen had been sought, to make the drive for eradicating corruption more effective.

The Minister regretted that, in spite of every effort, the incidence of alarm chain pulling had not only remained unabated but had tended to show an increase. The evil of ticketless travel had also continued. Sustained efforts had continued to secure further improvement in regard to reduction and prevention of claims for goods lost or damaged.

DEPARTMENTAL CATERING.

The departmental catering, the Minister said, had come to stay. Its turn-over had risen to over Rs 2 crores per year. Public opinion was being associated increasingly with the catering departments.

The Minister also dealt with the functioning of various non-official committees, the deliberations of the Parliamentary Consultative Committees, the holding of the International Railway Congress Association Permanent Commission meeting in New Delhi, the efforts being made to combat crime on the railways, the re-organisation and consolidation of the Railway Protection Force as a national force and other allied matters.

STAFF WELFARE.

During the first three years of the Second Plan, 36,000 staff quarters had been constructed and 9,000 were

1960-61 Budget Supplement

expected to be added during the current year. Provision for another 10,000 quarters had been made in 1960-61, bringing the total to 55,000 quarters during the Plan period. The Minister also referred to the provision of educational facilities, the setting up of subsidised hostels, training schemes for railwaymen, the setting up of holiday home at Phalgam, the encouragement of co-operative activities amongst railwaymen, and the encouragement of sports activities on the Indian railways. He mentioned in particular the performance of Kumari Arati Saha, who, he said, had "raised the national prestige by becoming the first Asian girl to swim across the English Channel".

LABOUR RELATIONS.

The relations with railwaymen throughout the year remained cordial. Unfortunately, the Minister said, the endeavour to combine the two Railway Federations did not succeed. Ultimately, he decided in August 1959, that the All-India Railwaymen's Federation would be accorded the same privileges and facilities as the National Federation of Indian railwaymen. "I still hope that the two Federations may unite, which I am convinced will prove more beneficial to the employees", he said.

An Officer on Special Duty who had been appointed to study and report on the question of participation of workers in management, had submitted his report and the proposals were under scrutiny.

1960-61 Budget Supplement

The Finance Bill, 1960

(AS INTRODUCED IN LOK SABHA)

A
BILL

to give effect to the financial proposals of the Central Government for the financial year 1960-61.

BE it enacted by Parliament in the Eleventh Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Finance Act, 1960.
(2) Save as otherwise provided in this Act, section 3 to 17 inclusive shall be deemed to have come into force on the first day of April, 1960.

Income-tax and super-tax.

2. (1) Subject to the provisions of sub-sections (2), (3) and (4), for the year beginning on the 1st day of April, 1960,—

(a) income-tax shall be charged at the rates specified in Part I of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge, calculated in either case in the manner provided therein; and

(b) super-tax shall, for the purposes of section 55 of the Indian Income-tax Act, 1922 (hereinafter referred to as the Income-tax Act), be charged at the rates specified in Part II of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge, calculated in either case in the manner provided therein.

(2) In making any assessment for the year ending on the 31st day of March, 1961,—

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" or any income chargeable under the head "Interest on Securities" or any income from dividends from which income-tax has been or might have been deducted under the provisions of section 18 of the Income-tax Act or in respect of which by virtue of section 49B of the Income-tax Act, as continued in force by sub-section (4) of section 19 of the Finance Act, 1959, he is deemed himself to have paid the income-tax imposed under the Income-tax Act, the income-tax payable by the assessee on that part of his total income which consists of such inclusions shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Finance Act, 1959, on his total income the same proportion as the amount of such inclusions bears to his total income;

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (2) of section 18 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance Act, 1959, on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In making any assessment for the year ending on the 31st day of March, 1959, or for the year ending on the 31st day of March, 1960, or for the year ending on the 31st day of March, 1961, where the total income of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956, includes any profits and gains from life insurance business, the super-tax payable by it shall be the aggregate of the tax calculated—

(i) on the amount of profits and gains from life insurance business so included, at the rate applicable to the Life Insurance Corporation of India in accordance with the Finance Act of the relevant year; and

(ii) on the remaining part of its total income, at the rate applicable to the company on its total income.

(4) In cases to which section 17 of the Income-tax Act applies, the tax chargeable shall be determined as provided in that section, and with reference to the rates imposed by sub-section (1).

(5) In cases in which tax has to be deducted under section 18 of the Income-tax Act at the prescribed rates, the deduction shall be made at the rates specified in Part III of the First Schedule.

(6) For the purposes of this section, and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purposes of income-tax or super-tax, as the case may be in accordance with the provisions of the Income-tax Act, and the expression "earned income" has the meaning assigned to it in clause (6AA) of section 2 of that Act.

Amendment of section 19, Act 12 of 1959.

3 In section 19 of the Finance Act, 1959,—

(i) after sub-section (3), the following sub-section shall be inserted, and shall be deemed always to have been inserted, namely:—

"(3A) The amendments to the Income-tax Act made by section 5, section 7, section 12, section 14 and section 15 shall, in relation to dividends declared or payable by a company in respect of the previous year relevant to the assessment for the year ending on the 31st day of March, 1961, have effect on and from the 1st day of April, 1959."

(ii) in sub-section (4), after the words "declared or payable by a company", the words and figures "on or before the 30th day of June, 1960," shall be inserted, and shall be deemed always to have been inserted.

Amendment of section 9.

4. In section 9 of the Income-tax Act, in sub-section (2), for clause (a) of the third proviso, the following clause shall be substituted, namely:—

"(a) in the case of a property the construction of which was completed before the 1st day of April, 1950, the total amount of such taxes and in the case of any other property, one-half of the total amount of such taxes, shall, notwithstanding anything contained in such law, be deemed to be the tenant's liability for such taxes; and".

Amendment of section 10.

5. In section 10 of the Income-tax Act, in sub-section (2), for clause (xiii), the following clause shall be substituted, namely:—

"(xiii) any sum paid to a scientific research association having as its object the undertaking of scientific research or to a university, college or other institution to be used for scientific research or to a university, college or other institution to be used for research in social science or statistical research related to the class of business carried on;

Provided that such association, university, college or institution is for the time being approved for the purposes of this clause by the prescribed authority;"

Amendment of section 14.

6. In section 14 of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) The tax shall not be payable by a co-operative society, including a co-operative society carrying on the business of banking—

(i) in respect of the entire amount of its profits and gains of business carried on by it, if it is—

(a) an agricultural or a rural credit society; or
(b) a society engaged in cottage industry; or
(c) a society engaged in the marketing of the agricultural produce of its members; or

(d) a society engaged in the purchase of agricultural implements, seeds, livestock or other articles intended for agriculture for the purpose of supplying them to its members; or

(e) a society engaged in the processing of the agricultural produce of its members, to the extent to which such process is ordinarily employed by a cultivator to render the agricultural produce raised by him fit to be taken to the market, and is not a society engaged in the performance of any manufacturing operations with the aid of power;

(ii) in respect of so much of its profits and gains of business carried on by it as does not exceed ten thousand rupees, if it is a co-operative society other than a co-operative society referred to in clause (i);

(iii) in respect of interest and dividends derived from its investments with any other co-operative society;

(iv) in respect of any income derived from the letting of godowns or warehouses for storage, processing or facilitating the marketing of commodities;

(v) in respect of any interest on securities chargeable under section 8 or any income from property chargeable under section 9, where the total income of the co-operative society does not exceed Rs. 20,000 and the society is not a housing society or an urban consumer's society or a society carrying on transport business or a society engaged in the performance of any manufacturing operations with the aid of power;

Provided that nothing contained in this sub-section shall apply to—

(i) the Sanikatta Salt Owner's Society;

Today a plaything in a
child's hands... But it has already played its part in

a cycle of events that will change his future... this fragment of a
rate which brought to the project site a great conveyor belt
or lengths of high pressure hose or, perhaps, Dunlopillo
for the new workers' hospital—all of it helping
to build something big and grand. The
project? One of scores going up
in each Five Year Plan with the
promise of a better life for the
people of some forgotten region.

DUNLOP

Manufacture in India: Tyres and Tubes, Accessories, Braided Hose,
Transmission, Vee and Conveyor Belts,
Bicycle Rims, Dunlopillo.



(ii) a co-operative society carrying on insurance business in respect of the profits and gains of that business computed in accordance with rule 9 in the Schedule.

Explanation.—For the purposes of this sub-section, an 'urban consumer's co-operative society' means a society for the benefit of the consumers within the limits of a municipal corporation, municipality, municipal committee, notified area committee, town area or cantonment."

Amendment of section 15B.

7. In section 15B of the Income-tax Act, in clause (b) of the second proviso to sub-section (1), for the words "one twentieth of the assessee's total income" and "one hundred thousand rupees", the words "seven and a half per cent. of the assessee's total income" and "one hundred and fifty thousand rupees" shall respectively be substituted.

Amendment of section 15C.

8. In section 15C of the Income-tax Act, in clause (ii) of sub-section (2), for the word "thirteen", the word "eighteen" shall be substituted.

Amendment of section 18.

9. In section 18 of the Income-tax Act.—

(i) in sub-section (3D), after the words "declaration and payment of dividends", the brackets and words "(including dividends on preference shares)" shall be inserted;

(ii) sub-section (3E) shall be omitted.

Amendment of section 18A.

10. In section 18A of the Income-tax Act.—

(i) in clause (a) of sub-section (1), for the words "In the case of income in respect of which provision is not made under section 18 for deduction of income-tax at the time of payment",

the words "In the case of income other than income chargeable under the head 'Salaries'" shall be substituted, and after the words "the amount of such inclusions bears to his total world income", the following words shall be inserted, namely:—

"The income-tax and super-tax so calculated shall be reduced by the amount of income-tax and super-tax which would be deductible during the said financial year in accordance with the provisions of section 18 on any income (other than income chargeable under the head 'Salaries') included in the said total income;"

(ii) in sub-section (3), for the words "to which the provisions of section 18 do not apply", the words "which is not chargeable under the head 'Salaries'" shall be substituted;

(iii) in sub-section (6),—

(a) for the words "regular assessment, so far as such tax relates to income to which the provisions of section 18 do not apply", the following words shall be substituted, namely:—

"regular assessment (reduced by the amount of tax deductible in accordance with the provisions of section 18 on any income, other than income chargeable under the head 'Salaries', included in such assessment), so far as such tax relates to income other than income chargeable under the head 'Salaries'";

(b) in the second proviso, for the words "to which the provisions of section 18 do not apply", the words "other than income chargeable under the head 'Salaries'" shall be substituted.

Amendment of section 23A.

11. In section 23A of the Income-tax Act.—

(i) in sub-section (2), in clause (i), for the words "ninety per cent.", the words "eighty per cent." shall be substituted;

(ii) in Explanation 2, for the figures "100%", where they occur, the figures "90%" shall be substituted.

Relief to company in respect of dividend paid out of taxed profits.
Insertion of new section 49BB.

12. After section 49B of the Income-tax Act, the following section shall be inserted, namely:—

"49BB. (1) Where in respect of any previous year relevant to the assessment year commencing after the 31st day of March, 1960, an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India, pays any dividend wholly or partly out of its profits and gains actually charged to income-tax for any assessment year ending before the 1st day of April, 1960, and deducts tax therefrom in accordance with the provisions of section 18, credit shall be given to the company against the income-tax, if any, payable by it on the profits and gains of the previous year during which the dividend is paid, of a sum calculated in accordance with the provisions of sub-section (2), and where the amount of credit so calculated exceeds the income-tax payable by the company as aforesaid, the excess shall be refunded.

(2) The amount of income-tax to be given as credit under sub-section (1) shall be a sum equal to ten per cent. of so much of the dividends referred to in sub-section (1) as are paid out of the profits and gains actually charged to income-tax for any assessment year ending before the 1st day of April, 1960.

Explanation I.—For the purposes of this section, the aggregate of the dividends declared by a company in respect of any previous year shall be deemed first to have come out of the distributable income of that previous year and the balance, if any, out of the undistributed part of the distributable income of one or more previous years immediately preceding that previous year as would be just sufficient to cover the amount of such balance and as has not likewise been taken into account for covering such balance of any other previous year.

Explanation II.—The "distributable income" of any previous year shall mean the total income assessed for that year as reduced by—

(i) the amount of income-tax and super-tax payable by the company in respect of the said total income;

(ii) the amount of any other tax levied under any law for the time being in force on the company by the Government or by a local authority in excess of the amount, if any, which has been allowed in computing the total income;

(iii) the amount paid to any charitable institution or fund to the extent to which it is exempt from tax under section 15B; and

(iv) in the case of a banking company, the amount actually transferred to a reserve fund under section 17 of the Banking Companies Act, 1949,

and as increased by—

(a) any profits and gains or receipts of the company not included in its total income; and

(b) any amount attributable to any allowance made in computing the profits and gains of the company for purposes of assessment which the company has not taken into account in its profit and loss account."

Wealth tax not to be levied on companies from 1960-61.

13. Notwithstanding anything contained in the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act), no tax shall be charged in respect of the net wealth of a company for any financial year commencing on or after the 1st day of April, 1960.

Amendment of section 5.

14. In section 5 of the Wealth-tax Act, in clause (xx) of sub-section (1), for the words "if on the relevant valuation date, the provisions of this Act are not applicable to the company by reason of the provisions contained in that section", the following words shall be substituted, namely:—

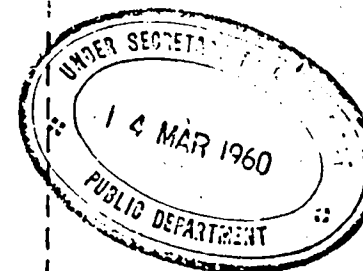
"for a period of five successive assessment years commencing with the assessment year next following the date on which the company is established, which period shall, in the case of a company established before the commencement of this Act, be computed in accordance with this Act from the date of its establishment as if this Act had been in force on and from the date of its establishment."

Amendment of section 5.

15. In section 5 of the Expenditure-tax Act, 1957 (hereinafter referred to as the Expenditure-tax Act), in clause (d), for the word, brackets, figures and letter "clause (via)", the words brackets, figures and letters "sub-clause (a) of clause (via)" shall be substituted.

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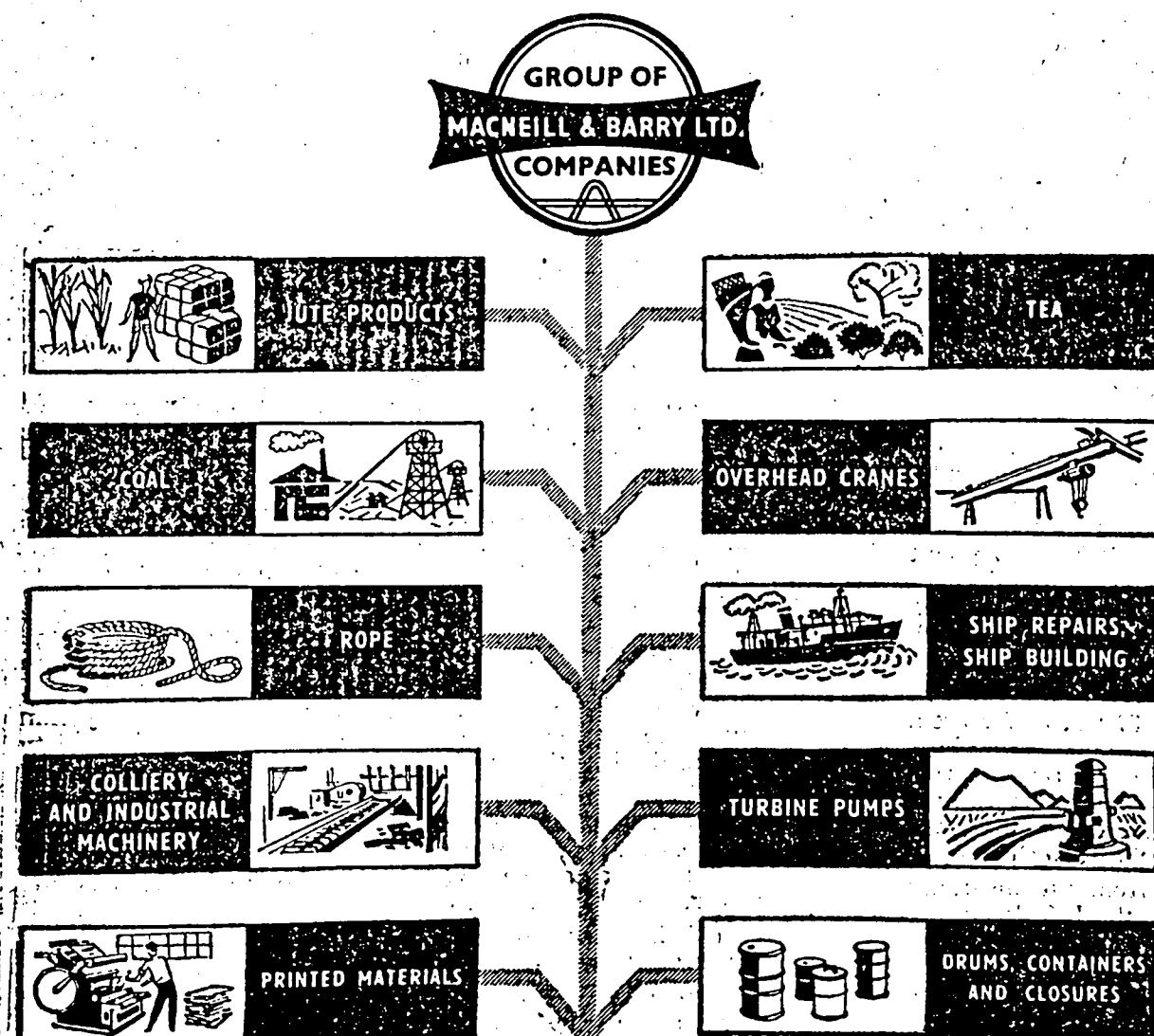
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Amendment of section 6.

16. In section 6 of the Expenditure-tax Act,—

(i) in sub-section (1).—

(a) for clause (g) the following clause shall be substituted, namely:—

"(g) any expenditure incurred by the assessee in respect of the education of himself or any of his dependants, and where the assessee is a Hindu undivided family, of any member of the family—

(i) if the expenditure is incurred in India, subject to a maximum of rupees three thousand per year; and

(ii) if the expenditure is incurred in any country outside India, subject to a maximum of rupees eight thousand per year;";

(b) after clause (i), following clause shall be inserted, namely:—

"(j) any expenditure incurred by the assessee for travel in India in connection with his proceeding on a holiday and any expenditure incurred on behalf of the assessee by his employer by way of travel concession or assistance in connection with his proceeding on leave in India, subject in the aggregate to a maximum of rupees one thousand five hundred per year;";

(ii) for sub-section (4), the following sub-section shall be substituted, and shall be deemed always to have been substituted, namely:—

"(4) If the assessee proves in any year that, in respect of any sum out of which any expenditure incurred is chargeable to tax under this Act, he has paid in any foreign country any income-tax, wealth-tax, expenditure-tax gift-tax or estate duty under any law for the time being in force in that country; and that any such tax or duty has been included in the expenditure chargeable to tax under this Act, he shall be entitled to a deduction of the full amount of such tax and duty paid in the foreign country."

Substitution of new section for section 18.

17. For section 18 of the Gift-tax Act, 1958, the following section shall be substituted, namely:—

Rebate on advance payments.

"18. If a person making a taxable gift pays into the treasury within fifteen days of his making the gift the amount of tax due on the gift calculated at the rates specified in the Schedule, he shall, at the time of assessment under section 15, be given credit, in addition to the amount so paid, for an amount equal to ten per cent. of the amount so paid."

Explanation.—If a person makes more than one taxable gift in the course of a previous year, the amount of tax due on any one of such gifts shall be the difference between the total amount of tax due on the aggregate value of all taxable gifts so far made, including the taxable gift in respect of which tax has to be paid, calculated at the rates specified in the Schedule and the total amount of tax on the aggregate value of all the gifts made during that year excluding the taxable gift in respect of which tax has to be paid."

Amendment of Act 32 of 1934.

18. The Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act), shall be amended in the manner specified in the Second Schedule.

Amendment of Act 1 of 1949.

19. In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1960", the figures "1961" shall be substituted.

Amendment of Act 1 of 1944.

20. In the First Schedule to the Central Excises and Salt Act, 1944,—

(a) in Item No. 1, for the entry in the third column, the entry "Twenty-eight and three-fourths naye paise per imperial gallon" shall be substituted;

(b) in Item No. 4, for the entry in the third column, the entry "One rupee and forty-five naye paise per imperial gallon" shall be substituted;

(c) in Item No. 8, in the second column, for the words "Sugar" means any form of sugar containing more than ninety per cent. of sucrose, the words "Sugar" means any form of sugar in which the sucrose content, if expressed as a percentage of the material dried to constant weight at 105° Centigrade, would be more than ninety" shall be substituted;

(d) in Item No. 10, for sub-item (2), the the following sub-items shall be substituted, namely:—

"(2) For cycles (other than motor cycles)—

(a) tyres . . . Sixty naye paise per tyre or fifteen per cent. ad valorem, whichever is higher,

(b) tubes. Thirty naye paise per tube or fifteen per cent. ad valorem, whichever is higher.

(3) All other tyres . . . Fifteen per cent. ad valorem;";

(e) in Item No. 12.—

(1) for sub-items (b) and (c), the following sub-items shall be substituted, namely:—

"(b) if it contains 40 per cent. or more by weight of silk; (c) if it contains 60 per cent. or more by weight of rayon or artificial silk; or

(d) if manufactured on a handloom;";

(2) after sub-item (4), the following sub-item shall be inserted, namely:—

"(5) Cotton fabrics, not other Thirty-seven naye paise wise specified per square yard;";

(3) Explanation III in the second column shall be omitted;

(f) in Item No. 12A.—

(1) for sub-items (ii), (iii) and (iv), the following sub-items shall be substituted, namely:—

"(ii) if it contains 40 per cent. or more by weight of silk; (iii) if it contains cotton and less than 60 per cent. by weight of rayon or artificial silk;

(iv) if it contains no cotton and less than 40 per cent. by weight of wool and less than 40 per cent. by weight of rayon or artificial silk; or

(v) if manufactured on a handloom;";

(2) the Explanation in the second column shall be omitted;

(g) after Item No. 12A, the following Item shall be inserted, namely:—

"12B. SILK FABRICS—

Silk Fabrics include all varieties of fabrics Thirty naye paise manufactured either wholly or partly from per square yard.

(i) if it contains 40 per cent. or more

by weight of wool;

(ii) if it contains cotton or artificial silk or both and less than 40 per cent. by weight of silk;

(iii) if it contains no cotton and no artificial silk and less than 40 per cent. by weight of wool and less than 40 per cent. by weight of silk; or

(iv) if manufactured on a handloom;";

(h) the existing Item No. 12B shall be re-numbered as Item No. 12C;

(i) in Item No. 14, in the entry in the third column, for the figures and words "19 naye paise per lb.", the figures and words "30 naye paise per lb." shall be substituted;

(j) for Item No. 17, the following Item shall be substituted, namely:—

"17. FOOTWEAR—

Footwear includes all varieties of footwear, whether known as boots, shoes, sandals, chappals or by any other name, and component parts thereof—

(1) Footwear produced in any factory including the precincts thereof where on fifty or more workers are working, or were working on any day of the preceding twelve months and in any part of which the process of manufacturing footwear is being carried on with the aid of power or is ordinarily so carried on, the total equivalent of such power exceeding two horsepower.

(2) component parts of footwear in, or in relation to the manufacture of, which any process is ordinarily carried on with the aid of power.

(3) (b) (ii) and (3) (b) (iii), the entries "Seven rupees and fifty naye paise per fan", "Fifteen rupees per fan" "Five rupees and twenty-five naye paise per motor", "Two rupees and sixty-five naye paise per motor", "Two rupees and sixty-five naye paise per rotor", "Ten rupees and fifty naye paise per motor" and "Five rupees and twenty-five naye paise per rotor" shall, respectively, be substituted;

(4) (k) in Item No. 18, for the entries in the third column against sub-items (1), (2), (3) (a) (i), (3) (a) (ii), (3) (a) (iii), (3) (b) (i), (3) (b) (ii) and (3) (b) (iii), the entries "Seven rupees and fifty naye paise per fan", "Fifteen rupees per fan" "Five rupees and twenty-five naye paise per motor", "Two rupees and sixty-five naye paise per motor", "Two rupees and sixty-five naye paise per rotor", "Ten rupees and fifty naye paise per motor" and "Five rupees and twenty-five naye paise per rotor" shall, respectively, be substituted;

(5) (l) in Item No. 19,—

(i) for the entries in the third column against sub-items (1) (i), (1) (ii) and (1) (iii) and (2), the entries "Ten naye

paise per bulb", "Forty naye paise per bulb", "Eighty naye paise per bulb", and "Forty naye paise per foot" shall respectively be substituted;

(ii) for sub-item (3), the following sub-items shall be substituted, namely:—

(3) Sodium and mercury vapour discharge lamps . . . Five per cent. ad valorem

(4) All sorts, not otherwise specified . . . Fifteen per cent. ad valorem;";

(m) in Item No. 20, for the entries in the third column against sub-items (1) (2) and (3), the entries "Fifteen per cent. ad valorem", "Fifteen per cent. ad valorem" and "Seventeen and half per cent. ad valorem" shall respectively be substituted;

(n) in Item No. 21, for sub-items (5), (6), (7), (8), (9) and (10), the following sub-items shall be substituted, namely:—

(5) straw board, other than corrugated board . . . Five naye paise per lb.

(6) Duplex and triplex board . . . Ten naye paise per lb.

(7) pulp board, not otherwise specified including grey board and mill board . . . Ten naye paise per lb.

(8) corrugated board . . . Fifteen naye paise per lb.

(9) coated board (including art, chrome and board for playing cards). . . Fifteen naye paise per lb.

(10) paper and paper board, all sorts, not otherwise specified . . . Fifteen naye paise per lb.

(o) in Item No. 24, in the third column for the words "plus eighty naye paise per imperial gallon" the words "plus one rupee and seventeen naye paise per imperial gallon" shall be substituted;

(p) in Item No. 25, for the entries in the third column against sub-items (a) and (b), the entries "Sixteen per cent. ad valorem plus sixty-five rupees per ton" and "Sixteen percent. ad valorem plus thirty rupees per ton" shall respectively be substituted;

(q) for Item No. 27, the following Item shall be substituted, namely:—

"27. MOTOR VEHICLES—

'Motor Vehicles' means all mechanically propelled vehicles adapted for use upon roads, and includes a chassis and a trailer; but does not include a vehicle running upon fixed rails,—

(1) Autocycles, motor cycles, scooters, One hundred and seventy-five rupees each.

(2) Motor vehicles of not more than 16 H. P. by Royal Automobile Club (R.A.C.) rating . . . One thousand rupees each.

(3) Motor Cars of more than 16 H. P. by Royal Automobile Club (R.A.C.) rating, constructed or adapted to carry not more than nine persons . . . Three thousand rupees each or fifteen per cent. ad valorem whichever is higher.

(4) Motor vehicles, not otherwise specified . . . Two thousand five hundred rupees each or twelve and half per cent. ad valorem whichever is higher;";

(r) after Item No. 28, the following Items shall be inserted, namely:—

"29. CYCLES, PARTS OF CYCLES OTHER THAN MOTOR CYCLES, NAMELY—

(i) free wheels . . . Two rupees each.

(ii) rims . . . Four rupees each.

30. INTERNAL COMBUSTION ENGINES, ALL SORTS, NAMELY—

(i) those designed for use as a prime-mover for transport vehicles and have been given for that purpose some special shape, size or quality which would not be essential for their use for any other purpose. . . Ten per cent. ad valorem.

(ii) others . . . Five per cent. ad valorem.

31. ELECTRIC MOTORS, ALL SORTS AND PARTS THEREOF, NAMELY:—

(1) those designed for use in circuits of less than 10 amperes and at a pressure not exceeding 250 volts. . . Fifteen per cent. ad valorem.

(2) those designed for use in circuits at a pressure exceeding 400 volts, and (i) with a rated capacity not exceeding 10 H.P. . . Ten per cent. ad valorem.

(ii) exceeding 10 H.P. . . Five per cent. ad valorem.

(3) all others . . . Fifteen per cent. ad valorem.

(4) parts of electric motors . . . Fifteen per cent. ad valorem.

32. CINEMATOGRAPH FILMS, EXPOSED—

(1) News reels and shorts not exceeding 500 metres. . . Of a width of 35 mm. or higher. . . Ten naye paise per metre.

(2) Feature films, advertisement shorts, and films not otherwise specified . . . Below 35 mm. in width. . . Thirty-three naye paise per metre.

33. ALUMINIUM—	Three hundred rupees per metric tonne.
(a) In any crude form including ingot, bars, blocks, slabs, billets, shots and pellets.	Five hundred rupees per metric tonne.
(b) Manufactures, the following, namely: plates, sheets, circles, strips and foils in any form or size.	Two hundred rupees per metric tonne.
34. TIN PLATE AND TINNED SHEETS INCLUDING TIN TAGGERS, AND CUTTINGS OF SUCH PLATES, SHEETS OR TAGGERS.	
35. PIG IRON	Ten rupees per metric tonne.

21. In section 2 of the Khadi and Other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953, in clause (b), for the words "and rayon or artificial silk fabrics", the words "silk and rayon or artificial silk fabrics" shall be substituted.

22. In the Additional Duties of Excise (Goods of Special Importance) Act, 1957—

(a) in clause (c) of section 2, for the figures and letter "12B", the figures and letter "12C" shall be substituted;

(b) in the First Schedule, in the entry relating to Item No. 12, after sub-item (4), the following sub-item shall be inserted, namely:—

"(5) Cotton fabrics, not other . . . Thirteen naye paise wise specified per square yard."

23. For the year beginning on the 1st day of April, 1960, no duty under the Central Excises and Salt Act, 1944, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

Declaration under the Provisional Collection of Taxes Act, 1931.

It is hereby declared that it is expedient in the public interest that the provisions of clauses 18, 19, 20, 21 and 22 of this Bill shall have immediate effect under the Provisional Collection of Taxes Act, 1931.

THE FIRST SCHEDULE

(See section 2)

PART I

Income-tax and surcharges on income-tax

Paragraph A

(i) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case—

Rates of Income-tax

Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor coparcener,	Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor coparcener,	Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor coparcener.

	Rs. 3,000 of total income.	Rs. 3,300 of total income.	Rs. 3,600 of total income.	Nil
(1) On the first	2,000	1,700	1,400	3%
(2) On the next	2,500	2,500	2,500	6%
(3) On the next	2,500	2,500	2,500	9%
(4) On the next	2,500	2,500	2,500	11%
(5) On the next	2,500	2,500	2,500	14%
(6) On the next	2,500	2,500	2,500	18%
(7) On the next	5,000	5,000	5,000	18%

(ii) In the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every unregistered firm or other association of persons, not being a case to which any other Paragraph of this Part applies;—

(1) On the first	1,000 of total income	Nil
(2) On the next	4,000	3%
(3) On the next	2,500	6%
(4) On the next	2,500	9%
(5) On the next	2,500	11%
(6) On the next	2,500	14%
(7) On the next	5,000	18%
(8) On the balance of total income		25%

Provided that for the purposes of this Paragraph—

(i) no income-tax shall be payable on a total income which does not exceed the limit specified below;

(ii) the income-tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;

(iii) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—

(a) the income-tax which would have been payable if the total income had been Rs. 20,000;

(b) half the amount by which the total income exceeds Rs. 20,000;

The unit aforesaid shall be—

(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(ii) Rs. 3,000 in every other case.

Surcharges on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) A surcharge for purposes of the Union equal to the sum of—

(i) five per cent. of the amount of income-tax; and
(ii) where the earned income included in the total income exceeds Rs. 1,00,000, five per cent. of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000;

(b) A special surcharge at fifteen per cent. of the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income;

Provided that—

(i) no surcharge for purposes of the Union shall be payable where the total income does not exceed the limit specified below;
(ii) where the total income does not exceed the limit specified below, and where the total income includes any dividends on ordinary shares, such limit shall be increased by Rs. 1,500 or the amount of the said dividends, whichever is less;

Provided further that—

(a) where the total income includes any dividends on ordinary shares, the surcharge for purposes of the Union and the special surcharge shall not in each case exceed half the amount by which the total income exceeds the respective limits applicable in either case;

(b) the surcharge for purposes of the Union and the special surcharge, both together, shall not exceed half the amount by

which the total income exceeds the limit specified below;

The limit aforesaid shall be—

(i) Rs. 15,000 in the case of every Hindu undivided family which satisfies as at the end of the previous year either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or
(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other

and who are not lineally descended from any other living member of the family;

(ii) Rs. 7,500 in every other case.

Explanation.—For the purposes of this Paragraph, in the case of every Hindu undivided family governed by the Mitakshara law, a son shall be deemed to be entitled to claim partition of the coparcenary property against his father, or grand-father notwithstanding any custom to the contrary.

Paragraph B

In the case of every local authority,—

Rate of income-tax

On the whole of the total income ... 30 per cent.

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 5 per cent. of the amount of income-tax.

Paragraph C

In every case in which under the provisions of the Income-tax Act, income-tax is to be charged at the maximum rate,—

Rate of income-tax

On the whole of the total income ... 25 per cent.

Surcharges on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) a surcharge for purposes of the Union of five per cent. of the amount of income-tax; and

(b) a special surcharge of fifteen per cent. of the amount of income-tax.

Paragraph D

In the case of every company,—

Rate of income-tax

On the whole of the total income ... 20%

Paragraph E

In the case of every registered firm,—

Rates of income-tax

(1) On the first Rs. 40,000 of total income	Nil
(2) On the next Rs. 35,000 of total income	5%
(3) On the next Rs. 75,000 of total income	6%
(4) On the balance of total income	9%

PART II

Super-tax and surcharges on super-tax

Paragraph A

In the case of every individual, Hindu undivided family, unregistered firm and other association of persons, not being a case to which any other Paragraph of this Part applies,—

Rates of super-tax

(1) On the first Rs. 20,000 of total income	Nil
(2) On the next Rs. 5,000 of total income	5%
(3) On the next Rs. 5,000 of total income	15%
(4) On the next Rs. 10,000 of total income	20%
(5) On the next Rs. 10,000 of total income	30%
(6) On the next Rs. 10,000 of total income	35%
(7) On the next Rs. 10,000 of total income	40%
(8) On the balance of total income	45%

Surcharges on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(a) A surcharge for purposes of the Union equal to the sum of—

(i) five per cent. of the amount of super-tax; and
(ii) where the earned income included in the total income exceeds Rs. 1,00,000, five per cent. of the difference between the amount of super-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000;

(b) A special surcharge at fifteen per cent. of the difference between the amount of super-tax on the total income and the amount of super-tax on the whole of the earned income, if any included in the total income, if such earned income had been the total income.

Paragraph B

In the case of every local authority,—

Rate of super-tax

On the whole of the total income ... 16%

Surcharge on super-tax

The amount of super-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent. of the amount of super-tax.

Paragraph C

In the case of every association of persons being a co-operative society as defined in clause (5B) of section 2 of the Income-tax Act,—

Rates of super-tax

(1) On the first Rs. 25,000 of total income	Nil
(2) On the balance of total income	16%

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent. of the amount of super-tax.

Paragraph D

In the case of every company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956,—

Rates of super-tax

On the whole of the total income ... 55%:

Provided that—

(i) a rebate at the rate of 45 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company; at the rate of 40 per cent. on so much of the total income as consists of dividends from any other Indian company formed and registered on or after the 1st day of April, 1959; and at the rate of 35 per cent. on the balance of the total income shall be allowed in the case of any company which—

(a) in respect of its profits liable to tax, under the Income-tax Act for the year ending on the 31st day of March,

1961, has made the prescribed arrangement for the declaration and payment within India of the dividends payable out of such profits in accordance with the provisions of sub-section (3D) of section 18 of that Act; and

(b) is such a company as is referred to in sub-section (9) of section 23A of the Income-tax Act with a total income not exceeding Rs. 25,000;

(ii) a rebate at the rate of 45 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company; at the rate of 35 per cent. on so much of the total income as consists of dividends from any other Indian company formed and registered on or after the 1st day of April, 1959; and at the rate of 30 per cent. on the balance of the total income shall be allowed in the case of any company which satisfies condition (a) but not condition (b) of the preceding clause;

(iii) a rebate at the rate of 45 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company; at the rate of 22 per cent. on so much of the total income as consists of dividends from any other Indian company formed and registered on or after the 1st day of April, 1959; and at the rate of 12 per cent. on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:

Provided further that—

(i) the amount of the rebate under clause (i) or clause (ii) of the preceding proviso shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—

(a) on the aggregate of the sums computed at the rate of 100% in the manner provided in clause (i) of the second proviso to Paragraph D of Part II of the First Schedule to the Finance Act, 1959, as reduced by the amount, if any, which is deemed to have been taken into account, in accordance with clause (ii) of the said proviso, for the purpose of reducing the rebate mentioned in clause (i) of the said proviso to nil; and

(b) on the amount representing the face value at the rate of 30% of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increase the paid up capital;

(ii) where the amount of the rebate arrived at in accordance with clause (i) or clause (ii), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a) and (b) of clause (i) of this proviso as is sufficient, in that order, to reduce the rebate to nil shall be deemed to have been taken into account for the purpose:

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand, shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand; and

(b) half the amount by which its total income exceeds rupees twenty-five thousand.

Explanation.—For the purposes of this Paragraph, where any portion of the profits and gains of a company is not included in its total income by reason of such portion being agricultural income, the amount representing the face value of any bonus shares and the amount of any bonus issued to its shareholders shall each be deemed to be such proportion thereof as the average of the total income of the company in the five previous years in which the company has been in receipt of taxable income immediately preceding the relevant previous year bears to the average of its total profits and gains (excluding capital receipts) for the preceding five years aforesaid, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss accounts for the preceding five years aforesaid.

Paragraph E

In the case of Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956,—

Rate of super-tax

On the whole of its profits and gains from life insurance business ... 22.5%

PART III

Rates for deduction of tax under section 18 of the Income-tax Act at the prescribed rates.

In every case in which under the provisions of section 18 of the Income-tax Act, tax is to be deducted at the prescribed rates, deduc-

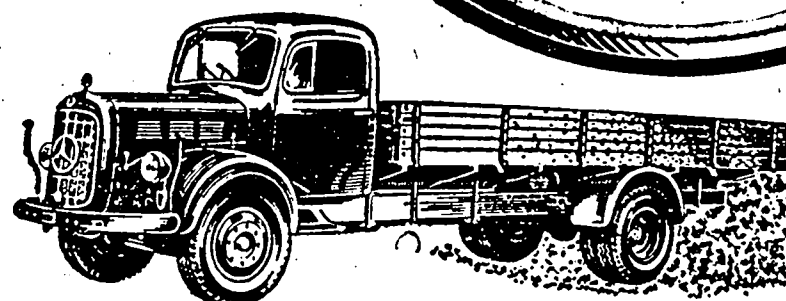
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tion shall be made from the income subject to deduction at the following rates:—

	Income-tax		Super-tax
	Rate of income-tax	Rates of Surcharges Surcharge for purposes of the Union Special surcharge	Rate of super-tax Rates of surcharges

1. In the case of a person other than a company—

(a) in every case, on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free), and

(b) in addition, where the person is one whom the person responsible for paying the income has no reason to believe to be resident in the taxable territories, on the whole income.

23% 1.25% 3.75%

Super-tax and surcharges on super-tax in accordance with the provisions of clause (b) of sub-section (1) of section 17 of the Income tax Act.

Rate of Income-tax	Rate of Super-tax
--------------------	-------------------

2. In the case of a company—

(a) in every case—

(i) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free); and
(ii) on the whole income (excluding dividends payable by an Indian company referred to in section 56A of the Income-tax Act); and

(b) in addition, where the company is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India,—

(i) on the income from dividends (excluding dividends payable by its subsidiary Indian company if any, or by an Indian company referred to in section 56A of the Income-tax Act)—

(a) on dividends payable by an Indian company formed and registered on or after the 1st day of April, 1959 23%

(b) on any other dividend 33%

(ii) on any other income, not being income from dividends 33%

THE SECOND SCHEDULE (See section 18)

PART I

In the First Schedule to the Tariff Act.—

(i) in Item No. 22(1), for the existing entries in the fourth column against sub-items (a), (b), (c), (d), and (e), the entries "Rs. 6 per Imperial gallon", "Rs. 1 per bottle", and "50 naye paise per bottle", "25 naye paise per bottle" and "Rs. 7.50 per Imperial gallon", respectively, shall be substituted;

(ii) in Item No. 22(2), for the existing entries in the fourth column against sub-items (a), (b), (c), (d) and (e), the entries "Rs. 12 per Imperial gallon", "Rs. 2 per bottle", "Rs. 1 per bottle", "50 naye paise per bottle" and "Rs. 15 per Imperial gallon", respectively, shall be substituted;

(iii) in Item No. 22(3), for the existing entries in the fourth column against sub-items (a) and (b), the entries Rs. 80 per Imperial gallon and "Rs. 50 per Imperial gallon", respectively, shall be substituted;

(iv) in Item No. 22(4)—

(1) for the existing entries in the fourth column against each of the sub-items (a) and (b) (ii), the entry Rs. 150 per Imperial gallon of the strength of London proof or 125 per cent ad valorem, whichever is higher" shall be substituted;

(2) for the existing entry in the fourth column against sub-item (b) (i), the entry "Rs. 200 per Imperial gallon or 125 per cent ad valorem, whichever is higher" shall be substituted;

(v) in Item No. 27(4) (a), for the existing entry in the fourth column, the entry "The rate at which excise duty is for the time being leviable on kerosene" shall be substituted;

(vi) in Items Nos. 29(1), 48, 63(4), 63(10), 66(a), 66(1) and 75(8), to each of the respective entries in the fourth column, the words "plus the excise duty for the time being leviable on like articles if produced or manufactured in India, and where such duty is leviable at different rates, the highest duty" shall be added.

PART II

Item No.	Name of articles	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of	Dura- tion of protective rates of duty
1	2	3	4	5	6

In the first Schedule to the Tariff Act,—

(i) after Item No. 73(20), the following items shall be inserted, namely:—

73 (21) Electric motors, all sorts, and parts thereof.

Revenue
The excise duty for the time being leviable on like articles if produced or manufactured in India and where such duty is leviable at different rates, the highest duty; and the duty so leviable shall be in addition to the duty leviable on the article under any of the other items in this Schedule.

73 (22) Internal combustion engines, all sorts.

Revenue
The excise duty for the time being leviable on like articles if produced or manufactured in India and where such duty is leviable at different rates, the highest duty; and the duty so leviable shall be in addition to the duty leviable on the article under any of the other items in this Schedule.

(ii) after Item No. 75(18), the following item shall be inserted, namely:—

75 (19) Mechanically propelled vehicles adapted for use upon roads, including chassis and trailers, but not including vehicles intended to run upon fixed rails.

Revenue
The excise duty for the time being leviable on like articles if produced or manufactured in India and where such duty is leviable at different rates, the highest duty; and the duty so leviable shall be in addition to the duty leviable on the article under any of the other items in this Schedule.

STATEMENT OF OBJECTS AND REASONS

The object of this Bill is to give effect to the financial proposals of the Central Government for the next financial year and to provide for certain connected matters. The Notes on Clauses explain the various provisions contained in the Bill.

NEW DELHI:

The 29th February, 1960.

MORARJI DESAI.

Notes on clauses

Clause 2 prescribes the rates of income-tax and super-tax for the financial year 1960-61 and for deduction of tax at source from interest on securities, dividends, etc. For assesses other than companies, the same rates as prescribed by the Finance Act, 1959, continue. The distinction between the surcharge for purposes of the Union and the special surcharge has been clarified in the various parts of the First Schedule.

In the case of companies,

(i) the rate of income-tax has been fixed at 20 per cent. as against the existing rate of 31.5 per cent. (30 per cent. income-tax and 1.5 per cent. surcharge on income-tax).

(ii) the effective rate of super-tax on an Indian company with a total income exceeding Rs. 25,000 has been fixed at 25 per cent. so that the aggregate rate of income-tax and super-tax applicable to such a company will be 45 per cent. as against 51.5 per cent. as at present.

(iii) the effective rate of income-tax and super-tax on Indian branches of foreign companies has been fixed at 63 per cent. as against 61.5 per cent. as at present.

(iv) the effective rate of super-tax on dividends received by parent companies (Indian or foreign) from their subsidiary Indian companies continues at 10 per cent.

(v) on dividends receivable by any company from an Indian company (not being a subsidiary company) formed and registered on or after 1st April, 1959, the effective rate of super-tax otherwise payable has been reduced by 5 per cent. in the case of an Indian company and 10 per cent. in the case of a foreign company.

(vi) bonus issues out of premiums received in cash will be taken into account for the purposes of super-tax like other bonus issues.

(vii) super-tax payable with reference to excess distribution of dividends has been withdrawn.

(viii) the general rate for deduction of super-tax at source on interest on securities, dividends, etc., payable to Indian companies has been reduced from 25 per cent. to 10 per cent., the total effective rate of deduction on account of income-tax and super-tax thus being reduced from 45 per cent. to 30 per cent.

(ix) the rate for deduction of super-tax on dividends payable by an Indian company (other than a subsidiary company) formed and registered on or after 1st April, 1959 to a foreign company has been reduced from 43 per cent. to 33 per cent.

(x) the rate of super-tax for the Life Insurance Corporation of India has been fixed at 22.5 per cent. so that the aggregate rate of income-tax and super-tax remains at 42.5 per cent. as at present, and

(xi) the rates of super-tax applicable to the Life Insurance Corporation of India for the financial years 1958-59, 1959-60 and 1960-61 have been made applicable also to such other companies as carry on life insurance business in respect of their profits from such business.

Clause 3 makes the following amendments to section 19 of the Finance Act, 1959:—

Sub-clause (i) inserts a new sub-section (3A) with a view to clarifying that interim dividends declared or payable by a company even before 1st April, 1959 but in respect of a previous year relevant to the assessment year 1960-61 will not be grossed up in the assessments of the shareholders.

Sub-clause (ii): Sub-section (4) of section 19 provided that the benefit of grossing would be available for dividends declared in respect of a previous year relevant to the assessment for 1959-60 or an earlier year. In order to clarify that this benefit will be available only where the dividends are declared in relation to the accounts of a previous year not later than the previous year relevant to the assessment year 1959-60, a suitable amendment has been proposed in sub-clause (ii).

Clause 4 amends section 9 of the Income-tax Act to provide that the whole of the taxes levied by a local authority, and borne by the owner in respect of a property constructed before 1st April, 1950 shall be treated as the tenant's burden which would be taken into account in determining the annual letting value on the basis of the full rent payable by the tenant.

Clause 5 amends clause (xiii) of sub-section (2) of section 10 of the Income-tax Act so as to extend the benefit of that clause to any sums paid to a scientific research association or to a university, college or other institution to be used for scientific research, whether or not such scientific research is related to the class of business carried on by the assessee.

Clause 6 amends sub-section (3) of section 14 of the Income-tax Act so as to provide that profits and gains from business carried on by co-operative societies (other than those carrying on insurance business) shall be wholly exempt only in the case of co-operative societies which are connected with agriculture rural credit and cottage industries. In the case of other such societies profits and gains from business will be exempt up to Rs. 10,000 only.

Clause 7 makes an amendment to section 15B of the Income-tax Act to extend the benefit of exemption from tax in respect of donations for charitable purposes upto seven and a half per cent. of the assessee's total income (as reduced in the manner provided in that section) or Rs. 1,50,000 whichever is less.

Clause 8 amends section 15C of the Income-tax Act so as to extend the period within which a new industrial undertaking may begin to manufacture or produce articles to be eligible for the exemption provided by that section, by another five years.

Clause 9 makes the following amendments in section 18 of the Income-tax Act:—

Sub-clause (i) clarifies that tax shall be deducted under sub-section (3D) in respect of all dividends including dividends on preference shares.

Sub-clause (ii) deletes sub-section (3E).

Clause 10 makes the following amendments to section 18A of the Income-tax Act:—

Sub-clause (i) extends the scope of sub-section (1) of section 18A and provides that for the purposes of the advance payment of tax, all incomes other than 'salaries' will be taken into consideration. It has, however, been clarified that while computing the amount of advance tax, credit shall be given for all taxes deductible at source under section 18 on all such incomes.

Sub-clauses (ii) and (iii) are consequential upon the amendment proposed in sub-clause (i).

Clause 11 amends section 23A of the Income-tax Act so as to reduce in the case of companies dealing in or holding investments the statutory percentage for distribution of dividends from 100 per cent. to 90 per cent. A consequential amendment has been made in clause (i) of sub-section (2) of section 23A.

Clause 12 inserts a new section 49BB to give credit to an Indian company which distributes dividends in respect of a previous year relevant to the assessment for the year 1960-61 or a later year out of profits already taxed in the assessments for 1959-60 and earlier years. The amount of credit to be given for this purpose is a sum equal to 10 per cent of the dividends distributed out of past taxed profits. The credit is to be given against the company's tax liability on its income for the previous year in which the dividend is paid.

Clause 13 provides that no wealth-tax shall be charged in respect of the net wealth of a company for any financial year commencing on or after 1st April, 1960.

Clause 14 makes a formal amendment to section 5(1) (xx) of the Wealth-tax Act 1957, consequential upon the abolition of wealth-tax on companies, so as to retain the existing exemption from wealth-tax for the prescribed number of years in respect of shares held in a company established with the object of carrying on a new industrial undertaking in India.

Clause 15 amends clause (d) of section 5 of the Expenditure-tax Act, 1957, with a view to restricting the exemption mentioned therein to passage concessions enjoyed by foreigners employed in India.

Clause 16 makes the following amendments in section 6 of the Expenditure-tax Act 1957:—

Sub-clause (i) amends clause (g) of sub-section (1), so as to allow a deduction of Rs. 3,000 for expenditure incurred on education in India and inserts a new clause (j) in sub-section (1) providing for a deduction of Rs. 1,500 for expenditure incurred on travel in India by the assessee while on holiday or during leave.

Sub-clause (ii) amends sub-section (4) with retrospective effect to provide for the deduction of taxes paid by the assessee to a foreign Government in full.

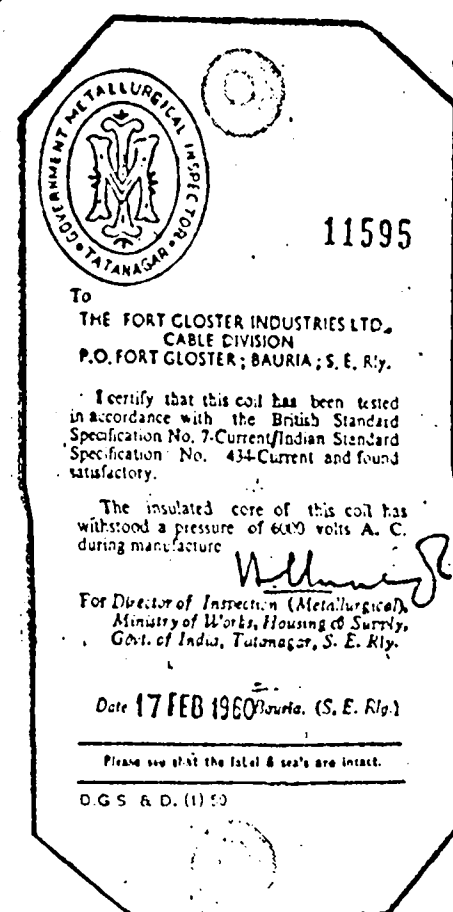
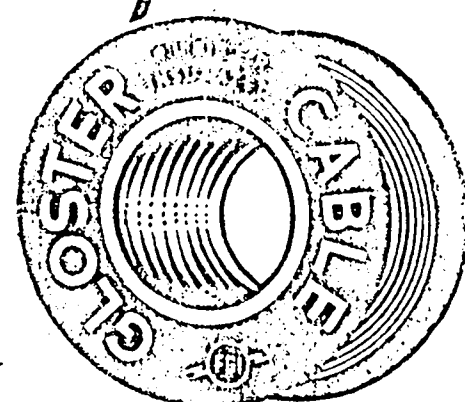
Clause 17 amends section 18 of the Gift-tax Act so as to provide that the advance tax paid is the same as the tax payable on regular assessment.

Clause 18, read with the Second Schedule, proposes certain changes in the Import Tariff:—

(a) The rates of duty on wines, spirits and other alcoholic liquors are being increased by approximately one-fourth to one-third of the existing rates.

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செ. எண் : 162526 ப. எண் : 1121.66

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